GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF PLANNING

Office of the Director

M E M O R A N D U M

TO: District of Columbia Zoning Commission

FROM: Andrew Altman, Director

SUBJECT: Office of Planning Response to Final Applicant Post-Hearing Supplement
Zoning Commission Case No.03-12 and 03-13
Planned Unit Developments and Map Amendment for
Capper/Carrollsburg Hope VI Revitalization Project

DATE: November 28, 2003

ZONING COMMISSION
District of Columbia
Case 03-12
Exhibit 80

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A. APPLICATION SUMMARY AND OP RECOMMENDATION

The Zoning Commission has completed the public hearings for Case Numbers 03-12 and 03-13, in which the Capper/Carrollsburg Venture, LLC, the District of Columbia Housing Authority, and Square 769, LLC) have requested:

- Preliminary review and approval of a Planned Unit Development (PUD) encompassing all or parts of 14 Squares[1] in Southeast Washington (Case No. 03-12). This PUD would include an amendment to the zoning map for two full Squares and portions of a two other Squares;
- Consolidated review and approval of a PUD for a 6-Square sub-set of the Preliminary PUD (Case No. 03-13).

The Office of Planning (OP) continues to support these applications and strongly recommends the Zoning Commission approve them.

The Hope VI is well designed and of considerable merit. As a comprehensive project, it is consistent with the District's Comprehensive Plan and the Anacsotia Waterfront Initiative. Its realization is a prime objective for the community, the District government, and the U.S. Department of Housing and Urban Development. OP believes the project functions well as a PUD, employing zoning flexibility in certain locations in order to achieve the overall goals of the Comprehensive Plan while respecting the existing zoning's average densities. Due to the large urban location, there is great opportunity for redevelopment within the project boundaries and revitalization for the entire near southeast.

The applicants propose to build a mixed-income, mixed-use development on approximately 34 acres[2] (including rights- of-way and other public space) between the Washington Navy Yard and the Southeast-Southwest freeway. The project includes the demolition of all but one of the existing Capper/Carrolsburg buildings; securing possession of and demolishing 15 private houses; securing possession of the backyard portion of five other private

[1] At the request of the Zoning Commission, the Preliminary PUD application was amended to include an additional Square after the public hearing. This change is included in the applicant's Supplemental Post-Hearing Submission, dated November 17, 2003.
[2] Ibid.

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Sewer Authority (WASA). OP has circulated the Capper-Carrollsburg PUD applications to the District government agencies for which the provision of adequate infrastructure and adequate services would be of concern.

The school system has noted it will work with the proposed PUDs with respect to the capacity and facilities at the Van Ness School.

DDOT found the traffic and parking studies, and levels of service, to be acceptable. DDOT expressed its desire that the applicant build all streets to public street standards, that it install granite curbing on all public streets, and brick sidewalks along selected public streets. OP has incorporated these recommendations in its suggested conditions.

WASA has provided the outline of its utility upgrades to the applicant, and the applicant has agreed to provide them.

OP believes these responses are sufficient, and notes that additional concerns may be addressed both during the second stage PUD for Capper-Carrollsburg, and when considering future PUD applications nearby.

4. Diversity of Housing Types/ Density of Townhouse-Type Housing;

The applicant addresses these issues on pages 7-10 and 11-12 of its November 17 filing. The applicant notes that the existing residential zoning in the Capper-Carrollsburg area is R-5-B, not the lower density R-4 zone prevalent to the north on Capitol Hill, nor the higher density R-5-D, R-5-E and CR zones that are being proposed for the Southeast Federal Center. Despite the PUD area's zoning being geared towards moderate density, rather than propose standard garden style buildings, the applicant has incorporated many design features normally found only in areas R-4, or less intense zones. These features include front yards, significant private recreation space, more public open space than is required in matter-of-right townhouse development, and enclosed parking within individual residential units.

OP believes the applicant has presented adequate information indicating the ability of the range of one-bedroom to three-bedroom market-rate units, and the up-to-five-bedroom publicly assisted units, to accommodate family living. As the applicant notes, the market rate housing types proposed for the PUDs have proven to be very successful in the District, and throughout the metropolitan area.

5. **Provision of Adequate Play-Space**

Within the PUD Boundares

The applicant has supplemented its earlier open space information with a diagram (Tab C) that graphically represents all of the public and private open space within the PUD. The diagram clearly indicates that approximately 6 acres[3] of landscaped parkland or public open space consisting as follows:

- 2.5 acres at the Canal Blocks Park (federal Reservations 17 B, C and D). OP will be an active participant in the design of the new park and will seek to ensure that family-oriented recreation needs are incorporated into the design;

- 2.5 acres at the Marine Barracks annex playing fields that DCHA is transferring to the Navy Department, but to which the public has been guaranteed access. The Memorandum of

[3] This 0.5 acres has been added since the last hearing, with the incorporation of the Van Ness School into the Preliminary PUD

house lots; the retention of one elderly housing building; and the construction of approximately 1,700 new housing units, 702,000 square feet of office space, and approximately 51,000 square feet of retail space. Of the approximately 1700 new housing units, 707 units would 1 for 1 replacement of the 707 units of public housing until recently on the site.

The project is financed, in part, with a $35 million federal grant under the U.S. Department of Housing and Urban Development's (HUD's) HOPE VI program. It will be one of the largest HOPE VI programs in the country.

B. OP COMMENTS ON THE APPLICANT'S RESPONSE TO THE ZONING COMMISSION'S POST-HEARING REQUESTS

At the September 8, 2003 public meeting, the Commission:

- Requested that the applicant submit a supplemental filing addressing ten issues and information requests the Commission made that day;
- Asked OP to comment on the applicant's Supplemental Post-Hearing Submission, which is dated November 17, 2003.

1. Incorporation of the Van Ness School Into the PUD

Since the last hearing, OP has met with the applicant and the school system to facilitate the inclusion of the Van Ness School within the PUD. These efforts have been successful. The applicant's November 17 submission includes a letter from the Superintendent of Schools requesting the incorporation of the Van Ness School within the Preliminary PUD boundaries. The applicant has revised the PUD application maps and calculations to reflect this.

The school system has also noted that it will incorporate the scope of the Hope VI project into the master planning efforts for the Van Ness School. Because the Van Ness School is located within the Preliminary PUD, there will be more opportunity to explore joint planning between the school and the Hope VI during second stage PUD considerations.

2. Jurisdictional Issues Regarding National Park Service (NPS) Property

The applicant notes that the NPS has furnished the applicant with an historical NPS document indicating that the jurisdictional transfer for Reservation 17A was for only trash transfer purposes. The applicant further states that the NPS has "indicated...that it has no objection in concept to the uses proposed" for Reservation 17A. However, the applicant has been unable to secure a written commitment to this agreement in concept thus far.

OP believes this response adequately addresses the Commission's concern about Reservation 17A. OP has also been in meetings with NPS staff and the applicant and has heard the same indication of commitment. OP believes it is appropriate to retain Reservation 17A within the Preliminary PUD boundaries, and encourages NPS to provide a written commitment-in-principal to the applicant prior to the second stage PUD application.

The applicant states that, with respect to Reservation 19A, it will continue to work with the NPS to determine if this reservation can be included in the second stage PUD. OP believes this commitment is sufficient at this time.

3. Examination of the Adequacy of Municipal Services Within the PUD Boundaries and Within the Near Southeast Generally

The applicant has worked with several District agencies in developing the PUD applications. This has included social services agencies, the District Department of Transportation (DDOT) and the Washington Area Water and

Understanding governing this transfer states: "*... the Marine Corps intends to make substantial improvements to the parcel of land commonly known as Lincoln Playground as a sports complex and share its use with the Community. Such shared use will be on a non-interference basis and jointly coordinated by the Marine Corps and the appropriate local governmental organization... The realigned recreation field will remain dedicated to that purpose [recreation] and shall be available for public use in perpetuity*". The MOU makes the intention for community use clear. A 2002 covenant between the National Park Service and the Navy/Marines reiterated this intention even after September 11, 2001;

- Approximately 0.5 acres of outdoor recreation space at the Van Ness School, including a paved ball-playing surface and a double-sized tot lot;

- 0.29 acres of play space at the Community Center on Reservation 19;

- 0.18 acre in a small park at L Street and 3rd Street "Place". This is in the Preliminary PUD. Additional enhancements to this space can be explored during the second stage PUD process;

- 0.2 acres in a small park on Virginia Avenue between 3rd and 4th Streets.

Within the PUD boundaries, there are small landscaped areas around which some of the townhouses are grouped, and courtyards in the apartment buildings and elderly housing. The applicant has committed to the provision of rear yards for Section 8 and disabled townhouses; 6-foot decks for all but a few of the public-housing rowhouse units; rear decks and/or roof decks for the market rate housing and fenced-in front yards for approximately 20% of the market-rate units.

Outside the PUD Boundaries

There are, or soon will be, other recreation resources nearby. These include:

- The approximately 3-acre Garfield Park at 3rd and G Streets, SE;
- The approximately 1-acre National Park Service Reservation 19a, in the 500 block of L Street, SE, adjacent to the Van Ness School. This facility includes an outdoor pool, grassy play area, kiosks, a changing room, and a multi-purpose building;
- Approximately .2 acres in federal Reservations on Virginia Avenue between 4th and 5th Streets.
- The many acres of public parks and waterfront promenade slated for the Southeast Federal Center area.

In sum, OP feels that the amount of open space and play space will be sufficient. OP will continue to work with the applicant to explore the feasibility of even more dedicated play space – particularly tot lots – during the second stage PUD application.

6. Contribution to the Canal Blocks Park Amenities Package

The applicant will contribute $137,000 directly to the Canal Block Parks development. Of the $310,000 the William C. Smith Companies have pledged towards the Park, approximately $80,000 is attributable to its development of property within the Capper-Carrollsburg PUD.

OP believes this explanation is sufficient.

7. **Office Buildings on Eastern End of M Street;**

A. The location of these office buildings in relation to the Comprehensive Plan.

The Commission has expressed concern that while:

- Areas west of the Canal Blocks Park and along M Street west of 4th Street are designated for medium-high density commercial uses;
- The 600 block of M Street, SE is not designated for office uses by the Comprehensive Plan's Generalized Land Use Map.

OP believes that the project addresses this concern and that height is appropriate along M Street. Office buildings have been constructed in the 1100 block of M Street, SE, within the Navy Yard, the 600 block of M Street, and have been or will be constructed along M Street between North Capitol Street and the Navy Yard;

The Commission has firmly established the principle that PUDs have flexibility about where certain uses are located within a PUDs boundaries, if those uses and the intensity of those uses, when viewed within the context of the overall PUD boundaries, are congruent with the Comprehensive Plan and the Zoning Regulations. This 34-acre PUD is large, but it conforms to the principle the Commission has applied to smaller PUDs. When viewed as a total project within the entire Preliminary PUD boundaries, the project not only furthers the objectives of the Comprehensive Plan, it also does so without constructing any more non-residential space than would be otherwise permitted within the PUD boundaries by the existing zoning.

The approximately 750,000 square feet of office space proposed for construction within the Preliminary PUD boundaries is less than would be permitted by the existing C-3-C zoned area within the overall project boundaries. OP believes the location of this office space to be consistent with the following Comprehensive Plan policies:

- The Economic Development policy at 11DCMR §209.6(b) (5) encourages the use of the Navy Yard expansion to generate redevelopment, business activity and employment in the surrounding area;
- The Housing Element policies in §303 and §304, due to the cross-subsidy that these office buildings provide for the construction of public and affordable housing, with a mix of income levels, age-levels, household sizes, tenancies and ownerships.

A series of private and public actions are leading toward southeast M Street's becoming a major commercial and retail boulevard. This project would re-enforce this trend, but it would also help ensure the corridor remains lively by building more than 1700 new housing units and more than 50,000 square feet of retail space on, or adjacent to the corridor.

C. Office Building Heights

The Commission has expressed concern about the impact of the office building heights on the proposed low-rise housing immediately to the north. As the applicant's November 17 statement notes, there are many precedents along major streets in the District for townhouses and single family houses to be separated from high-rise buildings by no more than an alley. OP notes that both the proposed office buildings and the rowhouse string immediately to the north are part of the second stage PUD. We will continue to explore design options for the massing and detailing of the office buildings that minimize their impacts on the residences to the north.

8. **The Acquisition of Several Private Rowhouses**

The applicant plans 15 total and 5 partial acquisitions. All of these are within in the Preliminary PUD boundaries. During the second stage PUD process, OP will work with the applicant to explore design options for the two Squares in which these properties are located.

9. **Jobs Matrices**

The applicant has provided a matrix of construction-trade jobs that will be created/available due to the construction of the Consolidated PUD. This is the fist stage towards implementing the promised First Source and LSDBE agreements.

OP believes the applicant's previous submissions have made an adequate commitment to recruitment of neighborhood residents for project jobs and that this matrix will provide both residents and the building trades with valuable advance information.

10. **Financial Leveraging and Cross-Subsidies**

On pages 4-7 of the November 17 filing, the applicant supplied extensive supplemental information concerning the anticipated proceeds from the land sales for market rate housing sites, and the land sales and joint venture proceeds for office space sites. The applicant has supplied addition information after November 17, concerning the value to DHCD that the projected land sales will have towards to overall project funding. This information is attached.

ATTACHMENT

Land sales value to DCHA

Market/Affordable Townhomes

Average sales price per unit	$300,000
Cost to finish lot (@ 10%)	$30,000
Adjusted sales price per unit	$270,000
Land value (@15%)	$40,500
Land value to DCHA (@ 80%)	$32,400
Number of units	258
Total value to DCHA	$8,359,200

Condominiums

Average sales price per unit	$250,000
Cost to finish lot (@ 10%)	$25,000
Adjusted sales price per unit	$225,000
Land value (@15%)	$33,750
Land value to DCHA (@ 80%)	$27,000
Number of units	90
Total value to DCHA	$2,430,000

Multifamily Rental

Land value to DCHA per unit	$20,000
Number of units	492
Total value to DCHA	$9,840,000

Office space

Residual value per square foot	$26
Number of square feet	496,000
Total value to DCHA	$12,896,000

Total value to DCHA	**$33,525,200**