

MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: ^{JLS} Jennifer Steingasser, Deputy Director, Development Review/Historic Preservation

DATE: June 18, 2018

SUBJECT: **ZC Case 03-12V / 03-13V-** Office of Planning Report on a Request for a Modification of Consequence to Zoning Commission Orders 03-12C / 03-13C and 03-12F / 03-13F for a Second Stage Planned Unit at 250 M St., SE (Square 769, Lot 824; part of Lot 825)

I. SUMMARY RECOMMENDATION

The Office of Planning (OP) recommends the Zoning Commission approve, as a modification of consequence, the application to modify the approved second stage PUD as noted below, provided the applicant submits, by the public meeting:

- specific language for the proposed revisions to relevant conditions in Zoning Commission Orders 03-12C / -3-13C and/or 03-12F / 0313F; and
- further discussion of any additional relief that may be needed from the Capital Gateway Overlay requirements that applied at the time the PUD was approved, or the combination of Subtitle I §§ 601's, 602's and 616's requirements for use and design on M Street, SE, which is a Primary Street in the M and South Capitol Street Sub-Area.

The applicant's requested modifications would:

- Reduce the building's approved height from 130 feet to 110 feet;
- Reduce the building's approved square footage from 234,182 square feet to 189,000 square feet and reduce the approved FAR from 8.35 to 6.75 with a 0.14 FAR penthouse;
- Reduce the approved ground floor retail space from 10,661 square feet fronting on both M Street, SE and 2nd Street, SE to 6,800 square feet fronting primarily on 2nd Street, and reallocate the M Street frontage to 600 square feet of retail space for products related to the mission of the District Department of Transportation (DDOT), which would be the building's sole tenant, and 2,800 square feet for a DDOT conference room and training facility;
- Reduce the below-grade parking spaces from the approved 235 spaces to 177 spaces (+/- 10%) and the number of below grade parking levels from four to three;

- Increase the number of proposed bicycle spaces from 32 to a total of 64 long-term and 7 short-term spaces. bicycle spaces;
- Reduce the approved number of loading berths from three 30-foot berths and one delivery space to two 30-foot berths and one delivery space;
- Add a new condition of approval requiring the building owner to, in consultation with DDOT, permit ANC 6D to use the ground floor conference room and training center for public meetings and programs as long as that area is used as a conference room leased by the District.

II. APPLICATION-IN-BRIEF

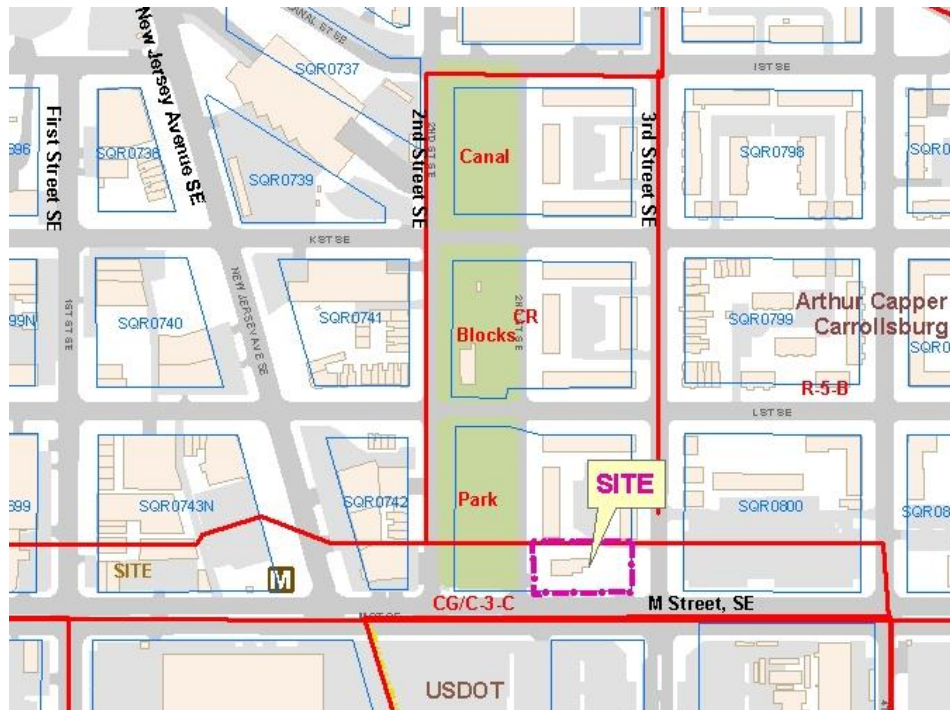


Figure 1. Site Location

The Second Stage PUD's approval has been extended four times. ZC Order 03-12U/03-13U requires the applicant to file a building permit application by September 26, 2019. The applicant recently obtained a lease commitment from DDOT to occupy the building, provided the size of the building is congruent with DDOT's desire to be the sole tenant of the building, except for the use of the portion of the approved retail space that would front on 2nd Street, SE.

Property Location and Legal Address	The 27,960 square-foot site (Square 769, Lot 824 and part of Lot 825) is in the southern half of the block bounded by 2 nd , 3 rd , L and M Streets, S.E.
Ward, ANC	Ward 6, ANC 6S
Applicant	Square 769, LLC
Underlying Zoning	CG-3 (Formerly CG/C-3-C, Capitol Gateway Overlay)
PUD-Related Zoning	MU-10 (formerly CR), Medium-to-High-Density Mixed Use
Existing Conditions	The site has been used as a parking lot.
Neighborhood Context	<p>The site is now used as a parking lot. The northern half of the square is to be developed for high-rise residences under a different second stage approval of the same PUD. The halves of the Square will be separated by an east-west private service drive that is to be built as part of the construction of 250 M Street, SE.</p> <p>The location is part of the Capper-Carrollsborg mixed-use Hope VI PUD, and is north of the Capital Riverfront development and baseball stadium. It is one block from the Navy Yard Metro station.</p>
Comprehensive Plan Map Designations	<p><u>Future Land Use Map</u>: High-density commercial uses.</p> <p><u>Generalized Policy Map</u>: Land Use Change Area</p>
Approved Project	In Order 03-12C/03-13C the Commission approved a Second Stage PUD for the site that would have resulted in a 110-foot tall, 9-story building with 207,785 square feet and an FAR of 7.18. Order 03-12F/03-13F approved an increase in the proposed building to 130-foot and 11 stories, with 234,182 square feet and an FAR of 8.35. The second order also approved changes to the design of the roof, including enhanced environmental features and a tower as an architectural embellishment.

III. REQUESTED MODIFICATION

The proposed modifications are summarized on page 1 of this report and described in more detail by the applicant on pages 3 – 5 of Case Exhibit 1.

- A. Modifications to Amount of Ground Floor Retail Space
 (Exhibit 1, pages 3-4; Exhibit 1C, Sheets A-16 and A-17)

The applicant has not requested changes to the retail space fronting on 2nd Street and the Canal Blocks Park. Although retail space would be reduced on the M Street frontage, the applicant has

described how DDOT’s daytime activity and night-time animated displays would enhance the streetscape.

The applicant has proposed a condition (Exhibit 1, page 4) to permit ANC 6D to further activate M Street by scheduling use of the DDOT conference room by the ANC.

The applicant has also noted that while a certain amount of retail display space was required on M Street by the Capital Gateway (CG) Overlay at the time the PUD was approved, this requirement now applies only to the south side of M Street, SE. The applicant has not, however, addressed whether the modifications to the PUD would make the building subject to the use and design requirements for a Primary Street frontage in the M and South Capitol Street sub-area (Subtitle I, §§’s 601. 602 and 616) and, if so, how they would be addressed or what relief the modifications would make necessary.

**B. Height and Gross Floor Area Reduction, and Rooftop Design Changes
(Exhibit 1C Sheet A-3).**

The proposed reductions would result in the proposed building’s size and height being close to what was originally approved in Order 03-12C/03-13C. With the reduction in height, the applicant has also proposed making the approved tower embellishment less prominent, since it would no longer mirror the tower element on the west side of the Canal Blocks park, as had been intended

**C. Reduction in the Number of Vehicle Parking Spaces.
(Exhibit 1, Pages 5,6 and Exhibit 1C, Sheets A-13 – A-15)**

After inventorying DDOT requirements and current employee commuting patterns the applicant has revised the parking plan. Of the proposed 177 parking spaces, 140 would be reserved for DDOT fleet vehicles, 15 to 20 spaces would be used by DDOT employees, and 10 to 15 spaces would be reserved for visitors. As noted by the applicant, even with the requested reduction the building would still provide significantly more parking spaces than were required under the 1958 regulations in effect when the project was approved. ZR 16 contains no requirements for parking on the site, and the Navy Yard Metro Station is within 1 block.

**D. Increase in the Number of Bicycle Parking Spaces
(Exhibit1, Page 6)**

The proposed 64 long-term and 7 short-term bicycle spaces are significantly more than are required by the existing Order and meet the standards established in ZR 16. The applicant has not provided an updated transportation study or transportation management plan, as the proposed building would be smaller than what was approved.

IV. ANALYSIS

. Subtitle Z, § Z 703 describes a modification of consequence as follows:

703.3: For purposes of this section, “modification of consequence” shall mean a modification to a contested case order or the approved plans that is neither a minor modification nor a modification of significance.

§ 703.2 described a minor modification as one that does not change the material facts on which the original approval was based, and § 703.6 illustrates a modification of significance as a change in use, proffered benefits and amenities, required covenants, or additional relief or flexibility from the zoning regulations.

The requested modification does not change the material facts upon which the Commission based its original approval of the application, or the condition under which it permitted the off-site IZ units. Approval of the request would return the proposed project to a size and height close to what was originally approved before the modification in Case 03-12F/03-13F. Despite the proposed reduction in size, there would be no change in the public benefits or amenities, or a weakening of approved covenants.

There is a request for a change of use for a portion of the approved ground floor retail space. The applicant has described the steps that would be taken to ensure the newly proposed uses for the eliminated retail space would not diminish the activation of street life on that block of M Street, SE. OP has suggested that the applicant proffer a condition to require the described interior features and activities the applicant states would be visible from M Street, to ensure the desired street activation.

As noted above, the request for a reduction in retail space may also necessitate a request for relief from the ZR 16 provisions for a Primary Street located in the M and South Capitol Street sub-area.

V. OTHER DISTRICT AGENCY REPORTS, AND COMMUNITY COMMENTS

As required by Zoning Commission Form 105 (Exhibit 2), the applicant has certified that it has circulated the application to the Office of Planning and to ANC 6D.

There were no comments from other agencies at the time OP completed this report.

ANC 6D has recommended the Commission approve the request as a modification of consequence (Exhibit 4) with a recommendation relating the timing of morning loading and deliveries.