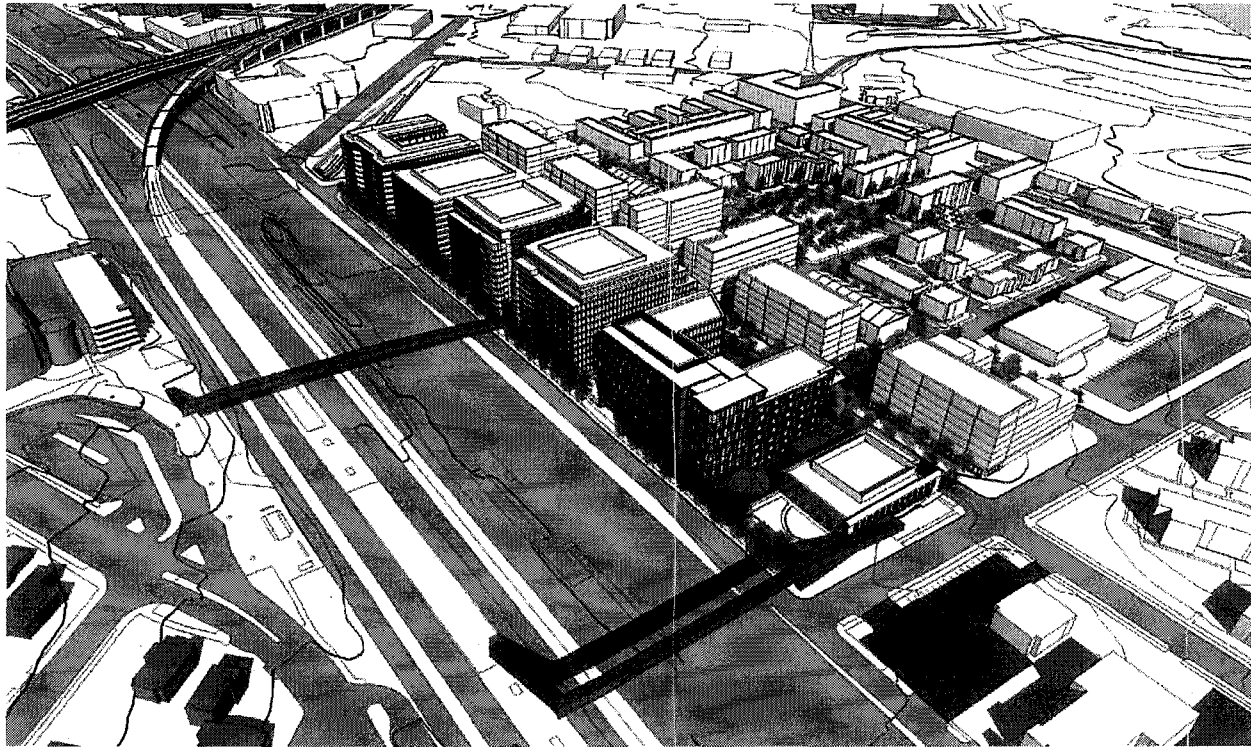


PARKSIDE

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MODIFICATION OF AN APPROVED FIRST-STAGE PLANNED UNIT DEVELOPMENT AND RELATED MAP AMENDMENT

PRE-HEARING STATEMENT

ZONING COMMISSION CASE NO. 05-28E

LANO PARCEL 12 LLC

DISTRICT OF COLUMBIA PRIMARY CARE ASSOCIATION

JANUARY 28, 2011

ZONING COMMISSION
District of Columbia

CASE NO. 05-28E

EXHIBIT NO. 3
ZONING COMMISSION
District of Columbia
CASE NO. 05-28E
EXHIBIT NO. 3

Development Team

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Exhibits

Parkside PUD, First Stage Approved Site Plan	A
Plans and Drawings for Modified First Stage PUD	B
Zoning Commission Orders	C

PREFACE

This application is filed on behalf of Lano Parcel 12 LLC (“**Lano**”), an affiliate of City Interests LLC, and the District of Columbia Primary Care Association (“**DCPCA**”)(collectively, “**Applicant**”). It seeks to modify a portion of the First Stage of the Parkside Planned Unit Development (“**PUD**”), including the PUD-related map amendment, which was approved by the District of Columbia Zoning Commission pursuant to Order No. 05-28, effective on April 13, 2007. Lano owns the entirety of the property that is the subject of this application (Square 5055, Lots 14-25, 801-813) (“**Property**” or “**Subject Property**”) while DCPCA is the contract purchaser for a portion of the Property (Square 5055, Lots 25, 801, and portions of lots 24 and 802) (“**DCPCA Property**”).

The Parkside First Stage PUD approved ten “building blocks” consisting of residential, mixed-use, commercial and retail buildings containing approximately 3,003,000 square feet of gross floor area, including 1,500-2,000 dwelling units, 500,000-750,000 square feet of office space and 30,000-50,000 square feet of retail. The site plan approved in the First Stage is attached as Exhibit A. The floor area ratio (“**FAR**”) for the entire 15.5 acre PUD was approved at 4.4 and a maximum height of 110 feet for the office buildings and 90 feet for the mixed-use buildings.

In 2008, the Zoning Commission approved a Second Stage application for three of the ten building blocks in the Parkside PUD – Blocks A, B, and C (see Exhibit A). The Commission approved a senior living facility consisting of at least 98 units to be reserved for individuals with an income no greater than 60% of the area median income (“**AMI**”). It also approved 112 townhouses, 42 of which would be reserved for buyers with incomes between 80% and 120% AMI.

On May 10, 2010, the District of Columbia Primary Care Association (“DCPCA”), contract purchaser of the DCPCA Property, submitted an application to modify the First-Stage approval and a Second-Stage application for a 20,029 square foot portion of Block I (Square 5055, Lots 25, 801 and portions of Lots 24 and 802) to accommodate a health center (“Parkside Health Center” or “Health Center”). Lano, owner of the Property, filed a similar application as it related to Blocks G, H, and the remaining portion of Block I (Square 5055, Lots 14-23, 803-813, portions of 24 and 802) “**Lano Property**”). Lano’s proposed modifications to the remaining portion of Block I and a portion of Block H were requested to accommodate a university building for the Community College of the District of Columbia.

In combination, the DCPCA and Lano applications sought to modify the First-Stage approval as it relates to Blocks G, H, and I (Square 5055, Lots 14-25 and 801-813) of the original First-Stage PUD approval. The Subject Property is bounded by Kenilworth Avenue, NE on the south, Kenilworth Terrace, NE on the north, Foote Street, NE on the west and Hayes Street, NE on the east. Specifically, the applications collectively sought to modify the approved uses for Block I. The DCPCA application also sought to reduce the height and density originally approved for a portion of Block I. The Lano application also sought to modify the approved uses for a portion of Block G, to increase the approved heights for the Lano Property and to modify the approved zoning designations for the Lano Property. Both applications were set down for a public hearing at the Zoning Commission’s public meeting on July 26, 2010. DCPCA and Lano filed pre-hearing statements for their respective applications on December 27, 2010. They simultaneously submitted a motion to consolidate their applications solely as they relate to the modification of the First-Stage PUD. The Zoning Commission granted this motion at its public

meeting on January 10, 2011. The Applicant's applications to modify the First-Stage PUD were consolidated into Case No. 05-28E.

Accordingly, the Applicant is proposing in the instant application to modify the First Stage approval in three respects: (1) changing the approved uses for a portion of the Subject Property; (2) changing the height of the buildings approved for portions of the Subject Property; and (3) requesting a PUD-related map amendment for portions of the Subject Property (collectively, "**Project**").

I. Introduction

A. History of Parkside

The original Parkside neighborhood was comprised of 26 acres. After acquiring the site and creating a master development plan in the late 1980s, the Trust for Public Land, the then-owner, subdivided it into twelve parcels of various sizes and configurations. Phase I was successfully developed as 100 townhomes in the early 1990s, which are known as the Parkside Townhomes. Subsequently, an additional parcel was developed to house the Cesar Chavez Charter School, a 9-12th Grade District of Columbia Charter School. The remaining portion of the Parkside neighborhood comprises approximately 15.5 acres of land, all of which is currently vacant.

Parkside Residential LLC and Lano Parcel 12 purchased Parkside at the end of 2004 along with partner Bank of America Community Development Corporation. Subsequently Marshall Heights Community Development Organization was added to the ownership group. During the subsequent two years, the ownership team conducted extensive community outreach and held many meetings with District officials to solicit input and support for the PUD. Beginning with the initial focus group meetings and design workshops in April 2005, the development team has made a concerted effort to be as inclusive as possible. Through this participatory planning process, the concept and site plans were developed and approved by the Zoning Commission. The ownership team has continued to meet with the community, as well as government representatives from the Office of Planning, the Department of Transportation and the Office of the Deputy Mayor for Planning and Economic Development.

B. Parkside Vision

The Parkside/Downtown Ward 7 neighborhood is expected to experience over \$1.5 billion in public and private investment from 2005-2016, of which \$500 million is expected to have been deployed by year-end 2011.

When Parkside is complete, it will be a mature mixed-use, mixed-income transit oriented urban community with the following amenities:

1. Education Conveyor Belt a la the Harlem Children's Zone, providing educational opportunities from early childhood to young adulthood with the Educare Child Development Center, Neval Thomas Elementary School, Cesar Chavez Charter School, and the CCDC flagship campus;
2. The federally anointed Promise Neighborhood will be serving Ward 7 children and their parents through a buffet of programs designed to produce well-educated, skilled productive members of the Ward 7 community;
3. Public green space in the Parkside Central Park connecting the Anacostia Riverfront Trail to Fort Mahon Park and Downtown Ward 7;
4. A Health Center providing much needed medical care to Ward 7;
5. Affordable and work force housing for over 1,000 families (mixed-income for rent and for sale);
6. Up to 1.7 million square feet of federal, District, and private office and 50,000 square feet of neighborhood retail uses to serve Parkside residents, tenants and patients;
7. Jobs generated by Parkside offices, schools, and the Health Center will have a multiplier effect in the area and the job training facilities will equip more residents to find well-paying permanent employment.

The Parkside PUD will contribute enormously to the revitalization of “downtown” Ward 7 and reinforce Ward 7 as a desirable place to live, work and shop. It will be a complete community integrated into the larger neighborhood centered on the Minnesota-Benning Metrorail Station.

The First Stage PUD for Parkside was approved in September 2006, providing for three million gross square feet of development to consist of approximately 1,500-2,000 residential units, 500,000-750,000 square feet of office space, and 30,000-50,000 square feet of retail. Since receiving the First Stage PUD approval in September 2006, the Zoning Commission has granted Second Stage approval for 112 townhomes and 98 senior affordable housing units. Lano has also been actively pursuing potential medical¹ and educational users who have specific desires to be located at Parkside, given its central location in Ward 7, its recognition as an America’s Promise Neighborhood, its convenient access along major transportation arterials, and its proximity to the Minnesota-Benning Avenue Metrorail Station. Parkside is one of the last large parcels of vacant land located adjacent to a Metrorail Station and, as such, is an attractive option for office users desiring low-cost, high density efficient space, such as the General Services Administration (“GSA”), the District Government and certain other public and private tenants.

C. Requested Action

The Applicant seeks to modify the First-Stage PUD approval in three respects: (a) modification of the approved uses for portions of the Subject Property; (b) change in the building heights for portions of the Subject Property; and (c) a PUD-related map amendment for portions of the Subject Property.

¹ Lano and DCPCA entered into an Agreement of Purchase and Sale, as amended, for the DCPCA Property with a closing contingent upon approval of the Health Center.

(1) Modification of Uses – CCDC and Health Center

Since the First-Stage PUD contemplated that the southeast portion of the Subject Property would be developed for residential uses, the Applicant requests a modification from the residential use previously approved to nonresidential uses in the form of a community college use for the CCDC and a Health Center for DCPCA. The CCDC will be located on a portion of Blocks H and I, as they were defined in the First Stage application (see Exhibit A). The Health Center will be located on the remaining portion of Block I. The approved First-Stage PUD allocated a total of 785 – 875 residential units for the entirety of Parcel 12, including approximately 300 units that the First-Stage PUD anticipated on the CCDC and DCPCA properties. Thus, the change from residential use to institutional use for the CCDC property and medical use for the DCPCA property will reduce the total number of units approved in the First Stage PUD by approximately 300. In exchange, approval of the CCDC and the DCPCA will introduce two uses greatly needed in the Parkside community: a center of higher education and a health center.

(2) Modification of Block G

The Applicant is also proposing to convert part of Block G from residential to commercial use. Blocks G and H of the Parkside PUD are the logical locations for a large, government agency. Block H was approved for 500,000 to 750,000 gross square feet of office use in the First Stage Approval, which the Applicant is not proposing to change. Block G was approved for approximately 270-300 residential units in the First Stage PUD, with a gross floor area of approximately 505,000 square feet. The Applicant is proposing to bifurcate the building and provide one building of residential units with ground floor retail and another building of office use. The residential building will be approximately 300,000 square feet in size and the

office building will be approximately 415,000 square feet in size. Accordingly, approximately the same number of residential units, 250-300, will be maintained in Block G.

The combined Blocks G and H are one of only a few locations in the District that can accommodate enough office square footage for large agencies with direct access to a Metrorail station. This application expands the office use to 1,100,000 gross square feet on Blocks G and H, while maintaining the overall gross floor area approved in the First Stage PUD.

Notwithstanding this proposed change of use, the Parkside PUD will still provide a significant amount of residential use well in excess of 1,000,000 square feet to complement this modification.

(3) Modification of Building Heights

The First Stage PUD approved a maximum height of 110 feet for the office buildings on Block H and 90 feet for the residential buildings along Kenilworth Avenue, with the residential buildings scaling down to as low as 44 feet in height toward Kenilworth Terrace. The Applicant now seeks to modify this approval to increase the height of the office buildings to 130 feet and to increase the heights of the remaining buildings on the Lano Property to 110 feet, with a similar scaling down as they extend toward residential areas to the north and the east. The Applicant does not propose to increase the height of the DCPCA Property and instead, requests a lower height and density for the Health Center. While the First-Stage PUD intended the building height at the southeast corner of the Property to be 90 feet and nine stories, the proposed Health Center will be 42 feet and three stories.

(4) Modification of Map Amendment

The First Stage PUD approved a PUD-related map amendment from the C-2-B Zone District to the CR and C-3-A Zone Districts. In order to accommodate the newly proposed heights for the Property, the Applicant is proposing to rezone the land associated with the office

blocks to the C-3-C Zone District and the remainder of the Lano Property to the CR Zone District. The Applicant does not propose to modify the approved zoning for the DCPCA Property. Instead, in a Second-Stage PUD application, DCPCA is confirming the map amendment from C-2-B to C-3-A which was previously approved as part of the original First-Stage PUD, but requires DCPCA to submit the application for rezoning as part of its Second-Stage Approval application.

D. Applicant

City Interests LLC, is a Washington, DC developer specializing in urban redevelopment. City Interests is focusing its development interests in the neighborhoods east of the Anacostia River, having recently acquired a portfolio of six retail centers, three of which are also in Ward 7. The University of the District of Columbia (“UDC”), on behalf of the CCDC, has entered into a Memorandum of Understanding with the Applicant to purchase a portion of the Property to construct a 270,000 flagship campus for the CCDC to accommodate its growing student population. In addition, Lano, an affiliate of City Interests, and DCPCA entered into an Agreement of Purchase and Sale, as amended, for the DCPCA Property with a closing contingent upon approval of the Health Center.

DCPCA is a District of Columbia nonprofit health care reform organization founded in 1998 to improve the health of D.C.’s most vulnerable residents by ensuring that they receive high quality primary health care regardless of their ability to pay. DCPCA represents 14 primary care providers, including Unity Health Care, Inc. Unity will be the owner/operator of the Health Center.

E. Project Goals and Objectives and Benefits of Using the PUD Process

City Interests is now focusing its efforts on developing the portion of the PUD that is adjacent to the Minnesota Avenue Metrorail Station. The mix of uses proposed for the Property

will make Parkside a true mixed-use development. Upon completion of the phases currently pending before the Commission, Parkside will include affordable senior-housing, market-rate and work force single-family housing, a Health Center, a Community College and ground floor retail space. This development will enhance and complement the existing and pending development in the vicinity of Parkside, including a recently BZA-approved child development center at the intersection of Anacostia Avenue and Foote Street, the Neval Thomas Elementary School on Anacostia Avenue, the 100 existing townhomes, the previously-approved 98 apartment unit senior living facility and 112 new townhomes.

The proposed uses in this application will fill a distinct void in Ward 7. They will anchor the Parkside PUD and add definition to the Kenilworth Avenue corridor. Just as in the preceding phases, this phase of the Parkside PUD furthers the District of Columbia and the Applicant's goals of stabilizing the existing neighborhood and bringing much needed services and jobs to the community. The PUD Site is currently vacant and the proposed modifications, allowing for both the Community College and the Health Center will make significant strides in establishing the Parkside neighborhood as a thriving community in Ward 7.

The PUD process is the appropriate means of achieving these objectives because it gives the community and District agencies the tools to ensure that the Project is well-designed and best meets the needs of the community while making sure the density and uses are appropriate and the architecture is compatible to the surrounding neighborhood.

II. The Project Site and Description

A. Site Location

The Property is located in Ward 7, just north of the intersection of Minnesota Avenue and Benning Road. Specifically, it is situated in the Parkside neighborhood and is currently unimproved. The Subject Property is bounded by Kenilworth Avenue, N.E. on the south,

Kenilworth Terrace, NE on the north, Foote Street, NE on the west and Hayes Street, NE on the east. The Subject Property is composed of approximately 242,416 square feet of land.

The Parkside neighborhood is partially constructed with streets and infrastructure in-place, 100 townhomes, two schools, streets, parkland and over 15 acres of remaining vacant land. The northern anchor of the Anacostia Waterfront, adjacent to Kenilworth Avenue and the Minnesota Avenue Orange Line Metrorail Station, Parkside sits at a vital crossroads in the District of Columbia.

Land uses in the vicinity of the PUD Site include a PEPCO plant to the southwest, Neval Thomas Elementary School and a District of Columbia Public and Assisted Housing complex to the northwest; vacant land to the southwest and existing townhomes to the northeast. Two blocks north of the PUD Site is the Mayfair/Paradise multifamily rental communities. Eastland Gardens is located a ½ mile to the north of the PUD Site. To the west of the PUD Site are Kenilworth Aquatic Gardens, Anacostia Park, the Anacostia River and the National Arboretum, forming a large green space and recreational complex. Parkside is adjacent to thousands of acres of parkland along the Anacostia Waterfront, including Kenilworth Park and the Aquatic Gardens.

The site enjoys easy access to the Downtown and the Baltimore/Washington corridor via Interstate 295. This six-lane highway provides quick convenient access to downtown Washington, to Route 50 and points east, to the Baltimore-Washington Parkway to Howard County and Baltimore, and to the Capital Beltway. The Minnesota Avenue Metrorail Station (Orange Line) is located immediately across Interstate 295 from the site, within walking distance over a pedestrian bridge that connects to the Metrorail Station. The Orange Line is seven stops (10–15 minutes) from Metro Center, the main downtown Metrorail Station several blocks from the White House. In the opposite direction, the Orange Line runs to New Carrollton, a major

employment center for Prince George's County, Maryland which contains a major federal facility for the Internal Revenue Service.

Several other developments are currently planned or have recently been incorporated into the neighborhood. These include the construction of the first phase of the Government Center (at the Metrorail Station), which consists of 230,000 square feet of office space and first floor retail; the newly constructed, 700 student Cesar Chavez Public Charter High School; 172 rental units known as Lotus Square; redevelopment of the Mayfair Mansion condominiums; 125 units of work force housing units proposed within the Pollin Memorial PUD recently approved by the Zoning Commission; and the planned second phase of the Government Center that is being developed as more than 300 units of housing with first floor retail along Minnesota Avenue.

B. Solicitations

Since Parkside is located in the Central Employment Area ("CEA") as defined by the District of Columbia Comprehensive Plan and the federal General Services Administration ("GSA"), it is eligible to respond to GSA's solicitations for federal government leasing of office space. Ward 7 is the only ward in the District of Columbia that has no federal installations nor has it been the recipient of federal office leasing activity.

It is well established that major office location is a major catalyst in economic redevelopment. The location of the new headquarters of the Bureau of Alcohol, Tobacco, & Firearms boosted the development of the North of Massachusetts Avenue ("NOMA") Corridor and the Department of Homeland Security at St. Elizabeth's will do the same in Ward 8. By responding and winning a federal solicitation, Parkside can provide a similar economic development impact in Ward 7, adding jobs as well as health and education to its important community benefits.

C. America's Promise Neighborhood

Parkside has been adopted by America's Promise Alliance, a coalition of over 400 national organizations working collaboratively to bring comprehensive education and social services to underserved communities based upon the Harlem's Children's Zone model. The Parkside community recently was accepted into the federal Promise Neighborhood Program, which is the centerpiece of President Barack Obama's urban initiatives. The Promise Neighborhoods Program seeks to engage all resident children and their parents into an achievement program based on tangible goals, including matriculation to college for each and every participating student, positive physical and mental health outcomes for children and parenting classes. The program also seeks to provide employment training and counseling to provide meaningful employment opportunities for the parents.

The D.C. Promise Neighborhood Initiative ("DCPNI") has formed a 501(c)(3) with a working group representing stakeholders, including Cesar Chavez Charter School, America's Promise Alliance, DC Appleseed, City Interests, LLC Georgetown University, Children's Hospital, and Local Initiatives Support Coalition ("LISC"). The District government endorsed the Parkside-Kenilworth application for the federal Promise Neighborhood Program.

D. Project Description

(1) First Stage Modification

The plans, elevations and drawings for the proposed modification to the Parkside First Stage PUD are attached as Exhibit B. Outlined below is a comparison of the previously approved development parameters for Blocks G, H, and I in the First Stage PUD and what is currently being proposed for those same parcels of land.

Blocks G, H and I		
	First Stage Approval	Proposed
Gross Floor Area	1,709,800 square feet	1,709,800 square feet
FAR	7.05	7.05
Number of Units	785-875	325-375
Height	44'-110'	21'-130'
Lot Occupancy	80.6%	69.6%
Parking	1,400	1,400

The modifications to the First Stage approval for these Blocks of the Parkside PUD will reduce the amount of residential development by approximately 450,000 square feet, or 450 units with education, healthcare, office and retail uses assuming occupancy of this space. The Applicant is seeking to change the approved uses in order to diversify and make Parkside a more attractive, self-sustaining development for the community.

It is important to note that in addition to the one million gross square feet of residential development (1,000-1,500 units) which will occupy the balance of the Parkside PUD, a significant number of new residential developments have been approved for the greater Parkside neighborhood. Since the original Parkside First Stage PUD approval, these include: (1) the Pollin PUD, immediately adjacent to Parkside, which was approved for 125 residential units; (2) Donatelli Development will be developing 300 units at the intersection of Minnesota Avenue and Benning Road(second phase of Government Center); and (3) Lotus Square which has been completed with 172 multifamily units immediately adjacent to Parkside. These projects represent a tremendous increase in the amount of housing in this subsection of the District which will reduce the market's absorption rate for housing in Parkside.

The success of this housing depends on the services the Parkside community is able to provide the new residents. This community currently relies on services and employment opportunities outside of the neighborhood. The Applicant would like to change that. Its proposal to modify the PUD will provide opportunities for the existing residents, as well as the new ones, within the neighborhood. The Applicant is proposing to replace some of the residential use approved in the First Stage PUD with retail use and office use, both of which are desperately needed in this community. The provision of these uses will help make this community self-reliant and make the residential developments viable.

Given the desire to increase employment opportunities in the community, the Applicant seeks the flexibility to secure a government office tenant such as the Department of Homeland Security as well as other GSA solicitations that are being contemplated. Such opportunities will provide a large-scale stable employer in the community, which will help support the residential and retail uses in Parkside.

The increase in office use will also make the proposed retail space more viable. The Applicant, as well as the District, always anticipated that it would include a mix of uses to make it a self-sustaining community. The retail that the Applicant has proposed, however, requires “day-time” users in order to be successful. The retailers cannot rely solely on the residents for business, who will patronize the stores primarily during the evening and on weekends. The office use will be essential to sustaining the retail use.

The other modification to the First Stage PUD that the Applicant is proposing is to increase the height of the buildings along Kennilworth Avenue. The majority of the buildings will increase in height from 90 feet to 110 feet and the two office buildings in the center of the

site will increase in height from 110 feet to 130 feet. The extra height is needed to accommodate the minimum gross floor area required for the GSA solicitations.

The increased building height along Kenilworth Avenue is further appropriate because the increased heights only affect the Subject Property, which is located immediately adjacent to Interstate 295, a multi-lane freeway (it also known as Anacostia Freeway). The buildings will shield the remainder of the Parkside development from the Freeway aesthetics and noise; it acts as a buffer between a predominantly residential development and a use that is not particularly compatible with residential uses. The heights proposed for the Subject Property will step down to lesser heights along Kenilworth Terrace so as to be compatible with the heights of the other Parkside buildings as the development steps west. Because the maximum heights will be concentrated along Kenilworth Avenue and will effectively act as a shield between the PUD and the apartment buildings, and ultimately, the townhomes, they will not adversely affect the residential uses in the remainder of the PUD.

The Applicant also proposes to reduce the height approved by the First-Stage PUD as it pertains to the Health Center. The building height along Kenilworth Avenue would be reduced from 90 feet and nine stories to 42 feet and three stories. The Health Center will form a strong corner at Kenilworth Terrace and Hayes Street and will act as a gradual transition both in materials and scale between the existing neighborhood buildings to the north and the east and the Community College to the west.

III. Planning Analysis

A. Land Use Impact

The Project will continue to extend the urban fabric and enhance a new urban community for Parkside and the surrounding neighborhood, with a plan which is appropriate given the Property's location as an infill location in close proximity to a Metrorail station.

The uses proposed in the Project will have a positive impact on this major corridor of the District of Columbia and serve as a transitional element between the transportation corridor to the southeast, the industrial uses to the southwest, the adjacent residential neighborhoods and the open space adjacent to the Anacostia River.

The proposed uses are currently unavailable or under-available in Ward 7, such as a Health Center and a Community College. These will provide residents with access to amenities that are not currently easily accessible in Ward 7.

B. Zoning Impact

The proposed Zoning Map Amendment can be granted without adversely affecting nearby and adjacent zone districts or properties. The proposed CR and C-3-C Zone Districts are consistent with the Transit-Oriented Development (“**TOD**”) categories on the Generalized Land Use Map of the Comprehensive Plan. Specifically, the proposed height is appropriate for its location next to a Metrorail Station and for the proposed office uses. The increase in heights of up to 130 feet for the office components and 110 feet for the remainder of the Subject Property will not have an adverse impact on neighboring properties – to the south of the Subject Property is Kenilworth Avenue (I-295) and railroad tracks, to the west of the Subject Property is a PEPCO substation and to the east of the Subject Property is a 24-hour “Circle Express” mart. The proposed increased height will also to provide a dynamic design that will transform an existing non-descript locale into an urban center in Ward 7 and will attract the caliber of tenants to make this venture successful. The buildings will step down in height as they abut the proposed residential uses to the north and east of the Subject Property. The reduced height of the health Center allows for this gradual step down from the CCDC to the existing residential buildings. The non-residential uses such as the CCDC and Health Center will not adversely affect the community.

C. Environmental Impact and Analysis

The proposed Project is designed so as to minimize any adverse environmental impacts that would otherwise result from the construction of this Project. In addition, the increased use in water and sanitary services that will occur as a result of the Project will have an inconsequential effect on the District's delivery systems. The site is currently served by all major utilities. The Project's proposed stormwater management and erosion control plans will minimize impact on the adjacent property and existing stormwater systems. The overall PUD will use a rain garden to treat runoff from impervious surfaces as well as a vegetative swale (bio-filtration) to treat runoff from the entire PUD site. The use of bio-swales throughout the overall PUD will help manage the storm water in an environmentally superior method. Additionally, DCPCA has proposed a green roof over a portion of the Health Center. The requisite erosion control procedures stipulated by the District will be implemented during construction of the Project. The PUD was also selected to participate in the LEED-ND (Leadership in Energy and Environmental Design for Neighborhood Developments) Pilot project and will seek at least Silver level certification for the overall master development.

D. Facilities Impact

The Project will not have an adverse impact on the public facilities on which it will rely for service.

IV. Evaluation Standards

Section 2403 of the Zoning Regulations provides the standards for evaluating PUD applications. Section 2403.9 provides categories of public benefits and project amenities for review by the Zoning Commission.

The objective of the PUD process is to encourage high quality development that provides public benefits and project amenities by allowing applicants greater flexibility in planning and

design than may be possible under matter-of-right zoning. The instant application will achieve the goals of the PUD process by creating a high quality residential project with significant housing – both affordable and market-rate – opportunities. DCPCA will provide a much needed state of the art health center to the chronically and dangerously medically underserved in Ward 7.

A. Comprehensive Plan

The proposed zoning and the PUD are consistent with, and further, many of the District's goals and objectives. Section V below discusses the proposed development in light of the Comprehensive Plan in greater detail.

B. Urban Design, Architecture, and Landscaping

From a sustainability perspective, high density uses located near transit nodes is regarded as good urban design. The proposed modifications are consistent with encouraging transit-oriented development. Parkside is located in the transition area between a major transportation corridor, industrial uses, moderate density housing and open space. Given the scarcity of new development in the neighborhood and the strength of the supporting mass transit infrastructure, the Project provides an important opportunity to provide important and practical commercial uses for the District residents. Land that is currently vacant will be converted to active use.

C. Site Planning

The Project is planned to take advantage of its location adjacent to parklands, the Anacostia River and natural grades and perhaps most importantly, the major transportation corridor to the southeast, including the Minnesota Avenue Metrorail Station. The site plan is designed to “fill” in a gap of an urban neighborhood. It will connect the existing Parkside Townhomes with the fabric of the city and will establish a true mixed-use development in the heart of Ward 7. The project makes efficient use of the site by incorporating the existing pedestrian bridge and maintaining pedestrian access from the Metrorail Station to the Health

Center and surrounding community. The Health Center building's footprint will be held back from the property line adjacent to the existing pedestrian bridge to allow for an extra wide public sidewalk access to increase accessibility and safety as an alternative to the existing no sidewalk between the pedestrian bridge and Hayes Street traffic.

D. Effective and Safe Vehicular and Pedestrian Access

The proposed modifications promote vehicular and pedestrian safety, as it focuses access to Blocks G, H, and I from Kennilworth Terrace. Attached as Exhibit D are the Transportation Analyses prepared by Gorove/Slade Associates for the proposed use modifications to the Property.

E. Revenue for the District

The District will benefit significantly from additional tax revenues in the form of recordation, transfer, property, income, sales, use and employment taxes for the proposed commercial uses.

F. Additional Public Benefits of the Project

The modifications to the First Stage PUD and the pending Second Stage PUD enhance the benefits and amenities package proffered with the initial application. For the most part, the package approved in the First Stage PUD remains unchanged but are enhanced with the introduction of educational uses, health care services, and additional neighborhood-serving retail.

A complete list of the benefits and amenities included in the Parkside PUD and this proposal is provided in the Applications filed in May, 2010 by DCPCA and in June, 2010, by Lano and the separate Prehearing Statements filed by both parties on December 27, 2010 (the Applicant's Submissions"). In brief summary, these are:

- Community College. The development will provide a community college to provide educational opportunities for residents throughout the city, including in Ward 7.

- Health Center. The development will provide a health center to provide health care for District residents, namely those east of the Anacostia River.
- Affordable and Workforce Housing. The PUD will provide 20% of its total residential units for affordable housing (households having an income not exceeding 80% of Area Median Income) and an additional 20% of the total residential units for workforce housing (households that have an income between 80 – 120% of the Area Median Income).
- First Source Employment Program. The Applicant will also enter into an agreement to participate in the Department of Employment Services (“DOES”) First Source Employment Program to promote and encourage the hiring of District of Columbia residents.
- Pedestrian Bridge. A new pedestrian bridge will be constructed between the Parkside PUD and the Minnesota Avenue Metrorail Station, with Lano committed to 25% of the cost of the bridge not to exceed \$3 million.
- Compliance with Comprehensive Plan. The proposed Project significantly advances the purposes of the Comprehensive Plan by furthering the social and economic development of the District through the construction of new residential units on underutilized land, including a senior housing facility, and on a site that has been deemed to be a development opportunity area for the transformation of the Kenilworth/Parkside neighborhoods.

V. Compliance with Comprehensive Plan

The Project serves the goals of several of the citywide elements of the Comprehensive Plan. A full analysis of the Project’s compatibility with the Comprehensive Plan is contained in the Applicant’s Submissions. A summary of that analysis follows.

(1) Land Use Map

The Future Land Use Map designates the Property as appropriate for high density residential uses and medium density commercial uses. The High Density Residential designation is used to define neighborhoods where high-rise (8 stories or more) apartment buildings are the predominant use and pockets of less dense housing may exist. The Medium Density Commercial designation is used to define shopping and service areas that are somewhat more intense in scale and character than the moderate-density commercial areas. Retail, office and service businesses are the predominant uses. Areas with this designation generally draw from a citywide market area. Buildings are generally larger and/or taller than those in moderate density commercial areas.

The proposed use for the Property complies precisely with those uses outlined as appropriate for the land use designations. The Project will deliver a community college and health center that will both draw from a citywide market area.

(2) Land Use Element

The Plan cites the importance of transit-oriented development and the importance of mixed-use developments on large sites. The project is consistent with the following policies as more definitively described in the PUD Application. The Project will be located a short walk to the Minnesota Avenue Metrorail station, which is one-third of a mile away from the Project Site. As such, it fulfills the Plan's desire for infill development near the transportation infrastructure. Furthermore, the Project has been designed to be completely complementary to the surrounding neighborhood.

The Plan also seeks to achieve "land use compatibility" – specifically, the enhancement and stabilization of the District's neighborhoods by the protection of residential neighborhoods from non-residential and disruptive uses. The Property is located in a primarily residential and

institutional neighborhood. The new Community College and Health Center will support and complement existing uses in the community as well as other uses proposed for the Parkside PUD, particularly the residential uses.

(3) Transportation Element

The proposed modification is also consistent with several transportation policies as more definitively described in the PUD Application. The Plan encourages strengthening the linkage between land use and transportation as new development occurs and that is precisely what this proposal does. The Property is strategically located near the Metrorail station in order to attract residents from all over the District. It is also located along Kenilworth Avenue, a key boulevard in Ward 7. Developing the Property, as proposed, will enhance the aesthetic along a thoroughfare that currently stretches along vacant land. The Project provides a “destination” whereas the existing site is a lost opportunity adjacent to a Metrorail station. The development will figuratively and literally connect the greater community with the Minnesota Avenue Metro Station. In all, the development will provide, facilitate and encourage the use of the Metro Station. Finally, by improving the Kennilworth Avenue corridor, the Project will benefit the entirety of the community. It puts a new “face” on the greater Parkside community.

(4) Environmental Protection Element

The development is consistent with the following environmental policies as more definitively described in the PUD Application. The Plan seeks to encourage the planting of street trees and the use of landscaping to beautify the city, enhance streets and public spaces, reduce stormwater runoff, and create a stronger sense of character and identity. There is an extensive landscape plan providing for abundant trees, retention of many existing trees, and comprehensive and creative stormwater treatment on the Property (which will correspond with the plan as it relates to the entire First Stage PUD for Parkside, as approved under Z.C. Order

No. 05-28). The PUD proposes elements to improve water quality through design features such as the use of a rain garden to treat runoff from impervious surfaces, including roofs and paved areas; through the use of a vegetative swale (bio-filtration) to treat runoff from the Property, and green roof on the Health Center.

Further, the PUD will serve as a catalyst to improving the physical environment of this area of the Anacostia River. The PUD is designed to improve air quality due to its transit-oriented approach and protect the natural environment employing “best practices” approach to development. In fact, the senior housing facility exceeds the Green Communities Criteria.

Moreover, the overall PUD has been selected as a LEED-ND (Leadership in Energy and Environmental Design for Neighborhood Developments) Pilot project and will seek at least Silver level certification for the overall master development.

(5) Parks, Recreation, and Open Space Element

The development is consistent with the Parks, Recreation and Open Space policies as follows more definitively described in the PUD Application. The Comprehensive Plan specifically recognizes the value of functional open space. There will be a linear park that will serve as public recreation space and will abut an open park that will be enhanced through future phases of development pursuant to Z.C. Order No. 05-28. This will serve as a relaxing amenity for residents and neighbors and will create an attractive resting point that District residents can appreciate while they take an evening stroll, walk the dog, or simply read a book outside.

(6) Urban Design Element

The development exemplifies superior urban design and is consistent with numerous District policies as more definitively described in the PUD Application. The Urban Design Element of the Plan seeks to, among other goals, strengthen civic identity through a renewed focus on public spaces and boulevards; designing for successful neighborhoods and large site

reintegration; improving the public realm, particularly street and sidewalk space; and promoting design excellence throughout the District. The Project proposes an appropriate use, density and height and the overall PUD allows for sufficient private and public open space for the residents.

(7) Compliance with Educational Facilities Element

The Comprehensive Plan encourages educational facilities throughout the District in a manner that is compatible with adjacent residential uses. The proposed community college is consistent with District goals and policies (see Policy EDU-3.3.2).

(8) Community Services and Facilities Element

The goal for community services and facilities is to: “Provide high-quality, accessible, efficiently managed, and properly funded community facilities to support the efficient delivery of municipal services, protect public health and safety, and enhance the well-being of current and future District residents.” (Comp Plan 1101.1). The Plan notes that community health care centers are sometimes referred to as the city’s “social infrastructure” and they are “just as important to the quality of life as water, sewer, and transportation facilities, and have spatial needs that must be addressed over the coming years.” (Comp Plan 1105.1). Significantly, the Plan singles out DCPCA’s leadership role through the “Medical Homes DC” program to enlarge, enhance and replace the current network of community health centers and ensure more equitable geographic distribution of these facilities. (Comp Plan 1106.8).

(9) Compliance with Area Element

The Comprehensive Plan also contains ten area elements, with the PUD Site located in the Far Northeast and Southeast Area Element. The Project is consistent with this Element of the Plan as more definitively described in the Applicant’s Submissions. The Comprehensive Plan targets “Health Care Facilities” as a specific policy focus within this Area Element and

encourages providing additional facilities to meet the mental and physical health needs of Far Northeast and Southeast residents, including primary care facilities, youth development centers, family counseling, drug abuse and alcohol treatment facilities. The current condition of the Parkside neighborhood, with over fourteen vacant acres of land, discourages an active connection between the Anacostia waterfront and the Ward 7 community. The development of the Parkside PUD will create a more inviting, accessible and active connection to the Anacostia waterfront. The new pedestrian bridge and the urban design of the redevelopment will encourage the Ward 7 community to use the waterfront and its new and existing amenities. This increased activity engendered by this first phase of development will create a friendlier, more inviting atmosphere for residents wanting to access the waterfront. The strong visual corridors and pedestrian pathways of the site design will encourage use of the waterfront.

The Parkside PUD also reflects the District's plan for concentrating a mix of uses at the Minnesota Avenue Metrorail Station. The addition of both the Health Center and the CCDC will truly make the Parkside development a mixed-use PUD. The heights and densities proposed for development are also appropriate for the PUD's proximity to public transit. Finally, the building designs call for an appropriate transition between the greater heights along Kennilworth Avenue to the lesser heights as the development stretches toward the Anacostia River.

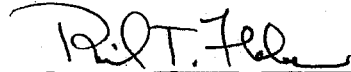
VI. Conclusion

For the foregoing reasons, the Applicant submits that the application for modifying the First Stage PUD meets the standards of Chapter 24 of the Zoning Regulations; is consistent with the purposes and intent of the Zoning Regulations and Map; enhances the health, welfare, and safety and convenience of the citizens of the District of Columbia; satisfies the requirements for approval of a PUD and Zoning Map amendment; provides significant public benefits; and advances important goals and policies of the District of Columbia.

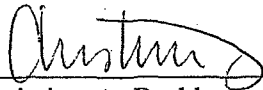
Accordingly, the Applicant respectfully requests the Zoning Commission approve this PUD and accompanying Zoning Map amendment application after a public hearing at the earliest possible date.

Respectfully submitted,

Goulston & Storrs



Phil T. Feola



Christine A. Roddy

January 28, 2011

Greenstein DeLorme & Luchs, P.C.



John Patrick Brown



Kate M. Olson

CERTIFICATE OF SERVICE

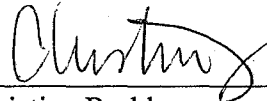
I hereby certify that a copy of the foregoing document was sent to the following by first class mail or by hand delivery on January 28, 2011:

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