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July 14, 2006

VIA HAND DELIVERY

Mrs. Sharon Schellin
Office of Zoning
441 4th Street, N.W., Suite 210S
Washington, D.C. 20001

Re: Z.C. Case No. 06-13
1000 Connecticut Avenue, N.W. PUD

Dear Mrs. Schellin:

On behalf of 1000 Connecticut Avenue Associates, we are submitting herewith twenty copies of its Prehearing Statement in support of its application for a consolidated planned unit development pursuant to Chapter 24 of the Zoning Regulations. Enclosed please find a check in the amount of \$36,939.30 in payment of the hearing fee associated with the application.

Should you have any questions or need any additional information, please do not hesitate to contact me at (202) 862-5990.

Very truly yours,



Carolyn Brown

Enclosures

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ZONING COMMISSION
District of Columbia

CASE NO. 06-13

EXHIBIT NO. 16

ZONING COMMISSION
District of Columbia
CASE NO.06-13
EXHIBIT NO.16

**CONNECTICUT & K, N.W.
PLANNED UNIT DEVELOPMENT**

Z.C. CASE NO. 06-13

PRE-HEARING STATEMENT

**1000 CONNECTICUT AVENUE ASSOCIATES
PNC BANK, TRUSTEE**

July 14, 2006

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SUBMITTED BY:

**HOLLAND & KNIGHT LLP
2099 PENNSYLVANIA AVE., N.W.
WASHINGTON, D.C. 20006
(202) 955-3000
WHAYNE S. QUIN, ESQ.
CAROLYN BROWN, ESQ.
COUNSEL FOR APPLICANTS**

PREFACE

This pre-hearing statement is submitted by Connecticut Avenue Associates and PNC Bank, Trustee, (the "Applicant") in support of their application for consolidated approval of a planned unit development before the District of Columbia Zoning Commission in conformity with Chapter 24 of the District of Columbia Zoning Regulations. The property is located in the C-4 District at the northwest corner of Connecticut Avenue and K Street, N.W. and includes Lots 803, 804, 805, 806 and 847 in Square 163, as well as a small portion of a public alley to be closed. It is presently improved with two multi-story office buildings: 1000 Connecticut Avenue, N.W., and 1725 K Street, N.W. The Applicants are seeking PUD approval in order to construct a new twelve-story premier office building with ground floor retail space to replace the two existing buildings.

The new structure will be constructed to a density of 11.11 FAR and contain 369,393 square feet of gross floor area. This density can only be achieved under the PUD guidelines for the C-4 District.

Since the time this application was filed, the Applicant has clarified its proposal in response to comments from the Office of Planning and the Zoning Commission at its meeting on June 12, 2006. The design intent for the façade treatment is further described and additional information is provided on the project amenities and public benefits.

Previously submitted in support of this application were completed application forms, a notice of intent to file a PUD application (with property owner list and certification of mailing), architectural drawings, and a statement describing the project in full and its compliance with the PUD regulations.

DEVELOPMENT TEAM

Applicant and Owner:	1000 Connecticut Avenue Associates 1000 Connecticut Avenue, N.W. Suite 1100 Washington, D.C. 20036 PNC Bank, Trustee c/o John Hancock Real Estate P.O. Box 600 Niagara Station Buffalo, New York 14202
Design Architects:	James Ingo Freed Pei Cobb Freed & Partners <i>Architects LLP</i> 88 Pine Street New York, New York 10005
Associate Architects:	Weihe Design Group PLLC 1025 Connecticut Avenue, N.W., Suite 300 Washington, D.C. 20006
Project Manager:	Michael J. Tyler MJTyler & Associates 7409 Pinehurst Parkway Chevy Chase, MD 20815
Land Use Counsel:	Holland & Knight LLP 2099 Pennsylvania Avenue, N.W. Washington, D.C. 20006
Traffic Consultant:	Gorove/Slade Associates, Inc. 1140 Connecticut Ave., N.W., Suite 700 Washington, D.C. 20036

TABLE OF CONTENTS

Preface	ii
Development Team	iii
Certificate of Compliance with Zoning Regulations	v
List of Witnesses	vii
List of Exhibits	viii
I. Introduction	1
II. Summary of PUD Application	1
A. PUD Submission	1
B. Summary of PUD	2
III. Issues Raised by the Zoning Commission	2
A. Comments from the Zoning Commission	2
B. Design Treatment of the Facades	3
1. Design Considerations	3
2. K Street Façade	4
3. Connecticut Avenue Façade	5
C. Roof Plan	5
D. Affordable Housing	6
E. LEEDs Amenity	8
F. Meetings with Community	9
IV. Issues Raised by Office of Planning	9
V. Conclusion	10

**CERTIFICATION OF COMPLIANCE
WITH SECTION 3031 OF THE ZONING REGULATIONS**

THE APPLICANT HEREBY CERTIFIES that its application filed on February 21, 2006, and this pre-hearing statement comply with the provisions of section 3013 of the Zoning Regulations as set forth below, and that the application is complete. In accordance with section 3013.8, the application shall not be modified less than twenty days prior to the hearing.

By: 
HOLLAND & KNIGHT LLP

<u>Subsection</u>	<u>Description</u>	<u>Page</u>
3013.1(a)	Information Requested by the Commission	Prehearing Statement
3013.1(b)	List of Witnesses	vi
3013.1(c)	Summary of Witness Testimony and Reports: ▪ Michael Gewirz on behalf of the Owners ▪ Roy Barris, AIA, Pei Cobb Freed & Partners <i>Architects LLP</i> ▪ Steven E. Sher, Director, Zoning and Land Use Services, Holland & Knight LLP ▪ Lou Slade, Traffic and Transportation Consultant Gorove/Slade Associates, Inc.	Exhibit A
	Traffic Report	Previously Submitted
3013.1(d)	Additional supporting materials	Submitted herein
3013.1(e)	Reduced Plans	Previously Submitted
3013.1(g)	Estimated Time Required for Presentation of Case	One hour
3013.2	Two Sets of Full Plans	No longer required

3013.3	List of Owners (Rulemaking)	N/A
3013.4	LSDBE Memoranda of Understanding	Exhibit B
	First Source Employment Agreement	Exhibit C
3013.6(a)	List of Names and Addresses of Each Person Having a Lease with the Owner for All or Part of Any Building Located on the Property Involved in the Application	Exhibit D

**LIST OF WITNESSES AND
ESTIMATED TIME REQUIRED TO PRESENT CASE**

Witnesses

- | | | |
|----|--|-----------------------------|
| 1. | Michael Gewirz on behalf of 1000 Connecticut Avenue Associates | Applicant |
| 2. | Roy Barris, AIA
Pei Cobb Freed & Partners <i>Architects LLP</i> | Architects |
| 3. | Lou Slade
Gorove/Slade Associates, Inc. | Traffic Consultant |
| 4. | Steven E. Sher, Director of Land Use and Zoning Services, Holland & Knight LLP | Land Use Planner |
| 5. | Representative of Marshall Heights Community Development Organization | Affordable Housing Provider |

<u>Estimated Time Required to Present Case:</u>	One Hour
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LIST OF EXHIBITS

<u>Description</u>	<u>Exhibit</u>
Outlines of Testimony	A
LSDBE Memorandum of Understanding	B
First Source Employment Agreement	C
Leaseholders at PUD Site	D

I. INTRODUCTION

This prehearing statement and the attached documents support the application of 1000 Connecticut Avenue Associates and PNC Bank, Trustee to the Zoning Commission of the District of Columbia ("Commission") for the consolidated review and one-step approval of a Planned Unit Development ("PUD"). The proposed PUD contemplates the construction of a new twelve-story office building at the northwest corner of Connecticut Avenue and K Street, N.W., one of the most important and recognizable intersections in the city's commercial office corridor. The project site is located in the C-4 District. As discussed in detail in the PUD Statement submitted on February 21, 2006, the proposed PUD is fully consistent with the District of Columbia Comprehensive Plan, including the land use elements and Ward 2 Plan. The Generalized Land Use Map of the Comprehensive Plan designates the property in the high density commercial land use category.

II. SUMMARY OF THE PUD APPLICATION

A. PUD Submission

The Applicant filed its application for a PUD, with supporting materials, architectural drawings and exhibits, with the Zoning Commission on February 21, 2006. Those materials set forth in detail the proposed development, project design, public benefits and project amenities, and the consistency of the PUD with the Comprehensive Plan and Ward 2 Plan. This Prehearing Statement supplements the application and its accompanying materials, which are hereby incorporated by reference as if set forth fully herein.

B. Summary of PUD

The proposed development project contemplates the removal of two outdated office structures built during the 1950s and 1960s to allow the construction of a first-class office building with ground floor retail space at the highly visible corner of Connecticut Avenue and K Street, N.W. The new structure will contain approximately 369,393 square feet of gross floor area, of which 15,737 square feet will be devoted to retail uses. The proposed PUD site consists of 33,231 square feet of land area, including 244 square feet of the public alley to be closed. It is currently improved with a thirteen-story building at 1725 K Street and a thirteen-story building at 1000 Connecticut Avenue. The existing floor area ratio for the buildings, one of which was built prior to the 1958 Zoning Regulations, is 10.70. The floor area ratio of the proposed building is 11.11. The Generalized Land Use Map of the Comprehensive Plan designates the property in the high density commercial land use category.

The PUD is designed by James Ingo Freed, Partner, of Pei Cobb Freed & Partners, the award-winning architectural firm recognized world-wide for its innovation and design excellence. Pei Cobb Freed is associated on this project with the local architectural firm of WDG Architecture, PLLC.

**III.
ISSUES RAISED BY THE ZONING COMMISSION**

A. Comments from the Zoning Commission

At its public meeting on June 12, 2006, the Zoning Commission requested further clarification of the design intent for the different façade treatments of the building. The Commission also requested additional information on the roof plan, the affordable housing component, enforcement of the LEEDs amenity and benefit. Finally, the Commission

requested the Applicant to address any outstanding issues raised in the Office of Planning report.

B. Design Treatment of the Facades

1. Design Considerations

The proposed new building has been sensitively designed to complement the recently completed PUD at 1700 K Street across the street to the south and the surrounding large-scale commercial buildings. The mass and architectural treatment of the new structure is also controlled by the acute angles of the intersection at the northwest corner of Connecticut and K. Unlike the sister building designed by Pei Cobb Freed to the south, whose facades follow the right angle grid of 17th and K Streets, the dominant feature of the proposed PUD site is its acute corner angle formed by the diagonal line of Connecticut Avenue and K Street. This unique feature leads the design to address the continuation of the diagonal line of Connecticut Avenue across Farragut Square to the south and to create a visual gateway to the north and west. Through their study of the corner, the architects discovered that it was important to accomplish several goals in tandem.

First, in studying the site, it became apparent that the canted corner façade of the existing building only addressed the acute angle of the intersection and missed the opportunity to respond to its premier location across from Farragut Square and its sight lines to the White House. Thus, the architects determined that the new structure should focus its corner toward the heart of the square, and down Connecticut Avenue to Lafayette Square beyond.

Second, and at the same time, it was clear that the design must also respond to its immediate urban setting along Connecticut Avenue and K Street, each of which has a distinct character. While the most expedient solution might be to use the same architectural treatment

for each façade, this approach might also suppress the corner rather than endowing it with exceptional and resolute character.

To address these opportunities and concerns, the architects have set back the corner façade to create a destination forecourt for a prime retail entrance and to ease the flow of pedestrian traffic around the corner, on of the most heavily traveled intersection as a result of the Metro entrance just to the east. The corner turns in an unanticipated fashion, and in doing so increase the number of tenant corner opportunities while still offering flexible, subdivisible building frontage to respond to individual tenant space needs. The resulting design articulates both the Connecticut Avenue and K Street facades into distinct but interrelated "pavilions."

2. K Street Facade

Due to its exceptional length, the K Street frontage, has been composed of three granite-faced pavilions. The pilasters of the pavilions extend above the roof-line, providing important depth and mass to the granite frame, and composing a "cornice" above the top floor, through which the sky can be seen. Measured in height, the K Street façade extends above the roof level only two feet higher than the extension of the stone "screen" of the sister building at 1700 K Street. This modest additional height provides for pergola-like structures that shade the roof terrace and allow for views through to the park from roof level.

Although the K Street façade of 1700 K Street was ultimately subdivided only once, the exceptional length of the K Street frontage of the proposed PUD, which extends 50 feet further than its sister building, and its southern exposure requires a different treatment. The percentage of glass has been reduced in comparison, and the spandrel and columns are clad in stone. Additionally, while the glass and stainless clad K Street façade of 1700 K Street is figuratively "suspended" above ground floor level, the pavilions of the proposed PUD are, as stone,

figuratively anchored firmly to the ground. After a number of studies looking at variations of both two and three pavilion configurations, it was determined that the entrance lobby of the new PUD was best defined by the 70-foot breadth of a center pavilion, with pavilions to either side.

3. Connecticut Avenue Façade

The shorter Connecticut Avenue frontage is composed of a single pavilion of faceted glass and stainless steel panel cladding, enclosed at its north (alley-facing) and south (park-facing) ends by near-symmetrical return facades folded perpendicular to the Avenue. The resultant southeast park-facing façade's orientation addresses Admiral Farragut directly.

Early in its investigations, the architects concluded that the Connecticut Avenue façade, given its oblique orientation with respect to the park, should be modulated in order to increase its prospective of the park and its views up the broad Avenue, and to increase its visual interest from the park. In support of the latter end, the façade is clad in materials that heighten the reflection of ambient light and shadow shifting over the course of the day.

The present design, consisting of symmetrical folds of carefully proportioned vertical windows, endow the Connecticut Avenue facade with both modern lines and classical grace.

Collectively, the layered planes and roof-lines of the K Street and Connecticut Avenue frontages change and enrich the building's appearance from different vantage points, adding sculptural mass and greater urban variety. From a distance, the building may be read as separate overlapping structures, unique, but comfortable within the existing fabric.

C. Roof Plan

At its June 12, 2006 meeting, the Commissioners expressed the need for more information on the roof plan so that the areas devoted to a green roof more easily understood.

The architects are currently preparing the revised drawings and will submit them to the Commission not less than twenty days prior to the hearing.

D. Affordable Housing Component

The Commission also requested additional information on compliance with the affordable housing component under the PUD regulations. Pursuant to section 2404 of the Zoning Regulations, an applicant seeking an increase in the gross floor area devoted to commercial office space above what is permitted as a matter of right is required to comply with the housing linkage requirements of the regulations. Here, the Applicants are requesting an increase of 37,961 square feet of office space, pursuant to the calculations set forth in section 2404.4(a).¹ Based on the formulas set forth in section 2406.6(a), the Applicants are required to provide approximately 12,527 square feet of housing within the Dupont Circle Advisory Neighborhood Commission ("ANC") or in a Housing Opportunity Area, or 18,980.5 square feet of housing outside these areas.

The Applicants are finalizing a Contract Construction Agreement with the Marshall Heights Community Development Organization ("MHCDO"), a highly successful affordable housing provider in the District of Columbia, to provide \$641,700 to assist in writing down the cost of construction for a minimum of 12,834 square feet of residential units, which exceeds the minimum requirement of 12,527 square feet. A copy of the Letter of Intent between the Applicants and MHCDO was previously submitted to the Commission. Further documentation of the agreement will be submitted to the Commission at least twenty days prior to the hearing.

¹Section 2404.4(a) provides that commercial floor area other than office space shall be excluded from the housing linkage calculations, provided that the matter-of-right commercial density of the existing zone district shall be reduced by 0.5 FAR to allow for normal retail use. Thus, the C-4 matter-of-right density of 10.0 FAR is reduced to 9.5 FAR, resulting in an allowable office density of 315,694.5 square feet of space at the PUD site. The proposed office density is 353,656 square feet, which represents an increase of 37,961 square feet of office space as a basis for the housing linkage computations.

The proposed contribution is consistent with previous decisions of the Commission pertaining to commercial office buildings. For example, in Zoning Commission Order No. 906 for the Solar Building PUD, the applicant entered into an MHCDO to provide gap financing to produce seven single family dwellings consisting of a minimum of 1,500 square feet of space each, or 10,500 square feet of space. The "gap funding" arrangement, which did not finance the entire amount of required housing, was supported by both OP and the Commission, as set forth in the order approving the PUD:

19. By an additional report dated June 8, 2000, the OP expressed its support of the proposed housing linkage arrangement which will provide \$280,000 to MHCDO for the construction of seven 1,500 square foot houses. *The OP report supports the concept of and need for "gap funding" of affordable housing projects.*

* * *

63. The Commission finds that the project fulfills the housing objectives of the PUD process under subsections 2403.9(f) and 2404.6 of the Zoning Regulations. The Commission finds that the applicant's proposed contract construction agreement with MHCDO, which will allow for the construction of seven single-family affordable dwellings, is commensurate with the increase of approximately 28,215 square feet of gross floor area devoted to office use as a result of the PUD...

* * *

64. The Commission finds that the proposed housing linkage arrangement satisfies the requirements of the Zoning Regulations and will result in the production of seven new single-family houses in a Housing Opportunity Area in Ward 7.... *The Commission is not persuaded by the opposition testimony and correspondence suggesting that gap funding to facilitate the production of affordable housing is not permitted under the regulations* and that the construction option must involve a monetary commitment equal to the amount that would be required under the contribution option. Through its agreement with MHCDO, the applicant will assume the risk that if the housing units are not constructed, the PUD will not receive a certificate of occupancy. The contribution option involves no such risk and accordingly, a greater financial commitment. *Further, the Commission finds it unreasonable to suggest that under the construction option, an applicant must pay the full cost of*

construction. Under that interpretation, applicants would have strong incentive to choose rehabilitation over new construction. *Both should be encouraged.*²

Thus, the Zoning Commission has determined that under a business arrangement with a housing provider, an applicant need not provide the full funding for the production of the required square footage of housing. Such an interpretation is consistent with other sections of the regulations. There would be no need to engage in creative financial or business arrangements as permitted under section 2404.6(b), such as gap financing, or equity contributions to tenant associations, which use the funds to pay for rehabilitation of certain discrete units if an applicant were required to finance the entire cost of the housing. The regulation also allows for a joint venture, which specifically contemplates each party contributing something to the venture.

The proposed contribution to MHCDO is also consistent with the amount contributed for the 1700 K Street project, which is the only other comparable commercial office building PUD. There, the applicant contributed \$520,470 to Jubilee Housing to assist in the rehabilitation of 12,369 square feet of affordable housing. Here, the applicant is contributing \$121,230 more for approximately the same amount of affordable housing. Thus, the contribution is consistent with the letter and the spirit of the PUD regulations and with previous rulings of the Zoning Commission.

E. LEEDs Amenity

The Commission further expressed concern regarding enforcement of the LEEDs-level design of the building and whether the work could be certified by the time a certificate of occupancy is requested for the PUD. Because the applicant is not seeking certification, but

² Z.C. Order No. 906, October 16, 2000, at 10, 21, and 26 (emphasis added).

rather is incorporating numerous sustainable design features into the building, including a green roof, neither issuance of a certificate of occupancy nor enforcement of this amenity will be problematic. All elements of the sustainable building technology will be included in the building plans and can be verified at the time a certificate of occupancy is issued. This is consistent with other PUDs that featured "green" building elements, such as the projects at 1200 R Street, N.W. (Z.C. Order No. 04-13), 14th & V Streets, N.W. (Z.C. Order No. 03-26), 9th and Florida, N.W. (Z.C. Order Nos. 05-17 and 05-32), and 14th and Florida, N.W. (Z.C. Order No. 05-22).

F. Meetings with the Community

The Applicants have met with the single member district representative of Advisory Neighborhood Commission 2B, and the president of the Dupont Circle Citizens Association, to share with them the plans for the proposed development. The ANC will be reviewing the PUD at its August 2006 meeting.

**IV.
ISSUES RAISED BY THE OFFICE OF PLANNING**

The Office of Planning indicated that Applicant should seek an alternative neighborhood amenity to funding historic district signage in light of the fact that the signage program had been fully funding. As a result, the Applicant met with the ANC single district member representative and the president of the Dupont Circle Citizens Association ("DCCA") and has offered to redirect the proposed \$20,000 contribution to DCCA to assist the call box or tree box program. The Applicant is currently working to finalize the arrangement with DCCA and will provide details of the contribution prior to the hearing.

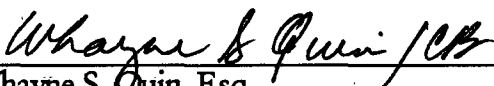
V.
CONCLUSION

For the foregoing reasons, 1000 Connecticut Avenue Associates and PNC Bank, Trustee, submit that the PUD plan meets the standards of Chapter 24 (Article 75) of the Zoning Regulations; is consistent with the purposes and intent of the Zoning Regulations and Map; will enhance the health, welfare, safety and convenience of the citizens of the District of Columbia; satisfies the requirements for approval of a consolidated PUD; provides significant public benefits; advances important goals and policies of the District of Columbia and, therefore, should be opted by the Zoning Commission.

It is appropriate to use the flexibility afforded by the PUD process to approve this proposed development plan. The scale, density and use of the project are compatible with uses intended for the Connecticut Avenue and K Street segment of the Central Employment Area, and falls within the acceptable standards permitted under the PUD guidelines. Accordingly, the Applicants request the Zoning Commission to approve the PUD plan.

Respectfully submitted,

HOLLAND & KNIGHT LLP



Whayne S. Quin, Esq.



Mary Carolyn Brown, Esq.

July 14, 2006

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