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VIA IZIS

Zoning Commission for the
District of Columbia
Office of Zoning
441 Fourth Street, NW, Suite 210-S
Washington, DC 20001

**Re: MidAtlantic Realty Partners, LLC (ZC Case No. 06-14D)
Post-Hearing Submission**

Dear Commission Members:

This letter is filed on behalf of MidAtlantic Realty Partners (the “Applicant”) in response to the Zoning Commission comments on the above-referenced application at the public meeting on April 24, 2017. At the meeting, the Zoning Commission requested the Applicant (1) submit a phased development schedule for the building that is the subject of the PUD Modification, and (2) address the affordable housing proffer proposed by Advisory Neighborhood Commission (“ANC”) 5E. The Applicant’s response to the Commission’s requests is set forth below.

Phased Development Schedule

The Applicant proposes the following phasing schedule for the building that is the subject of the PUD Modification:

- (i) An application for a building permit for the second phase of the PUD (either the North or South Tower) (“Phase 2”) shall be filed within two years of the effective date of ZC Order No. 06-14D, and construction shall commence within three years of the effective date of said order; and
- (ii) An application for a building permit for the third phase of the PUD (“Phase 3”) shall be filed within five years of the effective date of ZC Order No. 06-14D, and construction shall commence within six years of the effective date of said order.

As the Commission is aware, neither the original PUD approval nor subsequent modifications/extensions referenced a schedule for the phased development of the PUD. Pursuant to ZC Order Nos. 06-14A and 06-14C, respectively, an application for a building permit for the project was required to be filed by June 29, 2013, and construction was required to commence by June 29, 2014. The permit application and construction for the first phase of the PUD were timely and, therefore, vested the development of the approved PUD, as modified by ZC Order No. 06-14B.

In light of the foregoing, as it relates to the development schedule for Phases 2 and 3 of the PUD, the Applicant respectfully requests that the approval be subject to the following conditions:

- (i) The Applicant may request extensions for the approval of the PUD Modification in accordance with Subtitle Z, Section 705 of the Zoning Regulations; and
- (ii) If no application for a permit is filed, construction has not started within the period specified, or no extension is granted, the approval of the PUD Modification shall expire, and the zoning entitlements shall revert to the pre-existing approvals for the Property under ZC Order No. 06-14, as modified by ZC Order No. 06-14B.

Affordable Housing

At the request of the Zoning Commission at the public hearing on the Application, the Applicant expanded the PUD benefits and amenities package for the PUD by agreeing to reserve in the North Tower 6% of the residential gross floor area for households within incomes not exceeding 80% of AMI, and 2% of the gross floor area of households within incomes not exceeding 60% AMI. This proffer increases the affordable housing subsidy for the PUD by approximately \$680,000; and further expands the PUD benefits and amenities package, which previously was valued at approximately \$8 million.

In its report marked as Exhibit 49 of the record, ANC 5E expressed support for the PUD Modification application, subject to the Applicant increasing the affordable housing to 10% of the residential gross floor area for the North Tower, with 8% being reserved for households not exceeding 80% of AMI and 2% being reserved for households not exceeding 60% of AMI. This proposal would result in an additional \$1,424,000 to the project cost.

The Applicant respectfully submits that its affordable housing proffer for the North Tower (6% at 80% of AMI, and 2% at 60% of AMI) is appropriate and commensurate with the degree of development incentives achieved through the PUD Modification for the following reasons:

1. Through the PUD Modification, the Applicant is not achieving any additional height or density for the project. In fact, the overall density for the project slightly decreases from 7.06 FAR to 6.78 FAR. The use for the South Tower will be dictated by market conditions. The Applicant's request for the option of a residential use in the South Tower allows for efficiency in the approval process, but still ensures that the Zoning Commission has the opportunity to review and approve the design of the South Tower if a residential use is constructed instead of the office use.
2. The PUD Modification generates affordable housing where the current PUD approval does not. Specifically, under the PUD Modification, the North Tower generates approximately 27,164 square feet of affordable housing. If the South Tower is constructed with residential, it will generate approximately 44,496 additional square feet of affordable housing. Even as an office use, the South Tower will have approximately 5,203 square feet of habitable penthouse space, which triggers the requirements for a monetary contribution to the Housing Production Trust Fund. There are no affordable housing requirements related to either tower under the current PUD approval.
3. With the PUD Modification, the Applicant expanded the PUD community benefits and amenities package for the project as described below:

LEED Gold Certification. The existing PUD approval does not require LEED certification for any portion of the project. Under this PUD Modification, the office building programmed for the South Tower will achieve LEED Gold certification. The residential buildings for the PUD will achieve LEED Silver certification.

Lobby Hours of Operation. Under the original PUD approval, the lobby was to be open to the public from 6 A.M. to 9 P.M. As part of the PUD Modification the hours of operation will be extended to Midnight. During non-operating hours, the lobby will be secured by overhead doors that are concealed within the architecture of the building. (Sheet A-211.)

Maintenance of Improvements Along Trail. The Trail improvements and associated landscaping proposed along the frontage of the North and South Towers will be maintained by the Applicant.

Conclusion

For the reasons discussed above, the Applicant respectfully requests the Zoning Commission's approval of the PUD Modification under ZC Case No. 06-14D, including (1) the phasing schedule and conditions outlined above and (2) the provision of affordable housing for the North Tower requiring 6% of the residential gross floor area reserved for households with incomes not exceeding 80% of AMI and 2% of the residential gross floor area reserved for households with incomes not exceeding 60% of AMI.

Sincerely yours,



Leila M. Jackson Batties

cc: Advisory Neighborhood Commission 5E c/o Chair Bradley Thomas
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Commissioner Hannah Powell, ANC 5E-03 (via email: 5E03@anc.dc.gov)
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