



Memorandum

TO: District of Columbia Zoning Commission

FROM:  Jennifer Steingasser, Deputy Director
Historic Preservation and Development Review

DATE: July 19, 2013

SUBJECT: **ZC 06-40C – Setdown Report** for Modification of a Consolidated Planned Unit Developments and Zoning Map Amendment

I. RECOMMENDATION

OP recommends this modification of a previously approved consolidated PUD and Zoning Map Amendment be set down for public hearing as it conforms to the Comprehensive Plan's objectives for the area and to the Generalized Land Use and Policy Maps, and would contribute to the redevelopment of the Florida Avenue Market area.

II. PROPOSAL

Gateway Market Center, Inc. (the "Applicant") along with Gateway Edens LLC, has submitted a major Modification of a Consolidated Planned Unit Development (PUD) and map amendment to construct a new mixed-use building (the "Project") at the intersection of Florida Avenue and 4th Street N.E. The site is Square 3587, Lot 8.

The Zoning Commission approved the previous PUD in Case No. 06-40. The Applicant experienced delays in obtaining financing and leasing commitments and the PUD was extended in Zoning Commission Case Nos. 06-40A and 06-40B (expires December 9, 2013). Since the first extension of the prior Order, the Applicant established a joint venture with Gateway Edens LLC to effectuate the development of the site.

The approved PUD proposed a mixed use project with residential, office and retail components, and had a building area of 307,384 square feet, FAR of 7.7 and height of 119 feet. This modification would significantly reduce the Project's density and height, and alter the proposed uses. The modified PUD eliminates the office component, increases the residential use (or potentially introduces a hotel component), redesigns the retail and below-grade space, and shifts the construction type from concrete to wood frame over a concrete podium.

Specifically, the modified proposal consists of:

- A new six story mixed use building with proposed FAR reduced from 7.7 to 4.8 or 4.9;
- A reduction in the maximum height to 80 feet;
- 170 to 216 residential units with 20% of the units (equivalent to 34-43 units) assigned to residents earning up to 80% of the area's median income;
- 27,500 square feet of ground floor retail fronting Florida Avenue, 4th Street, and Morse Street; and
- Approximately 215 parking spaces on two levels below grade and loading accessed from Morse Street.

In addition, the Applicant seeks flexibility to include a potential hotel component of approximately 155,900 square feet in place of the residential component, with an off-site affordable housing component or contribution.

Pursuant to the District's PUD guidelines, the Applicant seeks flexibility in the following areas:

1. Rooftop Structures (§ 411.11); and
2. Loading (§ 2201.1).

The Applicant is proposing that the garage parking would be accessed from Florida Avenue to the south of the property, and after discussions with OP and DDOT, restrictions to the operations and design of the curb cut. In addition, there are proposed streetscape improvements surrounding the site, and OP and DDOT will continue to work with the Applicant to refine the proposed public space design.

The architect has worked with planning and historic preservation staff to refine the design of the building; the proposed Project is generally consistent with the height, density, and industrial/commercial feel of its surroundings.

III. SITE and AREA DESCRIPTION

The Project includes the property at the northwest corner of the intersection of Florida Avenue and 4th Street, NE. The property has historically been in industrial use including the Washington Beef warehouses and a welding shop on the Ironworks Property. The buildings on the site have been demolished and the site is vacant. The site is zoned C-M-1. Properties on all sides of the site are also zoned C-M-1 and are almost all in production, distribution, or warehouse use. There is a vacant site and light industrial uses directly to the east and a fast food store directly to the west. Further to the east is the Gallaudet campus. To the north and south are existing or vacant industrial uses. The site is about 1,000 feet from the entrance to the NoMA-Gallaudet Metro Station and is served by several bus lines.

The area has been the focus of much planning work. In addition to being reviewed as part of the Comprehensive Plan, this area was also considered in the Industrial Land Use Study, the NoMA Vision Plan and Development Strategy, and the Florida Avenue Market Small Area Plan. Each of these is discussed in more detail below.



Subject Property

IV. COMPREHENSIVE PLAN AND PUBLIC POLICIES

The proposed PUD must be determined by the Zoning Commission to be not inconsistent with the Comprehensive Plan and with other adopted public policies (§ 2403.4). The proposal would particularly further the following Guiding Principles of the Comprehensive Plan, as outlined and detailed in Chapter 2, the Framework Element:

- (1) Change in the District of Columbia is both inevitable and desirable. The key is to manage change in ways that protect the positive aspects of life in the city and reduce negatives such as poverty, crime, and homelessness. 217.1
- (6) Redevelopment and infill opportunities along corridors and near transit stations will be an important component of reinvigorating and enhancing our neighborhoods. Development on such sites must not compromise the integrity of stable neighborhoods and must be designed to respect the broader community context. Adequate infrastructure capacity should be ensured as growth occurs. 217.6
- (10) The recent housing boom has triggered a crisis of affordability in the city, creating a hardship for many District residents and changing the character of neighborhoods. The preservation of existing affordable housing and the production of new affordable housing both are essential to avoid a deepening of racial and economic divides in the city. Affordable renter- and owner-occupied housing production and preservation is central to the idea of growing more inclusively. 218.3
- (13) Enhanced public safety is one of the District’s highest priorities and is vital to the health of our neighborhoods.... 218.6
- (27) Washington’s wide avenues are a lasting legacy of the 1791 L’Enfant Plan and are still one of the city’s most distinctive features. The “great streets” of the city should be reinforced as an element of Washington’s design through transportation, streetscape, and economic development programs. 220.3

The development proposal would particularly further the Land Use, Housing, Economic Development, Transportation, Historic Preservation, and Urban Design Citywide Elements, as well as the Upper Northeast Area Elements and policies:

Land Use Element

- *The city’s aging building stock still requires refurbishment and replacement. The renewed popularity of city living generates the need for more housing and new amenities. 300.4*
- *Land use changes have the potential to make the city more vibrant, economically healthy, exciting, and even more environmentally sustainable than it is today. 300.5*
- *Infill and redevelopment will take place within the established business districts west of 5th Street NW, but a majority of the central city’s future growth will be achieved through redevelopment of areas on its east side. 304.3*
- *Fully capitalizing on the investment made in Metrorail requires better use of the land around transit stations and along transit corridors. 306.2*
- *Looking forward, certain principles should be applied in the management of land around all of the District’s neighborhood stations. These include:*
 - *A preference for mixed residential and commercial uses rather than single purpose uses, particularly a preference for housing above ground floor retail uses;*

- *A preference for diverse housing types, including both market-rate and affordable units and housing for seniors and others with mobility impairments;*
- *A priority on attractive, pedestrian-friendly design and a de-emphasis on auto-oriented uses and surface parking; 306.4*

Policy LU-1.3.2: Development Around Metrorail Stations Concentrate redevelopment efforts on those Metrorail station areas which offer the greatest opportunities for infill development and growth, particularly stations in areas with weak market demand or with large amounts of vacant or poorly utilized land in the vicinity of the station entrance. Ensure that development above and around such stations emphasizes land uses and building forms which minimize the necessity of automobile use and maximize transit ridership while reflecting the design capacity of each station and respecting the character and needs of the surrounding areas.

The proposed mixed use development would capitalize on the site's proximity to several transit options, and would help to address the District's housing demand. It would help to enliven and transform this section of Florida Avenue. The Land Use Element recognizes the area around the NOMA-Gallaudet Metro Station as an area of future growth outside of the traditional downtown.

Housing Element

Policy H-1.1: Expanding Housing Supply *Expanding the housing supply is a key part of the District's vision to create successful neighborhoods.*

Policy H-1.1.1: Private Sector Support *Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives.*

Policy H-1.1.4: Mixed Use Development *Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations.*

Policy H-1.2.1: Affordable Housing Production as a Civic Priority *Establish the production of housing for low and moderate income households as a major civic priority, to be supported through public programs that stimulate affordable housing production and rehabilitation throughout the city.*

The development proposes to add 170 to 216 residential units along a mixed use corridor consistent with the policies of the Housing Element. This development will provide 20% of its residential floor area at below-market rates.

Economic Development Element

Policy ED-2.2.3: Neighborhood Shopping *Create additional shopping opportunities in Washington's neighborhood commercial districts to better meet the demand for basic goods and services. Reuse of vacant buildings in these districts should be encouraged, along with appropriately-scaled retail infill development on vacant and underutilized sites. Promote the creation of locally-owned, non-chain establishments because of their role in creating unique shopping experiences.*

Policy ED-2.2.5: Business Mix *Reinforce existing and encourage new retail districts by attracting a mix of nationally-recognized chains as well as locally-based chains and smaller specialty stores to the city's shopping districts.*

The proposed in-fill is located on a vacant and underutilized site. The proposal would include ground-floor retail which could help the Florida Avenue Market area to better meet the demand for basic goods and services and reinforce the emerging retail district.

Transportation Element

Policy T-1.1.4: Transit Oriented Development Support transit-oriented development by investing in pedestrian-oriented transportation improvements at or around transit stations, major bus corridors, and transfer points.

Policy T-1.2.1: Boulevard Improvements Continue to work across District agencies to implement coordinated transportation, economic development, and urban design improvements to the city's major boulevards.

The proposed Project is located near the NoMA-Gallaudet Metrorail Station, as well as along a major transportation and bus corridor. The proposal would include urban design improvements to Florida Avenue.

Historic Preservation Element

Policy HP-2.2.2: Neighborhood Preservation Planning Give full consideration to preservation concerns in neighborhood plans, small area plans, major revitalization projects, and where appropriate, applications for planned unit developments and special exceptions. Promote internal coordination among District agencies and the HPO at the earliest possible stage of planning efforts and continue coordination throughout. Involve Advisory Neighborhood Commissions and community preservation groups in planning matters affecting preservation.

Policy HP-2.4.3: Compatible Development Preserve the important historic features of the District while permitting compatible new infill development.

The Project would enhance the form and identity of the Florida Avenue Market area. The treatment of the façade would not be out of character with the surrounding historic neighborhood.

Urban Design

Policy UD-2.2.4: Transitions in Building Intensity Establish gradual transitions between large-scale and small-scale development. The relationship between taller, more visually prominent buildings and lower, smaller buildings (such as single family or row houses) can be made more pleasing when the transition is gradual rather than abrupt. The relationship can be further improved by designing larger buildings to reduce their apparent size and recessing the upper floors of the building to relate to the lower scale of the surrounding neighborhood.

Policy UD-2.2.5: Creating Attractive Facades Create visual interest through well-designed building facades, storefront windows, and attractive signage and lighting. Avoid monolithic or box-like building forms, or long blank walls which detract from the human quality of the street..

Policy UD-2.2.7: Infill Development Regardless of neighborhood identity, avoid overpowering contrasts of scale, height and density as infill development occurs.

Policy UD-3.1.11: Private Sector Streetscape Improvements As appropriate and necessary, require streetscape improvements by the private sector in conjunction with development or renovation of adjacent properties.

The Project would enhance the vibrancy of the Florida Avenue corridor through infill development. The Project is in accordance with similar building envelopes and densities in the vicinity.

The Applicant is also committed to streetscape improvements consistent with current District standards.

Upper Northeast Area Element

Policy UNE-2.1.2: Capital City Market *Redevelop the Capital City Market into a regional destination that may include residential, dining, entertainment, office, hotel, and wholesale food uses. The Wholesale market and the adjacent DC Farmers Market are important but undervalued amenities that should be preserved, upgraded, and more effectively marketed.*

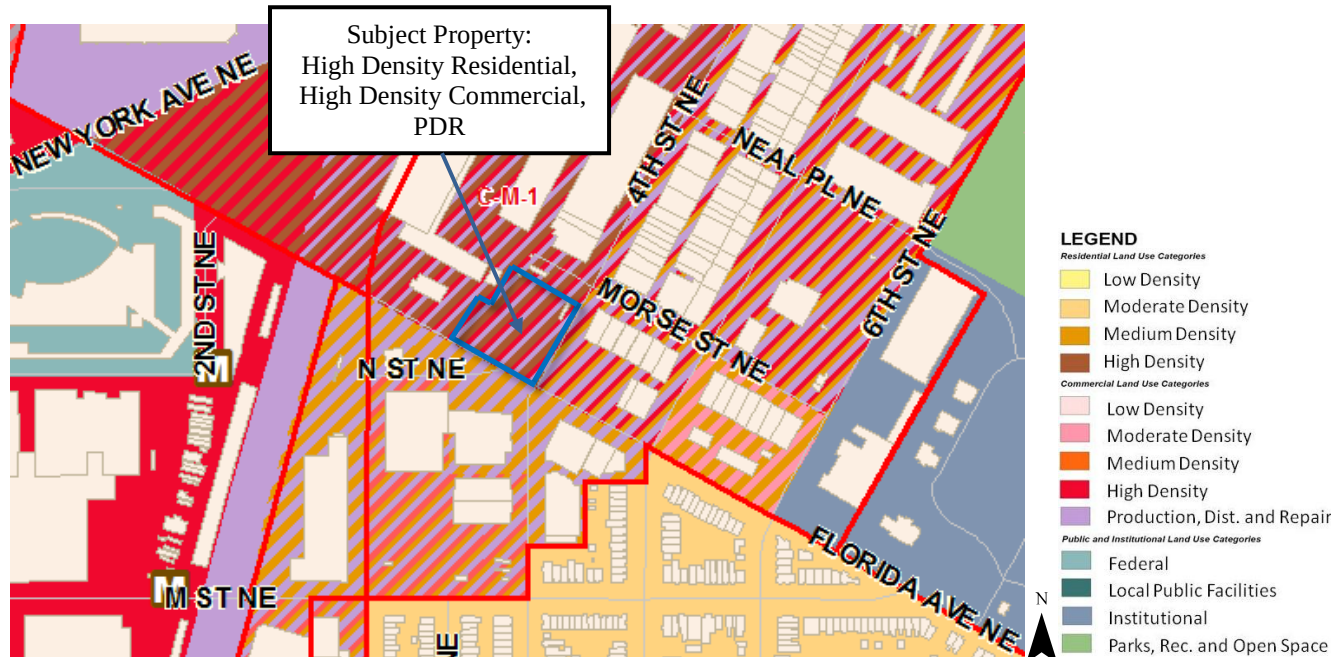
Action UNE-2.1.B Capital City Market *Develop and implement plans for the revitalization and development of the Capital City Market into a mixed use residential and commercial destination. Redevelopment plans for the site shall be achieved through a collaborative process that involves the landowners and tenants, the project developers, the District government, and the community.*

The proposed development will further those policies and contribute to the area's transformation into a regional destination that would include housing, office and other retail uses.

B. Future Land Use Map

The Future Land Use Map shows this site as suitable for a mix of Production, Distribution and Repair (PDR), High Density Commercial and High Density Residential uses. PDR areas are those characterized by manufacturing, warehousing, wholesale and distribution centers, transportation services and food services, among other uses. High Density Commercial areas are characterized by office and mixed office/retail buildings greater than eight stories in height. High Density Residential areas are appropriate for apartment buildings of eight stories or more.

The proposal is not inconsistent with the land use map designation.

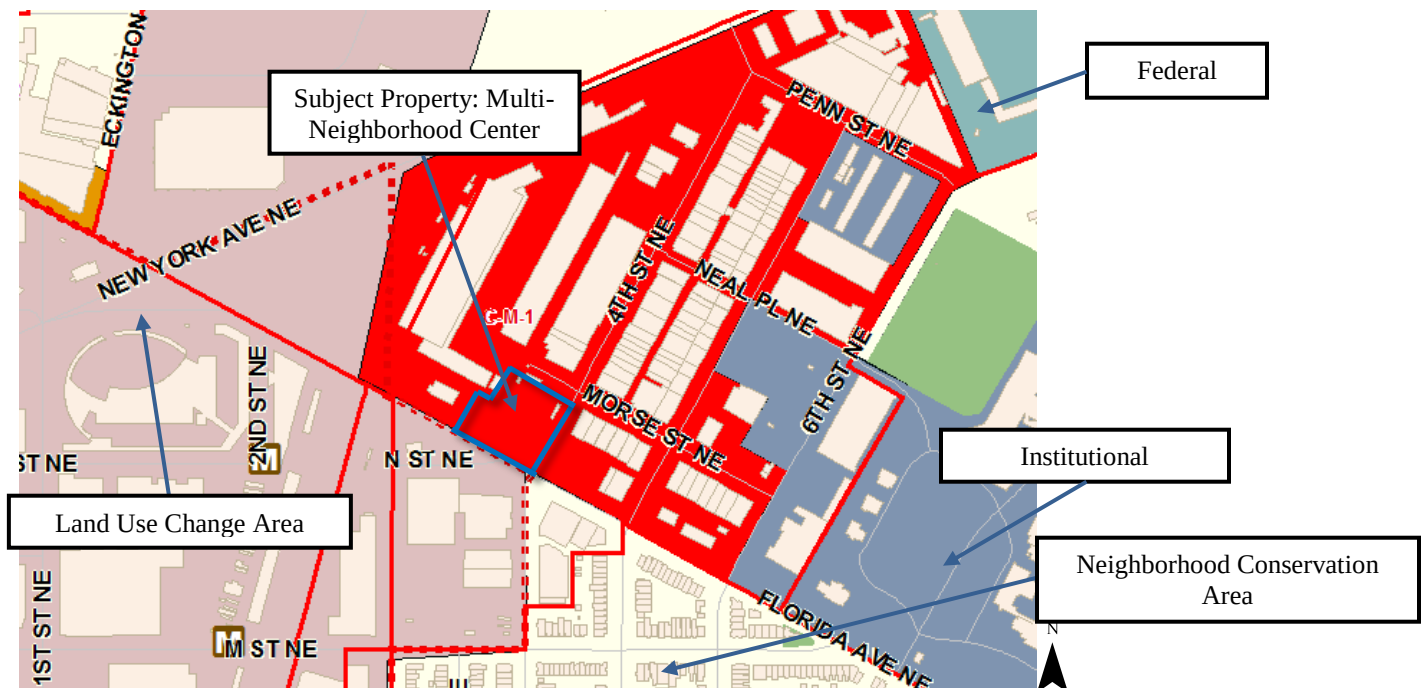


Future Land Use Map

C. Comprehensive Plan Generalized Policy Map

The Comprehensive Plan's Generalized Policy Map describes the entire Florida Avenue Market area, including the subject site, as a Multi-Neighborhood Center. Multi-Neighborhood Centers serve the day-to-day needs of

residents and workers, but with a greater depth and variety than Neighborhood Centers. They have a service area of up to three miles and are generally found at major intersections or along transit routes. While their primary function is retail trade, Multi-Neighborhood Centers can include some office and mixed-use infill is encouraged.



Comprehensive Plan Generalized Policy Map

Industrial Land Use Study

In addition to the Comprehensive Plan, this site is identified in the Industrial Land Use Study as one of the major centers for retention and reinforcement of the existing industrial fabric. The Industrial Land Use Study is not a Council-adopted policy document and was used to inform the Comprehensive Plan update.

NOMA Vision Plan and Development Strategy

The Florida Avenue Market, while technically outside the boundaries of the NOMA Vision Plan, was nevertheless addressed in that document. It recognizes the Market as a place whose function and character should be preserved. The NOMA Plan, however, goes on to state that the Market can be enhanced over time through the addition of complementary new uses. The NOMA Plan is not a Council-adopted policy document, but rather a guide for potential development in that vicinity.

Florida Avenue Market Small Area Plan

The Project is in accordance with the Small Area Plan, adopted by Council on October 6, 2009. The Small Area Plan envisions the Subject Property as being the southern edge and gateway to the Florida Avenue Market. The Small Area Plan calls for the area to include a variety of building heights. The proposed Project would provide a transition from the lower scale structures and uses of the Florida Avenue Market area to the higher density uses of NOMA. In addition, the Project would follow Small Area Plan guidance by enhancing Florida Avenue's streetscape.

V. ZONING

The site is currently zoned C-M-1. The purpose of the C-M-1 zone is “to provide sites for heavy commercial and light manufacturing activities employing large numbers of people and requiring some heavy machinery...” (§800.1). Furthermore, C-M zones characteristically have “heavy truck traffic and loading and unloading operations...” (§800.2). The existing C-M zone does not allow for residential development and limits height to 40 feet as a matter-of-right and 60 feet through a PUD.

The Applicant is requesting a PUD-related map amendment to change the zoning to C-3-C. C-3-C is considered a high-density mixed-use zone, and is not inconsistent with the Comprehensive Plan. The Zoning Commission approved PUD-related C-3-C zoning as part of the original PUD approval. Project parameters as provided with the application, are listed below.

Item	C-M-1 MOR	C-3-C PUD	Approved (2006)	Proposed (2013) Residential Option	Proposed (2013) Hotel Option	Relief
Minimum lot area	N/A	15,000 sf	38,542 sf	38,542 sf	38,542 sf	Conforming
FAR	3.0 118,389 sf	8.0 315,704 sf	7.7 307,384 sf	4.8	4.9	Conforming
Height	40'	130'	120'	80' - 1"	80' - 1"	Conforming
Number of Units		N/A	116	170-216	200 (hotel units)	Conforming
Square Footage		307,616 sf	307,384 sf	183,712 sf (27,500 retail)	183,712 sf (27,500 retail)	Conforming
Affordable Housing		N/A	26,847 sf	29,967-31,177 sf	Offsite	Conforming
Parking		29 residential 29 office 48 retail	101 residential 50 office 50 retail	108 residential 107 retail	108 hotel 107 retail 10 exhibit	Conforming
Bike Parking		N/A	44	72	72	Conforming
Rooftop Structures		1 ft. per ft of height	Stair towers at edge of building	Stair towers at edge of building	Stair towers at edge of building	Requested
Lot Occupancy		100%	93%	100%	100%	Conforming
Loading	Residential: 1-55 ft berth 1-20 ft space 1-200 sf platform Retail: 1-30 ft berth 1-100 sf platform Grocery: 1-30 ft berth 1-20 ft space 1-100 sf platform Hotel: 1-30 ft berth 1-20 ft space 1-200 sf platform	Residential: 1-55 ft berth 1-20 ft space 1-200 sf platform Retail: 1-30 ft berth 1-100 sf platform Grocery: 1-30 ft berth 1-20 ft space 1-100 sf platform Hotel: 1-30 ft berth 1-20 ft space 1-200 sf platform	Provided: 1-30 ft berth 1-55 ft berth 400 sf platforms	Provided: 1-30 ft berth 1-55 ft berth 400 sf platforms	Provided: 1-30 ft berth 1-55 ft berth 400 sf platforms	Requested

VI. PUD EVALUATION STANDARDS AND PUBLIC BENEFITS AND AMENITIES

The purpose and standards for Planned Unit Developments are outlined in 11 DCMR, Chapter 24. Section 2400.1 states that a PUD is “designed to encourage high quality developments that provide public benefits.” In order to maximize the use of the site consistent with the Zoning Regulations, and be compatible with the surrounding community, the application requests that the proposal be reviewed as a consolidated PUD. This will allow the use of the flexibility stated in § 2400.2:

The overall goal is to permit flexibility of development and other incentives, such as increased building height and density; provided, that the project offers a commendable number or quality of public benefits and that it protects and advances the public health, safety, welfare, and convenience.

The application would allow approximately 40' of additional building height above C-M-1 limits. The Project proposes an FAR of 4.8-4.9, less than 8.0 FAR permitted under a C-3-C PUD, but more than the 3.0 FAR permitted under the C-M-1 zoning, a gain of close to 65,000 sf. The PUD would also allow residential uses whereas the C-M-1 Zone does not.

The PUD standards further provide that the “impact of the project on the surrounding area and upon the operations of city services and facilities shall not be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project.”

Sections 2403.5 – 2403.13 of the Zoning Regulations discuss the definition and evaluation of public benefits and amenities. In its review of a PUD application, § 2403.8 states that “the Commission shall judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” To assist in the evaluation, the Applicant is required to describe amenities and benefits, and to “show how the public benefits offered are superior in quality and quantity to the typical development of the type proposed...” (§ 2403.12). The application has offered the following amenities and benefits as an offset to the additional development gained through the application process:

(a) *Urban design, architecture, landscaping, or creation or preservation of open space;*

The proposed design creates a sense of scale and visual interest on a vacant site. The design is responsive to its location at the Florida Avenue Market, providing a defining urban edge to both Florida Avenue and Fourth Street to help define the primary Market entrance.

(b) *Site planning, and efficient and economical land utilization;*

The proposal would enhance a currently underused site located within close proximity to a Metro station and several Metrobus lines. The Project would accommodate residential and retail uses on a relatively small plot of land with significant grade changes. The Project would activate the surrounding street network with a combination of active retail uses, additional residents, and streetscape improvements.

(c) *Housing and affordable housing ;*

The Applicant has committed to approximately 170-216 new residential units (183,712 sf.) of affordable housing, of which up to 34-43 units (29,967-31,177 sf.) would be designated as affordable housing, in accordance with IZ. This is greater than the 26,847 sf. approved under the previous Order. If the hotel component of the Project is implemented, the Applicant will either construct off-site or financially assist an amount of affordable space equivalent to 31,177 sf. of affordable housing. The Applicant should provide, prior to a hearing, a break-down of units by type/number of bedrooms, and floor plans to locate the affordable units.

(d) *Social services/facilities;*

The Project includes a multifunctional community room which can be used as an ANC office and meeting space, or a Metropolitan Police Work Station.

(e) Environmental benefits;

The proposed development provides a number of environmental benefits and includes street tree planting and maintenance, landscaping, stormwater management controls, energy efficiency and an emphasis on transit and pedestrian and bike access. The Project will achieve 29 LEED points, 5 more than previously provided in the prior Order. OP will continue to work with the Applicant to refine and augment the environmental benefits.

(f) Uses of special value to the neighborhood or the District of Columbia as a whole;

The Applicant is continuing to work with Advisory Neighborhood Commission ("ANC") 5D, to develop additional benefits and amenities identified as needs within the community; details and analysis would be provided prior to a public hearing.

(g) Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;

The Project will incorporate a traffic management plan in and around the PUD site to properly manage the traffic flow in the area. The proposed Project provides a below grade parking garage with approximately 215 spaces. The parking entrance would be located on Florida Avenue and the loading would be accessed from Morse Street. Complete DDOT review is anticipated prior to a hearing; the Applicant will need to further address DDOT's safety concerns regarding movements onto Florida Avenue, prior to a hearing.

(h) Employment and training opportunities.

The Applicant and the DC Department of Employment services previously executed a First-Source Employment Agreement. The Applicant also entered into a LSDBE Memorandum of Understanding with the DC Department of Small and Local Business Development to specify contracting goals for small, local businesses.

Should the project be setdown, OP would continue to work with the Applicant to refine the amenity package prior to a public hearing.

VII. AGENCY REFERRALS AND COMMENTS

Prior to a public hearing, the application will be referred to the following District agencies for review and comment:

- Department of Transportation (DDOT);
- Department of the Environment (DDOE);
- Fire and Emergency Medical Services Department (FEMS);
- DC Water;
- DC Public Schools (DCPS);
- Department of Housing and Community Development (DHCD);
- Department of Public Works (DPW);
- Department of Employment Services (DOES); and
- Department of Health (DOH).

VIII. CONCLUSION

The proposed PUD is not inconsistent with the elements of the Comprehensive Plan and OP recommends the application be set down for public hearing. OP will work with the Applicant to supplement the proposal as noted in this report, and to respond to any requests for additional information by the Commission.

JS/sg

Case Manager, Stephen Gyor AICP