

MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: *JL for* Jennifer Steingasser, Deputy Director, Development Review & Historic Preservation

DATE: March 21, 2016

SUBJECT: Public Hearing Report for ZC #08-30C
25 M Street, SE – Modification of an Approved Zoning Commission Design Review Under the Capitol Gateway Overlay

I. SUMMARY RECOMMENDATION

The applicant has applied for a modification to the design of this mixed use development originally approved by the Commission in 2009 and subsequently modified in 2011. This proposal includes a modification to the massing and architecture on the part of the site at M Street SE, north of the Via. The Office of Planning (OP) reviewed the application pursuant to the review criteria of Chapter 16 of the Regulations, the Capitol Gateway Overlay. The application generally successfully addresses the criteria of the Overlay and OP strongly supports the project. OP has requested that the applicant address the outstanding items in this report, and pending resolution of those issues OP would have no objection to the overall application.

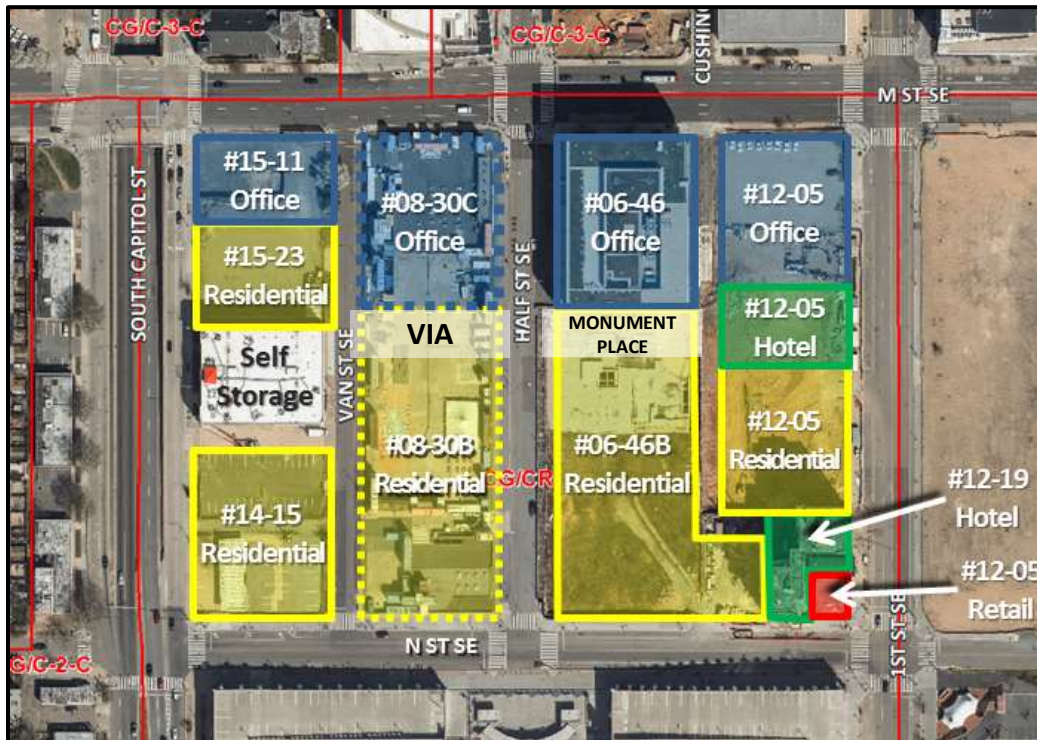
II. APPLICATION-IN-BRIEF

Location	Southwest corner of M and Half Street, SE Ward 6, ANC 6D
Applicant	25 M Street Holdings, LLC (Akridge)
Zoning	CR / CG (Commercial Residential / Capitol Gateway Overlay)
Site Area	87,991 sf (entire lot from M Street to N Street)
Proposed Development	A 110', 7.64 FAR mixed use building with residential, office and retail. The subject of this application is only the northern part of the building, which is proposed for office and retail.
Relief	Pursuant to 11 DCMR §1610.7, the following relief is requested by the applicant in order to develop as proposed: 1. Variance from M Street setback requirement (§ 1604.3, 15' required, architectural element proposed to encroach into setback beginning at second floor); 2. Variance from Half Street step back requirements (§ 1607.2; Matter-of-right: 20' depth at 65' in height; Special exception: 12' depth at 80' in

	height; Proposed: Architectural element requiring variance relief); 3. Variance from Half Street retail requirement (§ 1607.3, 75% ground floor retail required, 72% proposed on northern portion of building); 4. Special Exception from penthouse setback requirement (§ 411.18(c)(5), 1-to-1 setback required, ½-to-1 setback proposed at the Via).
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III. SITE AND AREA DESCRIPTION AND BACKGROUND

The subject property is located at the southwest corner of M and Half Streets, across Half Street from the Half Street entrance to the Navy Yard metro station. The entire east half of Square 700 was approved for a mixed use development in case #08-30. That development would have consisted of a single building spanning from M to N Streets and crossing a private alley known as the Via. The current application, #08-30C, applies to only the portion of the building north of the Via. Please refer to the vicinity map and the further area description below. A separate application, #08-30B, is currently under consideration by the Commission for the southern portion of this site.



The site is bounded by Van Street on the west, M Street on the north, Half Street on the east, and the Via, a new connection between Half street and Van Street SE, on the south. The subject site currently has no permanent structures on it, but has a temporary entertainment use frequented on baseball game days. The property is zoned CR / CG (Commercial Residential / Capitol Gateway Overlay), as are the other properties in Square 700 and 701 to the east. The Navy Yard metro station west entrance is immediately east of the subject site at the corner of M and Half Streets.

IV. PROJECT DESCRIPTION

The subject application seeks to modify the northern portion of the single building approved in case 08-30 and 08-30A. That building included a northern portion devoted to office, separated by the Via from a southern portion devoted to both office and residential. The southern portion of the building is proposed, in case 08-30B, to be modified to only residential use with retail. This proposal, 08-30C, would somewhat modify the architecture and massing of the northern portion of the building. The basic building parameters, which are generally for the entire site of 08-30 since it is considered one development, are shown in the table below.

Item	Approved – Entire Site (08-30)	Proposed – Entire Site (08-30 B and C)	Proposed – Subject Portion (08-30C only)
Site Area	87,991 sf	No change	32,394 sf
Height	110'	110' + occupied penthouse	110' + occupied penthouse
Total Floor Area	709,158 sf	672,188 sf	246, 276 sf
Total FAR	8.06	7.64	7.6
Residential GFA	288,242 sf	356,977 sf	0 sf
Office GFA	420,916 sf	225,729 sf	225,729 sf
Retail GFA	51,624 sf	89,482 sf	20,547 sf
Penthouse Occupiable Area	n/a	32,464 sf	7,735 sf

The height of the building would be the same, but portions of the building volume along Half Street would be carved away. The applicant states that this change is desirable to achieve exterior-to-core distances in the office floorplate that are expected in the current office market. The design would still incorporate a diagonal architectural element cutting through the building, though with the redesign of the residential portion of the building, the element would now be positioned at a steeper angle relative to Half Street.

The material palette would be very similar to the approved version, but with a greater use of stone on the first two stories and window panes appearing to float in front of the main building wall. On upper levels, the propose design uses the same motifs as the approved application, but simplifies the overall composition. OP supports the proposed design changes.

Aside from the building lobby and back-of-house spaces, the ground floor would be entirely retail, with the possibility of second story retail. In conversations with OP, the applicant indicated that the second story retail could include large operable windows; OP supports the concept, but the applicant should submit additional detail about how those windows would look and function. OP recommended to the applicant that the terrace on the third floor could also be

used for retail to help bring activation to the street, but the current floorplans only list office as a potential use on the third floor.

The revised design would also, according to the applicant, include 7,735 sf of occupiable penthouse space, and OP has asked the applicant to estimate the resulting monetary contribution to the Housing Production Trust Fund. The Commission previously approved an architectural embellishment covering the diagonal element. The new design continues to propose an embellishment, though its design has changed. Where the previous element felt low compared to the rhythm of the stories below it, and was partially obscured by the mass of the building, the new design is more visible and replicates the height and fenestration of the stories below. OP asked the applicant to examine a design which would lighten the feel of the embellishment or differentiate it from the diagonal element below.

The submitted plans show potential designs for public space adjacent to the building. Those designs will need to be coordinated with adjacent property owners and approved by DDOT. The design also shows Pepco vaults in public space in Van Street. OP defers to DDOT on the location of those vaults.

V. ZONING

The subject site is zoned CR / CG (Commercial-Residential / Capitol Gateway Overlay). The CR district is designed to “help create major new residential and mixed use areas in planned locations at appropriate densities, heights and mixture of uses” (600.3(a)). The Capitol Gateway Overlay is intended to encourage a mix of uses while creating a pedestrian-friendly environment. The applicant has requested relief from the specific zoning regulations listed below, all of which were previously granted in case 08-30.

1. Variance from M Street setback requirement (§ 1604.3)

Section 1604.3 requires a 15 foot setback from the curb along M Street. The original approval received relief so that the diagonal architectural element crossing through the building could project into that setback, beginning at 20 feet above grade. The current design keeps a modified version of the diagonal element, and it would project over the sidewalk at the location of the office lobby. Because the design element would provide visual interest to the building and would not interfere with the pedestrian flow around the building, OP has no objection to the requested relief.

2. Variance from Half Street step back requirement (§ 1607.2)

Section 1607.2 requires a 20 foot stepback at 65 feet in height, and permits special exception relief to reduce the stepback to 12 feet at 80 feet in height. The approved application received variance relief to exceed the special exception stepback along most of the Half Street frontage. The current design, on the other hand, is significantly reduced in mass along Half Street, and the degree of relief required is much less. Most, if not all, of the required relief is due to the angle element cutting diagonally through the building, reminiscent of the approved design. The rest of

the Half Street façade would be reduced in height, down to as low as two stories at the Via, and three stories at M Street. This overall design would meet the intent of the regulation to allow light and air onto Half Street, while still providing an appropriate sense of enclosure and enough of a street wall to both hold the corner on M Street and provide activation on Half Street. OP supports the requested relief.

3. Variance from Half Street retail requirement (§ 1607.3)

The applicant has requested relief from this section as the ground floor of the northern part of the single building has only 72% retail. The language of § 1607.3, however, refers to the entire building, not portions of the building, and the applicant in case 08-30B asserted that the entire building, from M Street to N Street, would conform to the 75% requirement. OP has no objection to the layout of the ground floor, as the applicant in this case is utilizing every available area for retail. But the applicant should clarify whether or not relief is actually required from § 1607.3. The original approval granted variance relief to allow 68% ground floor retail.

4. Special exception from penthouse setback requirement (§ 411.18(c)(5))

Pursuant to § 411.11, the Commission may grant special exception relief from the penthouse setback requirement. The applicant has requested relief from the penthouse setback adjacent to the Via, an open court. Rather than set back 16 feet, the design calls for an eight foot setback, as shown on the building section on Sheet A26 of Exhibit 15A. The following criteria are used to assess the special exception request:

- (a) Operating difficulties such as meeting Building Code requirements for roof access and stairwell separation or elevator stack location to achieve reasonable efficiencies in lower floors; size of building lot; or other conditions relating to the building or surrounding area make full compliance unduly restrictive, prohibitively costly or unreasonable;**

The applicant states that “the creation of an appropriately sized fitness center and locker room area is unduly restricted” by the setback requirement (Exhibit 15, p. 5). It is unclear, however, why either the fitness center and locker room or the mechanical space could not be reduced in size to fully comply with the requirement. OP has asked the applicant to provide more information as to why full compliance would be unduly restrictive. OP has also asked the applicant to clarify that all guardrails at the roof level meet the setback requirements of § 411.18.

- (b) The intent and purpose of this chapter and this title will not be materially impaired by the structure; and**

The intent of this Chapter to minimize the appearance of penthouses should not be materially impaired by a reduced setback. The applicant has provided renderings that indicate that the penthouse would not be visible from nearby streets, including Van Street, the Via and Half Street (Exhibit 15A, Sheet A29).

(c) The light and air of adjacent buildings will not be affected adversely.

The design of the penthouse should have no detrimental impact to the light and air available to nearby buildings. The closest structure is the southern half of this same building, and because this penthouse is to the north, it would not increase shadow on the residential part of the building.

VI. CRITERIA OF THE CAPITOL GATEWAY OVERLAY

The Capitol Gateway Overlay District lists a number of objectives for the overlay and provides specific criteria for the Zoning Commission review of proposed developments. The following is OP's analysis of these standards as applied to the application.

§1600.2 The purposes of the CG Overlay District are to:

- (a) Assure development of the area with a mixture of residential and commercial uses, and a suitable height, bulk and design of buildings, as generally indicated in the Comprehensive Plan and recommended by planning studies of the area;**

The project proposes office and retail uses, which are appropriate in the CG Overlay. The proposed height of 110 feet and the design shown by the applicant are generally appropriate to an area near the center of the city and accessible by Metro. OP supports the style of architecture. The massing of the building would require relief from the Half Street setback provision and the M Street setback requirement of the Overlay, but its distinctive shape could provide some visual variety to the adjacent streetscapes.

- (b) Encourage a variety of support and visitor-related uses, such as retail, service, entertainment, cultural and hotel or inn uses;**

The project proposes ground floor retail, which would meet the intent of this section, and which would enhance the pedestrian experience along Half, M and Van Streets. The retail would add to the planned entertainment and retail environment in the area near the baseball stadium. The addition of office workers would also help support local retail options.

- (e) Require suitable ground-level retail and service uses and adequate sidewalk width along M Street, SE, near the Navy Yard Metrorail station;**

The project would meet the setback requirement from M Street at the ground floor and would provide adequate sidewalk width. The ground level retail would help to activate the M Street streetscape.

- (h) Provide for the development of Half Street, SE as an active pedestrian-oriented street with active ground floor uses and**

appropriate setbacks from the street facade to ensure adequate light and air, and a pedestrian scale; and

Because of the office use and concentration of ground floor retail, the proposed development would create an active pedestrian character on Half Street. The possible second floor retail would provide added vitality and visual interest. The stepped back mass of the building would allow extra light and air into Half Street, but maintain enough of a street wall to frame the view toward the stadium while providing an appropriate sense of enclosure for Half Street.

§ 1604 Buildings, Structures and Uses on M Street, SE.

§ 1604.1 The following provisions apply to new buildings, structures, or uses with frontage on M Street, SE within the CG Overlay.

§ 1604.2 No driveway may be constructed or used from M Street to required parking spaces or loading berths in or adjacent to a new building.

No vehicular access points are planned on M Street. All parking and loading would be accessed from Van Street.

§ 1604.3 The streetwall of each new building shall be set back for its entire height and frontage along M Street not less than fifteen (15) feet measured from the face of the adjacent curb along M Street, SE.

The design would generally provide the 15 foot setback along the M Street frontage. The façade would be punctuated, however, by an architectural element, beginning 20 feet above grade, that would extend into the setback above the office lobby. The element would not hinder pedestrian movement or the viability of the retail along M Street, would help to break down the mass of the building, and, through the extensive use of glass within the metal-panel frame, feel relatively light and transparent. See the renderings at Exhibit 15A, Sheets A34 and A35.

§ 1604.4 Each new building shall devote not less than thirty-five percent (35%) of the gross floor area of the ground floor to retail, service, entertainment, or arts uses (“preferred uses”) as permitted in §§ 701.1 through 701.5 and §§ 721.1 through 721.6 of this Title; provided, that the following uses shall not be permitted: automobile, laundry, drive-through accessory to any use, gasoline service stations, and office uses (other than those accessory to the administration, maintenance, or leasing of the building).

The building incorporates over 70% of the ground floor for preferred uses. The only exceptions are for office and residential lobbies, loading and service space and garage entrances.

Preferred uses shall occupy 100% of the building’s street frontage along M Street, except for space devoted to building entrances or required to be devoted to fire control.

Except for the office building lobby, the proposed design shows retail along the entire M Street frontage.

§ 1604.5 For good cause shown, the Commission may authorize interim occupancy of the preferred use space required by §1604.4 by non-preferred uses for up to a five (5) year period; provided, that the ground floor space is suitably designed for future occupancy by the preferred uses.

The applicant has not requested temporary-use relief.

§ 1604.6 Not less than fifty percent (50%) of the surface area of the streetwall of any new building along M Street shall be devoted to display windows having clear or low-emissivity glass except for decorative accent, and to entrances to commercial uses or the building.

The application does not indicate whether the design would comply with this standard. A review of the elevations and renderings, however, seems to indicate that the façade would have more than 50% display windows.

§ 1604.7 The minimum floor-to-ceiling clear height for portions of the ground floor level devoted to preferred uses shall be fourteen (14) feet.

The submitted plans indicate that the minimum clear height for the ground floor would be 16 feet, and the maximum would be 20 feet.

§ 1604.8 A building that qualifies as a Capitol South Receiving Zone site under § 1709.18 and for which a building permit has been applied for prior to August 31, 2001, shall not be subject to the requirements of this section.

This site is not within the Capitol South Receiving Zone.

§ 1604.9 Where preferred use retail space is required under this section and provided, the provisions of DCMR 11 §633 shall not apply.

In conformance with this provision, the design does not incorporate a formal ground level public plaza. The design, however, would create a potential public gathering spot in the Via and would also enhance the Half Street right-of-way so that it could be used not only for adjacent retailers but also for events when the street is closed to automobile traffic.

§ 1607 Buildings, Structures and Uses on Half Street, SE, South of M Street, SE

§ 1607.1 The following provisions apply to new buildings, structures, or uses with frontage on Half Street, SE south of M Street, SE, within the CG Overlay.

§ 1607.2 Any portion of a building or structure that exceeds 65 feet in height shall provide a minimum step back of 20 feet in depth from the building line along Half Street, SE. Pursuant to § 3104, the Zoning Commission may grant relief from this requirement, to a maximum of 15 feet in height and 8 feet in depth, for the provision of reasonable development footprints.

Because of the proposed form of the building, the applicant has requested relief from this section, as described in more detail in Section V of this report, above. The proposed design would meet the intent of this section to provide adequate light and air to Half Street while maintaining a pedestrian-scaled environment.

§ 1607.3 Each new building shall devote not less than seventy-five percent (75%) of the gross floor area of the ground floor to retail, service, entertainment, or arts uses (“preferred uses”) as permitted in §§ 701.1 through 701.5 and §§ 721.1 through 721.6 of this Title; provided, that the following uses shall not be permitted: automobile, laundry, drive-through accessory to any use, gasoline service stations, and office uses (other than those accessory to the administration, maintenance, or leasing of the building).

The entire building approved in case 08-30A, spanning from M to N Streets, was granted relief from this provision to provide approximately 69% of the ground floor to retail uses. The applicant in this case has requested relief from this provision for the northern portion of the building. This provision, however, applies to the entire building, and OP is not clear that relief is necessary given the revised designs for the ground floor. In any event, the design would meet the intent of this provision by providing retail in all possible locations except for building entrances and back of house spaces.

§ 1607.4 Preferred uses shall occupy 100% of the building’s street frontage along Half Street, SE, except for space devoted to building entrances or required to be devoted to fire control.

Preferred uses would occupy all of the Half Street frontage of the building.

§ 1607.5 The minimum floor-to-ceiling clear height for portions of the ground floor level devoted to preferred uses shall be fourteen (14) feet.

The application materials indicate that the design would comply with this provision.

§ 1607.6 For good cause shown, the Commission may authorize interim occupancy of the preferred use space required by § 1607.2 by non-preferred uses for up to a five (5) year period; provided, that the ground floor space is suitably designed for future occupancy by the preferred uses.

The applicant has not requested temporary-use relief.

§ 1607.7 No private driveway may be constructed or used from Half Street, SE to any parking or loading berth areas in or adjacent to a building or structure constructed after February 16, 2007.

There is no vehicular access from Half Street. All parking and loading is accessed from Van Street. OP supports the use of Van Street for those purposes, but defers to DDOT on the exact configuration of the parking and loading facilities.

§ 1607.8 Where preferred use retail space is required under this section and provided, the provisions of DCMR 11 § 633 shall not apply.

In conformance with this provision, the design does not incorporate a formal ground level public plaza. The design, however, would create a potential public gathering spot in the Via and could also potentially enhance the Half Street right-of-way so that it could be used not only for adjacent retailers but also for events when the street is closed to automobile traffic.

§ 1610 Zoning Commission Review of Buildings, Structures and Uses

§ 1610.1 The following provisions apply to properties located:

- (b) On a lot that abuts M Street, SE;**
- (c) On a lot located within Squares 700 or 701, north of the Ballpark site;**
- (f) Any lot that is the recipient of density through the combined lot provisions of § 1602.**

§ 1610.2 With respect to those properties described in § 1610.1, all proposed uses, buildings, and structures, or any proposed exterior renovation to any existing buildings or structures that would result in an alteration of the exterior design, shall be subject to review and approval by the Zoning Commission in accordance with the following provisions.

§ 1610.3 In addition to proving that the proposed use, building, or structure meets the standards set forth in § 3104, an applicant requesting approval under this section must prove that the proposed building or structure, including the siting, architectural design, site plan, landscaping, sidewalk treatment, and operation, will:

- (a) Help achieve the objectives of the CG Overlay District as set forth in §1600.2;**

The project would help achieve the objectives of the CG Overlay by adding a mix of uses to the area, including ground floor retail. The height and bulk of the building would be appropriate and as prescribed by the Comprehensive Plan, and would help establish Half Street, M Street and

Van Streets as active streets with a vibrant retail presence complementary to the baseball stadium. The development should provide adequate sidewalk width along adjacent streets. The proposal would also meet the goal of achieving an appropriate design through its distinctive, quality design.

- (b) Help achieve the desired mixture of uses in the CG Overlay District as set forth in §§ 1600.2(a) and (b), with the identified preferred uses specifically being residential, hotel or inn, cultural, entertainment, retail or service uses;**

The proposal would provide a significant amount of retail, an appropriate use in an area developing as a mixed use neighborhood with a focus on entertainment and hospitality uses. Retail is identified as a preferred use in the CG overlay.

- (c) Be in context with the surrounding neighborhood and street patterns;**

The proposed development would respect and enhance the surrounding neighborhood and street patterns. The neighborhood has an emerging architectural character with some of the new buildings on M, South Capitol and Half Streets, as well as the baseball stadium, sharing a modern vernacular. The design of the proposed building would expand on that trend by using a contemporary building form and massing configuration, while framing the Half Street streetscape.

- (d) Minimize conflict between vehicles and pedestrians;**

The proposed design would help to minimize conflict between vehicles and pedestrians. All loading and parking would be accessed from Van Street, which serves as an alley for this square. The pedestrian environment of Van Street would be enhanced with some retail frontages on that street. The other façades of the building would be entirely focused on pedestrian-activating uses, and the Via would be a pedestrian-only zone. While the proposed streetscapes still need to be approved by DDOT, their conception seems to provide significant space for pedestrians and street-activating uses such as sidewalk cafes. The applicant is also providing 89 bicycle parking spaces, which should encourage bicycle use and further reduce auto demand.

- (e) Minimize unarticulated blank walls adjacent to public spaces through facade articulation; and**

The building would have almost no blank walls fronting public space. The ground floor would be mostly retail with glass storefronts and an office building entrance, as well as the garage and loading doors. Much of the façade could be further activated with double-story retail.

- (f) Minimize impact on the environment, as demonstrated through the provision of an evaluation of the proposal against LEED certification standards.**

Based on the LEED checklist provided on Sheet A10 of Exhibit 15A, the building would definitely achieve 70 points, the equivalent of the LEED Gold, with the potential for 23 additional points and a Platinum equivalent.

§ 1610.5 With respect to a building or structure which has frontage on Half Street S.E. south of M Street S.E. or Front Street S.E. south of M Street S.E.:

- (a) The building or structure shall provide for safe and active streetscapes through building articulation, landscaping, and the provision of active ground level uses including retail, entertainment, cultural, and pedestrian concourse space;**
- (b) The building or structure shall provide for safe and convenient movement to and through the site, including to public transit, the Ballpark, and to the Anacostia River; and**

The building would provide for a safe and active pedestrian streetscape. Retail uses would line the entire Half Street and Via façades, and all of the M Street façade save for the office lobby. Second story retail could also help to activate the street. While final streetscape designs will need to be coordinated with other property owners and approved by DDOT, the preliminary designs shown in the application would present adequate width for pedestrian movements and provide space for outdoor seating. The subject site is steps from both the west entrance to the Navy Yard metro and the ballpark. Access to the Anacostia River is available just south of the ballpark.

- (c) The application shall include a view analysis that assesses openness of views and vistas around, including views toward the Capitol Dome, other federal monumental buildings, the Ballpark, and the waterfront.**

The application provides some renderings that indicate that nearby buildings would block views of the Capitol. OP has requested an additional rendering looking down Half Street toward the ballpark and expects that image to be available prior to the public hearing.

§ 1610.7 The Commission may hear and decide any additional requests for special exception or variance relief needed for the subject property. Such requests shall be advertised, heard, and decided together with the application for Zoning Commission review and approval.

As described in this report, the design of the project would require relief from M Street setback, Half Street step back, ground floor retail and penthouse setback requirements.

VII. COMMUNITY COMMENTS

The ANC has voted unanimously to support the project.

VIII. SUMMARY OF OP COMMENTS

OP supports the proposed design modifications, largely supports the requested relief, and feels the project generally meets the criteria of the Capitol Gateway Overlay. The project would help create a vibrant pedestrian environment and contribute to the architectural character of the area. The following summarizes OP comments from this report.

OP Comment	Planning and / or Zoning Rationale
Provide additional detail about how second floor operable windows would look and function.	An important goal of the Overlay is activation of Half Street, and the appearance of those windows, and how they might allow second story retail to activate the street, is important for staff and the Commission to evaluate.
Estimate the monetary contribution to the Housing Production Trust Fund resulting from the penthouse habitable space.	Affordable housing is an important policy goal of the city and it is important to understand the contribution made by this building.
Examine a design that would lighten the feel of the architectural embellishment or differentiate it from the diagonal element below.	While the previous design included an architectural embellishment, that design felt lower, less visible, and more distinguished from the building below.
Provide more information as to why full compliance with penthouse setbacks would be unduly restrictive.	OP does not object to the rooftop design, but the application does not yet fully address the special exception criteria of § 411.11.
Clarify that all guardrails at the roof level meet the setback requirements of § 411.18.	The glass guardrail depicted at the roof level under the architectural embellishment appears to be at the edge of the roof.
Provide an additional rendering looking down Half Street toward the ballpark.	Understanding the massing relationship of this building to adjacent buildings and its impact on the streetscape is important to the analysis under the CG Overlay.