

GOVERNMENT OF THE DISTRICT OF COLUMBIA

**Zoning Commission**

**ZONING COMMISSION FOR THE DISTRICT OF COLUMBIA**

**ZONING COMMISSION ORDER NO. 11-03J(1)**

**Z.C Case No. 11-03J**

**Wharf Phase 3 REIT Leaseholder LLC**

**(Second-Stage Planned Unit Development and Modification of Significance to First-Stage  
Planned Unit Development @ Southwest Waterfront, Phase 2)**

**Overall Plan Elements, Parcel 10, Water Building 3, M Street Landing, The Terrace,  
Wharf Marina, and Adjacent Spaces**

**[DATE]**

Pursuant to notice, the Zoning Commission for the District of Columbia (“Commission”) held public hearings on November 2, November 6, and November 9, 2017, to consider an application for a second-stage planned unit development (“PUD”) and a modification of significance to a first-stage PUD (together, the “Application”) filed by Wharf Phase 3 REIT Leaseholder LLC (“Applicant”) on behalf of the District of Columbia Office of the Deputy Mayor for Planning and Economic Development (“DMPED”). The Application consists of Phase 2 of the Southwest Waterfront (“Wharf”) redevelopment project (“Phase 2 PUD”) which is located on Lots 878, 881, 887, 888, and 921 of Square 473. The Commission approved the first-stage PUD application for the Wharf project pursuant to Z.C. Order No. 11-03 (*dated* October 17, 2011, *effective* December 16, 2011)(“first-stage PUD”). The Phase 2 PUD includes the primary landside buildings and structures located on Parcels 6-10, two below-grade parking structures, three waterside buildings known as Water Buildings 1-3, and the completion of the Wharf Marina. The Phase 2 PUD also includes various landside and waterside accessory structures and kiosks, public areas and open spaces, and improvements to public and private streets and alleys. The Commission considered the Application in accordance with the first-stage PUD and Subtitle X, Chapter 3 and Subtitle Z of the 2016 Zoning Regulations of the District of Columbia (“ZR16”), Title 11 of the District of Columbia Municipal Regulations (“DCMR”).<sup>1</sup> Due to the number of buildings and other development components contained in the Phase 2 PUD, and the breadth of information contained in the case record, the Commission divided the Phase 2 PUD into three segments that generally correspond to the organization of the proposed plans submitted by the Applicant, as follows: (i) Phase 2 PUD master plan elements, Parcel 10, Water Building 3, M Street Landing, The Terrace, and Wharf Marina; (ii) Parcels 8 and 9, Water Building 2, The Grove, and Marina Way; and (iii) Parcels 6 and 7, The Oculus, and Water Building 1. Each of the aforementioned segments were considered by the Commission at separate hearings, which were conducted in accordance with the contested case provisions of Subtitle Z, Chapter 4 of ZR16. Upon a motion made by the Applicant,

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<sup>1</sup> Pursuant to 11-A DCMR § 102.3(a), the Southwest Waterfront redevelopment project is a vested project under the 1958 Zoning Regulations as to permitted development standards and use permissions. However, with respect to procedural requirements, the Application was processed by the Commission and the Office of Zoning in accordance with the procedural requirements of the 2016 Zoning Regulations. See Notice of Intent at Exhibit 2G and Notice of Public Hearing at Exhibit 17.

the Commission granted a request to deliberate and vote on each segment separately, and issue separate orders accordingly. For the reasons stated below, the Commission hereby approves this segment of the Application for Overall Plan Elements, Parcel 10, Water Building 3, M Street Landing, The Terrace, Wharf Marina, and Adjacent Spaces (“Parcel 10 PUD”).

**FINDINGS OF FACT**

**The Application, Parties, and Hearing**

1. On May 12, 2017, the Applicant filed an application with the Commission for review and approval of a second-stage PUD and a modification of significance to an approved first-stage PUD (Z.C. Order No. 11-03) for Phase 2 of the Southwest Waterfront (“Wharf”) redevelopment project (“Phase 2 PUD”, “Application”) (Exhibit [“Ex”] 1 – 2). The Phase 2 PUD contains is located on Lots 878, 881, 887, 888, and 921 of Square 473 (“Property”), and consists of the primary landside buildings and structures located on Parcels 6-10 of the Wharf project, two below-grade parking structures, three waterside buildings known as Water Buildings 1-3, and the completion of the Wharf Marina. The Phase 2 PUD also includes various landside and waterside accessory structures and kiosks, public areas and open spaces, and improvements to public and private streets and alleys. The Applicant intends to redevelop the Property generally consistent with the development parameters of the first-stage PUD Order as they relate to building height, number of stories, and density. As part of the Application, the Applicant is requesting to modify the first-stage PUD to permit a hotel use on Parcel 8.
  
2. By report dated July 14, 2017, the Office of Planning (“OP”) recommended that the Application be set down for a public hearing (Ex. 10.). As part of its report, OP recommended that the Applicant amend the Application to include a request for first-stage PUD modification for the layout of the piers and docks in Wharf Marina. At its public meeting held on July 24, 2017, the Commission voted to schedule a public hearing on the Application. At that same meeting, the Commission divided the Phase 2 PUD into three segments that generally correspond to the organization of the proposed plans submitted by the Applicant due to the number of buildings and other development components contained in the Phase 2 PUD and the breadth of information contained in the case record. Each of the aforementioned segments were considered by the Commission at separate hearings, as follows:

<b>Hearing Date</b>	<b>Topics</b>
November 2, 2017	<b>Overall Plan Elements / Volume C</b> (Master Plan, Parcel 10, Water Building 3, M Street Landing, The Terrace, and Wharf Marina)
November 6, 2017	<b>Volume B</b> (Parcel 8, Parcel 9, Water Building 2, The Grove, and Marina Way)
November 9, 2017	<b>Volume A</b> (Parcel 6, Parcel 7, Water Building 1, and The Oculus)

3. On August 4, 2017, the Applicant submitted a prehearing statement, which responded to issues raised by the Commission and OP at the setdown meeting (Ex. 12 and 13). As part of its prehearing statement, the Applicant amended the Application to include the layout of the piers and docks in Wharf Marina as part of its request to modify the first-stage PUD. On October 4, 2017, the Applicant submitted its Comprehensive Transportation Review (“CTR”) Report. (Ex. 20). On October 13, 2017, the Applicant submitted a supplemental prehearing statement, which included a full set of revised architectural plans and drawings (“Plans and Drawings”) and additional responses to issues raised by the Commission and OP at the setdown meeting (Ex. 21).
4. A description of the Phase 2 PUD and the notice of public hearing for the Application were published in the *D.C. Register* on September 1, 2017. The notice of public hearing was mailed to all property owners within 200 feet of the Property, based upon a listing of property owners obtained from the District of Columbia Office of Tax and Revenue (“OTR”) at the time of issuing the Notice of Intent for the Application, as well as to Advisory Neighborhood Commission 6D (“ANC”).
5. At its October 16, 2017, regularly scheduled meeting, which was duly noticed and at which a quorum was present, ANC 6D voted 5-0-0 to oppose the Application for a variety of reasons, which are set forth in the ANC’s report dated October 26, 2017 (Ex. 32). As described in this Order, the Applicant submitted additional information to the record based on further negotiations with the ANC, and more specifically the ANC’s Negotiation Team which had been authorized by the full ANC to negotiate on behalf of, and represent the official position of, the ANC with respect to the Phase 2 PUD (the “ANC Agreement”) (Ex. 38)<sup>2</sup>. Based upon the conditions set forth in the ANC Agreement, at the public hearing held on November 2, 2017, ANC Chairman Andy Litsky testified that the ANC Negotiation Team, on behalf of the full ANC formally supported the Application (Ex. 49.).
6. On October 18, 2017, the Gangplank Slipholders Association (“GPSA”) submitted a request for party status in opposition to the Application (Ex. 23). GPSA’s party status request noted that it supported the project with reservations about excessive light and noise, construction debris, public foot and vehicular traffic, long-term community sustainability, safe and secure access during construction, and liveaboard access to existing parking and loading areas (Ex. 23, p. 2).
7. On October 19, 2017, the Tiber Island Condominium (“Tiber Island Condo”) submitted a request for party status in opposition to the Application (Ex. 25). Tiber Island Condo’s party status request also stated that it supported the project with reservations about excessive light and noise, construction debris, public foot and vehicular traffic, long-term community sustainability, safe and secure access during construction, and the removal of existing Zone 6 reserved parking areas and associated loading areas currently used by its residents. (Ex. 25, p.

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<sup>2</sup> At its October 16, 2017, public meeting, ANC 6D voted to authorize the ANC 6D Negotiation Team to continue to meet with the Applicant and other parties to discuss their issues and attempt to work toward effective solutions to any outstanding issues. The ANC Negotiation Team is comprised of Commissioner Ronald Collins (6D03), Commissioner Gail Fast (6D01), and Commissioner Andy Litsky, Chairman (6D04).

- 2). At the public hearing on November 2, 2017, Mr. Richard Brown, President of the Tiber Island Condominium, testified that Tiber Island Condo was actually in support of the Phase 2 PUD, but that they wanted to flag a concern about parking and traffic along 6<sup>th</sup> Street and M Place, SW, as some of their townhouses face those streets (tr. November 2, 2017, p. 156)
8. On October 19, 2017, 525 Water, a Condominium Unit Owners Association (“525 Water”) submitted a request for party status in support of the Application (Ex. 24)
  9. On October 19, 2017, Tiber Island Cooperative Homes, Inc. (“Tiber Island Co-Op”) submitted a request for party status in support of the Application (Ex. 26)
  10. The Applicant did not object to any of the requests submitted for party status either in advance of the public hearing pursuant to 11-Z DCMR § 404.9, or at the public hearing. At the beginning of the public hearing on November 2, 2017, the Commission granted all four requests for party status.
  11. In addition to the parties in support, the Commission received letters in support of the Application from the Riverside Baptist Church (Ex. 37), the International Spy Museum (Ex. 51), the Disabled American Veterans (Ex. 53), the Edgewater Condominium Association (Ex. 59), Waterfront Village (Ex. 61), and the Waterfront Gateway Neighborhood Association (Ex. 62). In addition to the parties in opposition, the Commission received letters in opposition to the Application from MANNA (Ex. 41) and Ms. Judy Yang, a resident of 525 Water Street, SW, the condominium building located on Parcel 11 within the PUD Site (Ex. 31), and also received a variety of emails and letters from individuals expressing their concerns neither in support of or in opposition to the Application (Ex. 22, 60, 63, 64, 66 and 69).
  12. On November 2, 6, and 9, 2017, the Commission held public hearings to consider the second-stage PUD and modification to the first-stage PUD. The parties to the Application were the Applicant, ANC 6D, GPSA, Tiber Island Condo, 525 Water, and Tiber Island Co-Op.

### **November 2<sup>nd</sup> Public Hearing**

13. At the public hearing on November 2, 2017, the Applicant presented nine witnesses in support of the Application. Shawn Seaman and Matthew Steenhoek, on behalf of Wharf Phase 3 REIT Leaseholder LLC / PN Hoffman; Hilary Bertsch, Perkins Eastman DC, PLLC; Robert Schiesel, Gorove/Slade Associates, Inc.; Morris Adjmi, Morris Adjmi Architects; Hiroshi Jacobs, STUDIOS Architecture; Nate Trevethan, Michael Van Valkenburgh Associates; Paul Josey, Wolf Josey Landscape Architects; and Jessica McIntyre, Moffatt & Nichol. Based upon their professional experience and qualifications, Ms. Bertsch, Mr. Adjmi, and Mr. Jacobs were recognized as experts in architecture; Messrs. Trevethan and Josey as experts in landscape architecture; Mr. Schiesel as an expert in transportation engineering and planning; and Ms. McIntyre as an expert in marina design and engineering.
14. Matthew Jesick, Development Review Specialist at OP testified in support of the Application, and specifically the Parcel 10 PUD, with certain comments and conditions. Aaron Zimmerman and Jamie Henson, Transportation Planners at the District Department of Transportation

(“DDOT”) testified in support of the Application, subject to conditions recommended by DDOT and agreed to by the Applicant.

15. Willie Beale, Paula Van Lare, and Michael Brown testified in support of the Application Michael Nobel, Ed Lazere, Gary Blumenthal, William Shickler, and Chris Otten testified in opposition to the Application.

### **November 6<sup>th</sup> Public Hearing**

16. At the public hearing on November 6, 2017, the Applicant presented eight witnesses in support of the Application. Shawn Seaman and Matthew Steenhoek, on behalf of Wharf Phase 3 REIT Leaseholder LLC / PN Hoffman; Elinor Bacon, Wharf Phase 3 REIT Leaseholder LLC / E.R. Bacon Development; Christian Bailey, ODA; Jay Bargmann, Rafael Vinoly Architects PC; Paul Josey, Wolf Josey Landscape Architects; Sital Patel, S9 Architecture; and Shane Dettman, Holland & Knight LLP. Based upon their professional experience and qualifications, Mr. Bailey, Mr. Bargmann and Mr. Patel were recognized as experts in architecture; Mr. Dettman was recognized as an expert in zoning and land use planning. Mr. Josey having previously been recognized as an expert in landscape architecture at the November 2<sup>nd</sup> public hearing.
17. Matthew Jesick, Development Review Specialist at OP, testified in support of the Application, and specifically the Parcel 10 PUD, with certain comments and conditions.
18. Dida El-Sourady and John McLaughlin testified in opposition to the Application.

### **November 9<sup>th</sup> Public Hearing**

19. At the public hearing on November 9, 2017, the Applicant presented seven witnesses in support of the Application. Shawn Seaman and Matthew Steenhoek, on behalf of Wharf Phase 3 REIT Leaseholder LLC / PN Hoffman; Elinor Bacon, E.R. Bacon Development; William Sharples, SHoP Architects PC; Matthias Hollwich, Hollwich Kushner; Faye Harwell, Rhodeside & Harwell; and Shane Dettman, Holland & Knight LLP. Based upon their professional experience and qualifications, Mr. Sharples and Mr. Hollwich were recognized as experts in architecture; Ms. Harwell was recognized as an expert in landscape architecture. Mr. Dettman was previously recognized as an expert in zoning and land use planning.
20. Matthew Jesick, Development Review Specialist at OP, testified in support of the Application, and specifically the Parcel 10 PUD, with certain comments and conditions. Aaron Zimmerman, Transportation Planner at DDOT, also testified in support of the Application.
21. Steve Lanning testified in opposition to the Application.
22. At the conclusion of the November 9<sup>th</sup> public hearing, the Commission requested the Applicant to file its posthearing submission and rebuttal on November 22, 2017. The Commission also requested GPSA to submit the results of its vote on the revised Letter Agreement negotiated with the Applicant on November 30, 2017. The Commission scheduled a special public meeting for December 7, 2017, to consider final action.

## **Posthearing Filings, Motions, Actions**

23. On November 16, 2017, the Applicant filed a motion requesting the Commission to separate its deliberation and decision on the Application into three separate actions, consistent with the Commission's decision and issuance of orders for the second-stage PUD application for Parcels 2, 3, 4 and related elements of the Wharf project (Z.C. Order Nos. 11-03A(1), 11-03A(2), 11-03A(3), and 11-03A(4)) (Ex. 76). In its motion the Applicant stated that separating the deliberation and decision on the Application into three separate actions is also consistent with the Commission's decision to hold multiple hearings on the Phase 2 PUD due to the number of buildings and other development components, and the breadth of information contained in the case record. The ANC submitted a response in opposition to the Applicant's motion (Ex. 77).
24. On November 20, 2017, OP filed a motion to reopen the record to allow comments from District agencies received after the public hearings into the record (Ex. 78).
25. On November 22, 2017, the Applicant filed its post-hearing submission (Ex. 82).
26. On November 22, 2017, the Applicant filed a motion to extend the deadline for submission of draft findings of fact and conclusions of law until after the Commission considers the Applicant's motion to separate its deliberation and decision on the Application into three separate actions (Ex. #).
27. On November 27, 2017, the Commission granted the Applicant's motion to separate the deliberation and decision on the Application into three separate actions, and granted the motion to extend the deadline for submission of draft findings of fact and conclusions of law.
28. On November 29, 2017, the Applicant filed its draft findings of fact and conclusions of law (Ex. #).
29. [PARTY RESPONSES TO APPLICANT'S POSTHEARING SUBMISSION]
30. [GPSA SUBMISSION RE VOTE ON APPLICANT LETTER AGREEMENT OPTIONS]
31. [APPLICANT RESPONSE TO GPSA SUBMISSION RE VOTE ON APPLICANT LETTER AGREEMENT OPTIONS AND CLOSING ARGUMENT]
32. At a special public meeting held on December 7, 2017, the Commission took final action to approve the Parcel 10 PUD, by a vote of \_\_\_ - \_\_\_ - \_\_\_.

## **The Applicant and Development Team**

33. The master developer of the overall Southwest Waterfront redevelopment project is Hoffman-Struever Waterfront, LLC, doing business as Hoffman-Madison Waterfront, LLC ("Hoffman-Madison"). The Applicant for the Parcel 10 PUD is Wharf Phase 3 REIT Leaseholder LLC, an affiliate of Hoffman-Madison, which is processing the Application on behalf of the Office of

Deputy Mayor for Planning and Economic Development. The Applicant's team includes the District-based Certified Local, Small, and Disadvantaged Business Enterprises of E.R. Bacon Development, Paramount Development, and Triden Development, as well as District-based and CBE-certified CityPartners.

### **The Southwest Waterfront Redevelopment Project**

34. The Southwest Waterfront redevelopment project is a public-private partnership between the District of Columbia and Hoffman-Struever Waterfront, LLC, which entered into a land disposition agreement ("LDA") for redevelopment of the Southwest Waterfront, which is generally bounded by the Washington Channel of the Potomac River and Maine Avenue between 6th and 11th Streets, SW, and consists of approximately 991,113 square feet of land area (22.75 acres) and approximately 167,393 square feet of piers and docks in the adjacent riparian area (the "PUD Site").

35. The primary objective of the Southwest Waterfront redevelopment project is to reunite the city with the water's edge and activate it with a mix of uses and year-round activity. This objective will be achieved by integrating the city's unique urban qualities, such as dynamic parks and open spaces that are defined by consistent street walls, with aspects that recall the character of the thriving commercial warehouse district and maritime activities that once lined the Washington Channel and connected the upland city streets to the maritime edge.

### **Overview of the Southwest Waterfront PUD**

36. The Southwest Waterfront PUD will provide a mix of uses to ensure an active waterfront throughout the year, day and night. Rather than a collection of individual projects, the overall redevelopment has been designed as a series of "places" that integrate architecture and landscape design to create inviting and memorable public environments. There will be a variety of gathering places to cater to every interest, ranging from actively programmed places to simple promenades and parks for passive enjoyment of the water and its environs.

37. The design of the waterside development has been fully integrated with the landside development, and will include four new public-use piers along the Washington Channel. The District Pier, the largest of the piers, is intended to be the primary waterside entrance to the project and the host for the District's waterside events. Several new tour boats, tall ships, and maritime vessels, such as water taxis, will be added to the existing recreational maritime activities to provide increased activity and several more options for the public to use the waterfront and engage in water sports and activities. The waterside development will extend to the limits of the Washington Channel's federal navigational channel.

### **Previous PUD Approvals**

38. Pursuant to Z.C. Order No. 11-03, the Commission approved the first-stage PUD for the Southwest Waterfront redevelopment project.

39. Since approving the first-stage PUD, the Commission has approved a second-stage PUD application for Parcels 2, 3, 4, and 11, the Capital Yacht Club, and the public open spaces

known as the Wharf, Transit Pier, District Pier, Yacht Club Piazza, the Mews, Jazz Alley, 7th Street Park and Waterfront Park, as well as temporary uses on Parcel 1 (Z.C. Order Nos. 11-03A(1), 11-03A(2), 11-03A(3), and 11-03A(4)). The Commission has also approved second-stage PUDs for Parcel 5 (Z.C. Order Nos. 11-03B); Parcel 1, Market Shed, and Market Square (Z.C. Order No. 11-03C); 7<sup>th</sup> Street Recreation Pier (Z.C. Order No. 11-03E); and Pier 4, which also includes a first-stage PUD modification (Z.C. Order No. 11-03F). The Commission has also approved minor modifications or modifications of consequence to previously approved plans for Parcel 5 (Z.C. Order No. 11-03D and Z.C. Order No. 11-03I), Parcel 3A (Z.C. Order No. 11-03G), and Parcel 4 (Z.C. Order No. 11-03H).

### **Approved First-Stage PUD Development Parameters**

40. As part of the first-stage PUD, the Commission approved the overall parameters for the redevelopment of the PUD Site. The first-stage PUD authorizes a maximum landside density of 3.87 FAR, excluding private rights-of-way, and a maximum waterside density of 0.68 FAR. *See* Z.C. Order No. 11-03, Condition Nos. A-1 and A-2. Development parameters pertaining to building height, parking, and loading were also included in the first-stage PUD.
41. The first-stage PUD divides the landside portion of the PUD Site into 11 primary building parcels, a number of smaller landside and waterside structures, four major plazas, one large park, a waterfront promenade/shared space, and public and private piers. The waterside development includes club buildings for the marinas, buildings on existing Piers 3 & 4, and other minor waterside buildings and facilities. The approved parks also include smaller retail structures and pavilions.
42. Regarding building heights, the Commission approved a maximum height of 130 feet for Parcels 1-9, which are within the approved C-3-C District, with the exception of Parcel 5, which the Commission approved at a maximum height of 110 feet. The Commission approved maximum building heights for Parcels 10 and 11 at 60 feet and 45 feet, respectively. Finally, the Commission approved a maximum building height of 45 feet on Pier 4.
43. With respect to parking facilities, the Commission approved the construction of one or more below grade parking structures that would provide approximately 2,100-2,650 parking spaces on two to three levels. The Commission required the Applicant to provide parking or storage for approximately 1,500-2,200 bicycles and sufficient loading facilities to accommodate the mix of uses on the PUD Site. Pursuant to Z.C. Order No. 11-03, the precise amount of parking and loading facilities required for each second-stage PUD application shall be specified by the Commission in each second-stage order. The Commission also approved zoning flexibility for lot occupancy on Parcel 11, and flexibility in the precise mix of uses in the overall redevelopment project.
44. As part of its first-stage PUD approval, the Commission also approved the phased redevelopment of the PUD Site, with the last second-stage PUD application required to be filed no later than December 31, 2024.



### **First-Stage PUD Modification**

45. Pursuant to the first-stage PUD, the mix of uses approved for Parcel 8 includes either residential or office use above ground-floor retail. As described below, the proposed Parcel 8 Building includes residential and hotel uses above ground-floor retail. As such, the Applicant is requesting to modify the first-stage PUD to add hotel (lodging) as an approved use on Parcel 8.
46. In response to a recommendation by OP at setdown, the Applicant amended the Application to include the proposed layout and configuration of piers and docks in Wharf Marina. Since approval of the first-stage PUD, the Applicant has had to make adjustments to the design of Wharf Marina in response to requirements of the United States Army Corps of Engineers (“USACE”), which must issue a permit in order for the Applicant to carry out the waterside component of the Southwest Waterfront PUD, and in response to other factors relating to previously approved changes to Pier 4 and the plan for transitioning GPSA liveaboard vessels

### **The Phase 2 PUD**

47. The landside portion of the Phase 2 PUD is located on Record Lot 89 of Square 473, and includes Assessment & Taxation (“A&T”) Lots 878, 881, and 921, which collectively comprise approximately 322,738 square feet of land area. The waterside portion of the Phase 2 PUD includes A&T Lots 887 and 888, which collectively comprise approximately 666,683 square feet of riparian area.
48. The landside portion of the Phase 2 PUD includes primary buildings on Parcels 6/7 (“Parcel 6/7 Building”), Parcel 8 (“Parcel 8 Building”), Parcel 9 (“Parcel 9 Building”), and Parcel 10 (“Parcel 10, Building”). The landside portion of the Phase 2 PUD also includes two new below-grade parking garages, and several new open spaces and thoroughfares such as M Street Landing, The Grove, The Terrace, The Oculus, Maine Avenue, the Wharf, Marina Way, and the Mews. The aforementioned landside components of the Phase 2 PUD are more thoroughly described below.
49. The waterside portion of the Phase 2 PUD includes three new water buildings, Water Building 1, Water Building 2, and Water Building 3. In addition, the waterside portion of the Phase 2 PUD includes construction of the remaining portions of Wharf Marina, as well as the construction of a number of kiosks along the Wharf (“Wharf Kiosks”). The aforementioned waterside components of the Phase 2 PUD are more thoroughly described below.
50. In addition to requesting second-stage PUD approval for the landside and waterside components noted above, the Phase 2 PUD also includes a modification to the first-stage PUD to permit a hotel use on Parcel 8 and to accommodate changes that have been made to the configuration of the piers and docks within Wharf Marina.

## **The Parcel 10 PUD**

### **Landside Development**

#### **Parcel 10 Building**

51. As initially proposed by the Applicant, the Parcel 10 Building contained approximately 76,838 GFA, of which approximately 60,143 GFA was devoted to office uses, and approximately 16,695 GFA was devoted to retail and service uses. Consistent with the first-stage PUD, the maximum height of the Parcel 10 Building was 60 feet, not including the penthouse. The maximum height of the penthouse was 14 feet for the portion devoted to penthouse habitable space, and 18'-6" for the portion devoted to penthouse mechanical space and screen walls enclosing mechanical equipment.
52. The general massing of the Parcel 10 Building is a series of stacked and rotated geometric forms. At the ground floor, the building has a one-story rectangular podium that contains retail and services uses; integrated outdoor seat steps; and public restrooms that were added at the request of the ANC. The podium-level also includes the main entrance to the Parcel 10 Building located at the eastern corner of the building near the intersection of Water Street and M Place. An entrance ramp to below-grade parking and the building's loading facilities are located along Water Street.
53. Above the podium-level, the Parcel 10 Building has three stories, each of which is devoted to office uses. The three upper-stories are set apart from the rectangular podium due to their square shape and 45 degree rotation relative to the orientation of the podium. To further differentiate the office floors from the retail podium, the second-floor is recessed from the third- and fourth-floors. The rotation of the upper-floors results in the main elevation of the building being oriented perpendicular to the Wharf, and the building cantilevering over Water Street, a XX-foot private right-of-way between Parcels 10 and 11, beyond the podium of the building by approximately XX feet.
54. The penthouse of the Parcel 10 Building will contain habitable office space, mechanical space, and screen walls enclosing mechanical equipment, all of which will be provided as a single enclosure as required under the Zoning Regulations. The remainder of the roof level will contain an outdoor roof terrace. The penthouse will meet all required setbacks, as will all guardrails.
55. At the podium-level, the primary exterior materials consist of glass storefront with natural stone, terracotta, or precast concrete cladding, or other similar cladding material. The remaining floors and penthouse of the Parcel 10 Building will be enclosed with a framed-glass wall system and/or structurally-glazed wall system.
56. As more thoroughly discussed below, in response to concerns expressed by 525 Water, the ANC, the Commission, and Ms. Judy Yang regarding the proximity of the Parcel 10 Building cantilever over Water Street to the condominium building on Parcel 11, the Applicant revised the Parcel 10 Building plans by substantially reducing the extent to which the building

cantilevered over Water Street, thereby substantially increasing the distance between the Parcel 10 and Parcel 11 Buildings. The revised plans for the Parcel 10 Building were presented to the Commission at the hearing on November 9, 2017, and submitted by the Applicant as part of its posthearing submission (“Revised Parcel 10 Building Plans and Drawings”) (Exs. 82J1 – 82J3).

57. At the public hearing on November 9, 2017, 525 Water testified in support of the revised design of the Parcel 10 Building, as well as the rest of the Phase 2 PUD.

## **Waterside Development**

### **Water Building 3**

58. As shown in the portion of the Plans and Drawings found at Ex. ##, Sheets ##, Water Building 3 (“WB3”) will contain approximately 5,175 GFA that is devoted to maritime services uses for use primarily by the liveaboard slip license holders and non-profit groups located within Wharf Marina. The building will contain two stories and have a maximum height of approximately 38 feet to the highest point of the roof. WB3 does not contain a penthouse.

59. WB3 is identified as being located along the waterside of the Wharf just west of Pier 4 and east of Parcel 10 and The Terrace. WB3 will be constructed atop a floating platform that is part of the Wharf Marina dock system.

60. The design of WB3 is inspired by the familiar form of pitched roofs and weathered siding of historic maritime structures. Specifically, WB3 has a simple inverted pitched roof that creates a unique, simple roofline. From some vantage points, the pitched roof appears to take the shape of a gable roof, while from other vantage points it appears as a butterfly roof similar to the butterfly roofs on other smaller accessory buildings found throughout the Southwest Waterfront PUD.

61. The primary materials for WB3 include dark wood cladding, metal panel, and metal window mullions.

## **Open Spaces and Thoroughfares**

### **M Street Landing**

62. As shown in the portion of the Plans and Drawings found at Ex. ##, Sheets ##, as amended by Ex. 82M, M Street Landing is an approximately 1.8 acre landscaped plaza located at the eastern end of the Southwest Waterfront PUD between Parcels 9 and 10.

63. M Street Landing derives its definition from the buildings on Parcels 9 and 10, WB2, and Arena Stage. The landscape design utilizes a combination of planting, water, and pavement to define a collection of curvilinear planted landforms that define and enclose several seating areas while allowing for flexible uses such as farmer’s market stalls, movable café tables and

chairs, concessions, events, and performances. The organization of the planted landforms creates a number of outdoor “rooms” that have benches and are surrounded with shade trees to shield visitors from winter wind and summer sun. The primary “room” of M Street Landing is “Fountain Plaza,” which contains a large, interactive fountain. Along the west, the landscape extends along the edge of the Wharf and creates a buffer between M Street Landing and the shared space of the Wharf. The landscape also extends to the seat steps that are integrated into the podium of the Parcel 10 Building, creating another outdoor room within the landscape that can accommodate small gatherings and programming.

### The Terrace

64. As shown in the portion of the Plans and Drawings found at **Ex. ##, Sheets ##**, as amended by Ex. 820, The Terrace is located within Waterfront Park immediately adjacent to the Parcel 10 Building. Consistent with the first-stage PUD, The Terrace and its associated raised lawn area will help transition from the more active urban parks, plazas and buildings along the Wharf, to the more passive Waterfront Park and existing residential neighborhoods of Southwest. The design of the hardscaped portion of this open space can accommodate outdoor seating and dining by adjacent retail and service uses within the ground floor of the Parcel 10 Building. It will also provide access to a public elevator located within the ground floor of the Parcel 10 Building that will connect visitors from the below-grade parking to, among other things, the Wharf, Wharf Marina docks, open spaces, and cruise ship operations at Pier 4.
65. The raised lawn adjacent to the hardscaped portion of The Terrace is situated to take advantage of several framed vistas across the Washington Channel and toward the Potomac River. Accessible pathways connect to the central lawn area of Waterfront Park, local streets, neighborhood walks, and the Wharf along the water's edge. Continuing the language of Waterfront Park, the plantings, paving, seat walls, and site structures within The Terrace utilize local materials and native plant species to evoke the various natural environments of the region.

### Parking and Loading Facilities

66. Pursuant to the approved first-stage PUD, the Southwest Waterfront redevelopment project “shall include one or more below-grade parking structure(s) on two or three levels providing parking spaces for approximately 2,100-2,650 vehicles. The project shall also include parking or storage for 1,500-2,200 bicycles on-site.” *See* Order No. 11-03, Condition A.4.
67. Phase 1 of the Southwest Waterfront PUD, currently includes a single below-grade parking garage below Parcels 1-5 that contains approximately 1,483 vehicle parking spaces (“Garage 1”). Phase 1 also contains parking and storage for approximately 1,192 bicycles located at grade and within Garage 1.
68. As shown in Ex. **##, Sheets ##**, the Applicant will construct two additional below-grade parking garages (“Garage 2” and “Garage 3”). Each garage will contain two levels, with the footprint of the second level in both garages being significantly smaller due to the presence of the Metrorail green line. Collectively, the garages will contain approximately 844 vehicle parking spaces, for a total of approximately 2,327 vehicle parking spaces within the full

Southwest Waterfront PUD. In addition, approximately 610 long-term bicycle parking spaces and approximately 130 short-term bicycle parking spaces will be provided at grade and within Garages 2 and 3 (Ex. ##, Sheets ##).

69. Garage 2 will be located below Parcels 6-8, and will be accessible via ramps located along the east side of the Parcel 7 Building and the east side of the Parcel 8 Building. Garage 3 will be located below Parcels 9 and 10 and M Street Landing, and will be accessible from a ramp located in the podium level of the Parcel 10 Building along Water Street, SW. Residents of the Parcel 9 Building will also be able to access Garage 3 using two vehicle lifts within the ground floor of the Parcel 9 Building. Parking spaces within Garages 2 and 3 will be used by the occupants, residents, and visitors of the primary buildings within the Phase 2 PUD, and will also include general use public parking. Parking for marina uses will also be available in Garages 2 and 3.
70. Loading facilities for the buildings located on Parcels 6-10 will be located within each building. Loading facilities have been carefully located along news streets and private streets or alleys to minimize impact on the pedestrian environment while providing adequate space for managed on-site loading and service needs. Consistent with the approved first-stage PUD, due to access constraints the loading facilities for the Parcel 10 Building are located off of Water Street, SW, a private street within the boundary of the Southwest Waterfront PUD. Truck size and loading hours will be carefully managed on-site to facilitate the operational and programmatic needs of the individual buildings through a comprehensive loading and curbside management plan that is tailored to the expected loading demand for the Phase 2 PUD and coordinated with all other transportation aspects of the Southwest Waterfront redevelopment project.
71. Bicycle racks will be distributed throughout the Phase 2 PUD for convenient access, with a primary focus on locations adjacent to the dedicated bicycle facility on Maine Avenue, SW. This approach to bike parking is intended to encourage visitors to park bicycles on the perimeter of the PUD Site and experience the PUD Site as a pedestrian, but does not preclude full access and available bicycle parking within the PUD Site. Similar to Phase 1, in addition to the bicycle parking and storage located within Garages 2 and 3, additional bicycle parking and amenities will be located at grade throughout the Phase 2 PUD. These facilities are designed as high-quality street furniture, will be incorporated into the surrounding urban design, and will contribute to the project's sense of place. Furthermore, the Applicant is funding the installation of a new Capital Bikeshare station within M Street Landing and Waterfront Park, which is in addition to the two Capital Bikeshare stations the Applicant has already installed or relocated as part of Phase 1 of the Southwest Waterfront PUD.
72. The Applicant will implement the Transportation Demand Management ("TDM") Plan (Ex. 67B) and the TDM Performance Monitoring Plan (Ex. 67C) that were prepared for the Phase 2 PUD. The TDM Plan and TDM Performance Monitoring Plan incorporate, and update where necessary, all of the TDM strategies, conditions, and monitoring requirements that were approved as part of the first-stage PUD, and subsequent second-stage PUD approvals. Further, the TDM Plan and TDM Performance Monitoring Plan were developed in coordination with DDOT which, as discussed below, has no objection to the Phase 2 PUD.

73. The Applicant will implement specific restrictions and guidelines on loading operations to offset any potential impacts from the loading activities of the Phase 2 PUD, as set forth in the Loading Management Plan (“LMP”) included at Page 38 of the Comprehensive Transportation Review (“CTR”) Report. (Ex. 20A.)

### **Technical Zoning Flexibility**

74. The Applicant requests flexibility to adjust the number of loading berths, loading platforms, and service delivery spaces provided for all of the buildings included in the Phase 2 PUD. Pursuant to 11 DCMR § 2201.1 (1958), the Applicant is required to provide one loading berth at 55 feet deep, 11 loading berths at 30 feet deep, six service delivery spaces, 11 loading platforms at 100 square feet, and one loading platform at 200 square feet for the Phase 2 PUD. The Applicant proposes to provide nine loading berths at 30 feet deep, five service delivery spaces, 11 loading platforms at 100 square feet, and one loading platform at 200 square feet, thus necessitating flexibility from 11 DCMR § 2201.1. The Commission hereby approves this area of technical zoning flexibility for the reasons stated below.
75. The Commission finds that not providing the one required 55-foot deep loading berth will not result in any adverse impacts. Under ZR58, certain buildings are required to provide one or more 55-foot loading berths; however, under the current 2016 Zoning Regulations there is no requirement to provide a 55-foot loading berth. Rather, ZR16 simply require all loading berths to have a minimum depth of 30 feet. This change is primarily because deliveries by large trucks have become increasingly rare for many land uses in the District. Property owners are more commonly relying on smaller trucks and delivery vans, which are easier to maneuver within the city’s system of streets and alleys. In addition, designing for large vehicle loading berths requires wider roads and curb cuts, and larger turning radii at intersections and entrances to alleys, all of which have negative impacts on the pedestrian environment, bicycle travel, and traffic congestion.
76. The Commission concludes that the Applicant has addressed these considerations by developing a coordinated overall loading plan for the Phase 2 PUD based on the overall mix of uses and anticipated site-wide pedestrian, bicycle, and vehicular circulation. This approach has allowed the Applicant to eliminate redundancies and increase efficiency with respect to circulation and maneuverability. The Applicant worked closely with DDOT on preparing an effective loading management plan that is tailored to the expected loading demand for the Phase 2 PUD and coordinated with all other transportation aspects of the Southwest Waterfront redevelopment project. Therefore, the Commission finds that flexibility from the loading requirements of 11 DCMR § 2201.1 is appropriate in this case.
77. The Applicant requests flexibility from the requirements of Section 2517 of ZR58 to allow the construction of two or more principal buildings or structures on a single subdivided lot that is located within 25 feet of a residential zone district. The Commission finds that it has previously granted this flexibility for Phase 1 of the Southwest Waterfront PUD, and further finds that granting this same flexibility for the Phase 2 PUD is necessary and appropriate. The landside portion of the Phase 2 PUD is comprised of a single lot of record, within which

several tax lots will be created for each of the proposed primary buildings and structures. Each of the proposed primary buildings and structures is consistent with the development and use parameters established under the first-stage PUD, and with the development standards and use permissions under ZR58, as applicable.

78. The Applicant has requested flexibility from the requirements of Section 2408.8 and 2408.9 of ZR58 to extend the validity of the Commission’s final approval and time within which an application for a building permit shall be filed. As part of the first-stage PUD, the Applicant was granted flexibility to construct the Southwest Waterfront PUD in stages. Pursuant to Z.C. Order No. 11-03, Condition D.1, the Applicant may file one or more second-stage applications for review and approval, provided the last second-stage application is filed no later than December 31, 2024. Due to favorable market conditions, the Applicant has been able to construct significant portions of the Southwest Waterfront PUD much sooner than anticipated. However, there is no guarantee that such favorable market conditions will be present throughout the entire planning, design, and construction of the Phase 2 PUD. The Phase 2 PUD is the last second-stage PUD application required to complete the Southwest Waterfront redevelopment project, which was filed more than seven years ahead of the date established under the first-stage PUD for submission of the last second-stage application. As provided in more detail below, the flexibility being requested by the Applicant would generally extend the validity of the Commission’s final approval of the Phase 2 PUD and time within which an application for a building permit shall be filed no longer than the date that was established for filing of the last second stage PUD application. Thus, the Commission finds the requested flexibility appropriate, and necessary to accommodate changes that may occur in market demand, financing and credit availability, and lender requirements for preleasing of buildings within the Phase 2 PUD.

### **Minor Design Flexibility**

79. The Applicant requests the following areas of minor design flexibility for the Parcel 10 PUD:
- a. To vary the location and design of interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms, provided that the variations do not change the exterior configuration or appearance of the building; and
  - b. To make refinements to exterior materials, details and dimensions, including belt courses, sills, bases, cornices, railings, roof, skylight, architectural embellishments and trim, venting, window mullions and spacing, and any other changes that otherwise do not significantly alter the exterior design to comply with the District of Columbia Building Code or that are necessary to obtain a final building permit or other applicable approvals. Such refinements shall not substantially change the exterior configuration, appearance, proportions, or general design intent of the building; and
  - c. To vary the final selection of exterior building materials within the color ranges of the material types shown in the [approved plans] based on availability at the time of construction. Any such variations shall not reduce the overall quality of materials, nor

substantially change the exterior appearance, proportions, or general design intent of the building; and

- d. To vary the final selection of landscaping materials utilized based on availability at the time of construction; and
- e. To vary the final design of retail frontages, including the location and design of entrances, show windows, signage, and size of retail units, in accordance with the needs of the retail tenants. Retail signage shall be located within the potential retail signage zones shown in the [approved plans]; and
- f. To vary the design and location of upper-level building signage located above the first-story within the limits of the potential tenant signage zones shown in the [approved plans], and in accordance with the District of Columbia sign regulations in effect at the time of permitting; and
- g. To vary the garage layout and the number, location, and arrangement of vehicle and bicycle parking spaces provided the number of spaces, for both vehicles and bicycles, is not reduced by more than five percent of the number shown on the [approved plans], and the total number of vehicle and bicycle parking spaces provided is consistent with that which is required under Z.C. Order No. 11-03; and
- h. To construct the [approved plans] in multiple stages based upon site constraints, infrastructure needs, market conditions, and other factors that may influence the ability to fund, design, and construct the buildings and structures included in the [approved plans], provided that any interim improvements constructed shall be set back a minimum of 60 feet from the bulkhead line to match existing and proposed buildings, and to maintain views along the Wharf; and
- i. To vary the sequencing and timing of construction of Wharf Marina, as shown in the [approved plans], including associated bulkhead, piers, docks, fueling station(s), and other related buildings and structures.

### **Public Benefits and Amenities**

- 80. As noted in the first-stage PUD approval, the Commission finds that the overall Southwest Waterfront PUD will provide an exceptional number and level of public benefits and project amenities including, but not limited to: (i) the creation of a new mixed-income, mixed-use community that reactivates the Southwest Waterfront; (ii) substantial affordable, workforce, and market-rate housing opportunities; (iii) multi-modal transportation improvements; (iv) environmental benefits including vastly improved storm water management; and (v) significant improvements to the Maine Avenue Fish Market and connections to Banneker Overlook and 10th Street, SW. *See* Z.C. Case No. 11-03, Exhibit 60 and Z.C. Order No. 11-03, at 13-16.
- 81. Pursuant to Z.C. Order No. 11-03, Condition C(3), the Applicant was required to provide a



detailed implementation plan for the public benefits and project amenities with each second-stage PUD application. The implementation plans are required to identify the benefits and amenities proposed for the particular second-stage PUD application, the benefits and amenities already implemented, and the benefits and amenities yet to be implemented. In fulfillment of this requirement, the Applicant submitted a Public Benefits and Amenities Implementation Chart at Ex. 2E. The Commission has reviewed the information provided at Ex. 2E and finds that this update is reasonable and appropriate for the Phase 2 PUD.

### **Office of Planning Report**

82. By report dated October 27, 2017 (Ex. 33), OP stated that it “can recommend approval of the Application,” once certain items are resolved and subject to certain conditions (Ex. 33, p. 1) (“OP Report”). Despite the outstanding issues, OP noted that the “proposed first stage modifications are not inconsistent with the Comprehensive Plan and with those changes, the proposed second stage application is not inconsistent with the first stage PUD approval, the Comprehensive Plan, or the Zoning Regulations.” OP stated that it “strongly supports the current overall site plan and building design” (Ex. 33, pp. 1-2).
83. In addition, the OP Report states that the project would further a number of the Comprehensive Plan’s Guiding Principles and major policies from the Land Use, Transportation, Economic Development, and Urban Design Citywide Elements, and the Lower Anacostia Waterfront / Near Southwest Area Element. OP found that the application was not inconsistent with the Comprehensive Plan’s Generalized Policy Map or the Future Land Use Map, and that it was consistent with the Development Plan & Anacostia Waterfront Initiative Vision for the Southwest Waterfront (the “SWW Plan”) (Ex. 33, p. 17). A complete listing of relevant policies and excerpts from the Comprehensive Plan were provided in Attachment 1 of the OP Report.
84. OP recommended the following conditions with respect to the Parcel 6/7 Building and The Oculus:
- a. The Oculus soffit shall be constructed as shown in Exhibit 21A, including:
    - i. Faceted surface with three-dimensional relief similar to the precedents indicated in Volume A, Sheet 1.37, Oculus Soffit Cladding;
    - ii. Perforated aluminum panels with a color similar to the gold/bronze tone indicated in Volume A, Sheet 1.33, the Material Palette;
    - iii. Pinpoint lighting, as shown in Volume A, Sheet 1.33, the Material Palette.
  - b. The “Office Façade” portion of the façade shall be constructed as shown in Exhibit 21A, including:
    - i. Glass shall tilt in as shown in the section drawing on the right side of Sheet 1.41 in Volume A;

- ii. At the base of each tilted glass pane, the minimum dimension from the face of the glass to the edge of the mullion shall be 12 inches, as shown on the detail drawing supplied to OP and attached to this report at Exhibit 2;
  - iii. At the rounded corners of the buildings the glass shall be curved, as shown in Volume A, Sheet. 1.41, in the rendering. (Ex. 33, p. \_\_\_.)
- 85. As stated above, as a way to balance OP's goal of ensuring that characteristic elements of the Parcel 6/7 Building such as the Oculus soffit and the design of the office façade are maintained while providing a reasonable degree of flexibility to accommodate refinements to these elements that may be required during design development and fabrication, the Applicant has included OP's recommended conditions into its list of requested flexibility in a manner that will preserve the aesthetic intent of the building. The Commission finds this to be a reasonable approach to accommodating OP's proposed conditions regarding the Parcel 6/7 Building
- 86. In its report, OP also requested that the Applicant respond to, or provide further information, regarding the following items as they relate to the Application:
  - a. Refine the proposed types of tenant signage;
  - b. Obtain written confirmation from DHCD as to whether the penthouse on WB1 would require a contribution to the Housing Production Trust Fund;
  - c. Refine the flexibility language regarding exterior building designs;
  - d. Provide additional information on project phasing, interim uses, and proposed timelines;
  - e. Clarify the design details of WB1, including the materials for the piers or piles and the top of the penthouse roof; and
  - f. Ensure that any interim use is set back a minimum of 60 feet from the bulkhead line to correspond to other buildings' setbacks and maintain views and accessibility down the Wharf (Ex. 33, pp. 16-17.)
- 87. On November 6, 2017, the Applicant submitted detailed responses to each of the outstanding items listed above and identified in the OP Report (Ex. 55A), as well as summarized its responses at the hearing held on that same day. The Commission finds the thorough responses provided by the Applicant to the outstanding items identified in the OP Report to be satisfactory.
- 88. As it relates to the Application, OP did not object to the areas of technical zoning flexibility requested by the Applicant (Ex. 33, p. 18). OP provided several comments and recommended changes to the Applicant's requested language for non-zoning/minor design flexibility, which the Applicant addressed in the form of a final list of requested flexibility that was included in

its posthearing submission (Ex. 82X). The Applicant's final list of requested technical and minor design flexibility is incorporated into this Order at Finding of Fact Nos. \_\_\_.

89. With respect to public benefits and amenities, the OP Report states that (i) the benefits proffered with the Phase 2 PUD are consistent with the first-stage PUD approval; (ii) the benefits approved in the first-stage PUD apply to the Phase 2 PUD; and (iii) the benefits remain commensurate with the amount of flexibility gained through the PUD, including the relatively minor additional flexibility requested through the Phase 2 PUD. (Ex. 33, p. 23.)
90. Based on the analysis provided in the OP Report, and the Applicant's responses thereto, the Commission finds the first-stage PUD modification to be consistent with the overall intent of the Commission's approval of the original first-stage PUD, and further finds the second-stage PUD to be not inconsistent with the Comprehensive Plan, including the Generalized Policy Map and Future Land Use Map, and consistent with the Zoning Regulations and development parameters of the first-stage PUD.

### **DDOT Report**

91. DDOT submitted a report dated October 23, 2017 (Ex. 27), noting that it had no objection to the Application so long as the Applicant implements the following mitigation measures:
  - a. Expand the existing TDM Performance Monitoring Plan that was approved as part of the first-stage PUD (Ex. 67C);
  - b. Implement the proposed TDM plan for the life of the project, unless otherwise noted (Ex. 67B);
  - c. Implement the proposed LMP for the life of the project (included in Ex. 20A);
  - d. Fund and construct a new traffic signal at the intersection of Maine Avenue and Marina Way, SW; and
  - e. Fund and construct dual southbound left turn lanes on 9<sup>th</sup> Street at Maine Avenue, SW and any necessary changes to the traffic signal equipment.
92. DDOT also stated no objection to approval of the Application with the additional conditions listed at Ex. 27, pp. 4-5 to adequately mitigate site-generated traffic.
93. With respect to loading, DDOT expressed no objection to the Applicant's request for loading flexibility, so long as the Applicant implements the LMP included in Ex. 20A.
94. At the public hearing on November 2, 2017, Mr. Robert Schiesel, the Applicant's expert in transportation engineering and planning, testified that the Applicant was in general agreement with the additional mitigation measures and conditions contained in the DDOT report, and that the Applicant and DDOT were still discussing specific details regarding the scope and implementation timeline of some of the mitigation measures.

95. On November 9, 2017, the Applicant submitted its response to the DDOT report (Ex. 67A), as well as its final TDM Plan (Ex. 67B) and TDM Performance Monitoring Plan (Ex. 67C).

96. At the public hearing on November 9, 2017, DDOT acknowledged the Applicant's submission of the final TDM Plan and TDM Performance Monitoring Plan, confirmed that these documents are consistent with the discussions and agreements established with the Applicant, and reiterated that it had no objection to the Application.

97. Based on the analysis included in the DDOT report, including implementation of DDOT's stated conditions, TDM measures, and the Loading Management Plan, the Commission finds that any potential adverse transportation impacts that may arise out of the Phase 2 PUD can be detected, monitored, and addressed quickly and efficiently.

### **U.S. Commission of Fine Arts**

98. At its public meeting held on July 27, 2017, the U.S. Commission of Fine Arts ("CFA") reviewed and granted concept approval for WB2, WB3, the Parcel 9 Building, the Parcel 10 Building, M Street Landing, The Terrace, Marina Way, as well as extensions of the Phase 1 designs for the Maine Avenue streetscape and the Wharf (Ex. 21B).

99. At its public meeting held on September 29, 2017, CFA reviewed and granted concept approval for the Parcel 6/7 Building, the Parcel 8 Building, The Grove, as well as extensions of the Phase 1 designs for the Maine Avenue streetscape and the Wharf (Ex. 21B).

100. At its public meeting held on October 27, 2017, CFA reviewed and granted concept approval for WB1, and revised designs for M Street Landing, The Grove, and The Terrace (Ex. 48).

### **ANC Report**

101. At its October 16, 2017, regularly scheduled meeting, which was duly noticed and at which a quorum was present, ANC 6D voted 5-0-0 to oppose the Application due to outstanding issues related to transportation, construction management, the interests of the GPSA, the design and use of The Terrace, accommodation of non-profit boating associations, availability of public restrooms, and paving along the Wharf. The ANC submitted a report documenting this vote October 26, 2017 (Ex. 3). In its report, the ANC raised particular concerns regarding the need to restrict motorcoaches from accessing, loading, parking, or circulating through Waterfront Park, or along private segments of Water Street, SW and M Place, SW.

102. Following the ANC's public meeting, the Applicant worked with the ANC Negotiation Team, which was authorized by the full ANC to negotiate on behalf of, and represent the official position of, the ANC with respect to the Phase 2 PUD, to resolve the issues stated in the ANC report. The outcome of those discussions, and the conditions agreed upon by the Applicant and the ANC, are set forth in the ANC Agreement, submitted on November 2, 2017 (Ex. 38.). At the public hearing on November 2, 2017, ANC 6D Chairman Andy Litsky

testified that ANC 6D formally supported the Application, subject to the conditions set forth in Ex 38.

103. As part of its posthearing submission, the Applicant address two outstanding questions raised by the ANC at the November 2<sup>nd</sup> and 6<sup>th</sup> hearings related to café / restaurant seating along the Wharf and the use and programming of the Terrace.
104. Regarding motorcoach, a part of the ANC Agreement the Applicant has committed to prohibit full-sized motorcoach buses (as defined in 24 DCMR § 3599.1 as a motor vehicle with a seating capacity of more than twenty-five (25) passengers, exclusive of the driver, that is used for the transportation of passengers) from accessing, parking, loading, or circulating through Waterfront Park, or along the private segments of Water Street, SW and M Place, SW, as shown in the diagram included in the ANC Agreement. Further the Applicant has committed to install signage (subject to applicable permit requirements), or utilize other methods as reasonably necessary and allowable, to notify the operators/drivers of motorcoach buses of the traffic restriction. The Commission notes that in connection with these efforts, DDOT has added 6th Street, SW to the DDOT Truck and Bus Through Routes and Restrictions Map. The Commission finds these commitments to be sufficient to resolve the ANC's concerns regarding motor coaches accessing, parking, loading, or circulating through Waterfront Park, or along the private segments of Water Street, SW and M Place, SW.
105. Regarding seating along the Wharf, the Applicant provided specific details regarding the general cross-section of the Wharf, consisting of a 20 foot café zone, a 20 foot mixed vehicular/pedestrian zone, and a 20 foot pedestrian only zone. The Applicant also described the extent of café / restaurant seating along the Wharf, as depicted in the Site Furnishings: Seating diagram contained in the Plans and Drawings at Ex. 21A3, Sheet 2.5. Consistent with the Applicant's testimony, the posthearing submission states that within the café zone the Applicant will incorporate a visual or tactile measure at the edge of the seating area to prevent seating from encroaching into the pedestrian circulation area. The Commission finds this information adequately addresses the questions raised at the public hearing regarding pedestrian circulation along the Wharf relative to the placement of café seating.
106. The Applicant also provided information regarding the proposed design and use of The Terrace, which is a portion of Waterfront Park that will be reconstructed as part of the Parcel 10 PUD. At the November 2<sup>nd</sup> hearing, the ANC stated that it supported the design of The Terrace; however, it did not support the notion that The Terrace should be used for special events since this area is within Waterfront Park, which was provided as a community amenity as part of the first-stage PUD.
107. The Commission finds that the information provided by the Applicant in its posthearing submission clearly shows that once the area of The Terrace, which was previously occupied by the Maine Lobsterman Memorial, became part of the PUD Site and Waterfront Park it was always envisioned to be partially hardscaped and used for café seating. Furthermore, the information provided by the Applicant demonstrate that at least a portion of Waterfront Park has always been contemplated for occasional events. The Commission further finds the proposed design and use of The Terrace to be consistent with the first-stage PUD and does not

see that the proposed use of The Terrace as café seating and for occasional events will in any way remove this area from the larger Waterfront Park amenity, nor make it any less accessible for general public use and enjoyment.

108. The Commission accords great weight to the views of the ANC set forth in the ANC Agreement and in the testimony of Chairman Litsky, and imposes the conditions of the ANC Agreement, as applicable, as conditions of this Order. Thus, the Commission finds that the Applicant has successfully addressed the stated concerns of ANC 6D.

### **525 Water Street Condominium**

109. In its written request for party status in support of the Application, 525 Water expressed concerns related to the design of the Parcel 10 Building, and specifically the proximity of the Parcel 10 Building cantilever over Water Street to the condominium building on Parcel 11 and the location of the building's loading facilities and parking garage access along Water Street, SW. 525 Water also expressed concerns over the ability of the motor coach pick-up / drop-off area along Maine Avenue to accommodate expected demand, the potential for motor coaches and tour buses to park within residential areas, accommodation of ride sharing services pick-up and drop-off, signage, and Wharf paving.

110. In response to 525 Water's concerns regarding the Parcel 10 Building cantilever, the Applicant revised the Parcel 10 Building plans by substantially reducing the extent to which the building cantilevered over Water Street, thereby substantially increasing the distance between the Parcel 10 and Parcel 11 Buildings (Exs. 82J1 – 82J3).

111. On November 9, 2017, the Applicant provided Mr. Brad Neilley, authorized representative of 525 Water, information regarding the access constraints that require location of the Parcel 10 Building parking and loading facilities on Water Street, SW, and reviewed the design revisions made to the Parcel 10 Building cantilever over Water Street, SW.

112. At the public hearing on November 9, 2017, 525 Water testified that it had a better understanding of the limitations of moving the Parcel 10 Building parking and loading access to a different location. Further, 525 Water testified in support of the revised design of the Parcel 10 Building, as well as the rest of the Phase 2 PUD.

113. Regarding the location of the Parcel 10 Building parking and loading access, the Commission finds the location of these facilities to be consistent with the approved first-stage PUD, which involved a thorough transportation analysis conducted by the Applicant. The Commission further finds that based upon the updated CTR prepared by the Applicant for the Phase 2 PUD, Water Street, SW will provide sufficient access and maneuverability to maintain safe circulation along Water Street, SW.

114. Regarding the Parcel 10 Building cantilever over Water Street, SW, the Commission finds that the revised Parcel 10 Building plans (Exs. 82J1 – 82J3) successfully addresses the concerns expressed by the Commission, and those of 525 Water and the ANC. The revised design significantly increases the distance between the Parcel 10 and 11 Buildings, and

maintains the visual openness Water Street, SW from Maine Avenue, SW towards the waterfront.

115. As to those other issues raised by 525 Water regarding motor coach pick-up / drop-off area along Maine Avenue, motor coaches and tour buses parking within residential areas, accommodation of ride sharing services, signage, and Wharf paving, the Commission finds that these issues are adequately addressed and resolved through the Applicant's responses to the ANC Report, and the conditions imposed upon the Applicant through the ANC Agreement, which is incorporated as a condition to this Order.

### **Tiber Island Cooperative Homes**

116. In its written request for party status in support of the Application, Tiber Island Co-Op expressed concerns regarding construction-related impacts such as traffic disruption, and noise. It also expressed post-construction concerns regarding traffic, parking, noise, emissions, and the potential for motor coaches and tour buses to park in residential areas.

117. At the public hearing on November 2, 2017, Tiber Island Co-Op, testified in support of the Application. As part of its testimony, Tiber Island Co-Op stated that its main concern is the long-term management of buses, and requested a commitment that 6<sup>th</sup> and Water Streets, SW will remain off-limits to these types of vehicles.

118. Tiber Island Co-Op did not attend the public hearings held on November 6 and 9, 2017

119. The Commission finds that many of the construction-related and post-construction concerns expressed by Tiber Island Co-Op will be adequately addressed and mitigated by the conditions imposed upon the Applicant under the ANC Agreement, and specifically those conditions included in the Construction Management Plan and Timeline, Motorcoach Loading and Curbside Management Plan, and the Motorcoach Operations Flow Plan included as part of the ANC Agreement.

120. Regarding traffic and parking, as stated above the Commission finds that any potential adverse transportation impacts that may arise out of the Phase 2 PUD can be detected, monitored, and addressed quickly and efficiently.

121. Regarding noise, the Commission finds that the uses established as part of the Parcel 10 PUD are generally consistent with those approved within the first-stage PUD, including the hotel use proposed on Parcel 8 as part of the Applicant's first-stage PUD modification, and are also consistent with the public-oriented activities of the Wharf and other open spaces. Thus, noises generated by the Parcel 10 PUD will be comparable to those that already exist within the PUD Site. The Commission further finds that the overall site plan of the Southwest Waterfront PUD is specifically designed such that the major open spaces and lower-scale development are located at the east end of the PUD Site to provide a buffer from the existing residential neighborhood, with the larger entertainment type uses located toward at the west end of the PUD Site. In addition, the Commission finds that the Applicant, and any other resident, business, and retail or service operator within the PUD Site, both during and after construction,

will be required to comply with the requirements of the existing D.C. Noise Control Act. Based on these factors, the Commission finds that any noise-related impacts caused by the Parcel 10 PUD will be mitigated.

### **Gangplank Slipholders Association**

122. In its written request for party status, GPSA stated that it supported the project with reservations regarding excessive light and noise, construction debris, public foot and vehicular traffic, long-term community sustainability, safe and secure access during construction, and liveaboard access to existing parking and loading areas (Ex. 23, p. 2).
123. At the November 2, 2017 public hearing, GPSA testified that it had concerns including safety, noise, ingress and egress, continuity of services and facilities, and parking and loading during construction. GPSA also expressed post-construction concerns regarding sustainability of the existing liveaboards, affordability of slip and liveaboard fees, and continuity of services.
124. GPSA did not provide any direct testimony at the public hearing held on November 6, 2017
125. At the November 9, 2017 public hearing, GPSA reiterated its primary concerns regarding affordability, accessibility, livability, and sustainability of the existing liveaboards. An individual resident of the Gangplank Marina also provided testimony regarding her concern over displacement and housing affordability.
126. The Commission finds that the Applicant, in response to the issues raised by GPSA relating to affordability, accessibility, livability and sustainability, submitted two options to GPSA, Option A and Option B, for consideration and formal vote by GPSA. As part of its posthearing submission the Applicant included copies of Options A and B, including all related exhibits (Exs. 82A1 – 82B2)
127. In direct response to GPSA's and the Commission's concerns regarding affordability, the Applicant developed Option B, which still provides for new state of the art docks and improved shower, locker, mail and laundry facilities from what exists today, while providing discounted slip and liveaboard fees of up to a potential 75% off of market rate to income qualifying existing slipholders that are District residents, subject to certain conditions.
128. In its posthearing submission, the Applicant stated that it is agreeable to either Option A or Option B; however, out of necessity, providing Option B results in a different level of amenities that can be provided to GPSA. While the new amenities provided in both Option A and Option B will exceed the requirements under the existing 2012 agreement between the Applicant and GPSA, and are a significant upgrade over existing facilities available to liveaboard slipholders, Option B would provide the new upgraded amenities within WB2. Option A would provide these same amenities within WB3, while also providing significant additional luxury interior amenities including a multi-purpose club room, a shared kitchen and dining room, co-work or work-from-home facilities, and improved common exterior



gathering areas and balconies which are not supportable under Option B due to the deep slip and liveaboard fee subsidies offered. In both Option A and Option B, the dock and gangway facilities would be significantly upgraded in terms of dock quality and material, dock width, level of utility and pump out service, availability of dock boxes and storage, enhanced lighting and safety features, and wider more accessible gangway facilities.

129. The Commission finds that both Option A or Option B provide significantly superior amenities to what are currently provided at the marina for the liveaboard population, including new and improved shower, bathroom, laundry, and mail/package facilities, as well as new, improved, and upgraded docks, gangways, and utility services. However, on balance, it is the Commission's view that Option B most effectively balances the issues of affordability, accessibility, livability, and sustainability as requested by the GPSA.
130. The Commission notes that it has had to assess these concerns raised by GPSA relative to the Southwest Waterfront PUD in past proceedings. Specifically, during its review of the second-stage PUD for Parcels 2, 3, 4, and 11, and related adjacent spaces and waterside development, GPSA testified in opposition raising similar concerns (Z.C. Case No. 11-03A). During those proceedings, GPSA expressed concern regarding, among other things, the status of liveaboards and mechanisms to assure their protection, transfer of liveaboard status, a transition plan that addresses boat movement as well as livability and affordability, increases in fees and changes in marina slipholder requirements, and continuity of services (*See* Z.C. Order No. 11-03A(1), Findings of Fact 97 – 103). In the end, the Commission was left to balance the clear rights of the Applicant to cancel the slipholders license in order to proceed with development against the first-stage PUD requirement that the Applicant provide for a liveaboard community during construction with approximately 94 boat slips, with provisions for reasonable continuity of services, utilities, and amenities during construction for the existing live-aboard slipholders.

[INSERT ADDITIONAL FINDINGS FOLLOWING GPSA SUBMISSION DUE ON NOVEMBER 30, 2017]

### **Tiber Island Condominium**

131. In its written request for party status in opposition to the Application, which also express support for the project, Tiber Condo expressed reservations regarding excessive light and noise, construction debris, public foot and vehicular traffic, long-term community sustainability, safe and secure access during construction, and the removal of existing Zone 6 reserved parking areas and associated loading areas currently used by its residents. (Ex. 25, p. 2).
132. At the public hearing on November 2, 2017, Tiber Island Condo testified that it was actually in support of the Phase 2 PUD, but wanted to flag a concern about parking and traffic along 6<sup>th</sup> Street and M Place, SW, as some of their townhouses face those streets (tr. November 2, 2017, p. 156)
133. Tiber Island Condo did not attend the public hearings held on November 6 and 9, 2017.

134. As previously stated, the Commission finds that many of the construction-related and post-construction concerns expressed by Tiber Island Condo will be adequately addressed and mitigated by the conditions imposed upon the Applicant under the ANC Agreement.
135. Regarding traffic and parking, the Commission notes that there is nothing in the record for this case, and to the best of its knowledge in any of the case records for prior approvals for the Southwest Waterfront PUD, that any existing Zone 6 reserved parking has been permanently removed from public streets surrounding the PUD Site. Notwithstanding, the Commission finds that the Applicant's commitment contained in the ANC Agreement that it will not request DDOT or any other District agency to provide Residential Parking Permits ("RPP") to residents in any buildings constructed in the Phase 2 PUD, and that it will place information about RPP ineligibility in any rental or sales documents, will adequately mitigate any potential for adverse impacts to Zone 6 parking areas. Further, the Commission reiterates its finding that any potential adverse transportation impacts that may arise out of the Phase 2 PUD can be detected, monitored, and addressed quickly and efficiently.

### **Other Contested Issues**

136. In addition to the issues raised by the parties and the ANC, several non-party individuals and organizations testified at the public hearings on November 2<sup>nd</sup>, 6<sup>th</sup>, and 9<sup>th</sup> in opposition to the Application. Representatives from the D.C. Fiscal Policy institute (Ex. 45), UNITE HERE Local 25 ("UHL")(Ex. 50), the DC/Baltimore Building Trades Organizing Committee (Ex. 44), and the Laborers International Union of North America ("LIUNA")(Ex. 71) all testified that the Wharf project has failed to create quality jobs or other benefits for District residents, noting that while there are requirements for the Applicant to hire District residents there are no requirements for ensuring those jobs come with good wages and benefits. These organizations also claimed in their testimony that the Wharf project, and specifically the requested first-stage PUD modification, is inconsistent with the Comprehensive Plan, including Policy ED 2.5 - Production, Distribution, and Repair Economy, Policy ED 4 – Increasing Access to Employment, and ED 4.2.7 – Living Wage Jobs, and stated that the project cannot be lawfully approved if found to be inconsistent with the Comprehensive Plan.
137. Mr. Chris Otten, representing DC for Reasonable Development: SW Planning and Safety Group ("DC4RD"), also testified in opposition to the Application at the November 2<sup>nd</sup> hearing (Ex. 43). The issues raised by DC4RD were unsubstantiated generalized grievances relating to environmental impacts and flooding, impacts to local public facilities, impacts to emergency response times, lack of affordable housing, gentrification, displacement, destabilization of property values, and funding of project-related infrastructure costs. Further, DC4RD included in its written testimony a listing of several Comprehensive Plan policies that are applicable to the project. Similar comments to those raised by DC4RD were also raised at the November 2<sup>nd</sup> hearing by Mr. William Shickler (Ex. 46), and in several comments submitted to the record by individuals (Exs. 60, 64, 66, 69).
138. At the hearing on November 9<sup>th</sup>, and in its posthearing submission, the Applicant provided detailed rebuttal to each of the issues stated above.

139. Regarding the issue of consistency with the Comprehensive Plan, as stated in the provisions governing PUD applications, “[t]he first-stage application involves a general review of the site’s suitability as a PUD and any related map amendment, ...and the compatibility of the proposed development with the Comprehensive Plan,...” (emphasis added)(11-X DCMR § 302.2). Further, these same provisions state “[i]f the Zoning Commission finds the application to be in accordance with the intent and purpose of...the first-stage approval, the Zoning Commission shall grant approval to the second-stage application,...” (emphasis added). As such, as required under the Zoning Regulations the Commission finds that it has already determined that the Southwest Waterfront PUD is not inconsistent with the Comprehensive Plan as part of its review and approval of the first-stage PUD (Z.C. Order No. 11-03). In addition, the Commission further finds that based upon the OP Report, the Applicant’s initial application statement (Ex. 2), and the rebuttal testimony provided by Shane Dettman, the Applicant’s expert in zoning and land use, the requested first-stage PUD modification to allow a hotel use on Parcel 8 is also not inconsistent with the approved first-stage PUD.
140. Notwithstanding the fact that the Commission has already determined the entire Southwest Waterfront PUD to be not inconsistent with the Comprehensive Plan, out of an abundance of caution, the Applicant provided an extensive analysis of the project’s consistency with the Comprehensive Plan policies cited by DC4RD and other opposing organizations (Ex. 82). Based upon this additional information, the Commission reconfirms its prior finding in the first-stage PUD that the Application (second-stage PUD for Phase 2 of the Wharf and first-stage PUD modification to allow a hotel use on Parcel 8) is not inconsistent with the Comprehensive Plan, including those policies specifically referred to in the testimony provided by DC4RD and the other organizations referred to above.
141. Specifically as to the issue concerning jobs, wages, and benefits, as noted by UHL and LIUNA, the Commission does not have the power to mandate the Applicant to sign a project labor agreement (“PLA”) for the project or dictate anything about labor organizing at the project, and cannot disapprove the project if the Applicant does not wish to enter into any kind of labor-related agreement including a PLA or labor peace agreement (“LPA”). Further, the Commission does not have any authority to dictate wages for any particular job, or what benefits are provided. These are issues that either reside with the D.C. Council and/or other District agencies. Notwithstanding, the Commission is required to ensure that the project is not inconsistent with the Comprehensive Plan, including the Economic Development Element policy ED 4.2.7: Living Wage Jobs. Based upon the testimony provided by Ms. Elinor Bacon and Mr. Dettman, the Commission finds the project to be not inconsistent with this particular policy. As it relates to the Commission’s review, the focus of this policy is on attracting “living wage jobs that provide employment opportunities for unskilled and semi-skilled workers.” Approval of the Phase 2 PUD will do exactly that through the numerous job opportunities created both during and after construction, including the numerous additional hospitality job opportunities that will be created through approval of the requested first-stage PUD modification. Through the Applicant’s extensive hiring and workforce development efforts, District residents will be afforded ample opportunity to take advantage of these opportunities. These efforts are reflected in the comments submitted to the record by the D.C. Department of

Employment Services (“DOES”) (Ex. 87) and the Court Services and Offender Supervision Agency (“CSOSA”)(Ex. 86).

142. At the public hearing on November 2, 2017, DC4RD made several unsubstantiated claims that the Wharf project will cause displacement, gentrification, and destabilize property values in the surrounding area, and that the Phase 2 PUD will only make things worse. DC4RD did not submit any information or analysis to substantiate these generalized claims. In contrast, in direct response to a question by the Commission, the Applicant testified that the project has not, and will not, directly displace any existing residents within the PUD Site. Further, as part of its posthearing submission the Applicant provided specific information in support of a finding that the project will not cause displacement, gentrification, and destabilize property values due to the significant affordable housing, District resident hiring, and workforce development programs that required under the first-stage PUD, and the numerous programs offered by the District to help control increases in property values and assist homeowners and renters to remain where they live. Based on this information, the Commission finds there is no evidence to support DC4RD generalized claim that the project will cause displacement, gentrification, and destabilize property values in the surrounding area.
143. At the public hearing held on November 2, 2017, Mr. William Shickler testified that “an actual real environmental impact study has not been conducted” for the project at both the District and federal levels. This same claim was made by DC4RD and a number of persons who have submitted comments to the record. Further, these persons and organizations claim that the project will cause adverse flooding impacts and that the first-floor of the building within the project will flood and cause additional impacts on the community.
144. At the public hearing on November 9<sup>th</sup>, Mr. Dettman testified that the potential environmental impacts of the entire Southwest Waterfront PUD have been exhaustively analyzed at both the District and federal levels, as has the potential for the project to cause adverse flooding impact. The Applicant supplemented Mr. Dettman’s testimony regarding environmental impacts and flooding as part of its posthearing submission which included copies of the District and federal environmental impact analyses for the project. Further, the Applicant’s posthearing submission included information from the first-stage PUD approval where the Commission specifically found that the project would create numerous environmental benefits and amenities, and that the project was fully consistent with the Comprehensive Plan policies contained within the Environmental Protection Element (*See* Z.C. Order No. 11-03, Finding of Fact 50(e) and 72). As required by the Zoning Regulations, based upon the information provided by the Applicant the Commission finds that the any environmental impacts caused by the project will be favorable, capable of being mitigated, or acceptable given the quality of public benefits provided.
145. Regarding impacts local public facilities, DC4RD claims that the capacity of community facilities such as local schools, libraries, recreation centers, senior centers, fire/police stations and associated emergency response time, hospitals, and refuse removal “will be burdened by the new residents being brought into the community by these PUD and project approvals.” In response, the Applicant provided detailed information regarding the capacity of existing public schools, libraries, recreation centers, and fire stations in the surrounding area, including information on recent and proposed modernizations of these facilities, and information

regarding the District's ongoing focus on emergency response times. Based on this information, the Applicant states that the project will not have an adverse impact on local public facilities. In addition to the information submitted by the Applicant related to local public facilities, several District agencies submitted comments to the record that relate to DC4RD's claims regarding impacts to local public facilities and emergency response times. These agencies include: D.C. Public Library (Ex. 79), D.C. Fire and Emergency Management Service ("FEMS") ("Ex 80"), and the D.C. Municipal Police Department ("MPD") ("Exs. 81 and 85"). Based upon the information submitted by the Applicant, and the comments submitted by relevant District agencies, the Commission finds that the project will not have an adverse impact on local public facilities and emergency response times.

146. Regarding infrastructure costs, DC4RD claims that the costs of public infrastructure upgrades that have, and will be, completed to support the project have been borne by District residents. In rebuttal, the Applicant provided information in its posthearing submission that demonstrating that the public infrastructure upgrades required or related the project will not be borne by District residents, but rather are funded through Tax Increment Financing ("TIF") and Payment in Lieu of Taxes ("PILOT") bond funding that was approved by the D.C. Council specifically for the redevelopment of the Southwest Waterfront ("Southwest TIF/PILOT"), and which can only be used to construct the publicly owned infrastructure located within or adjacent to the area of the project. The information provided by the Applicant clearly states that the upfront public funding provided through the Southwest TIF/PILOT solely for public infrastructure upgrades and improvements will be fully repaid through increases in property and sales taxes that would otherwise not be generated without the Wharf project, without increasing the tax burden on District residents in general. In addition, the information states that to further protect the District and District residents, the D.C. Council also established the Southwest Waterfront Special Assessment District, under which a special assessment would be placed on designated properties should there be any shortfall in expected tax revenues needed to meet the obligation for the Southwest TIF/PILOT. The Commission finds that the Applicant has adequately addressed this issue.

### **CONCLUSIONS OF LAW**

1. Pursuant to the Zoning Regulations, the PUD process is designed to encourage high-quality development that provides public benefits. **11 DCMR § 2400.1**. The overall goal of the PUD process is to permit flexibility of development and other incentives, provided that the PUD project "offers a commendable number or quality of public benefits, and that it protects and advances the public health, safety, welfare, and convenience." **11 DCMR § 2400.2**.
2. Under the PUD process of the Zoning Regulations, the Zoning Commission has the authority to consider and approve this Application as a second-stage PUD and a first-stage PUD modification. The Commission may impose development conditions, guidelines, and standards which may exceed or be less than the matter-of-right standards identified for height, FAR, lot occupancy, parking and loading, or for yards and courts. The Zoning Commission may also approve uses that are permitted as special exceptions that would otherwise require approval by the District of Columbia Board of Zoning Adjustment.

3. The PUD Site and the Phase 2 PUD meet the minimum area requirements of 11 DCMR § 2401.1.
4. Development of the Parcel 10 PUD in accordance with the plans approved by this Order, carries out the purposes of Chapter 24 of the 1958 Zoning Regulations to encourage the development of well-planned developments, which will offer a project with more attractive and efficient overall planning and design, not achievable under matter-of-right development.
5. The Parcel 10 PUD, as approved by the Commission, complies with the applicable height, bulk and density standards of the PUD guidelines; the approved PUD development parameters of the first-stage PUD; and the authority vested in the Commission to grant deviations therefrom.
6. The second-stage PUD is substantially in accordance with the elements, guidelines, and conditions of the first-Stage PUD, as modified by this Order, and therefore, should be approved. Pursuant to 11 DCMR § 2408.6, if the Commission finds the second-stage PUD application to be in accordance with the intent and purpose of the Zoning Regulations, the PUD process, and the first-stage PUD approval, the Commission shall approve the second-stage PUD, including any guidelines, conditions, and standards that are necessary to carry out the Commission's decision. As set forth above, the Commission so finds.
7. The second-stage PUD can be approved with conditions to ensure that any potential adverse effects on the surrounding area from the development will be mitigated.
8. The Applicant's requests for technical zoning flexibility from those standards, requirements, and limitations of the 1958 Zoning Regulations ("ZR58") that are specifically prescribed in this Order, are consistent with the Comprehensive Plan, and the flexibility requested for certain design aspects of the Parcel 10 PUD are appropriate. Moreover, the project benefits and amenities approved as part of the first-stage PUD are reasonable trade-offs for the requested flexibility.
9. Approval of the Parcel 10 PUD is appropriate because the proposed development is not inconsistent with the Comprehensive Plan for the National Capital. In addition, the proposed development will promote the orderly development of the PUD Site in conformity with the entirety of the Zone Plan, as embodied in the Zoning Regulations and Map of the District of Columbia.
10. The Commission is required under § 5 of the Office of Zoning Independence Act of 1990, effective September 20, 1990 (D.C. Law 8-163; D.C. Official Code § 6-623.04 (2001)), to give great weight to OP recommendations. The Commission carefully considered the OP reports and its oral testimony at the public hearing. As explained in this decision, the Commission finds OP's recommendation to grant the Application persuasive, as is satisfied that the flexibility requested by the Applicant regarding the design, materials, and lighting of The Oculus soffit and the glass façade of the office towers preserves OP's goal of ensuring that these characteristic elements of the Parcel 6/7 Building are maintained while

providing the Applicant a reasonable degree of flexibility to accommodate refinements to these elements that may be required during design development and fabrication.

11. The Commission is required under § 13(d) of the Advisory Neighborhood Commissions Act of 1975, effective March 26, 1976 (D.C. Law 1-21; D.C. Official Code § 1-309.10(d)) to give great weight to the affected ANC's recommendations. The Commission has carefully considered the issues and comments contained in the ANC Report, the conditions contained in the ANC Agreement, and the testimony in support of the Application provided by the ANC. Upon full consideration, the Commission agrees with the ANC that the Application should be approved, subject to the conditions set forth in the ANC Agreement (Ex. 38).
12. The Application is subject to compliance with D.C. Law 2-38, the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2-38; D.C. Official Code § 2- 1401 et seq. (2007 Repl.).

### **DECISION**

In consideration of the Findings of Fact and Conclusions of Law contained in this Order, the Zoning Commission for the District of Columbia ORDERS APPROVAL of the Parcel 10 PUD within the Southwest Waterfront redevelopment project, subject to the guidelines, conditions and standards set forth below.

#### **A. Project Development**

1. The Parcel 10 PUD shall be developed in accordance with the plans and drawings submitted by the Applicant, on October 13, 2017, as modified by the plans and drawings submitted on November 22, 2017, and marked as Exhibits XX and XX in the case record, as modified by the guidelines, conditions and standards herein.
2. The Applicant shall have flexibility with the design of the Parcel 10 PUD in the following areas:
  - a. To vary the location and design of interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms, provided that the variations do not substantially change the exterior configuration or appearance of the building; and
  - b. To make refinements to exterior materials, details and dimensions, including belt courses, sills, bases, cornices, railings, roof, skylight, architectural embellishments and trim, venting, window mullions and spacing, and any other changes that otherwise do not significantly alter the exterior design to comply with the District of Columbia Building Code or that are necessary to obtain a final building permit or other applicable approvals. Such refinements shall not substantially change the exterior configuration, appearance, proportions, or general design intent of the building; and

- c. To vary the final selection of exterior building materials within the color ranges of the material types shown in the [approved plans] based on availability at the time of construction. Any such variations shall not reduce the overall quality of materials, nor substantially change the exterior appearance, proportions, or general design intent of the building; and
- d. To vary the final selection of landscaping materials utilized based on availability at the time of construction; and
- e. To vary the final design of retail frontages, including the location and design of entrances, show windows, signage, and size of retail units, in accordance with the needs of the retail tenants. Retail signage shall be located within the potential retail signage zones shown in the [approved plans]; and
- f. To vary the design and location of upper-level building signage located above the first-story within the limits of the potential tenant signage zones shown in the [approved plans], and in accordance with the District of Columbia sign regulations in effect at the time of permitting; and
- g. To vary the garage layout and the number, location, and arrangement of vehicle and bicycle parking spaces provided the number of spaces, for both vehicles and bicycles, is not reduced by more than five percent of the number shown on the [approved plans], and the total number of vehicle and bicycle parking spaces provided is consistent with that which is required under Z.C. Order No. 11-03; and
- h. To construct the [approved plans] in multiple stages based upon site constraints, infrastructure needs, market conditions, and other factors that may influence the ability to fund, design, and construct the buildings and structures included in the [approved plans], provided that any interim improvements constructed shall be set back a minimum of 60 feet from the bulkhead line to match existing and proposed buildings, and to maintain views along the Wharf; and
- i. To vary the sequencing and timing of construction of Wharf Marina, as shown in the [approved plans], including associated bulkhead, piers, docks, fueling station(s), and other related buildings and structures.

**B. Public Benefits**

- 1. *Prior to issuance of a certificate of occupancy*, the Applicant shall establish the Project Association for the Southwest Waterfront PUD that will be responsible for maintenance and improvements of the private roadways, alleys, bicycle paths, promenade, sidewalks, piers, parks and signage within the PUD Site. Additionally, the Project Association will be responsible for programming and staging events within the PUD Site. The Project Association will fund maintenance and programming elements of the common elements of the Southwest Waterfront PUD through a Common Area Maintenance (CAM) assessment



charge to each development component within the Southwest Waterfront PUD. The Applicant shall create, manage and operate the Project Association during the "developer control period," which begins on the effective date of the Declaration of Covenants between the District of Columbia and the Applicant and ends five years after issuance, or deemed issuance, of the last certificate of completion for all portions of the Southwest Waterfront PUD, and unit certificates of completion for each residential condominium unit.

2. *During construction of the Southwest Waterfront PUD*, the Applicant shall abide by the terms of the executed First Source Employment Agreement with the Department of Employment Services to achieve the goal of utilizing District residents for at least 51 percent of the new jobs created by the Southwest Waterfront PUD. Prior to issuance of a building permit for construction of the Parcel 10 PUD, the Applicant shall complete the Construction Employment Plan of the First Source Employment Agreement outlining the hiring plan for the project. The Applicant and the contractor, once selected, shall use best efforts to coordinate apprenticeship opportunities with construction trades organizations, the D.C. Students Construction Trades Foundation, and other training and job placement organizations to maximize participation by District residents in the training and apprenticeship opportunities in the overall Southwest Waterfront PUD.
3. *During the life of the project*, in accordance with the LDA, the Applicant shall abide by the executed CBE Agreement with the Department of Small and Local Business Development to achieve, at a minimum, 35 percent participation by certified business enterprises in the contracted development costs for the design, development, construction, maintenance, and security for the project to be created as a result of the overall Southwest Waterfront PUD. (ZC Case No. 11-03, Exhibit No. 4-J) The Applicant shall comply with the LDA requirement to lease 20 percent of the retail space throughout the Wharf to "unique" and/or "local" businesses, which will include CBEs.

**C. Transportation Mitigation**

1. *For the life of the Project*, the Applicant shall abide by the TDM Plan (Ex. 67B) and the TDM Performance Monitoring Plan (Ex. 67C) approved as part of the first-stage PUD.
2. *For the life of the Project*, the Applicant shall comply with the LMP set forth in the Applicant's CTR (Ex. 20A) as follows:
  - a. A loading dock manager will be designated by the building management for each building. The dock manager will coordinate with vendors and tenants to schedule deliveries and will be on duty during delivery hours.
  - b. All tenants will be required to schedule deliveries that utilize the loading docks – defined here as any loading operation conducted using a truck 20' in length or larger.
  - c. Truck traffic will be prohibited from standing or parking on Maine Avenue with the exception of designated loading/unloading zones. Vehicles that are not accommodated in the on-site loading dock will need to park in an accepted large vehicle lot like the

ones listed in the DDOT document entitled “Important Information for Charter Bus and Motorcoach Operators.”

- d. A representative of the Operations Manager will supervise all deliveries to the loading area. This loading manager will monitor vehicle, bicycle, and pedestrian traffic on the internal streets during loading ingress and egress and direct truck movements to minimize conflicts.
- e. Delivery trucks will not be permitted to maneuver during peak periods when traffic volumes are highest or at times that would conflict with trash collection. Peak periods are defined as weekdays (excluding holidays) from 7-9 AM and 4-6 PM.
- f. Trucks using the loading dock will not be allowed to idle and must follow all District guidelines for heavy vehicle operation including but not limited to DCMR 20 – Chapter 9, Section 900 (Engine Idling), the regulations set forth in DDOT’s Freight Management and Commercial Vehicle Operations document, and the primary access routes listed in the DDOT Truck and Bus Route System.

**D. Miscellaneous**

- 1. No building permit shall be issued for the Parcel 10 PUD until the Applicant has recorded a covenant in the land records of the District of Columbia, between the Applicant and the District of Columbia, that is satisfactory to the Office of the Attorney General and the Zoning Division, DCRA. Such covenant shall bind the Applicant and all successors in title to construct and use the Property in accordance with this Order, or amendment thereof by the Commission. The Applicant shall file a certified copy of the covenant with the records of the Office of Zoning.
- 2. The validity of the Commission’s final approval shall be valid for a period of two years from the effective date of this Order. Within such time, an application for a building permit must be filed for construction of Garages 2 and/or 3 (the “Garages”), as shown in **Exhibit X**, Sheets 1.19 and 1.20. Construction of the Garages shall begin within three years of the effective date of this Order. Within two years of completion of the Garages, the Applicant shall apply for a building permit for construction of the [approved plans]. The Applicant shall commence construction of the [approved plans] within three years of the completion of the Garages.
- 3. The Applicant is required to comply fully with the provisions of the Human Rights Act of 1977, D.C. Law 2-38, as amended, and this order is conditioned upon full compliance with those provisions. In accordance with the D.C. Human Rights Act of 1977, as amended, D.C. Official Code § 2-1401.01 et seq., (“Act”) the District of Columbia does not discriminate on the basis of actual or perceived: race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, familial status, family responsibilities, matriculation, political affiliation, disability, source of income, or place of residence or business. Sexual harassment is a form of sex discrimination that is also prohibited by the Act. In addition, harassment based on any of the above protected

categories is also prohibited by the Act. Discrimination in violation of the Act will not be tolerated. Violators will be subject to disciplinary action. The failure or refusal of the Applicant to comply shall furnish grounds for the denial or, if issued, revocation of any building permits or certificates of occupancy issued pursuant to this Order.

On December 7, 2017, upon the motion of \_\_\_\_\_, as seconded by \_\_\_\_\_, the Zoning Commission **APPROVED** the application by a vote of 5-0-0.

On \_\_\_\_\_, upon the motion of \_\_\_\_\_, as seconded by \_\_\_\_\_, the Zoning Commission **ADOPTED** this Order by the Zoning Commission at its public meeting on \_\_\_\_\_ by a vote of 5-0-0.

In accordance with the provision of 11 DCMR § 3028, this Order shall become final and effective upon publication in the *DC Register*, that is on \_\_\_\_\_.

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ANTHONY J. HOOD  
Chairman  
Zoning Commission

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SARA A. BARDIN  
Director  
Office of Zoning