

**MEMORANDUM**

TO: District of Columbia Zoning Commission

FROM: Jennifer Steingasser, ^{JS} Deputy Director, Development Review and Historic Preservation

DATE: April 14, 2011

SUBJECT: Case No. **ZC-11-08: Setdown Report** for a Consolidated Planned Unit Development and Zoning Map Amendment for 2700 16th Street, N.W., filed by Goulston & Storrs on behalf of Il Palazzo LLC

APPLICATION

Il Palazzo LLC has applied for a Consolidated Planned Unit Development (PUD) and a related Map Amendment to rezone the western portion of the site from the R-5-B District to the R-5-D District to accommodate a 110-135-unit apartment building and retention of the existing landmarked building. The proposal would also include 60-90 below grade parking spaces.

RECOMMENDATION

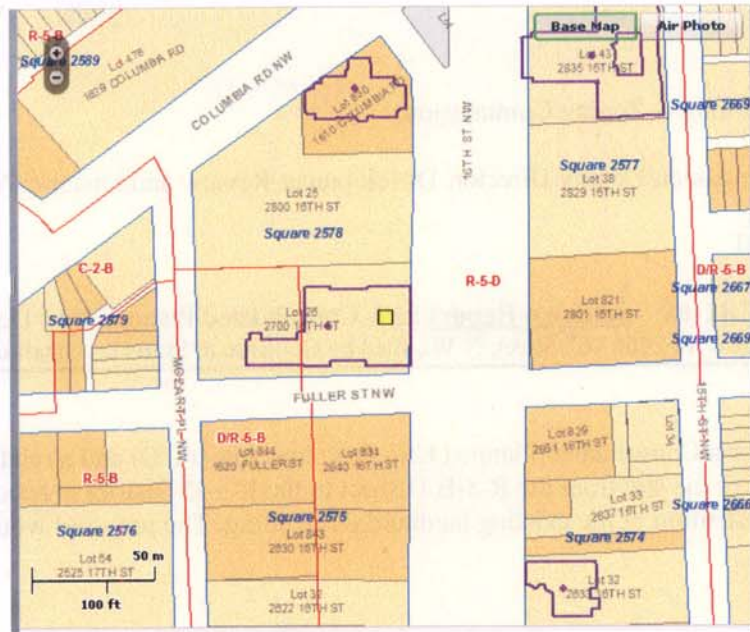
The Office of Planning recommends the case be set down for public hearing, as the proposed development is not inconsistent with the Comprehensive Plan, including the Future Land Use and Policy Map.

The applicant has requested relief from the court and roof structure zoning requirements. The Office of Planning believes that these can be granted as proposed.

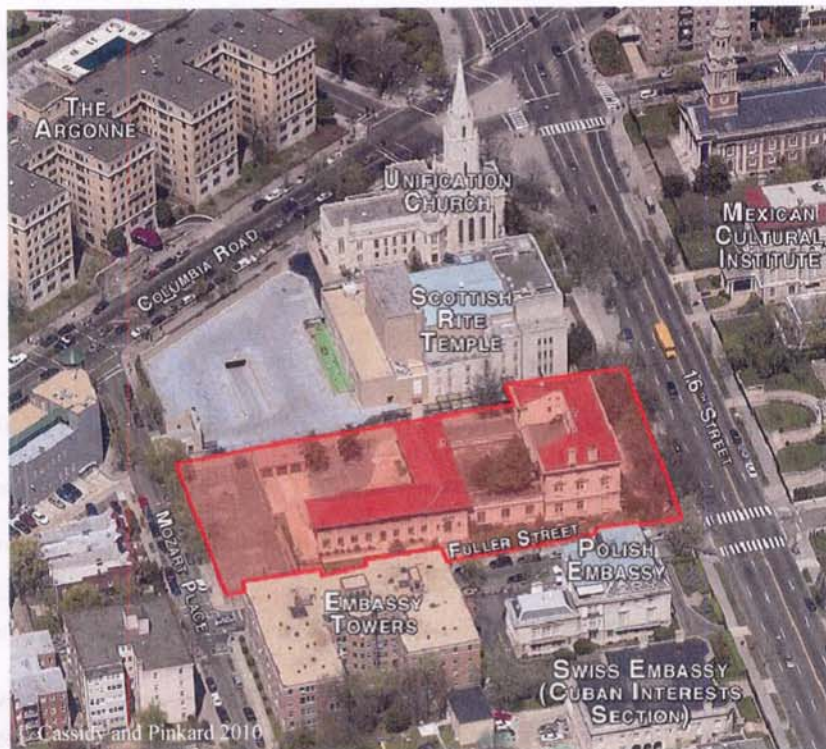
AREA DESCRIPTION

Address	2700 16 th Street NW		
Legal Description	Square 2578, Lot 28	Ward 1	ANC 1C
Lot Characteristics	Relatively level corner lot		
Existing Development	A three-story with basement, limestone clad building which served as the former Embassy of Italy. A two story portion at the rear/side housed the former Chancery. A one-story stucco garage is located at the northwest property line. Currently vacant. The site is a landmarked historic resource.		
Existing Zoning	D/R-5-B – rear portion of lot D/R-5-D – front portion of lot. The Diplomatic Overlay has no bearing on this application as a chancery use is not proposed.		
Adjacent Properties	North: Abutting property of the Scottish Rite Temple. The Unification Church is north of the Temple and an 8-story residential building is across Columbia Road. South: Across Fuller Street: Embassy of Poland and 5 story multi-family dwelling East: Across 16th Street, Former Embassy of Spain and the Embassy of Mexico to the north side of Fuller Street and residential multi-family dwellings to the south of Fuller Street. West: Across Mozart Pl., two-story row dwellings.		
Surrounding Neighborhood Character	Multi-family residential, embassy and chancery uses along 16 th Street. Commercial uses, apartments and row houses along Columbia Road to the west and row houses to the east.		





Zoning & Vicinity Maps



The subject property is located on the well-travelled Metrobus route of 16th Street and is just south of the cross-town bus route along Columbia Road.

PROPOSAL

The applicant proposes to convert the existing historic structure to residential use and construct a five to eight-story residential addition to the west of the historic building. The applicant proposes a PUD-related map amendment for the western portion of the site zoned D/R-5-B to the D/R-5-D District to allow the density that is currently permitted on the existing R-5-D portion of the site to be accommodated on the property.

The 110-135 unit residential development would be completed in two phases. Phase I would include 28 units within the historic portion and Phase II's addition would include 82 or more units. Five units would be allocated to households earning an annual income no greater than 80% of the Area Median Income (AMI). A 60-90 space below-grade parking area is proposed below the addition.

The historic portion of the residential building would have three pedestrian access points including the main entry foyer from 16th Street, and two smaller entries from Fuller Street located on the south side of the building. An access from Mozart Place would also be provided for the addition. The elevator and the historic ballroom, library and grand stair would be the main common space features off the 16th Street lobby. The staircase would be retained to provide access to two of the three units of the East Wing's 2nd Floor. The second through fourth floors of the east wing of the building would have a smaller footprint than its ground floor, as this building has an interior courtyard which would be retained.

The proposed new construction would be an L-shaped tower, with a five story component at Mozart Place and Fuller Street, and an 8-story component extending to the northern lot line. A courtyard for passive recreation would provide light and air to both buildings, as well as provide a respectful separation from the existing historic resource. The 8th story steps back from the 7th story at the Mozart Street frontage. The step backs at the fifth and seventh floors are intended to provide a better massing relationship to the surrounding developments. The historic resource and the new addition would be connected at the north by a meaningful connection, which would provide the new addition access to the historic common areas, including the library and ballroom.

The applicant has provided preliminary information regarding the mix of units as follows:

Unit Type	Phase I Historic Resource	Phase II New Addition
1br/1ba	7	49
1br/1.5ba	6	-
2br/1.5ba	3	-
2br /2ba	5	25
2br/2.5b	6	-
3br/2.5b	1	-
Den/bath	-	7
1br/den/1ba	-	1
Total	28	82

Five units would be affordable at eighty percent of the Area Median Income (AMI). The Applicant's submission also indicates the location of the inclusionary units, including the third floor of the East Wing (historic portion), and the terrace, ground, third and fourth floor of the new addition.

The roof structure of the proposed mechanical penthouse gradually slopes upward to enclose the building's mechanical equipment. The western wing's roof structure is designed to complement the terracotta tile hip roof of the east wing. The roof would include elevator access for residents and a recreation area with pavers, seating and installed plantings.

Vehicular access to the building would be from Fuller Street, which is one-way, west-bound. This existing curb cut would provide access to up to four below-grade levels of the garage. The exit is proposed at Mozart Place with a right turn north, consistent with the north-bound one-way traffic flow. A roll-up coiling door would be utilized at the garage's entrance and exit. The proposed curb cut at Mozart Place would provide access to loading facilities and trash removal on the ground level.

The first below-grade level would contain eight parking spaces, including all of the handicapped accessible spaces, six car-share spaces and an electric charging station. The second through fourth levels would contain approximately twenty-five spaces each with storage areas. The plans indicate approximately 95 bicycle parking spaces would be provided on the terrace floor with access to the garage and units at the terrace level (A36).

The exterior of the existing building is primarily limestone capped with a terracotta roof. This exterior would be restored. The addition's exterior would be primarily brick veneer with a face cast stone veneer at the base. A cast stone band would separate the brick veneer from the base's rusticated veneer. A clay tile roof to match the historic resource is proposed for the addition, making it appear as one structure. Aluminum clad double-hung windows would be used for the north, east and west elevations. Recessed residential balconies would be provided in portions of those elevations facing the interior courtyard.

ZONING

The site is currently split zoned with just over half zoned D/R-5-B and the remainder zoned D/R-5-D. The application includes a request to zone the entire site D/R-5-D in order to capture the height and FAR which could not be attained due to the historic resource within the higher density portion of the site. The project is designed to conform to the permitted height and FAR for the requested R-5-D District and remains well within the density limits of the R-5-B PUD. The following table is a comparison of the R-5-B, R-5-D and the R-5-D PUD standards, and the proposed development:

Provision	R-5-B (M-o-R)	R-5-D (M-o-R)	R-5-D PUD	Proposal
Lot Area	None prescribed	None prescribed	None prescribed	42,494 sf
Height (§ 400) (# of stories)	50 feet (no limit) (60 ft PUD)	90 feet (no limit)	90 feet (no limit)	89 feet
FAR (§ 402.4)	1.8 (2.16 with IZ) (3.0 with PUD)	3.5 (4.2 with IZ)	4.5	2.8 (122,428 sf) ¹
Lot Occupancy (§ 403.2)	60%	75%	75%	58%
Parking (§ 2101)	1 for each 2 dwelling units 55-68	1 for each 3 dwelling units 37-45	1/3 du's 37-45	TOTAL – 60-90
Loading (§2200.5)	No additional loading required for a historic landmark located in a historic District	No additional loading required for a historic landmark located in a historic District	No additional loading required for a historic landmark located in a historic District	1 loading berth
Rear Yard (§404.1)	4"/ft height from grade at the rear 29 ft	4"/ft height from grade at the rear 29 ft	4"/ft height from grade at the rear 29 ft	80 ft (as measured from the centerline of 16 th St.)
Roof Structures (§415)	1 roof structure Setback distance equal to height Enclosing walls of equal height	1 roof structure Setback distance equal to height Enclosing walls of equal height	1 roof structure Setback distance equal to height Enclosing walls of equal height	1:1 setback Walls not of equal height
No. of Units Use	- Chancery	- Embassy	- Apartment	110-135 du's Apartment

¹ The site would currently permit 114,108 sf by right or 162,044 sf by PUD.

FLEXIBILITY

The following relief is required from the Zoning Regulations:

Roof Structures

§§ 411 and 770.6: These sections require that all penthouses be located within one roof structure. The subject application proposes four roof structures for pedestrian access; one for the elevator, necessary to make the rooftop ADA accessible, and for the stairwells, as required by the Fire Code.

Courts

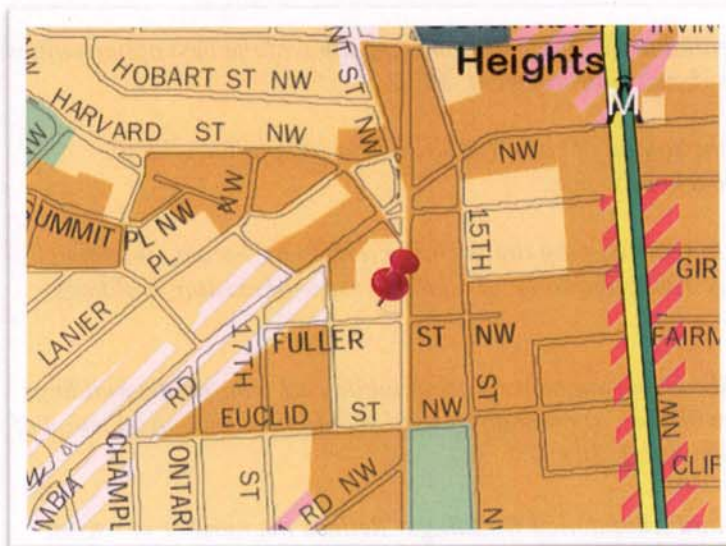
The applicant has expressed that there are several court areas on the plans that would require relief. OP expects the applicant to identify these court areas in its public hearing submission.

The Office of Planning will work with the applicant to further refine and define these requests prior to public hearing, should the Commission set down the application.

COMPREHENSIVE PLAN FUTURE LAND USE and GENERALIZED POLICY MAP

The site is designated Moderate Density Residential by the Comprehensive Plan's Future Land Use Map. This designation generally describes *"areas characterized by a mix of single-family row homes, 2-4 unit buildings and low-rise apartment buildings"*. However, the immediate surrounding development pattern is more characteristic of medium density residential districts, where mid-rise (4-7 stories) apartment buildings are the predominant use. Pockets of low and moderate density may exist within these areas as evidenced by the row house dwellings on Mozart Place.

OP is supportive of the related map amendment to redevelop the site, as the requested 2.8 FAR is well below the maximum 3.0 FAR permitted under the R-5-B PUD, and the maximum 3.5 FAR permitted for matter-of-right development in the R-5-D District. The FAR would also be consistent with what would be expected in a moderate density designation. Since the historic resource is not permitted to be developed to its R-5-D potential, the requested height and density is being transferred to the underdeveloped portion of the large lot to ensure the project's financial viability.



I. Future Land Use Map



II. Generalized Policy Map

The existing structure is within a Neighborhood Conservation Area of the Generalized Land Use Map. These areas are characterized by *"... little vacant or underutilized land. Where change occurs, it will be modest in scale"*

and will consist primarily of scattered site infill housing, public facilities and institutional uses. Major changes in density are not expected but some new development and reuse opportunities are anticipated..."

This proposal is not requesting a major change in the density, but would facilitate important reuse and addition opportunities.

The adaptive re-use of this property as proposed is not inconsistent with the Future Land Use Map or the Generalized Policy Map.

COMPREHENSIVE PLAN POLICIES

The proposed development is located within the Mid-City Area of the Comprehensive Plan. A planning and development priority for this area is to direct density along high volume transit corridors. 2007c.

The proposed development is not inconsistent with the following policies of Mid-City Element of the Plan:

Policy MC-1.1.7: Protection of Affordable Housing

Strive to **retain the character of Mid-City as a mixed-income community** by protecting the area's existing stock of affordable housing units and **promoting the construction of new affordable units**.

Policy MC-1.2.1: Cultural Diversity

Maintain the cultural diversity of Mid-City by **encouraging housing** and business opportunities for all residents, sustaining a strong network of social services for immigrant groups, and retaining affordable housing within the Planning Area. 2009.1

The proposed map amendment and related re-use of the property fulfils many policies and actions of the Comprehensive Plan's objectives for Land Use, Housing, Urban Design and Historic Preservation in the District.

Land Use Element

Major themes of the **Land Use Element** promote "...efficient use of land resources to meet long-term neighborhood, citywide and regional needs... or to improve the character and stability of neighborhoods in all parts of the city..." 300.2

LU-1.4 Neighborhood Infill Development - In residential areas, infill sites present some of the best opportunities in the city for "family" housing and low- to moderate-density development. 307.2

Policy LU-1.4.3: Zoning of Infill Sites -Ensure that the zoning of vacant infill sites is compatible with the prevailing development pattern in surrounding neighborhoods.307.7

Policy LU-2.1.4: Rehabilitation before Demolition -In redeveloping areas characterized by vacant, abandoned, and underutilized older buildings, generally encourage rehabilitation and adaptive reuse of existing buildings rather than demolition. 309.9

Policy LU-2.1.12: Reuse of Public Buildings-Rehabilitate vacant or outmoded public and semi-public buildings for continued use. Reuse plans should be compatible with their surroundings, and should limit the introduction of new uses that could adversely affect neighboring communities. 309.17

Policy LU-2.2.3: Restoration or Removal of Vacant and Abandoned Buildings- Reduce the number of vacant and abandoned buildings in the city through renovation, rehabilitation, and where necessary, demolition. Implement programs that encourage the owners of such buildings to sell or renovate them, and apply liens, fines, and other penalties for non-compliant properties. 310.4

Housing

The Housing Element describes the importance of providing housing opportunities for all segments of our population, including ensuring housing affordability and fostering housing production. 500.1

Policy H-1.1.1: Private Sector Support

Encourage the private sector to provide **new housing** to meet the needs of present and future District residents at locations consistent with District land use policies and objectives.

Policy H-1.1.3: Balanced Growth

Strongly encourage the **development of new housing on surplus, vacant and underutilized land** in all parts of the city.

Policy H-1.1.5: Housing Quality

Require the design of affordable housing to meet the same high-quality architectural standards required of market rate housing. Regardless of its affordability level, new or renovated housing should be indistinguishable from market rate housing in its exterior appearance and should address the need for open space and recreational amenities, and respect the design integrity of adjacent properties and the surrounding neighborhood. 503.6

Policy H-1.2.3: Mixed Income Housing

Focus investment strategies and affordable housing programs to distribute mixed income housing more equitably across the entire city, taking steps to avoid further concentration of poverty within areas of the city that already have substantial affordable housing. 504.8

Urban Design

Policy UD-1.4.1: Avenues/Boulevards and Urban Form

Use Washington's major avenues/boulevards as a way to reinforce the form and identity of the city, connect its neighborhoods, and improve its aesthetic and visual character. Focus improvement efforts on avenues/boulevards in emerging neighborhoods, particularly those that provide important gateways or view corridors within the city.

Historic Preservation

The Historic Preservation Element guides the protection, revitalization and preservation of the city's valuable historic assets. 1000.1

Policy HP-2.4.2: Adaptation of Historic Properties for Current Use

Maintain historic properties in their original use to the greatest extent possible. If this is no longer feasible, encourage appropriate adaptive uses consistent with the character of the property. 1011.7

Policy HP-2.4.3: Compatible Development

Preserve the important historic features of the District while permitting compatible new infill development. Within historic districts, preserve the established form of development as evidenced by lot coverage limitations, yard requirements open space, and other standards that contribute to the character and attractiveness of those areas. Ensure that new construction, repair, maintenance, and improvements are in scale with and respect the historic context through sensitive siting and design and the appropriate use of materials and architectural detail. 1011.8

The proposed map amendment and related re-use of the property fulfils many policies and actions of the Comprehensive Plan's objectives for Land Use, Housing and Historic Preservation in the District.

PUD EVALUATION STANDARDS

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

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

The applicant has requested a related change in zoning of the property to essentially shift height and density from the R-5-D to the currently R-5-B portion of the split-zoned property. This results in 39 feet in height and approximately 20,134² square feet in additional floor area in the R-5-B portion of the site. Public benefits proposed by the applicant are highlighted below.

Section 2403 further outlines the standards under which the application is evaluated.

2403.3 The impact of the project on the surrounding area and the operation of city services and facilities shall not be found to be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project.

The proposed residential use is not anticipated to adversely impact the operation of city services and facilities. The application would be forwarded to the District’s Fire and Emergency Medical Services (DCFEMS), Department of Transportation (DDOT), Department of the Environment (DOES) and DC Water for comments.

PUBLIC BENEFITS AND AMENITIES

The Office of Planning will request additional information from the applicant regarding the proposed benefits and amenities to ensure that they are consistent with the relief requested.

Section 2403.9 outlines “Public benefits and project amenities of the proposed PUD may be exhibited and documented in any of the following or additional categories:

- (a) *Urban design, architecture, landscaping, or creation or preservation of open spaces;*
- (b) *Site planning, and efficient and economical land utilization;*
- (c) *Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;*
- (f) *Housing and affordable housing;*
- (h) *Environmental benefits, such as stormwater runoff controls and preservation of open space or trees;*
- (i) *Uses of special value to the neighborhood or the District of Columbia as a whole;*

Urban Design and Architecture, Landscaping and Open Space

The application proposes the renovation of an important historic resource in the District and a respectful addition to this resource. The applicant has worked closely with OP staff, particularly Historic Preservation staff, to improve the design. The proposal has received concept level review by the Historic Preservation Review Board (HPRB) which deems this redesign as successfully addressing and resolving the “height and massing concerns raised by the earlier design.” The architecture breaks up the addition’s height with a five story portion at the corner of Mozart Place and Fuller Street and a seven story portion along Mozart Place where the 8th story is again

² This includes the gross square feet of the 6th through the 8th floor as stated by the applicant’s March 8, 2011 submission to OP.

stepped back. The building's red tile roofing unifies the historic and new portions and provides uniformity and "visual interest" to the roofline as expressed in HPRB's Staff Report of January 27, 2011. (Appendix G of the Applicant's Submission). Important exiting interior features of the building are being retained for use by all residents of the building. The design also provides significant landscaping and open space features and retains the valuable interior courtyard space of the historic portion. The landscaping and open spaces features would be further detailed in the applicant's public hearing submission.

Site Planning, and Efficient and Economical Land Utilization

The site plan proposes to expand the existing historic building with an addition that would enhance the use and revitalization of a vacant landmark property.

The proposed building, while having no alley access, would consolidate all vehicular access to the building from Fuller Street with exit from the Mozart Place frontage, consistent with the existing directional traffic flow of these streets. While DDOT has indicated a preference to remove the curb cuts along the 16th Street frontage, Historic Preservation staff has commented that the existing curb cuts contribute to the historic features of the site and complements the curb patterns along the 16th Street corridor, as highlighted on page A4 of the submission. The site planning as presented retains and incorporates both exterior and interior historic features for the benefit of future residents. The access points at the three street frontages would help create a vital residential building with eyes on the street, among the existing established residential buildings and historic structures.

Transportation Features

The applicant has prepared a Transportation Impact Study for DDOT's review. However a Transportation Demand Management (TDM) plan has not yet been proposed. The development includes at least 95 bicycle spaces within the building with 6 spaces devoted to car-sharing vehicles and an electric charging station. OP notes that this development is along a multi-route corridor and within walking distance of the Green-Line Metro station. However, OP suggests that the applicant consider a TDM plan that may include:

- Provision of a Transportation Services Coordinator; and
- Provision of transit incentives to first-time residents.

The Office of Planning will request more information from the applicant and comments from DDOT prior to public hearing should the subject application be set down by the Commission to further refine this element.

Loading

The loading requirements are waived for a historic landmark in a historic district per Section 2200.5. However, a loading area on the ground level is provided within the garage, in the vicinity of the trash storage area. This area would be clearly defined and dimensioned for the public hearing submission.

Employment Agreement

The applicant has entered into an employment agreement with the community which provides for the hiring of 12 community members. This agreement rather than the First Source Agreement³ was requested by the ANC.

Housing and Affordable Housing

The application proposes eight percent of the new residential square footage (7,432 square feet) as affordable at eighty percent of AMI. This is equal to the amount of affordable housing required by Inclusionary Zoning. The applicant also states that four out of the five affordable units would be two-bedroom units targeted to families which exceeds normal IZ requirements. Pursuant to the PUD amenity standards, OP recognizes the housing and affordable housing as a benefit of the project.

³ The First Source Agreement Program* assures city residents priority for new jobs created by municipal financing and development programs. It mandates that all projects funded in whole or in part with District of Columbia funds, or other funds which the District administers, shall provide for increased employment opportunities for District residents.

Environmental Benefits

The preservation of an existing historic resource is a sustainable feature of this development. The applicant has stated to OP that the project has been designed to LEED certifiable standards but will not seek LEED certification and commissioning. OP expects the applicant to provide additional details regarding the LEED elements prior to a hearing.

The applicant would also provide an updated site plan indicating the proposed upgrades to public space and improved landscaping on the site.

Uses of Special Value to the Neighborhood

The applicant has provided the following additional project amenities:

- Adaptive re-use and preservation of a historic resource;
- 2-bedroom affordable units;
- Hiring agreement between the applicant and the ANC to hire locally; and
- Improvements to public space, including the installation of tree boxes and related plantings.

The application does not identify any other amenities desired within the community. The applicant intends to meet with the ANC in May, 2011 for further discussion as necessary.

AGENCY REFERRALS AND COMMENTS

The application will be referred to the following District government agencies for review and comment, if the application is set down for a public hearing:

- District Department of Transportation (DDOT);
- Fire and Emergency Medical Services Department (FEMS);
- DC Water;
- Department of the Environment;
- Department of Public Works (DPW); and
- Department of Housing and Community Development (DHCD).

COMMUNITY COMMENTS

The applicant has held several meetings with the community during the course of the projects design. The applicant is expected to meet with the ANC at its regularly scheduled meeting in May, 2011.

CONCLUSION

The Office of Planning supports the proposal for the revitalization of this important historic resource. The proposed PUD and related map amendment are not inconsistent with the Comprehensive Plan. Therefore, the Office of Planning recommends that the application be set down for public hearing. The Office of Planning will continue to work with the applicant towards a more detailed review prior to the public hearing, should the Commission set the application down.