

1333 M STREET, S.E., LLC | Z.C. CASE NO. 13-12

## MEMORANDUM

**TO:** Zoning Commission members  
**FROM:** Eric Siegel, 1333 M Street, S.E., LLC, Applicant  
**DATE:** December 10, 2014  
**RE:** Response to Commissioner Cohen's questions about the value of the public benefits and amenities

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This memorandum is submitted in response to Commissioner Cohen's discussion and questions about the value of the public amenities proffered by the Applicant. Each public benefit and amenity will be discussed in term to demonstrate why the applicant believes that it constitutes a public benefit that carries with it a value that should be credited by the Zoning Commission as a valid public amenity. Commissioner Cohen raised concern that some of the proffered benefits are typical mitigation measures necessary for the development of or access to the site. Consequently, no value should be ascribed to that benefit for purposes of the proffer. The Applicant responds as follows:

Housing

1. The PUD will bring approximately **673 new residential units** on a site where none is required through a matter of right development under the existing zoning. The addition of such a substantial amount of market rate and affordable housing will contribute to establishing the residential character of this area of the Southeast.

Public Space / Open Space Improvements

2. On the south side of M Street, the Applicant shall install permeable paver parking spaces and low impact development basins with plantings and street trees for stormwater management. This will be done during Phase I of the project. **These specific type of street and storm water improvements are not necessary for the development of the project. Rather, these improvements enhance the aesthetic as well as the functional storm water retention attributes of the site and, therefore, should be credited with value. The value of these improvements are added to the M Street, SE re-paving work, which amounts to an estimate of \$1,000,000.**

3. The Applicant shall install a wildflower meadow along the Water Street right-of-way. The wildflower meadow provides an opportunity to increase plant biodiversity, create wildlife habitat, slow stormwater runoff and stabilize slopes. The meadow also preserves some of the open space quality of the existing site while reactivating it with the new proposed design and clears out the overgrown and visually impairing vegetation currently along Water Street. This will be done during Phase I of the project. **The estimated value of this amenity is in excess of**

**\$50,000. The applicant is not required to install such a meadow for the development/mitigation of the project but believes that it enhances the site and brings much of the environmental assets of the site back into existence.**

4. The Applicant shall construct a public dog park where 14<sup>th</sup> Street terminates at the project. This will be done during Phase I of the project. The estimated value of this improvement is **\$25,000. This amenity is not required for mitigation for the development of the site but is a benefit to the community.**

5. The Applicant shall improve M Street and construct an extension of Virginia Avenue south of M Street as well as construct an internal north-south private street. The roadway improvements will generate new on-street public parking. This will be done during Phase I of the project. **The improvements along M Street in terms of better curb appeal and public parking spaces is not required to make the site accessible and, therefore, should have a value as a legitimate proffer. The extension of Virginia Avenue, SE and the construction of the north-south private street are critical for the overall project circulation around the applicant's site, but also significantly benefit the public. It is along this Virginia Avenue extension that a public promenade will be constructed to allow pedestrians easy access to the water and, in the earlier stages of the development, to vistas overlooking the water. Moreover, Virginia Avenue at this site is currently nothing more than a dirt road deadend. By extending Virginia Avenue to an aesthetically appropriate conclusion, the Applicant successfully re-establishes Virginia Avenue as part of the L'Enfant Plan. Lastly, the creation of the north-south private street will maintain a viewshed from the north along this street, further benefitting the public in terms of views and increased access to retail opportunities along that street.**

6. The Applicant shall construct a sidewalk on the south side of M Street that extends the length of the subject property. This will be done during Phase I of the project. The estimated value of this improvement is **\$250,000. This public benefit is not required mitigation for the project. There is currently a zig-zagging, hodge-podge of sidewalks along M Street for pedestrians and bicyclists to use. By constructing a sidewalk along the south side of M Street that extends the length of the subject property, the Applicant will create a safer, more visible and aesthetically pleasing pedestrian experience. Thus, it has a value worth crediting as a proffer.**

7. The Applicant shall construct an uninterrupted 8-foot wide, paved Anacostia Riverwalk Trail segment along the north side of M Street that connects to the traffic circle near 13<sup>th</sup> Street, SE and the existing trail at 14<sup>th</sup> Street SE. This will be done during Phase II of the project. The estimated value of this improvement is **\$250,000. The construction of a segment of the Anacostia Riverwalk Trail that is unencumbered by street interference or jogging back and**

**forth on either side of M Street, S.E. is a significant public benefit and one that provides for safe travel by pedestrians and bicyclists alike. At present, the trail meanders back and forth along M and Water Streets with no real continuity. This improvement is not required as mitigation for the development of the project.**

8. For that portion of M Street along the frontage of the Subject Property, the Applicant shall pave the entire width of the street. This will be done during Phase II of the project. Along with the installation of the permeable paver parking spaces and plantings, the estimated value of this improvement is **\$1,000,000. As mentioned in item 2 above, permeable pavers and bio retention storm water facilities are not required, yet the Applicant is installing them for the benefit of the public. The remaining expenditure in this category is the re-paving of M Street, S.E. along the length of the property. The Applicant believes that this is a public benefit because D.C. Water will be re-paving M Street upon conclusion of its work along this corridor for its long-term control plan. When M Street is repaved by the Applicant, additional public parking spaces will be created, clearly delineating travel lanes and a final top coat, which is the culmination of the re-alignment of M Street by DDOT adjacent to the CSX train tracks to better delineate and separate District land and roadways from CSX rights of way. The improvements along M Street are not required for access to the subject property and are not entirely necessary given D.C. Water's plan to re-pave the currently designed and configured street after completing its work.**

9. The Applicant shall construct a public plaza at the termination of Virginia Avenue, and a monumental staircase leading to lower plaza area that extends to Water Street across from the District Yacht Club. The public plaza is designed as an active gathering space and a connection to the waterfront. This will be done during Phase II of the project. The estimated value of this improvement is **\$1,400,000. These improvements are not required for mitigation for the development of the site and add great value as a public gather space and entrance way to Boathouse Row and the Anacostia River.**

10. The Applicant shall construct a sidewalk along the north side of Water Street, extending from M Street to the lower plaza. This will be done during Phase II of the project. The estimated value of this improvement is **\$250,000. The construction of a sidewalk along Water Street is not required for greater access to the site. It does provide better safety for pedestrians and bicyclists along Water Street given its narrow configuration.**

11. During the phased development, the project will include large green space for public use. Specifically, during Phase 1 of the project, there will be a lawn area at the termination of the pedestrian promenade along Virginia Avenue. Also, during Phase II of the project, there will be a large triangular green space on the west side of the project where Building 2 is proposed. **The**

**provision of green space is a public benefit that is not required by the Applicant but welcome in order to create a sense of place for the community, residents and visitors.**

12. Improvements to and connection to the Waterfront. A portion of the lower plaza and the continuation of the promenade paving pattern, at the base of the monumental stair, are within public space in order to provide a connection from M Street to the waterfront. The Applicant shall bear **maintenance responsibility** for the portion of these improvements that are outside of the property line.

### **Affordable Housing**

13. **In response to ANC 6B's request for larger affordable units suitable for families**, the Applicant will set aside in the Phase I building **four two-bedroom units for households whose income does not exceed 60% AMI**. The remaining affordable units -- a mix of studio and one-bedroom units -- will be for households with incomes not exceeding 80% AMI in accordance with the Inclusionary Zoning requirements. This affordable housing component will exist for the life of the project.

The subsidy required to provide two bedroom affordable dwelling units at 80% AMI as required under the Zoning Regulations amounts to \$326,000. The subsidy required to support the two bedroom units at 60% AMI as proffered by Developer amounts to \$131,000 per unit. Therefore, reserving all of the two-bedroom units in Phase I of the PUD at 60% AMI results in **additional subsidy of \$524,000 for the project**. This additional affordable housing subsidy is a benefit of the PUD, as described under Section 2403.9 of the Zoning Regulations.

### **Sustainable Design Elements**

14. The rain garden will be framed by masonry walls with weirs cut to allow the water to pool and cascade into the next basin facilitating slow infiltration. Excess water during large rain events will terminate in the arroyo that will consist of stone or textured precast concrete plinths. These stacked plinths create a visually intriguing basin area for a small amount of water catchment before it then drains into an overflow cistern/tank below. This cistern could be potentially used for irrigation reuse or connect back into the overall stormwater conveyance system. The plants will be typical rain garden plants, specific to the region, that can withstand drought and wet conditions, as seen on Sheet 29 of the PUD Plans. These plants will have striking seasonal variation, minimal maintenance and strong plant structure to prevent an unkempt appearance. The water wall uses the parking garage structure as a canvas. This wall will feature a patterned veneer showcasing an abstracted natural motif similar to the image on

Sheet 27 of the PUD Plans. This will create strong imagery visible from the river, but also maintain interest at the pedestrian level. In addition to the patterned veneer, a portion of the wall will be layered with a vegetated trellis system that then will progress into an evergreen planting zone to soften the edge of the wall.

The estimated value of this feature is **\$750,000**. **This storm water conveyance system has several valuable attributes. It serves as an extraordinary storm water management facility along the Anacostia River to prevent storm water from running across Water Street into the river. In addition, it serves an educational purpose, which the public will enjoy and learn from with proper signage to explain its importance.**

15. LEED Qualification. The Applicant commits that the resulting PUD will achieve LEED Silver certification.

16. The Applicant will provide at least **one 240-volt electric car charging station in the Building 1 parking garage** and **at least one 240-volt electric car charging station in the Building 2 parking garage**.

### **Transportation**

17. The Applicant shall run a **shuttle service** either individually or as a collective with other stakeholders in the BID **between the subject property and Navy Yard – Ball Park Metro Station**. The shuttle service shall remain in operation until the Applicant and DDOT determine that there is sufficient pedestrian infrastructure and/or public transportation options such that the shuttle service is no longer warranted. The initial investment for the bus is approximately \$30,000; the operation of the shuttle will be approximately \$150,000 annually.

18. The Applicant shall implement the following **transportation demand management measures** in conjunction with the PUD:

- A member of the property management team will be designated as the **Transportation Management Coordinator (TMC)**. The TMC will be responsible for ensuring that information is disseminated to tenants of the building. The position may be part of other duties assigned to the individual.
- Information on and/or links to transportation programs and services will be provided on the property management website. Such programs and services may include:
  - Capital Bikeshare
  - Car-sharing services

- Uber
  - Ridescout
  - Commuter Connections Rideshare Program, which provides complimentary information on a variety of commuter programs to assist in determining which commuting options work best for commuters.
  - Commuter Connections Guaranteed Ride Home, which provides commuters who regularly (twice a week) carpool, vanpool, bike, walk or take transit to work with a free and reliable ride home in an emergency.
  - Commuter Connections Pools Program, which incentivizes commuters who currently drive alone to carpool. Participants can earn money for carpooling to work and must complete surveys and log information about their experience.
  - DDOT's DC Bicycle Map
  - goDCgo.com
  - WMATA
- Make available at least 2 vehicle parking spaces for a carshare service if there is interest from a carshare service.
  - An electronic display will be provided in a common, shared space in the building and will provide public transit information such as nearby Metrorail stations and schedules, Metrobus stops and schedules, car-sharing locations, and nearby Capital BikeShare locations indicating the number of bicycles available at each location.
  - Convenient and covered secure bike parking facilities will be provided with each phase of the development with storage for a minimum of 224 bicycles for the entire development. **Bike stands will also be provided for public use along the extended Virginia Avenue SE and M Street SE.**
  - **The Applicant will provide a Capital BikeShare membership or the registration fee for carshare for a period of five years to each residential unit on an annual basis. The estimated value of this amenity is \$200,000, which is greater than the proffer originally offered by the applicant.**
  - A minimum of 10 bicycle helmets will be made available for use by the residents.

19. **The Applicant shall reserve an area adjacent to the PUD site for a future Capital BikeShare station and shall pay to install a Capital BikeShare Station and operate that station for one year. The estimated value of this public benefit is \$75,000.**

**Lighting**

20. In response to community concerns and ANC 6B's request for better lighting on M and Water Streets, during Phase I of the project, and in subsequent phases, The applicant shall install **lighting around the perimeter of the Subject Property.**

**Employment**

21. The Applicant agrees to enter into a **First Source Employment Agreement** with DOES.

**THE ESTIMATED COST OF THE PROPOSED PUBLIC BENEFITS AND AMENITIES IS NEARLY \$5,000,000.00.**

Respectfully submitted.