

Reservoir District Parcel 2 and Parcel 4 PUD Hearing Case 13-14E

Presented to: Zoning Commission

July 17, 2025



Introduction



Proposed Modifications

Parcel 2	Parcel 4
14,000 SF Retail	22,500 SF Grocer, 21,000 SF Other Retail
260 Total homes	324 Total homes
135 Senior affordable homes - 38 homes at 30% AMI - 82 homes at 50% AMI - 15 homes at 60% AMI	All market rate
Remove connecting bridge, create 2 separate buildings	No significant changes, move senior affordable to P2 East
Building Height of ~83'	Building height of ~84'
129 Parking spaces (87 Retail, 111 Residential)	306 Parking spaces (148 Grocer/Retail; 158 residential)





Summary of Modifications

Parcel 2	
Previously Approved	Proposed Modifications
18,000 – 24,000 SF Retail	17,000 SF Retail
233 Total homes	266 Total homes
27 Affordable homes <ul style="list-style-type: none">- 25 homes at 80% AMI- 2 homes at 50% AMI	141 Senior affordable homes <ul style="list-style-type: none">- 39 homes at 30% AMI- 86 homes at 50% AMI- 16 homes at 80% AMI
1 single building with connecting bridge	Remove connecting bridge, 2 separate buildings
Building height of ~88.5'	Building height of ~83'
222 parking spaces	122 parking spaces

Parcel 4	
Previously Approved	Proposed Modifications
59,000 SF Grocer	59,000 SF with 22,500 Grocer
281 Total homes	324 Total homes
85 Senior affordable homes (mix of 50% and 60% AMI levels)	All Market Rate
Single Building mass with Senior affordable wing	No changes to massing, move senior affordable to P2 East
Building height of ~79'	Building height of ~84'
329 Parking spaces	311 Parking spaces



Proposed Flexibility

	Parcel 2	Parcel 4
Retail/Grocer	5,000 -17,000 SF Retail	33,500 – 59,000 SF (22,500 SF Grocery) If current lease terminates range changes to 21,000 – 59,000 SF (10,000 SF Grocer)
Retail to Residential	Convert balance of ground floor to residential use, in accordance with retail minimum	Convert balance of ground floor to residential use, in accordance with retail and grocer minimum
Residential Unit count	+/- 10%	+/- 10%
Affordable Housing Units	Reduce to 88 units in standalone building on P2 (East) depending on HFA and DHCD financing and provide 27 IZ units in P2 West and or P4 as previously approved	N/A
Residential to Lodging	Convert 100% of residential units from residential to lodging in P2 West	Convert up to 20% of residential units from residential to lodging (temporary)
Design	Adjust entrances for retail, residential, loading, and parking (loading and parking remain on same street frontages)	Adjust entrances for retail, residential, loading, and parking (loading and parking remaining on the same street frontages)
Building Height	Variable no more than 5' within permitted FAR	Variable no more than 5' within permitted FAR
Exterior Materials	Vary material types provided they still match design intent (subject to review by HPO)	Vary material types provided they still match design intent (subject to review by HPO)
Parking	Variable so long as not below zoning requirement and not above the permitted amount under excess parking regulations.	Variable so long as not below zoning requirement and not above the permitted amount under excess parking regulations.



Project Overview



Background

- Jair Lynch (P2 & P4), Trammel Crow (P1 & P3), and EYA (P5) were awarded the project in 2008
- The ZC approved the current PUD in 2014
- The Land Disposition and Development Agreement was executed in 2017
- The District began horizontal site development in 2021
- Grocer #2 terminates lease in Nov 2022
- Marketed site for 16 months, found 2 grocers
- PUD modification was submitted Dec 23, 2024
- Negotiated lease for 12 months, executed Dec 24, 2024
- Community center and park completed in 2024
- Horizontal development completed in Q2 2025





Project Status

Reasons for Application

- Since 2008, there have been many years of delay outside of our control- up until 2021 when the District restarted the site demolition
- Significant market changes in commercial real estate
 - Loss of 2 grocers with executed leases
 - Costs have increased across the board, hard costs alone by +25%
 - Retail- Covid impacts and consumer spending
 - Construction financing- interest rates since 2021 have shot up 350 bps

Why is flexibility needed?

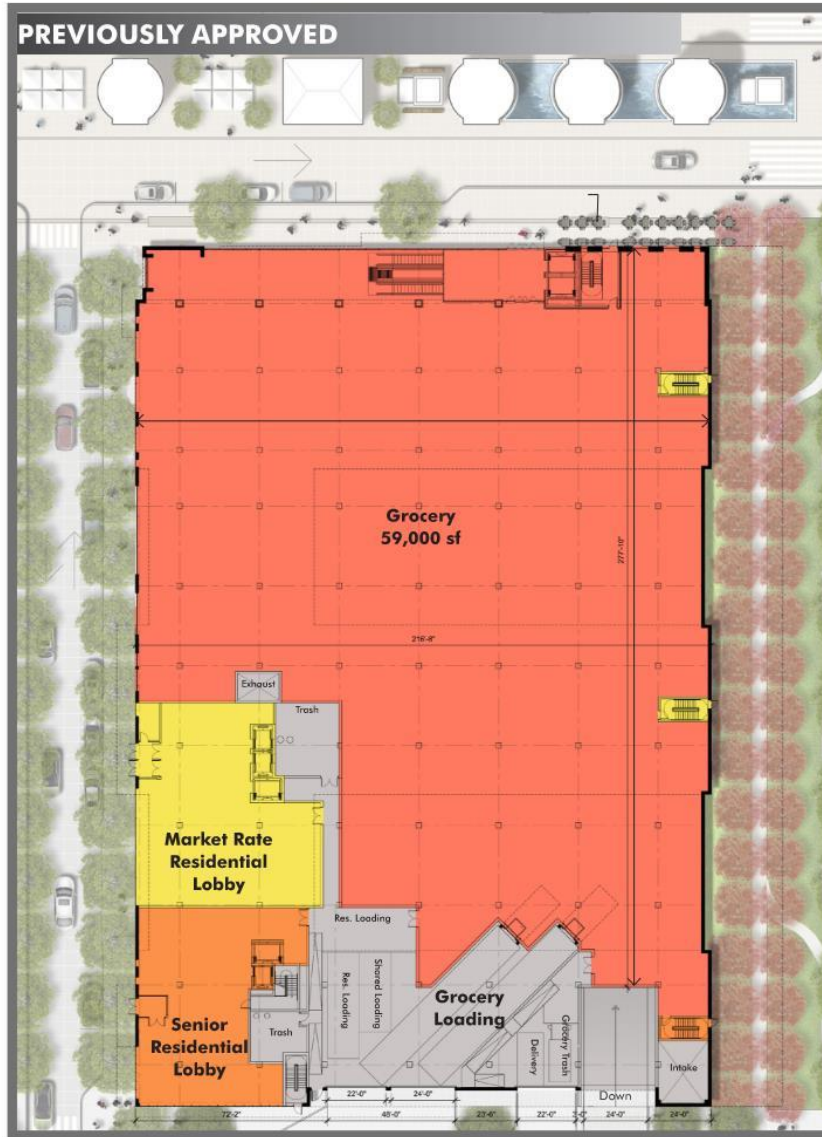
- Need ability to adapt to market conditions quickly
 - New grocer selection so P4 can proceed/remain viable
 - Prolonged vacant retail could be repurposed as residential- allow debt service to be covered and streetfronts to be animated
 - Lodging use highly desirable alternative to the community and is needed in the submarket



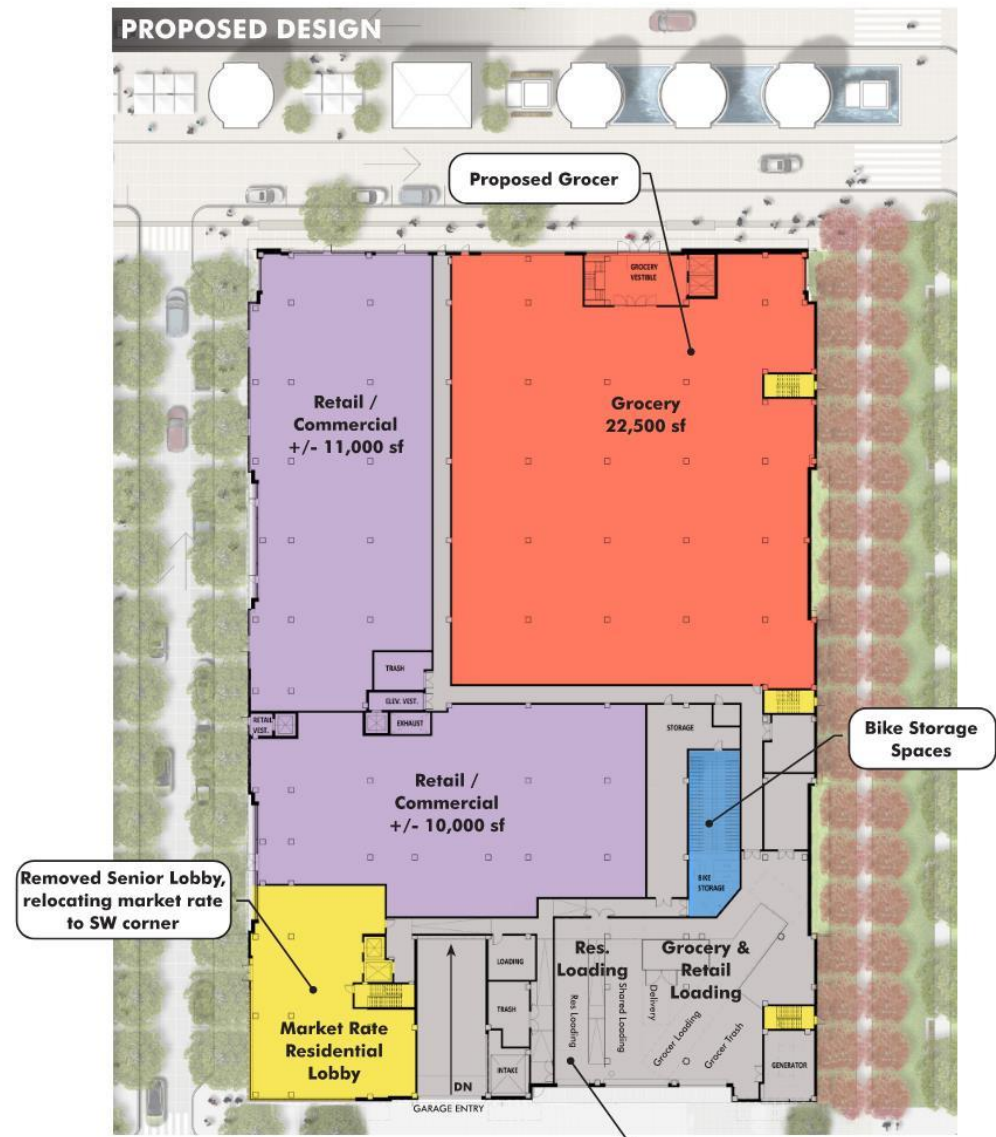


Parcel 4 Ground Level – Approved vs Proposed

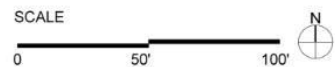
- GROCERY
- RETAIL/
COMMERCIAL
- MARKET RATE
RESIDENTIAL
- SENIOR
RESIDENTIAL
- PARKING/
LOADING/ MEP
- BICYCLE STORAGE,
CHANGING ROOMS,
AND LOCKERS



GROUND FLOOR PLAN



GROUND FLOOR PLAN





Parcel 4 – Minimum Retail

- GROCERY
- RETAIL/
COMMERCIAL
- MARKET RATE
RESIDENTIAL
- SENIOR
RESIDENTIAL
- PARKING/
LOADING/ MEP
- BICYCLE STORAGE,
CHANGING ROOMS,
AND LOCKERS

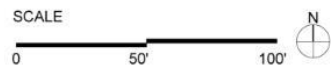
Requesting flexibility
for conversion to
Residential



GROUND FLOOR PLAN



GROUND FLOOR PLAN





Parcel 4 - Flexibility Only if Grocer Lease Terminates

- GROCERY
- RETAIL/
COMMERCIAL
- MARKET RATE
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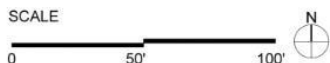


GROUND FLOOR PLAN



GROUND FLOOR PLAN

Residential loading remains at south, garage ramp shifts to east side





Affordable Housing

Parcel 2	
Previously Approved	Proposed Modifications
233 Total homes	266 Total homes
27 Affordable homes <ul style="list-style-type: none">- 25 homes at 80% AMI- 2 homes at 50% AMI	141 Senior affordable homes <ul style="list-style-type: none">- 39 homes at 30% AMI- 86 homes at 50% AMI- 16 homes at 80% AMI

Parcel 4	
Previously Approved	Proposed Modifications
281 Total homes	324 Total homes
85 Senior affordable homes (mix of 50% and 60% AMI levels)	All Market Rate

Overall Totals for Parcels 2 and 4	
Previously Approved	Proposed Modifications
514 Total homes	584 Total homes
112 Affordable homes (22% overall) 50%, 60% and 80% AMI	141 Affordable homes (24% overall) 30%, 50% and 80% AMI



We Create Extraordinary Places

Specializing in the responsible transformation of walkable, urban places, Jair Lynch Real Estate Partners combines social responsibility with sound economic development to create sustainable, extraordinary neighborhoods that connect to the soul of a place.



By the Numbers

74

Development Projects Completed
Over 24-Year History

4,000+

Affordable Housing Units

\$450 million

Of Equity Available For Projects

36

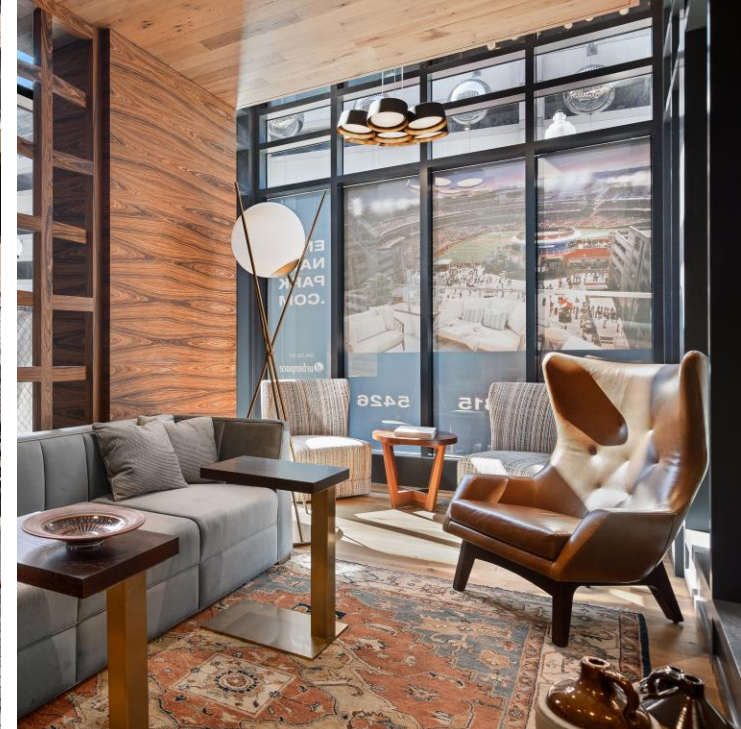
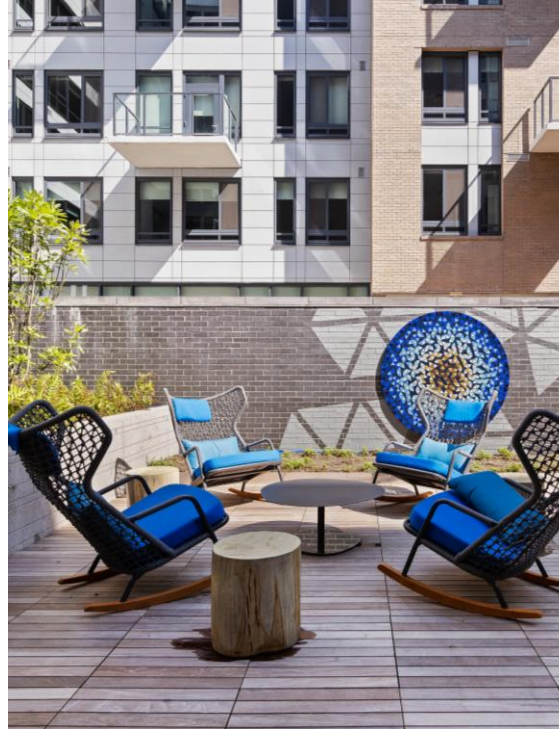
Public-Private Projects

\$250 MM

Of Contracts Awarded to Diverse
Businesses in Last 5 Years

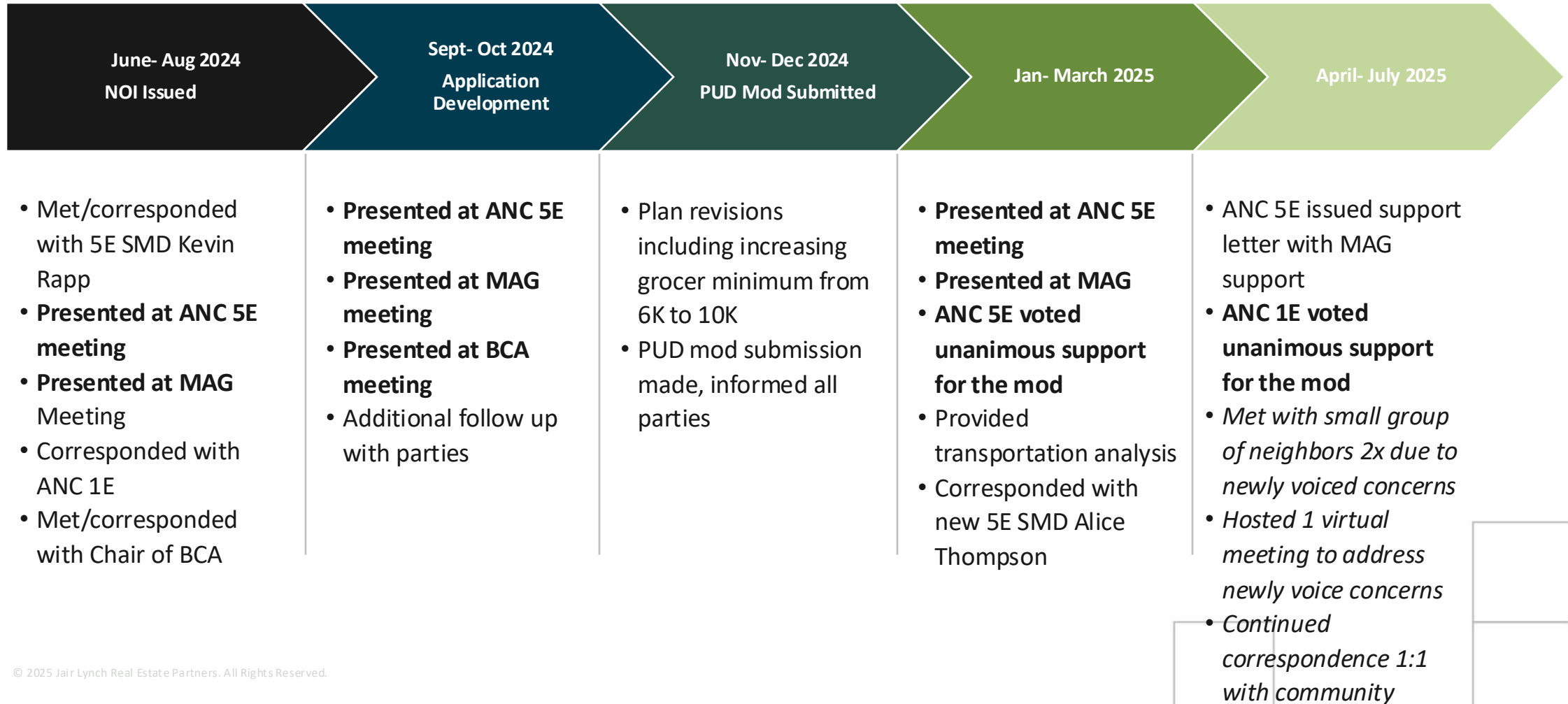
\$2.8 billion

Current Assets Under Management





Community Engagement Throughout





Retail Leasing

Ben Becker, Principal, KLNB



Retail Disrupted by the Digital Age

- Iconic brands like **Borders**, **Blockbuster**, and **Toys R Us** struggled to adapt as consumers shifted to online shopping and streaming.
- Former household names such as **KMart**, **Payless**, **Radio Shack**, and **Bed Bath & Beyond** failed to keep pace with digital convenience and changing shopping habits.
- The rise of e-commerce and direct-to-consumer models reshaped expectations, making **price**, **convenience**, and **speed** top priorities over in-store experiences.

The logo for Borders, featuring the word "BORDERS" in a bold, black, sans-serif font, with a thick red horizontal line underneath.The logo for Toys R Us, featuring the words "Toys R Us" in a colorful, playful font. The "R" is stylized with a blue star inside a red circle.The logo for Blockbuster, featuring the word "BLOCKBUSTER" in a bold, yellow, sans-serif font, tilted upwards, with a blue background and a yellow border.The logo for Kmart, featuring a large, bold, red letter "K" above the word "kmart" in a smaller, red, lowercase sans-serif font.The logo for Radio Shack, featuring a large, red, stylized letter "R" inside a red circle, with the word "radioshack" in a black, lowercase sans-serif font to the right.The logo for Payless, featuring a stylized orange and blue circular icon to the left of the word "Payless" in an orange, sans-serif font.The logo for Bed Bath & Beyond, featuring the words "BED BATH & BEYOND" in a bold, blue, sans-serif font, with "BEYOND" on a separate line.



Consumer-Driven Grocery Transformation

Consumer habits have changed and so have grocery stores.

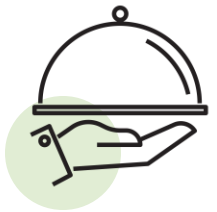
- Rise of online shopping for commodities (Amazon, Walmart, etc) and delivery services such as Peapod, Instacart etc.
- Consumers spend less time in stores due to pickup or delivery
- Many categories that were once common in grocery stores (housewares, toys, pharmacy) are often shopped elsewhere





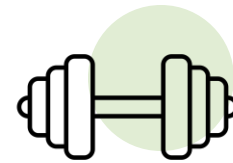
Where E-Commerce Can't Compete

The region's most active retail categories offer experiences you can't get online.



Food & Dining

From grocery stores to large-format restaurants and quick-service restaurants (QSRs)



Fitness & Wellness

Ranging from full-scale gyms to boutique fitness studios



Personal Services

Including nail salons, spas, and other self-care providers



Children's Activities

Such as daycares, gymnastics, enrichment classes, martial arts, and more



Medtail

Healthcare-oriented retail, including urgent care, dental, and wellness clinics



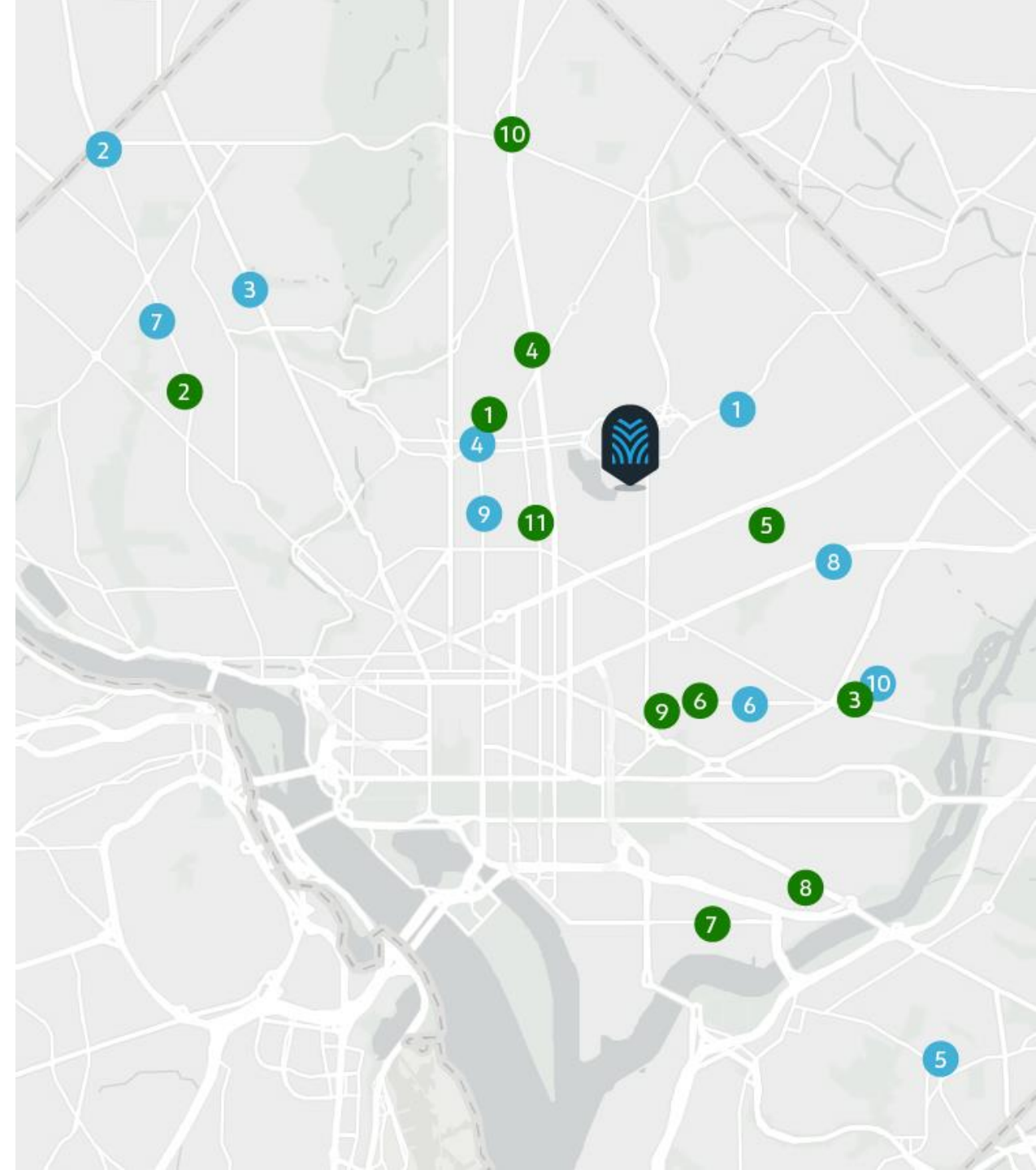
Adapting to Scale: The Rise of Smaller Grocers

NEW GROCERS

	Brand	Locations	Size	Year Opened
1	Trader Joe's	Brookland	11,000 SF	2025
2	Trader Joe's	Friendship Heights	15,000 SF	Coming Soon
3	Mom's Organic Market	UDC	15,000 SF	2025
4	Lidl	Columbia Heights	27,000 SF	2023
5	Lidl	Skyland	29,000 SF	2022
6	Aldi	H Street	25,000 SF	2025
7	Lidl	Tenleytown	28,000 SF	2024
8	Mom's Organic Market	Ivy City	16,000 SF	2014
9	Streets Market	14 th Street	9,000 SF	2014
10	Aldi	Maryland Ave	17,000 SF	2020

OLD GROCERS

	Brand	Locations	Size	Year Opened
1	Giant	Columbia Heights	53,000 SF	2005
2	Giant	Cathedral Commons	56,000 SF	2014
3	Safeway	Hechinger Mall	63,000 SF	1981
4	Safeway	Petworth	62,000 SF	2014
5	Giant	Brentwood	52,000 SF	2001
6	Giant	H Street NE	41,000 SF	2012
7	Harris Teeter	Navy Yard	50,000 SF	2014
8	Harris Teeter (CLOSED)	Jenkins Row	45,000 SF	2008
9	Walmart (CLOSED)	99 H Street	77,000 SF	2013
10	Walmart	Georgia Ave	103,000 SF	2013
11	Whole Foods	Shaw	46,000 SF	2020





Architectural Review



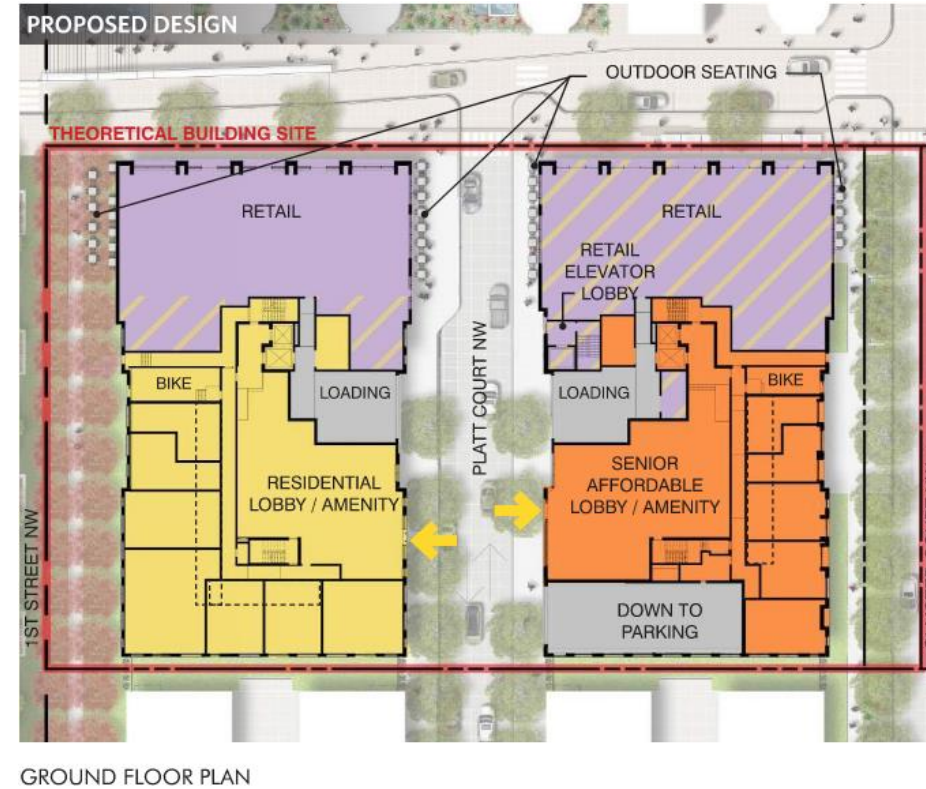
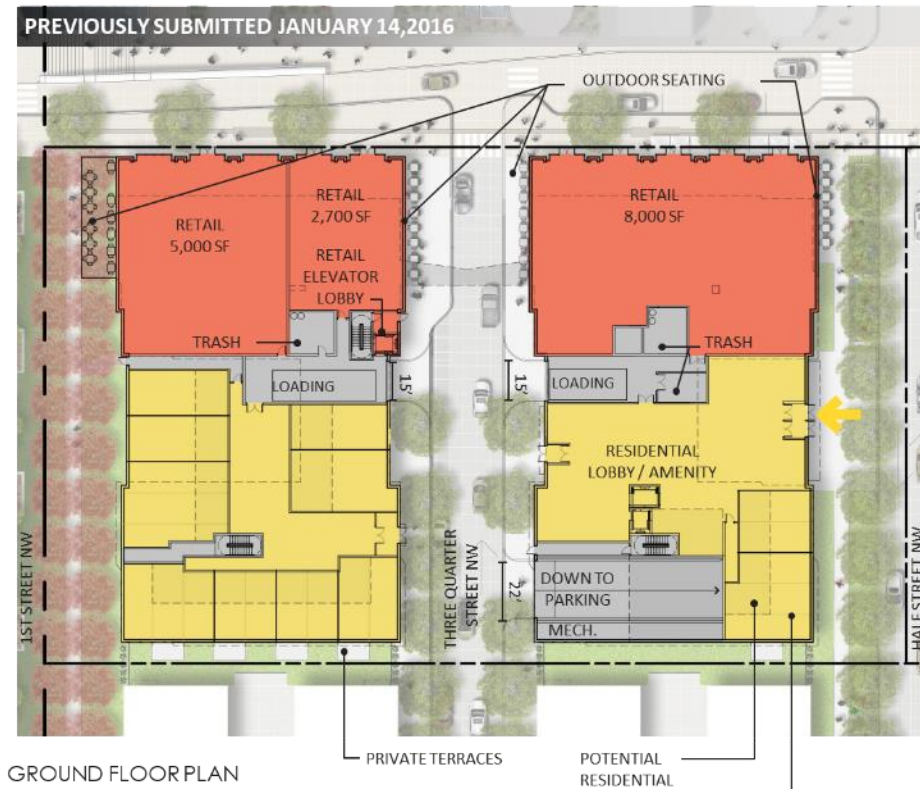
Proposed Modifications

Parcel 2



Parcel 2 Ground Level

- RETAIL
- RETAIL/COMMERCIAL
- RESIDENTIAL
- SENIOR AFFORDABLE
- PARKING/
LOADING/ MEP
- SENIOR/RESIDENTIAL
ENTRANCE





Previously Approved

Proposed Design



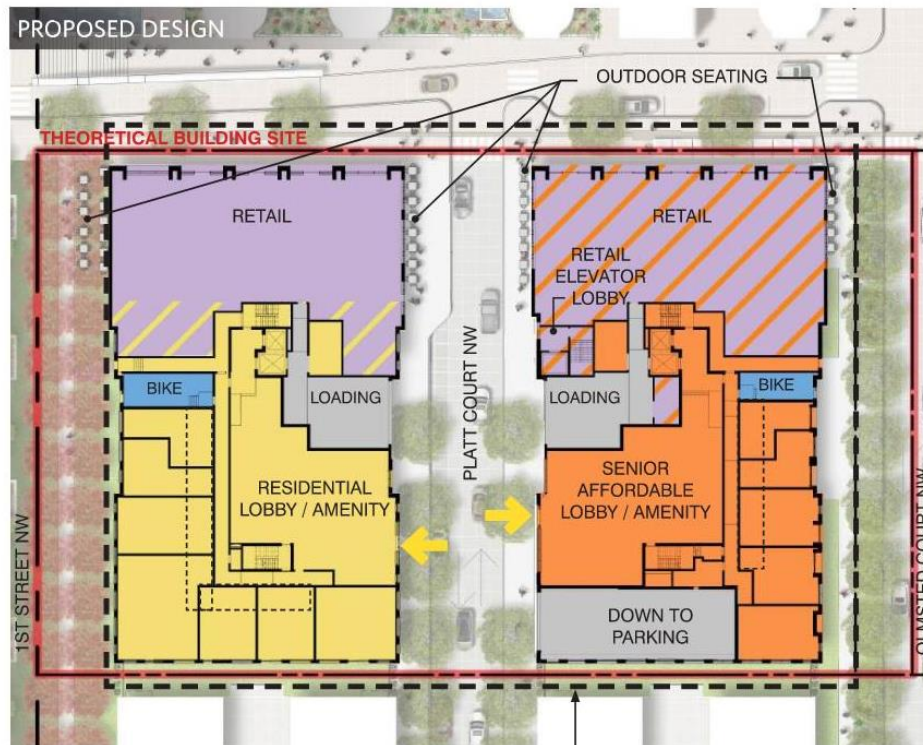
Previously Approved

Proposed Design



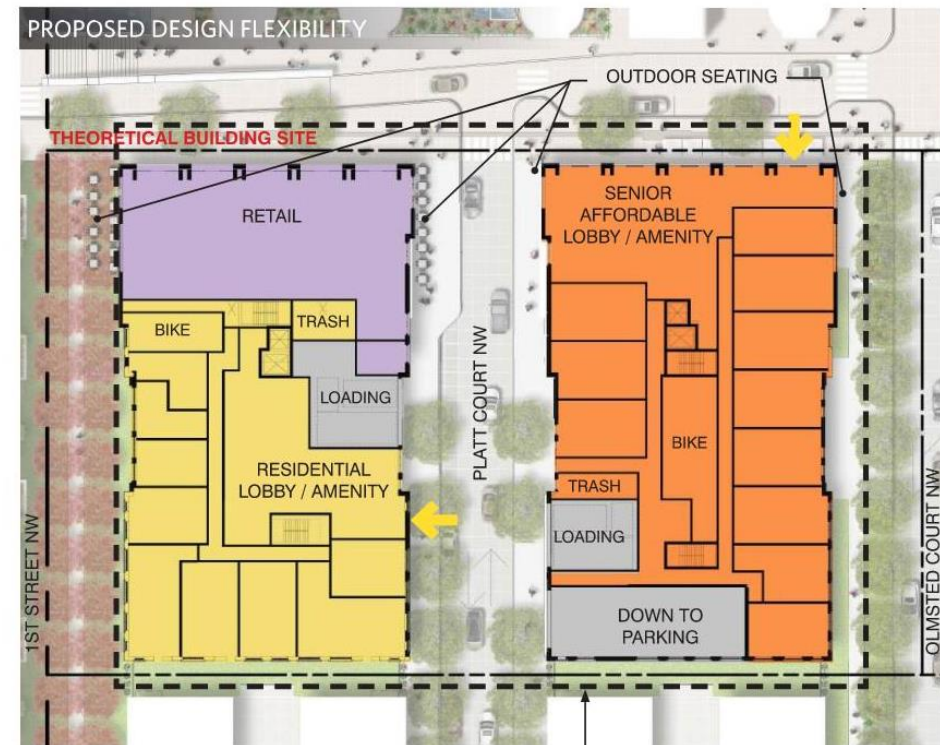
Parcel 2 Ground Level – Flexibility Example

- RETAIL
- RETAIL/COMMERCIAL
- RESIDENTIAL
- SENIOR AFFORDABLE
- PARKING/
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- SENIOR/RESIDENTIAL
ENTRANCE



GROUND FLOOR PLAN

PROGRAM UPDATES



GROUND FLOOR PLAN

PROGRAM UPDATES



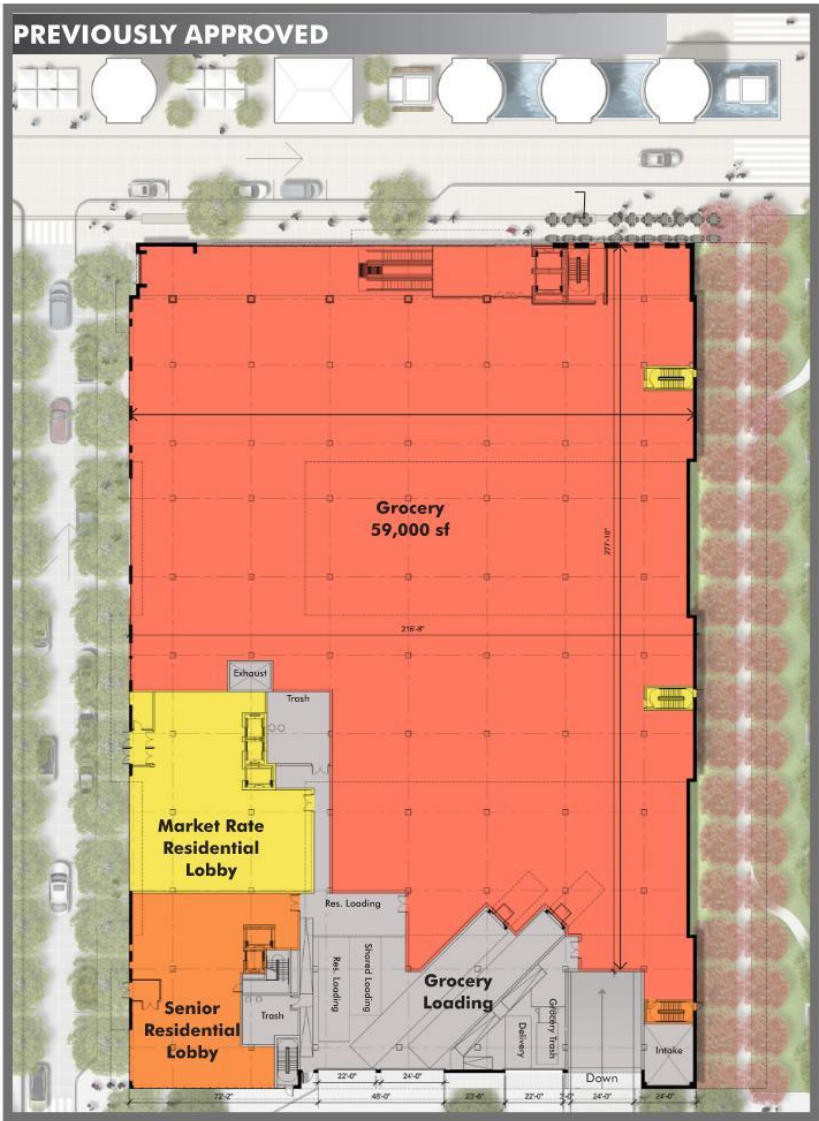
Proposed Modifications

Parcel 4



Parcel 4 Ground Level – Approved vs Proposed

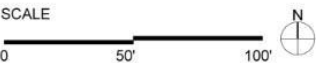
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GROUND FLOOR PLAN



GROUND FLOOR PLAN





Previously Approved

Proposed Design



Previously Approved

Proposed Design



Previously Approved



Proposed Design





Parcel 4 – Minimum Retail

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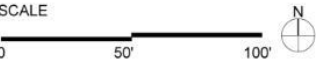
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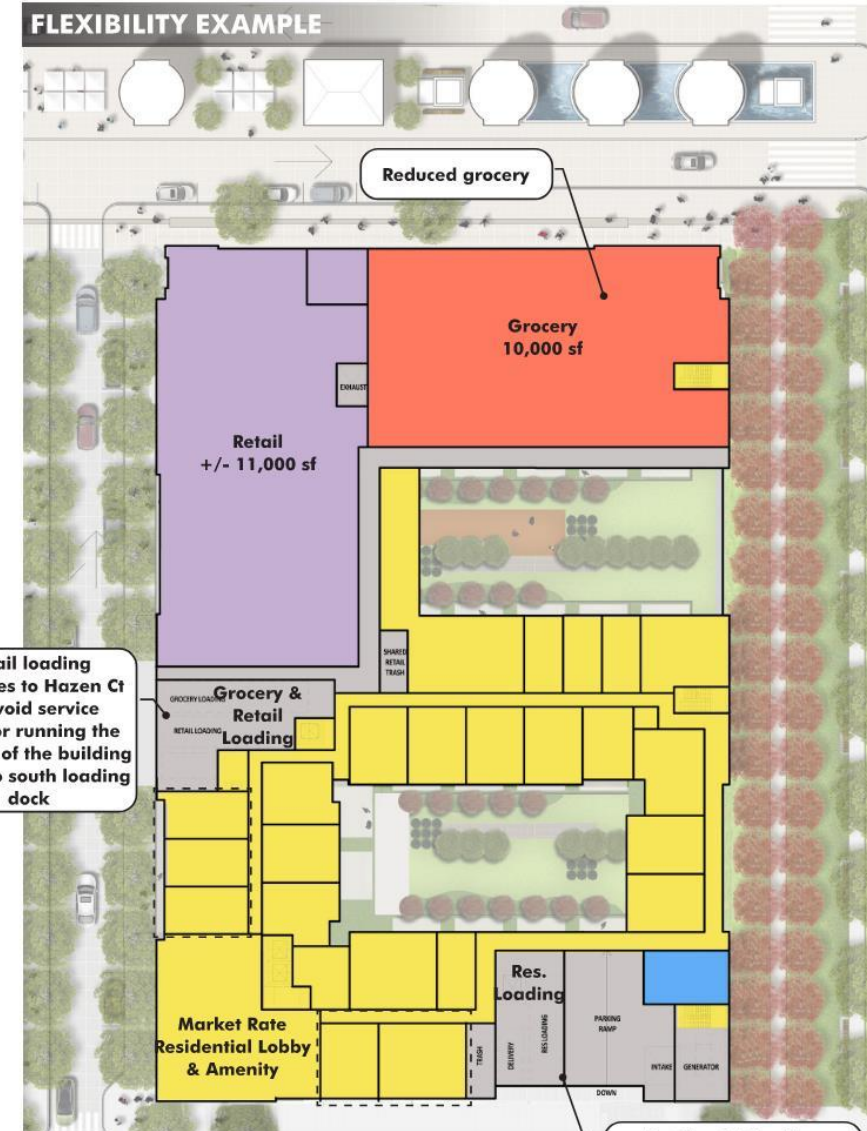
Parcel 4 - Flexibility Only if Grocer Lease Terminates

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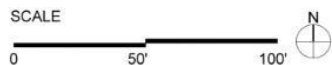
Requesting flexibility for
conversion to
Residential



GROUND FLOOR PLAN



GROUND FLOOR PLAN





PUD Evaluation



PUD Standard of Review

The Zoning Commission shall find that the proposed development:

- Is not inconsistent with the Comprehensive Plan and with other adopted public policies and active programs;
- Does not result in unacceptable impacts but instead impacts shall be favorable, capable of being mitigated, or acceptable given the quality of public benefits; and
- Includes specific public benefits and project amenities that are not inconsistent with the Comprehensive Plan or with other adopted public policies and active programs.

Zoning Commission shall judge, balance, and reconcile:

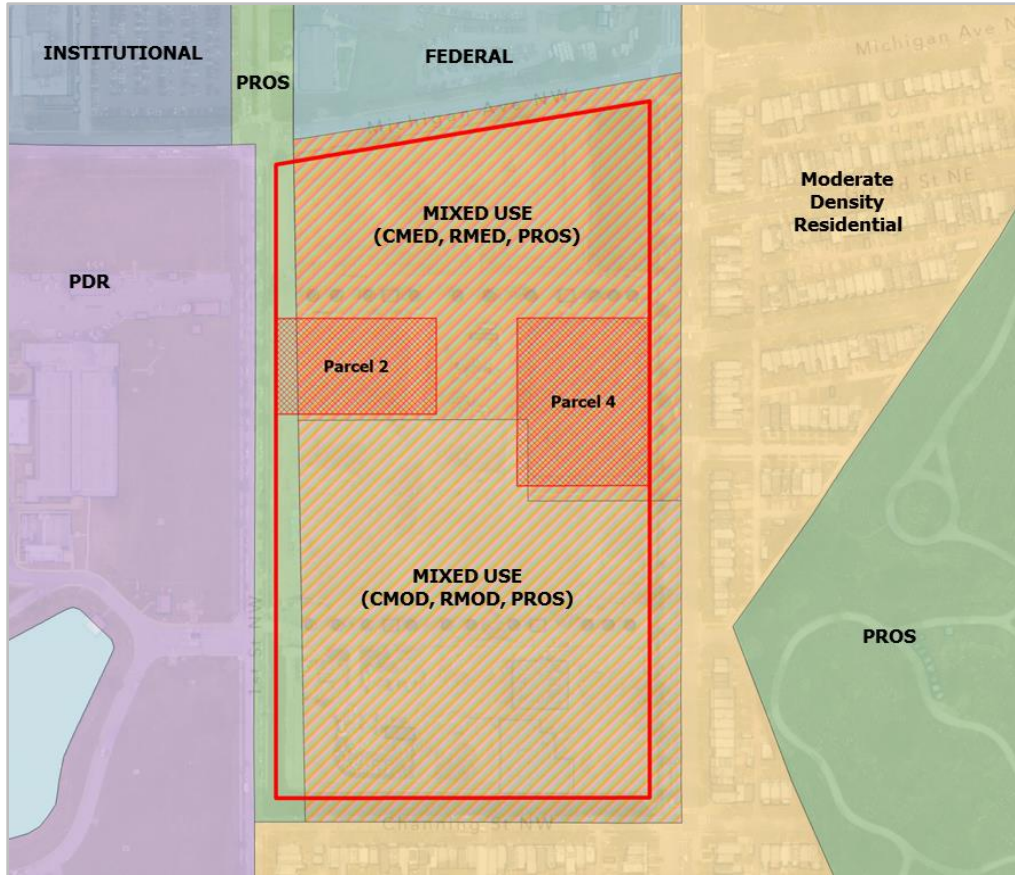
- Relative value of public benefits and project amenities,
- Degree of development incentives requested, and
- Any potential adverse effects of the project.

(11-X DCMR § § 304.3 & 304.4)



Future Land Use Map

Parcels 2 and 4: Medium Density Mixed Use and Parks, Open Space, and Recreation

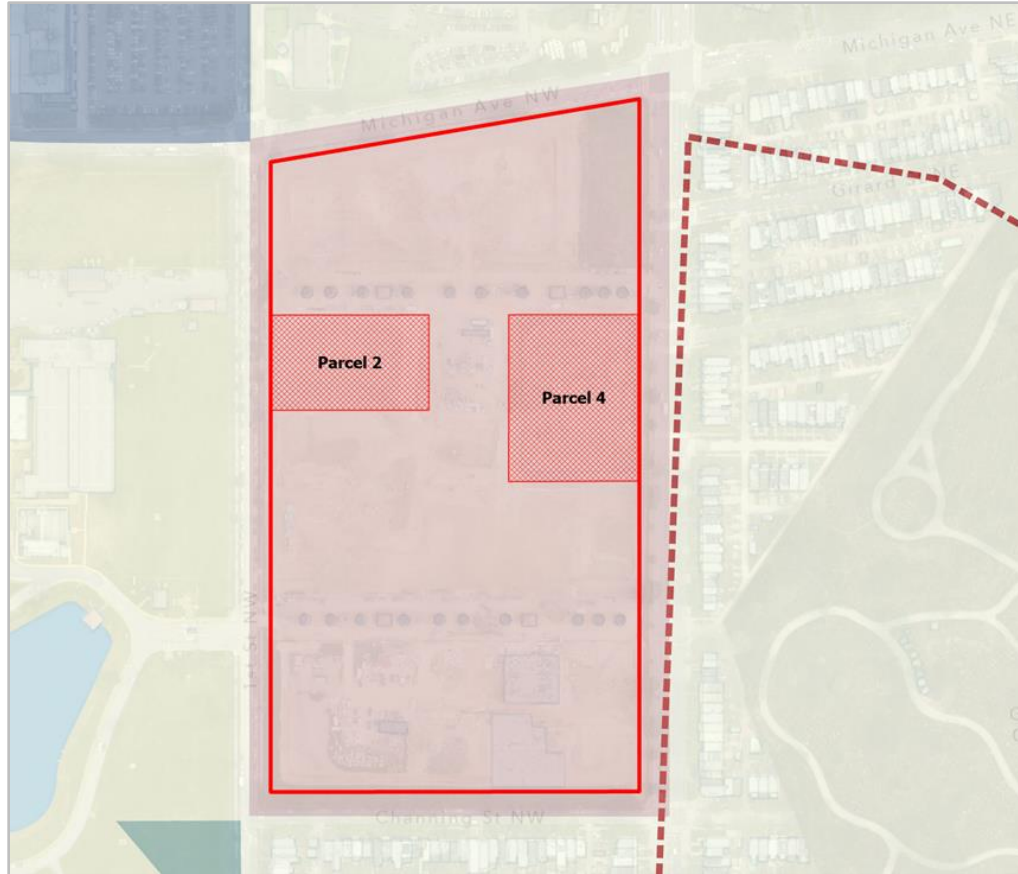


- “Mixed Use” designation is assigned to areas where mixing of land uses is encouraged.
- The general density and intensity of development is determined by the specific mix of uses shown.
- Favored use may be shown it at a slightly higher density.
- The zoning of any given area should be guided by FLUM, interpreted in conjunction with applicable Comp Plan policies.
- A variety of zoning designations are used in Mixed Use areas, depending on the combination of uses, densities, and intensities.
- **No impact to the overall PUD’s consistency with the FLUM.**
- **No changes proposed to the site’s CR (MU-9) PUD-related zoning. Height and density of proposed buildings on Parcel 2 and Parcel 4 remain well within Framework Element guidance and zone parameters. Proposed building program (including use flexibility) are consistent with the FLUM and zoning parameters.**



Generalized Policy Map

Land Use Change Area



- Guiding philosophy is to encourage and facilitate new development and promote adaptive reuse of existing structures.
- Potential to become mixed-use communities containing housing, retail shops, services, workplaces, parks, and civic facilities.
- Desire to create high-quality neighborhoods that demonstrate high-quality site and architectural design and sustainable features, are compatible with nearby neighborhoods, protect cultural and historic assets, and provide significant affordable-housing and employment opportunities.
- **No impact on the overall PUD's consistency with the GPM.**
- **Modifications will strengthen the PUD's affordable housing program, potentially widen the mix of uses with the introduction of lodging, and will continue to provide a retail program that helps meet community need.**



Generalized Policy Map

Land Use Change Area

Commercial, Retail, Open Space

Open Space, Adaptive Reuse
(recreation / retail activation)

(COMPLETE!)

Residential (rental multifamily),
Commercial, **Lodging**, Retail
(incl. grocery)

Residential (for sale rowhome)

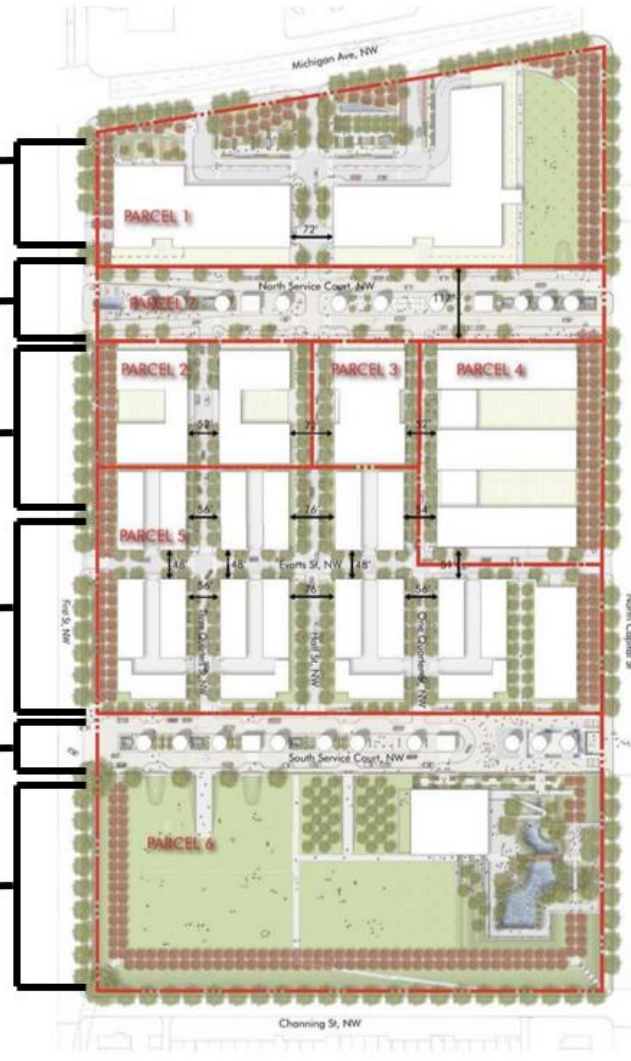
(IN PROGRESS!)

Open Space, Adaptive Reuse
(recreation / retail activation)

(COMPLETE!)

Community Center and Park

(COMPLETE!)





Comprehensive Plan Policy Guidance

Specific Policies Advanced by the PUD Modification

Large Sites

LU-1.3.1: Reuse of Large Publicly Owned Sites – Community services and facilities, **new housing** (market rate and affordable), **employment opportunities**, and **enhance neighborhoods**.

LU-1.3.2: Mix of Uses on Large Sites – **Mix of uses** that is consistent with the FLUM and Area Element policies and compatible with adjacent uses.

LU-1.3.5: Public Benefit Uses on Large Sites – **Range of new housing** (market rate, affordable, family, older adults, and vulnerable populations) and uses that create **employment opportunities**.

H-1.1.7: Large Sites – **Significant housing** on large sites with access to retail, schools, parks and recreation, and services.

Development @ McMillan

MC-2.6.4: Community Involvement in Development and Reuse Planning - **Amenities** that are accessible to the community and **respond to neighborhood needs**.

MC-2.6.5: Scale and Mix of New Uses - Substantial potential to **address multiple planning and development priorities** (residential, retail, office, and recreational uses), **Mix of units and housing types** for persons of various incomes.

Retail & Lodging

ED-2.2.1: Expanding the Retail Sector - Meet **retail needs** of communities, particularly in underserved areas.

ED-2.2.6: Grocery Stores and Supermarkets - **New grocery stores** in underserved areas.

ED-2.3.4: Lodging and Accommodation – New **hotels in outlying areas**.

ED-2.3.9: Hospitality Workforce Development - Potential for **hospitality sector entry-level jobs and opportunities** for upward mobility.

Housing

H-1.2.4: Housing Affordability on Publicly Owned Sites – 20% – 30% affordable and family-sized housing, including **housing for seniors** to age in place.

H-1.3.2: Tenure Diversity – **Renter- and owner-occupied housing**, including housing that is affordable at low-income levels.

H-4.3.3: Neighborhood-Based Housing for Older Adults - **Multi-family housing for older adults** to remain in neighborhood, maintain social connections, and reduce home maintenance costs and obligations.



Proposed Housing Program

Approved PUD (Z.C. Order No. 13-14(6))

Current Approval (Z.C. Order Nos. 13-14(6) and	Total Units	Required Affordable Units				Total Affordable	Percent Affordable
		30% MFI	50% MFI	60% MFI	80% MFI		
Parcel 2	233	0	2	0	25	27	12%
Parcel 4	281	0	85		0	85	30%
Parcel 5	146	0	9	0	13	22	15%
Total	660	0	96	38	134	20%	

Proposed PUD Modification

Proposed Modification Scenario 1	Total Units	Required Affordable Units				Total Affordable	Percent Affordable
		30% MFI	50% MFI	60% MFI	80% MFI		
Parcel 2 (East)	141	39	86	16	0	141	100%
Parcel 2 (West)	125	0	0	0	0	0	0%
Parcel 4	324	0	0	0	0	0	0%
Parcel 5	146	0	9	0	13	22	15%
Total	736	39	95	16	13	163	22%

Proposed PUD Modification w/ P2 (East) Flexibility

Proposed Modification Scenario 2	Total Units	Required Affordable Units				Total Affordable	Percent Affordable
		30% MFI	50% MFI	60% MFI	80% MFI		
Parcel 2 (East)	88	24	54	10	0	88	100%
Parcel 2 (West)	125	0	2	0	25	27	22%
Parcel 4	324	0	0	0	0	0	0%
Parcel 5	146	0	9	0	13	22	15%
Total	683	24	65	10	38	137	20%

Notes:

- Under the McMillan Land Disposition Development Agreement (“LDDA”) 20% of residential units across the McMillan PUD site must be devoted to affordable housing.
- P2 (East) flexibility to allow the number of senior affordable units to be reduced to 88 units is requested in case the applicant is not awarded the FHA funding that is necessary to provide the 141 senior affordable units that are proposed.
- Parcel 5 is not part of the proposed PUD modification but is included in this comparison to provide a full picture of the overall housing and affordable housing program for the McMillan PUD.



Modification and Flexibility Summary

	Approved PUD	Proposed Modification	Proposed Flexibility
Retail / Grocery (GFA)	<ul style="list-style-type: none"> • P2: 18,000 – 24,000 • P4: 59,000 (59,000 grocery) 	<ul style="list-style-type: none"> • P2: 17,000 • P4: 59,000 (22,500 grocery) • P4: Allow non-grocery retail space to include other specified use groups. 	<ul style="list-style-type: none"> • P2 (East or West): 5,000 – 17,000 • P4: 33,500 – 59,000 (22,500 grocery) • P4 (if current grocer lease is terminated prior to certificate of occupancy): 21,000 - 59,000 (10,000 grocery)
Retail to Residential Conversion (GFA)	<ul style="list-style-type: none"> • P2: 6,000 (residential to live/work) 		<ul style="list-style-type: none"> • P2: Convert up to 12,000 • P4: Convert up to 38,000
Residential Unit Count	<ul style="list-style-type: none"> • P2: 233 (+/- 5%) • P4: 281 (+/- 10%) • Total: 514 	<ul style="list-style-type: none"> • P2 (West): 125 • P2 (East): 141 • P4: 324 • Total: 584 	<ul style="list-style-type: none"> • P2 (West): +/- 10% • P2 (East): Reduce to 88 senior units depending on HFA and DHCD Funding • P4: +/- 10%
Affordable Housing Units	<ul style="list-style-type: none"> • P2: 27 (80% & 50% MFI) • P4: 85 senior (50% and 60% MFI) • Total: 112 	<ul style="list-style-type: none"> • P2 (East): 141 (30%, 50%, and 60% MFI) 	Depending on HFA and DHCD funding: <ul style="list-style-type: none"> • P2 (East): Reduce to 88 senior units (30%, 50% MFI, and 60% MFI) • P2 (West) and/or P4: Provide 27 non-age-restricted affordable units (80% and 50% MFI).
Residential to Lodging			<ul style="list-style-type: none"> • P2 (West): Convert building to lodging with 120 – 226 guest rooms • P4: Devote up to 20% of residential units to lodging (temporary)
Building Height	<ul style="list-style-type: none"> • P2: 88'-6" • P4: 79'-0" 	<ul style="list-style-type: none"> • P2: 83'-0" • P4: 84'-0" 	<ul style="list-style-type: none"> • P2 and P4: +5'-0" (within approved GFA). • P2: To remove up to two (2) stories on P2 (East) and/or P2 (West) in connection with senior affordable unit and lodging guest room flexibility.



Modification and Flexibility Summary

	Previously Approved	Proposed Modification	Proposed Flexibility
Parking	<ul style="list-style-type: none">• P2: 222 spaces (vary to zoning minimum)• P4: 329 spaces (vary to ZC approved total)	<ul style="list-style-type: none">• P2: 122 Spaces• P4: 311 Spaces	<ul style="list-style-type: none">• P2 and P4: Vary to zoning minimum and not above excess parking limit.
Design	<ul style="list-style-type: none">• P2: Pedestrian bridge over Platt Court connecting both P2 towers• P2 and P4: Flexibility on entrances for retail and residential	<ul style="list-style-type: none">• P2: Pedestrian bridge removed and P2 (East) and P2 (west) separate buildings.• P2 and P4: Flexibility on entrances for retail and residential, and parking and loading (parking and loading entrances remain on same street frontages).	<ul style="list-style-type: none">• P2 and P4: Adjust entrances for retail, residential, parking, and loading (parking and loading entrances remain on same street frontages).• P4: Relocate loading facilities to Hazen Court if retail reduced to minimum GFA.
Exterior Materials	<ul style="list-style-type: none">• P2 and P4: Specified material types	<ul style="list-style-type: none">• P2 and P4: Additional specified materials types.	<ul style="list-style-type: none">• P2 and P4: Vary material types per plans.
Phasing / Timing	<ul style="list-style-type: none">• Option to construct project in phases with P4 in Phase 1 and P2 in Phase 2	<ul style="list-style-type: none">• The P2 (West), P2 (East), and P4 Buildings may be constructed simultaneously or in phases (in no particular order), subject to specified conditions.	



Public Benefits Comparison

Public Benefit Category	Change due to <u>proposed</u> PUD modification / flexibility
Urban Design, Architecture, and Site Planning	• No change (public infrastructure is complete).
Parks, Open Space, and Landscaping	• No change.
Design Guidelines: Public Art Guidelines	• No change.
Historic Preservation	• Preservation work is complete , including McMillan Fountain (per ZA ruling, Olmsted Walk being constructed in tandem with related parcels)
CBE Participation	• No change.
Training and Employment Opportunities	• No change.
Project Association	• Complete
Environmental Benefits	• No change.
Use of Special Benefit to the Community and City	• No change.



Public Benefits Comparison

Public Benefit Category	<u>Approved</u> PUD Condition (per Z.C. Order Nos. 13-14(6) and 13-14A)	Change due to <u>proposed</u> PUD modification / flexibility
Housing	<ul style="list-style-type: none">• Approx. 660 units of new housing in single-family and apartment houses (both rental and for sale).	<ul style="list-style-type: none">• Modified. Approx. 683 – 730 units (Gain of 23 - 70 units)
Affordable Housing	<ul style="list-style-type: none">• Parcel 2: 27 units 50% and 80% MFI)• Parcel 4: 85 units (50% and 60% MFI)• Parcel 5: 22 rowhouses (50% and 80% MFI)• Total: 134 units.	<ul style="list-style-type: none">• Modified.• Parcel 2 (East): 141 senior (30%, 50%, and 60% MFI)• Parcel 5: 22 rowhouses (50% MFI and 80% MFI)• Total: 137 - 163 units (depending on HFA and DHCD financing)
Retail	<ul style="list-style-type: none">• Approx. 97,770 GFA (incl. 59,000 GFA full-service grocery).	<ul style="list-style-type: none">• Modified. Approx. 97,600 GFA (incl. 22,500 GFA full-service grocery).



PUD Balancing Test

Zoning Commission shall judge, balance, and reconcile the relative value of public benefits and project amenities offered, the degree of development incentives requested, and any potential adverse effects of the project.

BENEFIT & AMENITIES

- Urban design, architecture, and site planning
- Community center
- Approx. 500,000 sf of public open space
- Streetscape improvements and furnishings
- Master plan design guidelines
- Public art guidelines
- Preservation of all above ground historic structures, Cell 14, Cell 28 (partial), and McMillan Fountain
- **683 – 730 units of new for-sale and rental housing**
- **141 units of senior affordable housing (85 depending upon HFA and DHCD funding)**
- **Approx. 97,600 GFA (incl. 22,500 GFA full-service grocery)**
- **Potential lodging on Parcel 2 (West)**
- 35% CBE participation
- First Source Agreement (51% of new jobs for District residents, preference for Wards 1 and 5 residents to the extent permitted)•Project Association
- LEED-ND Gold for overall PUD site
- Monetary contributions to community organizations for training, workforce development, education, and beautification.

DEVELOPMENT INCENTIVES

- Map amendment to MU-10 (CR)
- PUD-related height and density increase
- Penthouse setback and single enclosure (Parcels 2 and 4)*
- Loading (Parcels 1 and 4)*
- Rear Yard (Parcel 5)
- Open Court (Parcel 5)
- Side Yard (Parcels 2 and 4)**
- Plaza (Parcels 2 and 4)**

** Previously granted for Parcel 4 per Z.C. Order Nos. 13-14(6) and 13-14B*

*** Current approved plans do not meet these requirements, but flexibility is not expressly stated in Z.C. Order No. 13-14(6).*



Conclusion

- The proposed modifications to the approved PUD:
 - Are consistent with the intent of the Commission's prior approval in Z.C. Order Nos. 13-14(6), 13-14A, and 13-14B.
- The overall McMillan PUD, as modified by the proposed modifications and flexibilities:
 - Will remain not inconsistent with the Comprehensive Plan when read as a whole.
 - Will not individually or collectively cause any unacceptable adverse impacts but rather will cause favorable impacts.
 - Will continue to provide public benefits that are not inconsistent with the Comprehensive Plan or with other adopted public policies and active programs.
- The public benefits of the overall PUD will continue to balance, if not outweigh, the degree of development incentives requested and any potential adverse impacts.





Thank You



Appendix



Transportation



Approved vs Proposed Transportation Elements

Transportation Elements	Parcel 2		Parcel 4	
	Previously Approved	Proposed Modifications	Previously Approved	Proposed Modifications
Vehicle Parking	222 spaces	122 spaces	339 spaces	311 spaces
Long-Term Bicycle Parking	79 spaces	≥92 spaces	93 spaces	≥118 spaces
Short-Term Bicycle Parking	8 spaces	≥17 spaces	8 spaces	≥28 spaces
Loading	1X 40' and 1X 30' berths	2X 30' berths and 2X 20' S/D spaces	4X 40' berths and 1X 20' S/D space	Baseline & Alt. Scenario B: 1X 73' berth, 2X 40' berths, and 1X 20' S/D space Alt. Scenario A: 1X 55' berth, 2X 40' berths, and 2X 20' S/D spaces
Parking Access	Platt Court	Platt Court	Gatehouse Court	Gatehouse Court
Loading Access	Platt Court	Platt Court	Gatehouse Court	Baseline & Alt. Scenario B: Gatehouse Court Alt. Scenario A: Gatehouse Court & Hazen Court



Site Access Overview



Parking Access



Loading Access



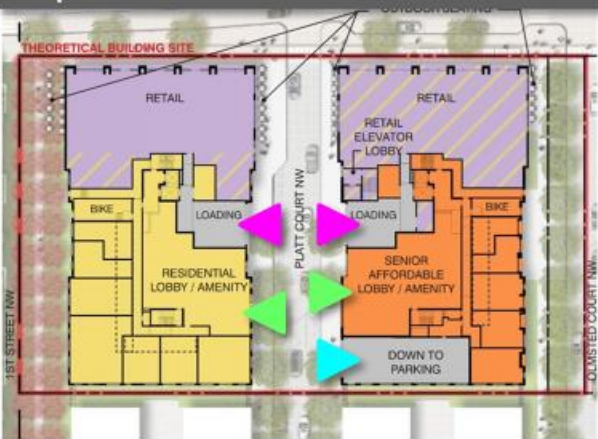
Main Pedestrian Access

Parcel 2

Approved

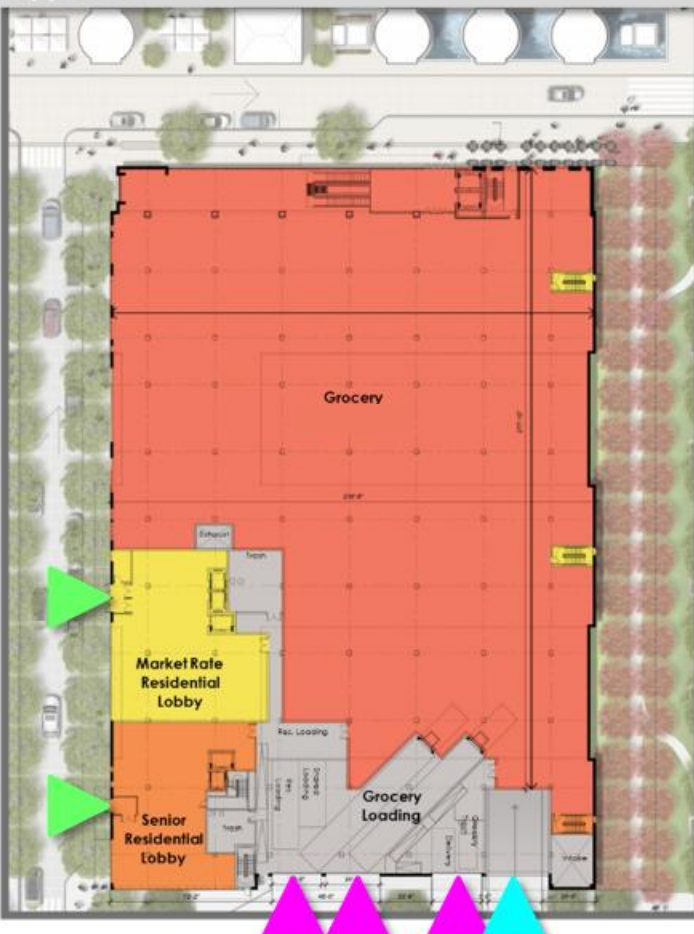


Proposed



Parcel 4

Approved



Proposed





Approved vs Proposed Transportation Elements

Transportation Elements	Parcel 2		Parcel 4	
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Parking Access	Platt Court	Platt Court	Gatehouse Court	Gatehouse Court
Loading Access	Platt Court	Platt Court	Gatehouse Court	Baseline & Alt. Scenario B: Gatehouse Court Alt. Scenario A: Gatehouse Court & Hazen Court



Key Updates to Transportation Performance Plan (TPP) & Loading Management Plans (LMP)

TPP

Design/Study

- Submitted Comparison Memo dated March 7, 2025, for the PUD Mod

Roadway Infrastructure

- Completed physical improvements to Michigan Avenue, N Capitol Street, First Street, and all internal roadways to DDOT construction standards in Spring 2025

Transit

- Modified the Transportation Improvement Plan (TIP); reviewed and agreed upon by DDOT and WMATA
- Replaced the previously proposed shuttle service with a set financial contribution to WMATA with similar proportionate dispersal for each development parcel (7% for Parcel 2 and 18% for Parcel 4)

Management Plans

- Updated Transportation Demand Management (TDM) plans per most recent DDOT CTR guidelines

Monitoring

- No changes to the previously approved commitments

Key Elements of TDM Plans

- Identify TDM Coordinator and marketing program
- Work with and coordinate with goDCgo (DDOT's TDM program)
- Provide TDM materials to new residents and retail/grocer tenants
- Unbundle the cost of vehicle parking from the lease for residential/retail units
- Offer a smart trip card and a Capital Bikeshare couple good for one ride to each new resident/employee
- Install an electronic display in the residential lobby to display real-time transit arrival (Parcel 2 only)
- Accommodate car-sharing company requests to provide car-sharing spaces (Parcel 2 only)

LMP

- For both Parcels:
 - Designate a loading dock manager to oversee all aspects of loading operations, including coordinating delivery schedules, managing dock usage to prevent conflicts, ensuring safety and compliance with regulations, monitoring truck movements, and serving as a point of contact for tenants and community
 - Require all residents/tenants to use the designated loading area for deliveries and move-in/move-out activities
 - Trucks must not idle while using the loading dock
- For Parcel 2:
 - Accommodate trucks larger than 30' on the private street network rather than on a public street such as First St NW
- For Parcel 4:
 - Trucks larger than WB-40 are allowed with addition of 55' or 73' loading berths under different development scenario
 - Close loading dock between the hours of 10 pm and 6 am
 - Monitor service vehicle/truck traffic interfacing with N Capitol St during peak periods and implement management measures as necessary



Questions



Grocer Examples by Size



Streets Market, 14th and Belmont NW, DC, Approx. 9,000 sf
(Source: https://www.yelp.com/biz_photos/streets-market-and-cafe-washington-8. Images for illustrative purposes only)

10,000 SF – 15,000 SF

- Streets Market: 8,000 – 15,000 SF
 - 14th and Belmont NW: 9,000 SF
- Mom's Organic: 12,000 – 16,000 SF
 - Ivy City: 16,000 SF
- Yes! Organic: 7,000 – 14,000 SF
 - Quincy and 12th Street NE: 7,200 SF
- Whole Foods (market daily shop): 7,000 – 14,000 SF



Sprouts Market, Leesburg, VA, Approx. 24,770 sf
(Source: <https://theburn.com/2024/10/25/sprouts-farmers-market-opens-its-doors-in-loudoun/>. Image for illustrative purposes only)

15,000 SF – 30,000 SF

- Lidl: 25,000 SF
 - Columbia Heights: 27,000 SF
- Sprouts Market: 18,000 – 25,000 SF
- Aldi: 18,000 SF
 - Maryland Ave NE: 17,820 SF
- Trader Joe's: 15,000 – 20,000 SF
 - Friendship Heights: 18,000 SF
 - 14th Street NW: 15,200 SF
 - Brookland: 14,600 SF
- Plum Market: 15,000 – 25,000 SF
- Whole Foods (small full-service): 25,000 SF



Whole Foods, Florida Avenue NW, DC, Approx. 46,000 sf
(Source: https://www.yelp.com/biz_photos/whole-foods-market-washington-18. Images for illustrative purposes only)

Over 30,000 SF

- Wegmans: 80,000 SF+
- Giant: 60,000 SF
- Harris Teeter: 60,000 SF
- Whole Foods (traditional full-service): 50,000 SF
 - Florida Avenue NW: 46,000 SF
 - P Street NW: 40,000 SF
- Safeway: 50,000 SF



FAQ

Q: What size grocery store will be provided?

A: JL has secured a full-service grocer that will occupy 22,500 SF at Parcel 4.

Q: Why did neither one of the two previous grocery store options not work?

A: Due to years of delays from 2015 to 2021 outside of JL's control, the previous grocery stores walked away from their leases.

Q: Why is the new grocer only 22,500 SF when the previous ones were 55,000 SF?

A: After losing the last grocer in 2022, JL marketed the site without any terms or size requirements and only 2 grocers expressed interest. Both were in the 20,000 to 25,000 SF range and we selected the one best suited for the project. The format for grocers has shifted dramatically towards smaller footprints, particularly in urban areas.

Q: Why is JL requesting flexibility on the grocery size and retail square footage?

A: JL is requesting flexibility for alternatives to reduce the size of the grocery store to at least 10K SF only if this third grocery store pulls out of the project. A 10K SF minimum grocery store size allows faster identification/lease execution and ultimately construction if the current third grocery store exits.

Q: What type of other retailers will you have?

A: We will be targeting a mix of national and local retailers- drugstore, quick service food options, full-service restaurants, neighborhood services (salons, dry cleaners), day care/preschool as starting points.

Q: When will the grocery store open?

A: If the Zoning Commission approves the PUD mod and there are no appeals filed, we can begin construction next summer. Occupancy/opening will be in 2028.



FAQ

Q: Why is the parking being reduced?

A: The parking is being reduced to match the updated program. A smaller grocer requires less parking. The parking will never be reduced below zoning minimums and currently exceeds those minimums while being below DDOT maximums.

Q: What is the impact of the proposed changes on affordable housing?

A: The proposed baseline scenario would increase the overall amount of affordable housing on the site from 85 units to 135 units. The flexibility requested would, at minimum, maintain the previously approved amount of affordable housing and deepen the affordability levels for the senior affordable building.

Q: Will apartment home residents be able to get street parking permits?

A: No, residents of the apartment buildings will not be able to receive residential zoned street parking.

Q: How much traffic will the proposed project bring?

A: A traffic impact study was completed for the proposed modifications and the overall traffic impact of the project will decrease compared to the previously approved PUD modification. A Summary of the findings is included in the appendix.

Q: Why is the affordable building being made a stand-alone building?

A: Moving the senior affordable building to a stand-alone tower on Parcel 2 East will allow for flexibility in the construction starts of both Parcel 4 and Parcel 2 East. Parcel 4, with the grocer, will be able to break ground independent of the available affordable financing options, and Parcel 2 East will be able to break ground independent of the grocer lease.