

November 3, 2014

VIA HAND DELIVERY

Anthony Hood
Chairperson
D C Zoning Commission
441 4th Street, NW, Suite 210
Washington, DC 20001

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**Re: Z.C. Case No. 14-05: Petition of Forest City Washington
Text Amendment to Section 1803 of the Zoning Regulations
Petitioner's Post-Hearing Filing**

Dear Chairman Hood and Members of the Commission

This letter addresses the outstanding issues regarding the potential third Metrorail entrance and the desire for three-bedroom units raised by the Commission at the public hearing on the above-referenced petition.

I. Third Metrorail Entrance

Forest City proposes the following revised language for Section 1803.8(a):

(a) ~~Facilitate the provision~~ Accommodate the design of a public entrance to the Navy Yard Metrorail Station

Consistent with the above, Forest City will coordinate with WMATA to make sure that the development of Yards West does not preclude WMATA's ability to construct a third Metrorail entrance. If Forest City moves forward with development of the parcel where the entrance is planned to be located before WMATA is ready to construct the new entrance, then Forest City

will coordinate with WMATA to ensure that the design of the building accommodates the planned entrance location and design

Note that the above commitment and analysis is very similar to what the Commission considered and ultimately approved for the coordination of development of GW's Foggy Bottom campus with a potential second entrance to the Foggy Bottom Metrorail station.

II. Three-Bedroom Housing Units

Forest City has carefully considered the request of the ANC and the Zoning Commission for a commitment to larger unit sizes (three-bedroom or more). Although we fully appreciate and understand the desire to ensure that the city's housing stock continues to provide opportunities for families, as well as the ANC's desire to ensure that there are opportunities for families to remain in the Southwest and Near Southeast neighborhoods, Forest City believes, however, that this particular location is not the right place to experiment with a first-of-its-kind mandatory large unit requirement.

A. Location and Market-Driven Considerations

First, the four-block area impacted by the text amendment is not likely to attract families because it is in the middle of a high-density, entertainment-focused corridor. The property is immediately across the street from the Nationals Ballpark as well as the proposed "Designated Entertainment Area" along 1st Street SE (which will allow animated, digital signage intended to support and promote active nighttime entertainment uses) and the recently-approved Showplace Icon movie theater on the former DC Water site. These uses will generate 18-24 hour activity

levels and the associated noise, light, and other activity that are not likely to be attractive to families with children.

B. Other Housing Opportunities for Families in the Near Southeast Area

Second, the Near Southeast neighborhood has already seen a significant increase in housing opportunities for families. The recently-completed Capitol Quarter townhouses (constructed as a part of the Capper/Carrollsburg PUD (Z C. Order No. 03-12/03-13)) added over five blocks of townhouses just a few blocks northwest of the site, with a total of 323 new townhouses. The Capitol Quarters townhouses include affordable rental and for-sale options as well as market-rate housing options. The Capitol Hill Tower Cooperative at 1000 New Jersey Avenue SE, which was completed in 2006, also included three-bedroom units, and other recent rental and condo buildings in the area have included larger two-bedroom units with dens.

(Source. Capitol Riverfront Business Improvement District: Database of Residential Projects.)

Furthermore, housing opportunities for families have been a part of the overall increase in housing units in the District over the past decade. As shown on the attached table, the number of housing units with three or more bedrooms has increased by nearly 8,000 units since 2005 (Source: American Community Survey Selected Housing Characteristics 2005 – 2013.) Moreover, this increase in larger units has kept pace with the overall growth of housing within the District. In 2005, the percentage of housing units with three or more bedrooms was 33.7%, and as of 2013 the percentage remains steady at 33.5%.

The redevelopment associated with the text amendment will not reduce existing housing stock or housing opportunities for families. The property is currently vacant and/or used as

surface parking lots. Any residential development in The Yards West will result in net new housing gain. As noted, the proposed text amendment could result in an additional 300 dwelling units, 60 of which will be affordable at 50% AMI.

C. Planning and Zoning Considerations

Third and finally, the zoning action under consideration here is not a planned unit development. Rather, it is a text amendment intended solely to recognize and equalize the zoning on the east side of 1st Street SE (CR/SEFC Overlay) with the zoning on the west side of 1st Street SE (CR/CG Overlay). This equality is supported by the Comprehensive Plan. All of these parcels are located in the High Density Residential/High Density Commercial Land Use Category on the Future Land Use Map, yet the CG Overlay-zoned properties permit greater height and density than the SEFC Overlay-zoned properties.

Other policies within the Comprehensive Plan support the text amendment as well, including in particular those policies that promote transit-oriented development near Metrorail stations. Given that Forest City has agreed to accommodate the design of a potential third Metrorail entrance within the Yards West, it is all the more appropriate to amend the SEFC Overlay to be consistent with the height and density permitted across the street in the CG Overlay. Imposing a larger-unit requirement in the SEFC Overlay alone would return the two overlays to a state of inequality.

D. Commitment to Three-Bedroom Units

Notwithstanding all of the foregoing reasons why Forest City believes that it is neither appropriate nor necessary to require larger units within Yards West, Forest City is committed to

developing The Yards in a manner that reflects community and city preferences. To that end, Forest City is willing to commit to set aside a portion of any residential building constructed in Yards West for three-bedroom units. Specifically, Forest City proposes the following as Section 1803.8(d)

(d) Devotes a minimum of 5% of the additional density gained pursuant to Section 1803.7(b), provided that such three-bedroom units may be located anywhere within the residential building. The reduction or elimination of this requirement shall be permitted if reviewed and approved by the Commission in accordance with the standards provided in § 1808 and the procedures specified in § 1809.

Because this commitment is being made without any meaningful understanding of market or planning considerations for when these parcels will be developed to inform Forest City's commitment, Forest City respectfully reserves the right to request that the Commission grant relief from this requirement during the design review of each parcel.

If all five parcels in Yards West were to be developed with residential uses, this commitment would result a set aside of approximately 13,210 square feet of larger residential units. In practice, Forest City does not intend to develop all five parcels with residential uses. A key planning principle of The Yards is to include a true mix of uses, including office use, and Yards West is the most appropriate location for such office uses.

Although willing to make this commitment as a good faith gesture to the ANC and the Commission, Forest City asks that both the ANC and the Commission carefully consider whether a first-of-its-kind requirement for larger residential units is appropriate given the planning,

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location and market-driven considerations discussed above as well as the relative availability of other larger residential units within the immediate neighborhood.

Conclusion

The Petitioner looks forward to the Commission's decision at the November ²⁴ 17, 2014 public meeting.

Respectfully,



Phil Feola


David Avitabile

cc: Ramsey Meiser

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CERTIFICATE OF SERVICE

I hereby certify that on November 3, 2014, a copy of this letter was delivered by hand or electronic mail to the following:

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David Avitabile

LARGER HOUSING UNITS IN THE DISTRICT OF COLUMBIA

Year	Number of Housing Units with 3 or More Bedrooms	Total Number of Housing Units	Percentage of Housing Units with 3 or More Bedrooms
2013	101,478	302,975	33.5%
2012	95,261	300,247	31.7%
2011	97,263	298,908	32.7%
2010	94,026	296,836	31.6%
2009	96,183	285,164	33.7%
2008	93,812	285,363	32.8%
2007	96,392	284,235	33.9%
2006	100,053	282,900	35.0%
2005	93,567	277,775	33.7%

Source: American Community Survey: Selected Housing Characteristics, District of Columbia, Years 2005 through 2013 (Table DP04).