

MEMORANDUM

TO: District of Columbia Zoning Commission
FROM: Jennifer Steingasser, Deputy Director
Historic Preservation and Development Review
DATE: July 18, 2014
SUBJECT: ZC 14-12 – Setdown Report for a Consolidated and First Stage Planned Unit Development and Related Zoning Map Amendment

I. RECOMMENDATION

OP recommends the proposed Consolidated and First Stage PUD and Zoning Map Amendment be set down for public hearing, as it is not inconsistent with the Comprehensive, and would contribute to the redevelopment of the Florida Avenue Market Area. OP will continue to work with the applicant to ensure that the following are submitted prior to a public hearing:

- more refined and detailed elevations, roof plan, and other renderings as may be identified by the Zoning Commission;
- clarify whether rear yard relief is required;
- a signed CBE and First Source Employment Agreement;
- the contracting goals for small, local businesses; parking management plan;
- details concerning the curbless street and streetscape improvements and the overall site transportation/parking management plan;
- details of the plaza materials and design;
- information and details concerning a district energy system as suggested by the Interagency Group; and
- an updated and improved benefits and amenities package.

II. PROPOSAL

EAJ 1309 5th Street LLC (the “Applicant”) has submitted a Consolidated Planned Unit Development (PUD) and Zoning Map Amendment to construct a new movie theatre and office space on top of the existing Union Market building, referred to as the “South Building.” The application also includes a First Stage Planned Unit Development that would accommodate the second phase of development on the north portion of the property, the mixed-use “North Building”. The development proposes to keep Union Market (“Market”) operational throughout construction, and emphasize the distinct programs in the structure with “sliding” stacked volumes.

Specifically, the proposal consists of:

South Building (Consolidated PUD)

- A mixed use building with three distinct sliding volumes: the existing two story Market would continue to serve as ground floor retail; the Angelika Film Center would be located in a volume above the Market; and four levels of office would be located above the theatre;
- A proposed height of 120 feet and proposed maximum FAR of approximately 2.52;
- The Market would retain its existing 55,600 square feet gross floor area, the theatre would have a maximum area of 42,000 square feet, and the office space will have up to 216,400 square feet of area. The total area for the South Building would be up to 216,400 square feet; and
- Parking would not be provided under the South Building.

North Building (First Stage PUD)

- Two alternatives have been provided that would allow either: 1) nine stories and a maximum of 290,000 square feet of office use; or, 2) ten stories and up to 290,000 square feet of residential use;
- Both options would have up to 325,000 square feet of area with a maximum FAR of 3.78;
- A height of 120 feet;
- Ground floor retail consisting of 25,000 to 35,000 gross square feet; and
- Below grade parking providing approximately 300-475 spaces.

In addition to the PUD-related map amendment from C-M-1 to C-3-C, the Applicant seeks flexibility in the following areas:

1. Rooftop Structures (§ 411.11);
2. Courts (§ 776); and
3. Loading (§ 2201.1).

Temporary waivers have been requested for the following:

1. Parking for the South Building (§ 2101.1); and
2. Bicycle Parking for the South Building (§§ 2119.1 and 2119.2).

The applicant proposes to provide below grade parking that would be accessed from 6th Street. The parking is intended to serve both the North and South Buildings, but would be located beneath the North Building and delivered in the second phase of this development. OP and DDOT have requested a parking management plan for the overall development that is occurring in the Florida Market Area by this developer so that there is a better understanding of the quantity that will be provided with each project, as well as an explanation of the availability of parking to residents and visitors. Loading for the South Building would be provided; however, it is unclear where it would be located as it has not been identified on the floor plans. The North Building would provide additional loading that would be accessible from 6th Street. Similar to the PUD that was recently set down for 1270 4th Street, the applicant proposes a curbless street and streetscape improvements. The design of the curbless street and



streetscape continue to be under discussion, and OP and DDOT will continue to work with the applicant to refine the proposed street improvements and public space design.

This would be the third PUD in the Florida Avenue Market Area, the first along 6th Street, and would continue to set the tone for development within the area. The proposed density and height would be consistent with those identified in the Florida Avenue Market Small Area Plan, and with the approved Gateway Market and Residences PUD located at 340 Florida Avenue, N.E.

SITE and AREA DESCRIPTION

The project site is located at the northwest corner of 6th Street and Neal Place in the Florida Avenue Market Area. Developed in 1929, the Florida Avenue Market consisted of warehouse buildings used for wholesale operations and retail functions, and played an important role in the area until the mid-1960s, when the market was dismantled and sold to various owners. The market is considered a historically and architecturally significant place and continues to thrive under current occupants, including Union Market, which would serve as the ground floor of the proposed South Building. Union Market opened in September of 2012, and has been a catalyst for the Florida Avenue Market Area, bringing attention to the market through regular community events and facilitating the growth of local businesses. The subject site is currently zoned C-M-1, as are all surrounding properties. Most of the warehouses continue to operate as production, distribution and warehouse uses. The property located north of the site consists of metal roof structures that appear to be used for limited outdoor storage. The property located south of the subject site is owned by Gallaudet University, and currently accommodates parking predominantly for Union Market. To the east, across 6th Street, is Gallaudet University, and the west, across 5th Street, are existing warehouses. The project is located approximately one half mile from the NoMa-Gallaudet Metro Station and is in close proximity to several bus lines along Florida Avenue.

The area has been the focus of many long range planning efforts, including the Ward 5 Industrial Land Transformation Study, the NoMA Vision Plan and Development Strategy, and the Florida Avenue Market Small Area Plan. Each of these is discussed in more detail below.



Aerial Photograph

III. COMPREHENSIVE PLAN AND PUBLIC POLICIES



The proposed PUD must be determined by the Zoning Commission to be not inconsistent with the Comprehensive Plan and with other adopted public policies (§ 2403.4). The proposal would particularly further the following Guiding Principles of the Comprehensive Plan, as outlined and detailed in Chapter 2, the Framework Element:

- (1) Change in the District of Columbia is both inevitable and desirable. The key is to manage change in ways that protect the positive aspects of life in the city and reduce negatives such as poverty, crime, and homelessness. 217.1
- (6) Redevelopment and infill opportunities along corridors and near transit stations will be an important component of reinvigorating and enhancing our neighborhoods. Development on such sites must not compromise the integrity of stable neighborhoods and must be designed to respect the broader community context. Adequate infrastructure capacity should be ensured as growth occurs. 217.6
- (13) Enhanced public safety is one of the District's highest priorities and is vital to the health of our neighborhoods.... 218.6
- (27) Residents are connected by places of "common ground," such as Union Station and Eastern Market. Such public gathering places should be protected, and should be created in all parts of the city as development and change occurs. 220.6

The development proposal would particularly further the Land Use, Housing, Economic Development, Transportation, Historic Preservation, and Urban Design Citywide Elements, as well as the Upper Northeast Area Elements and policies:

Land Use Element

Policy LU-1.3.2: Development Around Metrorail Stations *Concentrate redevelopment efforts on those Metrorail station areas which offer the greatest opportunities for infill development and growth, particularly stations in areas with weak market demand or with large amounts of vacant or poorly utilized land in the vicinity of the station entrance. Ensure that development above and around such stations emphasizes land uses and building forms which minimize the necessity of automobile use and maximize transit ridership while reflecting the design capacity of each station and respecting the character and needs of the surrounding areas.*

Policy LU-3.1.2: Redevelopment of Obsolete Industrial Uses *Encourage the redevelopment of outmoded and non-productive industrial sites, such as vacant warehouses and open storage yards, with higher value production, distribution, and repair uses and other activities which support the core sectors of the District economy (federal government, hospitality, higher education, etc.).*

The proposed mixed use development would redevelop the site with additional floor area that would include offices, a movie theatre, and potentially additional housing. The Market promotes food-based businesses and attracts other production and warehouse uses to the Florida Avenue Market Area. The proposed offices will serve as a daytime use that will further activate the area during the day, diversifying the area's visitors. In addition, the proposed higher densities will better utilize the land



located in the study area. The development's location, one half mile from the NoMa-Gallaudet Metro Station and a short distance from several bus routes on Florida Avenue, should minimize the necessity of automobile use.

Housing Element

Policy H-1.2.1: Affordable Housing Production as a Civic Priority Establish the production of housing for low and moderate income households as a major civic priority, to be supported through public programs that stimulate affordable housing production and rehabilitation throughout the city.

Should Phase II of the development consist of a housing element, the project would be required to comply with Inclusionary Zoning requirements. The applicant has not indicated that affordable housing beyond the minimum IZ requirements would be provided.

Economic Development Element

Policy ED-2.2.3: Neighborhood Shopping Create additional shopping opportunities in Washington's neighborhood commercial districts to better meet the demand for basic goods and services. Reuse of vacant buildings in these districts should be encouraged, along with appropriately-scaled retail infill development on vacant and underutilized sites. Promote the creation of locally-owned, non-chain establishments because of their role in creating unique shopping experiences.

Policy ED-2.2.5: Business Mix Reinforce existing and encourage new retail districts by attracting a mix of nationally-recognized chains as well as locally-based chains and smaller specialty stores to the city's shopping districts.

The proposed infill development is located on an underutilized site. The proposal would include ground-floor retail which could help the Florida Avenue Market area to better meet the demand for basic goods and services and reinforce the emerging retail district. The proposed development would also provide an entertainment use, enhancing the mix of businesses in the area. However, to date the applicant has not indicated a commitment to enter into the standard CBE and First Source Employment Agreements.

Transportation Element

Policy T-2.4.B: Sidewalks Install sidewalks on streets throughout the District to improve pedestrian safety, access and connectivity. Continue to monitor the sidewalk network for needed improvements. Consult with ANC's and community organizations as plans for sidewalk construction are developed. All sidewalks shall be constructed in conformance with the American with Disabilities Act Accessibility Guidelines.

Policy T-2.4.C: Innovative Technologies for Pedestrian Movement Explore the use of innovative technology to improve pedestrian movement, such as personal transportation systems and enhanced sidewalk materials.

The proposed project would be providing an enhanced streetscape that includes repaired sidewalks and landscape planters. The curbless street feature is a deaf space design principle in that it creates a wide visual field that promotes visual forms of communication and safety.



Urban Design

Policy UD-2.2.5: Creating Attractive Facades *Create visual interest through well-designed building facades, storefront windows, and attractive signage and lighting. Avoid monolithic or box-like building forms, or long blank walls which detract from the human quality of the street...*

Policy UD-3.1.1: Improving Streetscape Design *Improve the appearance and identity of the District's streets through the design of street lights, paved surfaces, landscaped areas, bus shelters, street furniture", and adjacent building facades.*

Policy UD-3.1.7: Improving the Street Environment *Create attractive and interesting commercial streetscapes by promoting ground level retail and desirable street activities, making walking more comfortable and convenient, ensuring that sidewalks are wide enough to accommodate pedestrian traffic, minimizing curb cuts and driveways, and avoiding windowless facades and gaps in the street wall.*

The project would incorporate the existing Market into a larger development, adding visual interest through a design that distinguishes each intended use and preserves a significant view of Capitol Hill from the theatre level. The streetscape would be improved to accommodate multimodal activities, while providing amenities for pedestrians that include landscape and café seating. The streetscape would be improved from its current state, although the final design requires additional DDOT review.

Upper Northeast Area Element

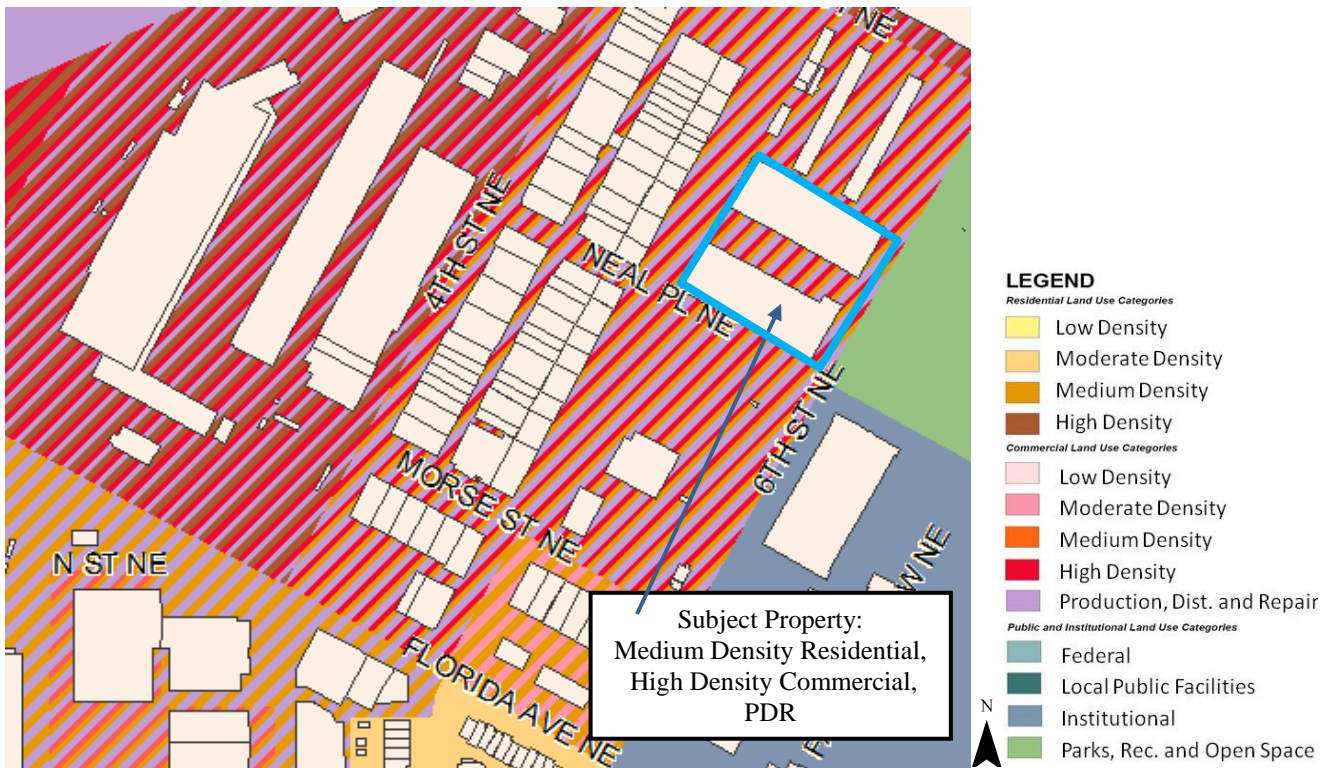
Policy UNE-2.1.2: Capital City Market *Redevelop the Capital City Market into a regional destination that may include residential, dining, entertainment, office, hotel, and wholesale food uses. The Wholesale market and the adjacent DC Farmers Market are important but undervalued amenities that should be preserved, upgraded, and more effectively marketed.*

Action UNE-2.1.B Capital City Market *Develop and implement plans for the revitalization and development of the Capital City Market into a mixed use residential and commercial destination. Redevelopment plans for the site shall be achieved through a collaborative process that involves the landowners and tenants, the project developers, the District government, and the community.*

The proposed development will further those policies and contribute to the area's transformation into a regional destination that would include unique retail uses, entertainment, and potentially housing.

Future Land Use Map - shows this site as suitable for a mix of Production, Distribution and Repair (PDR), High Density Commercial and Medium Density Residential uses. PDR areas are those characterized by manufacturing, warehousing, wholesale and distribution centers, transportation services and food services, among other uses. High Density Commercial areas are characterized by office and mixed office/retail buildings greater than eight stories in height.





Future Land Use Map

Comprehensive Plan Generalized Policy Map - describes the entire Florida Avenue Market area, including the subject site, as a Multi-Neighborhood Center. Multi-Neighborhood Centers serve the day-to-day needs of residents and workers, but with a greater depth and variety than Neighborhood Centers. They have a service area of up to three miles and are generally found at major intersections or along transit routes. While their primary function is retail trade, Multi-Neighborhood Centers can include some office and mixed-use infill is encouraged.

The proposal is not inconsistent with these designations.

C. Ward 5 Industrial Land Transformation Study

In addition to the Comprehensive Plan, this site is identified in the Draft Ward 5 Industrial Land Transformation Study as one of the major centers for retention and reinforcement of the existing industrial fabric. This study encourages: the preservation of production uses; environmental stewardship and performance; workforce development; nuisance uses and buffering; long-term affordability of industrial space; development of new multi-tenant space; providing space for arts uses and makers; and the development of additional community amenities.





Comprehensive Plan Generalized Policy Map

D. NOMA Vision Plan and Development Strategy

The Florida Avenue Market, while technically outside the boundaries of the NOMA Vision Plan, was nevertheless addressed in that document. It recognizes the Market as a place whose function and character should be preserved. The NOMA Plan, however, goes on to state that the Market can be enhanced over time through the addition of complementary new uses. The NOMA Plan is not a Council-adopted policy document, but rather a guide for potential development in that vicinity.

E. Florida Avenue Market Small Area Plan

The Project is in accordance with the Small Area Plan, adopted by Council on October 6, 2009. The Small Area Plan envisions Fifth Street as the pedestrian heart of the Florida Avenue Market, including narrow streets with parking on each side to limit traffic volume and speeds, and 16 foot wide sidewalks that would promote pedestrian circulation and provide space for café tables or retail displays. The Small Area Plan calls for the area to include a variety of building heights. The proposed project would provide taller and larger scale structures and uses of the Florida Avenue Market area while respecting the mutual public spaces shared with the lower scale market.

The applicant should provide, prior to a hearing, further documentation regarding how the proposal furthers Plan objectives and goals.



IV. ZONING

The site is currently zoned C-M-1. The purpose of the C-M-1 zone is “to provide sites for heavy commercial and light manufacturing activities employing large numbers of people and requiring some heavy machinery...” (§800.1). Furthermore, C-M zones characteristically have “heavy truck traffic and loading and unloading operations...” (§800.2). The existing C-M zone does not allow for residential development and limits height to 40 feet as a matter-of-right and 60 feet through a PUD, so is considered not consistent with current Comprehensive Plan direction.

The Applicant is requesting a PUD-related map amendment to change the zoning to C-3-C. C-3-C is considered a high-density mixed-use zone, and is not inconsistent with the Comprehensive Plan. Project parameters as provided with the application, are listed below.

Item	C-M-1 MOR	C-3-C MOR	C-3-C PUD	C-3-C PUD Proposed	Relief
Minimum lot area	N/A	N/A	15,000 sf	85,820 sf	Conforming
FAR	3.0	6.5	8.0	South building – 2.38-2.52 Retail – 0.73 Theatre – 0.44 Office – 1.21 North Building (Option 1) – 3.38-3.78 Retail – 0.29-0.40 Office – 3.09-3.38 North Building (Option 2) – 3.32-3.78 Retail – 0.29-0.40 Residential – 3.03-3.38 Total – 5.70-6.30	Conforming
Height	40’	90’	120’ maximum	120’	Conforming
Number of Units			N/A	North Building (Option 2) - TBD	Conforming
Square Footage	257,460 sf	557,830 sf	686,560 sf maximum	489,423-541,423 sf South Building retail-62,423 sf theatre-38,000-42,000 sf office-104,000-112,000 sf North Building (Option 1) retail-25,000-35,000 sf office-265,000-290,000 sf North Building (Option 2) retail-25,000-35,000 sf residential-260,000-290,000 sf	Conforming
Affordable Housing			8% of residential FAR minimum	8% of residential FAR (Option 2)	Conforming



Parking		retail: 1/750 sf event space: 1/10 seats theatre: 1/10 seats office: 1/1800 sf above 2,000 sf residential: 1/4 units	South Building 10 retail 0 event 125 theatre 63 office 198 total North Building 47 retail 161 office 92 residential 139-208 total Total 337-406 spaces	South Building 0 until Phase II North Building 300-475 spaces	Requested
Bike Parking			Approx.. 12	Provided upon completion of North Building (Phase II)	Requested
Rooftop Structures		1 per core 18'-6" height 1:1 setback	1 per core 18'-6" height 1:1 setback	1 per core (2 total) 18'-6" max (variable height) 1:1 setback (variable)	Requested (for variable heights)
Lot Occupancy		100%	100%	South Building – 90% North Building (Option 1) – 77% North Building (Option 2) Commercial – 77% Residential – 68%	Conforming
Rear Yard	2.5"/ft. 12 ft. min.	2.5"/ft. 12 ft. min.	27 ft.	0 ft.	Appears to be required, but Not Requested
Closed Court		commercial: 2(width ²) (250 sf min.) residential: 2(width ²) (350 sf min.)	Option 1: CC-1: 33.5 ft./2245 sf Option 2 CC-1: 33.5 ft./2245 sf CC-2: 35.5 sf/2521 sf	Option 1: CC-1: 20 ft./2211 sf Option 2 CC-1: 20 ft./2211 sf CC-2: 28 sf/3883 sf	Requested
Open Court		commercial: 3"/ft. (12 ft. min.) residential: 4"/ft. (15 ft. min.)	Option 1 OC-1A: 12 ft. OC-1B: 12.5 ft OC-2: 30 ft. OC-3: 26.42 ft. Option 2 OC-1A: 12 ft. OC-1B: 12.5 ft OC-2A: 12 ft. OC-2B: 35.42 ft.	Option 1 OC-1A: 13 ft. OC-1B: 30 ft OC-2: 26 ft. OC-3: 10 ft. Option 2 OC-1A: 13 ft. OC-1B: 30 ft OC-2A: 30 ft. OC-2B: 40 ft.	Requested



Loading					Requested
	Retail: 1-55 ft berth 1-30 ft berth 1-20 ft space 1-100 sf platform 1-200 sf platform Event space: None Theatre: 1-30 ft berth 1-20 ft space 1-100 sf platform Office: 2-30 ft berths 1-20 ft space 2-100 sf platforms Residential: 1-55 ft berth 1-20 ft space 1-200 sf platform	Retail: 1-55 ft berth 1-30 ft berth 1-20 ft space 1-100 sf platform 1-200 sf platform Event space: None Theatre: 1-30 ft berth 1-20 ft space 1-100 sf platform Office: 2-30 ft berths 1-20 ft space 2-100 sf platforms Residential: 1-55 ft berth 1-20 ft space 1-200 sf platform	Retail: 1-55 ft berth 1-30 ft berth 1-20 ft space 1-100 sf platform 1-200 sf platform Event space: None Theatre: 1-30 ft berth 1-20 ft space 1-100 sf platform Office: 2-30 ft berths 1-20 ft space 2-100 sf platforms Residential: 1-55 ft berth 1-20 ft space 1-200 sf platform	South Building Retail: 1-30 ft berth 1-100 sf platform Office: 1-30 ft berth 1-100 sf platform North Building TBD in Phase II Application	

Should the project be set down, the applicant should clarify how the rear yard will comply with the regulations, as § 774.9 permits the rear yard to be measured from a service alley, but not a public street, as identified on sheets Z1 and Z2 of the architectural renderings.

V. PUD EVALUATION STANDARDS AND PUBLIC BENEFITS AND AMENITIES

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 application requests that the proposal be reviewed as a consolidated PUD. This will allow the use of the flexibility stated in § 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 or quality of public benefits and that it protects and advances the public health, safety, welfare, and convenience.

The application would allow 80' of additional building height above C-M-1 limits. The project proposes an FAR of up to 6.30, which is permitted under a C-3-C PUD, but more than the 3.0 FAR permitted under the C-M-1 zoning, a gain of up to 283,963 square feet.

The PUD standards further provide that the “impact of the project on the surrounding area and upon the operations of city services and facilities shall not 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.”

Sections 2403.5 – 2403.13 of the Zoning Regulations discuss the definition and evaluation of public benefits and amenities. In its review of a PUD application, § 2403.8 states that “the Commission shall judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” To assist in the evaluation, the Applicant is required to describe amenities and benefits, and to “show how the public benefits offered are superior in quality and quantity to the typical development of the type proposed...” (§ 2403.12). The application has offered the following amenities and benefits as an offset to the additional development gained through the application process:

(a) *Urban design, architecture, landscaping, or creation or preservation of open space;*

The proposed design would incorporate the existing Market into the ground floor of a mixed-use building that also includes a movie theatre and office space. A framed vista would be provided at the theatre level of the development, creating a unique vantage from a higher elevation towards Capitol Hill and the surrounding area. The streetscape would be improved along 5th and 6th Streets to include the rehabilitation of sidewalks and trees and plantings to provide shade to pedestrians. Outdoor seating areas would also be provided in the public realm. However, the details of the streetscape require additional review and approval by DDOT. The plaza that would be provided along what is currently Neal Place would give retailers the opportunity to provide storefronts that appeal to pedestrians, further enhancing the walkability of the Florida Market Area. The applicant should provide additional information concerning the plaza, including types of materials to be used, the sustainability principles to be incorporated, and discussions with the land owner (Gallaudet University) to the south regarding coordination with future development of that site.

(b) *Site planning, and efficient and economical land utilization;*

The proposal would enhance a currently underused site located within close proximity to a Metro station and several bus lines. The project would incorporate the popular existing Market into the mixed-use development, leaving the remaining narrow portion of the lot to accommodate loading facilities, below-grade parking, drive aisles and ramps without compromising retail spaces. The applicant has further chosen to provide “pools” of parking under key structures, including Phase II of the development, which is an efficient use of a larger property in the Florida Avenue Market Area. More significantly, the levels above the Market will be constructed largely without interrupting the operation of the Market. The applicant suggests that the project achieves the principles of transit-oriented development; however, improvements that would enhance the pedestrian or bicycle connections to bus routes and the NoMa-Gallaudet Metro Station should be considered. OP and DDOT have requested a parking management plan that would clarify the location and quantity of parking, as well as its availability to other businesses in Florida Market.

(c) *Housing and affordable housing;*

Should Phase II of the development implement Option 2 for the North Building, approximately 260,000 to 290,000 square feet of residential use would be provided. The project would be required to comply with Inclusionary Zoning regulations, which require 8% of the floor area to be dedicated to



affordable housing at 80% of the Area Median Income. In this case, approximately 20,800 to 23,200 square feet would be dedicated as affordable. The applicant has not offered a deeper level of affordability than what is required by the regulations.

(d) Social services/facilities;

The applicant has not identified a contribution to a social service or facility; however, the developer continues to work with Advisory Neighborhood Commission (ANC) 5D and the surrounding community to identify these needs. An updated benefits and amenities package would be provided prior to a public hearing.

(e) Environmental benefits;

The applicant indicates that extensive sustainable features would be provided with this project; however, specific examples of how sustainability will be achieved have not been provided. In addition, the applicant has indicated that the project will be designed to achieve the LEED Certified rating, which is only 40 points. Given the additional floor area and height that would be available to this project through the PUD process, OP has advised the applicant of the need to strengthen this aspect of the proposal, and will continue to work with the Applicant to refine and augment the environmental benefits.

(f) Uses of special value to the neighborhood or the District of Columbia as a whole;

The Angelika Film Center would be of special value to the neighborhood, as there are none in the Northeast quadrant. The complementary uses of the Market, office and theatre would activate the area during all hours of the day, potentially catalyzing future development. However, the Applicant is continuing to work with the ANC to develop additional benefits and amenities identified as needs within the community; details and analysis would be provided prior to a public hearing.

(g) Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;

The proposed development is located within one half mile of the NoMa-Gallaudet Metro Station; however, the development does not adequately address the provision of effective and safe multimodal access by virtue of being located near public transportation. The applicant should make improvements that will enhance these options, further encouraging visitors and residents to arrive by means other vehicles to the area.

A traffic management plan would be implemented to properly manage traffic in the area, and the loading and below-grade parking would be accessible from 6th Street to minimize pedestrian and vehicle conflicts on 5th Street. The proposed development would include the installation of a curbless street, a deaf design feature that would contribute to the vision of the Florida Avenue Market Study; however, the design of the public realm continues to be discussed with DDOT. Complete DDOT review is anticipated prior to a hearing; the Applicant will need to further address any concerns expressed by DDOT. OP will continue to work with the applicant to address needs beyond the site boundaries that would improve multimodal access to Florida Market, improve pedestrian access to the New York/Gallaudet Metro station, or improve bicycle connections to the Metropolitan Branch Trail.



(h) Employment and training opportunities.

The proposed development would generate job opportunities, ranging from construction to retail use. The applicant should provide additional information that specifies the contracting goals for small, local businesses.

Should the project be setdown, OP would continue to work with the Applicant to refine the amenity package and obtain additional information as noted prior to a public hearing.

VI. INTERAGENCY GROUP

OP has created an Interagency Group tasked with coordinating development in the Florida Avenue Market Area (FAMA), which includes representation from District Department of Environment, Department of Parks and Recreation, , Deputy Mayor for Planning and Economic Development, District Department of Transportation and the Office of Planning. As OP began to receive submissions for PUDs in this area, it was quickly realized that the fragmented ownership would be problematic for obtaining benefits and amenities that were commensurate with the degree of development that is anticipated with the Small Area Plan. The Plan expects that there is eight million gross square feet of development encapsulated in the area; approximately 3.3 million are under the scope of the developer that has brought forward PUDs that include Gateway Market and Residences, 1250 5th Street, and the subject PUD.

The benefits and amenities package presented by the developer should be substantially greater than what has been presented thus far given the increase in FAR and gross floor area that is anticipated with these projects. The Interagency Group is developing a list of benefits and amenities that would be preferred in order to assist the developer in providing an adequate package.

It is recommended that the developer explore options – whether independently or in concert with other property owners - for building a district energy system that can serve the broader Florida Avenue Market area. District energy covers a range of independent power, heating and cooling sources such as cogeneration (Combined Heat and Power), trigeneration (Combined Cooling, Heat and Power), geothermal and solar. The most important factor is that district energy is produced locally with a system on site. Gallaudet University has expressed interest in developing a district energy system for its own future developments, so the developer is encouraged to coordinate with Gallaudet on this initiative.

A district energy system would offer a number of benefits both to the building owner and the public. This system is significantly more efficient and more reliable than drawing power from the grid. It reduces the space required for mechanical equipment at individual buildings, which frees up space for other uses. It reduces risk of energy disruptions, which is key for technology firms. It reduces building operating and maintenance costs. It is scalable over time so that more capacity may be added as needed. And these systems can use multiple fuel types such as natural gas, oil, waste, biomethane or others.

For the public, a district energy system can significantly reduce emissions including both pollutants from energy production and carbon emissions. Also, a district energy system at Florida Avenue Market directly supports all three energy goals in the Mayor's Sustainable DC Plan: 1) improve the efficiency of energy use and reduce consumption; 2) increase the proportion of energy



sourced from clean and renewable sources; and 3) modernize energy infrastructure for improved efficiency and reliability. The installation of a district energy system would create a more reliable energy source for the occupants of the Florida Avenue Market Area, putting less pressure on the existing system that serves surrounding neighborhoods, and it would serve as an environmental demonstration prototype, providing valuable data and lessons for future installations.

Finally, there are several third party operators that can design, build, operate, and maintain a district energy system including Pepco and Veolia, among others. The developer might pay for building the system and microgrid and/or provide the space for such a system in one of its properties. Depending on how it is structured, if it supplies other properties, the developer could also use a district energy system as an additional source of revenue. It is strongly encouraged that the applicant further explore the implementation of a district energy system as a benefit and amenity. Depending on the degree of the commitment, a district energy system could serve as a benefit for the multiple PUD's the applicant is proposing within the Florida Avenue Market Area.

VII. AGENCY REFERRALS AND COMMENTS

Prior to a public hearing, the application will be referred to the following District agencies for review and comment:

- Department of Transportation (DDOT);
- Department of the Environment (DDOE);
- Fire and Emergency Medical Services Department (FEMS);
- DC Water;
- DC Public Schools (DCPS);
- Department of Housing and Community Development (DHCD);
- Department of Public Works (DPW);
- Department of Employment Services (DOES); and
- Department of Health (DOH).

VIII. CONCLUSION

The proposed PUD is not inconsistent with the elements of the Comprehensive Plan and OP recommends the application be set down for public hearing. OP will work with the Applicant to supplement the proposal as noted in this report, and to respond to any requests for additional information by the Commission.

JS/be
Case Manager, Brandice Elliott

