

MEMORANDUM

TO: District of Columbia Zoning Commission
FROM: Jennifer Steingasser, Deputy Director Development Review & Historic Preservation
DATE: April 20, 2016
SUBJECT: Zoning Commission Case #15-27, Waiver of Rules for Late Submittal of a Report

The attached report concerning Zoning Commission Case 15-27 is being submitted less than 10 days prior to the Zoning Commission's Public Meeting. The Office of Planning respectfully requests that the Commission waive its rule and accept this report into the record.

JS/mcr
MCR Case Manager



MEMORANDUM

TO: District of Columbia Zoning Commission

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

DATE: April 18, 2016

SUBJECT: Setdown Report for ZC #15-27, Consolidated and first stage PUD and related Zoning Map Amendment from the M and C-M-1 Districts to the C-3-C District, 300 Morse Street NE (Square 3587, portion of Record Lot 6 also known as Assessment and Taxation Lots 805, 814 and 819)

I. SUMMARY RECOMMENDATION

The Applicant, KF Morse LLC, submitted a request for a consolidated and first stage Planned Unit Development (“PUD”) and related zoning map amendment for the majority of property located at 300 Morse Street NE (the “Property”) in the Florida Avenue Market area.

The proposed project consists of a two-phased development including a first phase consolidated PUD of 355,601 sf (412 units) of residential use and 19,045 sf of retail in an 10-story/130’ and 5-story/78’ building (known as Building A1); another 5-story/78’ residential building of 90,591 sf (115 units) and 11,500 sf of retail (Building B); and 212,000 sf office building of 10 stories/130’ and 14,500 sf of ground floor retail (Building C1). 85,754 sf of support spaces is requested with the first phase/consolidated PUD for the aforementioned three (3) buildings.

The requested second phase of development includes a first-stage PUD for three buildings, all of which are proposed at heights of 130’/10-stories. The following uses are planned: a residential building of 192,600 sf or 150 units and 3,060 sf of retail (Building A2) with flexibility requested for hotel use 150 rooms/150,000 sf; another residential building of 234,960 sf and 250 residential units with 14,762 sf of ground floor retail (Building C2); and an office building of 99,667 sf (Building D) with 6,080 sf of retail, with flexibility requested for hotel uses (150 rooms) or residential use (80 units) in lieu of office use. 31,138 sf of support spaces is requested for the three (3) buildings in Phase 2.

The total development of both phases results in an overall FAR of 6.44 and is comprised of 873,752 sf of residential use (or 927 units), 68,947 sf of retail use, 311,667 sf of office use, and 116,892 sf of support spaces, all within six (6) buildings with heights of 130’ and two buildings with heights of 78’. Flexibility with regard to certain zoning regulations has been requested to facilitate the proposed development, which has been summarized in Section II and listed in Section VI in this report. Please see the detailed chart of phases and statistics for each building including flexibilities requested by building at the end of Section II.

As described in Section IV of this report, the proposed zoning and PUD would not be inconsistent with the maps and written elements of the Comprehensive Plan and the small area plan known as the Florida Avenue Market Study. However, OP also notes that both the FAMS and the Comprehensive Plan Future Land Use Map identify this site for the highest density and OP would support more density than proposed.

The Office of Planning recommends the application be **set down** for a public hearing and notes the attached letter from the Deputy Mayor for Planning and Economic Development, dated April 20, 2016.

The following information should be provided prior to a public hearing:

- Additional drawings and renderings are needed to detail the consolidated portion of the PUD and OP notes that the architecture warrants additional attention. The park and the plaza created by the tower and lower Building B need to feel more open and engaged with Florida Avenue. The line of sight to and through this pedestrian park is critical to drawing people up to the western end of the Market. Views should be provided that include the connection to the adjacent project (Z.C. Case No. 15-01) all the way to Florida Avenue.
- Verification that the obligations outlined in the authorization of use letter from DMPED dated April 20, 2016 have been met. OP will coordinate closely with the Deputy Mayor's office to ensure the condition of the letter prior to making a recommendation at a public hearing.
- Depiction of railway easements on a plat showing the accurate location and size of the railway easements on the Property. Provide letter(s) from entities who are party to the railway easement that demonstrates their agreement of uses shown in the PUD on and adjacent to the railway easements.
- An easement per DC Water standards for their access and maintenance of a large sewer pipe at the western edge of the Property, where an easement does not currently exist.
- Confirmation if FAR relief is necessary for theoretical Lot C, which has an FAR of 9.27. Note: Overall project FAR is 6.64, under the permitted maximum of 8.0 FAR.
- Confirmation if relief is needed to provide IZ units required in a Phase 2 building within a Phase 1 building (Building B in Phase 1 is planned to provide 3 IZ units required in Building A2/Phase 2. Note: Building A2 could be hotel use in Phase 2.)
- Demonstrate on the plans that Neal Place will be open during all phases of the project, even if not constructed with final materials.
- Provide rationale for future use conversions, and confirm that both Buildings A2 and D could ultimately be developed both as hotel uses or both as residential (each scenario having different external impacts), should this flexibility be approved.

- More detail on the public benefits and amenities commensurate with 1000 new residential units, hotel, office, retail uses and flexibility of uses in the later phase, where low-scale, low-density wholesale food uses currently exist, including consideration of LEED Gold standard buildings, a greater/deeper affordable housing contribution and possible maker uses for some retail areas which would further the objectives of the “Ward 5 Works” study (page 12).

II. APPLICATION-IN-BRIEF

Location: Square 3587, Portion of Record Lot 6. An irregularly-shaped property of 213,044 sf bounded by New York Avenue NE, railroad tracks and the Metropolitan Branch Trail to the north, to the south, PUDs ZC #15-01 (Highline, 320 Florida Ave. NE) and ZC #06-40 (Gateway Market 340 Florida Ave.), and a public alley, ZC #14-07 and a likely future development site to the east. The Property is within a .4 mile walk from the NOMA-Gallaudet U (New York Avenue) Metro Station.

Ward/ANC: Ward 5, ANC 5D

Applicant: KF Morse LLC

Current Zoning: M General Industry District and C-M-1 Commercial-Light Manufacturing District

Existing Use of the Property: One-story, industrial warehouse establishments primarily operating as wholesale food vending with loading both in private property and public space for trucks.

Comprehensive Plan Future Land Use Map Designation: Striped one-third each High-Density Commercial, High-Density Residential and Production, Distribution and Repair

Property Size: 213,044 sf (4.8 acres)

Proposal: Together with a related map amendment to C-3-C, develop a consolidated and first stage PUD with a total FAR of 6.4 comprised of 873,752 sf of residential use (927 units), 68,947 sf of retail use, 311,667 sf of office use and 116,892 sf of support uses in six (6) buildings with heights of 78’ and 130’.

Relief and Zoning: Pursuant to 11 DCMR Chapter 24, the Applicant seeks:

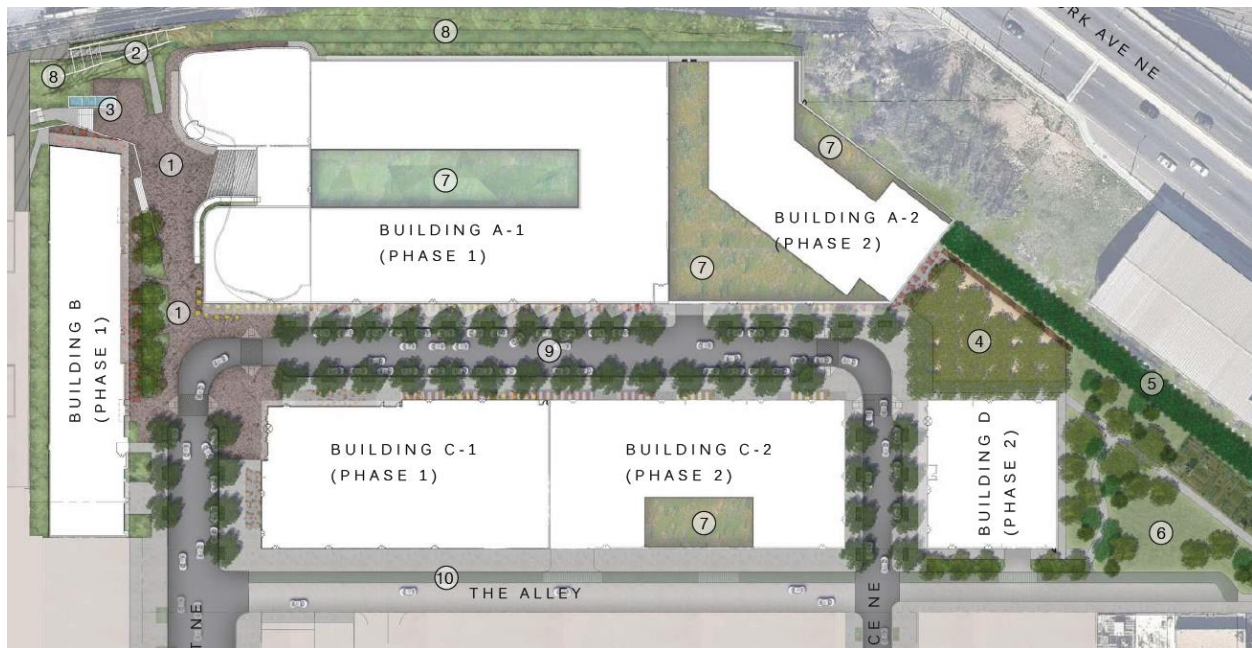
1. Consolidated PUD, first stag PUD and related map amendment to the C-3-C District;
2. Flexibility of Use for buildings A2 (residential or hotel) and D (residential or hotel or office);
3. Flexibility from Roof Structure Requirements (§411.18) for building A1;
4. Flexibility from Rear Yard Requirements for buildings A1, A2 and D (§774.1);
5. Flexibility from Court Requirements for buildings C1 and C2 (§776.1);
6. Flexibility from Side Yard requirements for building A2 (§775.1);

7. Flexibility to provide 0' of open space depth in front of the building entrance, where the equivalent of required rear yard depth is required for theoretical building sites with no street frontage (§2517.3)
8. Flexibility from Loading Requirements (§2201.1);
9. Flexibility to allow for offsite or shared parking for B within building A.
10. Flexibility to vary the number of proposed residential units (+/- 10%).
11. Flexibility to vary the location and design of interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms provided variations do not change the exterior configuration of the building;
12. Flexibility to vary the number, location and arrangement of parking spaces so long as the total number is not reduced below the minimum number spaces required per the Zoning Regulations;
13. Flexibility to vary the sustainable design features of building provided that the total number of LEED points remains equivalent to LEED Silver rating (v.2009) per USGBC;
14. Flexibility to vary the final selection of the exterior materials within the color ranges and material types as proposed, based on availability at the time of the construction without reducing the quality of the materials; and to make minor refinements to exterior details, locations, and dimensions, including: window mullions and spandrels, window frames, doorways, glass types, belt courses, sills, bases, cornices, railings, canopies and trim; and any other changes in order to comply with all applicable District of Columbia laws and regulations that are otherwise necessary to obtain a final building permit;
15. Flexibility in the retail and service areas to vary the location and design of the ground floor components in order to comply with any applicable District of Columbia laws and regulations, including the D.C. Department of Health, that are otherwise necessary for licensing and operation of any retail or service use and to accommodate any specific tenant requirements; and to vary the size of the retail area; and
 Flexibility to vary the features, means and methods of achieving the Green Area Ratio of .2.

Summary Chart of Request:

Building Letter & (Total SF)	Stories	Height in feet	Use(s)	Number of Units	SF of primary use	SF of Retail	Flexibility Requested for this building
Phase 1: Consolidated PUD							
A1 (445,344 sf)	10 stories down to 5 stories	130'	Residential primarily with retail	450 total in 2 buildings	355,601 sf	19, 045 sf	1.Loading to provide 1 X 30' berth instead of 1 X 55'; 2. Rear Yard of 18.5' instead of 27'-1"; 3.Roof Structure setback at north side 4. Two roof structures 5. Front Yard of 0' where 27'-1" is required
B (107,891sf)	5 stories	78'	Residential primarily with retail	115	90,591 sf	11,500 sf	1. No loading provided 2. Shared parking with/at Bldg A 3. Front Yard of 0' where 16'-4" is required
C1 (234,756 sf)	10 stories	130'	Office primarily with retail	N/A	212,000 sf	14,500 sf	1. Loading to provide 1 berths & 1 service/delivery space where 3 berths & 3 platforms are required;

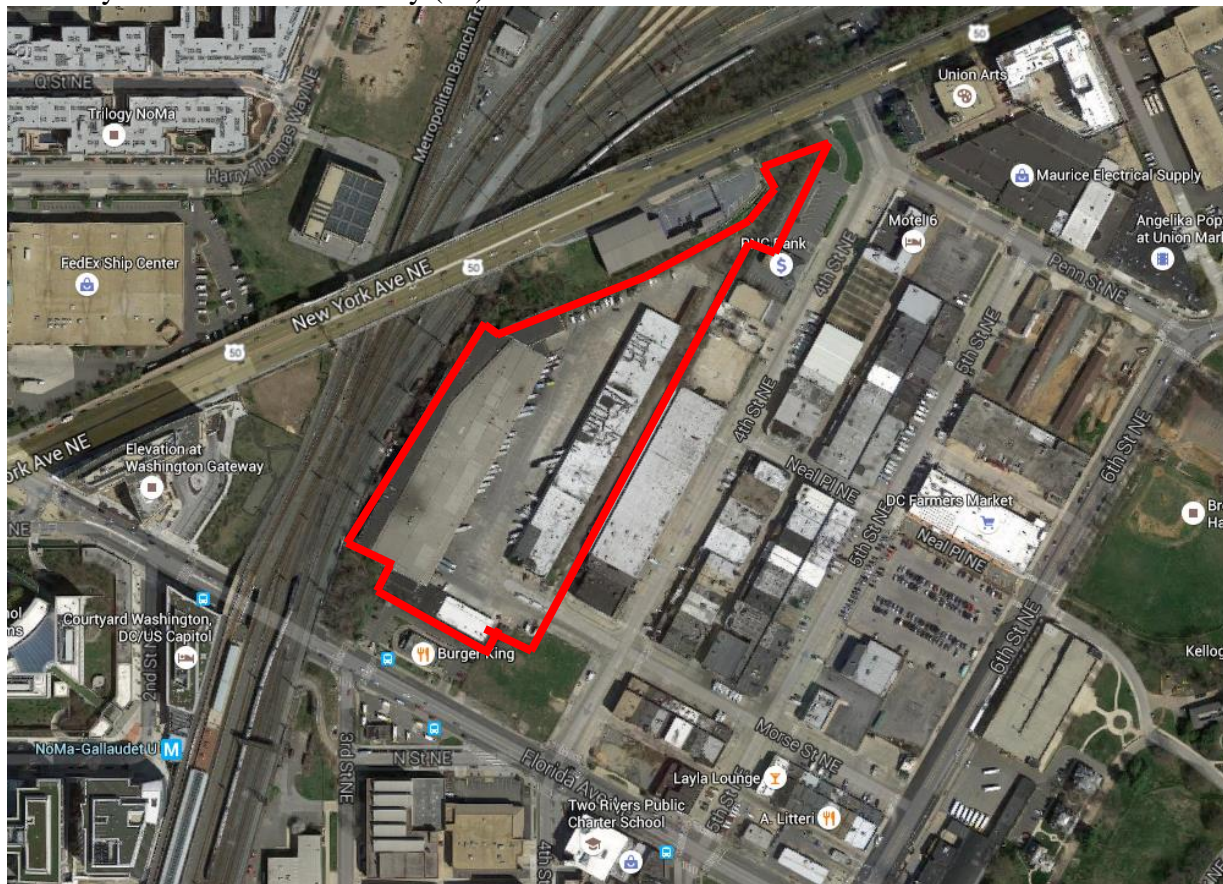
							2. Court Width of 30' instead of 36'-4". (Between C1 and C2) 3. Rear Yard relief, 24' proposed, 27'-1" required 4. Front Yard of 0' where 27'-1" is required
Phase 2: First stage PUD							
A2 (211,498 sf)	10 stories	130'	Residential with retail <u>OR</u> hotel with retail	150 residential units <u>OR</u> 150 hotel rooms/keys	192,600 sf residential <u>OR</u> 150,000 sf hotel	3,060 sf	1. Use Flexibility (Resi or Hotel); 2. Loading to provide 1 X 30' berth instead of 1 X 55'; 3. Rear Yard of 18.5' instead of 27'-1"; 4. Side Yard of 6' for a portion of building, where 21'-7" is required; 5. Front Yard of 0' where 27'-1" is required
C2 (260,027 sf)	10 stories	130'	Residential, with ground floor retail	250	234,960 sf	14,762 sf	1. Loading to provide 1 X 30' berth instead of 1 X 55'; 2. Court Width of 30' instead of 36'-4" (Between C1 and C2); 3. Front Yard of 0' where 27'-1" is required
D (110,742 sf)	10 stories	130'	Residential <u>OR</u> Office <u>OR</u> hotel; all with retail	80 residential units <u>OR</u> 150 hotel rooms <u>OR</u> N/A (office)	99,667 sf residential, office or hotel	6,080 sf	1. Use Flexibility (Resi or Hotel or Office); 2. Rear Yard of 0' and 27' required. 3. Regardless of ultimate use, flexibility to provide 1 X 30' berth and 1 x 100 sf platform, where in every case 1 X 20' service/delivery is required and in resi use scenario, 1 X 55' berth is required (in addition to 100 sf platform) 4. Front Yard of 0' where 27'-1" is required



III. SITE AND AREA DESCRIPTION

The large, irregularly-shaped Property consists of a portion of one record lot totaling 213,044 sf (4.8 acres) in area. There are large, one-to-two-story wholesale food warehouse and distribution brick and concrete structures on the Property, as well as large swaths of concrete or asphalt vehicular loading, travel and parking areas. Third Street NE and a portion of Morse Street NE are located within the development area; however are controlled by the District who is not a party to this Application. While only a very small portion of the Property has frontage on a main thoroughfare, generally, the Property is bounded by New York Avenue to the north; railroad tracks to the east; Florida Avenue to the south and 4th Street NE. There is an alley located adjacent to the east of the first-stage PUD area.

The Property is approximately .3 miles from the entrance of the NOMA-Gallaudet U (New York Avenue) Metro Station to the southwest. Please refer to the aerial vicinity map below. The topography of the Property includes a rise in elevation from Florida Avenue (elevation between 54' to 62') approximately ten (10) to fifteen (15) feet up to the northern/rear property boundary whereby the elevation is seventy (70) feet.






Vicinity Map/ Aerial Photo. Approximate bounds of the Property in red. 2014 Google.

The Property is within the small area plan known as the Florida Avenue Market Study Area which is detailed more specifically below in Section IV. The Florida Avenue Market Study Area is currently undergoing a significant amount of development interest. Within the forty (40) acre market area, there are several approved PUDs, several PUDs currently under review, and others

are anticipated to be filed in the near future. See map below for a summary of PUDs. In almost all cases, the PUDs include a related map amendment to the C-3-C District from an industrial district of either M or CM.

Additionally, the area to the southwest and west of the Property, known as NOMA, subject to the NOMA small area plan, has undergone significant and transformative private and public investment through private development and infrastructure improvements. There are several NOMA PUDs in close proximity to the Property, and they are also included on the map below.



-  -- Applicant's PUD #15-27
-  -- Potential Future PUDs
-  -- Nearby, approved PUDs or PUDs currently under review

#1: ZC 05-23, Approved in 2006 (extensions/modifications were granted through 2009), Rezoning from M to C-3-A, 600 residential units and 1,000 sf retail. (3.3 FAR). The project has been built.

#2: ZC 06-14, Approved in 2007 (extensions/modifications granted through June 2013), Rezoning from M to C-3-C, 230-270 residential units; 140-195 hotel rooms and 5,000-7,000 sf retail, which has been constructed. There is an unbuilt ~600,000 sf office building associated with the PUD. (7.08 FAR)

#3: ZC 06-40, Approved in 2008 (extensions/modifications through 2016), Rezoning from C-M-1 to C-3-C, 170-216 residential units and 27,410 sf of retail. (5.0 FAR). The project is under construction.

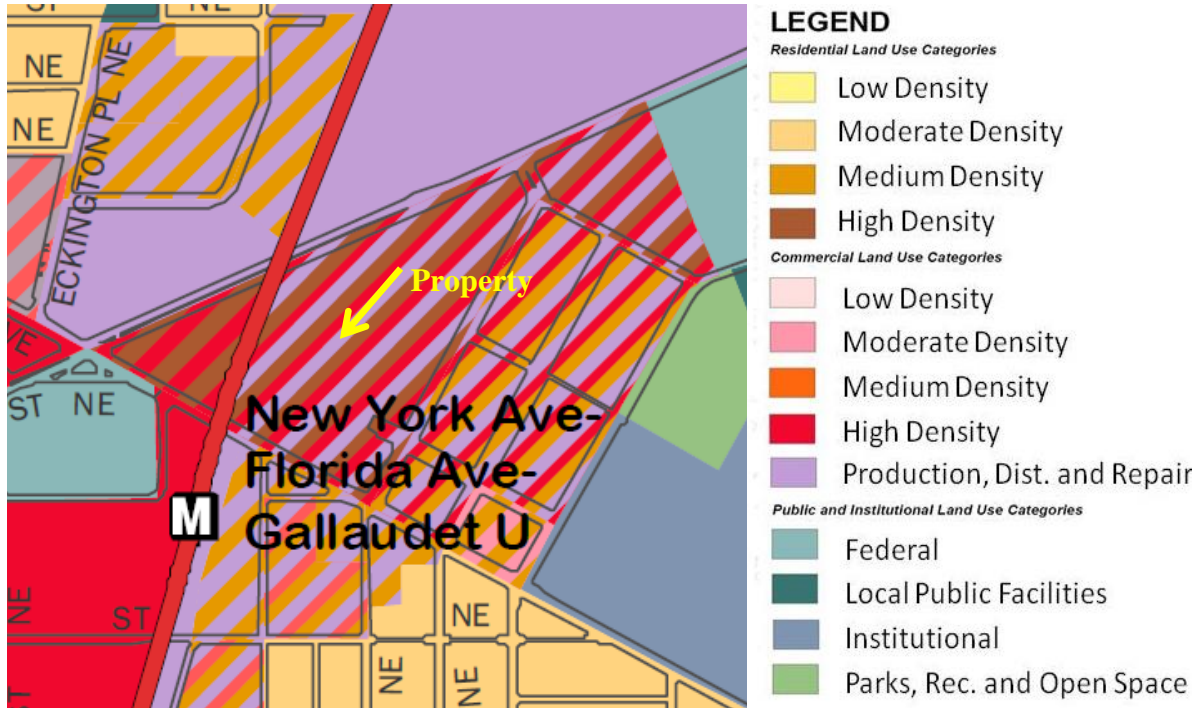
- #4: ZC 14-07, Approved in June 2015, C-M-1 to C-3-C, 545-680 units and 41,042 sf of retail. (8.0 FAR)
- #5: ZC 14-12, Approved in March 2015, C-M-1 to C-3-C, consolidated PUD for existing union market uses and retail uses of 62,400 sf, 42,000 sf of theater uses, residential or office of 112,000 sf in phase 1; and first stage PUD of 35,000 sf of retail and 290,000 sf of either office or residential use.
- #6: ZC 11-25, Approved in 2012, rezoning from C-M-1 to C-3-C, 220-240 hotel rooms (4.08 FAR). The project is under construction, near completion.
- #7: ZC 14-19, Approved in September 2015, C-M-1 to C-3-C, 395-437 residential units and 10,302 sf of retail (6.21 FAR)
- #8: ZC 15-1, Approved in July 2015, C-M-1 to C-3-C, 285-346 residential units and 8,472 sf of retail (8.0 FAR)
- #9: ZC 15-22, In process, C-M-1 to C-3-C, 61,173 sf of residential (56 units) and 4,837 sf retail (7.57 FAR)
- #10: ZC 15-28, In process, C-M-1 to C-3-C, 340-390 residential units, 175 hotel rooms, 24,407 sf office space, 26,585 sf retail (6.68 FAR)
- #11: ZC 15-24, In process, C-M-1 to C-3-A and C-3-C, first stage PUD for ~1.3 M sf to 811,360 sf residential use; 133,830 to 126,510 sf retail; 62,630 sf to 473,770 sf office, and 53,860 sf university uses. (FAR varies per parcel & zone per scheme A or B)
- #12: ZC 15-19, In process, C-M-1 to C-3-C, 178 hotel rooms with restaurant, retail and arts uses (FAR 7.97)

IV. COMPREHENSIVE PLAN MAPS AND 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 map amendment also should not be inconsistent with the Comprehensive Plan and other adopted policies.

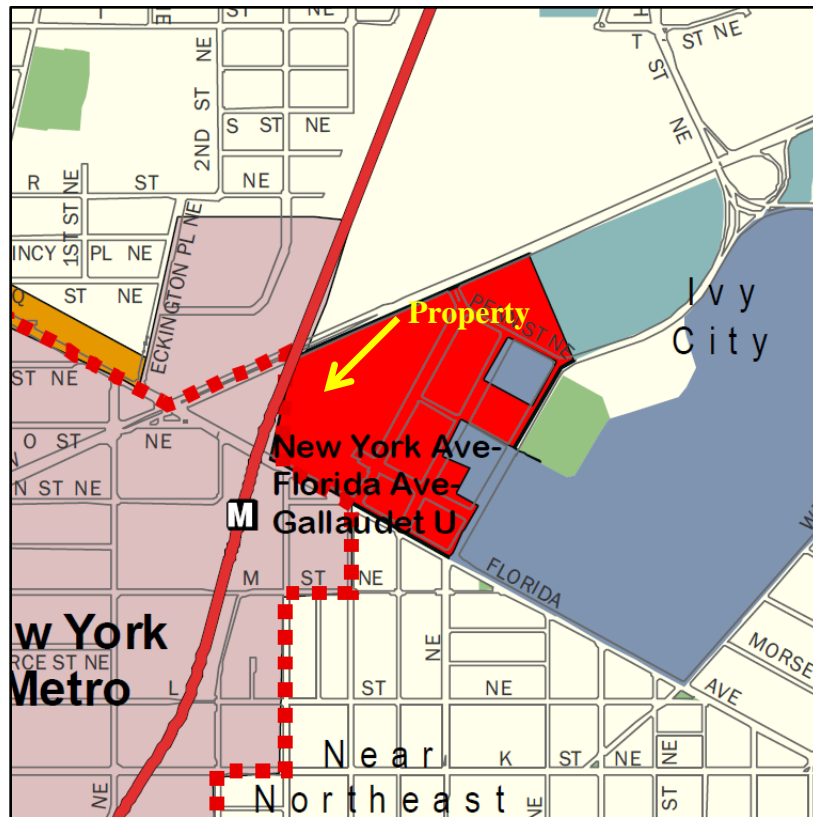
A. Future Land Use Map

The Future Land Use Map designation for the Property is striped for mixed use High-Density Commercial, High-Density Residential and Production, Distribution and Repair.



B. General Policy Map

The Generalized Policy Map designates the Property as part of a “Multi-Neighborhood Center” which is to meet the day-to-day needs of residents and workers in the adjacent neighborhoods in terms of both depth and variety. The service areas of Multi-Neighborhood Centers are typically one (1) to three (3) miles. These centers are generally found at major intersections and along key transit routes. These centers might include supermarkets, general merchandise stores, drug stores, restaurants, specialty shops, apparel stores, and a variety of service-oriented businesses. These centers also may include office space for small businesses, although their primary function remains retail trade. Mixed-use infill development at these centers should be encouraged to provide new retail and service uses, and additional housing and job opportunities. Transit improvements to these centers are also desirable. (Comprehensive Plan, §§ 223.4 and 223.5)



C. Comprehensive Plan Policies

The Property is located in the Upper Northeast Area of the Comprehensive Plan. There are several policies within the Upper Northeast Area Element, as well as policies in the Citywide Framework (primarily the Land Use Element), which encourage a mix of uses in the Florida Avenue Market/Capital City Market Area, high-density development and well-designed open space and public realm. The Florida Avenue Market is also referred to as the Capital City Market and the Union Terminal Market.

More specifically, the Property is located within the Florida Avenue Market Area Study (2009), a small area plan adopted by City Council, which includes general guidance for the immediate area, as well as site-specific guidance.

Finally, the area is included in the “Ward 5 Works: Ward Five Industrial Land Transformation Study” area. The ways in which this study is applicable to the Property is detailed below.

Ultimately, a map amendment-related PUD development facilitated by the regulations of the C-3-C zone would help achieve the applicable policies. Please note bold text was added for emphasis.

Upper Northeast Area Element (“UNE”):

- **Planning and Development Priority e.** “Retail choices in Upper Northeast need to be expanded... Many of the commercial areas in Upper Northeast are dominated by used car lots, carry-outs, liquor stores, automotive uses and other activities that are not conducive to neighborhood

shopping...**Florida Avenue and the areas around the Metro stations have the potential to become pedestrian-oriented shopping districts. The Florida Avenue Market also has the potential to become a more vital shopping district, serving not only as a wholesale venue but also as a retail center for Ivy City, Trinidad, Eckington and nearby neighborhoods.** (§2407.2)

- Planning and Development Priority h.: “Upper Northeast did not experience the kind of large-scale development experienced elsewhere in the city between 2000 and 2005, but that is likely to change in the next few years. **Proposals to redevelop the Capital City Market as ‘new town’ are being discussed...Growth and development must be carefully managed to avoid negative impacts, and should be leveraged to provide benefits for the community wherever possible.** (§2407.2)
- UNE-1.1.8: Untapped Economic Development Potential: Recognize the **significant potential** of the area’s commercially and industrially-zoned lands, particularly along the New York Avenue corridor...and **around the Capital City Market, to generate jobs, provide new shopping opportunities, enhance existing businesses, create new business ownership opportunities, and promote the economic well-being of the Upper Northeast community.** The uses, height and bulk permitted under the existing M and C-M-1 zones are expected to remain for the foreseeable future. (§2408.9)
- UNE-1.2.1: Streetscape Improvements: “**Improve the visual quality of streets** in Upper Northeast, especially along...Florida Avenue...Landscaping, street tree planting, street lighting, and other improvements should **make these streets more attractive community gateways.**” (§2409.1)
- 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...** (§2411.6)
- UNE-2.1.4: Northeast Gateway Urban Design Improvements: “**Improve the image and appearance** of the Northeast Gateway area **by creating landscaped gateways into the community, creating new parks and open spaces, upgrading key streets** as specified in the Northeast Gateway Revitalization Strategy, **and improving conditions for pedestrians along Florida Avenue and other neighborhood streets.**” (§2411.8)
- Action UNE-2.1.A: 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.” (§2411.9)

Citywide Guiding Principles:

- Land Use (“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 station in areas...with large amounts of vacant or poorly utilized land in the vicinity of the station entrance... (§306.11)

- LU-1.3.3: Design To Encourage Transit Use: **“Require architectural and site planning improvements around Metrorail stations that support pedestrian and bicycle access to the stations and enhance the safety, comfort and convenience of passengers walking to the station or transferring to and from local buses. These improvements should include lighting, signage, landscaping and security measures... (§306.13)**
- LU-3.1.4 Rezoning of Industrial Areas: **“Allow the rezoning of industrial land for non-industrial purposes only when the land can no longer viably support industrial or PDS activities or is located such that industry cannot co-exist adequately with adjacent existing uses. Examples include land in the immediate vicinity of Metrorail stations... (§314.10)**
- Housing-1.1.4: Mixed Use Development: **Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Mains Street mixed use corridors, and around appropriate Metrorail stations. (§503.5)**
- PROS-4.3.2: Plazas in Commercial Districts: **Encourage the development of outdoor plazas around Metro station entrances, in neighborhood business districts, around civic buildings, and in other areas with high volumes of pedestrian activity. Use the planned unit development process to promote such spaces for public benefit and to encourage tree planting, public art, sculpture, seating areas, and other amenities within such spaces. (§819.4)**
- Urban Design-1.4.1: Avenues/Boulevards and Urban Form: Use Washington’s major avenues/boulevards as a way to reinforce the form and identity of the city, connect its neighborhoods, and improve its aesthetic and visual character. **Focus improvement efforts on avenues/boulevards in emerging neighborhoods, particularly those that provide important gateways or view corridors within the city. (§906.4)**
- UD-2.3.4: Design Context for Planning Large Sites: **Ensure that urban design plans for large sites consider not only the site itself, but the broader context presented by surrounding neighborhoods.** Recognize that the development of large sites has ripple effects that extend beyond their borders, including effects on the design or transportation systems and public facilities nearby. (§911.6)

D. Florida Avenue Market Study

The Florida Avenue Market Study (“FAMS”) was completed by the Office of Planning in March 2009 as a result of several catalysts which included development pressure within and around the NOMA-Gallaudet (New York Avenue) Metro Station, guidance from the Comprehensive Plan, the New Town at Capital City Market Revitalization Development and Public/Private Partnership Emergency Act of 2006, the Northeast Gateway Revitalization Strategy, and the Gallaudet University Campus Plan. It was adopted by City Council and is a small-area plan. Within the FAMS, is a “Development Framework.” The purpose of the FAMS “Development Framework” is to provide opportunities, guidance and direction for developers and property owners as they propose redevelopment solutions of the ~40 acre area (p.6). It defines a redevelopment vision which includes a recognition of the “grittiness” of the wholesale, ethnic market retail niche in its current state, as well as its turn-of-the century historic Capital Market past; future development as a mixed-use neighborhood with a focus on retail and food-related retail; inclusion of historic market structures that are to remain; new bustling and alluring ground floor uses; pedestrian and bicycle connections to the NOMA-Gallaudet (New York Avenue)

Metro station and to the Metropolitan Branch Trail; and finally an improved public realm of streets, sidewalks, open spaces, plazas and gathering places. The following includes general guidance for the redevelopment Property, which is primarily taken from the Development Framework section of FAMS (p.49-76):

- Zoning and Intensity Plan (Figure 6.01) p. 57: Designated as “High Density,” which corresponds to development of 90’ in height and an FAR of 6.5 as a matter-of-right; or 130’ in height and an 8.0 FAR in a PUD/TDR scenario.
- “To fulfill the public real and sense of place vision for the Study Area, it is essential that **street-activating or pedestrian-enlivening activities are featured in the ground floors** of development or **within public space of key streets such as...Morse Street...and Neal Place...**” (p.54)
- “Sense of Place: **Utilize design techniques in new construction to enhance the sense of place and pedestrian character of the FAMS.**” (p.58)
- “Open Space: Include **amenities in open space** for users, such as benches, water fountains, etc...**Create defensible open space that is well-lit, with clear sightlines from multiple points in and near the market...Ensure accessibility for a wide range of users**—both physically accessibility and obvious visual cues will ensure people know the space is public....Utilize and enhanced streetscape as part of the open space system.” (p.58)
- “Public Realm: **Create a pedestrian-friendly environment with clear pathways throughout the market...**Improve sidewalk conditions...**encourage active ground-floor uses** (such as restaurants and retail) along expected pedestrian routes...” (p. 59)
- “Transportation: **Increase pedestrian connectivity to/from the New York Avenue Metro Station...**Reestablish a more complete street grid in the study area...” (p.59)

E. “Ward 5 Works: Ward 5 Industrial Land Transformation Study”

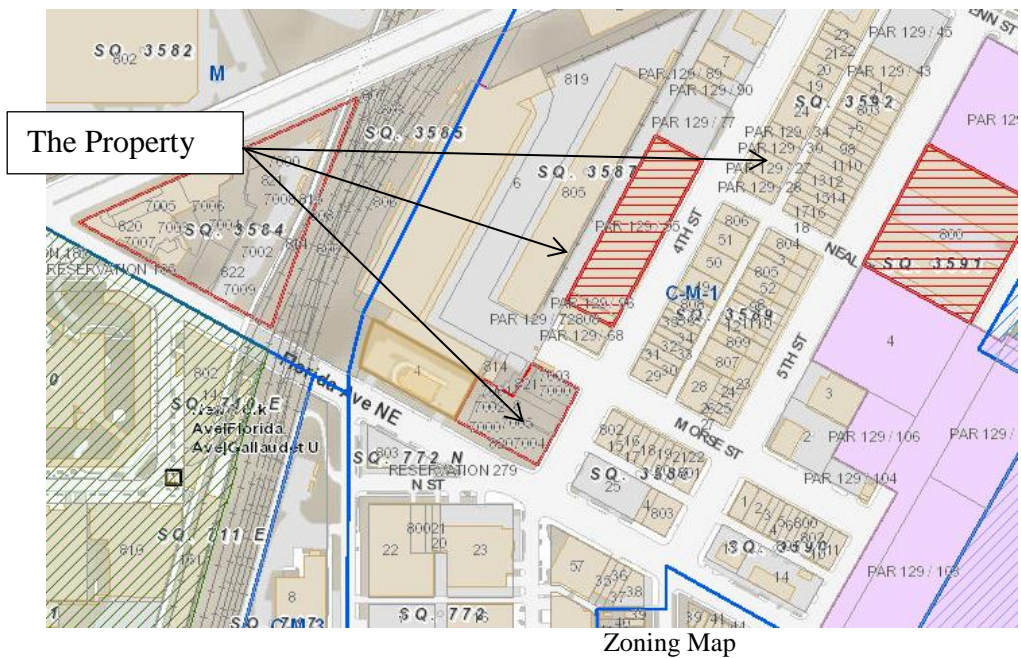
Through mayoral executive order in 2013, a task force was established to create a strategy for the modernization and adaptive use of industrial land in Ward 5. The resultant study strives to do the following: guide the development of existing industrial land into cutting-edge and sustainable production, distribution and repair industry that diversifies the District economy; recommend the preservation of industrial lands; serve as a hub for low-barrier employment and job-training; allow for cheaper land costs; complement and enhance the integrity of neighborhoods; and provide opportunities for arts, recreation and other community amenities, as well as creative start-up maker businesses.

The Property is within the 1,030 acre “Ward 5 Works” study area, and is specifically within the area named the ‘New York Avenue South’ area. While the proposed map amendment-related PUD would preclude future light industrial uses on the Property, the “Ward 5 Works” study acknowledges the FAMS and the market’s revived food distribution and production role, the fast-growth rate of the District, and market pressures for development by Metro that have resulted in zoning map changes that allow for residential uses and a mix of uses that do not

otherwise allow for industrial uses (p.20-22). It also states: “In some ways, this area [FAM] is already sustaining production distribution and repair (PDR) growth—particularly among food industries based in the FAM, though this zone also features several blighted and underperforming properties as well...sites in this zone feature somewhat better vehicular pedestrian connectivity as...Florida Avenue connect[s] to the broader city. This area still requires improved pedestrian and transit access to meet its potential as a PDR hub.” (p.49). In terms of request and its acknowledgement of the Ward 5 Works study, the proposed ground-floor retail uses provide an opportunity for certain creative, start-up maker uses that complement the food-focused retail of Union Market.

V. ZONING

The Property is currently spit-zoned to the “M” General Industry District and primarily the “C-M-1” Commercial-Light Manufacturing District, which is intended to provide sites for light manufacturing activities including warehousing, office and automotive usage at a low intensity level. It does not permit residential use or mixed use development with a residential component. The Applicant proposes C-3-C Major Business and Employment Center District which is designed to accommodate major business and employment centers, housing and mixed use development. It allows for compact, medium-high density development, including office, retail housing and mixed-use development.



The following table compares the existing matter-of-right development capacity of the C-M-1 District with the requested C-3-C District regulations:

Standard	C-M-1 By Right	C-3-C By Right	C-3-C PUD	Proposal
Uses	Industrial, commercial	Office, retail, residential and mixed use	Office, retail, residential, hotel and mixed use	Primarily residential with ground floor retail
Height in feet/stories	40 ft./3-stories	90 ft.	130 ft.	130 ft.
FAR	3.0	6.0	8.0	Overall 6.44
Lot Occupancy %	Not specified	100%	100%	Overall 80.5%
Rear Yard	For the portion of the structure above 20' in height, 12 ft.	2.5"/vertical feet in height, but $\geq 12'$	2.5"/vertical feet in height, but $\geq 12'$	Relief Necessary--27'-1" feet required (for bldgs. A,C, D), 18'-6" (A), 24' (C) and 0'(D) provided
Side Yard	None required	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	Relief Necessary for Bldg A-2, where 21'-7" is required and 6' is provided
Courts	If provided, 6' width for open court and 2.5"/foot of height in width	Width of Open Court: 4"/foot in vertical height, $> 15'$; Area of Closed Court: 2x the square of the width of the court, but >350 sf	Width of Open Court: 4"/foot in vertical height, $> 15'$; Area of Closed Court: 2x the square of the width of the court, but >350 sf	Relief Necessary for Lot C, as the court between C-1 and C-2 is 30' in width, and 40' is required
Parking (spaces)	1/1000 sf of manufacturing, industrial or whole sale establishment	1 space/1,800 sf office; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units	1 space/1,800 sf office; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units	A1: Resi—103 required, 221 proposed; Retail—22 req'd, 62 proposed. A2: Resi/Hotel—38 required, 60 proposed; Retail—0 req'd, 13 proposed. B: Resi—29 req'd, 0 proposed; Retail—12 required, 0 proposed. Relief requested to provide parking within A. C1: Office—117 required, 120 provided; Retail—16 req'd, 16 proposed. C2: Resi—63 req'd, 131 proposed; Retail—16 req'd, 16 provided. D: Office—55 required, 55 provided OR Hotel—38 required, 55 proposed OR Resi—20 required, 55 provided; Retail—5 required, 5 proposed.
Loading	Berth: 1 @ 30' deep Platforms: 1 @ 100 sf & 1 @ 200 sf	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	Relief Requested for Bldg B, C2 and D, where 0 loading is provided for B, 30' berths instead of 55' berths are provided for Bldgs A-1, A-2 & C-2 and 1 X 30' berth and 1 X 20' delivery space to be provided with C-1 (where 3 X 30' berth, 3 X 100 sf platform are required).

VI. FLEXIBILITY

The following zoning flexibility is requested to facilitate the PUD -related map amendment:

- Rear Yard, Side Yard and Court Requirements (§§774.1; 775.1; 776.1)
The Applicant requests flexibility to provide less than required rear yards for buildings A1, A.2 and D; side yard relief for building A2; and court width for the court between buildings C1 and C2. See charts on pages 4 and 5 and 15 for further detail.
- Theoretical Lot Front Open Space Requirement (§2517.3): Due to the creation of theoretical lots, open space in the front of the building an equivalent depth of the required rear yard is required. This relief is required for all six (6) buildings.
- Roof Structures Setback (§411.18):
For building A1, the Applicant has requested roof structure setback relief to allow for 0' and a 5'-6" setback at the north side of the 10-story tower of A1.
- Loading (§ 2201.1):
The Applicant has requested loading relief for buildings A1, B, C1, C2 and D. See charts on pages 4 and 5 and 15 for further detail.
- Shared Parking to provide required parking for Building B within Building A1; and Vary number location and arrangement of parking spaces:
See charts on pages 4 and 5 and 15 for further detail on shared parking for Building B within A1.
- Uses: As stated above, the Applicant requests flexibility of uses for Building A2 for either residential or hotel and for Building D for either residential or hotel or office uses.
- Number of residential Units: The Applicant requests the ability to provide a range of the number of residential units within 10%.
- Interior Component, Exterior Materials, Ground Floor Design: The Applicant requests the ability to vary interior components (including ground floor uses) and exterior materials, including the location and number of exterior balconies. The Applicant also requests the flexibility to vary the location, size and design of the ground floor components based on tenant requirements, licensing and operation.
- Sustainable Features: The Applicant requests the ability to vary sustainable design features provided the total number of LEED points meets LEED Silver, as well as the features, means, and methods of achieving the requisite GAR.

VII. PUD EVALUATION STANDARDS AND PUBLIC BENEFITS AND AMENITIES

The purpose and standards for Planned Unit Developments ("PUD") are outlined in 11 DCMR, Chapter 24. Section 2400.1 and 2400.2 states "The PUD process is designed to encourage high quality developments that provide public benefits... 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 Applicant has requested various flexibilities detailed above and also offers several public benefits and amenities.

The Applicant requests a PUD and related map amendment, which is not inconsistent with the Comprehensive Plan, to allow approximately **90’ of additional building height** above the C-M-1 limits, as well as a **density increase of 3.44 FAR or 732,126 sf**.

Per § 2403.3 PUD Evaluation Standards, the PUD regulations further state that “[t]he 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 state the definition and evaluation standards of public benefits and project amenities. Public benefits are tangible, quantifiable superior features of a proposed PUD that benefit the surrounding neighborhood or public in general to a significantly greater extent than would likely result from a by right project. A project amenity is type of public benefit that is a functional or aesthetic feature of a development that adds to the attractiveness, convenience or comfort of the occupants and immediate neighbors.

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 Applicant 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 spaces - § 2403.9(a)*

Urban Design

In terms of urban design, the Applicant will greatly improve the current pedestrian realm from its current state through the ground floor building design and the streetscape elements.

Ground Floor Building Design: The building design at the ground floor includes base articulation through the use of masonry that helps establish a comfortable pedestrian-scale. The ground floor uses of retail, lobby and leasing with multiple entrances will all help in creating a predictable and comfortable pedestrian experience.

Streetscape Elements: As the Applicant describes, they will provide new streetscapes where they do not currently exist. They will include sidewalks, plantings, street trees, bicycle racks, benches and lighting.

Architecture

The proposed architecture is considered contemporary. The A1 tower is to be a focal point of the to-be-constructed DGS park land, which will have pedestrian and bicycle traffic. The buildings of the consolidated PUD will blend in with industrial/terminal aesthetic of other PUDs in the FAMS. The ground floor retail will activate the pedestrian realm.

Landscaping and Creation of Open Space

The Applicant proposes to provide a public plaza and park at the southwest corner of the property, just north of the DGS park to be improved with ZC #15-01. It will include terraced public gardens, park

space, a water feature, planted buffers, biofiltration gardens and a gantry feature. It will serve as a direct connection from the DGS park to the Property, through to the center of the FAMS area.

The Applicant also proposes a second park within the DMPED-controlled land within Record Lot 6. The park will be passive in nature and will include green space and landscape buffers. It will be provided in phase 2 of the project. This portion of the site is subject to the Consent Letter dated April 20, 2016 and attached to this report.

(b) Site planning, and efficient and economical land utilization - § 2403.9(b)

The proposal would completely transform a significantly underutilized site located within .4 miles of a metro station. The development will add to the activation of the FAMS/Unions Market area with its active retail uses, additional residents, and streetscape and public realm improvements. The coordination between this Property and the adjacent development to the southwest, approved as ZC case No. 15-01 will provide a strong pedestrian connection from Florida Avenue to the market area and an enhanced opportunity for well-designed park space.

(c) Historic preservation of private or public structures, places, or parks - § 2403.9(d)

The existing Property has no historic buildings on site.

(d) Housing - § 2403.9(f)

The Applicant proposes to provide 973,419 square feet of residential use which will be equivalent to 927 units, assuming residential use in both Buildings A2 and D. The minimum IZ requirement of 8% of the residential GFA would be 77,873 sf. Within the 8%, the Applicant proposes 62,298 sf (71 units) at 80% AMI and 15,575 sf (18 units) at 50% AMI. The introduction of residential use in an underutilized site is consistent with planning goals for the property detailed above; however to qualify as an amenity of the development OP encourages the Applicant to provide more than the minimum IZ square footage and target a lower income. OP notes the Applicant requested to transfer 3 units generated by building A2 in Phase 2 within Building B, Phase 1 and has asked the Applicant if flexibility is needed.

(e) Environmental benefits- § 2403.9(h)

The Applicant intends to target LEED Silver rating equivalence.

(f) Uses of special value to the neighborhood or the District of Columbia as a whole § 2403.9 (i)

The Applicant intends to design, build and complete the pedestrian pathway on the DGS-owned park to through the Property to the center of the FAMS. The Applicant will also provide a plaza connecting to this pathway. The pedestrian connection and improvement to the adjacent city-owned land will greatly contribute to the safety and connectivity between NOMA and the Florida Avenue Market. OP looks forward to more information regarding the proposed park on the DMPED-land, as well as interim plans for Neal Place.

VII. AGENCY REFERRALS

If this application is set down for a public hearing, the Office of Planning will refer it to the following government agencies for review and comment:

- Department of the Environment (DDOE);
- Department of Transportation (DDOT);
- Department of Housing and Community Development (DHCD);
- Department of Parks and Recreation (DPR);
- Department of Public Works (DPW);
- DC Public Schools (DCPS);

- Fire and Emergency Medical Services Department (FEMS);
- Metropolitan Police Department (MPD);
- Washington Metropolitan Area Transit Authority (WMATA); and
- DC Water.

VIII. COMMUNITY COMMENTS

The site is located in ANC 5D. The applicant has met with the ANC. OP encourages the applicant to continue its community outreach efforts throughout the public review process.

JS/mcr



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Executive Office of the Mayor
Office of the Deputy Mayor for Planning and Economic Development

April 20, 2016

Government of the District of Columbia
Office of Planning
1100 4th Street, S.W., Suite 650 East
Washington, D.C. 20024

Re: Zoning Commission Case No. 15-27, First-Stage and Consolidated Planned Unit Development and Zoning Map Amendment for 300, 325 and 350 Morse Street, NE (Lots 805, 814, and 817 in Square 3587)

Consent Letter

Ladies and Gentlemen:

The District of Columbia ("District") is the owner of that certain real property known for tax and assessment purposes as Lot 819 in Square 3587 ("District Parcel"). The District, by and through the Deputy Mayor for Planning and Economic Development, consents to the inclusion of the District Parcel in the Application for a Planned Unit Development (PUD) before the District of Columbia Office of Zoning, filed by KF Morse LLC (the "Applicant") under Case Number 15-27 (the "Application") in the above referenced matter. Applicant is hereby designated as the agent of the District, as fee owner of the District Parcel, for the purposes of filing and prosecuting such Application. No changes or amendments shall be made to the Application pertaining to the District Parcel without the prior written consent of the Deputy Mayor for Planning and Economic Development. The consent agreement contained in this Consent Letter shall not constitute an agreement by the District to assume any obligations of the Applicant set forth in the Application, nor shall District be obligated to incur any financial obligations under the Application which would violate Section 446 of the District of Columbia Home Rule Act, the Federal Anti-Deficiency Act, the Anti-Deficiency Act of the District of Columbia, or other applicable law. The consent agreement contained in this Consent Letter is contingent on the District executing an agreement with the Applicant on the long-term use and improvement of the District Parcel. In the event that the District does not execute an agreement with the Applicant regarding the District Parcel prior to the Zoning Commission's first public hearing for the Application, then the consent contained herein shall be null and void.

Please send to Marc Bleyer at marc.bleyer@dc.gov, within one (1) business day of transmission or receipt, an electronic copy of all correspondence which it transmits to Applicant, or receives from Applicant, related to the Application.

Sincerely,

Office of the Deputy Mayor for Planning and Economic Development

By:  _____

Name: Brian T. Kenner

Title: Deputy Mayor for Planning and Economic Development

CC: Sarosh Olpadwala
Andrew Trueblood
Marc Bleyer