

**SUPPLEMENTAL MEMORANDUM**

**TO:** District of Columbia Zoning Commission  
**FROM:** *JL for* Jennifer Steingasser, Deputy Director, Development Review/Historic Preservation  
**DATE:** December 29, 2016  
**SUBJECT:** Supplemental Public Hearing Report for Zoning Commission Case No. 16-13, Consolidated Planned Unit Development and Related Map Amendment from CM-1 to C-2-B, for a property at 1109 Congress Street, NE

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**The OP supplemental report is being submitted less than 10 days prior to the Zoning Commission's Public Hearing. The Office of Planning respectfully requests that the Commission waive its rule and accept this report into the record.**

**I. BACKGROUND**

Application 16-13, by JS Congress Holdings, LLC is for a consolidated PUD with a related map amendment from C-M-1 to C-2-B, to construct a mixed-use building at 1109 Congress Street, N.E. The application was set down for a public hearing by the Commission at its July 25, 2016 public meeting and is thus subject to ZR-58 regulations. At the November 21, 2016 public hearing, the applicant agreed to a continuance to January 4, 2017, to provide time to allow further discussions with the adjacent neighbors who were granted party status in this case, and to more fully address issues raised by the Commission and OP at set down, as noted in the OP November 14, 2016 report, Exhibit 25.

This report is intended to supplement, rather than replace, the OP Public Hearing Report of November 14, 2016 (Exhibit 25). For a full description of the proposal, refer to applicant submissions in the record and the earlier OP setdown and hearing reports.

**II. OP RECOMMENDATION**

The applicant has provided additional submissions (Exhibits 27, 28 and 29) addressing many Commission and OP earlier concerns raised to date. Overall, the Office of Planning (OP) is supportive of the redevelopment, and recommends **approval** of the proposed PUD, subject to the following which are detailed in this OP report:

- Further clarification (which may require some modifications to the proposal) of consistency of the proposal with the full range of Comprehensive Plan direction, specifically related to the provision of affordable housing and the provision of adequate transition from new higher density and height development to proximate moderate density development;
- Clarification and augmentation of the affordable housing proffer; and
- Provision of additional justification for the relief requested, particularly for the rear yard setback.

### III. ZONING COMMISSION / OP COMMENTS AND CONCERNS FROM SETDOWN

In Exhibit 29A, the applicant has provided additional response to the Commission and OP comments raised at setdown in July 2016, as outlined in a chart in the OP November 14, 2016 report. Below are OP comments on the most recent applicant submissions:

<b>Comments at Setdown</b>	<b>Applicant Most Recent Response</b>	<b>OP Comment</b>
Bring the penthouse into compliance with regulations	Penthouse complies	OP supports this change.
Provide additional views and renderings of the penthouse	Additional renderings provided	Exhibit 29B1 includes a rendering (A2.06) showing the habitable and mechanical penthouse, including handrails, lighting, and materials. Building renderings also show the penthouse.
Clarify compliance with the habitable penthouse space affordable housing requirement	Information provided in 20-day submission	This issue appears to have been adequately clarified – the habitable portion of the penthouse would generate a requirement for about 207 sq.ft. of space at 50% AMI within the building.
Provide additional information on the alley closing, and the provision of access to the existing alley	The reconfigured alley substantially improves the 3rd Street neighbors' access to property by widening alley, providing paving, and generally enhancing the overall appearance and experience	OP remains supportive of this change, subject to DDOT concurrence.
Provide additional views from street level	Additional renderings provided	Exhibit 29B includes additional and more refined perspective renderings from along Congress Street, 3 <sup>rd</sup> Street, and the alley (Sheets A2.02 – A2.05). Building elevations are also clearer and more refined (Sheets A4.03 – A4.07).
Reexamine signage at the top of the building which appears redundant	Signage eliminated	The signage does not show on the most recent set of drawings, on the west elevation or the signage sheet (A4.08)

<b>Comments at Setdown</b>	<b>Applicant Most Recent Response</b>	<b>OP Comment</b>
Consider a more robust affordable housing proffer	<p>The Applicant has amended its affordable housing proffer by (i) increasing the square footage amount from 8% (3,712 net sf) to 10% (4,533 net sf) of the total net residential GFA, and (ii) creating one three-bedroom IZ unit in the building (the only 3-BR in the building). The total affordable housing commitment is broken down as follows:                      One 1-BR @ 50% AMI (703 sf)                      One 3-BR @ 80% AMI (1,537 sf)                      One 2-BR @ 80% AMI (900 sf)                      Two 1-BR @ 80% AMI (703 sf &amp; 690 sf)</p>	<p>While OP generally supports the proffer of affordable housing, OP notes that the current proposal represents a reduction in the amount of housing proffered at 50% AMI, from two to one unit. OP does support the proffer of larger sized units, albeit at 80% AMI. By OP calculations, the proffered affordable housing amount, minus the penthouse 50% AMI requirement, is about 9.3% of residential area – the applicant should confirm these numbers. OP agrees with the Commission’s suggestion for an affordable housing proffer of 12%, half at 50% AMI as being consistent with other similar PUDs and commensurate with the high level of flexibility gained through this PUD.</p>
Provide more refined design drawings of the building, materials, landscape, and public space treatment	Additional renderings provided	The drawings of Exhibit 29B are more detailed and refined, and additional renderings have been provided.
Provide landscape and public space treatment plans	Additional photographs and drawings provided. The retaining wall will be brick to match the building; it will follow the profile of the existing stair. The Applicant notes that the existing stair in public space abuts the adjacent property, not the Applicant’s property.	Landscaping is shown on Sheets L6.01 – L6-03 of Exhibit 29B3. Sheet A4.07 of Exhibit 29B2 provides additional detail of the retaining wall, including height and materials.
More fully comply with the Production, Distribution and Repair (PDR) goals of the Comprehensive Plan	The Applicant agrees to the language proposed by OP.	OP supports the provision of 3,825 sq.ft. of space to be subsidized at a rate of \$20 per sq.ft. for the life of the project. OP’s proposed language would help to ensure that the PDR proffer serves this purpose.
Work with DDOT to address the traffic plan, TDM package	Applicant agrees to the recommendations/ conditions in DDOT report	OP supports these changes, subject to DDOT review.

<b>Comments at Setdown</b>	<b>Applicant Most Recent Response</b>	<b>OP Comment</b>
Continue working with ANC 6C to identify the public benefits of special value to the neighborhood that would be commensurate with the related map amendment and increases in height and density.	ANC supports project	The draft benefits and amenities chart (Exhibit 29C) notes the full funding of a Capital Bikeshare station and one year maintenance (currently estimated at \$80,000), and a \$10,000 contribution to dog parks in the area
Provide written commitment to First Source Agreement	Applicant agrees to enter into a First Source Employment Agreement as an added benefit of the PUD.	OP supports this modification. The commitment to enter into a First Source Agreement has been included on the applicant's benefits and amenities chart (Exhibit 29C)
Provide material samples	In response to OP, Applicant has advised that the proposed material will be actual brick, not veneer.	OP supports this clarification. The applicant will provide samples of materials at the public hearing

#### **IV. OP COMMENTS FROM THE ORIGINAL PUBLIC HEARING REPORT**

In the OP November 14, 2016 report, OP raised a number of issues for which additional information or clarification was needed. The Commission also noted additional issues for the applicant to address prior to the continued hearing.

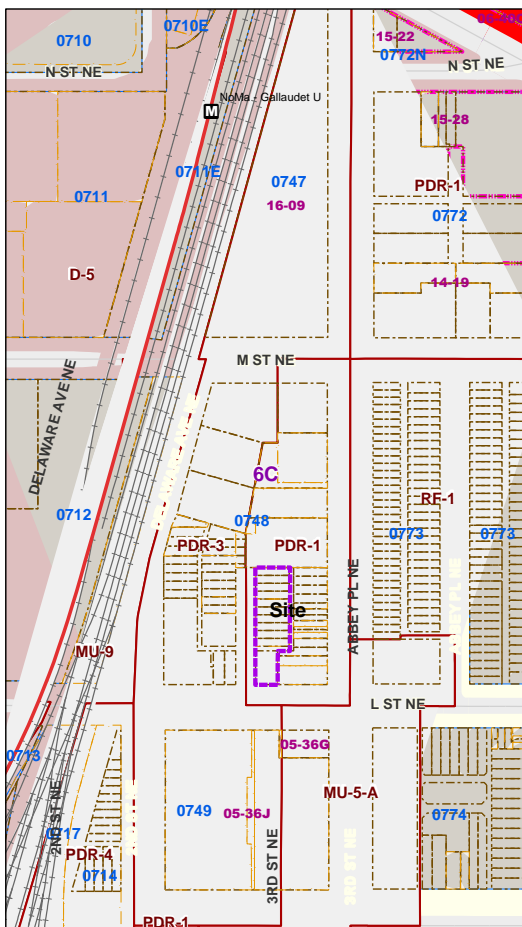
<b>OP Public Hearing Report</b>	<b>OP Comment on Applicant Response (Exhibit 29)</b>
Provision of adequate, more refined and detailed renderings, including a perspective along the alley, renderings of the rooftop, a signage plan, and details of the large retaining wall along a portion of the east property line	As noted above, this information has generally been provided in the drawings of Exhibit 29. OP has suggested to the application that a rendered perspective down the alley, showing the proposed building in context with the residential rowhouses across the alley, should be provided at the hearing.
Further articulation of the portion of the south elevation currently shown as a relatively blank brick wall	In comparing the past submission Exhibit 23 Sheet A4.02 to the current Exhibit 29B Sheet A4.02, some additional articulation of this façade has been added. As this portion of the south elevation is located on the property line, there is limited ability to provide fenestration.
Submission of a site plan showing the location of Pepco vaults in the alley easement, and confirmation from Pepco that this is an acceptable location	The proposed site for the Pepco vaults, as shown on Sheet C7.02 of Exhibit 29B3, is in the portion of the alley easement from Congress Street.

<b>OP Public Hearing Report</b>	<b>OP Comment on Applicant Response (Exhibit 29)</b>
Clarification of the affordable housing proffer, and consideration of an additional affordability proffer, given the level of flexibility gained through the PUD (use, height, density, and parking)	As discussed above, the affordable housing proffer has been modified, with the addition of one 3-bedroom unit at 80% AMI. However, the recent proffer reduces the units at 50% AMI from two to one, and this appears to include the square footage resulting from the penthouse habitable space requirement. Additional analysis is provided later in this report.
Clarification of the proffer for PDR space, which is supported as being consistent with Comprehensive Plan direction, including how the space will be marketed and subsidized so that it qualifies as a benefit	The applicant is proffering the provision of 3,825 sq.ft. of PDR space to be subsidized by \$20 per sq.ft. for the life of the project. The applicant has also agreed to language would help to ensure that the PDR proffer serves this purpose; this language would be incorporated into the Order.
Clarification of First Source Agreement or other job training / employment program	The applicant has agreed to enter into a First Source Agreement.
Provision of adequate justification for the relief from zoning regulations requested	The applicant has not provided additional justification for the requested relief. The applicant has advised OP that this will be provided at the hearing, particularly for the rear yard relief given Commission comments about the relationship between the proposed building bulk/height and the lower density rowhouses across the alley.
Clarification of parking access, loading / loading management plan, and trash removal as well as any other DDOT concerns	A series of parking turning diagrams have been provided in Exhibit 29B3 Sheets T8.01 – T8.14. The applicant has requested relief from loading requirements, and would use curbside loading. The trash room is at the north-west corner of the building, and would be accessed from the private alley easement.

<b>ZC Public Hearing Comments</b>	<b>OP Comment on Applicant Response (Exhibit 29)</b>
Juxtaposition of the proposed height to the adjacent 40 foot residential rowhouse buildings – shading, examine additional setbacks or other architectural gestures	The renderings of Exhibit 29B help to show this relationship, although OP has suggested that a clearer perspective rendering down the alley should be provided at the hearing. Shading diagrams are provided in A6.01. The applicant notes that discussions with the owners of the adjacent rowhouse units continue. The most current submission does not note any changes to the building form or massing, such as set or step backs, and no such changes were readily apparent on the drawings. The applicant has been advised to fully address this at the public hearing.
Additional turning diagrams for van parking space	A series for parking turning diagrams have been provided in Exhibit 29B3 Sheets T8.01 – T8.14.

ZC Public Hearing Comments	OP Comment on Applicant Response (Exhibit 29)
Augmentation of the affordable housing proffer	As noted above, the proffer now includes a 3 bedroom unit at 80% AMI. However, the previous proffer of two units at 50% AMI has been reduced to one unit. OP has suggested to the applicant that they continue to examine ways to strengthen this proffer.
Additional justification of the building height within the Comprehensive Plan medium density residential Future Land Use Map category	The applicant has provided this in Exhibit 29. OP further analysis is provided below.
Provide views along the alley	Renderings from 3 <sup>rd</sup> Street and a rendering of a portion of the proposed building from the alley have been provided in Exhibit 29B.
Concern about the light color of the brick	The color of the brick does not appear to have been changed. The applicant is expected to provide material samples and design rationale at the public hearing.
Additional conversations with the ANC and the adjacent neighbors	The current submission notes continued discussions with the 3 <sup>rd</sup> Street neighbor.

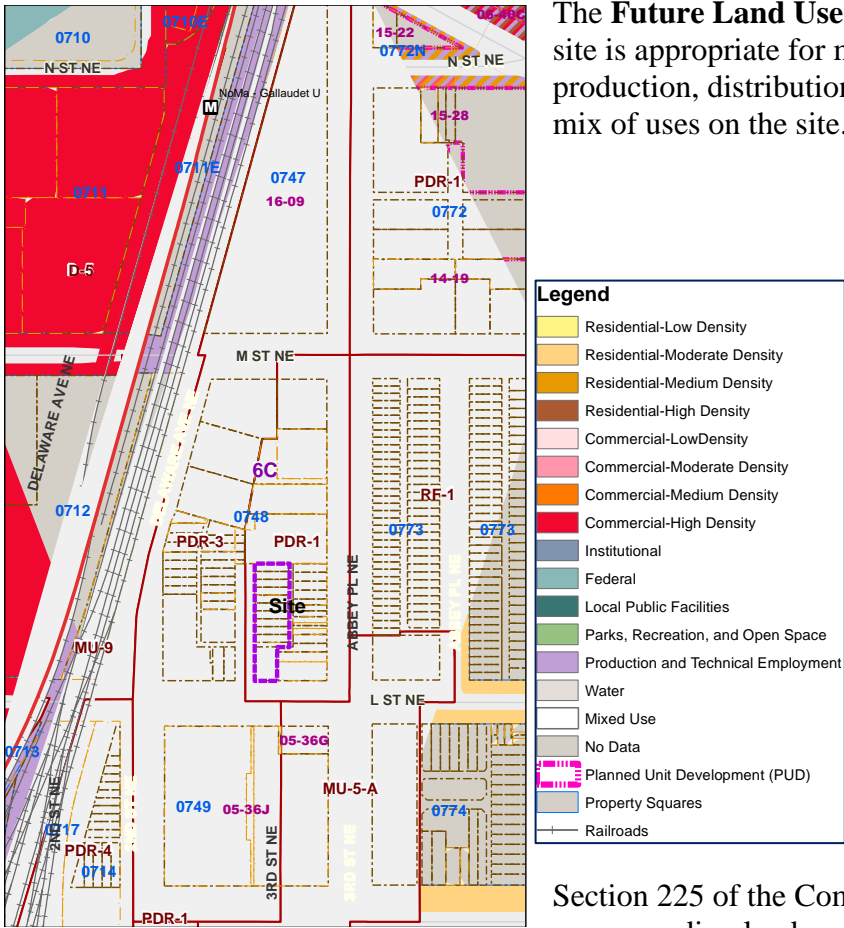
## V. COMPREHENSIVE PLAN AND OTHER PUBLIC POLICIES



At the opening of the public hearing, the Commission requested additional analysis of the proposal, particularly the proposed height, against the Comprehensive Plan. The applicant provided additional analysis as part of Exhibit 29. OP analysis was originally provided in the setback report (Exhibit 11), and supplemented below.

The **Generalized Policy Map** indicates that a change in land use from what exists today is expected and

encouraged for the site. This designation is consistent with that of other properties in this square and squares to the north and south along this section of the Red Metro line; and many properties have been the subject of past or current PUDs. The proposed project would introduce residential uses to a site where it is now prohibited, and its location would not intrude into the areas to the east, across 3<sup>rd</sup> Street NE, that are designated for neighborhood conservation.



The **Future Land Use Map (FLUM)** indicates that the site is appropriate for medium density residential and production, distribution and repair uses. This denotes a mix of uses on the site.

Section 225 of the Comprehensive Plan text identifies corresponding land uses and zoning districts:

<p><b>Medium Density Residential</b></p>	<p>This designation is used to define neighborhoods or areas where mid-rise (4-7 stories) apartment buildings are the predominant use. Pockets of low and moderate density housing may exist within these areas. The Medium Density Residential designation also may apply to taller residential buildings surrounded by large areas of permanent open space.</p>	<p>The corresponding Zone districts are generally R-5 B and R-5-C, although other districts may apply. (225.5)</p> <table border="1" data-bbox="938 1285 1442 1417"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">FAR</th> <th colspan="2">Height</th> </tr> <tr> <th>MoR</th> <th>PUD</th> <th>MoR</th> <th>PUD</th> </tr> </thead> <tbody> <tr> <td>R-5-B</td> <td>2.16</td> <td>3.0</td> <td>50'</td> <td>60'</td> </tr> <tr> <td>R-5-C</td> <td>3.6</td> <td>4.0</td> <td>60'</td> <td>75'</td> </tr> </tbody> </table>		FAR		Height		MoR	PUD	MoR	PUD	R-5-B	2.16	3.0	50'	60'	R-5-C	3.6	4.0	60'	75'										
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<p><b>Production, Distribution and Repair (PDR)</b></p>	<p>This designation is used to define areas characterized by manufacturing, warehousing, wholesale and distribution centers, transportation services, food services, printers and publishers, tourism support services, and commercial, municipal, and utility activities which may require substantial buffering from noise-, air pollution- and light-sensitive uses such as housing. This category is also used to denote railroad rights-of way, switching and maintenance yards, bus garages, and similar uses related to the movement of freight, such as truck terminals.</p>	<p>A variety of Zone districts apply within PDR areas, recognizing the different intensities of use and impacts generated by various PDR activities. The corresponding Zone districts are generally CM-1, CM-2, CM-3, and M, although other districts may apply. The present density and height limits set by these districts are expected to remain for the foreseeable future. 225.12</p> <table border="1" data-bbox="938 1684 1442 1879"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">FAR</th> <th colspan="2">Height</th> </tr> <tr> <th>MoR</th> <th>PUD</th> <th>MoR</th> <th>PUD</th> </tr> </thead> <tbody> <tr> <td>CM-1</td> <td>3.0</td> <td>3.0</td> <td>40'</td> <td>60'</td> </tr> <tr> <td>CM-2</td> <td>4.0</td> <td>4.0</td> <td>60'</td> <td>90'</td> </tr> <tr> <td>CM-3</td> <td>6.0</td> <td>6.0</td> <td>90'</td> <td>90'</td> </tr> <tr> <td>M</td> <td>6.0</td> <td>6.0</td> <td>90'</td> <td>90'</td> </tr> </tbody> </table>		FAR		Height		MoR	PUD	MoR	PUD	CM-1	3.0	3.0	40'	60'	CM-2	4.0	4.0	60'	90'	CM-3	6.0	6.0	90'	90'	M	6.0	6.0	90'	90'
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<b>Mixed Use</b>	<p>The general density and intensity of development within a given Mixed Use area is determined by the specific mix of uses shown. (225.19).                  A variety of zoning designations are used in Mixed Use areas, depending on the combination of uses, densities, and intensities.” (225.21)</p>	<p>Given the mix of uses and the corresponding anticipated heights and densities of the FLUM designations, in combination with Comprehensive Plan policies noted below, the applicant’s proposed zone with its corresponding PUD height and density is generally not inconsistent with this direction, although additional attention to affordable housing and transition to lower density areas would strengthen the proposals response to Comp Plan policy statements:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">FAR</th> <th colspan="2">Height</th> </tr> <tr> <th>MoR</th> <th>PUD</th> <th>MoR</th> <th>PUD</th> </tr> </thead> <tbody> <tr> <td>C-2-B</td> <td>4.2</td> <td>6.0</td> <td>70’</td> <td>90’</td> </tr> <tr> <td>Proposed</td> <td></td> <td>6.0</td> <td></td> <td>90’</td> </tr> </tbody> </table>		FAR		Height		MoR	PUD	MoR	PUD	C-2-B	4.2	6.0	70’	90’	Proposed		6.0		90’
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The Comprehensive Plan provides guidance for the use of the Generalized Policy and Future Land Use Maps (226)

- a. **The Future Land Use Map is not a zoning map.** Whereas zoning maps are parcel-specific, and establish detailed requirements for setbacks, height, use, parking, and other attributes, the Future Land Use Map does not follow parcel boundaries and its categories do not specify allowable uses or dimensional standards. By definition, the Map is to be interpreted broadly.
- b. **The Future Land Use Map is a generalized depiction of intended uses** in the horizon year of the Comprehensive Plan, roughly 20 years in the future. It is not an “existing land use map,” although in many cases future uses in an area may be the same as those that exist today.
- c. The densities within any given area on the Future Land Use Map reflect all contiguous properties on a block—there may be individual buildings that are higher or lower than these ranges within each area. Similarly, the land use category definitions describe the general character of development in each area, citing typical building heights (in stories) as appropriate. **It should be noted that the granting of density bonuses (for example, through Planned Unit Developments) may result in heights that exceed the typical ranges cited here.**
- d. **The zoning of any given area should be guided by the Future Land Use Map, interpreted in conjunction with the text of the Comprehensive Plan,** including the citywide elements and the area elements, as well as approved Small Area Plans.

As noted in the earlier OP reports, the proposal would also further many goals and objectives of the written elements of the Comprehensive Plan, and which further support the proposed building design, massing, and use mix.

The site is within the **Central Washington Area Element**, and specifically within the **NoMA and Northwest One Policy Focus Area** (1618), which notes that “*Large areas of NoMA remain vacant or underutilized today—although that is rapidly changing. The strong demand for Downtown housing has shifted the vision for NoMA’s future, and it is now regarded as an exceptional site for future mixed use development, rather than just technology and back office uses.*” (1618.4) Relevant policy statements include:



***Policy CW-2.8.1: NoMA Land Use Mix***

*Promote NoMA’s development as an active mixed use neighborhood that includes residential, office, hotel, commercial, and ground floor retail uses. A diverse mix of housing, serving a range of household types and incomes, should be accommodated. 1618.9*

***Policy CW-2.8.2: East of the Tracks and Eckington Place Transition Areas***

*Create a production/arts and live-work, mixed-use area east of the CSX railroad tracks between H Street NE and Florida Avenue NE, and in the area east of Eckington Place and north of New York Avenue. Some of this area is shown as “Mixed Use Production Distribution Repair/Residential” on the Future Land Use Map. The intent of this designation is not to blend industrial uses with housing, but rather to retain viable industrial activities until market conditions support their conversion to live-work space, housing, artists studios, and similar uses. These two areas should generally not be developed with large-scale commercial office buildings. Mixed use development, including housing, should be encouraged in both locations. 1618.10*

***Policy CW-2.8.4: Protecting Neighborhoods Abutting NoMA***

*Provide appropriate scale transitions between NoMA and existing adjacent residential neighborhoods in Eckington and Capitol Hill to conserve the fine-grained row house fabric of these communities. Service facilities, loading docks, and other potentially objectionable features should be located away from sensitive uses such as housing. 1618.12*

The proposal would provide a mix of uses, including dedicated “maker” space and residential above, although the residential is not specifically proposed to be dedicated as artist live/work space. The applicant is proposing a greater than required amount of affordable housing, and has been encouraged to augment this proffer to better meet the intent of these provisions. At a proposed height of 90 feet, the building would be lower than many others in NoMA, which can obtain a height of up to 130 feet by right. The Commission has requested that the applicant further address how the building relates to the lower density rowhouses (zoned and designated the same as the subject site).

The NoMa policy focus area in the 2006 Comp Plan also discusses the need for the completion and adoption of a Vision Plan and Development Strategy for NoMA – this plan has since been completed and adopted, and is discussed further below.

The proposal would also further policies of the Land Use, Housing, Environmental Protection, and Urban Design Citywide Elements. A summary and analysis is provided below; the relevant Comprehensive Plan statements are provided in full in Attachment 1 to this report.

**Land Use Element** - The project would further Policy LU-1.1.5, which encourages the development of high density mixed use neighborhoods in Central Washington, including in NoMA. The Land Use Element also encourages infill development and development near metro stations (Policies LU-1.3.1 and LU-1.3.2). While Policy LU-3.1.1 encourages the retention of industrial lands, Policy LU-3.1.4 describes where a rezoning from industrial is acceptable, including in the immediate vicinity of Metro stations and where industry cannot easily co-exist with adjacent uses.

**Housing Element** – As has been noted by the Commission, the District is in critical need of additional housing, particularly on sites proximate to mass transit and sites which would not include the displacement of existing residential units. This need for additional housing is described in H-1.1 through H-1.4, which encourages the development of new housing, particularly on underutilized

land, and the use of zoning incentives to allow greater density for developments that include housing. Policy H-1.2.1 particularly establishes the production of affordable housing as a civic priority.

**Environmental Protection Element** – The proposal would enhance environmental and sustainability objectives through the various green elements that would be built into the project in pursuit of a LEED-Gold certification (policies E-1.1.1, E-1.1.3, and E-2.2.1), including the provision of green roof, and on-site bio-retention areas.

**Economic Development Element** - The Economic Development Element notes that *“PDR jobs are particularly desirable in the District, as they offer competitive wages to persons with limited education an academic credentials”* (§ 711.1). It goes on to state that *“the areas that currently accommodate many of the city’s PDR jobs have come under scrutiny as developers have run short of more favorably-located sites. This is particularly true around the New York Avenue Metro station... The production, distribution, and repair sector plays an important role in supporting other sectors of the economy.”* (§§ 711.2 and 711.3) The provision of over 3,800 sq.ft. of subsidized “maker” space helps to address this objective.

**Urban Design Element** – The proposed building would provide an attractive design and an appropriate streetscape (UD 2.2.5, 3.1.1). The project provides a transition from the higher height and density development to the north and west to towards the lower scale rowhouse neighborhood to the east (UD 2.1.3 and 2.2.5), although, as noted by the Commission additional refinement of the massing and design could help to better address policies UD 2.1.3, 2.2.1, and 2.2.7.

## **VI. NOMA VISION PLAN AND DEVELOPMENT STRATEGY**

The NoMa Vision Plan and Development Strategy (NoMa Plan) is a Council-adopted small area plan that applies to the subject site. As noted in the Comprehensive Plan, *“Small Area Plans are not part of the Comprehensive Plan. As specified in the DC Code, Small Area Plans supplement the Comprehensive Plan by providing detailed direction for areas ranging in size from a few city blocks to entire neighborhoods or corridors. ... The Comprehensive Plan is adopted in a different manner—by legislation—and becomes part of the DC Municipal Regulations.”* 104.8. The NoMA Plan envisions the creation of a new high density mixed use, highly walkable and environmentally advanced neighborhood. Inclusion of significant levels of new housing and retail, and the creation of pedestrian friendly streets are all components of the NoMA Plan, in addition to encouraging creative industries.

The NoMa Plan designates the subject site within Transition Area B: *“Creative Industries/Mixed-Use”* described as *“a mixed-use precinct with a diversity of uses including creative industries, residential and non-profit office uses, studio and live-work spaces...”* (NoMa Plan, p. 5.12). Infill development inspired by the existing PDR character of the area is encouraged. Relevant goals for this sub-area include:

- Provide a diverse mix of uses, including residential and non-residential uses
- Locate the greatest height and density near the NoMa metro station, and along the rail tracks, Florida Avenue and N Street NE

- Enhance connections to the Florida Avenue Market and strive for a synergy of uses in new project plans
- Encourage diversity of housing types, including live-work and flexible space for artists and artisans
- Provide arts and design-oriented businesses and creative industries that can be broadly defined around the goal of creating job diversity

## **VII. INDUSTRIAL LANDS POLICIES OF THE WARD 5 WORKS STUDY**

Although the subject site is located in Ward 6 across Florida Avenue from Ward 5, policies from the Ward 5 Industrial Land Transformation Study, known as Ward 5 Works, are informative to the transition of this property from purely industrial to a mix of residential and PDR-related uses. The study is not a Council-adopted policy document, but provides guidance regarding the opportunities that can be found in industrial development.

The vision of the study is to adapt industrial land to develop a cutting-edge and sustainable production, distribution, and repair industry that diversifies the District's economy, serves as a hub for low-barrier employment, complements and enhances the integrity of neighborhoods, and provides opportunities for arts, recreation and other community amenities. The study encourages the preservation of production uses, environmental stewardship, workforce development, 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. "Maker" spaces are defined as small scale, local businesses devoted to the creation and production of goods and services.

The applicant's commitment to provide dedicated maker space, to be subsidized in perpetuity, for much of the ground floor helps to further the objectives of this study.

## **VIII. ZONING ANALYSIS**

As noted in the OP Public Hearing report (Exhibit 25), OP is not in general opposed to the relief requested. OP continues to recommend to the applicant that additional justification for the relief be provided at the public hearing, particularly for the requested rear yard relief, given concerns expressed by the Commission about the relationship between the proposed building and the rowhouses to the east.

- **§ 2401.2 -- Minimum size of PUD-Site** - The 10,041 square foot site is smaller than the 15,000 square foot minimum, about 67% of the required lot size.
- **§ 774.7 – Rear Yard Depth** - A 15 foot rear yard is required, while the rear yard would be 9'7" for the first 20 feet of building height and 5'4" above that.
- **§ 776– Open Court** - While a court is not required, if provided it is required to be 30 feet wide, while the proposed court is five feet in width.
- **§ 2101 – Parking** - Relief is requested to provide 7 parking spaces total, rather than the 21 residential spaces and 1 non-residential space that would be required.

- **§ 2201 –Loading** - The applicant requests flexibility to provide no loading on the site, rather than the 55’ loading berth, a 200 square foot loading platform, or a 20 foot service delivery space, as required.

## **IX. COMPLIANCE WITH PUD REGULATIONS**

The OP original hearing report (Exhibit 25) provides a review of the applicant’s benefits and amenities proffer. Below is a summary of significant changes made to this package in the applicant’s most recent submission of Exhibits 29, and in particular the Schedule of Benefits and Amenities (Exhibit 29C); these are in addition to proffered items noted in the earlier OP report.

### *Employment and training opportunities:*

OP is supportive of the provision of PDR space within the building, which can be an effective way to encourage small business start-up and local employment.

The applicant has also now agreed to a First Source Agreement, and it is listed on the applicant’s revised benefits and amenities chart.

### *Housing and affordable housing:*

The Project would provide 64 new residential units where none exist today, and are not permitted under current zoning. The applicant is now proffering a total of 5 units with a total square footage of 4,533 square feet, an increase from the previously proposed 3,712 sq.ft. Of these:

- One would be a 3 bedroom unit at 80% AMI (1,537 sq.ft.);
- One would be a 2 bedroom unit at 80% AMI (900 sq.ft.);
- Two would be 1 bedroom units at 80% AMI (703 and 690 sq.ft.); and
- One would be a 1 bedroom unit at 50% AMI (703 sq.ft.) – OP notes that this is a reduction from the previous version of the proposal (Exhibit 23) which included two units with a total area of 1,419 sq.ft. at 50% AMI.

The applicant states that this amounts to 10% of the residential area of the building; however if the zoning required 50% AMI affordable space for the penthouse habitable space is not included, the proffer is approximately 9.3% by OP calculations – this should be confirmed by the applicant.

In comparison, for this building the Inclusionary Zoning (IZ) regulations would require a total of about 3,708 sq.ft. of affordable housing at 80% AMI, and the penthouse habitable space regulations would require an additional 207 sq.ft. of affordable space at 50% AMI. As such, although the zoning regulations acknowledge all housing as a benefit to the District and OP is particularly supportive of the proposed larger sized units at 80%, the net increase over what zoning would require for this building is 213 sq.ft. at 80% AMI, plus 496 sq.ft. at 50% AMI.

OP continues to encourage the applicant to enhance its commitment to affordable housing. For this and similar applications involving a rezoning from low density industrial to medium or high density residential mixed use, OP and the Commission have both suggested 12% of residential area, half of which would be at 50% AMI.

*PDR / Maker space within the building:*

The applicant has proffered the dedication of 3,825 sq.ft. of PDR / maker space, and has committed that this space would be rented at \$20 per square foot less than market rate for the life of the project. The applicant has also agreed to OP proposed language, previously accepted by the Zoning Commission, for the definition of “maker space” – this would be included in the Order. However, one of the PDR spaces is shown on the ground floor plan as “PDR Retail” which requires clarification.

Overall, with improvements to and clarification of the affordable housing proffer, OP recommends the applicant’s proffers as commensurate with the density, height, and use flexibility gained through the PUD.

**X. AGENCY COMMENTS**

No additional agency comments were received by OP.

**XI. COMMUNITY COMMENTS**

As of the date of this report, no additional comments from the ANC or community had been entered into the record. The applicant notes that conversations with the 3<sup>rd</sup> Street neighbors have continued.

## **COMPREHENSIVE PLAN POLICIES**

### **LAND USE ELEMENT**

#### ***Policy LU-1.1.5: Urban Mixed Use Neighborhoods***

*Encourage new central city mixed use neighborhoods combining high-density residential, office, retail, cultural, and open space uses in the following areas:*

*Mt Vernon Triangle*

*North of Massachusetts Avenue (NoMA)*

*Downtown East*

*South Capitol Street corridor/Stadium area*

*Near Southeast/Navy Yard*

#### ***Policy LU-1.3.1: Station Areas as Neighborhood Centers***

Encourage the development of Metro stations as anchors for economic and civic development in locations that currently lack adequate neighborhood shopping opportunities and employment. The establishment and growth of mixed use centers at Metrorail stations should be supported as a way to reduce automobile congestion, improve air quality, increase jobs, provide a range of retail goods and services, reduce reliance on the automobile, enhance neighborhood stability, create a stronger sense of place, provide civic gathering places, and capitalize on the development and public transportation opportunities which the stations provide. This policy should not be interpreted to outweigh other land use policies which call for neighborhood conservation. Each Metro station area is unique and must be treated as such in planning and development decisions. The Future Land Use Map expresses the desired intensity and mix of uses around each station, and the Area Elements (and in some cases Small Area Plans) provide more detailed direction for each station area. <sup>306.10</sup>

#### ***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. <sup>306.11</sup>

#### ***Policy LU-1.3.3: Housing Around Metrorail Stations***

Recognize the opportunity to build senior housing and more affordable “starter” housing for first-time homebuyers adjacent to Metrorail stations, given the reduced necessity of auto ownership (and related reduction in household expenses) in such locations. <sup>306.12</sup>

#### ***Policy LU-1.3.4: 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. Discourage the development of station areas with conventional suburban building forms, such as shopping centers surrounded by surface parking lots. <sup>306.13</sup>

***Policy LU-1.3.5: Edge Conditions Around Transit Stations***

Ensure that development adjacent to Metrorail stations is planned and designed to respect the character, scale, and integrity of adjacent neighborhoods. For stations that are located within or close to low density areas, building heights should “step down” as needed to avoid dramatic contrasts in height and scale between the station area and nearby residential streets and yards. <sup>306.14</sup>

***Policy LU-3.1.1: Conservation of Industrial Land***

Recognize the importance of industrial land to the economy of the District of Columbia, specifically its ability to support public works functions, and accommodate production, distribution, and repair (PDR) activities. Ensure that zoning regulations and land use decisions protect active and viable PDR land uses, while allowing compatible office and retail uses and development under standards established within CM- and M- zoning. Economic development programs should work to retain and permit such uses in the future. <sup>314.7</sup>

***Policy 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 PDR 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... <sup>314.10</sup>

**HOUSING ELEMENT**

***H-1.1 Expanding Housing Supply*** <sup>503</sup>

Expanding the housing supply is a key part of the District’s vision to create successful neighborhoods. Along with improved transportation and shopping, better neighborhood schools and parks, preservation of historic resources, and improved design and identity, the production of housing is essential to the future of our neighborhoods. It is also a key to improving the city’s fiscal health. The District will work to facilitate housing construction and rehabilitation through its planning, building, and housing programs, recognizing and responding to the needs of all segments of the community. The first step toward meeting this goal is to ensure that an adequate supply of appropriately zoned land is available to meet expected housing needs. <sup>503.1</sup>

***Policy H-1.1.1: Private Sector Support***

Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives. <sup>503.2</sup>

***Policy H-1.1.2: Production Incentives***

Provide suitable regulatory, tax, and financing incentives to meet housing production goals. These incentives should continue to include zoning regulations that permit greater building area for commercial projects that include housing than for commercial projects that do not include housing. <sup>503.3</sup>

***Policy H-1.1.3: Balanced Growth***

Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to

meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing. 503.4

***Policy H-1.1.4: Mixed Use Development***

Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations. 503.5

***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. 504.6

***Policy H-1.2.7: Density Bonuses for Affordable Housing***

Provide zoning incentives to developers proposing to build low- and moderate-income housing. Affordable housing shall be considered a public benefit for the purposes of granting density bonuses when new development is proposed. ... 504.14

**ENVIRONMENTAL PROTECTION ELEMENT**

***Policy E-1.1.1: Street Tree Planting and Maintenance***

Plant and maintain street trees in all parts of the city, particularly in areas where existing tree cover has been reduced over the last 30 years. Recognize the importance of trees in providing shade, reducing energy costs, improving air and water quality, providing urban habitat, absorbing noise, and creating economic and aesthetic value in the District's neighborhoods. 603.4

***Policy E-1.1.3: Landscaping***

Encourage the use of landscaping to beautify the city, enhance streets and public spaces, reduce stormwater runoff, and create a stronger sense of character and identity. 603.6

***Policy E-2.2.1: Energy Efficiency***

Promote the efficient use of energy, additional use of renewable energy, and a reduction of unnecessary energy expenses. The overarching objective should be to achieve reductions in per capita energy consumption by DC residents and employees. 610.3

***Policy E-2.2.5: Energy Efficient Building and Site Planning***

Include provisions for energy efficiency and for the use of alternative energy sources in the District's planning, zoning, and building standards. The planning and design of new development should contribute to energy efficiency goals. 610.7

***Policy E-3.1.2: Using Landscaping and Green Roofs to Reduce Runoff***

Promote an increase in tree planting and landscaping to reduce stormwater runoff, including the expanded use of green roofs in new construction and adaptive reuse, and the application of tree and landscaping standards for parking lots and other large paved surfaces. 613.3



## **URBAN DESIGN**

### ***Policy UD-2.1.3: Downtown Edges***

Establish and maintain scale and density transitions between Downtown and adjacent lower density neighborhoods. Use variations in height, massing, and architectural quality to ensure that the fine-grained pattern of adjacent neighborhoods is protected. <sup>909.10</sup>

### ***Policy UD-2.2.1: Neighborhood Character and Identity***

Strengthen the defining visual qualities of Washington’s neighborhoods. This should be achieved in part by relating the scale of infill development, alterations, renovations, and additions to existing neighborhood context. <sup>910.6</sup>

### ***Policy UD-2.2.4: Transitions in Building Intensity***

Establish gradual transitions between large-scale and small-scale development. The relationship between taller, more visually prominent buildings and lower, smaller buildings (such as single family or row houses) can be made more pleasing when the transition is gradual rather than abrupt. The relationship can be further improved by designing larger buildings to reduce their apparent size and recessing the upper floors of the building to relate to the lower scale of the surrounding neighborhood. <sup>910.11</sup>

### ***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. <sup>910.12</sup>

### ***Policy UD-2.2.7: Infill Development***

Regardless of neighborhood identity, avoid overpowering contrasts of scale, height and density as infill development occurs. <sup>910.15</sup>

### ***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. <sup>913.8</sup>