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VIA IZIS

Anthony Hood, Chairperson
D.C. Zoning Commission
441 4th Street, NW, Suite 200S
Washington, DC 20001

**RE: ZC Case No. 19-01
Applicant's 20-Day Supplemental Statement**

Chairperson Hood and Honorable Members of the Commission:

On behalf of Applicant Wesley Hawaii LLC (the "Applicant"), we hereby submit the following supplemental information, pursuant to Subtitle Z § 401.5, concerning the application in Zoning Commission Case No. 19-01 for a consolidated Planned Unit Development and related Zoning Map amendment at 1 Hawaii Avenue NE (the "Property"). The Applicant has incorporated several modifications to the project design as it has continued its work with the community to refine the now 70-unit, all-affordable apartment building (the "Project"). The Applicant looks forward to presenting its application before the Zoning Commission on September 16, 2019.

I. Updates to the Architectural Plans

In June 2019, the Applicant requested a postponement of the previously scheduled hearing for the purposes of responding to issues raised by the community. (Ex. 20). As a result of extensive outreach with the community, the Applicant refined the Project design, improved pedestrian safety, increased parking and reduced the height of the Project (the "Plans"). A copy of the Plans are attached at **Tab A**. The following outlines a number of improvements and enhancements in the Plans:

A. Reduction to Building Height

The Applicant reduced the building from five stories to four stories plus a cellar. See **Tab A**, Sheets A2.01 – A3.02. The proposed building height is now 48'6". See **Tab A**, Sheets A2.01 – A3.02. As with the original design, there will be a non-habitable mechanical penthouse that is 10' in height. See **Tab A**, Sheets A1.05, A2.01. The mechanical penthouse will be located in a substantially similar position above the fourth story and will be appropriately setback from each

roof wall. See **Tab A**, Sheet A1.05. The Applicant has also incorporated solar panels along the southeastern portion of the roof.¹ See **Tab A**, Sheet A1.05

B. Reduction to Unit Count and Floor-Area-Ratio

As a result of the revised Project height, the dwelling units have been reduced from 78 to 70. The decrease in units also prompted minor alterations to the Project's floorplan. As in the original plan set, the Plans propose dwelling units on floors one through four as well as the cellar level. The revised unit mix includes the following (with previous number in parentheses):

Studios - 10 (9)
1-Bedrooms - 38 (41)
2-Bedrooms - 7 (10)
3-Bedrooms - 15 (18)

The Project will have 19 "family-sized" units of 2- or 3-bedroom sizes. To that end, the number of family-sized units is a substantial increase over the existing building, which has four 2-bedroom units and no 3-bedroom units.

The Project's floor-area-ratio ("FAR") is likewise decreased from 2.58 (68,238 sq. ft. of gross floor area) to 2.24 (59,070 sq. ft. of gross floor area). Due the reduced unit count and FAR, the Applicant has updated its designation of Inclusionary Zoning ("IZ") units accordingly. See **Tab A**, Sheet A6.02.²

The all-affordable, 70-unit Project remains superior to that which could be provided by-right at the Property. Under the current RA-1 zoning, a building at the Property could not exceed 1.08 FAR with IZ. This PUD and Map Amendment will allow the Applicant to more than double the permitted matter-of-right gross floor area of approximately 28,512 sq. ft.

With the updated Plans, the Project proposes approximately 59,070 sq. ft. of new residential units, 30,500 sq. ft. more than a by-right scenario. Importantly, the Project is providing 70 affordable units, 52 of which will be at or below 60% AMI. The Applicant worked with the Project architect to maintain the greatest number of family units in the updated Plans.

C. Increase to Parking Spaces

The Plans incorporate 14 parking spaces, an increase of two spaces over the Applicant's original proposal of 12 parking spaces. See **Tab A**, Sheet A1.01. The Applicant added two parking spaces in response to the community comments regarding parking. The proposed 14 parking

¹ The Applicant is still exploring the availability of solar panels with third-party vendors. Though the Applicant fully intends to include solar panels at the Project, the solar panels are subject to availability and the appropriate financial mechanisms.

² The IZ units have been identified despite the Project being all-affordable. Further, as noted in the prehearing statement (Ex. 15), the IZ units were reconfigured so that no IZ unit was directly adjacent to the loading area or trash area per a comment from Commissioner Turnbull. It should also be noted that there are no IZ units on the cellar level.

spaces exceeds the minimum requirement of 11 parking spaces for the Project with 70 dwelling units.³

D. Addition of Outdoor Play Area

The Applicant intends for the Project to be family-friendly as reflected in the 19 family-sized units. To that end, the Applicant has added an outdoor play area to the Project. The outdoor play area will offer an on-site, enclosed space for children. The play area will be a convenient and safe play option that does not require parents to bring children to recreation centers or parks. The outdoor play area is located at the southwest corner of the Property adjacent to Rock Creek Church Road NW. See **Tab A**, Sheets A1.00, L1.01. The addition of a play area does not alter the Project's footprint, but simply replaces a space on the Property that was previously dedicated to landscaping features. The Applicant will work collaboratively with the Tenant Association to program the new outdoor play area.

E. Updates to Exterior Design

The Applicant has refined and upgraded the Project's exterior design. Along the Project's north elevation, the Applicant has added a vertical row of floor-to-ceiling windows enclosing an internal stairwell. See **Tab A**, Sheets A5.03-A5.04. By opening up the stairwell feature, the Applicant intends to encourage a healthy building through better internal circulation where residents will be more likely to utilize the stairs. The window feature is largely mimics the glass enclosure around the primary stairwell closer to the building entrance, which is also on the Project's north elevation. The exterior material of the fourth story will primarily be light gray stucco instead of brick. See **Tab A**, Sheet A2.01. Additionally, on the portion of the Project closest to the intersection of Rock Creek Church Road and Allison Street, the brick color has been darkened from ochre to red brick. See **Tab A**, Sheet A2.01.

The Project's south elevation features similar aesthetic updates. The fourth story will mainly be light gray stucco, and the brick along the southwestern portion has been changed to red brick. See **Tab A**, Sheet A2.02. The west elevation reflects the same stucco material along the fourth story as well as the red brick color. See **Tab A**, Sheet A2.02. Where the stucco detailing previously scaled the entirety of the building, there is now a window feature circumscribed by metal paneling. See **Tab A**, Sheet A2.02.

F. Updates to Public Space Plan

The Applicant has continued to refine its plans for the public space surrounding the Property. Most notably, the Applicant added a "pick-up/drop-off" zone for cars along Rock Creek Church Road. See **Tab A**, Sheet C.02. This change was made in response to community comment concerning increased traffic and vehicular stops along Hawaii Avenue NE. As such, the parking zone is intended to deter vehicles, including taxis and ride-shares, from stopping along the more heavily trafficked Hawaii Avenue.⁴ The Plans include the designated pick-up and drop-off zone as well as new pedestrian path and enhanced landscaping.

³ As noted in the original application, the Project qualifies for a 50% reduction in the required vehicular parking because it is within ½ mile of the Fort Totten Metrorail Station.

⁴ The Applicant also worked with Uber to ensure trips from the Property originate at the pick-up/drop-off zone on Rock Creek Church Road NW and not on Hawaii Avenue NE.

II. Traffic and Transportation

In light of issues raised by some community members concerning traffic, key findings from the Applicant's Comprehensive Transportation Review ("CTR") highlighted herein. The CTR was prepared by Gorove/Slade Associates ("Gorove/Slade") and filed in June 2019. (Ex. 18).

The CTR states that, as a whole, the Project "will not have a detrimental impact to the surrounding transportation network." (Ex. 18A1, pg. 6). This conclusion is made based on the previous iteration of the Project, which had 8 more dwelling units and two fewer parking spaces. Nonetheless, Gorove/Slade found that the Project would generate 7 new net vehicular trips in the morning peak hour and 9 new net vehicular trips in the afternoon peak hour. (Ex. 18A2, pg. 7). Notably, this is well below the threshold of 25 peak hour trips to require a vehicular capacity analysis, which was confirmed by the District Department of Transportation. (Ex. 18A2, pg. 7).

Gorove/Slade confirms that the Property is well-served by a variety of public transit options, including Metrobus and Metrorail. (Ex. 18A2, pg. 8). In addition to being less than ½ of a mile from the Fort Totten Metrorail Station, the Project will be within ¼ of a mile of 12 Metrobus stops, including three stops on or directly adjacent to the Property. (Ex. 18A2, pg. 8, 10).

The CTR identifies other factors that would mitigate traffic impacts. In particular, the Project will have almost twice the amount of required long-term bicycle parking spaces and triple the requirement for short-term bicycle spaces. The Project's bicycle parking will encourage residents to utilize bicycle transit instead of cars, and, as Gorove/Slade found, the surrounding network of bicycle facilities provide "good conditions for local trips." (Ex. 18A3, pg. 3). Additionally, Gorove/Slade also studied surrounding pedestrian facilities and found that they allow for the accessibility to nearby transit options. (Ex. 18A2, pg. 11).

Finally, the CTR outlines the Applicant's Transportation Demand Management Plan, which includes:

- Identifying a TDM Leader and distributing transportation options to building residents
- Providing TDM contact information to DDOT and goDCgo
- TDM Leader training from goDCgo
- Public posting of TDM commitments online
- Applicant to provide website links to commuterconnections.com and godcgo.com on building website
- The Project will exceed zoning requirements for both long-term and short-term bicycle parking
- Long-term bicycle storage room will accommodate non-traditional bike sizes, including cargo, tandem and kids' bikes
- Applicant will provide a bicycle repair station in the long-term bicycle storage room
- Applicant will unbundle parking costs from rental costs, and parking cost will be the average market rate within ¼ mile of the Property at a minimum
- Applicant will install a transportation information center display within the Project lobby

The CTR demonstrates that the Project will not have an adverse impact to traffic and transportation around the Property. Accordingly, the updated Plans with eight less units and two more parking space will still have no adverse impact on the neighborhood.

III. Community Outreach

The Applicant has engaged in significant community outreach before and after filing the subject application. Recently, the Applicant requested a postponement of its initial hearing in July at the request of ANC 5A (the “ANC”). The ANC indicated to the Applicant that it would not vote on the proposed Project until outstanding issues had been resolved with the Fort Totten Civic Association (the “Civic Association”). The Civic Association raised several concerns, including as to the proposed Project’s density and number of additional residents, parking, traffic and safety. Similar concerns were raised by tenants of the existing building at the Property through the 1 Hawaii Ave NE Tenants Association (the “Tenants Association”).

In an effort to resolve those concerns, the Applicant has met with a variety of community stakeholders, including the ANC, the Civic Association, and the Tenants Association. The following dates represent formal community meetings where the Applicant has presented the Project:

- May 2018 – ANC 5A
- September 2018 – Fort Totten Civic Association
- October 16, 2018 – ANC 4D
- October 24, 2018 – ANC 5A
- January 30, 2019 – ANC 5A
- February 27, 2019 – ANC 5A
- March 27, 2019 – ANC 5A
- April 13, 2019 – Fort Totten Civic Association
- June 8, 2019 – Fort Totten Civic Association
- July 27, 2019 – Fort Totten Civic Association
- August 21, 2019 – ANC 5A

These meetings are in addition to regular meetings the Applicant holds with the Tenants Association concerning both the operation of the existing building and the Project. The Civic Association held additional meetings without the Applicant in order to discuss and vote on the Applicant’s presentations and material provided.

The Applicant shared with the community that, as a non-profit organization, it is a long-term owner of all its projects, including at the Property. The Applicant’s mission is to work collaboratively within its communities, focus on a shared vision, and find compromise when and if possible. The Applicant’s mission was a driving factor in allowing and accepting updates to the Project design. Furthermore, the Applicant worked with the Tenants Association to get feedback, ideas and questions from the current tenants and incorporate them into the updated Plans.

The Applicant’s time and willingness to make revisions to the Plans resulted in community support. As a result of the changes reflected in the Plans, the ANC, the Civic Association and the Tenants Association all support the proposed Project. On August 21, 2019,

ANC 5A held a specially scheduled meeting to deliberate on the subject application and the Project. At that meeting, ANC 5A voted unanimously to support this application and the Project. During the meeting, Dwight Callaway, President of the Civic Association, also spoke in regard to the Applicant’s work to address the Civic Association’s concerns with the Project.

IV. Benefits and Amenities

In its initial statement and prehearing statement, the Applicant outlined the numerous benefits and amenities that the Project will offer to the community. (Ex. 2, 15). The Applicant proffers benefits that include superior urban design and architecture, superior landscaping and preservation of open spaces, superior site planning, housing, affordable housing, social services, environmental and sustainability,⁵ and uses of special value.

1. Affordable Housing

The affordable housing element remains the Project’s most substantial public and community benefit. The Applicant is excited to offer the following affordability levels for the Project:

Residential Unit Type	Percentage of Total	Unit Count	Income Type	Affordable Control Period	Affordable Unit Type
Total	100%	70			
LIHTC Affordable Units	26%	18	Up to 80% MFI	40 years	Rental
IZ Affordable Units	10%	7	Up to 60% MFI	For life of project after 40 year control period ends	Rental
LIHTC Affordable Units	13%	9	Up to 60% MFI	40 years	Rental
LIHTC Affordable Units	41%	29	Up to 50% MFI	40 years	Rental
LIHTC Affordable Units	10%	7	Up to 30% MFI	40 years	Rental

Accordingly, the Project will have an average affordability level of 58% MFI or lower. Given the Applicant’s expected method of financing the Project through Low Income Housing Tax Credits, tax-exempt bonds, and the Housing Production Trust Fund, the Project will offer these affordability levels for no less than 40 years.⁶ After this period, the Project will continue to have the required minimum set aside of IZ units at or below 60% MFI.

⁵ As clarified in the Prehearing Statement (Ex. 15), the Applicant has committed to reaching a LEED-Gold certification for the Project.

⁶ The existing Site Acquisition Funding Initiative covenant recorded against the Property requires that 34 units be at or below 60% MFI for a period of 40 years. However, it is likely that this covenant will be released when the

The PUD and Map Amendment would create 70 affordable units, whereas a by-right development in the RA-1 zone would only provide approximately 2,851 sq. ft. of IZ set aside, or roughly 4-5 units, at 60% AMI.

To that end, the Project continues to be consistent with the Comprehensive Plan policies set forth in the Applicant's Initial Statement, including the Housing Element. In particular, the Applicant is not only preserving 34 rent-controlled units, but providing a substantial number of new, high-quality affordable units. *See Policy H-1.1.5: Housing Quality, Policy H-1.2.1: Affordable Housing Production as a Civic Priority, Policy H-1.3.1: Non-Profit Involvement.* A majority of the units at the Project will be offered at or below 60% MFI, thereby providing a deeper level of affordability than that provided by the IZ requirement. The Applicant has worked diligently to ensure that existing rent levels are preserved for current tenants and those tenants are entitled to a robust relocation plan that will avoid displacement. *See Policy H:2.1.1: Protecting Affordable Rental Housing, Policy H-2.1.3: Avoiding Displacement.* The result is a Project that aims to be a source of pride for the community as well as an apartment building that will remain affordable in the long-term. *See Policy H:2.1.5: Long-Term Affordability Restrictions.* In terms of affordable housing, the Project remains superior to a building that could be provided in a by-right scenario.

2. *Uses of Special Value to the Neighborhood*

Further, the Applicant is excited to offer two additional benefits for the Civic Association. Specifically, the Applicant has agreed to contribute organizational dues of \$2,500 per year to the Civic Association for a period of 10 years. This contribution will help to sustain the Civic Association, which was only recently re-activated after a dormant period. What's more, the Applicant will provide access to its first floor amenity room for the purposes of Civic Association meetings at no charge. Previously, the Civic Association had difficulty finding public space to hold its meetings, so this benefit addresses a need for the Civic Association. The Civic Association will be entitled to hold up to two meetings per month at the Project for as long as the Civic Association remains active.

3. *Uses of Special Value to the District*

The Applicant previously confirmed that it will be entering into a First Source Employment Agreement in connection with construction of the Project. (Ex. 15). At the August 21st ANC Meeting, the community requested additional information as to the Applicant's involvement in the District's First Source program. In response to this query, the Applicant proffers a benefit that would require submission to DCRA's Zoning Administrator of an executed First Source Employment Agreement to DCRA's Zoning Administrator prior to the issuance of a building permit for the Project. The First Source Employment Agreement will be with the D.C. Department of Employment Services in substantially similar form to that filed at Ex. 15F.

Applicant proceeds with additional financing for construction of the Project. It is expected that DHCD will require new affordability covenants to be recorded against the Property.

V. Update to Flexibility Requested by Applicant

In addition to the flexibility requested by the Applicant in the initial statement, the Applicant requests flexibility in connection with affordability levels for the Project. As noted above, the Applicant proposes a building-wide average affordability level of 58% MFI. The Applicant requests flexibility to modify the proffered affordability levels, both in terms of unit percentages and corresponding MFI levels, provided the overall average affordability levels do not exceed 60% MFI for the Project.

It should also be noted that the Applicant requested flexibility for a proposed retaining wall exceeding 42 inches in height that is located along the proposed drive aisle adjacent to Allison Street NW. (Ex. No. 2, pg. 12). However, the retaining wall restriction only applies in the R and RF zones. The Property is currently zoned RA-1 and the Applicant proposes a map amendment to the RA-2 zone. Accordingly, flexibility from the retaining wall requirements is not needed.

VI. Witnesses

The Applicant will have four witnesses to testify on its behalf at the public hearing. Outlines of witness testimony are attached at **Tab B**. Chris Marshall will testify on behalf of Wesley Housing Development Corporation, the Applicant's parent entity. David Haresign of Bonstra|Haresign Architects will testify in an expert capacity as the Project architect. A copy of Mr. Haresign's resume is attached at **Tab C**. Daniel VanPelt of Gorove/Slade Associates will testify in an expert capacity as to traffic and transportation issues. Mr. VanPelt's resume were previously filed at Ex. No. 18B. Stephen Varga of Cozen O'Connor will testify in an expert capacity as to land use and planning goals for the Project and consistency with the District's Comprehensive Plan. A copy of Mr. Varga's resume is attached at **Tab C**.

VII. Conclusion

We look forward to presenting the Project to the Zoning Commission at the public hearing scheduled on September 16, 2019.

Sincerely,
COZEN O'CONNOR



Meridith Moldenhauer



Eric J. DeBear

Certificate of Service

I HEREBY CERTIFY that on this 27th day of August, 2019, a copy of this 20-Day Supplemental Statement was served, via email, on the following:

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