

**COMPLIANCE WITH THE COMPREHENSIVE PLAN AND  
SOUTHWEST NEIGHBORHOOD SMALL AREA PLAN (11-X DCMR § 604.5)**

**I. COMPLIANCE WITH THE COMPREHENSIVE PLAN**

The proposed Schemes are not inconsistent with the guiding principles, policies, and goals of the Comprehensive Plan, including the designations for the Property on the Future Land Use Map (“FLUM”) and Generalized Policy Map (“GPM”).

**A. Purposes of the Comprehensive Plan**

The purposes of the Comprehensive Plan are six-fold: (1) to define the requirements and aspirations of District residents, and accordingly influence social, economic and physical development; (2) to guide executive and legislative decisions on matters affecting the District and its citizens; (3) to promote economic growth and jobs for District residents; (4) to guide private and public development in order to achieve District and community goals; (5) to maintain and enhance the natural and architectural assets of the District and (6) to assist in conservation, stabilization, and improvement of each neighborhood and community in the District. (D.C. Code §1-245(b)).

Both of the Schemes would advance these purposes by promoting the social, physical and economic development of the District through the provision of a high-quality, mixed-use building on the Property without generating any adverse impacts. Both Schemes will improve the surrounding neighborhood by providing housing, jobs, and locally-serving retail and, in the case of the Mixed-Use Scheme, office opportunities. In addition, and as described in detail herein, they would advance many of the concepts envisioned for the Southwest in the Comprehensive Plan, as supplemented by the SW Plan.

**B. Future Land Use Map**

The Future Land Use Map of the Comprehensive Plan designates the Property as High Density Commercial. According to the Framework Element, effective as of August 27, 2020, the High Density Commercial land use category is used to define the central employment district, other major office centers, and other commercial areas with the greatest scale and intensity of use in the District. Office and mixed office/retail buildings with densities greater than a FAR of 6.0 are the predominant use, although high-rise residential and many lower scale buildings (including historic buildings) are interspersed. *See* Framework Element § 227.13. The proposal to develop the Property with a mixed-use, high density building is fully consistent with the High Density Commercial designation for the Property.

**C. Generalized Policy Map**

The Property is located in a Neighborhood Enhancement Area on the Generalized Policy Map. Neighborhood Enhancement Areas are neighborhoods with substantial amounts of vacant and underutilized land. *See* Framework Element § 225.6. The guiding philosophy in Neighborhood Enhancement Areas is to ensure that new development responds to the existing character, natural features, and existing/planned infrastructure capacity. New housing should be encouraged to

improve the neighborhood and must be consistent with the land-use designation on the Future Land Use Map and with Comprehensive Plan policies. *See* Framework Element § 225.7. Development of the Property with either Scheme would be fully consistent with this designation since it would develop presently underutilized and mostly vacant land with a new mixed-use building that has been carefully designed to fit in with and respond to the existing character of the surrounding Southwest area. The new housing proposed in both Schemes will improve the neighborhood and as described above would be fully consistent with the FLUM’s designation for the Property.

**D. Guiding Principles of the Comprehensive Plan**

The Schemes are consistent with many of the guiding principles of the Comprehensive Plan for managing growth and change, creating successful neighborhoods, increasing access to education and employment, connecting the city, and building green and healthy communities. See 10A DCMR §§ 217-227 for descriptions of the individual guiding principles.

Consistent with these goals, both Schemes would establish a new mixed-use building that includes neighborhood-serving retail to benefit residents and employees of the neighborhood. The retail (and in the case of the Mixed-Use Scheme, the office) will create new jobs for District residents and provide neighborhood-serving amenities. The new building will grow the District’s tax base, strengthen M and South Capitol Streets as major urban boulevards, and help reinvigorate the existing neighborhood fabric. Moreover, the new residential units in both Schemes will greatly assist in addressing the continuing demand for additional housing in the District. The Schemes would advance the District’s transportation goals of improving access to jobs and education and connecting the city by redeveloping an underutilized and mostly vacant Property in a location that has convenient access to many public transportation options and bicycle facilities. Moreover, redevelopment of the Property would involve significant new streetscape improvements that will improve mobility, circulation, and safety around the Property and throughout the neighborhood and beyond. Finally, the Schemes both include sustainable design elements that will promote the District’s goals of building green and healthy communities.

**E. District-Wide and Area Elements of the Comprehensive Plan**

**1. Land Use Element**

The Land Use Element is the cornerstone of the Comprehensive Plan. It establishes the basic policies guiding the physical form of the city and provides direction on a range of development, conservation, and land use compatibility issues. The overarching goal of the Land Use Element is to ensure that the District’s limited land resources are efficiently utilized in a manner that meets a wide range of long-term needs and helps foster other District goals, protects the health, safety, and welfare of District residents, institutions, and businesses, maintains and improves the character and stability of all neighborhoods, and balances competing land demands to support the many activities that take place within the District.

The Applicant submits that the Mixed-Use Scheme (which includes residential, retail, and office uses) and the Residential Scheme (which includes residential and retail uses only) are fully consistent with many of the policies from the Land Use Element, as set forth below:

- Policy LU-1.3.4: Design To Encourage Transit Use
- Policy LU-1.4.1: Infill Development
- Policy LU-2.1.3: Conserving, Enhancing, and Revitalizing Neighborhoods
- Policy LU-2.2.4: Neighborhood Beautification
- Policy LU-2.3.3: Buffering Requirements
- Policy LU-2.4.1: Promotion of Commercial Centers
- Policy LU-2.4.5: Encouraging Nodal Development
- Policy LU-2.4.6: Scale and Design of New Commercial Uses

Consistent with these policies, the Schemes will result in a mixed-use development located in walkable and transit-rich neighborhood. As part of redevelopment, the Applicant will make major improvements to the public space surrounding the Property, which will increase safety, encourage transit use, and help to beautify the neighborhood. Redevelopment of the Property will remove an underutilized and mostly vacant site, consistent with the District’s goals for infill development. Furthermore, both Schemes have been carefully designed to respect the surrounding neighborhood through appropriate scale, massing, setbacks, and step downs as the Property approaches the lower-density residential neighborhood, while maintaining strong streetwalls and neighborhood-serving ground floor uses where the Property fronts M and South Capitol Streets.

## **2. Transportation Element**

The Transportation Element provides policies and actions that are devoted to maintaining and improving the District’s transportation system and enhancing the travel choices available to District residents, visitors, and workers. These transportation-related policies are integrally related to other Comprehensive Plan policies that address land use, urban design, and environmental protection. The close interplay between these policy areas is necessary to improving mobility and accessibility. As discussed above, both Schemes will increase the amount of housing available near public transportation options, thereby making it easier for District residents to access transit and decrease the need, and associated economic burden, of owning a vehicle. Thus, both Schemes are well positioned to advance the policies and goals of the Transportation Element including the following:

- Policy T-1.1.4: Transit-Oriented Development
- Policy T-1.2.1: Boulevard Improvements
- Policy T-1.2.2: Targeted Investment
- Policy T-1.2.3: Discouraging Auto-Oriented Uses
- Policy T-1.3.1: Transit-Accessible Employment
- Action T-2.1.H Transit Amenities
- Policy T-2.3.1: Better Integration of Bicycle and Pedestrian Planning
- Policy T-2.4.1: Pedestrian Network
- Policy T-2.4.2: Pedestrian Safety
- Policy T-3.1.1: Transportation Demand Management (TDM) Programs

The Schemes are both fully consistent with the policies listed above since they will result in a mixed-use building in a walkable neighborhood that has convenient access to two Metrorail

stations and multiple Metrobus lines. The Schemes will provide long-and short-term bicycle parking facilities that meet or exceed the requirements for the various uses within the building, and the Property is located with convenient access to many bicycle routes and trails. As part of redevelopment, the Applicant will upgrade the streetscape and sidewalk conditions surrounding the Property, thus enhancing the pedestrian network and increasing safety. Moreover, all parking and loading access, deliveries, and pick-up/drop-off activities will occur within an on-site private drive, which will reduce any potential vehicular and pedestrian conflicts and eliminate traffic congestion caused by vehicles stopping on the surrounding public streets. Finally, the Applicant is working with DDOT to develop a robust TDM plan that will incorporate measures to fully mitigate any potential impacts to the transportation system generated by the redevelopment. Included in the Applicant’s work with DDOT is a proposal to relocate the existing bus stop on M Street, which will improve the usage and visibility of this facility.

### **3. Housing Element**

The overarching goal of the Housing Element is to “[d]evelop and maintain a safe, decent, and affordable supply of housing for all current and future residents of the District of Columbia.” 10A DCMR § 501.1. Although the Residential Scheme will provide more housing, both Schemes will result in significant new housing units, thus helping to achieve the District’s housing goals by advancing the policies discussed below.

- Policy H-1.1.1: Private Sector Support
- Policy H-1.1.3: Balanced Growth
- Policy H-1.1.4: Mixed Use Development
- Policy H-1.2.1: Affordable Housing Production as a Civic Priority

Consistent with these policies, the Schemes will replace a surface parking lot and single-story commercial building with a significant number of new residential units. In both Schemes, the buildings will be mixed-use and will include housing on commercially-zoned land at the intersection of two major commercial corridors and in close proximity to two Metrorail stations and multiple Metrobus routes. In addition, the Applicant will produce affordable housing – either on-site or through a contribution to the Housing Production Trust Fund – based on the construction of penthouse habitable space on the roof of both Schemes, thus helping to establish the production of affordable housing throughout the District.

### **4. Environmental Protection Element**

The Environmental Protection Element addresses the protection, restoration, and management of the District’s land, air, water, energy, and biological resources. This element provides policies and actions on important issues such as restoring the city’s tree canopy, energy conservation, and air quality. The Schemes are fully consistent with the policies of the Environmental Protection Element as follows:

- Policy E-1.1.1: Street Tree Planting and Maintenance
- Policy E-1.1.3: Landscaping
- Policy E-1.3.1: Preventing Erosion
- Policy E-2.1.1: Promoting Water Conservation

- Policy E-2.2.1: Energy Efficiency
- Policy E-2.2.5: Energy Efficient Building and Site Planning
- Policy E-2.3.1: Solid Waste Source Reduction and Recycling
- Policy E-3.1.1: Maximizing Permeable Surfaces
- Policy E-3.1.2: Using Landscaping and Green Roofs to Reduce Runoff
- Policy E-3.1.3: Green Engineering
- Policy E-4.1.5: Improving Air Quality Through Transportation Efficiency
- Policy E-4.2.3: Control of Urban Runoff

The Applicant will incorporate a variety of techniques, systems, and materials that improve sustainability and increase environmental health. For example, the Applicant will plant new street trees and landscaping on the Property and in the surrounding public spaces, and will use green roofs to reduce water to control and reduce urban runoff. During construction, the Applicant will ensure that on-site activities will not result in soil erosion and implement best management practices. Both Schemes will include fixtures that are designed for water and energy efficiency, and will provide facilities for recycling to reduce the generation of solid waste. Both Schemes will also incorporate solar panels on the penthouses. Moreover, due to the Property’s location in a mixed-use, walkable, and transit-oriented neighborhood, the Schemes by their very nature will help to improve air quality through transportation efficiency.

## **5. Economic Development Element**

The Economic Development Element addresses the future of the District’s economy and the creation of economic opportunity for current and future District residents. It includes strategies to sustain Washington’s major industries, diversify our economy, accommodate job growth, maintain small businesses and neighborhood commercial districts, and increase access to employment for District residents. 10A DCMR § 700.1. The Mixed-Use Scheme includes an entire office component plus ground floor retail, whereas the Residential Scheme includes ground floor retail as the only commercial use. However, both Schemes are fully consistent with the Economic Development Element, as set forth in the following policies:

- Policy ED-2.1.1: Office Growth (Mixed-Use Scheme only)
- Policy ED-2.1.5: Infill and Renovation
- Policy ED-2.2.1: Expanding the Retail Sector
- Policy ED-2.2.3: Neighborhood Shopping
- Policy ED-3.1.1: Neighborhood Commercial Vitality
- Policy ED-4.2.1: Linking Residents to Jobs
- Policy ED-4.3.1: Transportation Access to District Jobs

The Mixed-Use Scheme would be fully consistent with the District’s goals of accommodating the growth in office space, particularly in “emerging office centers along South Capitol Street.” (See 10A DCMR § 707.6.) However, both Schemes would result in an infill, mixed-use development project that includes ground floor, neighborhood-serving commercial uses. These type of retail and service uses will replace an underutilized site, increase the commercial vitality of the neighborhood, and provide new amenities for District residents. Moreover, providing new high-density housing at the Property in close proximity to multiple

public transportation options will help link District residents to jobs, thus further improving the District's overall economic vitality.

## **6. Urban Design Element**

The Urban Design Element addresses the District's physical design and visual qualities. The Element describes the ways in which different aspects of the city's landscape—especially its buildings, streets, and open spaces—work together to define impressions of Washington and its neighborhoods. The Schemes are also subject to Design Review by the Zoning Commission, and have therefore each been carefully and uniquely designed to support the District's goals and policies set forth in the Urban Design Element as follows:

- Policy UD-1.2.4: View Protection
- Policy UD-1.4.1: Avenues/Boulevards and Urban Form
- Policy UD-1.4.3: Avenue/Boulevard Vistas and View Corridors
- Policy UD-2.2.1: Neighborhood Character and Identity
- Policy UD-2.2.4: Transitions in Building Intensity
- Policy UD-2.2.5: Creating Attractive Facades
- Policy UD-2.2.7: Infill Development
- Policy UD-3.1.1: Improving Streetscape Design
- Policy UD-3.1.2: Management of Sidewalk Space
- Policy UD-3.1.5: Streetscape and Mobility
- Policy UD-3.1.6: Enhanced Streetwalls
- Policy UD-3.1.7: Improving the Street Environment
- Policy UD-3.1.11: Private Sector Streetscape Improvements

As shown above, the Schemes will be fully consistent with many of the District's policies for urban design. With respect to the building itself, the Applicant proposes a high quality design that reflects the character and identity of the existing Southwest neighborhood and that respects the lower density residential uses by providing setbacks and step-downs to provide appropriate building transitions. In addition, the Applicant has paid careful attention to creating attractive façades along all street frontages, which include high quality materials, cohesive forms, and large storefront windows at the ground level. Moreover, the building has been designed under both Schemes to provide appropriate setbacks along South Capitol Street and strong streetwalls, both of which will reinforce the form and identity of the District and maintain the important monumental view towards the Capitol.

With respect to the streetscape itself, the Applicant will make significant improvements to the public space surrounding the Property, including installation of new paving, landscaping, lighting, pedestrian-oriented furniture, and a relocated bus shelter along M Street. The Applicant will ensure that clear sidewalk space is provided to promote pedestrian safety and comfort while also providing space for tree boxes and landscaping to reduce the impact of vehicular traffic. The storefront at the ground level will be designed to promote walkability, and retail will be provided to establish a vibrant urban boulevard along both M and South Capitol Streets. In response to comments from the ANC, the Applicant also incorporated an additional three-foot setback along the M Street frontage in both Schemes to increase the area available for landscaping and green

space and widen the sidewalk to enhance the pedestrian experience. In addition, the Applicant has designed a private driveway within the Property, such that curb cuts and driveway access has been minimized and all pick-up and drop-off and loading activities can safely occur on-site.

### **7. Lower Anacostia Waterfront/Near Southwest Area Element**

The Property is located within the boundaries of the Lower Anacostia Waterfront/Near Southwest Area Element, and is specifically located within the South Capitol Street/Buzzard Point Policy Focus Area. This Focus Area highlights the importance of South Capitol Street, including the views it provides to the U.S. Capitol building and as a gateway into the District. The stated goals encourage the transformation of South Capitol Street into a grand urban boulevard with a mix of land uses, including “high-density office, housing, and retail uses” between I-395 and the shoreline and a variety of attractions, retail, restaurants, and high-density housing. 10A DCMR § 1912.5 The Schemes are fully consistent with these goals, as well as the following specific policies:

- Policy AW-2.2.1: South Capitol Street Urban Boulevard
- Policy AW-2.2.2: Ballpark Entertainment District
- Policy AW-2.2.4: South Capitol Street Transit Improvements

Based on the foregoing, the Applicant submits that the Mixed-Use and Residential Schemes are both not inconsistent with many of the principles, policies, and goals of the Comprehensive Plan, including the designations for the Property on the FLUM and GPM.

## **II. COMPLIANCE WITH THE SOUTHWEST NEIGHBORHOOD PLAN**

Pursuant to 10A DCMR § 266.1(d), the Comprehensive Plan requires zoning to be interpreted in conjunction with approved Small Area Plans. 10A DCMR § 266.1(d). The direction provided by the Comprehensive Plan is implemented through agency strategic plans, long-range plans on specific topics such as parks or housing, and most notably small area plans that are prepared for defined geographic areas of the city. 10-A DCMR § 103. Small area policies appear in “separately bound Small Area Plans for particular neighborhoods and business districts. Small Area Plans provide supplemental guidance to the Comprehensive Plan and are not part of the legislatively adopted document.” 10A DCMR § 104.2.

The Property in this case is located within the boundaries of the Southwest Neighborhood Plan (the “SW Plan”), which was adopted by the D.C. Council on July 14, 2015, pursuant to Resolution PR21-0127. The SW Plan was designed to shape the future of its planning area. Its development involved a community planning process that was shaped by neighborhood leadership through Advisory Neighborhood Commissions (“ANCs”) and representatives from civic organizations, homeowner and tenant associations, community groups, and businesses. As a result, the SW Plan reflects community aspirations, District-wide goals, and market opportunities. It is intended to enhance parks and public spaces, improve pedestrian and street connections, bolster retail, integrate community amenities, enhance transportation choices, and accommodate and guide the direction of future growth in the Southwest neighborhood. (SW Plan, p. 2.)

The SW Plan was adopted after the enactment of the most recent Comprehensive Plan and thus represents the District’s and the community’s current vision for the Southwest neighborhood, including the Property. The SW Plan acknowledges that a “significant amount of change has happened to the areas surrounding the core of the Southwest neighborhood since the adoption of the Comprehensive Plan in 2006,” such that the SW Plan is a “timely and necessary supplement to the Comprehensive Plan.” (SW Plan, pp. 13, 17.) Thus, in evaluating the proposed redevelopment, the Applicant took into careful consideration the visions and goals set forth in the SW Plan.

One of the core concepts of the SW Plan is to “promote the preservation of its unique architectural legacy and support new development that reflects the form and rhythm of the mid-20<sup>th</sup> century, reinforcing the neighborhood design as a ‘Modernist Gem.’” (SW Plan, p. 78.) Accordingly, making sure that new development features high quality design is a key goal for the Southwest neighborhood. (SW Plan, p. 78.) The SW Plan sets forth recommendations retain and enhance the character of the Southwest and the L’Enfant Plan and to ensure that future development is consistent with the existing design of the community. (SW Plan, p. 80.) Some of these recommendations include the following:

- MG.3 Support infill development and adaptive reuse of existing buildings in Southwest to promote the preservation of the community’s architectural character;
- MG.5 Retain existing streets and open spaces that contribute to the L’Enfant Plan;
- MG.6 Ensure future development and improvements reinforce the L’Enfant Plan as an important historic feature tying Southwest to its greater urban context; and



- MG.7 Apply the Design Guidelines contained in the Plan (pages 81-83) to all new development achieved through the Planned Unit Development process. Matter of right development is also strongly encouraged to apply the Design Guidelines.

The SW Plan also establishes design expectations for new development by creating design guidelines to ensure that new construction will contribute positively to the neighborhood's identity. (SW Plan, p. 79.) Applicable design guidelines include the following (SW Plan, pp. 81-84):

- Principle 1: Encourage a mix of building heights.
- Principle 2: Achieve design excellence for high quality and timeless development.
- Principle 3: Promote variation in building frontages
- Principle 4: Enhance green space through landscaped
- Principle 5: Incorporate sustainable building and site design.
- Principle 6: Ensure parking is not a detractor
- Principle 7: Maximize transparency and viability of ground floor uses along key commercial corridors.
- Principle 8: Encourage connectivity for pedestrians, bicycles, and vehicular access, including transit where feasible

The proposed Schemes are fully consistent with the SW Plan's design recommendations and guidelines. As a vacant site abutting four corridors, development of the Property will support infill development that retains existing streets and reinforces the L'Enfant Plan as an important feature within the District's greater urban context. The Schemes will be developed in keeping with the unique character of the Southwest neighborhood by providing a massing and mix of defined building heights that complement the variety of high- and low-rise buildings in the area. The Schemes have distinguished architecture with high-quality and durable materials and detailing, advanced sustainable design, and cohesive building forms that incorporate significant articulation without any blank walls.

The Schemes have been designed to respond to the many different contexts and design aesthetics in which the Property is located. For example, the base of the building is designed to complement the scale and materiality of the low-rise rowhouses to the south, and the Applicant has incorporated direct walk-up access to enhance the residential character and reflect the surrounding context. The modernist concrete and darker brick portions of the residential development reflect design elements seen throughout Southwest, and the glass and metal aesthetic are used to maintain consistency with more recent neighborhood design aesthetics in the Southwest and Southeast. In response to comments from the ANC, the Applicant has continued to research the neighborhood's architecture and modify portions of the building that were not fully in context with the Southwest design aesthetic. For example, the Applicant redesigned the "hyphen" portion of the north and east facades, incorporated new balconies and reveals, highlighted the design's strong horizontal and vertical elements, thinned the window mullions, and increased the extent of glass and steel at the Southwest Pavilion, all in an attempt to reflect and honor the mid-century modern design traditions of the Southwest neighborhood.

The Schemes also include internal green amenity spaces and landscaped setbacks and will employ a range of innovative sustainable design strategies and building standards to promote a high performing environment. As specifically encouraged by the design guidelines, parking will

be located underground and the building will provide vibrant, pedestrian-oriented ground floor uses, particularly on M and South Capitol Streets. As part of the redevelopment, the Applicant will significantly improve the public streetscape surrounding the Property to encourage pedestrian activity and multi-modal connectivity. Detailed descriptions of the Schemes' architectural and landscape designs and public space improvements are included in the Applicant's Statement in Support (Exhibit 3, pp. 3-6) as revised by the Prehearing Submission.

Another core concept of the SW Plan is to “feature vibrant connections that support an active community and attractive environment, accommodate multiple transportation modes, increase mobility and safety within the community and provide ease of access to adjacent neighborhoods and the waterfront.” (SW Plan, p. 112.) The SW Plan acknowledges that several key corridors, including M and South Capitol Streets, have room for improved streetscapes, transportation accommodations, and pedestrian amenities, and therefore promotes upgrading pedestrian crossings, signage, lighting, streetscapes, and safety enhancements at intersections, specifically including intersections with M and South Capitol Streets. (SW Plan, p. 112, 113, 115.) The SW Plan also encourages redesigning its major thoroughfares to enhance mobility while improving the character and aesthetics of the public realm. (SW Plan, p. 113. *See also* SW Plan, p. 8.).

With respect to M Street specifically, the SW Plan states that although the corridor lacks a cohesive streetscape and is not ideal for pedestrians, it has a high capacity for growth and the potential to become an attractive and green urban boulevard that accommodates multiple transportation modes. (SW Plan, pp. 39, 113-114.) The SW Plan recognizes that new development that conforms to the design guidelines will help deliver buildings that are more oriented towards M Street and can create a feeling of greater safety, interest, and enjoyment, and that new development would offer active ground floor uses and a retail experience. (SW Plan, p. 114.) Accordingly, the SW Plan sets a goal to “establish M Street as a multimodal neighborhood boulevard linking southwest to adjacent neighborhoods and the waterfront. (SW Plan, p. 116.)

With respect to South Capitol Street, the SW Plan acknowledges that although it is a major thoroughfare with high traffic volumes and is an uninviting public realm for pedestrians, it still has great opportunity and viability to function as an active, mixed-use corridor in the future. (SW Plan, pp. 29, 40, 114.) Thus, the SW Plan encourages developments that aid in pedestrian safety and crossing at key intersections, and notes that there are several potential development sites adjacent to South Capitol that, if developed, could improve the street level activation and pedestrian experience. (SW Plan, p. 114.) Accordingly, the SW Plan sets a goal to support the transformation of South Capitol Street into a high density, urban boulevard that establishes a robust pedestrian realm” (SW Plan, p. 116) and envisions it with “ground floor retail and mixed-uses in years to come” (SW Plan, p. 40).

The Schemes are fully consistent with the SW Plan's goals to increase safety, accommodate multiple transportation modes, improve the public realm, and transform M and South Capitol Streets into active, mixed-use, and pedestrian-oriented urban boulevards. For example, the Schemes include a centralized private driveway system so that all parking, loading, and pick-up/drop-off activities occur on-site, thus minimizing pedestrian/vehicular conflicts and potential impacts on surrounding traffic and the public realm. In addition, a variety of pedestrian-scaled streetscape features will be installed, including new lighting, benches, bicycle racks, and

trash and recycling receptacles. The Schemes include long- and short-term bicycle parking to encourage bicycle use, and an existing bus stop will be relocated from midblock on M Street to the corner of M and Half Streets, all of which will encourage multi-modal transportation.

As further described below, the Schemes also includes large storefront windows into new ground floor retail and amenity spaces along M and South Capitol Streets, which will further improve the vibrancy of the surrounding streetscape. On M Street, the Applicant established a three-foot building setback at the ground level to create space for more landscaping and enhance the pedestrian experience. Taken together, the solid building podium, high quality materials, large window openings, active retail/amenity base, and significant streetscape improvements will encourage activity, improve safety, and enhance the pedestrian experience surrounding the Property.

In addition, the Schemes are also consistent with the SW Plan's guiding principle of preserving and developing a range of housing. (SW Plan, p. 68.) The SW Plan states that the demand for housing and other community amenities is strong and likely to continue, and that the neighborhood housing market is anticipated to absorb a significant number of units in the near and long term. (SW Plan, pp. 12, 48.) Indeed, the SW Plan acknowledges that "until recently, it was unclear whether sufficient rents could be collected in Southwest to cover construction costs for new development" but that so far "both actively-leasing apartment developments in the neighborhood... have absorbed units quickly and at high lease rates, a sign that the Planning Area is becoming a viable location for new residential development." (SW Plan, p. 48.) The SW Plan also notes that there is likely to be an increase in housing demand in the Southwest for most income brackets and family types, but that the "greatest increase in demand is expected to come from the young professional demographic." (SW Plan, p. 49.)

The market analysis prepared for the SW Plan estimated that approximately 243 new housing units would be needed each year to satisfy the expected demand for new housing, or a total of approximately 2,429 new housing units combined over the following ten years. (SW Plan, p. 50.) The market analysis also projected annual new housing demand from 2014 through 2034, estimating that a total of 2,255 new housing units can be sold or leased up at a healthy absorption pace between the year 2014 and 2023, and that 5,517 new housing units could be sold or leased by 2034. (SW Plan, p. 50.)

The Schemes are also consistent with the SW Plan's guiding principal of supporting, enhancing, and expanding neighborhood retail amenities. (SW Plan, p. 67.) The SW Plan acknowledges that the neighborhood "lacks the large supply of retail sought by many of DC's new residents who are drawn to neighborhoods with those amenities." (SW Plan, p. 48.) The SW Plan notes that the retail market is somewhat limited in scale and opportunity, but can be bolstered through branding and tenant attraction, growth in the residential population, and the increased recognition that nearby entertainment destinations will generate demand. (SW Plan, p. 50.) According to the SW Plan, residents within the planning area want to see more locally-serving retail, such as "restaurants, coffee shops, bars, a hardware store, a laundromat, a hair salon, a bank and a bakery." SW Plan, p. (50) More specifically, the market analysis found that there will be demand for between 11 and 20 additional stores within the planning area by 2023, totaling between 75,000 and 110,000 square feet of retail. (SW Plan, p. 51.)

Included as one of the SW Plan's design guidelines (stated above), the SW Plan states that transparency and viability of ground floor retail uses should be maximized along key commercial corridors, and that high-rise structures should provide vibrant ground floor uses and street-level design that promote pedestrian-oriented usage, particularly on M Street and South Capitol Street. (SW Plan, p. 83.) While the SW Plan acknowledges that "retail would be best served clustered on 4<sup>th</sup> Street and along the M Street corners that intersect it, other portions of M Street will likely support incubators, creative enterprises, medical services, daycares, and other community services in ground floor spaces." In addition, South Capitol Street will eventually attract new development that will likely include a retail component, but it will be more peripheral to the neighborhood town center." (SW Plan, p. 103.)

With respect to the proposed office use, the SW Plan identifies that the planning area's office market is weak and that real estate trends indicate that the planning area is a challenged market for office development. (SW Plan, p. 52.) The SW Plan identifies two planned office projects within the planning area, including the "vacant parcel on the corner of L Street SW and South Capitol Street owned by the Ruben Companies" which lot abuts the Property and is the only lot within Square 649 that is not part of the Property. The SW Plan notes that this site at L and South Capitol Streets would be "more viable if it included a mix of retail and residential uses as well." (SW Plan, p. 52.)