

November 23, 2020

BY IZIS

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

Re: Z.C. Case No. 20-18: Application of 1319 South Capitol Owner, L.L.C. (“Applicant”) for Review of a Building on Lots 14, 15, 53, 54, 60-64, 68, 70, 810, 811, and 831 in Square 653 (the “Property”) – Post-Hearing Submission

Dear Chairperson Hood and Members of the Commission:

On October 26, 2020, the Zoning Commission held a public hearing on the above-referenced application for Design Review of a building located along South Capitol Street in the CG-2 Zone District. The Applicant is proposing to develop the Property with an eleven (11) story residential building containing approximately 310 residential units (the “**Project**”). The Applicant hereby responds to the Commission’s comments and questions from the hearing and addresses comments from the witnesses testifying in support and opposition to the Project.

I. Plan Additions

Attached as Exhibit A are additional plan sheets supplementing the plans in the record to address comments and questions from the public hearing. First, the Commission requested an additional image showing the appearance of courtyard area between the building and the South Capitol rowhouses. Sheet 3 of Exhibit A includes that rendering, illustrating the courtyard area behind the existing South Capitol rowhouses and in front of the building. As shown on this sheet, the courtyard provides a highly designed hardscaped and landscaped area that provides ample space and buffering between the building and the rowhouses. This area combines with the 10-foot wide east/west alley intersecting with South Capitol Street, SW and other open spaces around the Project to provide a unique area of urban respite for Project residents, neighbors, and guests. Additionally, as shown on this sheet, there is paving in the courtyard to provide vehicular access to the adjacent properties for rowhouses scale uses. This design is consistent with the pending

easement agreement between the Project and the South Capitol rowhouses and other properties owned by other parties.

Additionally, the Applicant has updated the Project's Inclusionary Zoning ("IZ") sheet to reflect the final figures of the Project's IZ allocation and distribution. Sheet 4 of Exhibit A is an updated IZ page. The total IZ set-aside for the Project is a minimum of approximately 23,016 gross square feet, which includes approximately 544 gross square feet representing 8% of the total area of penthouse residential units. The IZ units will all be provided at 60% of the Median Family Income ("MFI") as rental units except one unit that will be provided at 50% of the MFI. As noted on this sheet, the location of the IZ units, including the location of such units in the four (4) N Street "rowhouse units," is subject to approval by the Department of Consumer and Regulatory Affairs and the Department of Housing and Community Development. Such allocation concept is in accordance with the Development Agreement between the Applicant and the Southwest Neighborhood Assembly, Inc. dated as of October 4, 2019 and amended April 29, 2020 relating to the Project (Exhibit 16C1-16C3 in the record).

II. Condition Updates

Updated District Department of Transportation ("DDOT") Conditions: DDOT had no objection to the Project subject to the additional conditions, noted below, to which the Applicant has agreed with the following clarifications:

- Extend the proposed 12-foot easement northward to the edge of Lot 830 to allow for access to Lots 829/830 when those properties redevelop. Also, provide an easement across the private portion of the 10-foot alley (Lot 831) so that the rowhouses can exit out the 16-foot public alley. A copy of the easement(s) should be provided to DDOT Planning and Sustainability Division when it is signed by all parties [*Applicant response: the Applicant will provide this when signed by all parties and recorded*]; and
- Implement the Transportation Demand Management (TDM) Plan proposed in the Applicant's September 11, 2020 CTR, for the life of the project, unless otherwise noted, with the following additions:
 - Fund and install two (2) four-dock Capital Bikeshare expansion plates at a station(s) within ANC 6D in locations to be determined by DDOT at a later date. If DDOT is not ready for the installation or has not chosen a location at the time of Certificate of Occupancy, then the Applicant should instead contribute \$16,000 to the DDOT Transportation Mitigation Fund to upgrade pedestrian, bicycle, or transit facilities in ANC 6D;
 - Fund and install missing curb ramps and high-visibility crosswalks at the intersections of O Street at Canal Street SW and Delaware Avenue at Canal Street SW, subject to DDOT approval;
 - Increase the number of years of annual Capital Bikeshare memberships for new residents from one (1) year to three (3) years;

- Provide one (1) collapsible shopping cart (utility cart) for every 50 residential units, for a total of six (6) to encourage residents to walk to the grocery shopping and run errands; and
 - Following the issuance of a certificate of occupancy for the Project, the Transportation Coordinator shall submit documentation from DCRA summarizing compliance with the transportation and TDM conditions of the Order (including, if made available, any written confirmation from the Office of the Zoning Administrator) to the Office of Zoning for inclusion in the IZIS case record of the case.
- Revise this bullet: Transportation Coordinators will develop, distribute, and market various transportation alternatives and options to the ~~employees~~ residents, including promoting transportation events (i.e., Bike to Work Day, National Walking Day, Car Free Day) on property website and in any internal building newsletters or communications.

DDOT also requested that the Applicant incorporate a condition to prohibit non-residents from parking at the Project; however, the Applicant believes that the amount of parking proposed meets the needs of its building, which is supported by the parking analysis included in Exhibit 11A of the record. Moreover, the ANC has indicated that the ongoing reduction to parking in Buzzard Point is of critical concern to the community. The ANC has noted that available spaces on-street or in nearby lots have dwindled, which is only exacerbated by new projects being constructed that do not provide adequate parking for residents. Accordingly, to the extent there is on-site parking not utilized by residents and employees of the Project, the Applicant would like the flexibility to make the spaces available to the public in an effort to address the ANC's parking concerns as expressed in their testimony at Exhibit 38 of the record and during the hearing. The Applicant has discussed such concept with DDOT staff.

Loading Condition: During the hearing, Chairman Hood expressed the need for limiting loading activities during Nationals' baseball games. In response to his comment, the Applicant is proposing the following condition to limit loading on game days and has discussed such condition with DDOT staff:

- After initial lease-up of 75% of the units in the building, the Applicant will restrict loading activities during game days for the duration of time beginning 1 hour before the start of the game to 1 hour after the end of the game on weekdays.

ANC Condition regarding Project Updates: The ANC report, Exhibit 16 of the record, included a "consideration" for discussion at the Zoning Commission hearing (though not a proposed condition of their support) regarding the Applicant providing updates relating to the Project, particularly with respect to the live/work units and the potential commercial rowhouse use. The ANC also requested consideration of conversion of these commercial uses to retail or affordable housing if the live/work use of such areas was not viable. The Applicant is happy to commit to providing regular updates regarding the Project to the ANC, including the status of the live/work units. However, details regarding specific rent amounts for live/work units and a commitment to convert the space to other commercial uses or to affordable housing is not feasible

for the Project. Therefore, the Applicant is willing to commit to the following condition to address the ANC's consideration:

- The Applicant will provide regular updates to ANC 6D on the status of the Project, including any changes that will occur to the design of the N Street homes, overall IZ unit mix, and occupancy of live/work units.

A full list of conditions is included in the draft order is included in the attached Exhibit B.

III. Consistency with the Comprehensive Plan and Small Area Plan

The Commission requested additional analysis detailing how the Project is not inconsistent with the Comprehensive Plan, including the Future Land Use Map (“**FLUM**”) and the Generalized Policy Map (“**GPM**”). Attached as Exhibit C is a memo which addresses the Project's consistency with the Comprehensive Plan, including the FLUM, the GPM, and the Area Element, and the Southwest Neighborhood Plan (“**SNP**”). Additionally, attached as Exhibit D is a table listing the relevant policies from the Comprehensive Plan explaining how the Project is not inconsistent with those policies. As detailed in this memo and table, the Project is not inconsistent with the Comprehensive Plan, including the FLUM, GPM, and the SNP.

Additionally, individuals in opposition to the Project testified that that the Project should be required to provide 2/3 of the total units as affordable units (either “workforce” or “deeply affordable” units) in order to be considered not inconsistent with the Comprehensive Plan and the SNP. The Applicant strongly disagrees with this assertion and takes seriously the policies of equity and inclusion in the Comprehensive Plan and the SNP. The Project furthers these policies by providing family-sized market rate and affordable units, a variety of unit types, and live/work units, by designing a building intentionally crafted to complement the surrounding residential neighborhood and rowhouses along South Capitol Street and N Street, and by increasing the general housing supply in Southwest DC, where there is significant demand for housing. The Applicant provides a detailed analysis of the Project's consistency with the call for equity in both the Comprehensive Plan's Framework Element and the SNP attached as Exhibit C.

Finally, individuals in opposition raised concerns about gentrification and the Project's potential impact on rents in the surrounding community. Attached as Exhibit E is a memo analyzing and responding to these concerns (the “**Memo**”). As detailed in the Memo, the D.C. Court of Appeals has already concluded that the Zoning Commission's enactment of the IZ regulations is how the Commission mitigates projects' potential impacts on the surrounding community including gentrification. Additionally, the Applicant commissioned a study from RCLCO to analyze the potential impact of the Project on the surrounding community, which is attached as Exhibit F. The study concludes that the Project will not result in any displacement nor have a negative impact on the surrounding Southwest community. Finally, as summarized in the Memo and attached as Exhibit G, there are many studies, including one produced by the District's Chief Financial Officer, that conclude that the production of residential units, including market-rate units, has a positive impact on the overall rental rates in the District.

IV. Conclusion

The Applicant believes that this post-hearing submission addresses all of the outstanding issues raised by the Commission or witnesses at the hearing and fills the record with all necessary evidence in support of the Project.

Please feel free to contact Jeff at (202) 721-1132 or Meghan at (202) 721-1138 if you have any questions regarding the enclosed. We look forward to the Zoning Commission's consideration of the Project at the December 17, 2020 public meeting.

Sincerely,

/s/

Jeff C. Utz
Meghan Hottel-Cox

Certificate of Service

The undersigned hereby certifies that copies of the foregoing document will be delivered by electronic mail to the following addresses on November 23, 2020.

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