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VIA ELECTRONIC MAIL

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Advisory Neighborhood Commission 6D
c/o Edward Daniels, Chair
1101 4th Street, SW
Suite W-130
Washington, DC 20024

**Re: ZC Case No. 21-12
850 South Capitol Street, SE – Application for Design Review
Supplemental Information**

Dear Commissioners:

This supplemental information is submitted on behalf of Square 695 LLC (the “Applicant”) in support of its application to the Zoning Commission for the project proposed at 850 South Capitol Street, SE. The information is provided in response to the design review questions and comments raised by ANC 6D at its public meeting on September 13, 2021.

Unit Sizes

- 1. The ANC expressed a desire for larger bedrooms and wanted the Applicant to commit to larger residential units.**

While the specific mix and distribution of units within the project will not be finalized until the permit stage, the Applicant can stipulate that the project will have a mix of one-, two- and three-bedroom units. As stated at the ANC’s meeting, the Applicant commits that the project will not have any studio units.

Facade Design

- 2. The ANC commented on the at-risk windows in the northeast corner of the building, and the need to inform tenants of this condition in their lease.**

The Applicant agrees to include a notice of the at-risk windows in the lease for units in the northeast section of the building. It should be noted that these units do not rely upon the at-risk windows for required light and air, and the viability of these particular units, including their bedrooms, will not be impacted should the at-risk windows be covered by a neighboring development in the future.

- 3. The ANC commented on the exterior lighting at the Novel building to the south and asked the Applicant to confirm that the proposed building would not have the same type of exterior lighting.**

As the Applicant stated at the ANC meeting, architectural lighting will not be used as a decorative statement on the building. The lighting on the exterior of the building will be primarily designed to identify the building address/name and for safety. Standard illumination will be incorporated into the design of the Level 4 and rooftop amenity spaces.

- 4. The ANC suggested that balconies along the freeway were undesirable.**

The project will offer residents a wide range of unit types and locations that best suit their individual experience and particular taste. As currently proposed, the building is designed with 112 balconies along South Capitol Street, 168 balconies facing the courtyards, and 56 balconies along the Southeast/Southwest Freeway. The balconies facing the freeway are located on Levels 4 through 11 of the building.

As the Applicant stated at the ANC meeting, special acoustic attention will be given to the exterior wall of the units that face the freeway. The Applicant has chosen to provide balconies along the freeway given their experience that residents still find value in this exterior space even when adjacent to the freeway. Additionally, upper floor balconies on the northern side of the building and the roof terraces will offer excellent views of the monumental core and experience much less noise due to their height above the freeway. The north-facing balconies proposed by the Applicant are similar to the balconies provided in other recent developments adjacent to the freeway such as the Kiley Apartments (600 4th Street, SW), the Agora at the Collective (800 New Jersey Avenue, SE), and at the Illume Apartments (853 New Jersey Avenue, SE). Conversely, the project has ample opportunity along South Capitol Street and facing the courtyards for residents that prefer a quieter balcony experience.

Transportation Issues

5. The ANC asked about the status of the plans for the South Capitol Street bikeway as it relates to the proposed project.

Following the ANC meeting, the Applicant contacted the District Department of Transportation (“DDOT”) to get a status on its plans for the South Capitol Street bikeway. According to DDOT, current plans for the bikeway entail a wide, bike-friendly sidewalk along the South Capitol Street corridor that will be implemented as part of the next phases of DDOT’s South Capitol Street reconstruction project and private developments along the corridor. The wide sidewalk is consistent with the streetscape vision established by the Anacostia Waterfront Initiative (“AWI”), as further advanced by DDOT’s concept plans for South Capitol Street. Through the 15-foot setback required under the Zoning Regulations, the typical cross-section for sidewalks along the corridor will have an inner and outer sidewalk. This general streetscape condition can be observed at the newly completed public space adjacent to developments at 1000 and 1100 South Capitol Street, SE.

The public space adjacent to the subject property is currently constrained because of the onramp that is proposed to be demolished and reconfigured as part of DDOT’s next phase of the South Capitol Street reconstruction project. While the onramp exists, the public space adjacent to 850 South Capitol Street, SE/Square 695 should be consistent with the AWI vision and DDOT’s concept plans for the corridor to the maximum extent possible.

6. The ANC requested more information on the impacts of U turns at South Capitol and Eye Street

DDOT’s planned reconfiguration of the intersection at South Capitol Street and Eye Street will include northbound and southbound left turn lanes; however, the CTR study assumes that southbound u-turns will be prohibited at the intersection. Based on the distribution of site traffic and expected trip generation for the development, approximately four (4) vehicles during the AM peak hour and 12 vehicles during the peak hour are expected to approach the site from the north on southbound South Capitol Street. These vehicles will be required to travel to the south to turn right onto K Street and proceed north to Eye Street where they can then turn left at the traffic signal onto northbound South Capitol Street to enter the site via the right-in/right-out site driveway. Given the relatively short alternative route and low volume of traffic, the Applicant supports prohibiting the u-turn movement for southbound South Capitol Street.

7. The ANC requested more details on the circulation for pick up/drop off (PU/DO), deliveries, rideshare services, taxis, etc.

A generous, off-street turnaround and short-term parking area is proposed adjacent to the main lobby on the north side of the building that will accommodate all PU/DO, rideshare, taxi, and food deliveries. The proposed turnaround, main entry doors, and surrounding streetscape are configured to discourage cars from loading, unloading, and idling on South Capitol Street. Also,

all loading is also accessed at the north side of the building. The proposed loading area has a separate turnaround area for trucks and service delivery vehicles, which allows for head-in/head-out loading, and minimizes conflicts with PU/DO, rideshare, taxi, and food deliveries.

Plans detailing the site circulation are attached as Exhibit A. The proposed curb cut on South Capitol Street is the subject of pending Public Space Committee application, DDOT Tracking #381265.

8. The ANC requested clarification on the design and operation of Eye Street pedestrian/bike access lane.

The existing site (Lot 31) includes a long, narrow “pipe stem” that connects the southwest corner of the building to Eye Street. This part of the site is approximately 281 feet long and 20 feet wide. There is a high likelihood that resident pedestrians will use this area to reach the Navy Yard Metro station on Half Street, and resident cyclists will use this area to connect to the Eye Street bike lane. As such, the design of this space emphasizes safe pedestrian and bicycle circulation, and de-emphasizes vehicular volume and circulation.

As shown on the proposed plans, the majority of this area will be dedicated to pedestrian and bicycle access. Vehicles will be limited to a single, outbound lane to Eye Street, which provides a simple and safe condition at the existing curb cut. The pedestrian and bicycle lanes connect directly to a large bicycle storage room and interior corridor that leads to South Capitol Street and the secondary resident lobby on the south side of the building.

Plans depicting the design details of the Eye Street pedestrian/bike access lane are attached as Exhibit B. The proposed curb cut on Eye Street is the subject of pending Public Space Committee application, DDOT Tracking #381265.

Project Amenities

9. At the request of the ANC, the Applicant has committed to constructing a publically accessible dog run at the northern end of the project, below the freeway, subject to DDOT approval. At the meeting, the ANC noted that the Applicant has not provided any plans on the design, operation and maintenance of the proposed dog run.

A copy of the preliminary plan for the proposed dog run at the north end of the project is attached as Exhibit C.

The Applicant has shared the preliminary plans for the dog run with DDOT, and will continue to work with the agency as the project progresses. Additionally, the Applicant is willing to work with the ANC on the maintenance and operation of the dog run.

10. The ANC commented that the project does not include any retail or other structures/uses under the freeway.

The project design is informed by the site constraints, which includes covenants that limit/prohibit improvements under the freeway.

While there is no retail under the freeway, the current condition adjacent to the subject property will be completely transformed into a safe, 45-foot wide pedestrian experience that includes a 7-foot buffer zone of plantings and trees at the street edge, a 12-foot wide sidewalk, and 26 feet of native plantings and trees between the building face and sidewalk edge. Pedestrian improvements will also be made to the public space below the freeway. Details of the proposed streetscape and landscape improvements are attached as Exhibit D.

Affordable Housing

11. The property is zoned D-5. Pursuant to Subtitle I, Section 539.2, the property is exempt from Inclusionary Zoning (“IZ”).

Subtitle I, Sec. 539.2 states that residential density in the D-5 zone is not subject to the IZ requirements or bonuses of Subtitle C, Chapter 10.

Generally, this case for design review is subject to the following criteria:

- A. Special exception standard in Sub. I, Sec. 901.2
 - Consistent with the general purpose and intent of the Zoning Regulations and Zoning Maps and will not tend to adversely affect the use of neighboring property.

- B. Design requirements for D Zones, Subtitle I, Chapter 7
 - Help achieve the goals of the sub area;
 - In context with the surrounding neighborhood and street patterns;
 - Minimize conflict between vehicles and pedestrians;
 - Minimize unarticulated bland walls adjacent to public spaces;
 - Minimize impact on the environment.

- C. Design requirements for South Capitol Street in Sub. I, Sec. 702.1(b)
 - Design elements that are sensitive to South Capitol Street as monumental civic boulevard;
 - Massing and vehicle/truck circulation that recognize proximate residential neighborhood use and context.

At the ANC meeting, the Applicant provided background on the current IZ regulations, and specifically on the five components that underpin the District's IZ program. As stated by the Applicant, the purpose of providing this context was:

- (i) to summarize the reasons why D zones were exempt when IZ was adopted, and how these factors still exist today;
- (ii) to demonstrate the challenges of constructing affordable housing in D zones without public subsidies; and
- (iii) to highlight the importance of everyone being able to rely upon the Zoning Regulations as they are written, including the development community, in part by having predictability in the zoning review process.

The reason for this exemption is grounded in the need to maintain balance between the five core components that support the District's IZ program. The integral relationship between these components clearly reveals how a shift in one component must necessarily be accompanied by a shift in one or more of the other components. The underlying reasons that caused D zones, including the D-5 zone, to be exempt from IZ remain today.

The Applicant provided this information to help facilitate a productive discussion that considered the standard of review applicable to the project, as set forth in the Zoning Regulations. This information was also provided in the hopes of conveying how developers, including the Applicant, rely upon the Zoning Regulations at the very inception of a development project, and how the imposition of any unexpected requirement, IZ or otherwise, significantly disrupts the economic assumptions that underpin a real estate investment.

As was discussed at the ANC meeting, the Applicant acquired the project site in reliance upon the existing Zoning Regulations, which exempt residential density in most Downtown (D) zones for IZ, including the D-5 zone. In the subject application, the imposition of an IZ or other affordable housing requirement would need to be balanced by adjustments in either target household incomes, established housing costs, or compensating bonus density. These shifts are not possible because no bonus density or other zoning adjustments can be provided to help offset the affordable housing requirement. Furthermore, upward adjustments to target household income levels and/or established housing costs to offset an unanticipated affordable housing requirement would either be insufficient given land costs or require adjustments that fall outside the recognized range of affordable income levels. These reasons for the IZ exemption continue to underpin the current IZ regulations, which consequently form the basis of the underlying financing and development assumptions of the Applicant's proposal.

12. The ANC accused the Applicant of being part of the cause of the city's affordable housing crisis, and of not fulfilling its "moral obligation" of providing affordable units for a property that is exempt from IZ.

WC Smith has provided housing opportunities and enhanced communities in Washington, DC for more than 50 years. As the city's leading developer in offering affordable housing, WC Smith's portfolio includes more than 4,000 affordable units. Below is a description of just some of the company's affordable properties.

In addition, WC Smith, largely on its own initiative and without any external requirement, has invested significantly in social, cultural and educational resources to support the city's most deserving residents. Several of those initiatives are described below.

WC Smith Affordable Housing Developments

- **Villages of Parkland / Congress Heights** – Acquired in 1991, WC Smith transformed this formerly troubled property in Congress Heights into a community providing 1,121 multifamily rental and 285 homeownership units for more than 2,500 residents. At the site, WC Smith built the city's first splash park, which is celebrating its 25th anniversary. In 2021, WC Smith spent more than \$1 million to refurbish the splash park. The company also developed the nearby Shops at Park Village, which is anchored by one of the city's largest Giant supermarkets, and the first supermarket built in 30 years east of the Anacostia River. The Villages of Parklands received the DC Building Industry Association's *Achievement Award* in 2006 and the Urban Land Institute's *Award for Excellence* in 2007.
- **Fairway Park /Carver-Langston** – 406 units are reserved for residents with incomes at or below 60% MFI. Formerly, Carver Terrace, WC Smith transformed a complex that was plagued by high vacancy rates, systematic disinvestment and had a reputation as a dangerous neighborhood into the winner of the 2014 Associated Builders and Contractors *Award of Excellence*.
- **Sheridan Station / Anacostia** – A mixed-income HOPE VI project near the Anacostia Metro station that includes a medical clinic, community rooms, a new playground and solar panels, Sheridan Station was the first multifamily building in DC to be awarded LEED Platinum designation. The 327-unit property was built in three phases, and comprises a 114-unit apartment building, 133 rental townhomes and duplexes and 80 for-sale condominiums and townhouses. Sheridan Station was named *2013 Best Real Estate Deal* by the Washington Business Journal and received the NAHB *Green Community Award* in 2014.
- **Archer Park / Congress Heights** – Archer Park is a 5+ acre master planned community located on Mississippi Avenue, SE, near THEARC and Villages of Parkland. The development includes 190 affordable units (at 50% and 60% MFI), and 10 of the units are

designated for permanent supportive housing. The building amenities include a fitness center, club room and underground parking. WC Smith developed and sold the adjacent lots to Ryan Homes, with 74 for-sale townhomes. Archer Park is LEED Gold Certified and won a 2018 *District Sustainability Award*.

- **Juniper Courts / Takoma** – This is a 95-unit property; 85 of the units are affordable at 60% MFI. WC Smith partnered with the tenants’ association for the renovation of the building.
- **2M / M and North Capitol Streets, NE** - 2M Street is a 12-story, 314-unit mixed income apartment house constructed as part of the city’s New Communities Initiative. The building includes 93 affordable units, with 59 units set aside for residents of the former Temple Courts public housing complex. The building features top quality design, finishes and appliances, as well as a long list of community amenities. Built to LEED-Gold Standards, 2M is a green building, with rainwater harvesting, a green roof, highly efficient plumbing fixtures, solar panels and electric car charging stations. The building amenities include a roof-top pool a large club room, a fitness center, an indoor basketball court, a theater room, a kid's room, a spacious landscaped courtyard and a private dog park. In 2015, 2M was named *Best Real Estate Deal* by the Washington Business Journal.
- **City View /Anacostia** - Opened in 2019, City View is a 58-unit apartment building that includes permanent supportive housing and units for households at 30%, 50% and 60% of MFI. The building amenities include a 24-hour concierge desk, fitness center and garage parking. City View is certified LEED Gold, won the 2021 US Green Building Council *Innovative Residential Project* award for the National Capital Region, and was a Washington Business Journal *Best Real Estate Deal Award* winner in 2019.
- **Petworth Station / Petworth** - 88-unit project developed in partnership with the tenants association. This project was a substantial renovation of the three buildings that comprise the complex and added 10 new units, while preserving affordable housing and minimizing displacement in a rapidly growing Northwest DC neighborhood. The units are for households at 50% and 60% MFI.
- **Terrace Manor / Shipley Terrace - Randle Heights** - Terrace Manor will be a 130-unit newly constructed, affordable multifamily project. Plans call for the demolition of 12 vacant, dilapidated buildings with a total of 61 units, to be replaced with a new building housing 130 units.¹ All of the units will be affordable with rents based on 30%, 50% and

¹ In the spring of 2017, WC Smith was approached by the DC Office of Attorney General, which sued the previous Terrace Manor owner for the deplorable living conditions, poor management, safety concerns and extensive violations. The owner was preparing to go through bankruptcy court and the OAG wanted to assure that there were capable, community-conscientious affordable housing owner/operators that were aware of the opportunity to purchase Terrace Manor. During the summer of 2017, WC Smith worked with the tenants association, represented by Bread for the City, to develop a plan for the property and communicate with the residents about their thoughts and concerns. The tenants association unanimously voted to select WC Smith as the developer, and in October 2017 WC Smith closed on the bankruptcy purchase.

60% MFI. The new building will (i) increase safety by replacing multiple, garden-style buildings with one elevator building with a 24-hour front desk; (ii) create an opportunity for residents to age in place with a brand new structure, modern systems and amenity spaces, including a gym, business center and community room; and (iii) will provide better access control throughout the building, including secure parking.

WC Smith – Social, Cultural & Educational Investments

- **THEARC** – In 1997, in response to the lack of robust and safe recreational, health and cultural programs, Chris Smith, the CEO of WC Smith, founded the non-profit **Building Bridges Across the River** (“Building Bridges”) and raised \$27 million in private funding to build the Town Hall Education, Arts & Recreation Center (THEARC) on Mississippi Avenue, SE. The first building opened in 2003 as the home to Covenant House of Washington. The second building, THEARC East, opened in 2005 and houses several nonprofit partners, including the Boys and Girls Club of Greater Washington, Washington Ballet, Levine School of Music, Washington School for Girls, DC Central Kitchen, Trinity University and ArtReach, and a state-of-the-art theater. The third building, THEARC West, opened in 2018. It was funded by a \$33 million private campaign and is home to Children’s National, the Bishop Walker School for Boys, the David Lynch Meditation Center, Appletree Early Learning Center and the Phillips Collection, and a black box theater.

Today, THEARC is a 203,000 square foot facility and urban farm, with 14 non-profit resident partners, that serves more than 85,000 people annually, and over 1,000,000 people since it opened its doors nearly 20 years ago. THEARC offers an array of programs and services (valued at \$30 million annually), including music, dance and fine arts, academics, recreation, medical and dental care and other services at a substantially reduced cost or no cost at all. The 11th Street Bridge Park is a project of Building Bridges. WC Smith maintains a close partnership with THEARC. Chris Smith chairs the Building Bridges Board, and the company has contributed more than \$8 million to THEARC. Also, WC Smith staff has donated countless hours of their own time to volunteer for programs and services at THEARC.

- **Skyland Workforce Center (SWC)** - In response to the great need for employment opportunities and job skills training in the neighborhoods near Skyland Town Center, WC Smith founded and provided \$750,000 to open the Skyland Workforce Center (“SWC”). WC Smith rented a 5,000 square foot facility on Good Hope Road SE, hired staff and partnered with nonprofit organizations to provide an array of employment-related services for unemployed and underemployed residents. Since its launch in 2014, SWC has served more than 6,000 DC residents and placed 750 people in jobs spanning a wide range of fields.

Also, the Skyland development team has contributed nearly \$350,000 to support DC public schools, public libraries, community parks and community events and programs near the project.

- **Iona Senior Services** – When Iona Senior Services wanted to open a facility east of the Anacostia River, it turned to WC Smith for help with finding a location. WC Smith provided \$1.3 million to Iona for the renovation of a 10,000 square foot facility at the Shops at Park Village at the intersection of Alabama Avenue and Stanton Road, SE. In 2020, Iona Senior Services opened The Washington Home Center, a much-needed adult day health center for Wards 7 and 8 seniors and their families.
- **Summer Youth Employment Program** - Since 1992, the Summer Youth Employment Program has employed 1,300 youth, ages 14-17, in a 6-week paid job working at a WC Smith property or the iCAN technical theater program at THEARC. The teens participate in workshops and outings that include sessions on financial literacy and wellness, visits to local colleges and museums, and outdoor activities.
- **Building Bridges to a Better Life** - In August 2018, WC Smith and Building Bridges Across the River launched a program called Building Bridges to a Better Life (BBBL) to assist the city with relocating homeless families from DC General. WC Smith committed \$300,000 to BBBL and more than 70 families were moved into WC Smith-owned properties. Working with foundations, non-profits and individuals, BBBL started a donation program to collect all the necessities that the families need for a new home, including dishes, sheets and towels, pans and cooking utensils, and cleaning supplies.
- **Oxon Run Park & Lockridge Field** - WC Smith has been committed to protecting the natural resources in Ward 8, and has made extensive investments to restore and improve Oxon Run Park and other outdoor recreational facilities in neighborhoods. In 2007, teaming with Fannie Mae, community organizations and area residents, WC Smith spearheaded a \$750,000 project to renovate 25 acres of the park and transform an overgrown and neglected park into a beautiful, new multi-use outdoor resource. WC Smith employees worked to ensure that Oxon Run Park remains a well-maintained amenity for the neighborhood. As part of this commitment, in 2011, WC Smith refurbished the neglected baseball field in Oxon Run Park. A dirt field that had been overgrown with weeds was replaced with a new grass field, complete with an irrigation system, new fencing, backstop and dugouts. The field was named Lockridge Field, in honor of William Lockridge, a long-time educator, coach and community activist. Today, Lockridge Field is home to Ward 8 little league baseball, and hosts games with teams from across the city.
- **Support for DC Public Schools** - WC Smith has a long-standing commitment to supporting DC public schools. Since the 1990s, WC Smith has financially supported and staff provided volunteer time to several schools, including Garfield Elementary, Stanton

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Elementary, Johnson Middle School, Patricia Harris Elementary, Leckie Elementary, Patterson Elementary, Malcolm X Elementary at Green, and Ballou High School.

· **Public Parks and Art** - Canal Park in the Capitol Riverfront neighborhood was the brainchild of WC Smith. The company conceived the idea of replacing a 3-block bus parking lot with a park - a concept the city agreed to, but offered no money to execute. Chris Smith raised \$5 million in initial funding and formed the nonprofit organization Canal Park Development Association to secure the site and oversee development of what would become Canal Park. With the assistance of Anacostia Waterfront Corporation and additional resources from the District, Canal Park provides the community a 3-acre open space that is home to seasonal markets and events, interactive fountains in the warmer months and an ice skating rink in the winter. The park features sculptures by DC artist David Hess.

In effort to enhance the public realm, WC Smith and the BID installed “Fern Pull,” a kinetic public art sculpture created by renowned artist Anthony Howe; and, in partnership with CSX, installed the public “Bark and Go” dog park. Both are located at the intersection of New Jersey Avenue and H Streets, SE.

Conclusion

We trust that the foregoing information sufficiently addresses the questions and comments raised at the ANC meeting on September 13, 2021. We look forward to discussing the supplemental information provided on the project design at the next ANC meeting scheduled for October 18, 2021. The Applicant will request the ANC’s support of (1) the design review application filed with the Zoning Commission and (2) the curb cuts proposed at South Capitol Street and Eye Street, respectively, which are the subject of the pending Public Space Committee application (DDOT Tracking # 381265).

Thank you for your considerate attention to this matter. Please do not hesitate to contact us if you require any additional information/materials that may be helpful to the ANC’s review of the application.

Very truly yours,

HOLLAND & KNIGHT, LLP



Leila M. Jackson Batties

cc: Zoning Commission for the District of Columbia (w/ attachments)