Government of the District of Columbia

Office of the
Director

Office of Planning
415 12th Street, N.W.,
Washington, D.C. 20004

MEMORANDUM

NOV 11 1996

OFFICE OF ZONING
DISTRICT OF COLUMBIA

96 NOV 12 P 2:53

TO: D.C. Zoning Commission

FROM: Jill C. Dennis
Director

Nathan W. Gross, Chief
Comprehensive Plan Implementation

SUBJECT: Zoning Commission Case No. 96-3/89-1, Buzzard Point-Capital Gateway Area Map Amendments and Overlay District - Hearing Report

The Office of Planning's (OP) rationale for adoption of the map amendments and overlay zone advertised in this case is presented in the OP Preliminary Report of March 29, 1996. That report recommends rezoning the Buzzard Point-Capital Gateway area from C-M-1, C-M-2 and M districts to C-2-B, C-2-C, CR and W-2. The proposed BP Overlay District would be mapped in combination with the advertised CR, C-2-B and W-2 zones, plus a strip of land along the north frontage of M Street, S.E. that is already zoned C-3-C. In summary, the change in land use and development policy is from industrial to mixed residential-commercial, but with flexibility for existing industrial uses to remain and expand.

The purpose of the zoning changes is to implement the relevant parts of the Comprehensive Plan for the National Capital. In this area, several small area plans and studies, conducted in 1988-92, with substantial public-private sector cooperation, also provide detailed policy guidance as to land use, zoning and development. *The Buzzard Point/Near Southeast: Vision 2020* ("Vision 2020") is a planning document prepared by the Office of Planning that draws upon the small area plans and provides information on existing conditions, Comprehensive Plan policies, a comparison of the different small area plans and a set of consensus policies intended to guide land use and development policies for the area.

As stated in OP's Preliminary Report of March 29, 1996, "Vision 2020" should be considered the planning report underpinning OP's two zoning reports -- that of March 29,

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EXHIBIT NO.37

11/14/96

1996 and the instant memorandum. This memorandum relies on "Vision 2020" and the Preliminary Report to present the basic rationale for rezoning, and discusses only a few additional issues, as follows.

1. Reasons for Rezoning Now. A number of persons have questioned the need and desirability of proceeding with rezoning now, at a time when the potential for redevelopment in the area is limited by localized constraints as well as the real estate recession of the 1990's. OP considers this a fair question and debated it internally. On balance, OP has concluded it is better to proceed with rezoning for several reasons:

a) A building setback line along the Anacostia waterfront needs to be established. All planning policies for the area, federal as well as local, have for some years proposed a public walkway/bikeway/open space area of some width along the riverfront. The concept of a continuous waterfront park/walkway from Georgetown to the National Arboretum has been highlighted in the recent draft *Monumental Core Framework Plan*, prepared by the National Capital Planning Commission (NCPC). The Buzzard Point waterfront connection needs to be protected if that overall concept is to be realized. Two major office buildings were constructed along the waterfront in the early 1970s and are sited relatively close to the water's edge. It is important to reserve a minimum width of land now that will be free of buildings, so that the actual design and construction of the public open space can occur in the future.

b) Residential development should be permitted. The existing CM and M zones do not permit new residential development, whereas the Comprehensive Plan calls for a significant component of residential development to occur in the area. Although the general market for residential development in the area is apparently weak, conditions are likely to change in the future. If a developer in a particular location wishes to proceed with residential development, this should not be precluded by zoning.

c) The mapping pattern of the existing C-M and M zones presents urban design problems if office development occurs. (See the Existing Zoning map attached to this report.) The C-M-2 District permits 4.0 FAR and 60 feet of building height, whereas the M District allows 6.0 FAR and 90-foot buildings. The boundary between these zones follows an irregular path through the area, where 60-foot buildings would be allowed on one side of the street and 90-foot buildings on the facing frontage. This problem occurs most significantly on Potomac Avenue, a very wide avenue with a major design influence on the area.

d) Under normal market conditions in Washington, D.C., the existing CM and M

zones are more likely to produce office buildings at 60 and 90 feet than any other development. An all-office development pattern (or predominantly office) in this very large area would result in a misutilization of a major development opportunity. Economically, the area would be active only during daylight hours, an underutilization of retail and residential potential. The area would be relatively empty and unsafe at night. Detailed transportation analyses performed in the late 1980s indicated that, in excess of a certain quantity of office development, commuter traffic problems become compounded, and construction of a ramp off South Capitol Street becomes necessary, whereas a mixed use pattern of development balances inbound and outbound vehicular trips better and at least delays the time when an access ramp becomes necessary.

e) The loss of industrially-zoned land is an issue. The recommended zoning provides a significant degree of flexibility for existing and new industrial uses. The overlay zone allows existing CM and M uses to continue as conforming uses and to expand as of right up to the permitted commercial density of the underlying zone -- 3.0 FAR in CR and 2.0 FAR in W-2. These are normally ample densities for industrial structures, given the typical horizontal format of processing, warehousing and other industrial plants. Also, the CR and W zones both allow a number of light industrial uses to be established by special exception, and also allow any use not specifically prohibited to be established by special exception. (Each zone has a list of specifically prohibited, primarily industrial, uses.)

For the foregoing reasons, OP believes that, on balance, the area should be rezoned now rather than leave the existing M and CM zones in effect.

2. Development Potential. Under the proposed zoning, if adopted, a mixture of office, residential and retail development can be expected to take place over an extended period of years. The Preliminary Report emphasizes the very large land areas, including assembled, underutilized or vacant parcels that are available, but also emphasizes the development opportunities and constraints of the area. A very high percentage of the total land in Buzzard Point-Capital Gateway is underutilized and available for redevelopment. Although the present-day real estate market is weak, it is worthwhile to examine the physical potential of the area under different scenarios for the future.

The total land area of Buzzard Point-Capital Gateway is quite large -- approximately 94.7 acres, or approximately 4,125,132 square feet of land area -- excluding streets and alleys. The land area proposed for CR zoning is approximately 72 acres, or 3,136,320 square feet; the area proposed for W-2 zoning is approximately 22.3 acres, or 971,388 square feet. Several different development projections can be developed based on this land area.

1) Balanced Mixed Use Development, Full Zoning Envelope, Matter-of-Right

This projection establishes the outer physical limits of the area, assuming matter-of-right development, with no bonuses utilized, and a market that makes office and residential development equally profitable over time. Geographic areas of any significant size are rarely if ever built to full physical capacity, i.e., the full zoning envelope on all properties, but the figures below illustrate the major development capacity represented by this area of the city. For dwelling units, an average size of 1,000 s.f. of gross floor area (g.f.a.) is used. The population projection uses 2.24 persons per household, the District's average household size in the 1990 census. For office employees, 200 s.f. per employees is used. No separate projection of retail space or retail employees is made.

	CR Zone		W-2 Zone
3.0 FAR Res.	9,408,960 s.f. 9,409 dwellings (du) 21,076 residents	2.0 FAR	1,942,776 s.f. 1,943 du's 4,352 residents
3.0 FAR Office	9,408,960 s.f. 47,045 employees	2.0 FAR	1,942,776 s.f. 9,714 employees

Totals:	Residential s.f.	Dwellings/Population	Office s.f./Employees
	11,351,736	11,352 du/25,428	11,351,736/56,759

This result is a substantial community of more than 25,000 residents and almost 57,000 employees, most of the latter commuting to the area. The density would be quite high, i.e., uniformly 6.0 FAR, 90 feet in most of the area, and 4.0 FAR, 60 feet along the waterfront. (Actual development along the waterfront might not reach 4.0 FAR overall in the W-2 zone because of the effect of the 50-foot building setback.) Some buildings would be vertical mixed use, a larger number might be single-purpose (apartment building or office building) utilizing the combined lot development (FAR "swapping") provisions of the overlay zone. Retail and entertainment uses might be on the ground floor of either residential or office buildings, perhaps in greatest concentrations near the Navy Yard Metrorail station, along major thoroughfares and along the waterfront.

2) Balanced Mixed Use, Matter-of-Right, 50% of Development Capacity

Scenario number two uses the same assumptions as number one, but assumes development of 50 percent of the area over perhaps a 30- to 40-year time period. This could occur in the form of full density development on 50 percent of the land area, or

more likely, a combination of some sites developed at full density and others developed at lesser densities. For example, some sites along the waterfront might be developed with two-story restaurants, similar to those along the Washington Channel in Southwest Washington, with the residential FAR unused. A residential development on a large site might have a mixture of building types and densities, e.g., a high-rise apartment building as well as garden apartments and townhouses in a planned development. In this instance, the commercial FAR could be "swapped" or sold to another site, helping the economic feasibility of the residential development. Some office buildings might also be built for particular tenants or owners ("built to suit") and might not use the full zoning envelope (assuming 6.0 FAR commercial as full envelope with combined lot development). In the late 1980s, in a very strong office market, it was assumed that as Downtown was built out, office development would move to North Capitol Street and, to a lesser extent, to South Capitol Street. This assumed pattern is now greatly delayed and might occur sporadically rather than in a sustained development of major office buildings such as Downtown experienced in the 1960s to 1980s. It is in this context (a smaller and less certain office market) that office buildings might be scaled down to a size that is readily leasable and therefore buildable.

Totals:	Residential s.f.	Dwellings/Population	Office s.f./Employees
	5,675,868	5,676 du/12,714 pop.	5,675,868/28,380

3) Strong Office Market, Moderate Residential Market, 50% Development

In this scenario it is assumed, in contrast to the comments immediately above, that a sustained office market returns at some point and reaches the Buzzard Point-Capital Gateway area. Also assume that the residential market remains fairly slow but some development occurs. Assume, more specifically, that 50% of the land area is developed and that development on this land area in the W-2 zone is 2.0 FAR office-retail and 0.5 FAR residential, and that development in the CR zone is 3.0 FAR office-retail and 1.0 FAR residential, as follows:

Totals:	Residential s.f.	Dwellings/Population	Office s.f./Employees
	1,811,007	1,811/4,057	4,801,618/24,008

4) Strong Residential Market, Weak Office Market, 50% Development

It may be that a sustained office market will not reach Buzzard Point-Capital Gateway for many years, due to a continuing slow office market in Downtown and North Capitol Street, or the adjacent Southeast Federal Center, Navy Yard and Capitol South areas

simply absorb the available market. Assume also that the market for residential development has improved in the city and in this geographic area. In this projection we assume that 50 percent of the land is developed, at 2.5 FAR residential and 0.5 FAR commercial in the W-2 zone and at 4.0 FAR residential and 1.0 FAR office development in the CR zone, as follows:

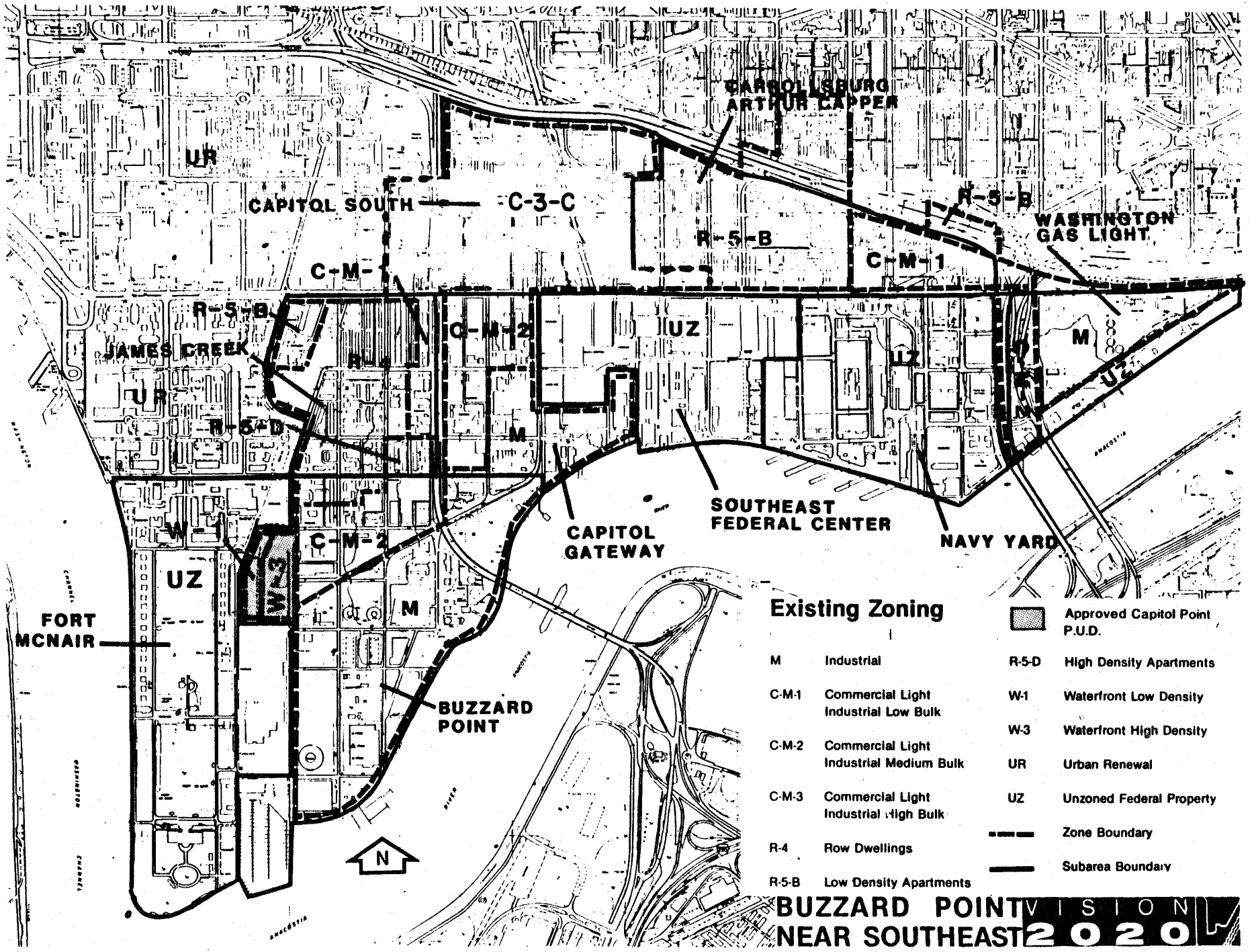
Totals:	Residential s.f.	Dwellings/Population	Office s.f./Employees
	7,486,875	7,487/16,771	1,811,007/9,055

Conclusion. These scenarios are obviously illustrative only, given present market conditions. It is extremely difficult to project a likely development pattern for this area. Perhaps the scenarios emphasize two points about the area and this zoning case: the long-term development potential of the area is huge; and the proposed zoning offers flexibility for the market to respond with residential, commercial or mixed use development, probably in differing market cycles over time.

RECOMMENDATION

The Office of Planning recommends adoption of the advertised map amendments and overlay zone, together with any modifications that are justified by testimony or further analysis and deliberation. OP staff will present additional information at the public hearing and will assist the Commission in resolving issues as requested.

Attachment


CARROLLSBURG
ARTHUR CAPPER
UR
CAPITOL SOUTH
C-3-C
R-5-B
C-M-1
WASHINGTON
GAS LIGHT
C-M-1
R-5-B
JAMES CREEK
C-M-2
UZ
UR
R-5-D
M
UZ
M
W-1
C-M-2
CAPITOL
GATEWAY
SOUTHEAST
FEDERAL CENTER
NAVY YARD
UZ
W-3
M
FORT
MCNAIR
BUZZARD
POINT
N
Existing Zoning
M Industrial
C-M-1 Commercial Light Industrial Low Bulk
C-M-2 Commercial Light Industrial Medium Bulk
C-M-3 Commercial Light Industrial High Bulk
R-4 Row Dwellings
R-5-B Low Density Apartments
Approved Capitol Point P.U.D.
R-5-D High Density Apartments
W-1 Waterfront Low Density
W-3 Waterfront High Density
UR Urban Renewal
UZ Unzoned Federal Property
Zone Boundary
Subarea Boundary
BUZZARD POINT
NEAR SOUTHEAST
VISION
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