

Summary of the Applicant's Community Outreach and Feedback Received

Meeting: ANC 5E
Date: July 16, 2024
Summary: The Applicant provided an initial presentation of the proposed PUD modification and requested flexibility, and the initial timeline for filing the application. Overall, ANC members and those in attendance expressed positive comments for the proposed modifications to the Parcel 2 and Parcel 4 buildings. During the meeting, the following questions / comments were raised by the ANC and attending public (followed by the Applicant's response):

Comment/Question: What type of grocer will now occupy the Parcel 4 Building?

Applicant Response: The grocer that is currently in negotiations to occupy Parcel 4 is a full-service grocer.

Comment/Question: Can there be fewer senior affordable units devoted to 50% MFI households, and more devoted to 60% MFI households?

Applicant Response: The Applicant can evaluate the affordability level allocation of the senior affordable units; however, it does believe the proposed allocation aligns with current demand in the District. To a degree, the allocation is dictated by District affordable housing funding sources being sought by the Applicant. As of right now, the Applicant is allocating 38 units to 30% MFI households, 82 units to 50% MFI households, and 15 units to 60% MFI households. The MFI levels prescribed by the District are based upon the Washington, .DC regional MFI, which is currently \$154,700. This is higher than the District MFI of \$101,722, and significantly higher than the District MFI for Black / African American households of \$57,076. As such, the Applicant believes there is likely a strong demand for senior affordable units at the 30% and 50% MFI levels within the District.

Comment/Question: Is it a good idea to have a senior building facing a hotel (noise and safety issues)?

Applicant Response: The Applicant is intending for the building on Parcel 2 (west) to be a residential building, and is only asking for flexibility to devote this building to lodging in the event the multi-family construction market continues on a downward trend. Should Parcel 2 (west) end up being devoted to lodging use, the Applicant does not believe this will cause safety issues for the senior affordable building on Parcel 2 (east), in part because the main entry lobby for the senior affordable building will be located on the east side of the building, facing away from the hotel. With respect to noise, the size of the potential hotel is very modest, and would not have the types of exhibit / conference space or commercial adjuncts that typically are the predominate sources of noise in larger hotels.

Comment/Question: How many bedrooms will the senior affordable building have, are there any 2- and 3-bedroom units?

Applicant Response: Most of the senior affordable units will be studio and 1-bedroom units, there is not much demand for 2- and 3-bedroom senior affordable units.

Comment/Question: Does the proposal make the previous Fair Housing Act “housing segregation” issue raised by a previous ANC member better or worse?

Applicant Response: The Applicant’s understanding is that a question was previously raised about whether the senior affordable housing was permitted to be located within a dedicated wing of the Parcel 4 building, physically separated from the market rate wings of the building. This question was resolved in the prior PUD proceedings. Notwithstanding, the relocation of the senior affordable housing to a standalone building on Parcel 2 (east) completely eliminates this as a potential issue to the extent a question still exists.

Comment/Question: Support and strong encouragement for the proposed hotel use on Parcel 2 (west).

Applicant Response: Noted

Meeting: McMillan Advisory Group
Date: July 18, 2024
Summary: The Applicant provided a brief summary of past PUD approvals on Parcels 2 and 4, a presentation of the proposed PUD modification and requested flexibility, and the anticipated timeline for filing the application. Overall, MAG members in attendance expressed positive comments for the proposed modifications to the Parcel 2 and Parcel 4 buildings. During the meeting, the following questions / comments were raised by the MAC members (followed by the Applicant’s response):

Comment/Question: What will be the MFI levels of the increased senior affordable units?

Applicant Response: Under the current PUD approval, 85 senior affordable units are required at the 50% and 60% MFI income levels. Under the PUD modification, 135 senior affordable are anticipated to be provided at the 30%, 50%, and 60% MFI income levels. The Applicant is also pursuing the HANTA funding for the two market rate building on Parcel 4 and Parcel 2 (west), which, if obtained, would require 33% of the units in each of these two buildings to be devoted to affordable housing at an average of 80% MFI.

Comment/Question: Will the senior affordable units be rental or owner occupied?

Applicant Response: The senior affordable units will be rental.

Comment/Question: Is there flexibility in how the monetary contribution to the Bloomingdale Civic Association (“BCA”) that is required under the order is used, and can it be made in a lump sum payment rather than annual payments?

Applicant Response: The Applicant does not believe there is anything in the current PUD order that prohibits a lump sum payment if that’s what the BCA prefers. The proper documentation would need to be filed with the Zoning Administrator to demonstrate compliance with the applicable condition(s) in the order. The Applicant is open to a discussion with the BCA to determine whether its current plan for its contribution is covered by the condition in the PUD order, or whether there is a need to modify the condition as part of this application.

Meeting: Bloomingdale Civic Association (“BCA”)
Date: September 16, 2024
Summary: The Applicant provided a general overview of the McMillan PUD site plan. Noting that retail in general is not doing well since the COVID pandemic, the Applicant discussed the challenges it has had with attracting a grocer to Parcel 4, specifically noting that the previous two grocers that were interested in occupying the 55,000 square feet in Parcel 4 are no longer interested. The Applicant noted that despite its efforts, there are no grocers that are interested in occupying the 55,000 square feet that is currently required under the order. The grocer that is currently interested in the site only wants to lease approximately 22,500 square feet of space, but will still be a full-service grocery store. The Applicant noted that this size is consistent with the general direction that urban format grocery stores have gone since the end of the pandemic given, among other things, the growth in online grocery sales and grocery delivery services. The Applicant also provided a summary of the proposed PUD modifications and requested flexibility. During the meeting, the following questions / comments were raised by BCA members and the public (followed by the Applicant’s response):

Comment/Question: What are some examples of full-service grocery stores in the District that are comparable in size to what is being proposed?

Applicant Response: The Applicant showed a slide of various grocery store sizes in the District, including recently opened mid-size grocery stores that represented the general type of grocery store that the Applicant is currently in negotiations with.

Comment/Question: Why is the overall number of parking spaces across the two parcels being reduced?

Applicant Response: The parking space reduction is due to the change in the overall programs of the two buildings, and primarily due to the reduction in the total amount of retail space that would be provided.

Comment/Question: The BCA might be interested in commissioning an art installation with the monetary contribution that it will receive under the PUD order.

Applicant Response: The Applicant noted that it is open to a discussion about whether such a use is allowed under the PUD order, or whether there is a need to modify the language of the condition.

Comment/Question: Will there be a pharmacy in the new grocery store or other retail space, and is a pharmacy currently required under the PUD order?

Applicant Response: A pharmacy is currently not required under the PUD order. The grocer that the Applicant is currently in negotiations with will not have a pharmacy. However, the Applicant has been talking with its broker about a pharmacy and they agree the market is a strong candidate for such a use but many pharmacies are currently not expanding. The Applicant's brokers are currently putting together marketing information to make a "hard sell" for a pharmacy on the site.

Comment/Question: Will the senior housing units be all market rate?

Applicant Response: No. The senior housing that is proposed to be relocated to Parcel 2 (east) will be entirely devoted to affordable housing for persons 55 years of age or older, and will be set aside to households earning no more than 30%, 50%, and 60% MFI.

Comment/Question: Is the Applicant going to be preparing an updated transportation analysis? The changes in program appear that it will require an increased need to leave the site for shopping, etc.

Applicant Response: Yes. The Applicant is currently working with the traffic engineer that prepared the original transportation analysis. The scope of the analysis is currently being discussed with DDOT. However, a preliminary assessment of potential trips shows that the overall number of peak period trips generated by the proposed building program will go down slightly compared to the current program for Parcels 2 and 4.

Comment/Question: Are the additional residential units designed to accommodate families (3 bedroom, 1.5 bath)?

Applicant Response: There are currently some three-bedroom, two-bathroom units in Parcel 2 (west) and Parcel 4. The additional residential program proposed for these two buildings would be designed according to similar ratios as the currently layouts.

Comment/Question: What are the plans for connecting to public transportation? Are there shuttles to the Brookland Metrorail proposed?

Applicant Response: The Applicant will need to confirm with the traffic engineer what is required under the approved PUD and the McMillan transportation improvement plan / transportation performance plan, noting that the shuttle service discussed in the PUD order is primarily tied to the construction of the healthcare use on Parcel 1 of the McMillan site.

Meeting: ANC 5E
Date: September 17, 2024
Summary: At the request of the ANC, the Applicant provided a high-level summary of the proposed PUD modification. During the meeting, the following questions / comments were raised by the ANC and attending public (followed by the Applicant's response):

Comment/Question: The flexibility in the size of the grocer (i.e. the ability to reduce down to 6,000 square feet), seems very low, and is unlikely to be a true full-service grocery store.

Applicant Response: While the Applicant is still in lease negotiations with a potential grocer, it is close to executing a lease with a full-service grocer that will occupy at least 22,500 square feet of space. The Applicant is hopeful that it will be able to execute the lease with the grocer in the near term, and hopefully can get through the PUD modification process as seamlessly as possible. However, in response to community feedback the Applicant has revised its requested flexibility for the grocery store to commit to a minimum size of 10,000 square feet in the event the current grocer is unable to occupy the site.

Meeting: MAG
Date: September 19, 2024
Summary: At the request of the MAG, the Applicant focused its presentation on the proposed design changes that were submitted to the Historic Preservation Review Board ("HPRB"). During the meeting, the following questions / comments were raised by the ANC and attending public (followed by the Applicant's response):

Comment/Question: Why is there a need for flexibility in exterior materials, and what happens if the façade has to change again?

Applicant Response: The proposed modification to the exterior materials maintain the look and feel of the current approved designs. Flexibility is needed to utilize the alternative materials shown in the drawings to ensure the project can proceed despite fluctuations in the timing of material availability and cost. The quality and durability of the alternative materials are comparable to the preferred materials that are proposed. If the façade for either building is substantially changed, HPO staff will potentially advise the Applicant that it has to return to the HPRB for further review, which would also require the Applicant to return to the community to present the façade changes.

Comment/Question: Can the MAG receive a copy of the most recent traffic plan? There is concern about access to the grocery store occurring through neighborhood streets.

Applicant Response: The Applicant is still preparing the updated traffic plan for the proposed PUD modification on Parcels 2 and 4. However, the Applicant can provide a marked up plan that shows entrances and access to parking at the rear of the Parcel 4 building. The Applicant can confirm that access to the grocery store can occur directly from North Capitol Street and First Street, and therefore would not need to go through the neighborhood.

Comment/Question: When will the grocery store open?

Applicant Response: Currently, the Applicant's best-case scenario would be for the grocery store to open Q2 2028, assuming approval of the PUD modification and any historic preservation review, and no appeal being filed.

Meeting: ANC 1E
Date: September 25, 2024
Summary: The Applicant provided an initial presentation of the proposed PUD modification and requested flexibility, and the initial timeline for filing the application. The ANC acknowledged that their participation in the proposed PUD modification may be light as their area is not as impacted by the development as ANC 5E. During the meeting, the following questions / comments were raised by the ANC and attending public (followed by the Applicant's response):

Comment/Question: Why were the balconies removed from the senior affordable building?

Applicant Response: The previous senior units on Parcel 4 did not have balconies. The proposed senior affordable building on Parcel 2 (east) will contain some balconies, although the number of balconies has been reduced compared to the current approved design for the Parcel 2 building due to cost concerns.

Comment/Question: Why was the pedestrian bridge removed from the Parcel 2 Building?

Applicant Response: The pedestrian bridge was necessary in the previous design because the two towers of the Parcel 2 building operated as a single building, and the bridge was vital to that functionality. Due to the relocation of the senior affordable housing to Parcel 2 (east), the connection was no longer needed because the two towers will now function as two separate building, with their own vertical circulation, lobbies, amenities, and loading. The two towers will share a common parking garage to avoid having to provide two parking garage entrances.

Comment/Question: Will there be any changes to the CBA as it relates to affordable housing?

Applicant Response: The Applicant is requesting an overall increase in affordable units count. However, all of the affordable housing will now be devoted to senior affordable housing for persons 55 years of age or older.

Comment/Question: What concerns have been raised by the other community organizations?

Applicant Response: The primary comments have been related to the flexibility in minimum grocer size. Currently, the Applicant is proposing a minimum grocery store size of 22,500 square feet. In response to comments, the Applicant has modified its grocery size flexibility request from a minimum size of 6,000 square feet to a minimum of 10,000 square feet. The BCA has expressed interest in potentially broadening of the potential uses of the monetary contribution it will receive under the CBA and PUD order.

Comment/Question: Can you provide clarity on the senior affordable housing count and income restrictions? Also, can senior to anything now to be considered for these new apartments?

Applicant Response: Under the current approval, 85 units of senior affordable housing is required. As currently proposed, the Applicant will provide approximately 135 units of senior affordable housing. These units will be available to persons that are 55 years of age and older. The current approval requires the senior units to be devoted to households earning no more than 50% and 60% MFI. Under the proposed program, the senior units will be devoted to households earning no more than 30%, 50% and 60% MFI. Unfortunately, there is no opportunity right now to be considered for there new apartments. The Applicant anticipates construction of the senior affordable housing to start Q4 2026/Q1 2027 at the earliest.

Comment/Question: Can you provide clarity on the funding for the Parcel 2 and Parcel 4 buildings? Note that there has been a shift in DHCD affordable housing funding and the Applicant should track that closely.

Applicant Response: The market rate projects on Parcel 2 (west) and Parcel 4 do not have distinct district funding. For Parcel 2 (east), the senior affordable project, DHCD funding has been committed for the 85 units that are currently required under the approved PUD. The Applicant is currently pursuing the additional DHCD funding for the additional 50 units of senior affordable housing being proposed under the PUD modification. The Applicant is also pursuing HANTA funding for the market rate projects on Parcel 2 (west) and Parcel 4. The Applicant is working closely with the District and using the time available confirm required funding.