

CERTIFICATE OF NOTICE

I HEREBY CERTIFY that a copy of the Notice of Intent to File a Zoning Application for Text Amendments to the SEFC Zone District and Related Amendments to the Zoning Map (the "Application") for Forest City SEFC LLC (the "Applicant") was mailed to Advisory Neighborhood Commission 6D and to the owners of all property within 200 feet of the perimeter of the subject property on April 27, 2017, as required by the Zoning Regulations of the District of Columbia, 11 DCMR (Zoning) Subtitle Z.

In connection with the project that is the subject of this Application, the Applicant has met with Advisory Neighborhood Commission 6D, the District of Columbia Office of Planning, the District of Columbia Department of Transportation, and the Washington Area Metropolitan Transit Authority, all as further detailed in the Statement to which this Certificate is attached.



David M. Avitabile

NOTICE OF INTENT TO FILE A ZONING APPLICATION

APPLICATION TO THE DISTRICT OF COLUMBIA ZONING COMMISSION FOR TEXT AMENDMENTS TO THE SEFC ZONE DISTRICT (SUBTITLE K, CHAPTER 2) AND RELATED AMENDMENTS TO THE ZONING MAP

April 27, 2017

Forest City SEFC, LLC (“**Applicant**”) gives notice of its intent to file an application for (1) amendments to the text of Subtitle K, Chapter 2 of the Zoning Regulations and (2) related amendments to the Zoning Map. The purpose of the text and map amendments is to modify the SEFC-1 Zone District to better achieve the purposes and goals of the Southeast Federal Center Master Plan, as revised (“**SEFC Master Plan**”) as well as the Applicant’s updated Yards West Concept Master Plan (“**Yards West Concept Master Plan**”). The property that is the subject of this application (“**Property**”) are the SEFC-1 zoned portions of The Yards, including:

- All of Squares 743 and 744, bounded by M Street SE, 1st Street SE, N Place SE, Canal Street SE and New Jersey Avenue SE (Parcels A, F, G, H, and I of the Yards, also known as the “**Redevelopment Zone**”)
- Square 770, Lot 40, all of Squares 771 and 853, and a portion of Square 883, bounded by M Street SE, 4th Street SE, US DOT headquarters, 3rd Street SE, Tingley Street SE, and the Navy Yard (Parcels D, E, and K).

Background

The SEFC Zones (formerly the SEFC Overlay under the 1958 Zoning Regulations) were adopted by the Zoning Commission in 2004 in order to implement the goals of the Southeast Federal Center Public-Private Partnership Act of 2000 and related SEFC Master Plan. The GSA-approved Master Plan called for, among other goals, the development of approximately 1.85 million square feet of private, tax-generating commercial office development within the SEFC.

The SEFC-1 Zone (formerly the SEFC/CR Zone District) was adopted by the Zoning Commission in order to facilitate the development of these office uses on the Property. The SEFC-1 zone allows a total of 3.0 FAR for nonresidential use; however, that nonresidential density can be reallocated and aggregated among the various parcels pursuant to a “combined lot development” (“**CLD**”) regime, such that some parcels can be developed with 8- to 11- story commercial office buildings and others are developed as similarly-tall residential apartment buildings. The intent of the SEFC-1 Zone District and its CLD regime was to provide the Applicant with flexibility to select which parcels are developed with commercial office use over time.

To date, only Parcels D and K have been developed pursuant to the SEFC-1 Zone. Parcel D (now 1212 4th Street SE) is improved with a residential apartment building with 125,000 square feet of retail use, including a grocery store. Parcel K, the Boilermaker Shops, is improved with an additional 35,000 square feet of retail use and 11,000 square feet of office use. Within the remainder of the SEFC Zones, the Applicant has completed or is under design and construction with an additional 1,100 residential apartments and condominium units, 80,000 square feet of retail use, a proposed 227-room boutique hotel, a marina, and the award-winning Yards Park.

Yards West Master Planning

Over the past year, the Applicant has taken a closer look at the Redevelopment Zone and undertaken a master planning exercise focused on defining a comprehensive vision for this portion of the Southeast Federal Center, which is located immediately adjacent to the Navy Yard Metrorail entrance and the high-density office and residential uses along M Street SE and near the Nationals Ballpark. The Yards West Concept Master Plan develops this vision for the Redevelopment Zone and the Applicant's approved PUD to the south, organized around 1 ½ Street, which serves as a central pedestrian-oriented spine leading from a potential additional entrance to the Navy Yard Metrorail station down to Diamond Teague Park. As a result, the Applicant now proposes an increased amount of retail use as well as other ground-floor activating uses focused on the 1 ½ Street "spine". Commercial office use continues to be a primary focus for the Redevelopment Zone, with the bulk of the use concentrated near the Navy Yard Metrorail Entrance.

The Yards West master planning exercise identified a need to update the existing zoning regime. The underlying zoning falls short of achieving the goals for office use under both the SEFC Master Plan and the Yards West Concept Master Plan by approximately 400,000 – 800,000 square feet. All nonresidential uses—including retail uses, cultural uses, and entertainment uses as well as commercial office uses—count toward the limited 3.0 FAR of nonresidential uses available for each parcel. As a result, the increased focus on retail and other street-activating uses in the Yards West Concept Master Plan, together with the substantial area devoted to the grocery store and fitness center on Parcel D, diminishes the achievable amount of actual office use. Furthermore, the CLD trading scheme requires the identification of specific "pairs" in order to reallocate nonresidential and residential densities. The limited number of available pairs among the various SEFC-1 parcels restricts the ability to actually utilize the theoretical CLD rights. Finally, historic preservation and other site constraints imposed on Parcel E (located adjacent to the Navy Yard) further limit CLD trading opportunities.

Proposed Zoning Changes

To address the above limits and achieve the forecasted 1.85 million square feet of commercial office use necessary to make the Southeast Federal Center a success, the Applicant

proposes modifications to the existing SEFC-1 Zone. Broadly, the Applicant proposes to eliminate the CLD “trading” scheme and instead identify which parcels will be developed with commercial office use and which parcels will be developed with either a mix of uses or residential- and retail-only use. In addition, building on the bonus height and density already available for residential uses in the SEFC-1 Zone, the Applicant proposes to agree to design review for each parcel in exchange for bonus height and density.

For Parcels A, F, and G (the parcels located closest to Metro and most appropriate for commercial office use):

- Zone: The Applicant proposes to map these three parcels with the SEFC 1A Zone.
- Density: The SEFC 1A Zone would permit 6.0 FAR as a matter of right for any use permitted in the zone, including commercial office use. It would also allow an additional 1.0 FAR bonus, with Zoning Commission design review.
- Height: The SEFC 1A Zone would permit 130 feet in height on Parcel A and 110 feet on Parcels F and G as a matter of right. It would allow 130 feet in height on Parcels F and G with Zoning Commission design review.

For the remaining SEFC-1 Parcels (Parcels H and I in the Redevelopment Zone, and Parcels D, E, and K in the historic core of the Yards):

- Zone: The Applicant proposes to map these parcels with the SEFC 1B Zone. The SEFC 1B zone is functionally the same as the existing SEFC-1 Zone, but eliminates the use of CLDs.
- Density: The SEFC 1B Zone would permit 6.0 FAR as a matter of right, with a maximum of 3.0 FAR for nonresidential uses. It would also allow an additional 1.0 FAR bonus, but for residential use only, with Zoning Commission design review. As a matter of practicality, many of these parcels would end up developed with residential, retail or cultural/entertainment uses.
- Height: The SEFC 1B Zone would permit 110 feet as a matter of right. It would permit 130 feet in height on Parcel H only, with Zoning Commission design review.

Importantly, the proposed heights and densities will allow approximately 1.85 million square feet of commercial office development across the entire Southeast Federal Center— the original amount intended for the Yards under the SEFC Master Plan.

Pursuant to Subtitle Z, Section 304.6, the Applicant will present the proposed changes to ANC 6D in the near future. The Applicant is also available to discuss the proposed changes with all interested groups and individuals.

This application will be filed with the District of Columbia Zoning Commission under Subtitle X, Chapters 4 and 5 and Subtitle Z, Sections 304 and 305 of the District of Columbia Zoning Regulations, 11 DCMR (effective September 6, 2016, as amended), not less than forty-five (45) days from the date of this Notice, which is given pursuant to Subtitle Z, Section 304.5 of the Zoning Regulations. The land use counsel is Goulston & Storrs. If you require additional information regarding the proposed text and map amendments, please contact David Avitabile (202-721-1137).