Law Offices HOLLAND & KNIGHT LLP

2099 Pennsylvania Avenue, N.W Suite 100 Washington, D.C. 20006-6801

202-955-3000 FAX 202-955-5564 www.hklaw.com

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REPORT TO THE ZONING COMMISSION CASE NO. 01-07C 1700 - 1730 K STREET, N.W. STEVEN E. SHER, DIRECTOR OF ZONING AND LAND USE SERVICES **HOLLAND & KNIGHT LLP**

OCTOBER 11, 2001

- I. Introduction
- II. Nature of applications
 - A. Consolidated review of planned unit development
 - B. Lease of airspace over portions of the public alley at the rear
- III. Site location
 - Southwest corner of the intersection of 17th and K Streets, N.W. A.
 - Β. Site known as 1700 and 1730 K Street, N.W. (Commerce and Riddell **Buildings**)
 - C. Central Employment Area, within the Golden Triangle BID, facing **Farragut** Square
- IV. Site description
 - Northeast corner of the square bounded by 17th, 18th, I and K Streets, A. N.W. (Square 126, Lots 56 and 851)
 - Β. Contains approximately 33,485 square feet of land area
 - С. Has frontage of approximately 173 feet on K Street and 120 17th Street

- D. Abuts a ten foot wide north-south public alley on the west, which connects to K Street and twenty foot and ten foot east-west public alleys on the south which connect to 18th and K Streets
- E. Existing buildings
 - 1. 1700 K Street (Commerce Building)
 - a) Office building built in 1955
 - b) Contains general office use as well as retail and service uses on the first floor
 - c) Thirteen stories, 130 feet in height
 - d) No parking, one loading dock with exterior loading area
 - 2. 1730 K Street (Riddell Building)
 - a) Office building built in 1958
 - b) Contains general office use as well as retail and service uses on the first floor
 - c) Thirteen stories, 130 feet in height
 - d) No parking, one loading dock with exterior loading area
 - 3. Two buildings together contain approximately 385,000 square feet (approximately 11.55 FAR)
- F. Abutting streets
 - 1. K Street 147.67 feet wide
 - 2. 17^{th} Street 110 feet wide
- V. Description of the surrounding area
 - A. Subject square (see Sanborn Atlas plat attached as <u>Exhibit A</u>)
 - 1. Seven office buildings with ground floor retail
 - 2. K and 17th Street buildings are predominantly 130 feet in height
 - 3. I and 18th Street buildings are 110 feet in height

- B. General area
 - 1. Farragut Square across 17th Street to the east
 - 2. Subject square plus surrounding and confronting squares (see aerial photograph attached as <u>Exhibit B</u>)
 - a) Forty-one office buildings (mostly high-rises with ground floor retail)
 - b) One hotel
 - c) One retail building
 - d) One private club
 - e) One Federal park
 - 3. Metrorail stations
 - a) Farragut North (Red Line): northeast corner of Connecticut and K Streets)
 - b) Farragut West (Blue/Orange Lines): southeast corner of 17th and I Streets)

VI. Zoning

- A. Existing: C-4
 - 1. General commercial district permitting almost all retail, service and office uses, as well as hotel, residential and institutional uses
 - 2. Maximum height: 130 feet if on a street at least 110 feet wide, 110 feet otherwise
 - 3. Maximum FAR: 10.0 if on a street at least 110 feet wide, 8.5 otherwise
 - 4. Minimum required parking:
 - a) Office: one space for each 1,800 square feet of gross floor area in excess of 2,000 square feet

- b) Retail: one space for each 3,000 square feet of gross floor area in excess of 30,000 square feet
- B. History
 - 1. Site has been zoned C-4 since 1958
 - 2. Pre-1958 zoning was First Commercial "110" "D"
- C. Proposed zoning: no change from existing C-4
- D. PUD guidelines for C-4
 - 1. Height: 130 feet
 - 2. FAR: 11.0 (facing a street at least 110 feet wide)
 - 3. FAR may be increased by up to an additional 5% (0.55 FAR) where the increase is essential to the successful functioning of the project and is consistent with the purpose and evaluation standards
 - 4. Yards and courts: as otherwise provided, subject to the Zoning Commission's discretion to approve greater or lesser
 - 5. Parking and loading: as otherwise provided, subject to the Zoning Commission's discretion to approve greater or lesser
- VII. Description of the proposed project
 - A. Uses
 - 1. Office
 - 2. Ground floor retail
 - B. Height: 130 feet along K Street, with the top floor setback five feet, five inches at a height of 119 feet, four inches
 - C. Floor area ratio 11.07 equivalent, including public space (11.55 existing with no use of public space)
 - D. Parking minimum of 225 fully accessible spaces to be provided
 - E. Loading three thirty foot berths plus one service delivery loading space, where two loading platforms and open loading area now exist

- F. Ground level setbacks
 - 1. Five feet along K Street to widen the sidewalk
 - 2. Five feet along the west side of the site to widen the north-south alley from ten feet to fifteen feet
- G. Comparison to matter-of-right and PUD standards
 - 1. Use: office and retail (no change)
 - 2. Height: 130 feet (no change)
 - 3. FAR:
 - a) Matter-of-right: 10.0
 - b) PUD guideline: 11.0
 - c) PUD with additional 5% increase allowed: 11.55
 - d) Proposed: 11.07
 - 4. Proposed gross floor area of 370,891 square feet plus 2,244 square feet in public airspace is approximately 12,000 less than existing and approximately 38,000 more than matter-of-right
- VIII. Compliance with PUD evaluation standards of §2403
 - A. Impact of project shall be favorable, capable of being mitigated or acceptable (§2403.3)
 - 1. No additional height, less density than currently exists
 - 2. Traffic is acceptable, per Gorove/Slade
 - 3. Metrorail and Metrobus access
 - B. Project is not inconsistent with the Comprehensive Plan and with other adopted public policies and active programs related to the subject site (§2403.4): see section VIII, below

- C. Commission shall "judge, balance, and reconcile the relative value of project amenities and public benefits offered, the degree of development incentives requested and any potential adverse effects" (§2403.8)
- D. Public benefits
 - 1. On-site amenities
 - a) Design
 - b) Streetscape
 - 2. Off-site affordable housing in excess of the minimum requirements (see § X, below)
 - 3. Community amenities
 - a) \$70,000 contribution to public space programs of Golden Triangle Business Improvement District
 - b) LSDBE/DOES commitments

balanced against

- E. Development incentives:
 - 1. No increase in height
 - 2. 36,000 square foot increase in commercial gross floor area over matter-of-right (approximately 12,000 square feet less than existing condition)
- F. Areas of flexibility from C-4 or PUD standards
 - 1. FAR
 - a) Provided: 11.07 (aggregating the private lot area and the footprint of the leased space over the alley)
 - b) Density is 0.64% over the 11.0 FAR permitted
 - c) Justification:
 - (1) Existing buildings are already at more than 11.5 FAR

- (2) Successful project requires capturing as much density on site, to get as close to the current density as possible
- (3) Extra density will have minimal impacts
- (4) Perceived bulk is no greater than current buildings
- 2. Rear yard
 - a) Required for a corner lot: a closed court in lieu of rear yard, with a minimum width of 3" per foot of height, or approximately 23.5 feet for a 130 foot building
 - b) Provided: none
 - c) Justification:
 - (1) Floorplate of the building is dictated by location of core, setbacks at grade level on the north and west sides and the notch at the center of K Street
 - (2) Existing buildings already exceed 11.5 FAR
 - (3) Light and air is provided by twenty foot public alley at the rear and rear yard setback of more than twenty feet on existing building across the alley
- 3. Roof structure setback
 - a) Required: 1:1 setback above the level of the roof upon which the structure is located
 - b) Provided: in excess of 1:1, except for the south side, where the setback is nine feet, four inches for an eighteen foot, six inch penthouse
 - c) Justification:
 - (1) Design of office floorplate pushes elevator core to the rear of the site
 - (2) Required for operating efficiencies in the building
 - (3) Substantial setbacks provided from all other sides of the building

- IX. Consistency with the Comprehensive Plan
 - A. The District Elements
 - 1. The District of Columbia Comprehensive Plan Act of 1984 (D.C. Law 5-76, March 9, 1984)
 - 2. The District of Columbia Comprehensive Plan Act of 1984 Land Use Element Amendment Act of 1984 (D.C. Law 5-187, February 15, 1985)
 - 3. The Comprehensive Plan Amendments Act of 1989 (D.C. Law 8-129, January 5, 1990)
 - 4. The Comprehensive Plan Amendments Act of 1994 (D.C. Law 10-193, October 19, 1994)
 - 5. Comprehensive Plan Land Use Maps Approval Resolution of 1996 (Resolution 11-313, May 7, 1996)
 - 6. The Comprehensive Plan Amendments Acts of 1998 (D.C. Law 12-275, April 27, 1999)
 - B. Interpretation of the District elements
 - 1. "The primary dynamic of the District elements of the Plan is the overlapping of its elements' goals. This overlapping is intentional." (§112.1)
 - 2. "District elements of the Plan should be studied and executed in concert with each other and should be interpreted broadly." (§111.(a))
 - 3. "The interpretation and implementation of any element should necessarily rely upon, and be respectful of, the objectives and policies of other elements." (§112.1(b))
 - 4. "An element may be tempered, even defined, by one (1) or more of the other elements. This may occur within one (1) element and between elements. Since the Land Use element integrates the policies and objectives of all other District elements, it should be given greater weight than the other elements." (§112.1(c))

- 5. "The interpretation of the District elements of the Plan should also be guided by the major themes set forth in §101.1, which establish the overall priorities of the District elements of the Plan." (§112.2)
- C. Major Themes
 - 1. Respect and improve the physical character of the District (§106)
 - 2. Reaffirm and strengthen the District's role as the economic hub of the National Capital region (§109)
- D. Land Use element
 - 1. Generalized Land Use Map
 - a) High density commercial (see <u>Exhibit C</u>)
 - b) "A mix of employment, retail, office, cultural, and entertainment centers which serves as the business and retail heart of the District and the metropolitan area." (§1106.5).
 - 2. Commercial center classifications within the Central Employment Area
 - a) "The CEA is the business and retail heart of the District and the metropolitan area." (§1107.6)
 - b) "The CEA is the employment, retail, office, cultural, and entertainment center, the tourist center of the District and the metropolitan area, and the center of local government." (§1107.6(a))
 - c) "Office use, in terms of square footage, is the largest commercial use in the CEA." (§1107.6(b))
 - d) "The CEA also contains the widest range and the largest amount of retail floor space and the greatest sales volume in the metropolitan area, having the largest major department stores and leading specialty shops of the region." (§1107.6(c))

- e) "The CEA also has numerous boutiques and restaurants and the largest number of hotels in the District. The term "CEA" is defined in §199.1 of this title." (§1107.6(d))
- E. Economic development element
 - 1. Declaration of Major Policies (§200):

"The District's overall economic development goals are to generate a high performance economy, generate job opportunities for District residents, expand the revenue base through a strong, growing citizen-business-government partnership, and develop a program that moves from economic development planning through implementation and completion of projects." (§200.5)

- 2. "The generation of tax revenues to fund the District's budget is a top government priority." (§200.13)
- 3. Economic Development in Downtown and the CEA (§205):
 - a) "The economic development in Downtown and the CEA objectives are to stimulate renewed economic vitality and job generation Downtown and to encourage additional development, economic diversification, and job generation in portions of the CEA outside Downtown." (§205.1) (emphasis added)
 - b) "Encourage and assist development and employment growth in other parts of the CEA ..." (§205.2(f))
- F. Housing element (see Housing Linkage, Item IX, below)
- G. Transportation element:

"Support land use arrangements that simplify and economize transportation services ..." (§502.2(a)).

- H. Urban design element:
 - "Maintain and enhance the horizontal character of buildings within the District and retain and enforce [the Act of 1910] ... as the guiding design principle for protecting the skyline;" (§707.2(b))

- 2. "Retain the current maximum limit in accordance with the Height Act ... but ... encourage a more detailed articulation of building roof lines and facades" (§707.2(c))
- 3. "Design residential, commercial, and all other buildings to complement or enhance the physical character of the District;" (§708.2(a))
- 4. "Design buildings to include the use of appropriate arrangements of building materials, height, scale, massing, and buffering to complement the immediate region." (§708.2(b))
- 5. "Develop a unifying system of well-designed streets, sidewalks, parks, and pedestrian ways;" (§709.2(a))
- 6. Areas of Stable Character (§711):

"Encourage in-fill development to be complementary to the established character of the area. In-fill development in stable areas should not create sharp changes in physical pattern which might lead to deterioration;" (§711.2(a))

- I. Historic Preservation element
 - 1. Both 17th and K Streets have been designated "special streets"
 - 2. "Special streets and places should be maintained and enhanced in a manner that promotes their roles as major features that help establish the images and symbols of the National Capital ..." (§807.1)
 - 3. "The existing street space and the buildings fronting on special streets and places should be maintained, protected, and enhanced. Any repair, maintenance, improvement, or new building should respect the historic elements, enhance the aesthetic quality, and promote the amenity of this space." (§807.2)
 - 4. "The exceptional width and openness of the street space along special streets should be retained where the quality exists. Street views or vistas should not be obscured and movement should not be impaired by structures or signs within the public rights-of-way." (§807.4)

- 5. "Pedestrian usage of special streets and places should be encouraged by emphasizing extra width and other special amenities of sidewalks, where feasible. Areas should be provided for various types of leisure time activities as appropriate. Ground floor uses in buildings, attractive entrances, and outdoor activities that would enliven the street scene should be encouraged." (§807.7)
- 6. "Architecturally prominent buildings should be located in special streets and places to accentuate vistas, provide focal points, and mark entrances. The general height, roof lines, and massing of buildings should serve as a unified background for the public space in these special streets and places." (§807.10)
- J. Ward 2 Plan
 - 1. Subject site is in Central Employment Area ring

"The development pattern in the Connecticut Avenue and K Street area, which was the major development area in the city from 1950 to the early 1980's is essentially established (1997). Future change will include infill development on a few remaining sites, renovation and expansion of older buildings and *replacement of older buildings with new buildings*. Opportunities for development include some additional office space, increased retail space and streetscape improvements." (§1356.1) (emphasis added)

2. Objectives for office development:

"Encourage development of office buildings in appropriate locations in Ward 2, especially in the Central Employment Area and in development opportunity areas" (§1329.1(a))

3. Objectives in support of Metrorail station development:

"Continue to improve the land use mix and urban design qualities of areas around Metrorail stations in the central area where the development pattern is essentially established (Farragut North, Foggy Bottom, Farragut West ...) (§1351.1(a))

- X. Housing linkage requirements
 - A. Comprehensive Plan Housing element (§305)

- B. Zoning Regulations (§2404)
- C. Requirements applicable to "increase in gross floor area devoted to office space over and above the amount of office space permitted as a matter of right under the zoning included as part of the PUD" (§2404.1)
- D. Housing shall be affordable to families of low and moderate income (except if provided on or adjacent to the PUD site) (§2404.2)
- E. Housing may be provided by new construction or rehabilitation or by financial contribution (§2404.3)
- F. Amount of housing required is tied to increase in gross square footage:
 - 1. At least one-fourth of the increase if housing is constructed on or adjacent to the PUD site (§2404.6(a)(1))
 - 2. At least one-third of the increase if housing is constructed within ANC 2B or within a Housing Opportunity Area (§2404.6(a)(2))
 - 3. At least one-half of the increase if housing is elsewhere (§2404.6(a)(3))
- G. Applicant has elected construction option in conjunction with Jubilee Enterprise of Greater Washington
- H. Housing computation
 - 1. Matter of right office density under C-4 zoning is 318,108 square feet
 - 2. Proposed office space
 - a) In PUD: 352,971 square feet
 - b) In airspace: 2,244 square feet
 - c) Total: 355,215 square feet
 - 3. Increase is 37,107 square feet
 - 4. Minimum of one-half is 18,554 square feet
 - 5. Minimum of one-third is 12,369 square feet

- I. Applicant's venture with Jubilee will yield approximately 16,673 square feet of rehabilitated apartments (twenty-one units)
 - 1. Since the designated housing site, Trenton Park Apartments, is in a housing priority area in Ward 8, the required amount of housing is 12,369 square feet
 - 2. Proposal exceeds minimum by approximately thirty-five percent
- XI. Compatibility with the area
 - A. Use is consistent with the overwhelmingly office commercial character of the immediate vicinity
 - B. Continues office use with ground floor retail that has been there for more than forty years
 - C. Height is same as existing, consistent with the vast majority of buildings on K and 17th Streets and Connecticut Avenue
 - D. FAR is less than the existing condition
- XII. Lease of air space
 - A. Permitted pursuant to the Public Space Utilization Act (D.C. Code, 2001 Ed. § 10-1121)
 - B. Zoning Commission's role: after public hearing and after securing the advice and recommendations of the National Capital Planning Commission, to determine the use to be permitted and to establish regulations applicable to the airspace consistent with regulations applicable to the abutting privately owned property, including limitations and requirements respecting height, off-street parking, floor area ratio and easements of light, air and access
 - C. All surrounding property is zoned C-4 (see summary of provisions in §6 A, above), so regulations must be consistent with those provisions
 - D. Air space to be leased: total of 225 square feet over two portions of the public alley at the rear
 - E. Proposed development of air space:
 - 1. Integral part of office building
 - 2. FAR: 9.97

- 3. Height: 130 feet
- 4. Parking: provided at same rate as for office building
- 5. Access:
 - a) Parking accessed through garage entry from K Street
 - b) Loading accessed from public alleys
 - c) Minimum required clearances over public alleys will be provided

XIII. Conclusions

- A. Project is not inconsistent with the Comprehensive Plan
- B. Project is within the applicable height and bulk standards of the Zoning Regulations
- C. Project is compatible with the existing and expected character of the area
- D. Height and bulk will not be obtrusive nor will it cause a significant adverse affect on any nearby properties
- E. Project is the continuation of an appropriate use at an appropriate location in the heart of the Central Employment Area within immediate proximity to mass transit (both Metrorail and Metrobus)
- F. Project should be approved

WAS1 #1019816 v1





