

ORIGINAL

BEFORE THE

**ZONING COMMISSION
FOR THE DISTRICT OF COLUMBIA**

PREHEARING SUBMISSION

**WATERSIDE MALL
SOUTHWEST WASHINGTON, D.C.**

**APPLICATION FOR A
MODIFICATION TO A FIRST-STAGE PLANNED UNIT
DEVELOPMENT,
A SECOND-STAGE PLANNED UNIT DEVELOPMENT
APPLICATION, AND
A ZONING MAP AMENDMENT**

Zoning Commission Case No. 02-38A

March 30, 2007

**ZONING COMMISSION
District of Columbia**

CASE NO. 02-38A

EXHIBIT NO. 15

**ZONING COMMISSION
District of Columbia
CASE NO. 02-38A**

EXHIBIT NO. 15

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CERTIFICATION OF COMPLIANCE
WITH SECTION 3013 OF THE ZONING REGULATIONS

The Applicant hereby certifies that this application, twenty copies of which were filed with the Zoning Commission on March 30, 2007, complies with the provisions of Section 3013 of the Zoning Regulations as set forth below, and that the application is complete.

<u>Subsection</u>	<u>Description</u>	<u>Page</u>
3013.1(a)	Information Requested by Commission	Prehearing Statement
3013.1(b)	List of Witnesses	Exhibit L
3013.1(c)	Summary of Testimony of Applicant's Witnesses and Reports for Record:	
	Representatives from Waterfront Associates Deborah Ratner-Salzberg Forest City Washington Mitchell N. Schear, Vornado/Charles E. Smith	Exhibit M
	Shalom Baranes Shalom Baranes Associates	Exhibit M
	Chad Baird, Gorove/Slade Associates, Inc.	Exhibit M
	Tom Martens, Economics Research Associates	Exhibit M
	Steven E. Sher, Urban Planner	Exhibit M
3013.1(d)	Additional Information	Submitted herewith
3013.1(e)	Reduced Plans	Submitted with PUD Submission
3013.1(f)	List of Maps, Plans or other Documents Readily Available Which Will Be Offered Into Evidence	Exhibit O

3013.1(g)	Estimated Time Required for Presentation of Applicant's Case	Exhibit L
3013.6(a)	List of Names and Addresses of All Owners of Property Within 200 Feet of The Subject Property	Exhibit P
3013.6(b)	List of Names and Addresses of Each Person having a Lease with the Owner for All or Part of Any Building Located on the Property Involved in the Application	Exhibit Q

The undersigned HEREBY CERTIFIES that all of the requirements of Section 3013 of the Zoning Regulations have been complied with. In accordance with Section 3013.8, this application will not be modified less than twenty days prior to the public hearing.

Respectfully Submitted,

HOLLAND & KNIGHT LLP

By: Christine Shiker
Christine Moseley Shiker

LIST OF EXHIBITS

<u>Description</u>	<u>Exhibit</u>
Building Height, Area and Use Diagram	A
Proposed Alternative to Building Height, Area and Use Diagram	B
Fiscal Benefits Comparison from ERA	C
Minimum Retail Area Commitment Plan	D
Revised Neighborhood Service Plan	E
Interim Retail Use Plan	F
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List of Names and Addresses of each Person having a Lease for the Property	Q

I. INTRODUCTION

This Prehearing Statement and accompanying documents (the "Prehearing Submission") are submitted by Waterfront Associates, LLC ("Waterfront"), the current long term ground lessee, and RLA Revitalization Corporation, the current owner of the subject property (collectively, the "Applicant"), in support of the application to the Zoning Commission for the District of Columbia ("Zoning Commission") for a modification to an approved first-stage Planned Unit Development ("Approved First-Stage PUD") for the entire site, second-stage review and approval of a Planned Unit Development ("PUD") for the central portion of the site, and a change to the District of Columbia Zoning Map. The Zoning Commission approved the Approved First-Stage PUD and requested zoning change in Zoning Commission Case No. 02-38, by order dated July 31, 2003, and published November 28, 2003. The Applicant is seeking these approvals in order to construct a mixed-use project of office, residential and retail uses at the location of the existing Waterside Mall, known as Lot 89 in Square 542 (the "PUD Site").

On November 15, 2006, the Applicant filed with the Zoning Commission its statement and exhibits (including architectural plans) in support of its request for PUD approvals (the "PUD Submission"). That PUD Submission set forth in detail the proposed modifications to the Approved First-Stage PUD and the elements of the second-stage PUD application, including the project design, public benefits and project amenities, and consistency of the PUD with the Comprehensive Plan and

the Ward 2 and Ward 6 Plans. The Zoning Commission set down this case for hearing at its February 12, 2007, public meeting. This Prehearing Submission supplements the PUD Submission and provides information in response to matters raised by the Zoning Commission and Office of Planning.

As set forth below, this Prehearing Submission, along with the original PUD Submission, meet the filing requirements under Chapters 24 and 30 of the District of Columbia Zoning Regulations for an application for a modification to the Approved First-Stage PUD, for approval of a second-stage PUD and for a related Zoning Map amendment. Accordingly, the Applicant requests the scheduling of a public hearing for consideration of these applications.

II.
UPDATES SINCE THE APPLICATIONS WERE FILED IN NOVEMBER,
2006

A. Lease Signed With the District of Columbia

Since the PUD Submission was filed in November, the Applicant entered into a lease agreement on December 4, 2006, with the District of Columbia (the "District") for the occupancy of the East and West 4th Street Office Buildings, totaling approximately 500,000 square feet. The lease requires that these buildings incorporate quality design and achieve a LEED Silver certification. The District anticipates occupying the buildings by late-2009. This lease represents an important step by the District in ensuring that this project goes forward and is a catalyst for redevelopment for the entire Southeast/Southwest neighborhood.

B. Land Disposition and Development Agreement

In addition, since the PUD Submission was filed, Waterfront Associates entered into a Land Disposition and Development Agreement ("LDDA") with RLA Revitalization Corporation on November 21, 2006. The LDDA provides for the conveyance of fee title by the RLA Revitalization Corporation to Waterfront of the significant majority of the PUD Site and for the termination of the ground lease between RLA Revitalization Corporation and Waterfront for the northeast corner of the PUD Site so that RLA Revitalization Corporation becomes the unencumbered owner of that portion of the PUD Site. The LDDA also provides for the redevelopment of the PUD Site in accordance with the applications filed in this case.

C. Summary of Project and Land Use

As is set forth in the PUD Submission, the Applicant proposes to construct a mixed-use project of office, residential and retail uses on the PUD Site. The project would ultimately contain approximately 2,526,500 square feet of gross floor area, having an aggregate FAR of 4.33, which is the same as that approved in the Approved First-Stage PUD. The project incorporates approximately 1,296,895 square feet of gross floor area, or 2.22 FAR, devoted to office and retail uses and approximately 1,229,605 square feet of gross floor area, or 2.11 FAR, devoted to residential uses. The project includes two residential towers at the north end of the PUD Site, with maximum heights of 114 feet (referenced as the Northwest Building and Northeast Building). The existing high-rise towers (referenced as the West

Residential Tower and the East Residential Tower) will be converted to residential use, maintaining a height of 130 feet. In the center of the project, two new commercial structures will be constructed, each with a height of 94 feet and flanking the newly re-opened 4th Street (referenced as the West 4th Street Office Building and the East 4th Street Office Building). On the south end of the PUD Site, there will be two new commercial buildings fronting M Street, each with a maximum height of 114 feet (referenced as the West M Street Building and the East M Street Building). Exhibit A illustrates the Building Height Area and Use Plan proposed.

In the PUD Submission, the Applicant requested flexibility to convert the proposed Northwest Building and/or Northeast Building to commercial use – within the same FAR and height proposed – depending upon the outcome of negotiations with RLA Revitalization Corporation. Now that Waterfront and RLA Revitalization Corporation have entered into the LDDA, the Applicant commits that the Northeast Building will be developed with residential uses. The Applicant continues to request flexibility for the Northwest Building to be converted to commercial uses within the same FAR and height proposed. This flexibility allows Waterfront to judge the residential and commercial markets in the coming years and provide the most appropriate mix of uses at the PUD Site. The determination as to use would be made prior to submission of a second-stage PUD application for the Northwest Building. This alternative plan is illustrated in Exhibit B.

III.
REVIEW OF AND UPDATES TO PUBLIC BENEFITS AND PROJECT AMENITIES

In the PUD Submission, the Applicant set forth the details regarding its proposed public benefits and project amenities. These public benefits and project amenities apply to both the modification to the Approved First-Stage PUD and the request for second-stage PUD approval. The Applicant has been working to further refine and articulate its amenities package. This Prehearing Submission summarizes that information and includes additional information where necessary to further define and explain the specific benefits and amenities.

A. Re-Opening of 4th Street

The Applicant continues to propose the re-opening of 4th Street through the center of the PUD Site. The re-opened 4th Street will consist of a fifty-five foot roadway within a ninety-foot right-of-way for the portion of 4th Street within the confines of the PUD Site. The re-opened 4th Street is an extremely important aspect of the project, as it will redefine the urban fabric of the area and will create a vibrant neighborhood in many ways, including providing the opportunity for street-front retail, creating a passageway through the PUD Site for pedestrians and vehicular traffic, opening the PUD Site for development and benefiting the overall District transportation system. The re-establishment of 4th Street will knit the Southwest neighborhood back into the urban fabric of the District, with 4th Street ultimately running from P Street, SW, through the Mall to Constitution Avenue, NW.

In addition, the Applicant proposes to incorporate traffic calming and pedestrian considerations into the re-opened 4th Street. These measures include a large, raised crosswalk and bulb-outs which shorten the distance that pedestrian must travel to cross the roadway at intersections. These measures will create a safer pedestrian zone for those residents and visitors using the metro to access this vibrant development.

The Applicant is working closely with the District Department of Transportation ("DDOT") to finalize the plans and specifications for 4th Street. It is anticipated that modifications and refinements will be made to the physical design of the ninety foot right-of-way as well as to the improvements located within it. The final design of the right-of-way and the associated improvements therein shall be as finally approved by the DDOT.

B. Major Local Development Initiative

The proposed project is a major revitalization effort being undertaken with the close cooperation of the Applicant and the District to achieve important public objectives for the District and the Southwest neighborhood. The District's commitment to this revitalization effort has been confirmed by the lease agreement into which it has entered with the Applicant.

Furthermore, the project will provide significant economic benefits to the District as compared to the existing situation. In addition, the economic benefits for the proposed project are even greater than those generated under the Approved First-Stage PUD. The economic benefits are set forth in the Fiscal Benefits

Comparison dated March 22, 2007, and prepared by Economics Research Associates, attached as Exhibit C.

C. Retail and Establishment of a Town Center

1. Minimum Retail Commitment

The Applicant originally proposed providing a minimum of 75,000 square feet of retail and service uses on the ground floor level of the buildings, including the option for a newly constructed, at-grade grocery store with a minimum size of 30,000 square feet. Since the PUD Submission in November 2006, the Applicant has increased its minimum commitment to 110,000 square feet of retail space fronting on 4th and M Streets. The retail areas of the project will be highly visible and accessible and will be a significant shopping area for this part of the District. Exhibit D identifies the minimum retail area commitment for the project.

2. Use of Local and Small Businesses for Retail Space

The Applicant will use best commercially reasonable efforts to provide opportunities for local and small businesses to occupy 12,500 square feet of retail space included within the minimum commitment. These local and small businesses will be certified by RLA Revitalization Corporation, as more specifically set forth in the LDDA.

3. Grocery Store

As part of the on-site retail, the Applicant has included space for a new 55,000 square foot grocery store within the first phase of the project. The Applicant has been working closely with the existing grocery store on the PUD Site to

renegotiate its lease, currently set to expire in December 2020, and to relocate the existing grocery store to the proposed new grocery store location on the east side of the project. The Applicant will continue to use best commercially reasonable efforts to complete such negotiations with the goal of executing a lease by August 18, 2007. If a lease is executed, the Applicant will maintain the space for the existing grocery store to operate while the new store is under construction.

In the event that the Applicant is unable to successfully negotiate a lease within the above timeframe, the Applicant agrees to:

- (a) Set aside space and use best commercially reasonable efforts to locate a full service grocery store of at least 30,000 square feet within the PUD Site, if the neighborhood is not served by a grocery store of at least 30,000 square feet. The Approved First-Stage PUD defined "neighborhood" generally as the southeast and southwest neighborhoods. In response to comments from the Office of Planning, the Southwest community, and RLA Revitalization Corporation, the Applicant has agreed to revise the definition of "neighborhood" to target more directly the Southwest neighborhood. The revised boundary for the "neighborhood" is shown on the Revised Neighborhood Service Map, attached as Exhibit E. The term of such lease would commence upon completion of construction of the new space after the expiration of the existing grocery store lease at the end

of 2020 or after the existing leased space is vacated for any other reason, whichever is earlier.

- (b) Honor the existing grocery store lease expiring in 2020.
- (c) Use best commercially reasonable efforts from August 18, 2007, to February 14, 2008, to execute a lease with a small, niche grocer within the retail space in the Northeast Building to supplement the existing grocery store.

4. Maintenance of Retail Uses During Construction

In addition to the maintenance of the grocery use during the construction phase of the project, the Applicant continues to endeavor to maintain the operation of a bank and a drug store, which are the only other uses currently located at the PUD Site. The Applicant has entered into an agreement with Bank of America for maintenance of that use on the PUD Site during construction and for a lease in the first phase of the development of the project. In addition, the Applicant is in the process of completing an agreement with CVS for maintenance of the drug store use on the PUD Site during construction and for a lease in the first phase of development. The Interim Retail Use Plan for the relocated spaces for these uses is attached as Exhibit F.

D. Housing and Affordable Housing

The Approved First-Stage PUD required that a minimum of 400,000 square feet of residential use be developed on-site, but not until approximately 1.6 million square feet of office had been constructed. As is set forth in the PUD Submission,

the modification to the Approved First-Stage PUD proposes up to approximately 1.2 million square feet devoted to residential use and in no event will the residential use be less than 800,000 square feet. Furthermore, the PUD Submission proposes that approximately 400,000 square feet of residential will be constructed in the first phase. These residential units will add a substantial residential population to the neighborhood, resulting in extra pedestrian activity in the neighborhood and improved public safety.

In addition, the Applicant is also incorporating affordable housing units as part of the residential uses in the project. Specifically, the Applicant commits that at least 160,000 square feet of residential use will be devoted to affordable housing. The affordable units will be in approximately the same proportion of bedroom type and size as the market rate residential units and will be spread substantially evenly throughout the residential buildings, with the exception of the top two floors of any residential building.

If the affordable units are offered as rentals, the units will be leased so as to be affordable to households earning less than 50% of the Area Median Income ("AMI"), or as otherwise required by any applicable federal or District financing programs such as the tax-exempt bond program or low income housing tax credit program. If the affordable units are for sale, the units will be priced for households earning between 50% and 120% of AMI, but in no event will the average be greater than 80% of AMI. The for sale units are to be priced based upon the assumption that the total homeownership payment (including mortgage, taxes, insurance and

homeownership association fees) should not exceed 35% of gross family income. The affordable units that are for rent will be maintained as affordable for twenty years from the date of certificate of completion, unless otherwise required by any applicable Federal of District financing program. The affordable units that are for sale will have a legal covenant to ensure that the units are maintained as affordable for a minimum of ten years from the date of initial sale.

E. Sustainable Design Features

The Applicant is committing to a variety of sustainable design features. For the East and West 4th Street Office Buildings, these sustainable design features include, among other items, storm water management, green roofs, and erosion and sedimentation control. A preliminary green roof diagram is attached Exhibit G. Similarly, the East and West Residential Towers will include sustainable design features such as erosion and sedimentation control and storm water management. Detailed lists of the sustainable design features for the second-stage PUD application will be submitted to the Zoning Commission at least twenty days before a hearing on this matter.

The Applicant intends to incorporate sustainable design features into each of the remaining buildings. The specific details regarding those sustainable design features – which will be similar in quality and quantity to what is proffered for the current second-stage application – will be determined at such time as those buildings are more-fully designed and come before the Zoning Commission for second-stage review and approval.

Each individual building is being registered with the US Green Building Council for purposes of the LEED certification. Although the amenities proffered as part of this PUD are the sustainable design features associated with each building, and not the ultimate achievement of LEED certification, the Applicant intends to achieve LEED Silver certification for the East and West 4th Street Office Building at a minimum and hopes to achieve a certification for other commercial office buildings within the project.

F. Urban Design

The project will continue to accomplish major design objectives that were identified as an important part of the Approved First-Stage PUD and which are detailed in the PUD Submission. In addition to those items set forth therein, the Applicant has also come to agreement with the owners of Marina View Towers, the adjacent development currently under consideration by the Zoning Commission in Zoning Commission Case No. 05-38. These two projects have coordinated a shared private drive along the western edge of the PUD Site, and the eastern edge of the Marina View Towers project. The revised plan minimizes curb cuts on M Street and consolidates loading facilities for both projects, which can be seen in Exhibit A. The Applicant is adjusting its M Street, SW, setback to three feet to match the predominant ground floor setback proposed by Marina View Towers, which creates a uniform sidewalk width of eighteen feet, eight inches, as shown on the plans filed by the Applicant in Zoning Commission Case No. 05-38 and found at Exhibit 69 in the record of that case. In the event Marina View Towers adjusts its setback

dimension prior to final approval by the Zoning Commission or in the event that the Zoning Commission approves a different setback, the Applicant will make similar adjustments to maintain the uniform sidewalk width.. Furthermore, the retail located on M Street for each project will provide retail links between Waterfront and Arena Stage to the Southwest Waterfront. These coordinated efforts serve to further enhance the urban design of the neighborhood.

G. Maintenance of Park Site

The Applicant has also agreed to maintain the land immediately to the north of the PUD Site as a public park amenity after the construction of the Park Street Extension (the "Park Site"). The maintenance of the Park Site may include trash removal, lawn mowing, and planting, continuing for the life of the PUD, and will be governed by an agreement to be entered into between the Applicant and the appropriate District agency, after the Park Site and Park Street Extension have been transferred to the District from the Federal government. The Applicant is currently working with the District to review and develop plans for the Park Site.

H. First Source Employment Opportunities and Use of Local, Small and Disadvantaged Business Enterprises

In order to further the policies established in Mayor's Order No. 83-265 and D.C. Law 5-93, the Applicant will enter into an agreement to participate in the Department of Employment Services First Source Employment Program that promotes and encourages the hiring of District residents. Furthermore, in order to further policies established in D.C. Law 1-95, the Applicant will enter into a Memorandum of Understanding with the District of Columbia Department of Small

and Local Business Development to utilize local, small and disadvantaged business in the development of this project.

IV.
REVIEW OF PHASING OF THE PROJECT

As set forth in the PUD Submission, the modified project will be phased similarly to the phasing in the Approved First-Stage PUD, with the major difference being the timing of the construction of the residential uses. The Applicant requests that the Zoning Commission grant the modified first-stage PUD application and the accompanying second-stage PUD application, such approval being valid for a period of three years from the effective date of the order granting the same. The Applicant would then have five years from the effective date of such order to apply for a second-stage PUD application for any additional portion of the project, with the entire project having been incorporated into second-stage PUD applications no later than December 31, 2020.

During the public meeting at which this case was set down, the Commission requested additional explanation as to the timeframe for the phasing plan. This phasing plan is based in part upon the lease agreement with the existing grocery store tenant. In the event that negotiations are not successful with the grocery store, the Applicant would be unable to complete its project until the lease expired in 2020. At that time, the existing grocery store building could be demolished and the final building of the project would be constructed. In the event that negotiations with the grocery store are successful and the grocery store is relocated on the PUD Site or the grocery store vacates its location on the PUD Site and

surrenders its premises under the existing lease, the Applicant commits to filing the stage-two PUD application for the southeast corner of the PUD Site within five years of the date that the existing grocery store vacates the site, while all other second-stage PUD applications (i.e., for the Northwest Building and for the East and West M Street Buildings) will be required to be filed within five years of the effective of the PUD order approving the modification to the Approved First-Stage PUD. With this commitment – and assuming that lease negotiations are successful and that the existing grocery store vacates its site in late-2009 – it is possible that all second-stage PUD applications for the project would be filed by late-2014, which is six years earlier than the timing approved as part of the Approved First-Stage PUD.

V.
DESIGN REFINEMENTS AND MODIFICATIONS

The Applicant is continuing to refine and enhance the architectural plans and details for this project. A full set of the most up-to-date plans for both the modification application as well as the second-stage PUD application will be submitted to the Zoning Commission no less than twenty days before the hearing. The Applicant responds to questions raised by the Commission and the Office of Planning as to specific elements of the design and operation of the project as follows:

A. Roof Structures for Second-Stage PUD

1. East and West Residential Towers

Both the Office of Planning and the Commission raised questions related to the layout of the roof structures on the East and West Residential Towers. The Applicant has been refining the configuration of the roof structures for the residential portions of the second-stage PUD application, as shown on the Roof Plan Diagram attached as Exhibit H. The eighteen feet, six inch high roof structures have been revised to maintain setbacks on all four sides of the building so that the structures comply with the Zoning Regulations. A secondary screen which is less than four feet in height has been added to conceal the split mechanical system condensing units that will be located on the main roof. The condensing units will also not exceed four feet in height. The Applicant will continue to work with the Office of Planning to review and refine this configuration, with the final proposal to be submitted to the Zoning Commission no less than twenty days before the hearing.

2. East and West 4th Street Office Buildings

A question was also raised as to the size of the roof structures on the East and West 4th Street Office Buildings. These roof structures comply in all respects with the Zoning Regulations. As shown on Exhibit H, the roof structures included on each of these building is smaller than that which would be permitted by the Zoning Regulations for each building. The Applicant will continue to work with the

Office of Planning to review and refine this plan, with the final proposal to be submitted to the Zoning Commission no less than twenty days before the hearing.

B. Access Considerations

The Zoning Commission requested additional information as to the location of the ramp to the garage below the West 4th Street Office Building that is accessed from the West Plaza private drive. The Applicant is continuing to study the configuration from the West Plaza private drive and will provide additional information to the Commission at least twenty days before the hearing on this matter.

The Office of Planning requested additional information as to the location and number of curb cuts along M Street for entry into the project and to the East and West M Street Buildings. The memorandum from Gorove/Slade Associates dated March 29, 2007, specifically addresses this issue. The traffic consultant advises that the curb cuts will help minimize vehicular traffic along 4th Street and distribute the vehicular trips throughout the PUD Site. In addition, the curb cuts have been coordinated with the adjacent development of Marina View Towers to limit the total number – which reduces vehicular/pedestrian conflicts – and to provide combined points of access for loading vehicles. A copy of the Gorove/Slade memorandum is attached as Exhibit I,

C. Lot Occupancy

In the Approved First-Stage PUD, the Applicant requested flexibility to vary the maximum lot occupancy between 60% and 70%. In this application for a

modification to the Approved First-Stage PUD, the Applicant requested a similar degree of flexibility for lot occupancy (i.e., between 56% to 66%). The intent was to ensure that any subsequent stage-two PUD applications filed for the project were within the approved first-stage parameters. In lieu of requesting a range, the Applicant instead requests that the Zoning Commission approve a maximum of 63% lot occupancy for the modification application, which will provide the necessary lot coverage for the project under any scenario proposed for the project.

D. Point of Measurement for Height

The Zoning Commission and Office of Planning have requested an additional explanation as to the applicability of Section 2521.1(h) of the Zoning Regulations to the point of measurement for height. Section 2521.1(h) of the Zoning Regulations provides that:

If part of the Waterside Mall property, comprising Lot 88 in Square 542 and Lot 60 in Square 499, is demolished so as to create a public right-of-way generally along the former right-of-way of 4th Street, S.W., so that the parts of the building to the east and west of right-of-way are no longer physically connected above grade, for zoning purposes all such improvements shall be deemed to be a single building.

11 DCMR § 2521.1(h).

Based upon this provision, the Applicant has taken its point of measurement from the top of the curb opposite the middle of the front of the "building" (i.e., the center point of the project along M Street, SW). This point of the measurement is the same as that used in the Approved First-Stage PUD. The Commission, however, suggested at the set down meeting that this provision applies only to FAR,

parking and loading. A detailed analysis of the language and legislative history of that section demonstrates that any development on the PUD Site must be considered a single building for all zoning purposes, including measurement of the building's height.

The plain language of Section 2521.1(h) references "zoning purposes." At the time the Applicant sought this text amendment in coordination with the Office of Planning, the intent was to preserve overall development flexibility on the PUD Site. As evidenced by the record, the Applicant was particularly concerned about the impact of the proposed right-of-way on the project's compliance with loading, parking, and FAR requirements of the Zoning Regulations. In general, however, the Applicant was seeking assurance that the existing zoning rights for the PUD Site would not be impaired by the reopening of 4th Street. The Office of Planning supported this intent, stating in its letter dated September 5, 2001, that the Office of Planning would support the Applicant's desire to have the existing Waterside Mall "held harmless from the zoning consequences" of the construction of 4th street through the center of the PUD Site. The Office of Planning specifically stated that it supported the appropriate zoning changes to achieve that goal. These zoning consequences were not limited to simply FAR, parking and loading.

Nothing in the record of that case – including the Notice of Proposed Rulemaking – limited the definition of "zoning purposes" to those three distinct zoning areas, and the text of the amendment was written to broadly incorporate all zoning requirements, including height, lot occupancy, rear yard, side yard, and

courts. In fact, in its report to the Zoning Commission dated July 22, 2002, the National Capital Planning Commission ("NCPC") stated that for any redevelopment on the PUD Site, the calculations for such zoning issues as "floor-to-area ratio (FAR), lot coverage, etc." would be assessed as a whole and not as two separate developments under this text amendment. Thus, NCPC implicitly recognized that the text amendment applied to all zoning aspects of the PUD Site.

VI.
CONSISTENCY WITH NEW COMPREHENSIVE PLAN

In its PUD Submission, the Applicant set forth the project's consistency with the elements of the existing Comprehensive Plan, including the Ward 2 and 6 elements. Subsequent to the PUD Submission, the District Council adopted a new Comprehensive Plan, including an area element for Lower Anacostia Waterfront/Near Southwest that includes the project. The project is consistent with numerous policies of the recently-adopted Comprehensive Plan.

A. Future Land Use Map

The Future Land Use Map of the newly-adopted Comprehensive Plan designates the PUD Site for High Density Commercial and High Density Residential uses. The High Density Commercial designation defines the central employment district of the District and other major office employment centers on the downtown perimeter. This area is characterized by office and mixed office/retail buildings greater than eight stories in height, although many lower scale buildings are interspersed. The High Density Residential designation defines neighborhoods and corridors where high-rise (eight stories or more) apartment buildings are the

predominant uses. The proposed project is consistent with these designations. A copy of the relevant portion of the Future Land Use Map is attached as Exhibit J.

B. Generalized Policy Map

The Generalized Policy Map of the newly-adopted Comprehensive Plan includes the PUD Site in a Land Use Change Area and more specifically designates it for an Enhanced/New Multi-Neighborhood Center. Land Use Change Areas are defined as "areas where change to a different land use is anticipated. The guiding philosophy in the Land Use Change Areas is to facilitate new development and to promote the adaptive re-use of existing structures. Many of these areas have the capacity to become mixed-use communities containing housing, retail shops, services, workplaces, parks and civic facilities." (§2.4.1, ¶223.9, 223.11) Designation as an Enhanced/New Multi-Neighborhood Center denotes a one to three mile service area with uses that could include supermarkets, restaurants, retail shops, service-oriented businesses and office space for small businesses. Mixed-use infill development is encouraged to provide new retail and service uses, in addition to additional housing and job opportunities. The proposed project is consistent with these designations. A copy of the relevant portion of the Generalized Policy Map is attached as Exhibit K.

C. Compliance with Citywide Elements – Framework

The project is consistent with many of the Comprehensive Plan's citywide elements as follows:

1. Managing growth and change

a) "Change in the District is both inevitable and desirable. The key is to manage change in ways that protect the positive aspects of life in the city and reduce negatives such as poverty, crime, and homelessness." (§2.3, ¶217.1)

The Southwest waterfront is an area designated for change. This project will serve as a catalyst for the District's development objectives in this area and will have significant positive impacts on the surrounding neighborhood.

b) "The District needs both residential and non-residential growth to survive. Non-residential growth benefits residents by creating jobs and opportunities for less affluent households to increase their income." (§2.3, ¶217.4)

The mixed-use project will provide both residential and non-residential uses, as provided for by the Future Land Use Map.

c) "Redevelopment and infill opportunities along corridors and near transit stations will be an important component of reinvigorating and enhancing our neighborhoods. Development on such sites must not compromise the integrity of stable neighborhoods and must be designed to respect the broader community context. Adequate infrastructure capacity should be ensured as growth occurs." (§2.3, ¶217.6)

The project takes full advantage of the Waterfront Metrorail station and incorporates it into the neighborhood center. The project is designed as a part of the larger redevelopment of the Southwest neighborhoods.

d) "Growth in the District benefits not only District residents, but the region as well. By accommodating a larger number of jobs and residents, we can create the critical mass needed to support new services, sustain public transit, and improve regional environmental quality." (§2.3, ¶217.7)

The project's office and retail components will provide numerous jobs that will help to support the District's economy and infrastructure.

2. Creating successful neighborhoods

a) "Many neighborhoods include commercial and institutional uses that contribute to their character. Neighborhood businesses, retail districts, schools, park and recreational facilities, houses of worship, and other public facilities all make our communities more livable. These uses provide strong centers that reinforce neighborhood identity and provided destinations and services for residents. That too must be protected and stabilized." (§2.3, ¶218.2)

The balance of office, retail and residential uses proposed will provide for a livable and vibrant community.

b) "The preservation of existing affordable housing and the production of new affordable housing both are essential to avoid

deepening of racial and economic divides in the city. Affordable renter- and owner-occupied housing production and preservation is central to the idea of growing more inclusively." (§2.3, ¶218.3)

Affordable housing, as set forth above, will be provided on-site as part of the project.

3. Increasing access to education and employment

"An economically strong and viable District of Columbia is essential to the economic health and well being of the region. Thus, a broad spectrum of private and public growth (with an appropriate level of supporting infrastructure) should be encouraged. The District's economic development strategies must capitalize on the city's location at the center of the region's transportation and communication systems." (§2.3, ¶219.2)

The project will contribute to the economic health of the Southwest area and the District, as set forth in the Economic Benefits Report.

4. Building green and healthy communities

"As the nation's capital, the District should be a role model for environmental sustainability. Building construction and renovation should minimize the use of non-renewable resources, promote energy and water conservation, and reduce harmful effects on the natural environment." (§2.3, ¶221.3)

The project includes a variety of sustainable design features. In addition, the Applicant will comply with all District and Federal environmental regulations as necessary through the permit process.

D. Compliance with Citywide Elements – Land Use

1. Overall goal

"Ensure the efficient use of land resources to meet long-term neighborhood, city-wide, and regional needs: to help foster other District goals, to protect the health, safety, and welfare of District residents and businesses; to sustain, restore, or improve the character and stability of neighborhoods in all parts of the city; and to effectively balance the competing demands for land to support the many activities that take place within District boundaries." (§302.1)

The project will restore and improve the character and stability of this neighborhood and will avoid a protracted vacancy of this large site at a metrorail station.

2. Policies and Actions – Transit-Oriented and Corridor Development

a) "Fully capitalizing on the investment made in Metrorail requires better use of land around transit stations and along transit corridors. While many of the District's 40 Metrorail stations epitomize the concept of a "transit village," with pedestrian-oriented commercial and residential development of varying scales, others do not. Some

stations continue to be surrounded by large surface parking lots and auto-oriented commercial uses." (§306.2)

The project capitalizes on the Waterfront Metrorail station and provides a high level of vehicular and pedestrian accessibility.

b) "Much of the city's planning during the last five years has focused on making better use of transit station areas. ... One objective of these initiatives has been to strengthen transit stations as neighborhood centers and attract new investment to struggling business districts. Another important objective has to been to accommodate the growth of the city in a way that minimizes the number and length of auto trips generated, and to reduce household expense on transportation by providing options for "car-free" (or one car) living." (§306.3)

The project has been designed to be a neighborhood center and will provide opportunities for residents to live near the places that they work, shop and eat.

c) The principles in the management of land around Metrorail stations note a preference for mixed residential and commercial uses rather than single purpose uses, particularly a preference for housing above ground floor retail uses. A preference for attractive, pedestrian-friendly design and a de-emphasis on auto-oriented uses and surface parking is also stated. (§306.4)

The project includes a minimum of 800,000 square feet of residential use constructed above more than 100,000 square feet of retail. Furthermore, the project has been sensitively designed to encourage pedestrian use and movement within the outdoor plazas and public spaces.

d) Policies

(1) Policy LU-1.3.1 Stations Areas as Neighborhood Centers:

"Encourage the development of Metro stations as anchors for economic and civic development in locations that currently lack adequate neighborhood shopping opportunities and employment. The establishment and growth of mixed use centers at Metrorail stations should be supported as a way to reduce automobile congestion, improve air quality, increase jobs, provide a range of retail goods and services, provide civic gathering places, and capitalize on the development and public transportation opportunities which the stations provide. This policy should not be interpreted to outweigh other land use policies which call for neighborhood conservation. Each Metro station is unique and must be treated as such in planning and development decisions."

(¶306.10)

The proposed mixed-use project will provide shopping and employment opportunities using the Southwest Metrorail station as a transit anchor.

The proposed project integrates the Southwest Metrorail Station at the heart of the project, and the public spaces for the project have been designed specifically to enhance access to the station.

2. Policies and Actions – Linking Land Use and Transportation

a) "Coordinating transportation and land use decisions is critical to making the best use of infrastructure and finite land resources as these gains occur. The balance between housing and jobs plays a clear role in travel patterns. In general, the demands on our transportation system are reduced when homes are located close to places of employment and shopping. People spend less time traveling and overall quality of life may be improved. The transportation system as a whole benefits when more compact residential and employment areas are situated along major transit routes. Travel times are reduced and there is better use of public transportation investments."

(403.1)

The location of the Southwest Metrorail Station at the PUD Site will connect people with the employment and shopping provided by the project.

b) "Although the District has already developed walkable, transit-oriented neighborhoods, future opportunities will arise to strengthen the linkage between land use and transportation as new development takes place." (§403.2)

The proposed PUD furthers the District's walkable, transit-oriented neighborhood objectives.

c) "Closer coordination between transportation and land use planning can result in better congestion management, more efficient use of transit and parking, and transportation infrastructure that is sensitive and complementary to its surrounding context." (§403.4)

The PUD Site's proximity to public transportation and the reopening of 4th Street support the city's transportation objectives.

d) "Assessing and measuring the transportation impacts of land use decisions is also an important part of integrated land use and transportation planning. New development generates new trips—be they auto trips, transit trips, or pedestrian and bicycle trips. Major land use changes such as the development of large housing complexes or office buildings must be evaluated for their impacts on existing and planned transportation infrastructure to ensure that the network can function adequately when the projects are completed." (§403.5)

The Applicant has provided a traffic analysis of the impacts of the proposed development, prepared by Gorove Slade Associates, dated October 31, 2006, submitted as Exhibit F to the PUD Submission. This analysis concluded that the proposed development will help better traffic conditions with the reopening of 4th Street. Furthermore, the traffic analysis also concluded that the addition of traffic

as a result of the each phase of the project has minimal impact and that these additional vehicle-trips can be accommodated by the surrounding network.

e) Policies

(1) Policy T-1.1.5 Joint Development

"Attract new riders to the transit system by fostering transit-supportive commercial and residential development projects ... on private properties adjacent to Metrorail stations" (§403.11)

The proposed project will attract new riders to the transit system as it will connect project residents and patrons to the rest of the city and region.

(2) Policy T-1.1-B Transportation Improvements

"Require transportation demand management measures and transportation support facilities such as crosswalks, bus shelters, and bicycle facilities in large development projects and major trip generators, including projects that go through the planned unit development (PUD) process." (§403.14)

The proposed project includes important traffic calming measures and pedestrian considerations in the reopened 4th Street, such as a large, raised crosswalk and bulb-outs which shorten the distance that pedestrian must travel to cross the roadway at intersections.

F. Compliance with Citywide Elements – Housing

1. Overall Goal

"Develop and maintain a safe, decent, and affordable supply of housing for all current and future residents of the District of Columbia."

(¶501.1)

2. Homes for an Inclusive City - Expanding Housing Supply

"Expanding the housing supply is a key part of the District's vision to create successful neighborhoods. Along with improved transportation and shopping, better neighborhood schools and parks, preservation of historic resources, and improved design and identity, the production of housing is essential to the future of our neighborhoods. It is also a key to improving the city's fiscal health. The District will work to facilitate housing construction and rehabilitation through its planning, building, and housing programs, recognizing and responding to the needs of all segments of the community. The first step toward meeting this goal is to ensure that an adequate supply of appropriately zoned land is available to meet expected housing needs." (¶503.1)

The proposed project includes a minimum of 800,000 square feet of residential development, including a substantial component of affordable housing, which will contribute to the expansion of housing opportunities in this area.

3. Policies

a) Policy H-1.1.1 Private Sector Support

"Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives."

(¶503.2)

The project provides a minimum of 800,000 square feet of new housing, with approximately 400,000 square feet being provided within the first phases of development.

b) Policy H-1.1.3 Balanced Growth

"Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing." (¶503.4)

The project provides higher density housing in an area so designated by the Future Land Use Map.

c) Policy H-1.1.4 Mixed Use Development

"Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood

commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations." (§503.5)

The project provides a mix of residential, office and retail uses in an area designated as a New Multi-Neighborhood Center that is located at a Metrorail station.

G. Compliance with Citywide Elements – Environmental Protection

1. Policies

a) Policy E-1.1.1 Street Tree Planting and Maintenance

"Plant and maintain street trees in all parts of the city, particularly in areas where existing tree cover has been reduced over the last 30 years. Recognize the importance of trees in providing shade, reducing energy costs, improving air and water quality, providing urban habitat, absorbing noise, and creating economic and aesthetic value in the District's neighborhoods."
(¶603.4)

The project includes extensive landscaping. Additionally, the Applicant has agreed to maintain the Park Site as a public park amenity.

b) Policy E-3.1.2 Using Landscaping and Green Roofs to Reduce Runoff

"Promote an increase in tree planting and landscaping to reduce stormwater runoff, including the expanded use of green roofs in new construction and adaptive reuse, and the application of tree

and landscaping standards for parking lots and other large paved surfaces." (§613.3)

The Applicant proposes green roofs for both the East and West 4th Street Office Building as well as the roof of the proposed grocery store.

c) Policy E-3.2.1 Support for Green Building

"Encourage the use of green building methods in new construction and rehabilitation projects, and develop green building methods for operation and maintenance activities."
(§614.2)

The project will incorporate a variety of sustainable design features.

H. Compliance with Citywide Elements - Economic Development

1. Overall Goal

"Strengthen the District's economy by sustaining its core industries, attracting new and diverse industries, accommodating future job growth, fostering the success of small businesses, revitalizing neighborhood commercial centers, improving resident job skills, and helping a greater number of District residents find and keep jobs in the Washington regional economy." (§701.1)

The proposed PUD will enhance the District's economy through the provision of employment, housing, and shopping opportunities. The Economic Benefits Report sets for the specific economic benefits that will be achieved as a result of this development.

2. Policies

a) Policy ED-2.2.1 Expanding the Retail Sector

"Pursue a retail strategy that will allow the District to fully capitalize on the spending power of residents, workers and visitors, and that will meet the retail needs of underserved areas." (§708.5)

The provision of a substantial amount of retail space, including the potential for a new grocery store, will help to meet the retail needs of the Southwest neighborhood.

b) Policy ED-2.2.3 Neighborhood Shopping

"Create additional shopping opportunities in Washington's neighborhood commercial districts to better meet the demand for basic goods and services. Reuse of vacant buildings in these districts should be encouraged, along with appropriately-scaled retail infill development on vacant and underutilized sites." (§708.7)

The proposed development provides additional shopping opportunities that will serve the immediate area and the larger community.

c) Policy ED-3.1.1 Neighborhood Commercial Vitality

"Promote the vitality and diversity of Washington's neighborhood commercial areas by retaining existing

businesses, attracting new businesses, and improving the mix of goods and services available to residents." (§713.5)

The proposed PUD will serve as a catalyst for the revitalization of the Southwest area and provide needed goods and services to residents.

d) Policy ED-4.2.1 Linking Residents to Jobs

"Promote measures which increase the number of District jobs held by District residents." (§717.8)

The Applicant will enter into an agreement to participate in the Department of Employment Services' First Source Employment Program that promotes and encourages the hiring of District residents.

I. Compliance with Citywide Elements – Park, Recreation, Open Space

1. Overall Goal

"Preserve and enhance parks, recreation and open spaces within the District of Columbia to meet active and passive recreational needs, improve environmental quality, enhance the identity and character of District neighborhoods, and provide visual beauty in all parts of the national capital." (§801.1)

The Applicant has agreed to maintain the Park Site as a public park amenity.

J. Compliance with Citywide Elements – Urban Design

1. Overall Goal

"Enhance the beauty and livability of the city by protecting its historic design legacy, reinforcing the identity of its neighborhoods,

harmoniously integrating new construction with existing buildings and the natural environment, and improving the vitality, appearance, and security of streets and public spaces." (§901.1)

The proposed development will help revitalize the Southwest area and enhance the beauty and livability of the surrounding city.

2. Policies

a) Policy UD-2.2.1 Neighborhood Character and Identity

"Strengthen the defining visual qualities of Washington's neighborhoods. This should be achieved in part by relating the scale of infill development, alterations, renovations, and additions to existing neighborhood context." (§910.6)

The proposed PUD will significantly improve the visual character of the Southwest area.

b) Policy UD-2.2.5 Creating Attractive Facades

"Create visual interest through well-designed building facades, storefront windows, and attractive signage and lighting. Avoid monolithic or box-like building forms, or long blank walls which detract from the human quality of the street." (§910.12)

The project has been designed to provide attractive building façades and development features.

c) Policy UD-3.1.6 Enhanced Streetwalls

"Promote a higher standard of storefront design and architectural detail along the District's commercial streets. Along walkable shopping streets, create street walls with relatively continuous facades built to the front lot line in order to provide a sense of enclosure and improve pedestrian comfort."
(¶913.13)

The project includes a high quality design for the retail provided along M Street, including retail links from Arena Stage to the Southwest Waterfront, as well as a high quality of design for the 4th Street retail.

d) Policy UD-3.1.7 Improving the Street Environment

"Create attractive and interesting commercial streetscapes by promoting ground level retail and desirable street activities, making walking more comfortable and convenient, ensuring that sidewalks are wide enough to accommodate pedestrian traffic, minimizing curb cuts and driveways, and avoiding windowless facades and gaps in the street wall." (¶913.14)

The project includes 110,000 square feet of ground-level retail space fronting on 4th Street and M Street. As noted above, the project has been coordinated with the adjacent Marina View Towers development in an effort to minimize curb cuts, consolidate loading facilities, and provide uniform ground floor setbacks and sidewalk widths.

K. Compliance with Lower Anacostia Waterfront/Near Southwest Area Element

1. General Policies: Guiding Growth and Neighborhood Conservation

- a) "Create new mixed use neighborhoods on vacant or underutilized waterfront lands, particularly on large contiguous publicly-owned waterfront sites...A substantial amount of new housing and commercial space should be developed in these areas, reaching households of all incomes, types, sizes, and needs." (§AW-1.1.2, ¶1508.3)

The proposed development provides a balanced mix of office, residential and retail uses on an important site in Southwest.

- b) "Leverage new development in the Waterfront Planning area to create amenities and benefits that serve existing and new residents. These amenities should include parks, job training and educational opportunities, new community services, and transportation and infrastructure improvements." (§AW-1.1.4, ¶1508.6)

The proposed PUD provides an amenity package that includes the maintenance of a public park, participation in the First Source Employment Program, a Memorandum of Understanding to utilize local, small and disadvantaged businesses in project development, and the reopening of a previously closed road, among other important contributions.

2. Southwest Waterfront Policy Focus Area

The PUD Site is included in the Southwest Waterfront Policy Focus Area, and noted as an area initially envisioned as Southwest's "Town Square" in 1950's-era urban renewal plans. The Comprehensive Plan states that the site is planned for redevelopment, including the re-establishment of 4th Street, the retention and improvement of retail and office space, and the establishment of housing and open space. (§AW 2.1, ¶1511.6)

a) Policy AW-2.1.6 Waterside Mall:

"Support the redevelopment of Waterside Mall with residential, office, and local-serving retail uses. The site should be strengthened as a retail anchor for the surrounding Southwest community. Its redesign should restore 4th Street SW as part of the city street grid, and improve aesthetics, circulation, and connectivity to surrounding uses." (¶1511.12)


The proposed development will achieve the objectives set forth in the new Comprehensive Plan. The redeveloped Waterside Mall site will provide residential, office, and retail uses that will serve to anchor the surrounding community. The design includes the reopening of 4th Street, an amenity that will improve site aesthetics and circulation and connectivity to the surrounding area.


VII.
CONCLUSION

This Prehearing Submission along with the original PUD Submission meet the filing requirements for an application for a modification to the Approved First-Stage PUD, an application for a second-stage PUD approval, and an application for an amendment to the Zoning Map under Chapters 24 and 30 of the Zoning Regulations. For the foregoing reasons, the Applicant respectfully requests that the Zoning Commission approve the applications.

Respectfully submitted,

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A

NOTE:
The design of the building footprints are shown for illustrative purposes, conforming to the density, setback, and height limitations proposed in the drawings. Final design proposals for the buildings will be filed in subsequent Second Stage PUD applications.

Total Residential:	1,229,605 sf 2.11 FAR
Total Commercial:	1,296,895 sf 2.22 FAR
Total Development:	2,526,500 sf 4.33 FAR

NORTHWEST BUILDING

New Residential Building
12 Floors Condo / 114' Bldg. Ht.
13 Floors Rental / 114' Bldg. Ht.
total area 406,900 sf

WEST 4TH STREET BUILDING

New Commercial Office Building
8 Floors / 94' Bldg. Ht.
total area 291,570 sf

Shared Private Drive requires mutual approval by Waterfront Associates and Marina View

WEST TOWER

Converted Residential Building
12 Floors / 130' Bldg. Ht.
total area 219,600 sf

WEST M STREET BUILDING

New Commercial Office Building
10 Floors / 114' Bldg. Ht.
total area 322,785 sf

NORTHEAST BUILDING

New Residential Building
12 Floors / 114' Bldg. Ht.
with Courtyard over 1 Story Structure
(with option to do 13 Floors with Courtyard at grade)
total area 400,000 sf

EAST 4TH STREET BUILDING

New Commercial Office Building
8 Floors / 94' Bldg. Ht.
total area 273,330 sf

GROCERY (At Grade)

1 Floor / 25' Bldg. Ht.
total area 55,000 sf

EAST TOWER

Converted Residential Building
12 Floors / 130' Bldg. Ht.
total area 218,400 sf

EAST M STREET BUILDING

New Commercial Office Building
10 Floors / 114' Bldg. Ht.
total area 339,815 sf



B

NOTE:

The design of the building footprints are shown for illustrative purposes, conforming to the density, setback, and height limitations proposed in the drawings. Final design proposals for the buildings will be filed in subsequent Second Stage PUD applications.

Total Residential:	838,000 sf 1.44 FAR
Total Commercial:	1,688,500 sf 2.89 FAR
Total Development:	2,526,500 sf 4.33 FAR

NORTHWEST BUILDING
 PROPOSED
 New Commercial Office Building
 10 Floors / 114' Bldg. Ht.
 total area 406,900 sf

WEST 4TH STREET BUILDING
 EXISTING
 New Commercial Office Building
 8 Floors / 94' Bldg. Ht.
 total area 291,570 sf

Shared Private Drive requires mutual approval by Waterfront Associates and Marina View

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 total area 339,815 sf



①



Economics Research Associates

Memorandum

Date: March 22, 2007
To: Gordon Fraley
From: Tom Martens, ERA
Subject: Waterfront Fiscal Benefit Comparison

ERA Project No. 17004

Overview

ERA has been retained by Forest City Washington and Vornado / Charles E. Smith to evaluate the fiscal benefits of their approved PUD and a proposed modified PUD and compare these to the current state for their site, the former Waterside Mall and headquarters of the EPA. The fiscal benefits of the alternative PUDs are expressed at stabilized year levels, in today's dollars.

The site currently has three retail occupants: Safeway, CVS and Bank of America. The site is otherwise vacant.

For purposes of this analysis the approved PUD scenario assumes:

- 400,000 square feet of rental residential
- 30,000 square foot grocery store
- 45,000 square feet of other retail
- Over two million square feet of office space.

The proposed modified PUD assumes:

- Almost one million square feet of rental residential
- Approximately 360,000 square feet of for-sale residential
- 55,000 square foot grocery store
- 55,000 square feet of other retail
- Almost 1.2 million square feet of office space

Summary of Findings

The current state, or base case, is generating little tax revenue, with three retail tenants, one of which sells largely non-taxed food items, and another generally not subject to sales tax. Additionally, the empty building is essentially being valued as ground only. The approved PUD and the proposed modified PUD both produce significantly higher tax revenues for the District, as shown in the summary table below.

Table 1: Summary Fiscal Benefit Comparison

Base Case

	<u>Low</u>	<u>High</u>
Real Property Tax	\$ 1,032,054	\$ 2,268,519
Transfer/Recording Tax	\$ -	\$ -
On-site Sales Tax	\$ 299,290	\$ 341,553
Off-site Sales Tax from On-site Residents	\$ -	\$ -
Income Tax from On-site Residents	\$ -	\$ -
Total Tax Generation to the District	\$ 1,331,344	\$ 2,610,072

2003 Approved PUD

	<u>Low</u>	<u>High</u>
Real Property Tax	\$ 10,629,324	\$ 13,899,885
Transfer/Recording Tax	\$ -	\$ -
On-site Sales Tax (1)	\$ 1,225,636	\$ 1,473,698
Off-site Sales Tax from On-site Residents	\$ 108,808	\$ 157,980
Income Tax from On-site Residents	\$ 1,317,834	\$ 1,757,112
Total Tax Generation to the District	\$ 13,281,601	\$ 17,288,675

Proposed PUD Modification

	<u>Low</u>	<u>High</u>
Real Property Tax	\$ 9,418,412	\$ 11,985,024
Transfer/Recording Tax	\$ 368,803	\$ 368,803
On-site Sales Tax (1)	\$ 1,432,290	\$ 1,735,477
Off-site Sales Tax from On-site Residents	\$ 308,941	\$ 448,558
Income Tax from On-site Residents	\$ 4,246,528	\$ 5,662,037
Total Tax Generation to the District	\$ 15,774,974	\$ 20,199,900

(1) Including parking tax.

Source: Economics Research Associates, 2007.

The proposed modified PUD generates more overall taxes, despite a decrease in property tax, due to an increase in retail sales taxes and income taxes from new residents.

Real Property Tax

The base case property tax of \$2.3 million is based on the assessed value for the 2006 tax year of \$122,622,650. This assessment has been appealed to the Superior Court of the District of Columbia. Waterfront Associates is seeking a reduction to \$55,786,700, which would result in property taxes of \$1,032,054. The property taxes generated by both the PUDs were calculated largely using an income approach to property valuation, with the exception of the for-sale residential in the proposed modified PUD which was valued on a comparables basis. The detailed calculation table for the property taxes from the alternative PUDs is located in the Appendix. We have assumed no change in the current real estate tax rates. The low and high estimates for the income producing uses reflect variable capitalization rates that have been applied to net operating income (NOI) for these uses. A higher capitalization rate of 8.5 percent results in lower assessed values and a lower capitalization rate of 6.5 percent results in higher assessed values. It should be noted that the values presented for the approved PUD and proposed modified PUD would be reflected on real property assessments upon completion of construction and lease-up of the property.

For-sale residential properties in the proposed modified PUD are based on projected average sales prices of \$525,000 per unit, with assessed values lagging about 10 percent behind the actual market values. The high and low property tax generation from for-sale residential results from variable proportions of the unit owners that will take advantage of the Homestead tax deduction. The proportion of unit owners that will take advantage of the Homestead deduction is based on a newer building in the Downtown BID that ERA examined earlier, where approximately 66 percent of unit owners received the deduction. A range of 55 percent to 75 percent receiving the deduction was used to determine the high and low estimates.

The approved PUD generates an estimated \$10.6 to \$13.9 million annually in property taxes, while the proposed modified PUD generates \$9.4 to \$12.0 million. Both scenarios are modeled assuming the grocery store receives the ten-year property tax exemption for new grocery stores.

Transfer/Recording Tax

While the income-producing uses may generate transfer and recording taxes every ten to twenty years when they change ownership, a proportion of the for-sale residential will change ownership in any given year, resulting in transfer and recording taxes.

According to the 2000 Census, the average length of time in an owner-occupied dwelling unit in the District of Columbia was 13 years, translating to an annual average turnover of 7.69 percent. (This proportion is actually quite conservative, given the mobile nature of the target home buyers.) Using the conservative assumption of 7.69 percent changing ownership in any given year results in an additional \$369,000 in transfer and recording taxes to the District under the proposed modified PUD scenario.

On-site Sales Tax

On-site taxable sales include prepared food and alcoholic beverages, taxed at 10.0 percent and taxable non-food items, taxed at 5.75 percent.

Taxable grocery store spending for all three scenarios relies on the *Progressive Grocer 2006 Consumer Expenditure Survey*, summarized in the Supermarket Sales Analysis table in the Appendix, which also calculates Safeway's average sales volume per square foot, based on SEC data. In each scenario, it is assumed that 5.8 percent of the grocery store sales would be subject to the prepared food tax rate of 10.0 percent and that 8.3 percent of grocery store sales would be non-food items subject to 5.75 percent tax. This is a conservative estimate, since a larger format grocery store like that included in the proposed modified PUD would likely have a greater proportion of both taxable prepared foods and taxable non-food items.

The base case assumes that a low-to-high range of 50 percent to 65 percent of the sales at CVS are subject to the basic sales tax rate of 5.75 percent, assuming that the \$350 per square foot sales volume applies to "front store sales" and does not include pharmacy sales, which account for approximately 70 percent of the chain's overall sales volume.

Both alternative PUD scenarios assume that a range of 25 percent to 35 percent of the non-grocery store spending would be on food and beverage service and that 45 percent to 55 percent would be on taxable non-food items.

Overall, on-site sales tax generation estimates range from: \$300,000 to \$342,000 for the base case with very little active retail space; to \$1.0 to \$1.2 million for the approved PUD with 75,000 square feet of retail space; to \$1.3 to \$1.6 million for the proposed modified PUD, with 110,000 square feet of retail space.

Off-site Sales Tax from On-site Residents

In addition to sales taxes from on-site retail, the residents in the alternative PUD scenarios will contribute to additional retail sales within the District. For the approved PUD and the proposed modified PUD, household income requirements were determined based on the HUD maximum of 30 percent of gross income allocated to housing.

Bureau of Labor Statistics household spending patterns for households earning over \$70,000 were applied to the required household incomes to estimate potential spending by category. The taxable spending that was identified includes: 3.58 percent on food service; 0.29 percent on alcohol service; 0.29 percent on alcohol for consumption at home; and 9.60 percent on general taxable merchandise.

The estimated spending that would occur on-site that is already accounted for in the on-site sales tax generation was netted out of the off-site spending. Convenience items, such as alcohol for consumption at home and (non-taxed) grocery store food items are the most likely sales to be captured near home and therefore on-site. General merchandise, where much more comparison shopping is involved, will have the lowest on-site capture.

Of the spending that will occur off-site, ERA applied estimated capture rates for the proportion that would remain in the District. Similar to the on-site capture, convenience

purchases are most likely to be close to home, while general merchandise purchases are likely to be made within a larger geography that encompasses more jurisdictions.

The off-site sales taxes collected from on-site residents spending in the District is estimated to range from \$109,000 to \$158,000 for the approved PUD to \$309,000 to \$449,000 for the proposed modified PUD.

Income Tax from On-site Residents

The household income for the on-site residents that is the basis of the income tax is based on the same income qualification methodology discussed in the off-site spending section above. The current D-40 tax form was used to determine average income tax for both the for-sale and rental units. The for-sale units include a significant mortgage interest deduction of over \$28,000 to result in a slightly lower average income tax from owners than renters, despite a higher required income for the for-sale units.

The greater number of units in the proposed modified PUD result in significantly higher income taxes of \$4.2 to \$5.7 million, compared to \$1.3 to \$1.8 million for the approved PUD. The base case generates no income taxes from on-site residents.



Appendix

The Waterfront

Base Case Property Tax & Sales Tax Generation

Base Case Sales Tax

Retail Type	SF	Sales Per SF	Total Annual Sales	Low Estimate					High Estimate					
				Percent Prepared Food Low	Percent Taxable Non-food Low	Prepared Food Spending Low	Taxable Non-food Spending Low	Total Taxable Sales Low	Percent Prepared Food High	Percent Taxable Non-food High	Prepared Food Spending High	Taxable Non-food Spending High	Total Taxable Sales High	
Supermarket	30,000	\$ 500	\$ 15,000,000	5.80%	8.28%	\$ 869,705	\$ 1,242,515	\$ 2,112,220	5.80%	8.28%	\$ 869,705	\$ 1,242,515	\$ 2,112,220	
Drug Store	14,000	\$ 350	\$ 4,900,000	0%	50%	\$ -	\$ 2,450,000	\$ 2,450,000	0%	65%	\$ -	\$ 3,185,000	\$ 3,185,000	
Total On-site Retail						\$ 869,705	\$ 3,692,515	\$ 4,562,220			\$ 869,705	\$ 4,427,515	\$ 5,297,220	
					Tax Rate	10.00%	5.75%			Tax Rate	10.00%	5.75%		
					Sales Tax by Type	\$ 86,970	\$ 212,320			Sales Tax by Type	\$ 86,970	\$ 254,582		
Total Sales Tax								\$ 299,290	Total Sales Tax					\$ 341,553

Base Case Property Tax

Current Assessment	\$	Approved 122,622,650	\$	Appeal Amount 55,786,700
Commercial Tax			\$	1.85 per \$100
Current Property Tax	\$	2,268,519	\$	1,032,054

Source: Charles E. Smith / The Kaempfer Company, a division of Vornado Realty Trust; District of Columbia Office of Tax and Revenue webpages; Economics Research Associates, 2007.

The Waterfront
Alternative PUD On-site Sales Tax Generation

2003 Approved PUD

Retail Type	SF	Sales Per SF	Total Annual Sales	Low Estimate					High Estimate								
				Percent Food & Bev Service Low	Percent Taxable Non-food Low	Prepared Food Spending Low	Taxable Non-food Spending Low	Total Taxable Sales Low	Percent Food & Bev Service High	Percent Taxable Non-food High	Prepared Food Spending High	Taxable Non-food Spending High	Total Taxable Sales High				
Supermarket	30,000	\$ 500	\$ 15,000,000	5.80%	8.28%	\$ 869,705	\$ 1,242,515	\$ 2,112,220	5.80%	8.28%	\$ 869,705	\$ 1,242,515	\$ 2,112,220				
Other Retail	45,000	\$ 350	\$ 15,750,000	25%	45%	\$ 3,937,500	\$ 7,087,500	\$ 11,025,000	35%	55%	\$ 5,512,500	\$ 8,662,500	\$ 14,175,000				
Total On-site Retail						\$ 4,807,205	\$ 8,330,015	\$ 13,137,220			\$ 6,382,205	\$ 9,905,015	\$ 16,287,220				
						Tax Rate 10.00%	5.75%				Tax Rate 10.00%	5.75%					
						Sales Tax by Type \$ 480,720	\$ 478,976				Sales Tax by Type \$ 638,220	\$ 569,538					
Commercial Parking - Office			\$ 2,216,160				Parking Tax @ 12%	265,939				Parking Tax @ 12%	265,939				
Total Sales Tax								\$ 1,225,636	Total Sales Tax								\$ 1,473,698

Proposed PUD Modification

Retail Type	SF	Sales Per SF	Total Annual Sales	Low Estimate					High Estimate								
				Percent Food & Bev Service Low	Percent Taxable Non-food Low	Prepared Food Spending Low	Taxable Non-food Spending Low	Total Taxable Sales Low	Percent Food & Bev Service High	Percent Taxable Non-food High	Prepared Food Spending High	Taxable Non-food Spending High	Total Taxable Sales High				
Supermarket	55,000	\$ 500	\$ 27,500,000	5.80%	8.28%	\$ 1,594,458	\$ 2,277,945	\$ 3,872,403	5.80%	8.28%	\$ 1,594,458	\$ 2,277,945	\$ 3,872,403				
Other Retail	55,000	\$ 350	\$ 19,250,000	25%	45%	\$ 4,812,500	\$ 8,662,500	\$ 13,475,000	35%	55%	\$ 6,737,500	\$ 10,587,500	\$ 17,325,000				
Total On-site Retail						\$ 6,406,958	\$ 10,940,445	\$ 17,347,403			\$ 8,331,958	\$ 12,865,445	\$ 21,197,403				
						Tax Rate 10.00%	5.75%				Tax Rate 10.00%	5.75%					
						Sales Tax by Type \$ 640,696	\$ 629,076				Sales Tax by Type \$ 833,196	\$ 739,763					
Commercial Parking - Office			\$ 1,354,320				Parking Tax @ 12%	162,518				Parking Tax @ 12%	162,518				
Total Sales Tax								\$ 1,432,290	Total Sales Tax								\$ 1,735,477

Source: Charles E. Smith / The Kaempfer Company, a division of Vornado Realty Trust; District of Columbia Office of Tax and Revenue webpages; Economics Research Associates, 2007.

The Waterfront

Alternative PUD Off-site Sales Tax Generation from New Residents

2003 Approved PUD

Housing Type	House-holds	Occu- pled House- holds	Average Rent / Price	Pricing Unit	Average Annual Payments (1)	Total Required Income (2)	Spending on Prepared Foods (3) 3.58%	Spending on Alcoholic Beverage Service 0.29%	Spending on at-home Alcoholic Beverages 0.29%	Spending on Taxable General Merchandise 9.60%
For-sale	-	-	\$ 525,000	Unit	\$ 34,327	114,422	\$ 4,102	\$ 331	\$ 331	\$ 10,990
Rental	320	310	\$ 2.30	SF/Mo	\$ 28,980	96,600	\$ 3,463	\$ 279	\$ 279	\$ 9,278
Total Spending for All Households							\$ 1,074,859	\$ 86,694	\$ 86,694	\$ 2,879,931
Estimated On-site Capture							20%	20%	50%	10%
Remaining Off-site Spending							\$ 859,887	\$ 69,355	\$ 43,347	\$ 2,591,938
Low District Capture of Off-site Spending							50%	50%	70%	40%
High District Capture of Off-site Spending							70%	70%	90%	60%
Low District Off-site Spending							\$ 429,944	\$ 34,677	\$ 30,343	\$ 1,036,775
High District Off-site Spending							\$ 601,921	\$ 48,548	\$ 39,012	\$ 1,555,163
Tax Rate							10.00%	10.00%	9.00%	5.75%
Low District Off-site Spending Sales Taxes							\$ 42,994	\$ 3,468	\$ 2,731	\$ 59,615
High District Off-site Spending Sales Taxes							\$ 60,192	\$ 4,855	\$ 3,511	\$ 89,422

All Off-site DC Sales Taxes from New Residents
Low \$ 108,808
High \$ 157,980

Proposed PUD Modification

Housing Type	House-holds	Occu- pled House- holds	Average Rent / Price	Pricing Unit	Average Annual Payments (1)	Total Required Income (2)	Spending on Prepared Foods (3) 3.58%	Spending on Alcoholic Beverage Service 0.29%	Spending on at-home Alcoholic Beverages 0.29%	Spending on Taxable General Merchandise 9.60%
For-sale	315	306	\$ 525,000	Unit	\$ 34,327	114,422	\$ 4,102	\$ 331	\$ 331	\$ 10,990
Rental	745	723	\$ 1.81	SF/Mo	\$ 20,829	69,432	\$ 2,489	\$ 201	\$ 201	\$ 6,669
Total Spending for All Households							\$ 3,051,883	\$ 246,152	\$ 246,152	\$ 8,177,086
Estimated On-site Capture							20%	20%	50%	10%
Remaining Off-site Spending							\$ 2,441,507	\$ 196,922	\$ 123,076	\$ 7,359,378
Low District Capture of Off-site Spending							50%	50%	70%	40%
High District Capture of Off-site Spending							70%	70%	90%	60%
Low District Off-site Spending							\$ 1,220,753	\$ 98,461	\$ 86,153	\$ 2,943,751
High District Off-site Spending							\$ 1,709,055	\$ 137,845	\$ 110,768	\$ 4,415,627
Tax Rate							10.00%	10.00%	9.00%	5.75%
Low District Off-site Spending Sales Taxes							\$ 122,075	\$ 9,846	\$ 7,754	\$ 169,266
High District Off-site Spending Sales Taxes							\$ 170,905	\$ 13,785	\$ 9,969	\$ 253,899

All Off-site DC Sales Taxes from New Residents
Low \$ 308,941
High \$ 448,558

(1) For-sale annual payments assume 30-year mortgage, with 10% down and 6% interest.

(2) Assumes 30% of gross income applied toward housing.

(3) Spending patterns from BLS Consumer Expenditure Survey.

Source: Bureau of Labor Statistics; DC Office of Tax and Revenue webpages; Economics Research Associates, 2007.

The Waterfront

Alternative PUD Income Tax Generation from New Residents

2003 Approved PUD

Housing Type	House-holds	Occu- -pled House- holds	Average Rent / Price	Pricing Unit	Average Annual Payments (1)	Total Required Income (2)	Standard Deduction or Annual Interest		Remaining Taxable Income	Average Income Tax	Percent FT DC		Total Income Taxes Low	Total Income Taxes High	
							Deduction (3)	Exemption			Residents Low	Residents High			
For-sale	-	-	\$ 525,000	Unit	\$ 34,327	\$ 114,422	\$ 28,350	\$ 1,500	\$ 84,572	\$ 6,428	60%	80%	\$ -	\$ -	
Rental	320	310	\$ 2.30	SF/Mo	\$ 28,980	\$ 96,600	\$ 2,500	\$ 1,500	\$ 92,600	\$ 7,076	60%	80%	\$ 1,317,834	\$ 1,757,112	
												Total Income Taxes		<i>Low</i>	<i>High</i>
												\$ 1,317,834	\$ 1,757,112		

Proposed PUD Modification

Housing Type	House-holds	Occu- -pled House- holds	Average Rent / Price	Pricing Unit	Average Annual Payments (1)	Total Required Income (2)	Standard Deduction or Annual Interest		Remaining Taxable Income	Average Income Tax	Percent FT DC		Total Income Taxes Low	Total Income Taxes High	
							Deduction (3)	Exemption			Residents Low	Residents High			
For-sale	315	306	\$ 525,000	Unit	\$ 34,327	\$ 114,422	\$ 28,350	\$ 1,500	\$ 84,572	\$ 6,428	60%	80%	\$ 1,178,445	\$ 1,571,260	
Rental	745	723	\$ 1.81	SF/Mo	\$ 23,458	\$ 78,192	\$ 2,500	\$ 1,500	\$ 74,192	\$ 7,076	60%	80%	\$ 3,068,083	\$ 4,090,777	
												Total Income Taxes		<i>Low</i>	<i>High</i>
												\$ 4,246,528	\$ 5,662,037		

(1) For-sale annual payments assume 30-year mortgage, with 10% down and 6% interest.

(2) Assumes 30% of gross income applied toward housing.

(3) At maximum of first year of mortgage.

Source: Charles E. Smith / The Kaempfer Company, a division of Vornado Realty Trust; District of Columbia Office of Tax and Revenue webpages; Economics Research Associates, 2007.

The Waterfront

BLS National Consumer Expenditure Patterns for Households with Income Over \$70,000

Category	Spending	% of	
		Income	Tax Rate
Food at home	\$ 4,706	3.71%	0.00%
Food away from home	\$ 4,544	3.58%	10.00%
Alcoholic beverages at home (1)	\$ 367	0.29%	9.00%
Alcoholic beverages on site	\$ 367	0.29%	11.00%
Housekeeping supplies	\$ 963	0.76%	5.75%
Household furnishings and equipment	\$ 3,436	2.71%	5.75%
Apparel and services	\$ 3,233	2.55%	5.75%
Drugs and medical supplies	\$ 794	0.63%	0.00%
Pets, toys, etc	\$ 723	0.57%	5.75%
Other entertainment supplies	\$ 1,058	0.83%	5.75%
Personal care products	\$ 898	0.71%	5.75%
Reading	\$ 221	0.17%	5.75%
Tobacco products	\$ 286	0.23%	5.75%
Miscellaneous	\$ 1,357	1.07%	5.75%
Average income before taxes	\$ 126,761		

Summary Taxable Spending Categories	% of	
	Income	Tax Rate
Food service	3.58%	10.00%
Alcohol service	0.29%	10.00%
Alcohol at-home	0.29%	9.00%
Taxable general merchandise	9.60%	5.75%

(1) Alcoholic beverage spending assumed to be evenly divided between at-home and in eating and drinking establishments.

Source: Bureau of labor Statistics; DC Office of Tax and Revenue webpages; Economics Research Associates, 2007.

The Waterfront

Supermarket Sales Analysis

Safeway Sales 2005

Total Sales	\$	38,416,000,000
Total SF		81,000,000
Total Sales PSF	\$	474.27
Inflated 2007 Sales PSF	\$	503.15

Source: Safeway Fiscal 2005 SEC Form 10-K Filing; Economics Research Associates, 2007.

2005 National Supermarket Sales

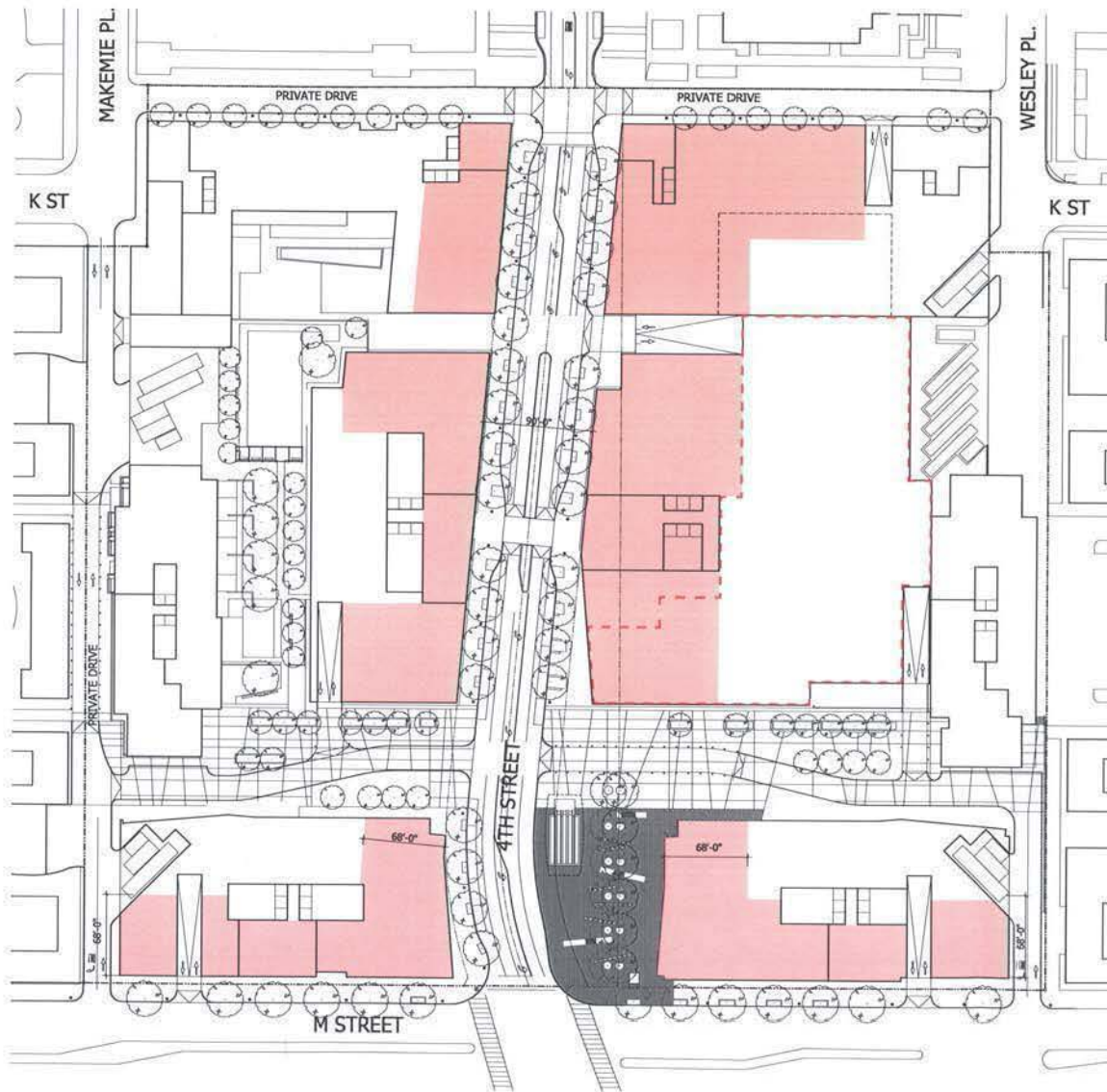
Category	Sales	% of Total	Tax Rate
Grocery - Food	\$ 103,461.15	28.1%	0%
Grocery - Nonfood	\$ 30,411.94	8.3%	0%
Bakery (Service)	\$ 8,045.70	2.2%	10.0%
Baked Goods (Fresh)	\$ 12,306.94	3.3%	0%
Dairy	\$ 36,195.19	9.8%	0%
Deli (Service)	\$ 13,325.00	3.6%	10.0%
Deli (Self-Service)	\$ 4,742.88	1.3%	0%
Frozen Foods	\$ 27,504.81	7.5%	0%
Meat-Fish-Poultry	\$ 50,023.00	13.6%	0%
Fresh Produce	\$ 39,207.70	10.6%	0%
General Merchandise	\$ 16,797.67	4.6%	5.75%
Health & Beauty Care	\$ 13,733.87	3.7%	5.75%
Pharmacy	\$ 12,185.00	3.3%	0%
Total Supermarket Spending (1)	\$ 368,585.51		

Total Taxable	
Portion	Tax Rate
5.8%	10.0%
8.3%	5.75%

(1) Less Alcoholic Beverage Purchases for District Grocery Stores

Source: Progressive Grocer 2006 Consumer Expenditure Survey; District of Columbia Office of Tax and Revenue webpages; Economics Research Associates, 2007.

D



NOTES:

1. INTERIOR PLAN LAYOUTS ARE CONCEPTUAL AND SHOWN FOR ILLUSTRATIVE PURPOSES. THE FINAL LAYOUTS MAY VARY.
2. THE 4TH STREET ROAD BED IS SHOWN 55' WIDE FOR ILLUSTRATIVE PURPOSES. THIS MATCHES 4TH STREET NORTH AND SOUTH OF THE SITE. THE FINAL WIDTH MAY VARY.

LEGEND:

- MINIMUM RETAIL COMMITMENT AREA -**
THE SHADED AREA, FRONTING ON 4TH STREET AND M STREET, WILL BE TARGETED FOR RETAIL LEASING PURPOSES (110,000 SF MIN.).
- PROPOSED GROCERY SHELL**

E



- - - - - REQUIRED GROCERY STORE PERIMETER

W A T E R F R O N T W A S H I N G T O N , D . C .

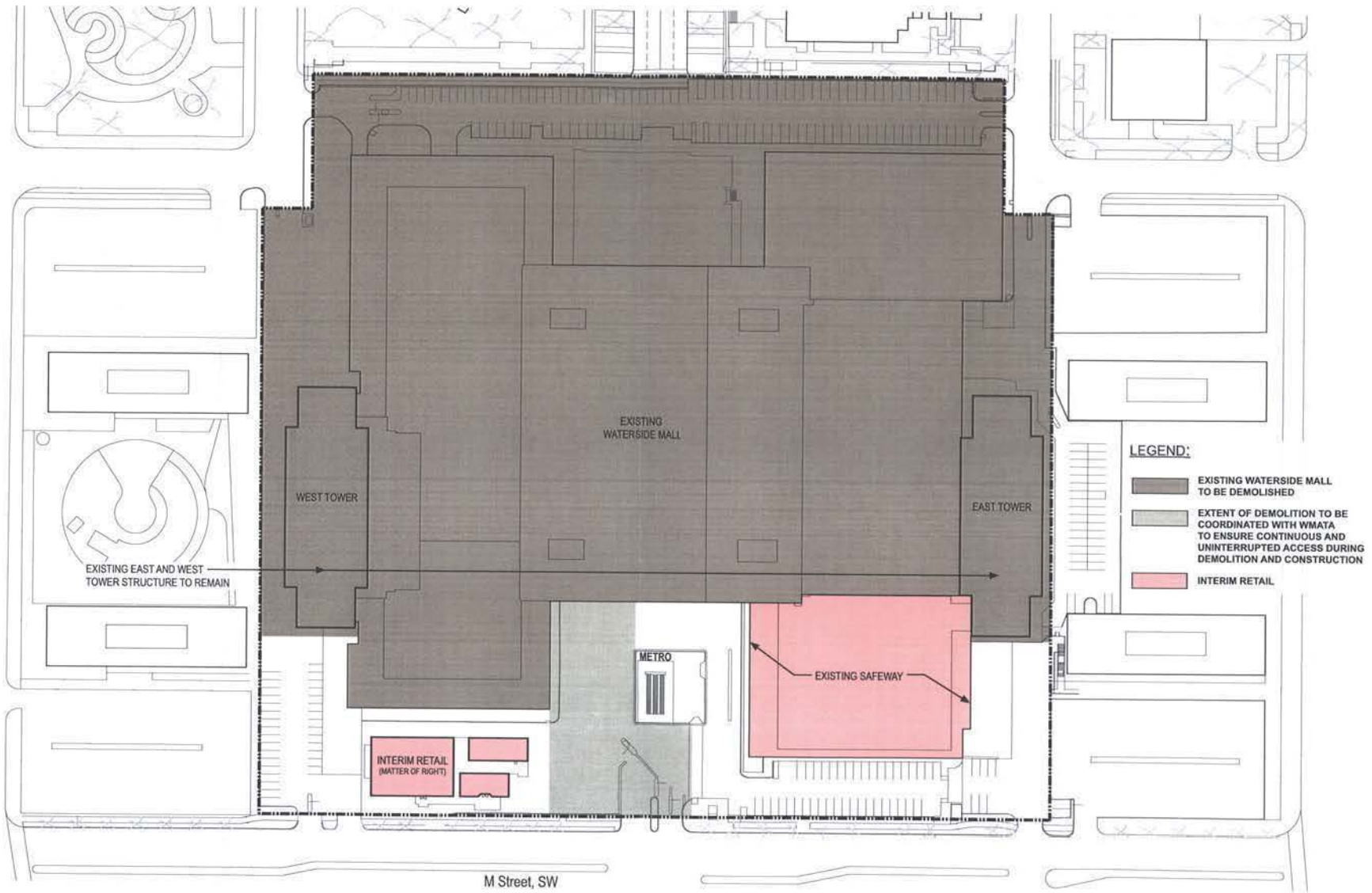
PUD - Pre-Hearing Statement

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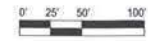
shalom baranes associates architects

Revised Neighborhood Service Map

F



W A T E R F R O N T W A S H I N G T O N , D . C .



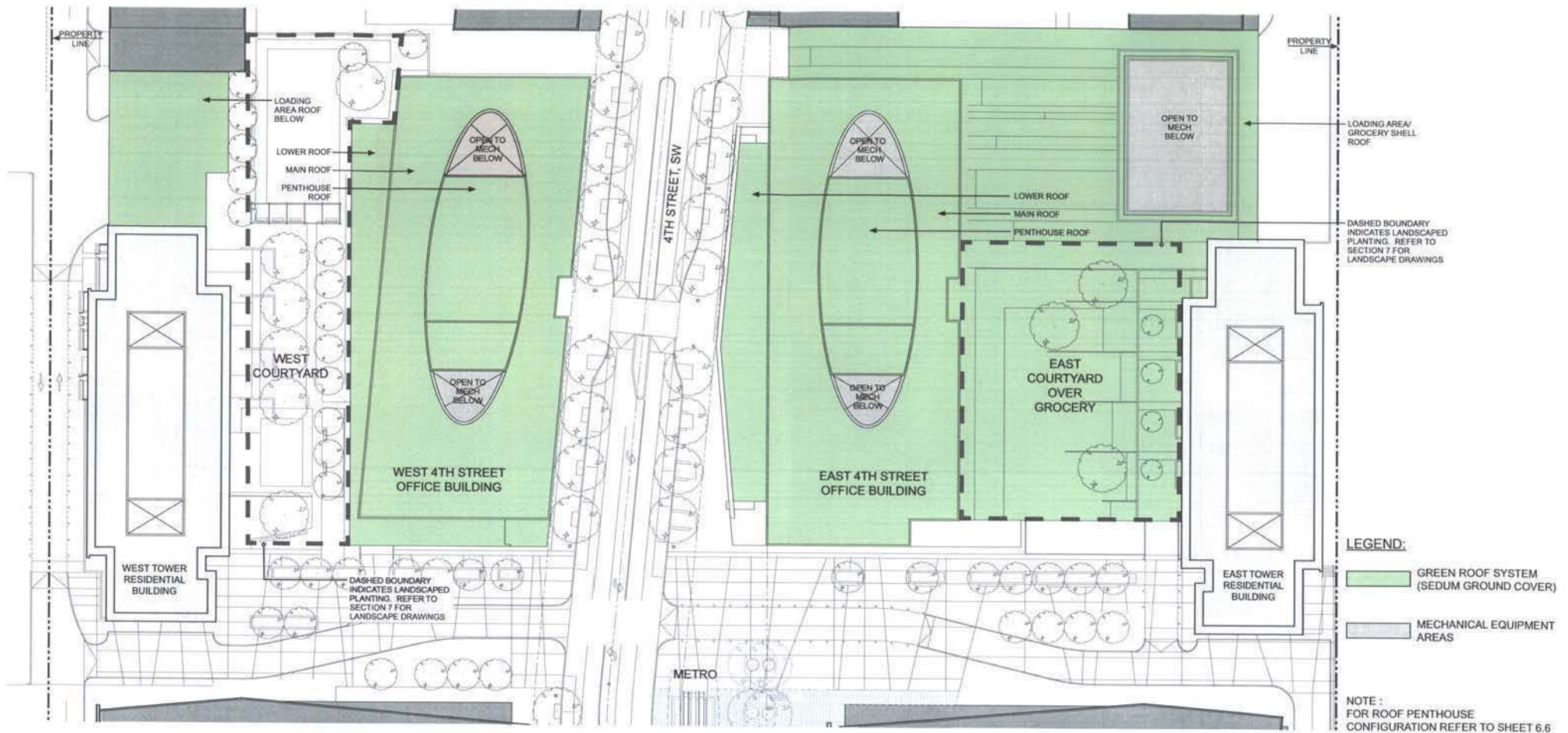
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Stage 1 PUD - Pre-Hearing Statement

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Interim Retail Use Plan

G



SEDUM GROUND COVER IMAGES

W A T E R F R O N T W A S H I N G T O N , D . C .

Stage 2 PUD - Pre-Hearing Statement

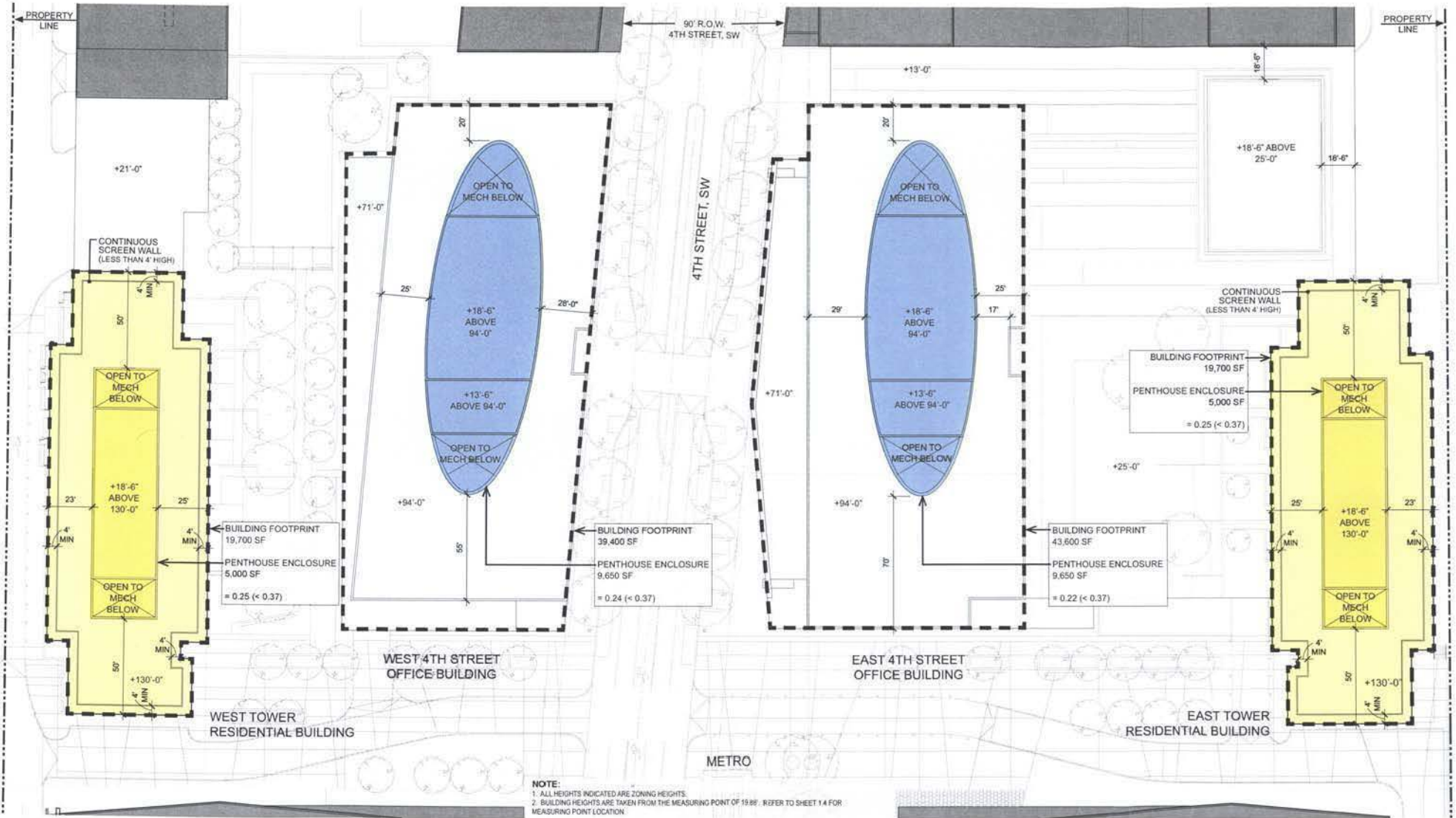
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shalom baranes associates architects

Green Roof Diagram

H



I



MEMORANDUM

TO: Abdoulaye Bah DC Department of Transportation

CC: Gordon Fraley Vornado/Charles E. Smith
David Smith Forest City Washington

FROM: Chad Baird

DATE: March 29, 2007

SUBJECT: Waterfront Development – Traffic Evaluation of Proposed Curb Cuts along M Street SW
DC Zoning Case Number: 02-38A

INTRODUCTION

This purpose of this memorandum is to demonstrate the purpose and need for curb cuts along M Street SW adjacent to the Waterside Mall (Waterfront). The existing Waterside Mall development currently has a total of four curb cuts along M Street to access the site. The current Waterfront Development project proposes two curb cuts related to the garage access and two curb cuts along M Street for the private drive/alley ways along the east and west ends of the development, for a total of four curb cuts along M Street to access the site. The main purpose of these curb cuts along M Street is to reduce the amount of traffic along 4th Street. These curb cuts were also shown in similar form in the original PUD from 2003. The current PUD submitted for review replaces portions of the previously approved office use with residential use on the north side of the project. The office use located on the south side of the project will remain office as originally approved.

PROPOSED SITE ACCESS

Currently along M Street, there are three curb cuts to the west of 4th Street and one curb cut located to the east of 4th Street. In the future, it is proposed that there be two curb cuts along M Street to the west of 4th Street and two curb cuts proposed to the east of 4th Street. These curb cuts were shown in the original PUD from 2003.

The original 2003 PUD plan allowed for two curb cuts to the west of 4th Street: one for a garage entrance and one for a private drive connecting to I (Eye) Street in the north. Both curb cuts to the west of 4th Street will remain as right-in/right-out access points.

The original 2003 PUD plan called for two curb cuts to the east of 4th Street: one for garage access and the other for access to the loading dock. The two curb cuts located east of 4th Street are full access curb cuts with a proposed eastbound left turn bay along M Street. The one curb cut is still proposed for garage access. The second curb cut is proposed to be the exit for the “L”-shaped driveway connecting 4th Street near the Metro station porthole to M Street. The portion of this connection in the east-west direction is proposed to be one-way eastbound to reduce the number of vehicle-pedestrian conflicts at the Metro entrance. The north-south portion of the “L”-shaped connection is also proposed to be one-way for all vehicular traffic except for trucks accessing the loading dock. This allows for fewer vehicular conflicts with the pedestrians utilizing the Waterfront-SEU Metro station porthole.

The proposed curb cuts along M Street are located within a typical city block distance from the centerline of 4th Street to the proposed curb cut. Typical city block ranges between approximately 350 feet to over 600 feet with the average city block around 425 feet from centerline of intersection to centerline of intersection. The proposed centerline distances along M Street SW from 4th Street for the proposed curb cuts to the Waterfront Development are:

- West Garage Curb Cut – 280 feet
- Makemie Drive – 360 feet
- East garage Curb Cut – 345 feet
- East Site Private Drive – 415 feet

PURPOSE AND NEED

The purpose and need of the proposed curb cuts along M Street would be to minimize vehicular/pedestrian conflicts and promote pedestrian circulation around the Waterfront Development by introducing garage access throughout the site.

Western Curb Cut / Makemie Drive – This curb cut is to allow for north/south circulation from I Street to the north to M Street to the south. This will allow for a continuous grid system around the development and give vehicular traffic the ability to circulate around the development on local roads without being forced to travel along only M Street or only 4th Street. In addition to circulation, the primary purpose of the Makemie Drive curb cut along M Street is to allow for truck access to both the Waterfront Development as well as the Fairfield Development to the west.

Western Garage Access – The western proposed garage access to the office building along M Street is an existing condition. By having the access point along M Street, the vehicular impact along 4th Street is reduced by having fewer vehicle/pedestrian conflicts with the Metro station porthole.

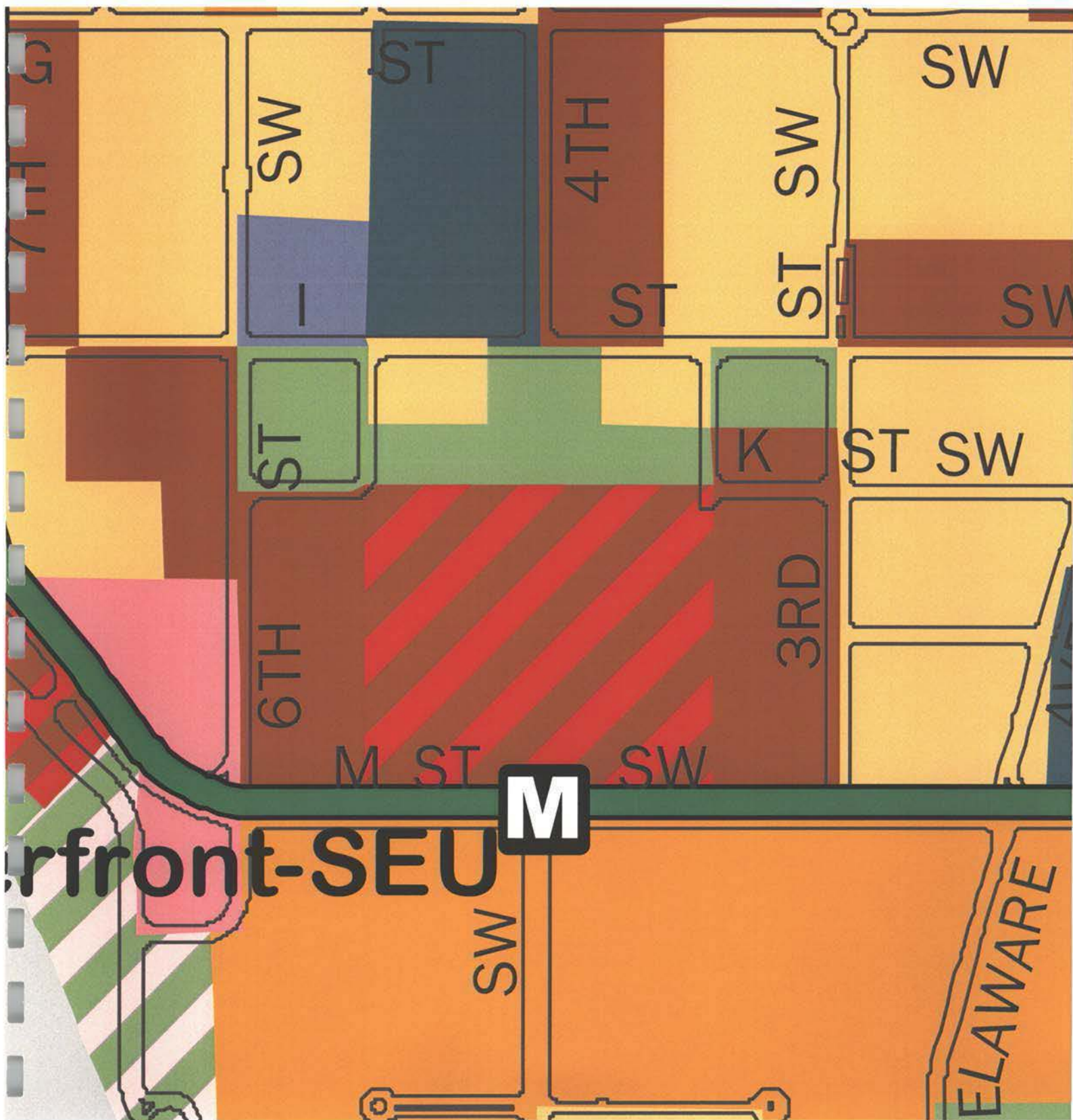
Eastern Garage Access – The eastern garage access along M Street is an existing but relocated entrance. The entrance will provide access to the proposed office building in the southeast portion of the site. By having the access point along M Street, the vehicular impact along 4th Street is reduced by having fewer vehicle/pedestrian conflicts with the Metro station porthole.

Loading Dock Curb Cut/Residential Outbound Drive – This proposed access point will not only provide access to the office building loading dock, it will provide the egress point for the eastern residential building. By providing this exit for the future residents, it will reduce the number of vehicle/pedestrian conflicts at the Metro station porthole.

SUMMARY





Overall, the curb cuts along M Street are consistent with an urban condition within the city. Revitalizing the southwest section of DC and providing an urban feel as is seen today along streets in the Northwest quadrant of the District such as Connecticut Avenue, M Street, and 18th Street. Currently, 4th Street is being designed as a slow-moving vehicular circulation road with raised crosswalks and large pedestrian staging areas to accommodate the pedestrians from the Waterfront-SEU Metro Station. Fourth Street will have many pedestrians traversing from the east side to the west side of 4th Street and therefore vehicular traffic along 4th Street should be minimized. These curb cuts will help reduce the number of left turns along 4th Street. By allowing for curb cuts along M Street, the vehicular traffic will be distributed throughout the site and not concentrated only on 4th Street.

5






LEGEND

Residential Land Use Categories

-  **Low Density Residential**
Defines the District's single family neighborhoods. Single family detached and semi-detached housing units with front, back, and side yards are the predominant uses.
-  **Moderate Density Residential**
Defines the District's row house neighborhoods as well as its low-rise garden apartment complexes. Also applies to areas characterized by a mix of single family homes, 2-4 unit buildings, row houses, and low-rise apartment buildings. In some older inner city neighborhoods with this designation there may also be existing multi-story apartments.
-  **Medium Density Residential**
Defines neighborhoods or areas where mid-rise (4-7 stories) apartment buildings are the predominant use. Pockets of low and moderate density housing may exist within these areas. This designation also may apply to taller residential buildings surrounded by large areas of permanent open space.
-  **High Density Residential**
Defines neighborhoods and corridors where high-rise (8 stories or more) apartment buildings are the predominant use. Pockets of less dense housing may exist within these areas.


Commercial Land Use Categories

-  **Low Density Commercial**
Defines shopping and service areas that are generally low in scale and character. Retail, office, and service businesses are the predominant uses. Areas range from small business districts that draw primarily from the surrounding neighborhoods to larger business districts uses that draw from a broader market area. Their common feature is that they are comprised primarily of one- to three-story commercial buildings.
-  **Moderate Density Commercial**
Defines shopping and service areas that are somewhat more intense in scale and character than the low-density commercial areas. Retail, office, and service businesses are the predominant uses. Areas range from small business districts that draw primarily from the surrounding neighborhoods to larger business districts uses that draw from a broader market area. Buildings are larger and/or taller than those in low density commercial areas but generally do not exceed five stories in height.
-  **Medium Density Commercial**
Defines shopping and service areas that are somewhat more intense in scale and character than the moderate-density commercial areas. Retail, office, and service businesses are the predominant uses. Areas generally draw from a citywide market area. Buildings are generally larger and/or taller than those in moderate density commercial areas but generally do not exceed eight stories in height.
-  **High Density Commercial**
Defines the central employment district of the city and other major office employment centers on the downtown perimeter. Characterized by office and mixed office/retail buildings greater than eight stories in height, although many lower scale buildings (including historic buildings) are interspersed.
-  **Production, Distribution, and Repair**
This category defines areas characterized by manufacturing, warehousing, wholesale and distribution centers, transportation services, food services, printers and publishers, tourism support services, and commercial, municipal, and utility activities which may require substantial buffering from noise-, air pollution- and light-sensitive uses such as housing. This category is also used to denote railroad rights-of-way, switching and maintenance yards, bus garages, and similar uses related to the movement of freight, such as truck terminals.

Public and Institutional Land Use Categories

-  **Federal**
Includes land and facilities owned, occupied and used by the federal government, excluding parks and open space. Uses include military bases, federal government buildings, the International Chancery Center, federal hospitals, and similar federal government activities. The "Federal" category generally denotes ownership rather than use. Land with this designation is generally not subject to zoning.
-  **Local Public Facilities**
Includes land and facilities occupied and used by the District of Columbia government or other local government agencies (such as WMATA), excluding parks and open space. Uses include public schools including charter schools, public hospitals, government office complexes, and similar local government activities. Because of the scale of this map, local public facilities smaller than one acre—including some of the District's libraries, police and fire stations, and similar uses—may not be shown.
-  **Institutional**
Includes land and facilities occupied and used by colleges and universities, large private schools, hospitals, religious organizations, and similar institutions. Because of the scale of this map, smaller institutional uses such as churches are generally not shown unless they are located on sites that are several acres in size.
-  **Parks, Recreation, and Open Space**
Includes the federal and District park systems, including the National Parks, the circles and squares of the L'Enfant city and District neighborhoods, the National Mall, settings for significant commemorative works, certain federal buildings such as the White House and the US Capitol grounds and museums, and District-operated parks and associated recreation centers. It also includes permanent open space uses such as cemeteries, open space associated with utilities such as the Dalecarlia and McMillan Reservoirs, and open space along highways such as Suitland Parkway. This category includes a mix of passive open space (for resource conservation and habitat protection) and active open space (for recreation).

Mixed Land Use

-  Areas where the mixing of two or more land uses is encouraged are shown using striped patterns. The colors of the stripes correspond to the specific land uses. The general density and intensity of development within a Mixed Use area is determined by the specific mix of uses. If the desired outcome is to emphasize one use over the other (for example, ground floor retail with three stories of housing above), the map may indicate the dominant use by showing it at a slightly higher density (in this case, "Moderate Density Residential/ Low Density Commercial). The Comprehensive Plan Area Elements may also provide additional detail on the specific mix of uses envisioned.

-  **Water Bodies**

-  **Metro Stations**

-  **Metro Lines**

K



G

ST

Southwest /

Waterfront

Waterside Mall



M

erfront-SEU

M

ST

AVE

MS

SW

DELAWARE

T

SW

LEGEND

This map identifies the following four different types of areas: Neighborhood Conservation Areas, Neighborhood Enhancement Areas, Land Use Change Areas, and Commercial/ Mixed Use Areas.

Neighborhood Conservation Areas

Areas with very little vacant or underutilized land. They are primarily residential in character. Maintenance of existing land uses and community character is anticipated over the next 20 years. Where change occurs, it will be modest in scale and will consist primarily of scattered site infill housing, public facilities, and institutional uses. Major changes in density are not expected but some new development and reuse opportunities are anticipated.

The guiding philosophy in Neighborhood Conservation Areas is to conserve and enhance established neighborhoods. Limited development and redevelopment opportunities do exist within these areas but they are small in scale. The diversity of land uses and building types in these areas should be maintained and new development and alterations should be compatible with the existing scale and architectural character of each area. Densities in Neighborhood Conservation Areas are guided by the Future Land Use Map.

Neighborhood Enhancement Areas

Neighborhoods with substantial amounts of vacant residentially zoned land. They are primarily residential in character. Many of these areas are characterized by a patchwork of existing homes and individual vacant lots, some privately owned and others owned by the public sector or non-profit developers. These areas present opportunities for compatible small-scale infill development including new single family homes, town homes, and other density types of housing. Land uses that reflect the historical mixture and diversity of each community should be encouraged.

The guiding philosophy in Neighborhood Enhancement Areas is to ensure that new development "fits in" and responds to the existing character, natural features, and existing/planned infrastructure capacity. New housing should be encouraged to improve the neighborhood and must be consistent with the land use designation on the Future Land Use Map. The unique and special qualities of each area should be maintained and conserved, and overall neighborhood character should be protected as development takes place. Publicly-owned open space within these areas should be preserved and enhanced to make these communities more attractive and desirable.

Land Use Change Areas

Land Use Change Areas (Federal)

Areas where change to a different land use is anticipated. The guiding philosophy in the Land Use Change Areas is to encourage and facilitate new development and to promote the adaptive reuse of existing structures. Many of these areas have the capacity to become mixed-use communities containing housing, retail shops, services, workplaces, parks and civic facilities. The Comprehensive Plan's Area Elements provide additional policies to guide development and redevelopment within the Land Use Change Areas, including the desired mix of uses in each area. Land Use Change Areas include:

Anacostia Metro	Howard University Town Center	Rhode Island Avenue Metro
Armed Forces Retirement Home-East	McMillan Sand Filtration Site	South Capitol Corridor
Armed Forces Retirement Home-West	Near Southeast	Southwest Waterfront
Brookland Metro	New York Avenue / Bladensburg Triangle	St Elizabeths Campus
Buzzard Point	NOMA/ New York Avenue Metro	Upper Bladensburg
Camp Simms	Old Convention Center / Hotel Site	Walter Reed Hospital
DC Village	Poplar Point	Waterside Mall
Fort Lincoln New Town	Reservation 13 / Hill East	
Fort Totten Metro	RFK Stadium and Environs	

As Land Use Change Areas are redeveloped, the District aspires to create high quality environments that include exemplary site and architectural design and that are compatible with and do not negatively impact nearby neighborhoods. Programs to avoid and mitigate any undesirable impacts of development of the Land Use Change Areas upon adjacent neighborhoods should be required as necessary.

Federal lands where a change of land use or ownership is possible by 2025 are shown with a striped pattern. In some cases a specific mix of expected uses is shown on the Future Land Use Map. In others, the Future Land Use Map depicts these sites as "Federal", indicating that although the District expects a change it does not yet have a basis for projecting specific land uses. The District has no jurisdiction over Federal lands. This information is provided to advise District residents that changes may occur and that the District intends to plan proactively for new uses in the event the lands are transferred.

Commercial/ Mixed Use Areas

These areas correspond to the city's business districts, many of which form the heart of its neighborhoods. Five categories are used, defining the physical and economic character of each area along with generalized long-range conservation and development objectives. The commercial areas defined are: "Main Street Mixed Use Corridors," "Neighborhood Commercial Centers," "Multi-Neighborhood Commercial Centers", "Regional Commercial Centers," and the "Central Employment Area."

Main Street Mixed Use Corridors

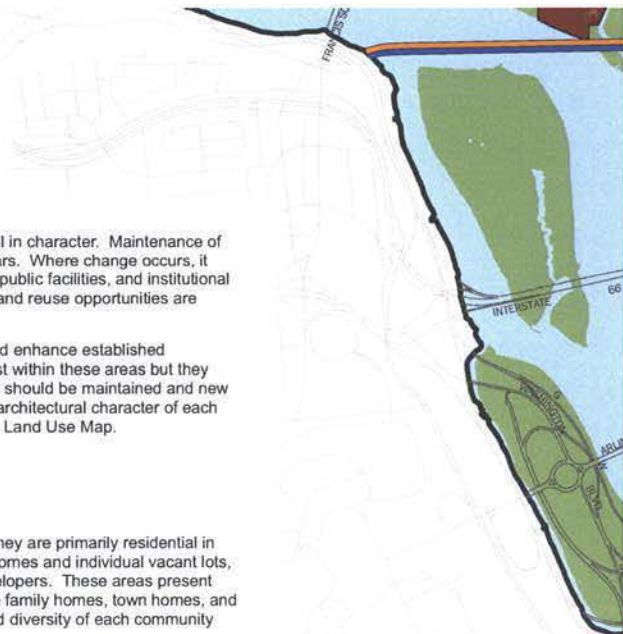
Traditional commercial business corridors with a concentration of older storefronts along the street. The service area for Main Streets can vary from one neighborhood (e.g., 14th Street Heights or Barracks Row) to multiple neighborhoods (e.g., Dupont Circle, H Street, or Adams Morgan). Their common feature is that they have a pedestrian-oriented environment with traditional storefronts. Many have upper story residential or office uses. Conservation and enhancement of these corridors is desired to foster economic and housing opportunities and serve neighborhood needs. Any development or redevelopment that occurs should support transit use and enhance the pedestrian environment.

Neighborhood Commercial Centers Enhanced/New Neighborhood Centers

Neighborhood Commercial Centers meet the day-to-day needs of residents and workers in the adjacent neighborhoods. Their service area is usually less than one mile. Typical uses include convenience stores, sundries, small food markets, supermarkets, branch banks, restaurants, and basic services such as dry cleaners, hair cutting, and child care. Office space for small businesses, such as local real estate and insurance offices, doctors and dentists, and similar uses, also may be found in such locations. New development and redevelopment within Neighborhood Commercial Areas must be managed to conserve the economic viability of these areas while allowing additional development that complements existing uses.

Multi-Neighborhood Centers Enhanced/New Multi-Neighborhood Centers

Multi-neighborhood centers contain many of the same activities as neighborhood centers but in greater depth and variety. Their service area is typically one to three miles. These centers are generally found at major intersections and along key transit routes. These centers might include supermarkets, general merchandise stores, drug stores, restaurants, specialty shops, apparel stores, and a variety of service-oriented businesses. These centers also may include office space for small businesses, although their primary function remains retail trade. Mixed-use infill development at these centers should be encouraged to provide new retail and service uses, and additional housing and job opportunities. Transit improvements to these centers are also desirable.



L

List of Witnesses

Deborah Ratner-Salzberg

Forest City Washington

Representative of the Applicant

Mitchell N. Schear

Vornado/Charles E. Smith

Representative of the Applicant

Shalom Baranes

Shalom Baranes Associates

Expert in Architecture and Design

Chad Baird

Gorove/Slade Associates, Inc.

Experts in Traffic Engineering and Design

Tom Martens

Economics Research Associates

Expert in Economic Analysis

Steven E. Sher

Holland & Knight

Expert in Urban Planning

**ESTIMATED TIME REQUIRED FOR
PRESENTATION OF APPLICANT'S CASE:**

1 Hour

m

**Deborah Ratner-Salzberg
Forest City Washington**

**Mitchell N. Schear
Vornado, Charles E. Smith**

Representatives of the Applicant

OUTLINE OF TESTIMONY

- I. Introduction
- II. Summary of History of the Project
- III. Work with Community and District
- IV. Summary of Public Benefits and Project Amenities
- V. Conclusions

Shalom Baranes
Shalom Baranes Associates

OUTLINE OF TESTIMONY

- I. Introduction
 - A. General Description of Shalom Baranes Associates
 - B. History and Experience
 - C. Work and Design in the District of Columbia
- II. Site Location and Description
 - A. Overview of Site and Surrounding Area
 - B. Design Considerations
- III. Urban Design and Planning for Project
- IV. Project Design for Modification to Approved First-Stage PUD
- V. Project Design for Second-Stage PUD
- VI. Conclusions

Chad Baird
Gorove/Slade Associates, Inc.

OUTLINE OF TESTIMONY

- I. Introduction
- II. Experience and Expertise
- III. Existing Roadway and Traffic Conditions
- IV. Background Traffic Conditions
- V. Future Traffic Situation
- VI. Re-Opening of 4th Street
- VII. Summary of Findings and Conclusions

Tom Martens
Economics Research Associates

OUTLINE OF TESTIMONY

- I. Introduction
- II. Experience and Expertise
- III. Fiscal Benefit Comparison
 - A. Existing Improvements
 - B. Approved First-Stage PUD
 - C. Modified First-Stage PUD
- IV. Summary of Findings
- V. Conclusions

**Steven E. Sher, Land Planner
Holland & Knight, LLP**

OUTLINE OF TESTIMONY

- I. Introduction
- II. Experience and Expertise
- III. Site Location and Description
- IV. Description of Surrounding Area
- V. Zoning
- VI. Proposed Project and Re-zoning
- VII. Compliance with PUD Requirements (Chapter 24)
- VIII. Consistency with the Comprehensive Plan
- IX. Conclusions

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Shalom Baranes, FAIA Resume

Shalom Baranes has practiced architecture in Washington, DC for over twenty-five years, founding his current firm, Shalom Baranes Associates, in 1981. His work has been published internationally and has received over fifty design awards, more than half of them from the AIA. Among his firm's completed buildings are embassies for the governments of Turkey and Nigeria, the national headquarters for the American Red Cross, the American Geophysical Union and the Carpenter's Union (101 Constitution Avenue), and the Ritz Carlton Hotel and Residences in Georgetown. Historic projects include the renovation of the Warner Theatre, the expansion of the District of Columbia's City Hall, the John Wilson Building, the US Treasury Building and Postal Square. His current work includes mixed use projects at the Waterside Mall and Southeast Federal Center on the Anacostia River and the renovation and expansion of GSA's national headquarters building.

Mr. Baranes' preservation work received the DC Preservation League's annual award for three consecutive years, and his design work and its influence on the character of Washington's downtown was recognized by the American Institute of Architects in his investiture to the College of Fellows. He has served on a number of design juries, boards and commissions, including GSA's national peer review panel, and has chaired the Architectural Review Panel for the District of Columbia. Mr. Baranes received both his undergraduate and graduate degrees at Yale University and has lectured at various universities.



Chad A. Baird

Director of Engineering

Mr. Baird has fostered a strong foundation in a large variety of traffic engineering disciplines. His experience includes the preparation of traffic operation plans, site access and planning design, traffic forecasting and modeling, traffic impact studies, capacity analysis, traffic signal design, traffic signal systems coordination, loading area analysis, vehicular maneuverability analysis, parking layout assessment, queuing analysis, and pedestrian management plans. He specializes in the design and analysis of traffic signal systems using simulation software to enhance the flow of traffic through complex roadway networks. Mr. Baird has worked in the following geographic areas: The District of Columbia, Virginia, Maryland, Pennsylvania, New York, Ohio, Maine, Connecticut, Nevada, and New Jersey.

Education

B.S., Civil Engineering
Roger Williams University; Bristol, Rhode Island

Professional Associations

Institute of Transportation Engineers

SIGNAL DESIGN

Mr. Baird has completed traffic signal design plans for numerous intersections throughout the Virginia, Maryland and Washington, D.C. Areas. He has managed the development of traffic signal plans and modifications for existing and proposed traffic signals for intersections to show the traffic signal support system, location of signal heads, lane geometry, phasing diagram, crosswalks, handicap ramps, sidewalks, ground mounted and overhead mounted traffic control signs, right-of-way limits/property lines, all above and below ground utilities, existing and proposed roadway geometrics. Designs also include pavement markings design and signing plan

MIXED-USE DEVELOPMENT PROJECTS

Mr. Baird has managed a number of mixed-used developments throughout the United States including million square foot factory outlet developments with on-site uses including restaurants, hotels, banks, gas stations, grocery stores, and recreational facilities. The analysis addresses the existing traffic conditions, future traffic conditions without development, future traffic conditions with development and future traffic conditions plus ten & twenty years conditions.

A number of mixed-use developments included a variety of components to create a multi-trip sharing between the restaurant, hotel, bank and retail center uses. Principal tasks of these projects included the trip and parking generation on an hourly basis, the development of a parking demand profiles, the design of the entrances to allow for large vehicle circulation access, and the identification of general street traffic conditions around the site.

GEOMETRIC DESIGN

Mr. Baird has managed various geometric design projects throughout the DC Metropolitan area most notably the internal circulation roadway network at Georgetown University. The on-campus design analysis was to layout the locations for minimum radii requirements utilizing a variety of vehicle types to successfully maneuver at different locations around the campus. In addition, Mr. Baird has extensive

experience with development pavement markings plans for many intersections throughout the Northern Virginia area; designed curb radii to accommodate truck movements, and designing site access point for proposed developments.

TRAFFIC SIMULATION AND CIRCULATION STUDIES

Mr. Baird has completed various traffic simulation studies throughout the United States utilizing Netsim, CORSIM, Synchro, and SimTraff. Each study addresses traffic and transportation improvements affiliated with existing and proposed developments. The analysis incorporates the existing roadway network conditions, celebrated based on field observations, to develop a base line of existing conditions. The proposed traffic and roadway conditions were then added to the existing roadway network to develop a more comprehensive progression and offsets program for the network. Mr. Baird has work on simulation and circulations studies within the following geographic areas: Northern Virginia; Metropolitan Area of Maryland; Atlantic City, New Jersey; Albany, New York; and Washington, DC.

LOADING AREA ANALYSIS

Mr. Baird has extensive experience in loading area analysis using the software program AutoTurn. He has the ability to assess the operational effectiveness of a loading area as well as make additional recommendations to improve upon a design in such areas as column location, vertical and horizontal clearance, minimum radii for maneuvers, drive aisle width, the angle of the loading docks, and access to and from the surface street network. Mr. Baird has completed analysis of loading areas for the Pennsylvania Station redevelopment in New York City, with 67 loading berths on two floors.

TRAFFIC CONTROL PLANS & MAINTENANCE OF TRAFFIC PLANS

Mr. Baird has prepared a number of traffic control and maintenance of traffic plans for various private developments throughout the Washington DC metropolitan area. The design of the traffic control plans are based on a Work Area Protection Manual and directs traffic around the effected area of travel located adjacent to the construction site.

URBAN PLANNING PROJECTS

Mr. Baird has managed a number of projects within the downtown Washington D.C. area including transportation management and traffic operations planning for the MCI Center Sports Arena, the new Washington Convention Center, the Newseum.

PARKING GARAGE DESIGN AND ANALYSIS

Mr. Baird brings special expertise to the garage design team. His focus on the functional and operating characteristics of garages, and work with architects, structural engineers, garage operators, and our client's financial analysts to optimize the design of the garage to meet all critical objectives.

RECENT PROJECT EXPERIENCE - VIRGINIA

Washington Capitals / Arlington Ice Skating Facility, Arlington Virginia

Traffic & Parking Impact Analysis and Transportation Demand Management program for an ice rink development proposed to be located on top of the existing Ballston Common Garage totaling 145,577 gross square feet over two new floors. The arena will incorporate one professional practice facility and one public facility located on the proposed 8th level of the garage. The new ice arena will also incorporate 28,535 sf of office, 20,595 sf of training facility, 200 parking spaces, 150 spectator seats for the public ice facility, and

1,200 seats for practice ice area. This new development will be located on the block surrounded by Wilson Boulevard to the north, Randolph Street to the east, and Glebe Road to the west.

Route 50 Courthouse Road, Arlington, Virginia

The Virginia Department of Transportation (VDOT) is planning improvements to two interchanges in cooperation with Arlington County on U.S. Route 50 (Arlington Blvd.): 10th Street Interchange with Route 50 and Courthouse Road Interchange with Route 50. The proposed project would improve the interchanges on Arlington Blvd. at 10th Street and Courthouse Road which are closely spaced, have small ramp turning radii, inadequate acceleration and deceleration lanes, and do not have sufficient capacity to handle the current and projected traffic volumes.

Ballston Centre, Arlington Virginia

Traffic Impact Analysis and Transportation Demand Management program for two general office buildings totaling 485,000 square feet, a 525 dwelling unit apartment building, an 8,000 square foot restaurant and a total of 17,000 square feet of specialty retail located on the first floor of the offices and apartment buildings. This new development is known as Ballston Centre and will be located on the block surrounded by 9th Street to the north, Quincy Street to the east, Wilson Boulevard to the south, and Randolph Street to the west.

Clarendon Phase II & 2900 Wilson Boulevard, Arlington, Virginia

Clarendon Phase II & 2900 Wilson Boulevard are developments that will consist of retail and residential at the 2900 Wilson Boulevard site and parking with ground floor retail at the Clarendon Phase II site. The Clarendon Phase II site is proposing approximately 22,753 square feet of ground floor retail and a three level 149 spaces above ground garage located above the ground floor retail along the northeast corner of Fillmore Street and Clarendon Boulevard. The 2900 Wilson Boulevard site is proposing approximately 15,125 square feet of ground floor retail with 76 residential dwelling units and a 2 level 86-space underground garage located west of Fillmore Street, north of Clarendon Boulevard and south of Wilson Boulevard. The site of Clarendon Phase II is a parcel bounded by Clarendon Boulevard to the south, Wilson Boulevard to the north, Fillmore Street to the west, and Edgewood to the east. The site of 2900 Wilson Boulevard is a parcel bounded by Clarendon Boulevard to the south, Wilson Boulevard to the north, Garfield Street to the west, and Fillmore Street to the east.

Crystal City Signals, Crystal City, Arlington, Virginia

Provide professional engineering services related to signal planning of eight traffic signal design / modifications for the intersections bounded by 15th Street to the north, 23rd Street to the south, Route 1 to the west and Crystal Drive to the east in Crystal City, Arlington County, Virginia.

Broadlands & Broadlands South - Loudoun County, Virginia

The Broadlands development is planned community located within Loudoun County, Virginia. Broadlands planned to develop a mix of uses including single family, townhouse, and apartment living, as well as retail and office uses. Broadlands is located between three major planned developments that include Ashburn to the north, Moorefield Station to the east and Brambleton to the south. The development is located along the Dulles Toll Road west of the town of Reston and Herndon located in Fairfax County, Virginia and east of the town of Leesburg located in Loudoun County, Virginia.

Cameron Chase, Loudoun County, Virginia

The Cameron Chase development is planned mixed use development in Ashburn, Virginia located to the north of Farmwell Road in Loudoun County. The site is planned to be developed on approximately 12 acres of land to include a convenience store with gas pumps, a car wash, day care, personal services, office space, a tire store and restaurant uses as well as an option for an ice cream shop. The development is bounded by Farmwell Road to the south, Smith Switch Road to the east and residential developments to the north and west currently contains an ice skating facility (Ashburn Ice House).

This study examines the future roadway conditions and adjacent approved developments to be in place when the proposed special exception development is fully constructed, projected to be in 2003. At that time it is anticipated that the approved local developments, namely the Loudoun Crest Academy and the WorldCom campus, will be largely constructed or complete.

Celebrate Virginia, Fredericksburg, Virginia

The Celebrate Virginia development is located in the Fredericksburg Virginia along Interstate 95 just west of downtown Fredericksburg. The development provides a mix of uses including a convention center, office space, hotels, banks, gas stations, museums, retail, restaurants, and a visitor's center.

Jaguar Homes, City of Fairfax, Virginia

The Jaguar Homes – Judicial Drive development is located within the city limits of Fairfax County, Virginia along Route 236 (Main Street), west of Route 123 (Chain Bridge Road), and east of Route 29/50 (Lee Highway). The development will provide a mix of uses including approximately 132 units of condominium use and approximately 137,000 square feet of office use.

New Vista School, City of Fairfax Virginia

The New Vista School is a Children's Day Care Center currently located in Falls Church, Virginia along Arlington Boulevard. As part of the schools need to meet the demands of over-crowded schools, the New Vista School is planning to redevelop an existing church located within the city limits of Fairfax, Virginia to include an additional 90 students and 20 staff. The current day care facility houses 60 students and 15 staff.

The new day care facility will be located within the existing Mennonite Church building along the south side of Old Lee Highway, north of Layton Hall Drive and south of Old Post Road in the City of Fairfax, Virginia.

RECENT PROJECT EXPERIENCE - WASHINGTON DC

The Arena Stage, Washington, D.C.

The Arena Stage project involves the expansion and renovation of the existing Arena Stage facility at 1101 Sixth Street, SW Washington DC. The existing facility consist of an original building built in 1960, which includes the Fichandler Theatre, and an addition built in 1968, which includes the Kreeger Theatre. The expansion of the Arena Stage facility will consist of an entirely new theater space, called the Cradle. New administration, workspace, rehearsal, lobby and parking areas serve the expanded facility. Residential apartments are to be located above the new Cradle theatre.

Washington Convention Center, Washington, D.C.

Mr. Baird was responsible for analyzing several large-scale alternatives that were considered for the Convention Center, located in downtown Washington, D.C. Alternative included circulation along adjacent streets to the proposed site as well as throughout the local downtown Washington D.C. area within the vicinity of the site. The simulation analyses provided valuable insight into possible future traffic patterns in and around the downtown Washington, D.C. area. Though extensive analyses which included one-way pairing of local streets and as well as the changing current one-way streets to two-way roadways, it was

determined that changing of the traffic network would not feasibly benefit the downtown Washington D.C. area and therefore the existing street network was be kept intact as existing. Gorove/Slade Associates was instrumental in arriving at critical decisions regarding the future downtown street network in the vicinity of the new Washington Convention Center.

COMPUTER & ANALYTICAL SKILLS

CORSIM, Netsim, Synchro, SimTraff, GIS (ArcView, ArcInfo, etc.), Autoturn, HCS, Wintass, TransCAD, AutoCAD 2004,

Thomas W. Martens, Senior Associate

Tom Martens joined the Washington, DC office of Economics Research Associates in 2002. He has over 14 years of real estate and economic development experience and manages assignments involving market and financial feasibility, real estate valuations, and fiscal and economic impact analyses. He has a comprehensive real estate strategy and advisory background, including retail site selection and corporate real estate strategy. He has conducted projects on behalf of developers, economic development and other public agencies, financial services firms, retailers, and manufacturers. Since joining ERA, Tom has completed a wide range of projects including:

- For Charles E Smith Realty, created a flexible computer model to test the fiscal implications of various redevelopment scenarios of the Crystal City area of Arlington, Virginia, in light of pending Department of Defense relocations
- For the New York City Economic Development Corporation, conducted market demand analysis and developed city revenue projections resulting from the redevelopment of the 59-block Hudson Yards area on Manhattan's Far West Side, including providing the city with an interactive computer model to chart revenue potential under changing circumstances.
- For Downtown DC BID, estimated the total revenue generated within the Downtown DC BID, based on relevant market data and assessor and applicable taxes, and compared to the estimated burden downtown places on the District budget, through development of multipliers, in consultation with the District's Deputy CFO
- Identified the potential TIF revenue to be generated over a multi-year timeframe from the redevelopment of a low-density commercial area of Raleigh, NC into a higher-density, mixed-use neighborhood
- Fiscal and economic impact analysis of the American College of Cardiology's proposed relocation into the District of Columbia
- Completed an economic impact analysis of construction and on-going operations for the redevelopment of a former General Motors plant in Sleepy Hollow, New York into a mixed-use waterfront village center.
- Forecasted the incremental retail sales tax revenues to support a proposed retail TIF program in Downtown DC, and the feasibility of the program, for the Downtown DC Business Improvement District. The program was subsequently implemented

Mr. Martens holds a Masters degree in City and Regional Planning from Rutgers University. Before joining ERA, he worked for five years with Ernst & Young's Real Estate Advisory group in New York City, focusing on corporate location and occupancy strategies. Prior to graduate school, he worked for several years with Thompson Associates, specializing in retail location strategies and sales forecasting. Other employment experience includes land acquisition and public policy analysis. He has been a guest lecturer at Johns Hopkins Master of Real Estate program and is a member of the Urban Land Institute.

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**LIST OF MAPS, PLANS, OR OTHER DOCUMENTS READILY
AVAILABLE WHICH MAY BE OFFERED INTO EVIDENCE**

1. Exhibits Submitted Herein
2. Exhibits Submitted with PUD Submission on November 15, 2006
3. Zoning Regulations and Zoning Map of the District of Columbia
4. Generalized Land Use and Generalized Land Use Policies Maps of the District of Columbia
5. District of Columbia Comprehensive Plan (“Comprehensive Plan”)
6. Ward Elements of the Comprehensive Plan
7. Recently-adopted Comprehensive Plan
8. Metrobus and Metrorail Route Maps
9. Orders of the D.C. Zoning Commission and Board of Zoning Adjustment
10. Orders and Reports of District and Federal Agencies
11. Record and Exhibits in Zoning Commission Case No. 02-38
12. Record and Exhibits in Zoning Commission Case No. 05-38
13. Land Disposition and Development Agreement entered into between RLA Revitalization Corporation and Waterfront Associates

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**Roster of Persons or Entities Owning Property Any Portion of Which Falls Within
200 Feet of Lot 89, Square 542 –Waterside Mall – Washington, D.C.**

<u>Square Lot</u>	<u>Premise Address</u>	<u>Owner's Name and Address</u>
0502 0184	0461 N St., SW	Tiber Island Cooperative Homes c/o Ms Judy Tyrell 429 N St., SW Washington, DC 20024-3703
0502 2001	0474 M St., SW Unit: 1	H. J. Herskolitz 474 M St., SW # 1 Washington, DC 20024-2603
0502 2002	0472 M St., SW Unit: 2	Management Systems International Inc. 472 M St., SW # 2 Washington, DC 20024-2603
0502 2003	0470 M St., SW Unit: 3	Anne E. Eason Trustee 8425 Magruder Mill Ct. Bethesda, MD 20817-2746
0502 2004	0468 M St., SW Unit: 4	William M. McLin 468 M St., SW # 4 Washington, DC 20024-2603
0502 2005	0466 M St., SW Unit: 5	James N. Owens 466 M St., SW Washington, DC 20024-2603
0502 2006	0464 M St., SW Unit: 6	Gregory K. Hunt 464 M St., SW Washington, DC 20024-2603
0502 2007	0462 M St., SW Unit: 7	Leslie Randolph 462 M St., SW Washington, DC 20024-2603
0502 2008	0460 M St., SW Unit: 8	Marc Fuller 905 6th St., SW - Apt. 212 Washington, DC 20024-3815
0502 2009	0458 M St., SW Unit: 9	Alice B. Wender 458 M St., SW # 9 Washington, DC 20024-2603
0502 2010	0456 M St., SW Unit: 10	Susie H. Humphreys 456 M St., SW # 10 Washington, DC 20024-2603

<u>Square Lot</u>	<u>Premise Address</u>	<u>Owner's Name and Address</u>
0502 2037	1231 4th St., SW Unit: 6	Mary A. Troanovitch 1231 4th St., SW # 6 Washington, DC 20024-2307
0502 2038	1233 4th St., SW Unit: 7	Rosa M. Grillo 1233 4th St., SW # 7 Washington, DC 20024-2307
0502 2039	1235 4th St., SW Unit: 8	Kevin Bliss 1235 4th St., SW # 8 Washington, DC 20024-2307
0502 2040	1237 4th St., SW Unit: 9	Alice G. Mohr 1237 4th St., SW # 9 Washington, DC 20024-2307
0542 0079	1001 3rd St., SW	Park Inn A. Ssociates Ltd. Prtnshp 1001 3rd St., SW Washington, DC 20024-4417
0542 0082	0900 4th St., SW	Christ United Methodist Church 900 4th St., SW Washington, DC 20024-4434
0542 0087	3rd St., SW	District of Columbia c/o DC Office of Prp Mgmt 441 4th St., NW - Ste. 1100s Washington, DC 20001
0546 2010	0342 M St., SW Unit: 10	Ann Sarkes 342 M St., SW # 10 Washington, DC 20024-4002
0546 2011	0340 M St., SW Unit: 11	Kay D. Guiles 340 M St., SW # 11 Washington, DC 20024-4002
0546 2012	0338 M St., SW Unit: 12	Chester O. Hill 338 M St., SW # 12 Washington, DC 20024-4002
0546 2013	0336 M St., SW Unit: 13	Caroline M. Previ c/o Unit 13 336 M St., SW Washington, DC 20024-4002
0546 2014	0334 M St., SW Unit: 14	Lisa C. Charles 320 Nicholson St., NW Washington, DC 20011-2163

<u>Square Lot</u>	<u>Premise Address</u>	<u>Owner's Name and Address</u>
0546 2015	0332 M St., SW Unit: 15	Joseph Rosenstein 332 M St., SW # 15 Washington, DC 20024-4002
0546 2016	0330 M St., SW Unit: 16	Eve T. Wilkins 330 M St., SW # 16 Washington, DC 20024-4002
0546 2017	0328 M St., SW Unit: 17	J. Gross 328 M St., SW # 17 Washington, DC 20024-4002
0546 2018	0326 M St., SW Unit: 18	Katrina D. Cephas 240 M St., SW - Apt. 512 Washington, DC 20024-3627
0546 2019	0324 M St., SW Unit: 19	Judith L. Mcquaide 324 M St., SW # 19 Washington, DC 20024-4002
0546 2020	0322 M St., SW Unit: 20	Virginia A. Weyres 322 M St., SW # 20 Washington, DC 20024-4002
0546 2021	0320 M St., SW Unit: 21	Samuel L. Seaberry 320 M St., SW # 21 Washington, DC 20024-4002
0546 2022	0264 M St., SW Unit: 22	Wilma L. Pickard Trustee 264 M St., SW # 22 Washington, DC 20024-3602
0546 2023	0262 M St., SW Unit: 23	Anna Mussman 262 M St., SW # 23 Washington, DC 20024-3602
0546 2024	0260 M St., SW Unit: 24	James M. Macrae 260 M St., SW # 24 Washington, DC 20024-3602
0546 2025	0258 M St., SW Unit: 25	Berthe B. Paget 258 M St., SW # 25 Washington, DC 20024-3602
0546 2026	0256 M St., SW Unit: 26	Isabel Fortuno 256 M St., SW # 26 Washington, DC 20024-3602
0546 2027	0254 M St., SW Unit: 27	M. D. Krause 252 M St., SW Washington, DC 20024

Square Lot	Premise Address	Owner's Name and Address
0546 2028	0252 M St., SW Unit: 28	M. D. Krause 252 M St., SW # 00028 Washington, DC 20024-3602
0546 2029	0250 M St., SW Unit: 29	Nina E. Olson 250 M St., SW # 29 Washington, DC 20024-3602
0546 2030	0212 M St., SW Unit: 30	Norman H. Forster 212 M St., SW # 30 Washington, DC 20024-3602
0546 2031	0210 M St., SW Unit: 31	Evert W. Sowards 400 G St., SE # 00031 Washington, DC 20003-4217
0546 2032	0208 M St., SW Unit: 32	Minnie E. Fitzhugh 208 M St., SW # 32 Washington, DC 20024-3602
0546 2033	0206 M St., SW Unit: 33	Alonzo T. Grigsby 206 M St., SW # 33 Washington, DC 20024-3602
0546 2034	0204 M St., SW Unit: 34	Jeanna M. Cullins 204 M St., SW # 34 Washington, DC 20024-3602
0546 2035	0202 M St., SW Unit: 35	William D. Byrd 202 M St., SW # 35 Washington, DC 20024-3602
0546 2036	0200 M St., SW Unit: 36	Shirley Harrington 200 M St., SW # 36 Washington, DC 20024-3602
0546 2381	0300 M St., SW	Carrollsbury 1250 4th St., SW Washington, DC 20024-2320
0499 0052	I St., SW	Westminster United Presbyterian Church 400 I St., SW Washington, DC 20024-4437
0542 0816	SW	Park Inn Associates Ltd. Ptrnshp 1001 3rd St., SW Washington, DC 20024-4417

Square Lot	Premise Address	Owner's Name and Address
0499 0050	1000 - 1106 6th St., SW	Marina View Trustee LLC
0499 0853	6th St., SW	1013 Centre Rd. Wilmington, DE 19805-1265
0542 0085	3rd St., SW	United States of America
0499 0055	6th St., SW	c/o GSA
0499 0057	6th St., SW	1800 F St., NW - Ste. 6340 Washington, DC 20405

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**Name and Address of Each Person
Having a Lease with the Owner
for All or Part of Any Building Located on the Property**

Safeway

Safeway
5918 Stoneridge Mall Road
Pleasanton, CA 94588
Attn: Real Estate Law Division

With a copy to: Safeway
 401 M Street, SW
 Washington, DC 22024

Bank of America

Bank of America
715 Peachtree Street, 10th Floor
Atlanta, GA 30308

With a copy to: CBRE
 3401 Columbia Pike, Suite 300
 Arlington, VA 22204
 Attn: Kelly Harman

And a copy to Bank of America
 401 M Street, SW
 Washington, DC 22024

CVS

CVS
One CVS Drive
Woonsocket, RI 02895
Attn: Property Services (Re: Store #01348-01)

With a copy to: CVS
 401 M Street, SW
 Washington, DC 22024