



MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: ^{JLS} Jennifer Steingasser, Deputy Director Development Review & Historic Preservation

DATE: March 13, 2017

SUBJECT: **OP Hearing Report - ZC #13-14 (McMillan) Remand- CORRECTED**

The following is the Office of Planning's (OP) responses to the issues remanded by the District Court of Appeals to the Zoning Commission. This report is identical to the report filed as exhibit 897 but includes technical corrections (bolded and underlined) relating to the height of the healthcare facility and area of the healing garden on page 2, the number of impacted floors on page 3, the height of Parcel 4 on page 6, and the number of affordable rowhouses on page 12.

A. CONSISTENCY WITH THE COMPREHENSIVE PLAN

The Comprehensive Plan's Future Land Use Map designates future uses at the McMillan site as "moderate density commercial," "medium density residential," and "parks, recreation, and open space." The Commission agreed to permit to high-density development on the northern portion of the site concluding that, when the entire site is taken into account, the PUD's overall density is consistent with that permitted in moderate-density commercial zones. The Court agreed with that interpretation. However, the Mid-City Area Element provides that development on the McMillan site "should consist of moderate- to medium-density housing, retail, and other compatible uses." (10-A DCMR § 2016.9 (2016).) In response, the Commission found that permitting the high-density development was "a critical and essential part of fulfilling the parks, recreation, and open space designation of the Future Land Use Map, while at the same time achieving other elements of the Comprehensive Plan and the city's strategic economic plan." The Court concluded that further explanation was needed.

Issue No.1

- A. Could the other policies cited in the Order be advanced even if development on the site were limited to medium- and moderate-density use?***
- B. If not, which of the competing policies should be given greater weight and why?***

The Office of Planning has identified "the other policies cited in the Order" as those in Findings of Fact number 99 and those discussed in numbers 159 through 168:

- a. Land Use: LU-1.2.1: Reuse of Large Publicly-Owned Sites and LU-1.2.7: Protecting Existing Assets on Large Sites
- b. Housing: H-1.2.4: Housing Affordability on Publicly Owned Sites
- c. Parks, Recreations and Open Space: PROS-1.3.6: Compatibility with Adjacent Development and PROS-3.3.1: North Central Open Space Network
- d. Urban Design: UD-2.2.8: Large Site Development and UD-2.3.5: Incorporating Existing Assets in Large Site Design
- e. Historic Preservation: HP-2.4.3: Compatible Development

- f. Mid-City Area Element: MC-2.6.1: Open Space on McMillan Reservoir Sand Filtration Site; MC-2.6.2: Historic Preservation at McMillan Reservoir; and MC-2.6.5: Scale and Mix of New Uses

The Mid-City Element “*Planning and Development Priorities*”²⁰⁰⁷ states:

- (e) *The community is in dire need of additional parkland. Mid-City is the densest part of the city, but the ratio of park acreage per resident is among the lowest in the city. Rock Creek Park is a great resource, but is a long way from the eastern part of the Planning Area and is primarily a passive open space. The Area has a shortage of active play fields and recreational facilities, especially east of 16th Street. In many cases, schools are the only open spaces in the neighborhood, but access to school grounds may be restricted, and the school facilities themselves are suboptimal. Sites like the McMillan Reservoir Sand Filtration site offer the promise for additional neighborhood open space. New development there and elsewhere should set aside land for parks, while development along the area’s commercial streets and around Metro stations should include pocket parks and plazas.*

Policy MC-2.6.1: Open Space on McMillan Reservoir Sand Filtration Site

Require that reuse plans for the McMillan Reservoir Sand Filtration site dedicate a substantial contiguous portion of the site for recreation and open space. The open space should provide for both active and passive recreational uses, and should adhere to high standards of landscape design, accessibility, and security. Consistent with the 1901 McMillan Plan, connectivity to nearby open spaces such as the Armed Forces Retirement Home, should be achieved through site design.^{2016.5}

Policy MC-2.6.2: Historic Preservation at McMillan Reservoir

Restore key above-ground elements of the site in a manner that is compatible with the original plan, and explore the adaptive reuse of some of the underground “cells” as part of the historic record of the site. The cultural significance of this site and its importance to the history of the District of Columbia must be recognized as it is reused. Consideration should be given to monuments, memorials, and museums as part of the site design.^{2016.6}

Policy MC-2.6.5: Scale and Mix of New Uses

Recognize that development on portions of the McMillan Sand Filtration site may be necessary to stabilize the site and provide the desired open space and amenities. Where development takes place, it should consist of moderate- to medium-density housing, retail, and other compatible uses. Any development on the site should maintain viewsheds and vistas and be situated in a way that minimizes impacts on historic resources and adjacent development.^{2016.9}

OP does not think that the other policies cited in the Order would be fully advanced if development on the site were limited to only medium- and moderate-density buildings.

The overall development of the site is at moderate and medium densities. However, Parcel 1 (the healthcare facility) is proposed to be taller than the typical 90 feet associated with medium density PUDs. The additional height is due to taller floor-to-ceiling height requirements to accommodate the operational needs of a medical facility and the need to locate the medical facility near the existing hospital center across Michigan Avenue. The building is designed in two towers joined at the first floor¹, with a maximum of ~~10- 8~~ stories extending up to ~~130 feet~~ **115 feet** at the corner of Michigan Avenue and First Street, ~~tapering down to 115 feet on Half Street and 102 feet~~ **and stepping down to 101 feet** on the eastern portion of the building. The office building would be organized around a substantial amount of open space including a ~~23,374~~ **27,428** square foot “Healing Garden” oriented to

¹ Considered to be a single building for zoning purposes.

Michigan Avenue. On the eastern portion of the parcel, the building would be setback 150-feet from North Capitol Street for a park area of 41,141 square foot above the preserved Filtration Cell 14.

The general commercial density of the McMillan site was established through the Land Disposition Agreements (LDA) with the Council of the District of Columbia by Resolution 20-707, and through a term sheet signed by the developer and the Deputy Mayor for Planning Economic Development. If the building density were to be reduced to a common medium density PUD-height of 90 feet, ~~one to four~~ **two** floors of the building would need to be removed and the square footage would need to be relocated elsewhere on the site. Relocating the density would have ripple effects by occupying land that is to be otherwise used for housing, public park, open space or recreation center.

Under the development regulations allowed through a Planned Unit Development (11 DCMR Chapter 24) and as recognized in Section 226 of the Land Use Element of the Comprehensive Plan² development of the overall property meets the moderate-medium density designation and allows for the necessary flexibility to further the policies of the Comprehensive Plan.

When taken together, these Comprehensive Plan policies offer guidance for an overall development that is consistent with the moderate to medium density use. If there is no flexibility to appropriately cluster the buildings on the site, the range of public benefits such as affordable housing, parks and open spaces, healthcare and public facilities would not be provided and the policies cited in the Order would be not be fully advanced.

Further, *The Five-Year Economic Development Strategy for the District of Columbia, 2012*³ the City's strategic economic plan ("the EDS Plan"), specifically calls for the development of the PUD site as a medical office hub. The EDS Plan is described as a road map for the City's economic development through a number of visions, strategies, and initiatives to create jobs and support City services for the next five years. One of the EDS Plan strategic initiatives is to "Build Best-in-Class Global Medical Center." (Section C, #5, page 32) and recommended that:

" . . . Large anchor institutions within higher education and health care have great potential to spur business development in surrounding neighborhoods. Focusing on the expansion and clustering opportunities within this sector can create the necessary momentum for collaboration, innovation and breakthrough research. In order to build a best-in-class global medical center in the District, the city will prioritize the following goals:

- *Establish a medical hub that brings together area hospitals and research institutions*
- *Target redevelopment sites for medical and university research and facility development*
- *Leverage anchor medical institutions as impetus for growing the nearby local economy"*

To accomplish these goals, one of the strategic initiatives specifically recommends the McMillan site as a medical office hub:

"Develop the McMillan Reservoir site as a medical office hub.

² c. The densities within any given area on the Future Land Use Map reflect all contiguous properties on a block—there may be individual buildings that are higher or lower than these ranges within each area. Similarly, the land use category definitions describe the general character of development in each area, citing typical building heights (in stories) as appropriate. *It should be noted that the granting of density bonuses (for example, through Planned Unit Developments) may result in heights that exceed the typical ranges* cited here. (page 2-37) (emphasis added)

³ The Five-Year Economic Development Strategy for the District of Columbia (2012)

The 25-acre former McMillan Reservoir Sand Filtration site is an ideal area to develop a medical hub that can rival the medical cluster in Houston. Not only will this site provide a focal point for our medical institutions, but it also delivers much-needed expansion space for area hospitals.”

The location of the healthcare facilities on the northern portion of the site and providing the additional height would allow for the fulfillment of this plan.

The Court also found that the Commission failed to adequately address a number of provisions in the Comprehensive Plan that FOMP claimed weighed against approval of the PUD, including provisions discouraging the placement of large buildings near low-density residential neighborhoods (10-A DCMR §§ 305.11, 309.10, 309.15 (2016)), and a provision encouraging geographic dispersion of health-care facilities (10-A DCMR § 1105.1 (2016))

(10-A DCMR §§ 305.11):

Policy LU-1.2.6: New Neighborhoods and the Urban Fabric

On those large sites that are redeveloped as new neighborhoods (such as Reservation 13), integrate new development into the fabric of the city to the greatest extent feasible. Incorporate extensions of the city street grid, public access and circulation improvements, new public open spaces, and building intensities and massing that complement adjacent developed areas. Such sites should not be developed as self-contained communities, isolated or gated from their surroundings. 305.11

OP disagrees that this policy should be weighed against approval of the PUD. OP finds that the PUD reinforces and is fully consistent with this policy and that the policy should be weighed in favor of approval of the PUD. The development would integrate into the existing street grid through the introduction of two new east-west streets connecting North Capitol Street and First Street and a new north-south access from Michigan Avenue. The street grid would allow for north to south and east to west through travel with multiple entrance/exits and thereby opening up the site and integrating it with the surrounding community. Pedestrian and bicycle ways would provide connections internally and externally along the streets; public open space would be provided along the perimeter of the site by the restoration of the historic Olmsted Walk, a new 6.2 acre public park and recreation center would be provided on the southern end of the site and would interface with the moderate density rowhouse residential neighborhood across Channing Street. The buildings would be located to complement the adjacent community by use, height and massing. In addition, the proposed buildings would be significantly setback from the adjacent uses. In addition, the public park, recreational facilities, retail uses and the healthcare facility would be open and fully accessible to residents of the development as well as from the surrounding neighborhood.

(10-A DCMR § 309.10)

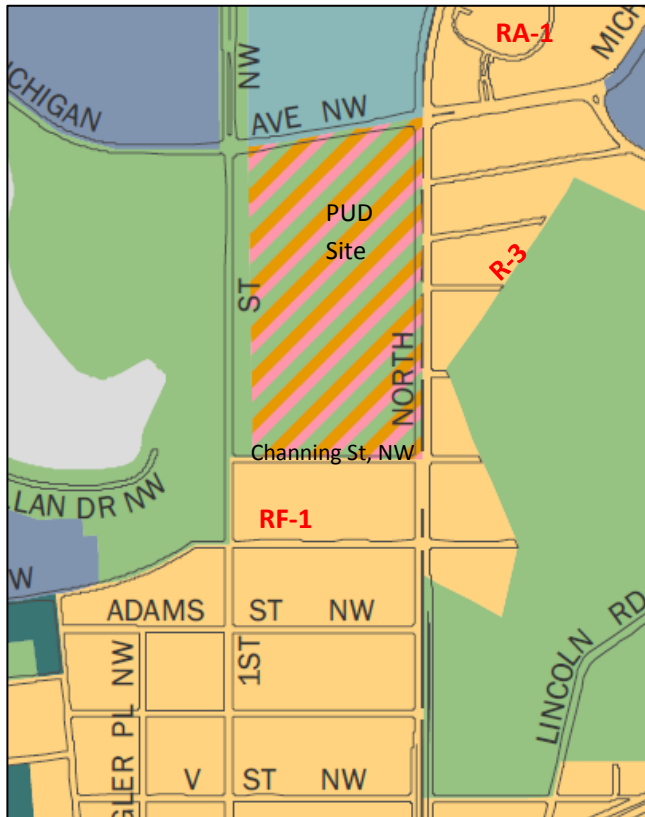
Policy LU-2.1.5: Conservation of Single Family Neighborhoods

Protect and conserve the District's stable, low density neighborhoods and ensure that their zoning reflects their established low density character. Carefully manage the development of vacant land and the alteration of existing structures in and adjacent to single family neighborhoods in order to protect low density character, preserve open space, and maintain neighborhood scale. 309.10

OP disagrees that this policy should be weighed against approval of the PUD. As a matter of clarification, OP notes that all the surrounding residential neighborhoods are identified as moderate




density residential on the Comprehensive Plan Future Land Use Map and are developed with attached rowhouses or low rise apartments. They are not low density single family.

- The moderate density neighborhood immediately south of the PUD site across Channing Street, NE is appropriately zoned RF-1 Residential Flats, which allows for two units per building as a matter-of-right.
- The moderate density neighborhood immediately to the east of the PUD site across North Capitol Street, is appropriately zoned R-3, Rowhouse; and
- The moderate density residential neighborhood diagonally across Michigan Avenue, NE from the PUD site is appropriately zoned RA-1, Apartment.



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.

However, recognizing the sentiment of the policy to protect established family-oriented neighborhoods, OP finds that the PUD is consistent with that policy. The proposed development would protect the adjacent residences to the south as they would be separated from the proposed buildings by a 6.2-acre park and recreation area. The properties to the east would be separated by the 130-foot right-of-way of North Capitol Street in addition to the Olmsted Walk and Cell 14 on Parcel 1. The development on Parcels 4 and 5 would have heights of 48-~~78~~-feet and 77-feet respectively and would therefore be compatible with neighborhood scale.

(10-A DCMR § 309.15)

Policy LU-2.1.10: Multi-Family Neighborhoods

Maintain the multi-family residential character of the District's Medium- and High-Density residential areas. Limit the encroachment of large scale, incompatible commercial uses into these areas, and make these areas more attractive, pedestrian-friendly, and transit accessible. 309.15

OP disagrees that this policy should be weighed against approval of the PUD. OP finds that the organization of the residential and non-residential land uses within the PUD are consistent with this policy and the policy should be weighed in favor of approval of the PUD. The multi-family residences on the site of the new McMillan neighborhood would be located in the center and on the western portion of the site. The multi-family buildings will be part of a well-organized pedestrian-friendly, mixed-use, mixed income neighborhood. The proposed new commercial uses are integral to the mixed-use neighborhood and are designed to complement the residential uses on the site and the existing moderate residential neighborhood to the east and south of the McMillan site. The larger healthcare facility building is proposed at the northern end of the site and would not encroach on the residential character of the multi-family blocks. The multifamily building on Parcel 4 is set back from North Capitol Street and is "E" shaped to lessen the impact of rectangular structure at this location.

(10-A DCMR § 1105.1)

CSF-2 Health and Human Services 1105

This section of the Community Services and Facilities Element addresses the adequacy, maintenance, and expansion of community health centers as well as the provision and improvement of human service facilities such as child care and senior centers. These facilities are sometimes referred to as a city's "social infrastructure." They are just as important to the quality of life as water, sewer, and transportation facilities, and have spatial needs that must be addressed over the coming years. Planning for social infrastructure is complicated by a number of factors, particularly the changing nature of the nation's health care delivery system and the District's limited jurisdiction over private service providers. Nonetheless, the Comprehensive Plan can at least state the city's commitment to provide for an adequate distribution of public facilities across the city, as well as measures to advance public health through the design of the city and protection of the environment. 1105.1 (emphasis added)

OP disagrees that this policy should be weighed against approval of the PUD. To the contrary, OP finds that the PUD is not inconsistent with this statement. The reference in the Community Services and Facilities Element of the Comprehensive Plan relates to the District's provision of general health care facilities, child care and senior care, libraries, police, fire stations and other municipal facilities. The proposed healthcare facility would serve multiple functions. First, its location across from the four hospitals to the north would enable them to satisfy some of the immediate space demands that some of those facilities are experiencing as well as for physicians, research facilities and other healthcare related users. The Class A building and many of the functions and services the proposed facility would provide

are not generally found in small community healthcare facilities because of their specialized nature. Some of the existing hospitals, such as Children's Hospital, provide community health care services throughout the City and the proposed facility could complement some of these services. Notably, the provision of the proposed facility on the McMillan site, consistent with the EDS Plan, would not preclude the distribution of public facilities across the City and therefore not inconsistent with this section of the Comprehensive Plan.

Issue No. 2

Do these or other Comprehensive Plan policies cited by FOMP in the record of this case weigh against approval of the PUD?

OP does not agree that the policies discussed above should be weighed against approval of the PUD. OP finds that the PUD either positively furthers the policies or is not inconsistent with the policies. In addition to the policies noted above, the FOMP identified other Comprehensive Plan policies. The FOMP claimed that the development would be inconsistent with:

Policy LU-1.2.7: Protecting Existing Assets on Large Sites:

Identify and protect existing assets such as historic buildings, historic site plan elements, important vistas, and major landscape elements as large sites are redeveloped. 305.12

OP does not agree and finds the development would preserve a significant amount of the historic elements such as the sand storage bins, cell structures and man holes, revive the historic Olmsted Walk and retain important north-south and east-west vistas through the site. The property would be landscaped and would leave a significant portion of the site as open space.

The FOMP claimed that the development would be inconsistent with:

PROS-3.3 Other Significant Open Space Networks 814

A unique open space network comprised primarily of major federal facilities, cemeteries, and institutional uses is located just north of the city's geographic center, in an area otherwise lacking in public parkland. The network includes McMillan Reservoir, the Armed Forces Retirement Home, Rock Creek Church Cemetery, National Cemetery, and Glenwood, Prospect Hill, and St. Mary's Cemeteries. This area was already established as a major recreational ground for Washington in the 19th century. Its role as such was confirmed by the 1901 McMillan Plan, which recognized the dual function of these lands as functional facilities and passive open spaces. While public access to many of these properties is restricted today, their presence as an open space corridor is plainly visible on aerial photos of the city. 814.2

OP does not agree and finds that the application meets this policy as a substantial amount of passive and active park space, open space and recreational facilities would be open to the residents of the development, the surrounding community and the general public. The park plan design of the PUD extends the open space network around and through the site thus continuing the open space network anticipated by this policy.

The FOMP claimed that the development would be inconsistent with:

Policy PROS-3.3.1: North-Central Open Space Network:

Protect and enhance the historic open space network extending from McMillan Reservoir to Fort Totten. As future land use changes in this area take place, an integrated system of permanent open spaces and improved parks should be maintained or created. 814.5

Policy MC-2.6.1: Open Space on McMillan Reservoir Sand Filtration Site:

Require that reuse plans for the McMillan Reservoir Sand Filtration site dedicate a substantial contiguous portion of the site for recreation and open space. The open space should provide for both active and passive recreational uses, and should adhere to high standards of landscape design, accessibility, and security. Consistent with the 1901 McMillan Plan, connectivity to nearby open spaces such as the Armed Forces Retirement Home, should be achieved through site design. 2016.5

OP does not agree and finds that through the preservation of many of the historic elements, a substantial amount of open/park space, over 10 acres, would be provided. The most significant open space area would be on Parcel 6 which would include active and passive recreational opportunities including a community center. In addition to the community center with its recreation facilities both inside and outside of the building, the western portion of Parcel 6 would include a reconstructed elevated plinth with views to the reservoir and the surrounding area. The storm water management pond on the site would highlight the associated history of the site. Parcel 6 would also accommodate the DC Water storm water management project to address flooding problems being experienced in the adjacent community.

The proposed development would dedicate, protect and enhance a substantial portion of the site for open space providing for both passive and active uses, including the Olmsted Walk around the site, a 6.2 acre park on the southern end of the site, a passive 23,374 square foot “Healing Garden” oriented to Michigan Avenue; on the eastern portion of the parcel, the building would be setback 150-feet from North Capitol Street for a park area of 41,141 square foot above the preserved Filtration Cell 14. The space would be landscaped, easily accessible and secure.

B. Other Objections to the Commission's Order

1. Preservation of Open Space

Policy MC-2.6. of the Mid City Element provides in part:

Require that reuse plans for the McMillan Reservoir Sand Filtration site dedicate a substantial contiguous portion of the site for recreation and open space

The Court expressed its doubt that this policy was mandatory and therefore concluded that the “Commission might be able to permissibly conclude that the need to preserve open space justified the inclusion of some high-density development on the site.” (149 A.3d at 1036.)

Issue No. 3

Is the high-density development proposed for the site the only feasible way to retain a substantial part of the property as open space and make the site usable for recreational purposes?

The Mid-City Element in various locations recommends the preservation of open space and the provision of recreational facilities to serve the community as an important component of any

development of this site. This was also expressed by the community. In order to have a balanced and economically viable development of the site the inclusion of the health care facility is an important component of the development and its special requirements are accommodated in a building with the requested additional height.

The proposed healthcare building would address the need for additional healthcare and research space by the adjacent medical facilities by the provision of needed state-of-the-art, Class A healthcare and research space. This would be leveraged to provide the recreational facilities and public park space on the site. As discussed in Issue 1 above, the general commercial density of the McMillan site was established through the LDA with the Council. If the building density were to be reduced to a common medium density PUD-height of 90 feet, one to four floors of the building would need to be removed and the square footage would need to be relocated elsewhere on the site. Relocating the density would have ripple effects by occupying land that is to be otherwise used for housing, public park, open space or recreation center.

Under the development regulations allowed through a Planned Unit Development (11 DCMR Chapter 24) and as recognized in Section 226 of the Land Use Element of the Comprehensive Plan development of the overall property meets the moderate-medium density designation and allows for the necessary flexibility to further the policies of the Comprehensive Plan. The provision of the healthcare building at the proposed height is critical to allow for the development to retain a substantial amount of open space and to balance the needs of the overall development, the community and the Comprehensive Plan for a mixed uses development.

2. ADVERSE IMPACTS

The Court concluded that the Commission “failed to adequately address a variety of asserted adverse impacts of the PUD, including environmental problems, destabilization of land values and displacement of neighboring residents, and increased demand for essential public services.” (149 A.3d at 1036.)

Issue No. 4

- A Will the PUD result in environmental problems, destabilization of land values, or displacement of neighboring residents or have the potential to cause any other adverse impacts identified by the FOMP in the record of this case.?**
- B. If so, how should the Commission judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and these potential adverse effects.**

Environment

The project would include mitigation measures relating to the environment. The western portion of Parcel 6 was used as the construction and staging area for the D.C. Water’s Long Term Control Project. The development would put in place an onsite stormwater management system where none currently exist, to improve and alleviate a stormwater management problem in the adjacent neighborhoods. The impacts on the surrounding community would be minimized as already the project has led DC Water to address flooding experienced by many residents through the D.C. Water’s Long Term Control Project. The development would have a stormwater management system that would store and retain the majority of its stormwater on-site and thereby not negatively impacting the adjacent community.

The overall project would be developed at LEED Gold ND or equivalent with individual parcels meeting the LEED Silver or equivalent standard. New storm water management facilities will utilize sustainable low impact development strategies such as bio-retention, pervious pavers, storm water pond, green roofs, and underground cisterns. The stormwater management system would provide storage/retention onsite of approximately 88,171 cubic feet of storm water where the estimated required amount to be retained on-site is approximately 87,379 cubic feet. This would improve water quality by significantly reducing the amount of runoff into the municipal storm water system and into the Anacostia River watershed. The Department of Energy and the Environment (DOEE) will provide additional information under separate cover.

Transportation

The development would have a total of six new street; two, east to west streets between North Capitol Street and First Street and a third between the community center and First Street; and three new north-south streets with the central Half Street running between Michigan Avenue and the South Service Corridor and two streets between the North and South Service Courts. These new rights-of-way would provide adequate internal connections as well as connections to the adjacent community and would distribute traffic through various access points, thereby lessening the impact on any one access point. All internal streets would be private and privately maintained but open to public traffic and pedestrians at all times.

The transportation features would include a multimodal system to accommodate vehicles and encourages the use of public transit, bicycle and foot travel. It is envisioned that the site could be a future “transit hub” and accommodate the Circulator Bus or Streetcar. The proposal would include space for three new Capital Bikeshare stations, multiple short bike parking locations, shuttle buses and long term parking. There is a committed to provide a private shuttle service to serve site-generated transit demand if the Circulator Bus or streetcar service is not provided by the completion of Phase I of the development. These facilities would serve the site as well as the adjacent institutional and residential uses.

Transportation demand management strategies (TDM) to help reduce the reliance on car ownership and automobile use and measures would include:

- Office and grocery employers providing employees with SmartBenefits;
- TDM Coordinator to implement, monitor, and be the point of Contact with DDOT;
- Bicycle parking and shower accommodations;
- On-street spaces reserved for car sharing services;
- Working with nearby institutions to promote transit and explore the concept of a shuttle service;
- Electronic messaging boards to display transit information;
- Market rate pricing for on-site parking spaces (except where prohibited by tenant agreements); and
- Unbundling of parking spaces on the multifamily.

Future facilities to be provided by full build-out of the development would include the relocation of existing bus stops, the installation of four new traffic signals, the addition of turning lanes, the integration of future transit services, and a transit hub on Parcel 1 to facilitate local bus and van trips. The Department of Transportation (DDOT) will provide additional information under separate cover.

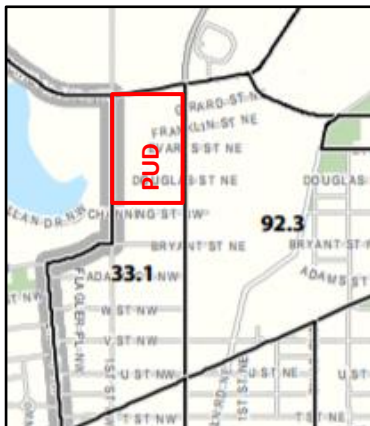
The development would have a mix of residential, commercial, open space and recreational uses at a scale that would be compatible to the adjacent residential and institutional uses. The impacts on the surrounding community would be minimized as already the project has led DC Water to address

flooding experienced by many residents through the DC Water D.C. Water’s Long Term Control Project. The development would have a stormwater management system that would store and retain the majority of its stormwater on-site and thereby not negatively impacting the adjacent community. Major transportation improvements would include the relocation of existing bus stops, the installation of four new traffic signals, the addition of turning lanes, the integration of future transit services, and an on-site transit hub on Parcel 1 to facilitate local bus and van trips would be provided to address current deficiencies as well as those that would result from the development.

Displacement and Land Values

The Comprehensive Plan identifies that displacement and increasing land values are taking place across the City but does not recommend that no development is the remedy, instead, it recommends that it is important to have “*sound land use policies and development review procedures that mitigate the effects of competing and conflicting uses.*”^{205.7} (Framework Element, Land Use Changes).

The State Data Center provided a review of selected US Census comparative data from the 2005-2009 ACS versus the 2011-2015 ACS⁴ for census tracts 33.01 and 92.03 (the census tracts including the PUD and the adjacent residential neighborhoods). The data show no indication of destabilizing land values. In general, the growth in population is significantly less than the rest of the District, the growth in total households is less than the growth is households District-wide, the area is becoming culturally more diverse, the poverty rate has decreased in the neighborhoods at a faster rate than District-wide, and median home values have increased at a rate relatively comparable to the District-wide value.



Census Tracts 33.01 and 92.03

⁴ American Community Survey (ACS) is an ongoing survey by the U.S. Census Bureau that provides vital information on a yearly basis. The ACS is an official Census Bureau Survey that is part of the Decennial Census Program

Selected Comparative Data from ACS 2005-2009 vs. ACS 2011-2015 for McMillan Impact Area (CT 33.01 & 92.03)		
	Change in Census tracts 33.01 and 92.03	Change District-wide
Population change	2.1% increase	10.0% increase
0-17 years Youth population	42% decreased	14 % increased
25-44 year olds	42% increase	22 % increase
65+ population	3.2% decrease	5.4 % increase
White population	comprise 36.9% of the population	comprise 40% of the population
Black population	comprise 52.7%, down from 76.9%	comprise 49%, down from 55%
Hispanic population	49 % increase	32 % increase
Median household income	41.5% increase	25.4 % increase
Average household income	22.6% increase	19 % increase
Total households	5.7 % increase	9 % increase
Poverty Rate	decreased from 15.7% to 13%	decreased from 18.3% to 18%
Owner-occupied housing units	decreased from 66.5% to 59%,	decreased from 45% to 41%
Renter-occupied housing units	increased from 33.5% to 41.3%	increased from 55% to 59%
Median home value	increased from \$441,500 to \$484,450 or 9.7%	increased from \$440,500 to \$475,800 or 8%

The proposed development would include home ownership and rental opportunities within rowhouses and multifamily units. The development would provide 677 new housing units; 85 units would be affordable senior housing. Within the multifamily buildings, (Parcels 2 and 4) a total of 20% of the gross floor area would be dedicated for persons with incomes of up to 80% of AMI. Within the rowhouse development (Parcel 5), the Applicant would provide 10% of the gross residential floor area for persons with incomes of up to 80% of AMI. This equates to ~~18~~ **22** or 12% of the 146 rowhouse units.

The provision of new rental, ownership and senior units provides new residential opportunities in a walkable, mixed-use development in close proximity to a state-of-the-art medical facility. The new park, open space and community center would provide facilities for a variety of active and passive recreational facilities which are lacking in the neighborhood. A variety of retail uses, including a state-of-the-art, full service supermarket is proposed on Parcel 4, a use that is lacking in the community. The preservation of historic elements and the reintroduction of the historic Olmsted Walk would also be of benefit to the community.

In summary, the area along with most of the District of Columbia has already undergone significant change without the development of the McMillan Sand Filter site. The development of the PUD will produce additional affordable units, jobs, historic preservation and amenities.

Issue No. 5

- A. Will the PUD have a favorable impact on the operation of city services and facilities?**
- B. If not, is the impact capable of being mitigated, or acceptable given the quality of public benefits in the project?**

Several of the impacts will be positive such as the provision of community center and open space, affordable housing, historic preservation and connectivity through and around the site. Other impacts on

city services are capable of being mitigated to acceptable levels and would result in many public benefits to the city and the neighborhood.

Park and Recreation

The development would provide a 6.2 acre park with a community center with active and passive recreational facilities. The park and open space would fulfill a need in this area of the City and would be accessible to and have activities for all age groups. The portions of the historic character of the site would be preserved and the below grade filter cells and above grade manhole would be on public display and open for tours.

Stormwater Management

The project would include mitigation measures relating to the environment. The overall project would be developed at LEED Gold ND and would include new storm water management facilities and would utilize sustainable low impact development strategies such as bio-retention, pervious pavers, storm water pond, green roofs, and underground cisterns to minimize run-off into the public system. The storage and retention onsite of storm water would improve water quality by significantly reducing the amount of runoff into the municipal storm water system and into the Anacostia River watershed.

Transportation

Transportation facilities to address the increase in traffic to and from the site would include the installation of four new traffic signals, the addition of turning lanes, the integration of future transit services, a transit hub on Parcel 1 to facilitate local bus and van trips and the relocation of existing bus stops. The applicant would provide a multimodal system to accommodate vehicles and encourages the use of public transit, bicycle and foot travel. The proposal would include space for three new Capital Bikeshare stations, multiple short bike parking locations, shuttle buses and long term parking. It is envisioned that the site could be a future “transit hub” and accommodate the Circulator Bus or Streetcar and there is a committed to provide a private shuttle service to serve site-generated transit demand if the Circulator Bus or streetcar service is not provided by the completion of Phase I of the development. These facilities would serve the site as well as the adjacent institutional and residential uses. The applicant proposes transportation demand management strategies (TDM) to help reduce the reliance on car ownership and automobile use for those who live, work or visit the site.

Agency Reports

Reports were received from the following agencies;

1. Office of Aging (DOA)
2. Department of Housing and Community Development
3. Metropolitan Police Department
4. Fire and Emergency Medical Services
5. Department of Parks and Recreation
6. Department of Energy and the Environment (submitted under separate cover)
7. Department of Transportation (submitted under separate cover)



GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE ON AGING



Office of the Executive Director

March 6, 2017

D.C. Zoning Commission
D.C. Office of Planning
100 4th Street, SW, Suite E650
Washington, D.C. 20024

RE: Case 13-14 (McMillan Project)

Dear Zoning Commission:

The District of Columbia Office on Aging (DCOA) supports Vision McMillan Partners and the District of Columbia's (hereinafter "Co-Applicants") application proposal for mixed use development on the property known as the "McMillan Reservoir" at 2501 First Street, NW (Square 3128, Lot 800). DCOA is particularly encouraged and pleased that the Co-Applicants' proposal includes units designated for seniors.

DCOA works to advocate, plan, implement, and monitor programs in health, education, and social services which promote longevity, independence, dignity, and choice for older District residents (age 60 plus), adults with disabilities, and their caregivers. The McMillan project is fully consistent with the mission of our agency, as well as the larger goals set forward for the District in the Age-Friendly DC strategic plan.

It is vital that the District create and maintain accessible and affordable housing for seniors. Without access to affordable housing and the stability it engenders, it becomes increasingly difficult for people to age in place. Becoming an age friendly city requires a variety of accessible and affordable housing options in walkable and safe neighborhoods. The McMillan Project helps further that goal by designating 85 units, or 30% of the 278 units to be built on Parcel 4, for people ages 55 years and older. Also encouraging are the Co-Applicants' plans to include a grocery store, a 6.2 acre park, and a community center.

It's for these reasons that DCOA supports the McMillan Project and the Co-Applicants as they seek zoning approval.

Sincerely,

Laura Newland
Executive Director



GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



March 13, 2017

The Honorable Anthony J. Hood
Chairman, Zoning Commission
D.C. Office of Zoning
441 4th Street, N.W., Suite 200S
Washington, D.C. 20001

Re: Zoning Commission Case 13-14

Dear Chairman Hood:

Mayor Bowser is committed to preserving, producing and protecting affordable housing so that every resident in the District can afford a place to call home. The Bowser Administration committed \$200 million in the Housing Production Trust Fund (HPTF); has yielded almost 3,200 affordable housing units since January 2015 and over 4,600 units of affordable housing are in the pipeline, which will house almost 10,000 District residents.

One key tool that the District of Columbia uses to produce affordable housing is using land value from city owned land dispositions to create affordable housing. DHCD has reviewed materials associated with this case. Once the McMillan site is redeveloped 677 units of housing will be produced. The plan for seven parcel developments on the MacMillan sand filtration site calls for 20% of the residential gross square footage, or approximately 132 townhomes and apartments, to be set aside as affordable housing in this disposition of public land.

The planned affordable housing is planned to be affordable below 80% of AMI with approximately 14% of the units, 85 senior units, 9 for-sale town homes, and 2 units in Parcel building 2, set aside for those below 60% of AMI. As proposed, the MacMillan development will help create a mixed income neighborhood, increase homeownership opportunities for households at varying levels, and make affordable housing available to low income senior citizens. These outcomes would align with recommendations contained in the most recent city comprehensive housing reports, *Homes for an Inclusive City: A Comprehensive Housing Strategy* (2006) and *Bridges to Opportunity: A New Housing Strategy for DC* (2013).

The development is occurring on a site that currently does not contain housing or small businesses and DHCD does not foresee any direct displacement of vulnerable populations or businesses as a result. The housing should therefore add to the stock of housing overall and to represent a net gain in the formal affordable housing stock. Creating additional housing, particularly higher density housing, on previously nonresidential land is therefore also a recommendation of these plans.

A project such as this, which is replacing a former industrial, vacant, fenced off property with homes and retail, is intended to benefit the neighborhood and current residents. As part of this, it is likely to have a positive effect on nearby property values. This can help long-time owners realize financial gains and assist with intergeneration wealth, although it can also result in housing affordability pressures on renters and property tax pressures on owners, thereby playing a role in residents moving out of the neighborhood. DHCD and various District agencies have various programs that can alert us to these effects and mitigate them including housing counseling, property tax increase caps, tax relief for seniors, Tenant Opportunity to Purchase Act, rent control, Inclusionary Zoning, and use of various rental and ownership assistance programs, such as the Housing Choice Voucher Program.

Best regards,



Polly Donaldson
Director



**GOVERNMENT OF THE DISTRICT OF COLUMBIA
METROPOLITAN POLICE DEPARTMENT**

Maxine Brown-Roberts
Senior Development Review Specialist
District of Columbia Office of Planning
1100 4th Street, S.W., 6th Floor
Washington, D.C. 20024

Dear Ms. Brown-Roberts:

This is in response to the request that the Metropolitan Police Department (MPD) offer comments regarding the application submitted by Vision McMillan Partners, LLC and the District of Columbia (Co-Applicants) to propose a mixed use development known as the 'McMillan Reservoir' at 2501 First Street, Northwest. (ZC Case #13-14)

Fifth District Commander William FitzGerald has reviewed the plan and noted that due to the increase in residential units, as well as commercial development to include retail and medical facilities, there is an additional need for public safety in which the developer should consider enhanced lighting and security features, especially in any courtyard areas. Additionally, the current traffic flow at the intersection of North Capitol Street and Michigan Avenue and the intersection of First Street and Michigan Avenue, Northwest, gets severely congested. As the new development will increase both pedestrian and vehicular activity it is recommended the D.C. Department of Transportation be consulted regarding the impact and plan for the anticipated increase. I have also reviewed the plans and concur with Commander FitzGerald's assessment.

Thank you for affording the Metropolitan Police Department the opportunity to be a part of the decision making process of the McMillan Reservoir mixed use development. If further information is required, please don't hesitate to contact me.

Sincerely,

Peter Newsham
Chief of Police

GOVERNMENT OF THE DISTRICT OF COLUMBIA
FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT
OFFICE OF THE FIRE MARSHAL
1100 4th STREET SW, SUITE E700, WASHINGTON, DC 20024



MEMORANDUM

TO: Maxine Brown-Roberts
Senior Development Review Specialist

FROM: Tony L. Falwell *TF*
Battalion Fire Chief / Asst. Fire Marshal
FEMS Office of the Fire Marshal

DATE: March 9, 2017

SUBJECT: Zoning Commission Case #13-14 (McMillan) 2501 First Street, NW

This written correspondence is being forwarded to your office to address Zoning Commission Zoning Commission Case #13-14 (McMillan) 2501 First Street NW that was submitted to the FEMS Office of the Fire Marshal for review and comment. Based on FEMS review, the following findings are being brought forth:

Project Summary:

The McMillan site is currently divided by two, east to west service courts (referred to as the North Service Court and the South Service Court), resulting in three sectors: North, Central and South development areas. The service courts with their historic elements would be incorporated into the development. The site would be further divided into seven (7) development parcels.

The Northern Sector, Parcel 1, would be developed with an 875,000 square foot medical office building with ground floor retail. The structure would have two towers at a maximum of 10-stories extending up to 130-feet at the corner of Michigan Avenue and First Street, tapering down to 115-feet on Half Street and 102-feet on the eastern portion of the building.

The Central Sector, Parcels 2, 3, 4 and 5 would include a mid-rise buildings and a mix of uses. Parcel 2 would have a 334,950 square foot, mixed use building with ground floor retail and residences above,

while Parcel 3 which would be a 173,000 square foot healthcare facility with retail on the ground floor. Parcel 4 would have a 308,150 square foot, mixed use building to accommodate a 52,920 square foot grocery store, facing North Capitol Street on the ground level and 278 apartments above. Parcel 5 would have 146, 3- and 4-story, row houses and provide a transition between the existing row house communities and the higher density buildings going north on the site.

The Southern Sector, Parcel 6, would contain the Southern Service Court, a 6.2 acre park, a community center, and would accommodate a construction and staging area on the western portion of the Parcel for the D.C. Water Long Term Control Project to improve storm water management for the area. The Southern Service Court would provide vehicular access/egress from First Street and east-west pedestrian access, as well as on-street parking for the 17,000 square foot community center. The community center would include an indoor pool, playgrounds, an amphitheater, a pond and a “walking museum” while the adjacent park will provide bicycle parking and direct access to the elevated Olmsted Walk.

Findings:

FEMS Office of the Fire Marshal has no objection to this development project being approved if the following requirements are adhered to:

- 1.) Fire access to all referenced lots and squares, their adjacent properties, lots, and squares or any newly constructed building thereon is not compromised and is maintained and developed in accordance with *Chapter 5 Fire Service Features, Section 503 Fire Apparatus Access Roads and Appendix “D”* of the International Fire Code (IFC) 2012 edition.

The illustration below is an aerial view of the McMillian development site (Square 3128, Lot 800). The surrounding roadways in this case are North Capitol Street NW, First Street NW, Michigan Avenue NW, and Channing Street NW. Each of these roadways are considered to be fire department access roads for the site in question and the immediate surrounding property lots and squares, including the hospital complex north of Michigan Avenue NW. Neither of the stated roadways can be close nor block in a way that would prevent access to fire department vehicles during development or thereafter. Additionally, all new roadways planned for inclusion in the McMillian development site shall be constructed and maintained in a way that complies with the fire code chapter and section cited above.





Muriel E. Bowser
Mayor

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Parks and Recreation



Keith A. Anderson
Director

Planning and Capital Projects

DC Department of Parks and Recreation Analysis for McMillan Redevelopment

Response to Z.C.13-14 (McMillian Sand Filtration Plant Redevelopment Project)

Summary

DPR's Planning and Capital Projects Division has reviewed the proposed redevelopment plan for the McMillan site, and understands it will add the following parks and recreation assets to the immediate community.

- Southern park (6.2 acres)
 - Multi-function recreation space
 - Amphitheater
 - Playground
 - Fountain
 - Storm water bio-retention
- South service court (1.8 acres)
- Northeastern park, Cell 14 (1 acre)
- Healing gardens ($\frac{3}{4}$ acre)
- Olmsted Walk (1.43 acres)
- Recreation / community center with attached aquatic facility (17,500 SF)

These improvements will respond to stated priorities in key District plans and will serve the immediate communities as well as pull other residents in all 8 wards to this unique park and recreation center.

Further, these improvements—particularly the park space (with its associated outdoor facilities) and the aquatic facility—will meet demonstrated parks and recreation needs for surrounding neighborhoods and dramatically elevate the parks and recreation level of service in this geographic area of the city.

Finally, DPR's new mission is to promote health and wellness, conserve the natural environment, and provide universal access to parks and recreation services.



The new features within the McMillian redevelopment plan, as they relate to the park and recreation facilities, succinctly support the agency's mission.

Planning Analysis

DPR has reviewed the District's seminal parks planning works of recent years, including the Comprehensive Plan (2006, last amended 2011), Capital Space (2010), Sustainable DC (2013) and Parks and Recreation Master Plan (2014). A common overarching priority connects them

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all: the safe and equitable access to high-quality park spaces for all people throughout the city.

DPR wants all residents to have meaningful experiences at green spaces throughout the District. The McMillan site for many decades has remained underutilized. The agency sees this site as a great opportunity to provide a sense of place that still celebrates the local history, in addition to providing fun and functional amenities for the community at large.

Consistency with the Comprehensive Plan:

DPR uses the Comprehensive Plan regularly when planning for any development in the District. DPR made certain that the McMillan redevelopment plan is consistent with the Comprehensive Plan, and that it advances many of the policies in the Parks and Recreation Element, including:

- Equitable access to quality parks citywide (Parkland)
- Closing the gap and meeting the needs of the community (Programs)
- Providing new amenities in Parks and Recreation for the changing demographics (Recreation Centers and Trails)

In the Introduction to the Comprehensive Plan (p. 1-4), it states, “As the guide for all District planning, the Comprehensive Plan establishes the priorities and key actions that other plans address in greater detail. The broad direction it provides may be implemented through agency strategic plans, operational plans, long-range plans on specific topics (such as parks or housing)....”

In 2014, the DPR and OP completed a Parks and Recreation Master Plan containing a benchmarking assessment including a detailed Level of Service (LOS) analysis for the seven elements of the Parks and Recreation system, including Parkland, Recreation Centers, Aquatic Facilities, Outdoor Facilities, Programs, Bikeways + Trails, and Environmental Lands + Natural Areas. This LOS analysis, which assumes population growth through 2020, is the most recent and relevant geospatial assessment of parks and recreation capital needs throughout the District of Columbia. DPR uses the document internally to help guide parks and recreation development plans. Below is a synopsis of two elements mentioned in the DPR Master Plan that we would like to highlight.

Parkland

The District uses industry-standard metrics to measure parkland “level of service” (LOS) in an urban environment:

- Capacity LOS—Park acreage per 1,000 residents;
- Access LOS—Green space within a ½ mile of home.

For context, it is important to note that the District has the second best ratio of parkland to population in the country (12.4 acres per 1,000 residents). However that parkland is unevenly

distributed and creates gaps in the ability of residents and visitors to properly and consistently utilize parks and recreation assets.

Based on the 2014 Level of Service analysis, the neighborhood clusters around the McMillan site have an extremely low Capacity LOS: on average less than 1 acre per 1,000 residents. Access LOS is also low, as compared to other parts of the city. Most residents near the McMillan site must travel more than a ½ mile to reach a meaningful green space (defined as at least 1/3 acre in size).

At 6.2 acres, the proposed southern park at McMillan will be one of the few largest District-owned park spaces in the city and will add an important resource in the center of the city that does not currently exist. The McMillan site is not considered part of the District's park or open space inventory because the previous use as a sand filtration plant was not intended to serve a recreational purpose. Moreover, the site is presently unsafe and inaccessible.

As stated previously DPR is excited to have the McMillian recreation center and parkland as a new park experience for District users.

Aquatic Center

The District uses the following metrics to measure LOS for Aquatics Facilities:

- Access LOS: an indoor pool within 2 miles from home; an outdoor pool within 1.5 miles from home; a splash pad within one mile from home.

Compared to other peer cities, the District of Columbia has one of the highest numbers of aquatic facilities and amenities per capita in the country. Currently DPR has over 50 aquatic amenities (outdoor, indoor and splash pads) in the District.

However, the gap analysis showed there are a few areas in the city that are not as well served as others, particularly in light of anticipated population growth. Based upon the 2014 Level of Service analysis, the area that appears to have a need for an indoor aquatic facility is in the downtown and Mid-City area. McMillian is located within this area of need.

Conclusion

With respect to the District's parks and recreation priorities, the McMillan project is both consistent with and advances applicable policies in the Comprehensive Plan.

Further, the 2014 Parks and Recreation Master Plan (as an extension of the Comprehensive Plan) and the LOS analysis therein identifies the neighborhood clusters around the McMillan site as a high-priority area for more active and passive park space, additional outdoor recreation facilities, and an indoor aquatic center.

The McMillan redevelopment project makes it possible to bring these high-quality parks and recreation investments to a site where no other capital improvements are otherwise programmed.

DPR's vision is unwavering and values the opportunity to provide new park and recreation experiences to the District as a whole. Implementing this proposed redevelopment plan continues to show the community that the agency is committed to promoting health and wellness, conserving the natural environment and providing universal access to parks and recreation amenities.