

**Z.C. CASE NO. 14-07 – 1270 4<sup>TH</sup> STREET, NE**  
**SUMMARY OF UPDATED PROJECT BENEFITS AND AMENITIES**

The applicant has committed to a benefits and amenities package valued at over \$5,000,000 in land set aside and upfront capital costs. In addition, the applicant has committed to a significantly enhanced affordable housing package and ongoing maintenance obligations.

**Neal Place Extension**

- **Land Set Aside.** The set aside of the land is a significant benefit for the surrounding community as well as the District as a whole. The lost retail area for the land set aside totals approximately 6,000 square feet and allows for the eventual connection of 4<sup>th</sup> Street, NE with “3<sup>rd</sup> Street, NE”.

Since retail is only viable on the ground floor within the Project, the Neal Place extension disproportionately impacts the retail program and adversely impacts the residential program. The creation of the extension will fulfill the goals of the Florida Avenue Market Small Area Plan, directly responds to requests from OP, DDOT, the ANCs, and adjacent landowners, and it is therefore a significant amenity. The value of the lost retail at a conservative cap rate and a conservative retail rent is estimated at **\$3,000,000**.

- **Design, Construction and Maintenance of Neal Place Extension.** In addition to providing the land for the extension, the Applicant will design and construct the Neal Place extension on the Property – from 4<sup>th</sup> Street, NE to the District-owned property to the west of the Property. The design and construction of the extension is valued at **\$165,000**, which assumes that the infrastructure for the road extension is built when the temporary park is constructed. In addition, the Applicant will maintain the extension on an ongoing basis, at an estimated cost of **\$5,000 per year**.
- **Design, Construction and Maintenance of Temporary Pocket Park.** Until such time that the Neal Place Extension is required to be opened for vehicular traffic, the Applicant will design and construct a temporary pocket park located on the road extension. The design and construction of the park, which will include the necessary infrastructure for the future road extension<sup>1</sup>, and is valued at approximately **\$340,000**. In addition, the Applicant will maintain the pocket park until the Extension is completed, at an estimated value of **\$15,000 per year**.

The pocket park will deliver much-needed green space within the Union Market district on an expedited basis, to allow for the permanent green space in the district to be created.

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<sup>1</sup> The infrastructure for the road will be incorporated into the structure of the subgrade garage.

The creation of green space is in accordance with the Florida Avenue Market Small Area Plan.

### **Site Planning and Efficient Land Utilization**

The Project will replace existing low-scale structures and a surface parking lot with a mixed-use, transit-oriented development that restores the urban street grid, provides multi-modal transportation connections, strengthens the emerging Union Market area, and fulfills many of the planning goals and policies of the Small Area Plan.

### **Exemplary Architecture**

The building features exemplary architectural design and high quality materials that will enhance and celebrate the industrial characteristics of the Union Market district.

- Adaptive reuse of portions of the Property's original warehouse façade. The Applicant will integrate portions of the existing façade materials into the architectural design of the Project, as shown on the plans. The reuse of the original materials retains the neighborhood's authentic industrial characteristics, which will be unique to Washington, DC, and it is consistent with the goals of the Small Area Plan and ANC 5D. Retaining the majority of the existing warehouse façade (with the exception of the portion lost due to the extension of Neal Place) will add additional costs related to logistics and shoring of the existing building for a value of **\$900,000**.
- Sustainable design. The Applicant will design and construct the building to LEED Silver v. 2009 and a minimum of 53 points. The Applicant will achieve a minimum Green Area of Ratio of 0.22, which exceeds the minimum requirement of 0.2.

### **Street-Engaging Retail Offerings**

The project will feature approximately 41,000 square feet of street-engaging retail intended to activate the public realm and germinate other development in the vicinity. The retail uses will allow for the retail recapture from Maryland and Virginia. Further, the project will provide high ceiling ground floor retail space on 4<sup>th</sup> Street, which will create quality shopping and dining opportunities. This additional retail height is provided even though it results in less space for residential units on the second floor of the South Parcel building. Finally, the retail storefronts, outdoor cafes, and other design features will animate the pedestrian experience. Overall, the retail vibrancy created through the Project is critical to the place-making and enhancement of the public realm highlighted in the Small Area Plan.

## **Housing and Affordable Housing**

The project will deliver housing and affordable housing in an area close to Metro where there is not currently any housing. The South Parcel building will include approximately 465 units (+/- 10%) and the North Parcel building will include 165 units (+/- 20%, and to be further narrowed in the second-stage application). Since all of the housing and affordable housing exceeds what is permitted as a matter of right under the current zoning, all of the Project's housing and affordable housing represents a public benefit.

The Project will deliver a significant amount of affordable housing, as it will set aside 8% of the residential component of the Project, or approximately **39,725 square feet** of residential gross floor area as affordable housing for the life of the Project. This includes approximately 28,425 square feet of affordable housing in the South Parcel building and approximately 11,300 square feet of affordable housing in the North Parcel building.

Furthermore, the Applicant will set aside 20% of the 39,725 square feet of affordable housing in the Project, or approximately **7,945 square feet** of residential gross floor area, for households earning up to 50% of the Washington, DC Area Median Income ("AMI") for the life of the Project. All of the 50% AMI units will be delivered within the first phase of the Project (the South Parcel building).

The remaining amount of affordable housing (approximately 20,480 square feet of residential gross floor area in the South Parcel building, and 11,300 square feet of residential gross floor area in the North Parcel building) will be set aside for households earning up to 80% AMI.

## **Street Network Improvements**

The Applicant has been working with DDOT and DMPED, and will continue to do so, to incorporate pedestrian-friendly street network improvements into the Project that will improve circulation surrounding the Property and within the broader area. These improvements include:

- Reconfiguration of 4<sup>th</sup> Street, NE to eliminate head-in parking and convert the street to two-way traffic at a cost of **\$22,500** for striping and signage.
- Construction of new sidewalks, street trees, and tree planting areas along 4<sup>th</sup> Street from Morse Street to Neal Place. As a part of the Project, the Applicant will design and construct a new public streetscape along the Project's frontage extending down to Morse Street. Most importantly, the overhauled streetscape will include a new sidewalk that will complete a critical link between the Project, the New York Avenue Metro entrance, and Union Market, the three major pedestrian activity generators in the area. This streetscape will also include a tree box zone with new street trees, an amenity zone for

sidewalk cafes and other pedestrian amenities. The total cost of the improvements to the roadway and streetscape on 4<sup>th</sup> Street will be approximately **\$335,700**.

- Reconstruction of portions of the alley along the Property's west frontage and south to Morse Street. The Applicant's proposed improvements will include a 30-foot wide alley paved in pervious asphalt or concrete as well as a 5-foot wide planting strip along the portions of the building and security lighting. The total cost of the improvements to the alley will be approximately **\$364,500**.
- Construction, design, and maintenance of the Neal Place Extension's pedestrian and vehicular connections.

As a result of these improvements, the Project will transform the existing truck- and service-oriented market into a multi-modal transportation network, separate out pedestrian and vehicular traffic, and improve pedestrian safety, all in furtherance of the goals of the Small Area Plan. These elements amount to a cost to the applicant of **\$722,700**.

### **Transportation Demand Management Plan**

The Applicant will include a robust TDM Plan as part of its project. The development team has been working with DDOT to refine the TDM Plan. Of specific note for the public, the project will provide two car share spaces and six electric charging stations at a cost of **\$10,500**, along with a transit screen in the residential lobby of each building at a cost of **\$10,000**. The Project will also provide each new resident for the first year after the issuance of the certificate of occupancy for each building with an annual subsidy for a car-sharing or bike-sharing program, up to a maximum of **\$35,000**. The total cost of the Transportation Demand Management program is **\$55,500**.

### **Parking Management Plan**

The Applicant will create a parking management plan to encourage the efficient use of its parking facilities for the residents, tenants, and visitors throughout the Union Market district. For the residential portion of the parking garage, parking costs will be unbundled from the cost of lease or sale of each residential unit. The parking for this project will have controlled access.

### **Curbside Management Plan**

The Applicant will create a curbside management plan for 4<sup>th</sup> Street between Penn and Florida. The plan will accommodate the needs of existing and new businesses along with those of new residents and visitors. It will introduce striping and signage.

### **Metropolitan Branch Trail Safety and Access Study**

The Applicant will contribute \$10,000 to the NoMa BID's Metropolitan Branch Trail Study, which will assess and recommend improvements to safety infrastructure and access points to the Metropolitan Branch Trail south of Rhode Island Avenue NE.<sup>2</sup>

### **4<sup>th</sup> Street Clean Up**

The Applicant will regularly clean up trash along 4<sup>th</sup> Street, NE between Florida Avenue and Penn Street, NE (or become part of a business improvement district which shall assume responsibility for similar duties) for an annual cost of \$6,000.

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<sup>2</sup> The Metropolitan Branch Trail is an 8-mile trail that runs from Union Station to Silver Spring, including adjacent to the Union Market District along the railroad tracks to the west of 3<sup>rd</sup> Street. The trail serves as an important transportation route that connects numerous vibrant neighborhoods and employment centers. The route includes off- and on-road segments.