

**BEFORE THE
ZONING COMMISSION
FOR THE DISTRICT OF COLUMBIA**

Z.C. CASE NO. 15-27A

PREHEARING SUBMISSION

**MARKET TERMINAL
BUILDING A2**

April 12, 2019

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**CERTIFICATION OF COMPLIANCE
WITH SUBTITLE Z § 401 OF THE ZONING REGULATIONS**

The undersigned hereby certifies that, in accordance with Subtitle Z § 401 of the Zoning Regulations, ten (10) copies of the architectural drawings and two (2) copies of all of the other below information were filed with the Zoning Commission on April 12, 2019, and, in accordance with Subtitle Z § 401.5, the application shall not be modified less than twenty (20) days prior to the public hearing.

<u>Subtitle Z</u>	<u>Description</u>	<u>Page/Exhibit</u>
401.1(a)	Information requested by the Zoning Commission and the Office of Planning	Submitted herewith
401.1(b)	List of witnesses prepared to testify on the Applicant's behalf	Exhibit D
401.1(c)	Outlines of witness testimony and resumes of expert witnesses	Exhibits E and F
401.1(d)	Additional information introduced by the Applicant	Submitted herewith
401.1(e)	Reduced plan sheets	Exhibit A
401.1(f)	List of maps, plans, or other documents readily available that may be offered into evidence	Exhibit G
401.1(g)	Estimated time required for presentation of Applicant's case	Exhibit D
401.3(a)	Names and addresses of owners of all property within 200 feet of the subject property	Exhibit H
401.8	Report by traffic consultant	To be submitted no later than 30 days prior to the hearing


Jessica R. Bloomfield

LIST OF EXHIBITS

<u>Description</u>	<u>Exhibit</u>
Architectural Sheets	A
Development Data Chart	B
Building A2 Penthouse Area Plan	C
List of Witnesses and Estimated Time Required For Presentation of Applicant's Case	D
Outlines of Witness Testimony	E
Resumes of Expert Witnesses	F
List of Maps, Plans, or Other Documents Readily Available That May Be Offered Into Evidence	G
List of Names and Addresses of All Owners of Property Within 200 feet of the Site (plus two sets of labels submitted separately)	H

I. INTRODUCTION

This Prehearing Statement and accompanying documents are submitted by Grosvenor USA Limited (the “Applicant”) in support of its application to the Zoning Commission for the District of Columbia for a second-stage planned unit development (“PUD”) to develop a mixed-use building containing residential and retail uses in Square 3587, Lot 840 (“Building A2”), in accordance with the Zoning Commission’s first-stage approval in Z.C. Case No. 15-27.

The application was submitted in accordance with Subtitle X, Chapter 3 and Subtitle Z of the 2016 District of Columbia Zoning Regulations, Title 11 of the District of Columbia Municipal Regulations (“DCMR”). Pursuant to 11-A DCMR §§ 102.1 and 102.3(a), the application has vested development rights under the 1958 Zoning Regulations because the proposed second-stage PUD is consistent with the unexpired first-stage PUD that was approved prior to the effective date of the 2016 Zoning Regulations. Accordingly, all zoning tabulations and analyses are based on the 1958 Zoning Regulations.

The Zoning Commission considered this case for set down at its April 8, 2019 public meeting and voted to schedule the case for a hearing. At that meeting, the Zoning Commission requested the additional information set forth below. This Prehearing Statement provides information in response to (i) the Zoning Commission’s requests; and (ii) the Office of Planning (“OP”) setdown report filed on March 29, 2019 (Exhibit 10), which recommended setdown of the application. As set forth below, this Prehearing Statement meets the filing requirements of 11-Z DCMR § 401. Accordingly, the Applicant requests that the Zoning Commission schedule a public hearing on the application.

**II.
INFORMATION REQUESTED BY THE ZONING COMMISSION**

At its public meeting of April 8, 2019, the Zoning Commission voted to schedule a public hearing on the application. A chart indicating the Zoning Commission’s comments on the application and the Applicant’s responses thereto follows.

Comments from the Zoning Commission	Applicant’s Response
Provide more specific details regarding the proposed building signage, include the heights and locations of potential signage.	The Applicant is reviewing the proposed signage plan for the building and will provide more detailed signage information no later than 20 days prior to the public hearing.
Review the locations of the proposed Inclusionary Zoning (“IZ”) units to ensure that the units are not overly stacked in a portion of the building.	The Applicant is reviewing the locations of the proposed IZ units and will submit an updated plan no later than 20 days prior to the public hearing ensuring that the IZ units are not overly stacked in a portion of the building.
Study the feasibility of placing solar panels above the green roof.	The Applicant is studying the feasibility of placing solar panels above the green roof and will provide an updated roof plan and/or analysis of the results of this study no later than 20 days prior to the public hearing.

**III.
INFORMATION REQUESTED BY THE OFFICE OF PLANNING**

The following chart indicates the Applicant’s response to the comments raised in the OP setdown report (Exhibit 10).

Comments from the Office of Planning	Applicant’s Response
Provide renderings of the ground floor adjacent to Neal Place Park.	The Applicant is generating renderings of the ground floor adjacent to Neal Place Park and will submit those renderings no later than 20 days prior to the public hearing.

<p>The Applicant should clarify the IZ square foot calculation and verify that the IZ square footage is based on the increased residential gross floor area (“GFA”) currently proposed.</p>	<p>The first-stage PUD for Building A2 included approximately 249,323 square feet of residential GFA. The proposed second-stage PUD for Building A2 includes approximately 259,931 square feet of residential GFA, plus approximately 4,444 square feet of floor area in the penthouse dedicated to residential units (<i>see</i> Building A2 Penthouse Area Plan attached hereto as <u>Exhibit C</u>). Because the total residential GFA has increased in the second-stage PUD, the GFA devoted to IZ units has also increased at the same rate.</p> <p>Pursuant to Z.C. Order No. 15-27, if Building A2 was developed as for-sale housing (which it is), then it would be required to dedicate 8% of its residential GFA to IZ units reserved for households earning up to 80% of the AMI.</p> <p>Accordingly, under the first-stage PUD, Building A2 would have been required to provide <u>19,946</u> square feet of GFA devoted to IZ units at 80% of the AMI (8% of 249,323 square feet). Under the second-stage PUD, Building A2 will provide <u>20,795</u> square feet of GFA devoted to IZ units at 80% of the AMI (8% of 259,931) plus <u>356</u> square feet of GFA devoted to an IZ unit at 50% of the AMI (8% of 4,444 square feet in the penthouse).</p> <p>As noted in the application statement, the Applicant requests flexibility to <u>either</u> (i) provide the IZ unit generated by the penthouse habitable space within the building; or (ii) provide a contribution to the affordable housing production trust fund (further described below).</p>
<p>The Applicant should demonstrate that the aggregate FAR for the entirety of the PUD does not exceed 7.1.</p>	<p>As shown on the development data chart attached hereto as <u>Exhibit B</u>, which shows the total gross floor area per use for each building within the overall PUD, the aggregate FAR for the entirety of the overall PUD site is 6.78 FAR, which is less than the 7.1 FAR approved in the original application.</p>
<p>The approximate contribution to the Housing Production Trust Fund for the habitable penthouse should be provided.</p>	<p>As shown on the Building A2 Penthouse Area Plan attached hereto as <u>Exhibit C</u>, Building A2’s penthouse includes the following uses:</p>

	<ul style="list-style-type: none"> • Approximately 4,444 square feet devoted to residential units; • Approximately 1,366 square feet devoted to residential amenity space; • Approximately 916 square feet devoted to mechanical space; and • Approximately 764 square feet devoted to common circulation space. <p>According to the Office of Tax and Revenue, the 2020 assessed land value of Lot 840 is \$11,733,400, and the total land area of Lot 840 is 35,640 square feet.</p> <p>Based on the foregoing, the approximate contribution to the affordable housing trust fund would be \$101,805.10 as follows:</p> <p>$(\\$11,733,400 \text{ assessed value}) / (35,640 \text{ sf land area}) = \\$329.22 \text{ assessed value per sf of land.}$</p> <p>$(\\$329.22) / (8.0 \text{ maximum permitted non-residential FAR in C-3-C PUD}) = \\$41.15 \text{ assessed value per FAR sf of land.}$</p> <p>$(\\$41.15) \times (4,948 \text{ sf penthouse habitable space}^1) = \\$203,610.20$</p> <p>$(\\$203,610.20) / (2) = \\$101,805.10$, with half paid prior to issuance of a building permit for construction of the penthouse habitable space and half paid prior to the issuance of a certificate of occupancy for any or all of the building's penthouse habitable space.</p> <p>The actual amount of the contribution will be calculated and submitted no earlier than 30 days prior to the date of the building permit application to construct the penthouse habitable space.</p>
<p>The Applicant should address the necessity of providing 102 more parking spaces than required.</p>	<p>As shown on the development data chart attached hereto as <u>Exhibit B</u>, the initial approval for Building A included a total of 651 residential units (453 in Building A1 and 198 in Building A2) and a total of 371 off-street parking spaces. This resulted in an overall</p>

¹ Includes a prorated percentage of the penthouse common circulation space.

	<p>parking ratio of approximately 0.57 spaces per residential unit.</p> <p>As a result of the proposed modifications, Building A is now proposed to include a total of 711 residential units (451 in Building A1 and 260 in Building A2) and a total of 451 off-street parking spaces. This results in an overall parking ratio of approximately 0.63 spaces per residential unit. This ratio is considerably lower than other recently approved PUDs with for-sale condominium units that are similarly located within close walking distance to a Metrorail station (<i>see, e.g. Z.C. Case No. 16-07</i> approving a 66-unit condominium building with 71 total parking spaces (including three tandem spaces and 12 vault spaces) resulting in a parking ratio of over 1 space per residential unit; <i>see also Z.C. Case No. 12-02</i> approving a 182-unit condominium building with 210 total parking spaces resulting in a parking ratio of 1.15 spaces per residential unit).</p> <p>The Applicant believes that the parking increase associated with Building A2 is necessary given that Building A2 is being developed as a condominium building. Condominium buildings typically have a higher parking demand than rental buildings. The Applicant is working with DDOT to study the impacts, if any, of the Applicant’s proposed parking ratio and whether any additional transportation demand management (“TDM”) measures are necessary. The Applicant will provide an update to the Zoning Commission on this analysis no later than 20 days prior to the public hearing.</p>
<p>A water feature should be provided in Neal Place Park.</p>	<p>Although the first-stage PUD plans for Neal Place Park included a water feature, the park design has significantly advanced and improved since the initial approval and no longer includes a water feature. As shown on the landscape drawings submitted with the application (Exhibit 4B), Neal Place Park has been designed to respond to adjacent programming, address needs for Union Market as a whole, express the native beauty of local geographies, and provide an intimate gathering place and immersive landscape for all to enjoy. In doing so, the Applicant replaced the water features with lush plantings, sculptural natural stone</p>

	<p>elements, immersive seating areas, a “bridge” to highly experimental garden seating, and tall canopy trees. The Applicant intentionally blurred the lines between the park and the adjacent streetscape with planting areas, seating, and a paving scheme that extends through the streetscape to invite pedestrians into the park. As a whole, the design of Neal Place Park complements the industrially-inspired Morse Plaza on the western border of the PUD Site, responds directly to the Union Market Streetscape Guidelines, and incorporates natural stone elements that create a unified, sculptural composition and a unique experience for all of Union Market and the adjacent neighborhoods to enjoy.</p>
<p>The Applicant should provide additional information regarding the types of materials to be used, including material type, color, and samples, demonstrating that the proposed building materials will be of a high-quality.</p>	<p>Attached hereto as <u>Exhibit A</u> are Sheets A-2_317-323 of the architectural drawings submitted with the application (Exhibit 4B) showing Building A2’s elevations and identifying each proposed material and its location on the building façade. Sheet A-2_323 shows photographs of the proposed materials. In addition to these sheets, the Applicant will also provide samples of each proposed material at the public hearing.</p>
<p>The Applicant should demonstrate that there has been continued coordination with DC Water regarding the easement requested by that agency.</p>	<p>The Applicant, as part of the overall development team for the Market Terminal PUD, coordinated with DC Water to prepare and execute an Easement Agreement and Declaration of Covenants and Restrictions (the “Easement Agreement”) governing DC Water’s ability to provide water and/or sewer service to the PUD Site. The Easement Agreement is dated December 21, 2018, and was recorded in the Land Records of the District of Columbia on December 31, 2018, as Document No. 2018130452.</p>
<p>Additional window details should be provided, illustrating window mullions and depth from the façade.</p>	<p>Included in <u>Exhibit A</u> are Sheets A-2_321-322 from the architectural drawings submitted with the application (Exhibit 4B). These sheets show details of the proposed windows for Building A2. The Applicant is generating more specific diagrams showing the window mullions and their depth from the building façades and will provide that information no later than 20 days prior to the public hearing.</p>
<p>Additional information regarding the landscape area between Building A2</p>	<p>The Applicant will maintain the portion of the landscaped area between Building A2 and the self-</p>

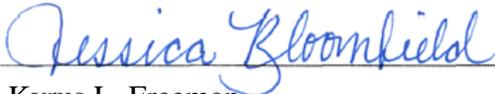
<p>and the existing self-storage facility to the north should be provided.</p>	<p>storage facility to the north that is within the Building A2 property line. The Applicant is generating updated renderings of this area showing the existing conditions on the existing site and will submit those renderings no later than 20 days prior to the public hearing.</p>
<p>The Applicant should provide detailed streetscape plans in coordination with DDOT and OP regarding the design and use of public space and its compliance with the Union Market Streetscape Guidelines.</p>	<p>The Applicant is in the process of working with DDOT and OP to generate a more detailed streetscape plan and will submit updated plans and a summary of the proposal’s compliance with the Union Market Streetscape Guidelines no later than 20 days prior to the public hearing.</p>
<p>The Applicant should work with OP and DDOT to ensure that the objectives of the Florida Avenue Market Study Small Area Plan (“FAMS”) have been met through TDM measures and public space design.</p>	<p>The Applicant will continue to work with OP and DDOT to ensure that the TDM measures and public space designs meet the objectives of the FAMS. The Applicant will provide a summary of compliance no later than 20 days prior to the public hearing.</p>
<p>The Applicant should demonstrate where the excess bicycle parking would be located for Building A2.</p>	<p>The excess bicycle parking spaces will be located in the bicycle storage room on the ground floor of Building A2 adjacent to Neal Place Park, as shown in <u>Exhibit A, Sheet A-2_303</u>.</p>
<p>The Applicant should specify how the requirement to dedicate \$200 per residential unit in alternative transportation incentives will be met.</p>	<p>The Applicant will provide \$200 per residential unit in Building A2 that will be used for alternative transportation incentives, and will include this benefit in the condominium documentation for the first residential units sold within Building A2.</p>

IV.CONCLUSION

This Prehearing Statement and the materials submitted with the original application together meet the filing requirements for a second-stage PUD as required by Subtitle X, Chapter 3 and Subtitle Z of Zoning Regulations. For the foregoing reasons, the Applicant respectfully requests that the Zoning Commission schedule a hearing on the application.

Respectfully submitted,

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