

**TO:** District of Columbia Zoning Commission

**FROM:** Brandice Elliott, Project Manager  
JLS  
Jennifer Steingasser, Deputy Director, Development Review and Historic Preservation

**DATE:** November 27, 2019

**SUBJECT:** Setdown Report for Zoning Commission Case No. 15-27B, Stage 1 Modification and Stage 2 Planned Unit Development for 300 Morse Street, N.E. (Building C2).

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## I. RECOMMENDATION

The Office of Planning (OP) recommends the Commission **set down** the application by Carr Properties (the Applicant), for the following:

- A modification to the Stage 1 approval to alter the proposed use of the building from residential to office; and
- A Stage 2 Planned Unit Development (PUD) to construct an 11-story, 130-foot high mixed-use building with ground floor retail and 10 stories of office.

The original filing indicates that a modification for Building C1 is also requested however, the applicant has subsequently requested that modification in a separate application, which was approved by the Zoning Commission on November 18, 2019 (Zoning Commission Case No. 15-27D).

The Commission found the PUD to be not inconsistent with the Comprehensive Plan as part of the Stage 1 approval. This filing generally meets the requirements of 11DCMR Subtitle X, Chapter 3. OP supports the overall site plan and building design and recommends that the application be set down for public hearing.

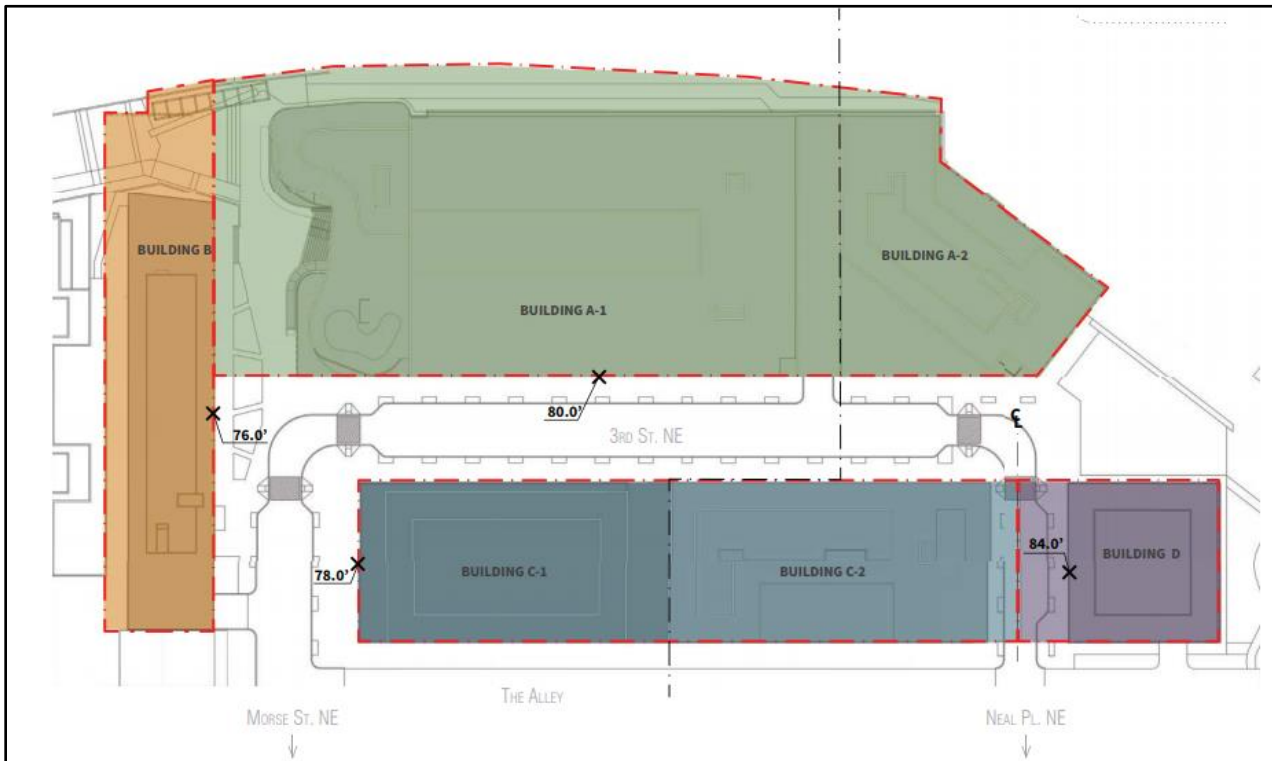
## II. BACKGROUND

The original Stage 1 application (ZC Case 15-27) was approved March 27, 2017. That approval included a PUD-related map amendment from C-M-1 to C-3-C for this Stage 2 site. At the time, the Commission determined that the PUD would be not inconsistent with the Comprehensive Plan maps and text and would further the objectives of the Florida Avenue Market Small Area Plan and the Ward 5 Industrial Land Transformation Study.

The Zoning Regulations define the second stage of a two stage PUD review as:

*“... a detailed site plan review to determine transportation management and mitigation, final building and landscape materials and compliance with the intent and purposes of the first-stage approval, and this title”.*  
(Subtitle X § 302.2 (b)).

To date, Buildings A1, A2, B1 and C1 in the PUD have been approved, but construction has not commenced. The Zoning Commission approved a Stage 2 PUD and Modification for Building A2 on June 17, 2019. A Stage 2 PUD for Building D was filed October 31, 2019 and will be brought to the Zoning Commission in the near future. See below diagram for approved buildings and locations.



The site for Building C-2 received Stage 1 approval for a residential use. The applicant is requesting a modification to convert this use to mixed office/retail, and Stage 2 approval of the building form and design.

### III. SUMMARY OF OP COMMENTS

The following table summarizes OP comments regarding this proposal, including areas where resolution or additional information is required. OP will continue to work with the applicant to adequately address these issues, and other issues raised by the Commission at setdown, prior to a public hearing.

OP Comment	Planning and / or Zoning Rationale
1. The applicant should confirm that the maker space would be constructed to industrial specifications, as provided in Attachment III, and provide the specifications on the plans.	Maker space should be constructed to an industrial standard to ensure that the space can accommodate a variety of maker uses and equipment. Specifications should be included on the plans to simplify building permit review.

OP Comment	Planning and / or Zoning Rationale
2. The location of the Maker Space should be identified on the ground floor plan.	The provision of Maker Space is a proffer of the PUD and should be clearly identified on the plans.
3. The applicant should demonstrate that the aggregate FAR for the entirety of the PUD does not exceed 7.1, consistent with the Order.	The Order for ZC Case No. 15-27 indicates that the aggregate FAR is not to exceed 7.1; the aggregate FAR should be confirmed with each proposed building.
4. The approximate contribution to the Housing Production Trust Fund for the habitable penthouse should be provided.	The applicant should provide an approximate amount of the required contribution that the proposed habitable penthouse may generate.
5. The applicant should address the necessity of providing additional parking beyond what was approved in the Stage 1 PUD and the impact it will have on the TDM.	It has been documented through recent PUDs in the Florida Avenue Market that the transportation network will be negatively impacted by the approved PUDs to date in aggregate. The easiest mitigation of this impact is to provide fewer parking spaces.
6. 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.	This information is necessary for the evaluation of the superior architecture and design of the project.
7. Additional window details should be provided, illustrating window mullions and depth from the façade.	This information is necessary for the evaluation of the superior architecture and design of the project.
8. 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.	The Streetscape Guidelines have been approved and are being implemented in PUDs. Additional drawings demonstrating compliance with the Guidelines should be provided.
9. The applicant should provide planting and maintenance details regarding the greenery accents on the ground floor of the building.	The greenery along the ground floor is an integral part of the building design that will need to be maintained for the life of the building.
10. The applicant should provide details on the locations of signs on the building.	This information is necessary for the evaluation of the design of the project.
11. Perspectives of the roof and proposed habitable penthouse should be provided.	This information is necessary for the evaluation of the superior architecture and design of the project.
12. The applicant should provide a draft revised Order for ZC Case No. 15-27 identifying the sections that would be amended to facilitate this project.	The Second Stage PUD includes significant modifications that need to be addressed in the approved Order.

OP Comment	Planning and / or Zoning Rationale
<p>13. In discussions with the applicant, they have stated they will contribute \$1.5 million to the Housing Production Trust Fund as a proffered benefit of the project. The commitment to this proffer should be included in the prehearing statement.</p>	

**IV. AREA DESCRIPTION**

<b>Ward, ANC</b>	Ward 5; ANC 5D
<b>Comprehensive Plan Area</b>	Upper Northeast Area Element; Florida Avenue Market Small Area Plan; Ward 5 Industrial Land Transformation Study.
<b>General Context</b>	<p>The Florida Avenue Market has been the subject of several PUD applications since 2014. To date, ten PUDs have been approved or are in process that would add over 5.8 million square feet of retail, residential, university, and hotel uses to the Market area. The Florida Avenue Market Study Small Area Plan encourages denser development in the Market Area in exchange for significant benefits and amenities.</p> <p>The subject property is located in the Florida Avenue Market, north of Florida Avenue and on the east side of 3<sup>rd</sup> Street. Several approved PUDs are constructed or are under construction; although none of the buildings approved by ZC 15-27 are under construction.</p>



Figure 1: Vicinity Map (Google Maps 2019)

## V. SITE DESCRIPTION

<b>Address</b>	350 Morse Street, N.E.
<b>Legal Description</b>	Square 3587, Lots 833 and 834
<b>Property Size</b>	21,280 square feet (0.49 acres)
<b>Current Zoning</b>	C-3-C (vested under the 1958 Zoning Regulations)
<b>Site Characteristics</b>	The site is bounded by New York Avenue to the north, 4 <sup>th</sup> Street to the east, Morse Street to the south, and the Amtrak and Metrorail lines to the west. The site is generally flat, but the north end of the site slopes up toward New York Avenue and the west side of the property slopes up toward the railroad tracks. The site is located approximately ½ mile from the NoMa-Gallaudet University Metro Station.
<b>Existing Use of Property</b>	The PUD site is presently improved with one-story industrial buildings used for wholesale distribution.

**VI. PROJECT DESCRIPTION**

<b>Applicant</b>	Carr Properties OC, LLC
<b>Proposed Zoning</b>	C-3-C; no change proposed with this application.
<b>Proposed Use of Property</b>	The applicant proposes to develop Building C2 with an 11-story mixed-use building of ground floor retail and ten stories of office.

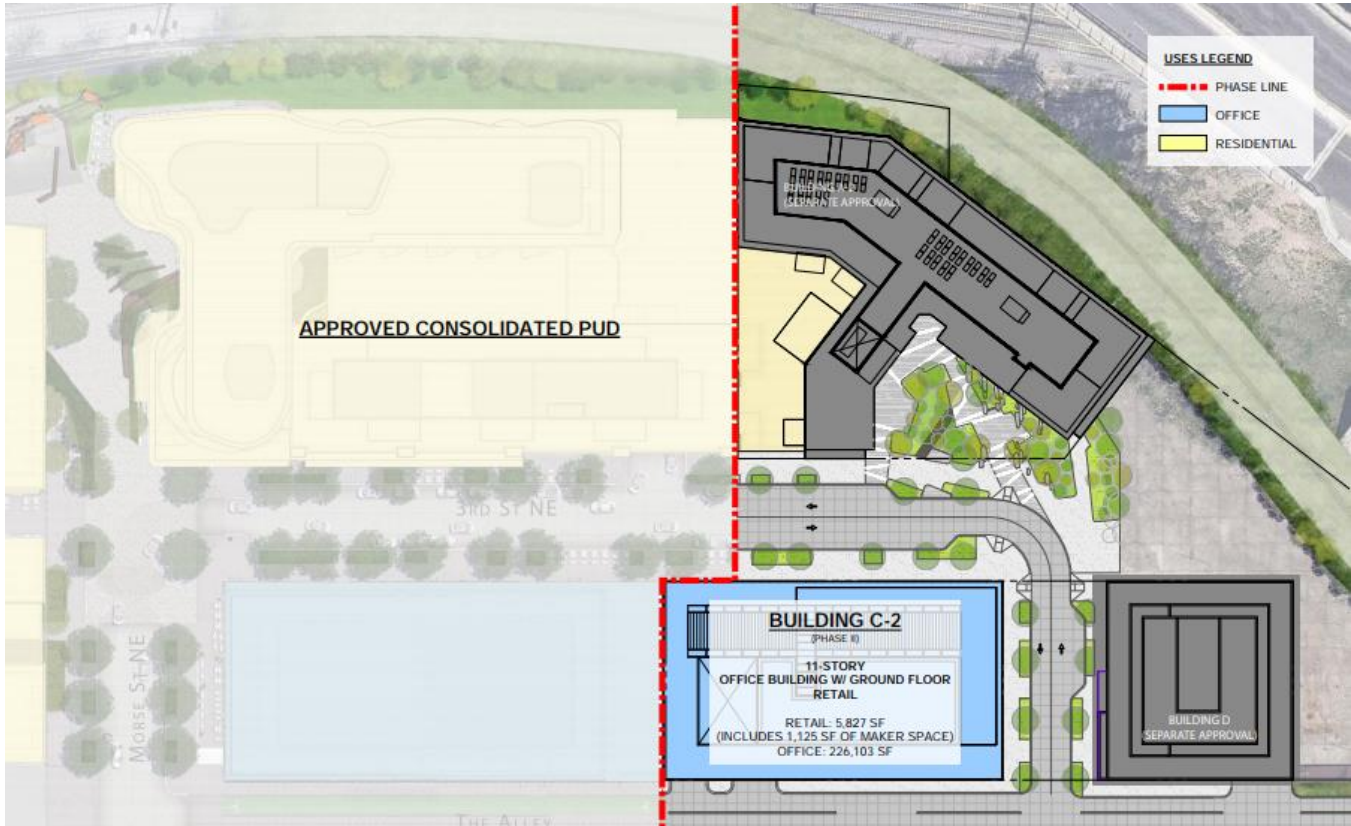


Figure 2: Site Plan for Building C2 (image provided by applicant in Exhibit 2E1).

	<b>Proposal – Building C2</b>	<b>First Stage Approval – Building C2</b>
<b>Building Height (ft.)</b>	130 ft./11 stories	130 ft./11 stories
<b>GFA (sq. ft.)</b>	Office 226,103 sq. ft. Retail 4,702 sq. ft. Maker Space 1,125 sq. ft. Total 231,930 sq. ft.	Residential 211,784 sq. ft. Retail 9,200 sq. ft. Maker Space 1,125 sq. ft. Total 222,109 sq. ft.

## **VII. PLANNING CONTEXT**

### **A. COMPREHENSIVE PLAN MAPS**

As described in the Guidelines for Using the Generalized Policy Map and the Future Land Use Map (Chapter 2 Framework Element, Section 226), the maps are intended to provide generalized guidelines for development decisions. They are to be interpreted broadly and are not parcel-specific like zoning maps; i.e. the maps, in and of themselves, do not establish detailed requirements or permissions for a development's physical characteristics including building massing or density; uses; or support systems such as parking and loading. They are to be interpreted in conjunction with relevant written goals, policies and action items in the Comprehensive Plan text, and further balanced against policies or objectives contained in relevant Small Area Plans and other citywide or area plans.

The original Stage 1 application (ZC Case 15-27) was approved March 27, 2017. That approval included a PUD-related map amendment from C-M-1 to C-3-C for this Stage 2 site. At the time, the Commission determined that the PUD would be not inconsistent with the Comprehensive Plan maps and text and would further the objectives of the Florida Avenue Market Small Area Plan and the Ward 5 Industrial Land Transformation Study (pages 25 through 43 of the Order).

The Stage 1 application approved a total of 1,091,201 square feet of residential use, 52,968 square feet of retail use, and 217,558 square feet of office use. However, flexibility for use was permitted for buildings A2 and D, which could have resulted in a total of 720,394 square feet of residential use. The proposed modification to change the use from residential to office, along with the certainty of Building D providing residential uses (ZC Case No. 15-27E), results in the overall residential use remaining within the range approved for the overall PUD by providing 912,303 square feet of residential use.

As described below, the proposed modification to office for building C2 as part of the overall PUD and map amendment would continue to be not inconsistent with the map designations.

#### **Generalized Future Land Use Map (FLUM)**

The Future Land Use Map (FLUM) indicates that the site is appropriate for High Density Commercial, High Density Residential, and Production, Distribution and Repair.

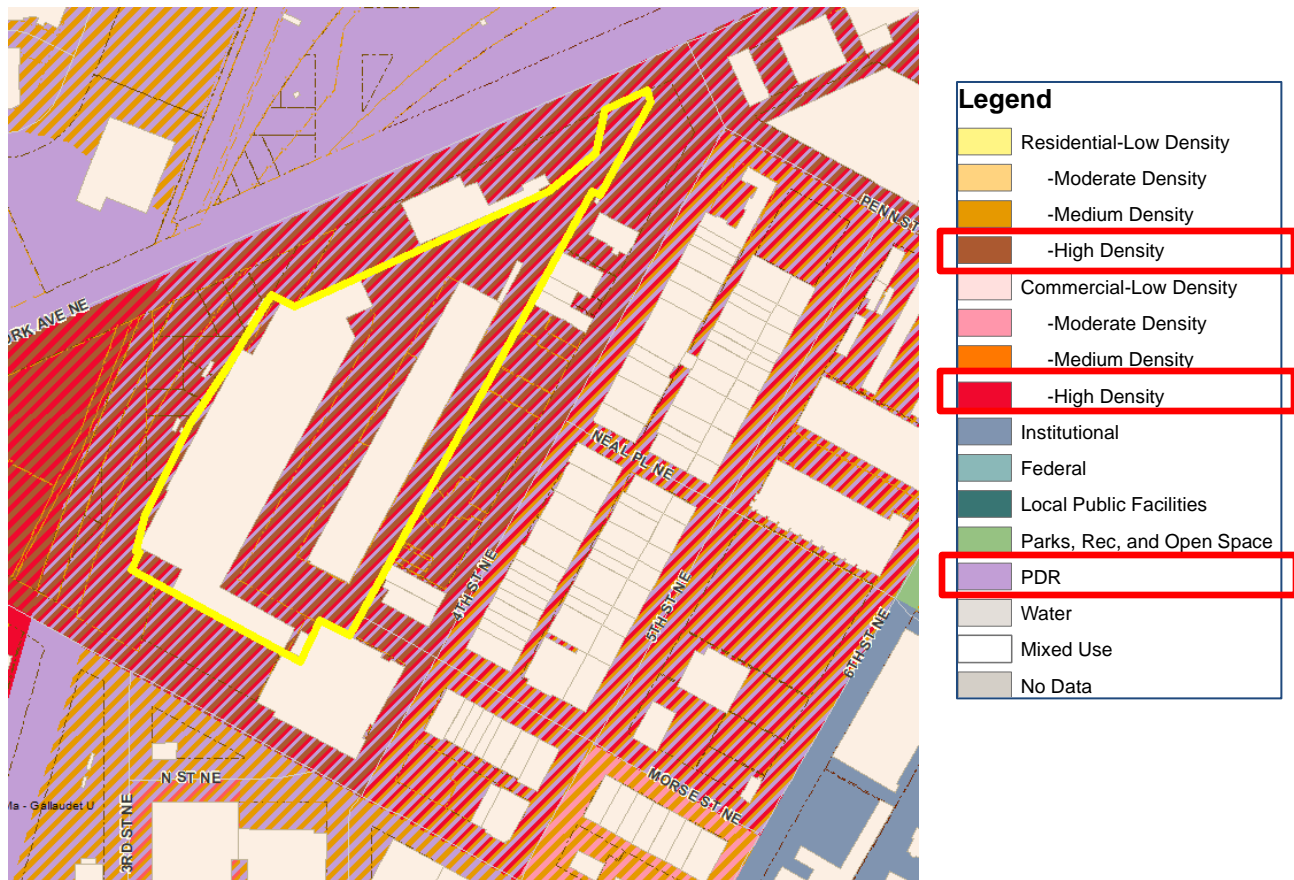


Figure 3: Comprehensive Plan Future Land Use Map

**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.*

**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.*

The proposed mixed-use building, having an FAR of 10.9 and a height of 130 feet, would be within what is typically considered appropriate for high density office and commercial uses. Maker space would be provided at the ground floor, as proffered in the Stage 1 PUD. Additional maker space will be provided in Building D in a future application.



**Mixed Use Categories:** *The Future Land Use Map indicates areas where the mixing of two or more land uses is encouraged. The particular combination of uses desired in a given area is depicted in striped patterns, with stripe colors corresponding to the categories defined on the previous pages. The Mixed Use category generally applies in the following three circumstances:*

- a. *Established, pedestrian-oriented commercial areas which also include substantial amounts of housing, typically on the upper stories of buildings with ground floor retail or office uses;*
- b. *Commercial corridors or districts which may not contain substantial amounts of housing today, but where more housing is desired in the future. The pattern envisioned for such areas is typically one of pedestrian-oriented streets, with ground floor retail or office uses and upper story housing; and*
- c. *Large sites (generally greater than 10 acres in size), where opportunities for multiple uses exist but a plan dictating the precise location of these uses has yet to be prepared. 225.18*

*The general density and intensity of development within a given Mixed Use area is determined by the specific mix of uses shown. If the desired outcome is to emphasize one use over the other (for example, ground floor retail with three stories of housing above), the Future Land Use Map may note the dominant use by showing it at a slightly higher density than the other use in the mix ... 225.19*

*A variety of zoning designations are used in Mixed Use areas, depending on the combination of uses, densities, and intensities. ... 225.21*

The Stage 2 PUD for Building C2 proposes a mixed-use building providing retail and office uses. The overall PUD consists of several buildings that would continue to provide residential uses, including affordable units:

	<b>Building A1</b>	<b>Building A2</b>	<b>Building B</b>	<b>Building D (residential option)</b>
<b>Total</b>	422,605 sq. ft. (453 units)	249,323 sq. ft. (198 units)	86,005 sq. ft. (105 units)	121,484 sq. ft. (115 units)
<b>Market Rate</b>	376,177 sq. ft.	221,897 sq. ft.	76,543 sq. ft.	108,120 sq. ft.
<b>50% AMI</b>	23,244 sq. ft. (26 units)	13,713 sq. ft. (12 units)	4,731 sq. ft. (5 units)	6,682 sq. ft. (6 units)
<b>80% AMI</b>	23,244 sq. ft. (26 units)	13,713 sq. ft. (12 units)	4,731 sq. ft. (5 units)	6,682 sq. ft. (6 units)

**Generalized Policy Map**

The Generalized Policy Map designates the site as a Multi-Neighborhood Center.

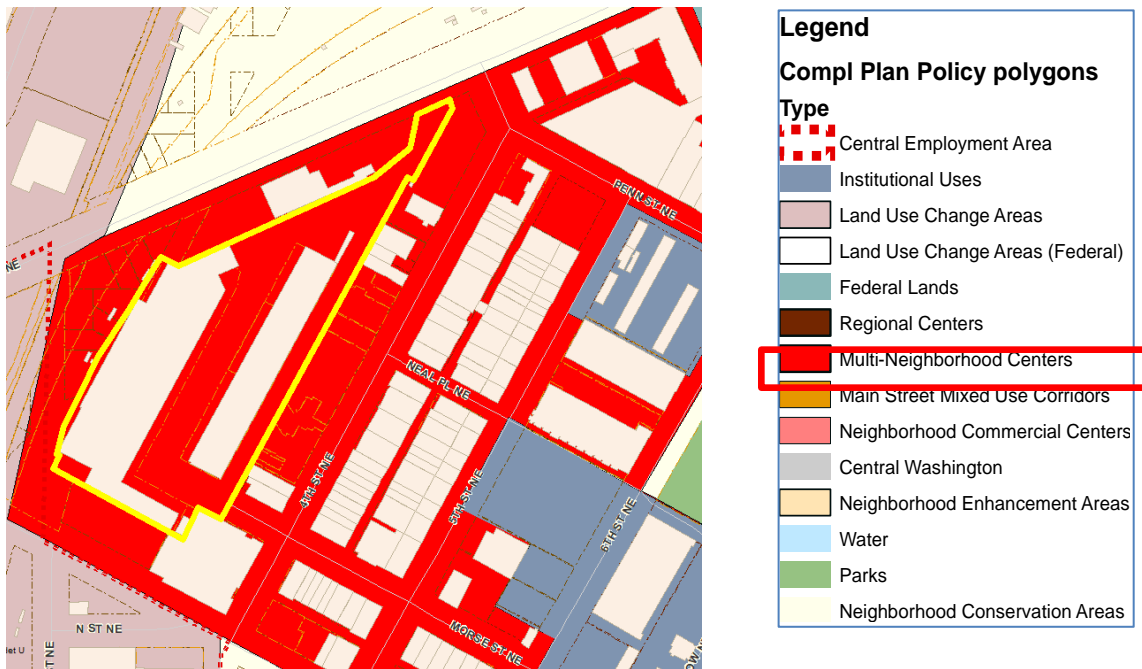


Figure 4: Comprehensive Plan Generalized Policy Map

### 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.*

The proposed development is located in the Florida Avenue Market and is currently developed with single story industrial buildings used for wholesale distribution. The proposed density of 10.9 FAR is within the range typically associated with the high-density designation on the Future Land Use Map. The proposed uses of office and retail are consistent with the Generalized Policy Map.

## B. COMPREHENSIVE PLAN WRITTEN ELEMENTS

The Zoning Commission found during its review of the First Stage PUD that the proposal is not inconsistent with the Comprehensive Plan and the Plan’s Future Land Use Map and the Generalized Policy Map. The current Second Stage PUD application is generally consistent with the First Stage PUD, and the proposed modifications do not detract from the project’s correlation with major tenets of the Plan. The proposal would continue to further a number of the major policies from the Comprehensive Plan elements,

including: Land Use; Transportation; Parks, Recreation and Open Space; Urban Design; and Upper Northeast Area Element as provided in Appendix I of this report.

The applicant proposes to modify the mix of uses in Building C2 by replacing the approved retail/residential uses with retail/office uses. Although this would result in a loss of housing and affordable housing, it would add crucial daytime uses to the Market Area, which it presently lacks. The proposed office use is supported by the Comprehensive Plan designation and area elements.

## **C. SMALL AREA PLANS**

The proposed PUD is located in the Florida Avenue Market Study Small Area Plan (FAMS), adopted by Council on October 6, 2009. The Vision for the Market is that the revitalized Market Area should feature a mix of land uses such as retail, office, and residential, with a unique focus on wholesale uses, food retail, and street activating uses. The maximum height and density provided by the FAMS is achievable only through a PUD that includes the provision of significant amenities, which were proffered during the Stage I PUD.

Third Street is envisioned as a major pedestrian thoroughfare, connected by the future plaza located at the south end of the PUD, parallel to Florida Avenue, and Neal Place Park, located adjacent to Building A2. Wide sidewalks should be provided for pedestrians to ensure plenty of room for circulation, protected by wide planting beds along the street. In addition to these elements, the FAMS recommends pedestrian-only pathways where grade changes are deemed too steep or unsafe for multimodal streets; one lane of traffic in each direction to accommodate local traffic; and parking lanes for a safety buffer between pedestrian and vehicles. The applicant should continue to work with OP and DDOT to ensure that the objectives of the Plan have been met through TDM measures and public space design.

The Plan calls for high density and greater building heights on the west side of the Market area, and the applicant's proposal is consistent with this designation.

## **D. OTHER PLANNING DOCUMENTS**

### **Ward 5 Industrial Land Transformation Study**

In addition to the Comprehensive Plan and Small Area Plan, this site is identified in the *Ward 5 Industrial Land Transformation Study* as one of the major centers for retention and reinforcement of the existing industrial fabric. Although the Study is not a Council-adopted policy document, it was generated by a task force established by Mayoral Executive Order to create a strategy for the modernization and adaptive use of industrial land in Ward 5 and completed in August 2014. The Vision of this Study is to adapt existing industrial land to develop a cutting-edge and sustainable production, distribution, and repair industry that diversifies the District's economy, serves as a hub for low-barrier employment, complements and enhances the integrity of the neighborhood, and provides opportunities for arts, recreation and other community amenities.

The applicant has indicated that the proposed project meets the goals of this Study, noting that retail and maker space would be provided, and that the development would include sustainable features. Greater detail regarding the anticipated tenants, particularly the maker tenants, should be provided, as well as an analysis that identifies how the project and tenants will meet the goals of the Study.

## E. SUMMARY OF PLANNING CONTEXT ANALYSIS

On balance, the proposal would further the goals of the Comprehensive Plan and Florida Avenue Market Study Small Area Plan by providing retail and office uses consistent with the FLUM. The proposed density of 10.9 FAR and height of 130 feet are not inconsistent with the Plan and would be similar to what has been proposed or approved in adjacent PUDs, and therefore complimentary to surrounding development. Coordination with other DC Agencies, including DDOT, DOEE, DHCD, and DCPS, will ensure that the goals of the Chapters relating to Transportation, Environment, Housing, and Educational Facilities will be sufficiently addressed as the project progresses.

## VIII. ZONING ANALYSIS

ZC Order 15-27 approved the First Stage PUD and PUD related map amendment for the C-3-C zone on the property and specified that the project and subsequent Second Stage applications be in accordance with the First Stage PUD. Subsequent to the First Stage PUD approval, the applicant has refined the details for Building C2, which has resulted in changes to what was approved in the First Stage PUD. As a result, the applicant has requested modification to the Order to accommodate these changes. The proposed changes would remain within the parameters of the C-3-C zone.

The table below shows a comparison of the development parameters approved for Building C2 at First Stage, the proposed modifications and the standards of the C-3-C/PUD.

<b>Building C2</b>	<b>C-3-C/PUD Standards</b>	<b>Approved Stage 1</b>	<b>Proposed Stage 2</b>
<b>Lot Area</b>	15,000 sq.ft. min.	21,280 sq.ft.	21,280 sq. ft.
<b>Height (ft.)</b>	130 ft. max.	130 ft.	130 ft.
<b>Penthouse Height</b>	20 ft. max.	Details not provided	20 ft.
<b>Penthouse Setbacks</b>	Distance equal to its height from front, rear and side building walls.	Details not provided	20 ft.
<b>Penthouse Enclosing Walls</b>	Shall rise vertically to a roof, with a slope not exceeding 20% from vertical	Details not provided	18% slope
<b>Habitable Penthouse</b>	--	Building C2: 4,800 sq. ft.	Building C2: 7,269 sq. ft. <b>(proposed modification)</b>
<b>Penthouse Use</b>	--	Residential amenity	Building C2: nightclub, bar, cocktail lounge, or restaurant use <b>(new flexibility requested)</b>
<b>Residential Units</b>	--	232 units	None

Building C2	C-3-C/PUD Standards	Approved Stage 1	Proposed Stage 2
<b>FAR</b>	8.71	10.75 (Building C2 only)	10.9 (Building C2 only)
<b>Office:</b>	170,240 sq. ft. max. or	--	226,103 sq. ft. <b>(proposed modification for additional sq. ft. and office use)</b>
<b>Residential:</b>	170,240 sq. ft. max or	211,784 sq. ft.	--
<b>Non-Residential:</b>	170,240 sq. ft. max.	9,200 sq. ft.	4,702 sq. ft.
<b>Maker Space</b>		1,125 sq. ft.	1,125 sq. ft.
<b>Inclusionary Zoning</b>	16,943 sq. ft. @ 80% AMI (based on 211,784 sq. ft. of residential)	10,590 sq. ft. @ 80% AMI; 10,590 sq. ft. @ 50% AMI (based on 211,784 sq. ft. of residential)	None; Housing Production Trust Fund contribution required for habitable penthouse
<b>Lot Occupancy</b>	100 % max.	--	100% (Building C2 only)
<b>Rear Yard</b>	27.08 ft. min.	24 ft. (approved flexibility)	24 ft. <b>(no new flexibility required)</b>
<b>Side Yard</b>	None required	0 ft.	0 ft.
<b>Parking</b>	66 spaces min.	90 spaces	132 spaces <b>(proposed modification)</b>
<b>Bicycle Parking</b>	Residential: 77 spaces	80 spaces	72 long term spaces 6 short term spaces
<b>Loading</b>	1 berth @ 55 ft. 1 berth @ 30 ft. 2 delivery spaces @ 20 ft. 2 platforms @ 100 ft.	2 berths @ 30 ft. 2 delivery spaces @ 20 ft. 2 platforms @ 100 ft. (approved flexibility)	1 berth @ 30 ft. 1 delivery space @ 20 ft. *Loading shared between all uses and with Building C1 <b>(no new flexibility required)</b>
<b>Green Area Ratio</b>	0.2 min.	Details not provided	0.2
<b>Green Building</b>	--	LEED Gold	LEED Gold

Building C2	C-3-C/PUD Standards	Approved Stage 1	Proposed Stage 2
Neal Place Park	--	<p><u>Decision No. B.14</u>: 75% completion prior to COO for Building A2, and 100% completion within 120 days after issuance of COO for Building A2.</p> <p><u>Decision No. B.15</u>: 100% completion prior to issuance of COO for Building C2 or D.</p>	<p>90% complete prior to COO for Building A2, and 100% completion within 120 days after issuance of COO for Building A2.</p> <p><b>(proposed modification to remove Decision No. B.15 so that COO for Buildings C2 and D is not tied to completion of park)</b></p>

**IX. REQUESTED ZONING FLEXIBILITY**

The applicant requests the following flexibility through this PUD:

1. Flexibility from rear yard requirements (§ 744.1); approved in Stage 1 PUD.

The applicant requested flexibility to provide a reduced rear yard in the Stage 1 PUD. A rear yard of 27.08 feet is required for Building C2, and the Zoning Commission approved flexibility to allow a rear yard of 24 feet. In the current application, a rear yard of 24 feet is proposed, consistent with the Stage 1 PUD approval.

2. Flexibility from loading requirements (§ 2201.1); approved in Stage 1 PUD.

The applicant requested flexibility to provide one 30-foot loading berth in the Stage 1 PUD, where one 55-foot berth is required. The Zoning Commission approved the requested flexibility. In the current application, one 30-foot berth is proposed; however, the loading would be shared between building C1 and C2, which are considered one building for zoning purposes, providing the required loading facilities in one single building. No additional flexibility is requested.

3. Flexibility from the building lot control requirements (§ 2517.3); approved in Stage 1 PUD.

The applicant requested flexibility from the requirement to provide open space in front of entrances equivalent to the required rear depth in the Stage 1 PUD. The Zoning Commission approved the requested flexibility and no modifications are proposed in the current application.

4. Flexibility to allow a nightclub, bar, cocktail lounge, or restaurant use in the penthouse; new flexibility.

The applicant has requested new flexibility to allow a nightclub, bar, cocktail lounge, or restaurant use in the 7,269 square foot penthouse. During the week, the penthouse would be primarily used as office amenity space consisting of shared co-working spaces, communal work rooms, and informal gathering spaces for employees.

5. Design flexibility to move the maker space to an alternate location; new flexibility;

The applicant has requested flexibility to relocate the maker space providing that a minimum of 1,125 square feet is maintained and the maker space remains on the ground floor of Building C2 with visible frontage on Neal Place or 3<sup>rd</sup> Street.

## **X. PUD EVALUATION STANDARDS**

The PUD was approved under the ZR 58 Regulations, which, at 11 DCMR, Chapter 24 outlines the purpose and standards for Planned Unit Developments. Section 2400.1 states that a PUD is “*designed to encourage high quality developments that provide public benefits.*” The First Stage PUD established that the proposal would be of a high quality and would provide significant public benefits that it would protect and advances the public health, safety, welfare, and convenience.

Section 2403 further outlines the standards under which the application is evaluated.

*2403.3 The impact of the project on the surrounding area and the operation of city services and facilities shall not be found to be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project.*

### **Public Benefits and Amenities:**

The objectives of a PUD are to permit flexibility of development in return for the provision of superior public benefits, provided the PUD process is not used to circumvent the intent and purposes of the Zoning Regulations, or result in an action inconsistent with the Comprehensive Plan. Building C2 was approved with a FAR of 10.75 (Building C2). The modified development would have a FAR of 10.9, with the aggregate FAR for the PUD remaining within the 8.0 FAR allowed in the C-3-C/PUD zone. The overall approved FAR for the entire PUD is 7.1, and additional information should be provided illustrating that the approved and proposed buildings up to this point do not exceed the overall FAR.

#### *(c) Urban Design, Architecture, and Open Space*

The proposed project includes six new buildings and open space improvements that incorporate high-quality design that will have a positive impact on the visual and aesthetic character of the neighborhood, will respond to the PUD Site’s location and historical context, and will integrate a variety of uses that will directly benefit the community. The project includes new streetscape features, including new streets, sidewalks, landscaping and trees, bicycle racks, benches, lighting, and other amenities that will encourage pedestrian activity and greatly enhance the existing streetscape. The buildings would be interspersed with a variety of parks, plazas, seating, and open gathering spaces.

#### *(f) Housing and Affordable Housing*

The broader PUD will create new housing and affordable housing, providing a total of approximately 879,417 square feet, including Building D as a residential use, of new residential gross floor area (approximately 871 units). Building C2 would be developed as an office building. The applicant has proposed a habitable penthouse, which would require a contribution to the Housing Production Trust Fund. The applicant should provide an estimated contribution amount prior to the public hearing.

*(h) Employment Benefits*

The applicant will submit a First Source Employment Agreement for each building in the PUD.

*(k) Environmental Benefits*

The proposed development will provide multiple environmental benefits, including street tree planting, landscaping, energy and water efficient systems, construction waste management techniques, methods to reduce stormwater runoff, and bicycle parking. Building C2 will achieve LEED Gold certification under the USGBC LEED for New Construction v2009 rating standards.

*(o) Transportation Benefits*

The proposed project includes a number of elements designed to promote effective and safe vehicular and pedestrian movement, transportation demand management, and connections to public transportation services. The project incorporates improvements to the streetscape surrounding and within the PUD site that will improve the transportation network in the Market area and establish a street grid within the PUD site in lieu of the paved areas that currently existing.

Many of these elements are mitigations included in the TDM to mitigate potential adverse impacts of the project identified by DDOT. The applicant should provide additional information regarding the provision of 42 additional parking spaces to ensure that parking would not negatively impact the TDM.

*(q) Uses of Special Value to the Neighborhood and the District of Columbia as a Whole*

The applicant will develop three public park/plaza spaces within the PUD site, including Florida Avenue Park, The Plaza, and Neal Place Park. The construction of Neal Place Park will be coordinated with the construction of Building A2, west of the subject site. Neal Place Park will be an urban park providing almost 12,000 square feet of public open space. The park will include additional seating, and outdoor dining.

**XI. SUMMARY OF RELEVANT FIRST STAGE CONDITIONS**

The following summarizes OP comments on how the proposal meets the conditions outlined in the First Stage PUD with associated modifications for this portion of the PUD site. Only those elements of the Order requiring comment have been included; the Order may be reviewed in its entirety in the record for ZC Case No. 15-27.

ZC 15-27 Conditions	OP Comments
<b>A. Project Development</b>	
1. The Project shall be developed in accordance with the Architectural Plans and Elevations dated December 23, 2016 (Ex. 61A1-61A15), as supplemented by the revised sheets dated January 26, 2017 (Ex. 72A1-72A3), and as revised and supplemented by the sheets dated March 13, 2017 (Ex. 75A1-75A2), and as revised by the sheets dated April 7, 2017 (Ex. 76A) (“Plans”) and as modified by the guidelines, conditions, and standards of this Order.	The applicant has requested a modification to the Stage 1 approval for this site to construct an office rather than residential building. Generally, the bulk of the proposed building would be consistent with the Stage 1 approved plans.
2. In accordance with the Plans, the PUD shall be a mixed-use project comprised of four buildings (“Building A,” “Building B,” “ <b>Building C,</b> ” and “Building D”) constructed in two phases. Phase I (consolidated PUD) shall include the southern portion of Building A	Building C2 would be 130-feet high with a FAR of 10.9, providing ground floor retail and 10 stories of office. The applicant should provide



<p>(“Building A1”), Building B, and the southern portion of Building C (“Building C1”). Phase II (first-stage PUD) shall include the northern portion of Building A (“Building A2”), the northern portion of Building C (“Building C2”), and Building D. Upon completion of all buildings, the Project shall have an aggregate density of approximately 7.1 FAR. Approximately 1,091,201 square feet of total gross floor area will be devoted to residential use, approximately 52,968 square feet of total gross floor area will be devoted to retail use, and approximately 217,558 square feet of total gross floor area will be devoted to office use. Building heights shall range from approximately 78 feet to approximately 130 feet. The Project will include a total of approximately 682 off street parking spaces.</p>	<p>an update regarding the overall FAR for the PUD to ensure that it does not exceed 7.1, as well as revised calculations of residential FAR, number of units, and number of affordable units.</p>
<p>3. Exterior signage shall be limited to the types and locations depicted on Sheets 106-114 and Sheet 118 of Exhibit 75A2, and Sheets 119 and 120 of Exhibit 72A2, and the signage shall comply with the guidelines shown on Sheet 105A of Exhibit 75A2.</p>	<p>The signage plan appears to be consistent with the approved guidelines (provided on sheets 401 through 406 in Exhibit 4B3).</p>
<p>4. The Applicant is granted flexibility from the loading, parking, compact parking, rear yard, open court, and building lot control requirements of the Zoning Regulations, consistent with the Plans and as discussed in the Development Incentives and Flexibility section of this Order.</p>	<p>The applicant continues to request flexibility from rear yard, building lot control, and loading. New design flexibility has been requested, allowing the proposed maker space to be relocated within the ground floor of the proposed building.</p>
<p>5. The Applicant shall also have flexibility with the design of the PUD in the following areas:</p> <ul style="list-style-type: none"> <li>a) To be able to provide a range in the number of residential units of plus or minus 10%;</li> <li>b) To vary the number, location, and arrangement of parking spaces, provided that the total number is not reduced below the minimum number of parking spaces required by the Zoning Regulations;</li> <li>c) To develop Building A2 with hotel use above the proposed ground-floor retail and to develop Building D with hotel or office use above the proposed ground-floor retail, should the market demand be more appropriately satisfied with hotel and/or office use;</li> <li>d) To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms, provided that the variations do not change the exterior configuration of the building;</li> <li>e) To vary the sustainable design features of the Project, provided (i) the total number of LEED points achievable for Buildings A1 and B are not below LEED-Gold under the USGBC’s LEED for New Construction v2009 rating standards, (ii) the total number of LEED points achievable for Building C1 is not below LEED-Gold under the USGBC’s LEED for Core and Shell v2009 rating standards,</li> </ul>	<p>The applicant has requested additional design flexibility to allow the maker space to be relocated, if necessary.</p>

<p>and (iii) the total number of LEED points achievable for each building within the first-stage PUD is not below the total number of LEED points consistent with the USGBC LEED-Gold for New Construction v2009 rating standards;</p> <p>f) To vary the final selection of the exterior materials within the color ranges of the material types as proposed, based on availability at the time of construction without reducing the quality of the materials; and to make minor refinements to exterior details, locations, and dimensions, including: window mullions and spandrels, window frames, doorways, glass types, belt courses, sills, bases, cornices, railings, canopies and trim, such that the refinements do not substantially change the external configuration or appearance of the building;</p> <p>g) To use either tonal masonry or warm-tone terracotta cementitious panels for Building C1’s exterior building material, as shown on Sheet 80 of the Plans dated January 26, 2017; (Ex. 72A1.)</p> <p>h) In the retail and service areas, flexibility to vary the location and design of the ground floor components of the Project in order to comply with any applicable District of Columbia laws and regulations, including the D.C. Department of Health, that are otherwise necessary for licensing and operation of any retail or service use and to accommodate any specific tenant requirements; and to vary the size of the retail area; and</p> <p>i) To vary the features, means and methods of achieving the code-required Green Area Ratio (“GAR”) of 0.20.</p>	
<p><b>B. Public Benefits</b></p>	
<p>1. <b><u>Prior to the issuance of a Certificate of Occupancy for each residential building and for the life of the Project</u></b>, the Applicant shall demonstrate to the Zoning Administrator the following:</p> <p>a. For the life of the Project, the Applicant shall:</p> <p>i. Provide a total of 1,091,201 square feet of residential Gross Floor Area (“GFA”) of housing;</p> <p>ii. Set aside no less than 11% of the residential GFA, equaling not less than 120,036 square feet, as inclusionary units pursuant to version of 11 DCMR Chapter 26 in effect as of September 5, 2016; Z.C. ORDER NO. 15-27 Z.C. CASE NO. 15-27 PAGE 55</p> <p>iii. Set aside no less than 62 units (50% of the inclusionary units) comprising at least 60,018 square feet of GFA as inclusionary units for households earning equal to or less than 50% of the Area Median Income (“AMI”) (50% AMI Units”); and iv. Set aside no less than 62 units (50% of the inclusionary units) comprising at least 60,018 square feet of GFA as inclusionary units for households earning equal to or less than 80% of the AMI (“80% AMI Units”).</p>	<p>The applicant will modify this proffer to reflect the change in use for this building and the contribution of \$ 1.5 million to the Housing Production Trust Fund.</p>

<p>b. The distribution of the affordable housing units shall be in accordance with Sheets 122-130 of the Plans dated March 13, 2017 (Ex. 75A2), and in accordance with the following chart: (see chart in Order 15-27)</p> <p>c. The Inclusionary Zoning Covenant required by D.C. Official Code §§ 6-1041.05(A)(2)(2012 Repl.) shall include a provision or provisions requiring compliance with all the terms of this condition.</p> <p>2. If Building A2 is developed as for-sale housing, then the Applicant shall reduce the total affordable housing proposed for Building A2 from 11% to eight percent of Building A2's residential gross floor area, all of which shall be dedicated to households earning up to 80% of the AMI, and shall transfer an additional 13,713 square feet of affordable housing dedicated to households earning up to 50% of the AMI in Buildings A1 and B, to then result in the following allocations:</p>	
<p><b>3. <u>Prior to the issuance of a building permit for Buildings A1 and B</u></b>, each building owner shall have the individual obligation to register the subject building with the USGBC to commence the LEED certification process under the USGBC's LEED for New Construction v2009 rating standards. <b><u>Prior to the issuance of a building permit for Building C1</u></b>, the Building C1 owner shall have the individual obligation to register Building C1 with the USGBC to commence the LEED certification process under the USGBC's LEED Core and Shell v2009 rating standards. <b><u>Prior to the issuance of a building permit for each building in the second-stage PUD</u></b>, each building owner shall have the individual obligation to register the subject building with the USGBC to commence the LEED certification process under the version of LEED that is in place at the time of applying for that building's building permit.</p>	<p>There is no change to this requirement. A LEED Project Checklist has been provided on Sheet 601 in Exhibit 2E3, indicating that Building C2 will garner sufficient points to be registered as a Gold building with USGBC.</p>
<p><b><u>Neal Place Park</u></b></p>	
<p><b>14. <u>Prior to the issuance of a Certificate of Occupancy for Building A2</u></b>, the Applicant shall demonstrate to the Zoning Administrator that it has completed 75% of construction of the Neal Place Park in accordance with Sheets 20, L1.01-L1.02, and L1.20-L1.21 of the Plans, and as certified by the landscape architect. Neal Place Park shall be 100% completed within 120 days after issuance of the Certificate of Occupancy, as certified by the landscape architect. (Ex. 61A.) The Applicant shall submit detailed landscape design sheets as part of the Second-Stage PUD application that shall be consistent with the above referenced sheets.</p>	<p>The applicant has requested a modification of this condition to remove the connection between issuance of Certificates of Occupancy for Buildings C2 and D from the completion of Neal Place Park. The applicant proposes to require proof of 90% completion of Neal Place Park prior to issuance of a Certificate of Occupancy for Building A2, and 100% completion within 120 days after issuance of the Certificate of Occupancy for Building A2.</p>
<p><b>15. <u>Prior to the issuance of a Certificate of Occupancy for Building C2 or D (whichever is first)</u></b>, the Applicant shall demonstrate to the Zoning Administrator that Neal Place Park is 100% complete.</p>	
<p><b><u>Maker Spaces</u></b></p>	

<p>22. For the purposes of Conditions B.23 through B.25 the term “Makers Uses” means uses within the following use list: production, sale, and/or distribution of food and beverages (provided that the on-site consumption of food and beverages shall be permitted only as an accessory use of such production, sale, and/or distribution user); small-scale production and repair of goods and related sales; media/communications production and distribution; arts and entertainment; traditional crafts and trades; specialty sports and recreation uses (not including traditional gyms or fitness clubs); engineering and design; and technology design and production);</p>	<p>There is no change to this requirement. Maker space would be provided on the ground floor of Building C2.</p>
<p>23. <b><u>Prior to the issuance of a Certificate of Occupancy for Building A1 and Building B</u></b>, the building owner shall have the individual obligation to demonstrate to the Zoning Administrator that:</p> <ol style="list-style-type: none"> <li>It has dedicated a minimum of 2,250 total square feet for Makers Uses in Building A1 or Building B (spread between Buildings A1 and B, or located in either Building A1 or B;</li> <li>It is marketing the Maker Spaces at 10% less rent than the average base rent charged for leased retail space across the PUD Site at the time that each Maker space is leased; and</li> <li>It has and/or is in the process of marketing the 2,250 total square feet of Maker space to Makers Uses by retaining a retail broker with experience marketing to and securing a variety of tenant types, including Makers.</li> </ol>	<p>There is no change to this requirement. Maker space would be provided on the ground floor of Building C2.</p>
<p>24. <b><u>Prior to the issuance of a Certificate of Occupancy for Building C2 and Building D</u></b>, the building owner shall have the individual obligation to demonstrate to the Zoning Administrator that:</p> <ol style="list-style-type: none"> <li>It has dedicated a minimum of 2,250 total square feet for Makers Uses in Building C2 or Building D (spread between Buildings C2 and D, or located in either Building C2 or D);</li> <li>It is marketing the Maker Spaces at 10% less rent than the average base rent charged for leased retail space across the PUD Site at the time that each Maker space is leased; and</li> <li>It has and/or is in the process of marketing the 2,250 total square feet of Maker space to Makers Uses by retaining a retail broker with experience marketing to and securing a variety of tenant types, including Makers.</li> </ol>	<p>There is no change to this requirement. Maker space would be provided on the ground floor of Building C2.</p>

**XII. AGENCY REFERRALS**

If this application is set down for a public hearing, the Office of Planning will refer it to the following District agencies for review and comment:

- Department of Energy and the Environment (DOEE)
- Department of Housing & Community Development (DHCD)
- District Department of Transportation (DDOT)
- Department of Parks and Recreation (DPR)

- DC Public Schools (DCPS)
- Department of Public Works (DPW)
- Department of Aging (DOA)
- Department of Employment Services (DOES);
- Fire and Emergency Medical Services Department (FEMS)
- Metropolitan Police Department (MPD)
- DC Water
- WMATA

### **XIII. ATTACHMENTS**

- I. Comprehensive Plan - Guidelines for Using the Maps
- II. Appendix I – Comprehensive Plan Written Elements
- III. PDR/Maker Space Specifications

JLS/be

## Attachment II

### B. COMPREHENSIVE PLAN WRITTEN ELEMENTS

#### Upper Northeast Area Element (“UNE”):

- Planning and Development Priority e.: “Retail choices in Upper Northeast need to be expanded... Many of the commercial areas in Upper Northeast are dominated by used car lots, carry-outs, liquor stores, automotive uses and other activities that are not conducive to neighborhood shopping...**Florida Avenue and the areas around the Metro stations have the potential to become pedestrian-oriented shopping districts. The Florida Avenue Market also has the potential to become a more vital shopping district, serving not only as a wholesale venue but also as a retail center for Ivy City, Trinidad, Eckington and nearby neighborhoods.** (§2407.2)
- Planning and Development Priority h.: “Upper Northeast did not experience the kind of large-scale development experienced elsewhere in the city between 2000 and 2005, but that is likely to change in the next few years. **Proposals to redevelop the Capital City Market as ‘new town’ are being discussed...Growth and development must be carefully managed to avoid negative impacts, and should be leveraged to provide benefits for the community wherever possible.** (§2407.2)
- UNE-1.1.8: Untapped Economic Development Potential: Recognize the **significant potential** of the area’s commercially and industrially-zoned lands, particularly along the New York Avenue corridor...and **around the Capital City Market, to generate jobs, provide new shopping opportunities, enhance existing businesses, create new business ownership opportunities, and promote the economic well-being of the Upper Northeast community.** The uses, height and bulk permitted under the existing M and C-M-1 zones are expected to remain for the foreseeable future. (§2408.9 )
- UNE-1.2.1: Streetscape Improvements: “**Improve the visual quality of streets** in Upper Northeast, especially along...Florida Avenue...Landscaping, street tree planting, street lighting, and other improvements should **make these streets more attractive community gateways.**” (§2409.1)
- UNE-2.1.2: Capital City Market: “**Redevelop the Capital City Market into a regional destination that may include residential, dining, entertainment, office, hotel and wholesale food uses...**” (§2411.6)
- UNE-2.1.4: Northeast Gateway Urban Design Improvements: “**Improve the image and appearance** of the Northeast Gateway area **by creating landscaped gateways into the community, creating new parks and open spaces, upgrading key streets** as specified in the Northeast Gateway Revitalization Strategy, **and improving conditions for pedestrians along Florida Avenue and other neighborhood streets.**” (§2411.8)
- Action UNE-2.1.A: Capital City Market: “**Develop and implement plans for the revitalization and development of the Capital City Market into a mixed use residential and commercial destination.** Redevelopment plans for the site shall be achieved through a collaborative process that involves the landowners and tenants, the project developers, the District government, and the community.” (§2411.9)

## Citywide Guiding Principles:

- Land Use (“LU”)-1.3.2: Development Around Metrorail Stations: **Concentrate redevelopment efforts on those Metrorail station areas which offer the greatest opportunities for infill development and growth**, particularly station in areas...with large amounts of vacant or poorly utilized land in the vicinity of the station entrance... (§306.11)
- LU-1.3.3: Design To Encourage Transit Use: **“Require architectural and site planning improvements around Metrorail stations that support pedestrian and bicycle access to the stations** and enhance the safety, comfort and convenience of passengers walking to the station or transferring to and from local buses. **These improvements should include lighting, signage, landscaping and security measures...** (§306.13)
- LU-3.1.4 Rezoning of Industrial Areas: **“Allow the rezoning of industrial land for non-industrial purposes** only when the land can no longer viably support industrial or PDS activities or is located such that industry cannot co-exist adequately with adjacent existing uses. **Examples include land in the immediate vicinity of Metrorail stations...** (§314.10)
- Housing-1.1.4: Mixed Use Development: **Promote mixed use development, including housing, on commercially zoned land**, particularly in neighborhood commercial centers, along Mains Street mixed use corridors, and **around appropriate Metrorail stations.** (§503.5)
- PROS-4.3.2: Plazas in Commercial Districts: **Encourage the development of outdoor plazas** around Metro station entrances, in neighborhood business districts, around civic buildings, and **in other areas with high volumes of pedestrian activity. Use the planned unit development process to promote such spaces for public benefit and to encourage tree planting, public art, sculpture, seating areas, and other amenities within such spaces.** (§819.4)
- Urban Design-1.4.1: Avenues/Boulevards and Urban Form: Use Washington’s major avenues/boulevards as a way to reinforce the form and identity of the city, connect its neighborhoods, and improve its aesthetic and visual character. **Focus improvement efforts on avenues/boulevards in emerging neighborhoods**, particularly those that provide important gateways or view corridors within the city. (§906.4)
- UD-2.3.4: Design Context for Planning Large Sites: **Ensure that urban design plans for large sites consider not only the site itself, but the broader context presented by surrounding neighborhoods.** Recognize that the development of large sites has ripple effects that extend beyond their borders, including effects on the design or transportation systems and public facilities nearby. (§911.6)

## Attachment III

### PDR / Maker Specifications

Below is a list of key design specifications that would ensure flexibility of ground floor spaces for PDR and maker spaces. Generally speaking, these specs should be applicable to new construction. When operating in historic spaces, some of these specs may not be able to be accommodated. However, some PDR / maker users may still be able to operate within those spaces. Note that these specifications exclude Heavy Manufacturing and Hazardous Uses, which is consistent with the Ward 5 Works Study land use recommendations.

- i. Structural Slab Load (Ground Floor)
  - a. Live load of 125 psf
  - b. Allows for PDR / Light Manufacturing uses and equipment Note: Typical Retail is built to live load of 100 psf.
- ii. Clear Height
  - a. A minimum of 18'-0" from ground floor slab to bottom of structure
  - b. Provides adequate clear height for PDR / Light Manufacturing uses
  - c. Excludes Historic buildings
  - d. Note: Typical Retail in DC is 10' – 12' clear height.
- iii. Electrical
  - a. 50 watts per square foot
  - b. Provides adequate power for PDR / Light Manufacturing
  - c. Note: Typical Retail is 20 watts per square foot.
- iv. Loading Dock
  - a. 48" raised loading dock / levelers
  - b. Note: This eliminates need for vertical transportation for PDR / Light Manufacturing.
- v. Layout
  - a. Open floor plan
  - b. Provides flexibility for PDR / Light Manufacturing
- vi. Sound Attenuation for Mixed-Use
  - a. NC25 minimum noise criteria
  - b. 7" thick minimum concrete podium slab
  - c. Allows for compatibility between PDR / Light Manufacturing and Residential / Office
- vii. HVAC
  - a. Designed for 1 ton per 300 sf
  - b. Adequate for PDR / Light Manufacturing
  - c. Note: Typical Retail has higher HVAC requirements than PDR / Light Manufacturing, so use Retail specification.
- viii. Ventilation (Fresh Air / Make-Up Air)
  - a. Louvers at façade
  - b. Allows for PDR / Light Manufacturing uses
- ix. Vertical Transportation
  - a. See Loading Dock specification above