

Holland & Knight

800 17th Street, NW, Suite 1100 | Washington, DC 20006 | T 202.955.3000 | F 202.955.5564
Holland & Knight LLP | www.hklaw.com

Norman M. Glasgow, Jr.
202.419.2460
norman.glasgowjr@hklaw.com

Jessica R Bloomfield
202-469-5272
jessica.bloomfield@hklaw.com

June 16, 2020

VIA IZIS AND HAND DELIVERY

Zoning Commission for the
District of Columbia
441 4th Street, N.W., Suite 210S
Washington, D.C. 20001

**Re: Applicant's Supplemental 20-day Prehearing Filing
Z.C. Case No. 15-27B
Modifications to Buildings C1 and C2 and Second Stage PUD for Building C2**

Dear Members of the Commission:

On behalf of Carr Properties OC, LLC (the "Applicant"), and pursuant to 11-Z DCMR § 401.5, we hereby submit this Supplemental Prehearing Statement in support of Z.C. Case No. 15-27B for: (i) a modification to the approved consolidated planned unit development ("PUD") for Building C1 (Square 3587, Lot 833) to permit nightclub, bar, cocktail lounge, or restaurant uses in the penthouse; and (ii) a second-stage PUD and a modification of significance to the approved first-stage PUD to convert the primary use of Building C2 (Square 3587, Lot 834) from residential to office use, and to also incorporate nightclub, bar, cocktail lounge, or restaurant use into the penthouse on Building C2.

The public hearing for this case was originally scheduled for April 23, 2020. However, due to the covid-19 pandemic the Office of Zoning suspended all public hearings such that the originally-scheduled hearing for this case did not occur. The public hearing was rescheduled to a virtual public hearing to be held on July 6, 2020. *See* Notice of Virtual Public Hearing (Exhibit 23). This statement and the attached exhibits are intended to supplement the materials already included in the case record in anticipation of the rescheduled public hearing. Specifically, the revised architectural drawings attached hereto as Exhibit A are intended to replace and supersede the corresponding sheets previously submitted at Exhibit 15F.

1. Updated Renderings and Façade Details

Included as Sheets C-2_202 through C-2_205 and the "Building C-2" cover sheet to the architectural drawings attached hereto as Exhibit A are updated full building renderings from the north and southwest and renderings showing details of Building C2's primary entrance, northern retail corner, and rooftop terrace.

In addition, Sheet C-2_314 of Exhibit A presents refinements to Building C2's façade, including an updated window section detail showing the depth of the window mullions and an intermediate horizontal mullion needed for safety glazing.

2. Updated Drawing Sheets and Zoning/FAR Diagrams

Increased Bicycle Parking. Attached hereto as Sheets C-2_101, C-2_303-304, and C-2_502 to Exhibit A is an updated zoning tabulation chart, P1 plan, ground floor plan, and landscape plan. These sheets are resubmitted to show the revised number of long- and short-term bicycle parking spaces, which have increased since the original application filing. As shown on these sheets and as described in the Applicant's Comprehensive Transportation Review ("CTR") Report (Exhibit 20A in the case record), a total of 77 long-term and 16 short-term bicycle parking spaces will be provided for Building C2, which exceeds the bicycle parking requirements of the 2016 Zoning Regulations. In addition, as shown on Sheet C-2_101, the Applicant will provide at least the minimum number of showers and lockers as required by 11-C DCMR § 806.

Streetscape Plan. As shown on Sheet C-2_502 of Exhibit A, the Applicant revised the landscape plan to incorporate a flush curb along the east side of Building C2 along the private alley to provide handicapped accessibility from Building C2 across the alley.

Alley Lighting. As shown on Sheet C-2_311 of Exhibit A, the Applicant updated the building's east elevation to incorporate building-mounted lighting. As shown on that sheet, the lighting will include surface mounted light fixtures on the building façade and lighting installed within the angled columns to provide sufficient illumination along the alley.

PUD Lot Areas and FAR. Attached hereto as Sheet 201 of Exhibit A is an updated zoning diagram that provides an accurate depiction of the lot areas for the individual building sites within the overall PUD. In addition, attached hereto as Sheet 203 to Exhibit A is an updated Development Chart that illustrates how FAR has been reallocated within the PUD site since the first-stage PUD approval. This chart identifies the following:

1. The FAR approved in the first-stage PUD for each building, including the non-residential options approved for Buildings A2 and D;
2. The FAR shown on the approved building permits for Buildings A1, B, and C1, all of which were approved as part of the consolidated PUD;
3. The FAR approved (for Building A2) and proposed (for Buildings C2 and D) in the second-stage PUDs for those buildings; and
4. The approved and proposed number of parking spaces per building compared to the original number of parking spaces approved in the first-stage PUD.

3. Updated Signage Plan

The Applicant originally submitted a signage plan at Sheets C-2_401-405 to the architectural drawings included at Exhibit 15F. Attached hereto as Sheets C-2_401-405 to Exhibit A is a revised signage plan that includes more specific details on the proposed building signage located at the ground level and at the top of the building.

4. Solar Commitment

As shown on Sheet C-2_308 of Exhibit A the Applicant proposes to provide solar panels on the northeast portion of Building C2's penthouse. The top of the solar panels will be a maximum of 20 feet above the building roof, and will be hidden within the penthouse parapet that also extends to a height of 20 feet.

The Applicant herein commits that a minimum of 600 square feet of solar panels will be provided on the roof of Building C2. However, given the need to address potential issues that may arise during construction and minor modifications that cannot be anticipated at this time, the Applicant requests flexibility to increase or decrease the exact square footage of solar panels on Building C2 by approximately 10%, so long as the solar panels are located in the same general location as shown on Sheet C-2_308.

5. Further Justification for Proposed Change in Use from Residential to Office

The Applicant is aware of the District's goal of adding 36,000 new housing units by 2025, and therefore provides the following additional justification for the conversion in use from residential to office for Building C2:

As shown on the Market District Q2 2020 Market Observations summary prepared by JLL and attached hereto as Exhibit B, the Market District subarea has more than seven times the square footage of multifamily compared to office:

- 4,860,000 Existing Multifamily SF
- 1,500,000 Existing Retail SF
- 662,00 Existing Office SF

The vast majority of projects under construction are multifamily:

- 1,500,000 Multifamily SF Under Construction
- 262,000 Office SF Under Construction

There are no existing office buildings over two stories in Union Market and very little planned in the future. This lack of commercial office space could make the area a bedroom community compared to the diverse, thriving, multi-use location that was originally envisioned. It is critical to have a healthy amount of office use within Union Market to support the retail during the week. Moreover, with the influx of new residents in the area, the additional 232,000 square feet of office use proposed for Building C2 will be a great addition to the Union Market community by allowing people to work close to housing, retail, and the Metro.

The District has seen similar positive growth in other mixed use areas. For example, success of the District Wharf is directly attributed to its vibrant mix of uses. The Wharf's ratio of office to residential is nearly seven times higher than the Union Market subarea. After delivery of Phase II, the Wharf will have approximately 335,000 square feet of retail use; approximately 1,375 residential units; and approximately 945,000 square feet of office space. By comparison, by 2022 the Union Market is projected to have approximately 600,000 square feet of retail use; well over 5,000 residential units; and approximately 660,000 square feet of office space. Increasing the

amount of office use in the Union Market subarea by allowing the conversion of Building C2 from residential to office would contribute to the long-term health and viability of the neighborhood.

The proposed 232,000 square feet of proposed office space in Building C2 will provide the following benefits:

- Create a vibrant mix of uses that will support the 600,000 square feet of retail use during the week;
- Allow residents to work close to housing and retail, creating a true mixed-use and walkable neighborhood; and
- Result in an increased tax rate of \$0.85 per \$100 for residential use to \$1.89 per \$100 for commercial office use, which will create significant funds for affordable housing.

Moreover, as part of its proposal to convert the primary use of Building C2 from residential to office, the Applicant also proposes to (i) contribute \$1,500,000 to the District's Affordable Housing Production Trust Fund ("Trust Fund") to compensate for the loss of approximately 23,300 square feet (26 units) of affordable housing that would have been provided if Building C2 was developed as residential; and (ii) contribute an additional payment of approximately \$170,000 to the Trust Fund based on the construction of habitable penthouse space in Building C2, pursuant to Subtitle C § 1505 of the Zoning Regulations.

Additionally, as set forth in the Applicant's Prehearing Statement (Exhibit 15), the approved first-stage PUD included a range in the total amount of housing and affordable housing for the overall PUD. This was a result of the Commission approving flexibility for Buildings A2 and D to have either residential or non-residential uses. *See* Z.C. Order No. 15-27, Decision No. A.8(c)) and the approved first-stage PUD plans at Exhibit 61A, Sheet 11.

- **The approved upper range was 1,091,201 square feet of residential GFA and 120,036 square feet of affordable housing GFA** (assuming Buildings A2 and D were both developed as residential buildings).
- **The approved lower range was 720,394 square feet of residential GFA and 79,246 square feet of affordable housing GFA** (assuming Buildings A2 and D were both developed as non-residential buildings).

The second-stage PUD applications for Buildings A2 and D have confirmed that both of those buildings will be developed with residential use. Therefore, based on the first-stage PUD for Buildings A1 and B, the second-stage PUDs for Buildings A2 and D, and assuming office use for Buildings C1 and C2, then **approximately 896,313 square feet of residential GFA and approximately 98,594 square feet of affordable housing GFA (11%) is currently proposed for the overall PUD site, which is well within the range previously approved by the Zoning Commission.**

Based on the foregoing, the proposal to convert Building C2 from residential to office use is fully consistent with the options for overall building usage within the PUD Order and the

amount of affordable housing that would be produced under those alternative use scenarios. The \$1.5 million contribution to the trust fund is appropriate in this context given that the housing and affordable housing now being provided in the overall PUD is still fully consistent with the first-stage PUD approval. The PUD Order can be read to provide this level of flexibility and we encourage the District to take advantage of it for the wellbeing of this important submarket that is providing so many residential units.

6. Updated Transportation Demand Management and Loading Management Plans and Streetscape Updates

Based on further discussions with DDOT following submission of the Applicant's CTR (Exhibit 20A), the Applicant has revised its transportation demand management and loading management plans. The final revised plans are included in the memorandum dated May 20, 2020 and attached hereto as Exhibit C.


Based on discussions with DDOT, the drawings submitted at Exhibit A also show the following:

- Flush curb on the east side of the site, adjacent to the alley (described above; *see* Sheet C-2_502);
- Alley lighting (described above; *see* Sheet C-2_311);
- Short and long-term bicycle parking that exceed the minimum requirements (described above; *see* Sheets C-2_101, C-2_303-304, and C-2_502);
- Confirmation that the project will provide at least the minimum number of showers and lockers, as required by 11-C DCMR § 806 (described above; *see* Sheet C-2 101); and
- Confirmation that the design of the cycle track in the alley is coordinated and consistent with the cycle track as it moves north adjacent to Building D (*see* Sheet C-2_502). As requested by DDOT, the cycle track is 8 feet in width.

The Applicant appreciates the Commission's continued review of this project and looks forward to making a full presentation at the July 6, 2020 virtual public hearing on this application.

Sincerely,

HOLLAND & KNIGHT LLP

By: 
Norman M. Glasgow, Jr.
Jessica R. Bloomfield

Attachments

cc: Certificate of Service
Joel Lawson, Office of Planning (via Email w/ attachments)
Brandice Elliot, Office of Planning (via Email w/ attachments)
Aaron Zimmerman, DDOT (via Email w/ attachments)

CERTIFICATE OF SERVICE

I hereby certify that on June 16, 2020, a copy of the foregoing Supplemental Prehearing Submission was served on the following via email, with hard copies sent on the following business day.

Ms. Jennifer Steingasser
1100 4th Street, SW
Suite 650 East
Washington, DC 20024

Via Email

Advisory Neighborhood Commission 5D
c/o Clarence Lee, Chair
1519 Trinidad Avenue, NE
Washington, DC 20002
5D@anc.dc.gov
5D07@anc.dc.gov

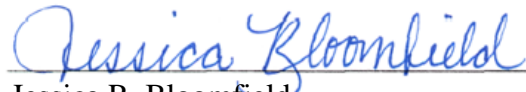
Via U.S. Mail and Email

Commissioner Ryan Linehan (SMD 5D01)
1834 Central Place, NE
Washington, DC 20002
5D01@anc.dc.gov

Via Email

1250 4TH ST EDENS, LLC and
UNION MARKET APARTMENTS, LLC
c/o David M. Avitabile
Goulston & Storrs
1999 K Street, NW, 5th Floor
Washington, DC 20006
DAvitabile@goulstonstorrs.com

Via Email


Jessica R. Bloomfield
Holland & Knight LLP