



MEMORANDUM

TO: District of Columbia Zoning Commission
JLS

FROM: Jennifer Steingasser, Deputy Director
Development Review and Historic Preservation

DATE: June 10, 2016

SUBJECT: Public Hearing Report for ZC #15-28, Consolidated PUD and related Zoning Map Amendment from C-M-1 to C-3-C, 301 and 331 N Street NE and two unaddressed parcels on N Street NE (Square 772, Lots 20, 21, 22, 23 and 800)

I. SUMMARY RECOMMENDATION

The Office of Planning (“OP”) recommends **approval** of the consolidated Planned Unit Development (“PUD”) and related zoning map amendment for the property located at 301 and 331 N Street NE, and two adjacent unaddressed a parcels on N Street NE (the “Property”) with consideration by the Applicant of the following changes to the public benefits package:

- Increase the IZ benefit beyond 10% (2,589 sf GFA) of the required 8% (25,899 sf GFA) as 50% AMI.
- Provide additional definition and certainty about the design and installation of interactive art (considered a proffer valued at \$100,000), or re-allocate those funds toward either the NoMA BID for the Metro Station N Street eastern entrance effort, OR towards increasing the IZ benefit.
- Include a commitment of an approximate square footage and location within a building for maker or creative production uses as part of the PUD, as well as subsidies and other incentives to make this use viable. Maker uses are consistent with the striped PDR designation of the site, can effectively create jobs at varying income and skill levels, and will add to the character of this neighborhood and the Florida Avenue Market Area.
- Commit to building the conceptual N Street streetscape plan (pending public space review and approval), regardless of cost/pricing. Confirm the Applicant will build the conceptual N Street streetscape plan shown in Exhibit 42A of ZC #15-22 and that the related streetscape proffer include similar language as Exhibit 42 of #15-22. OP notes the final streetscape plan is to be determined through the public space process in coordination with DDOT and OP, after the hearings have concluded for #15-28.

As described in Section IV of this report, the proposed zoning and PUD would not be inconsistent with the maps and written elements of the Comprehensive Plan and the NoMA

Vision Plan and Development Strategy, which recommends higher density and height for properties close to the Metrorail Station, N Street and Florida Avenue (3.8 and 5.13).

II. APPLICATION-IN-BRIEF

The proposed two-phase project consists of four (4) connected, mixed-use buildings of approximately 372 residential units (323,748 sf), 175 hotel rooms (80,366 sf) (with flexibility requested to convert to 175 condominium units), 25,659 sf of office/creative space, 25,327 sf of ground-floor retail, and 6,621 sf of service areas that serve all buildings, for a total gross floor area of 461,721 sf or total FAR of 6.67. Flexibility with regard to certain zoning regulations has been requested to facilitate the proposed development, which has been briefly summarized in Section II and detailed in Section VI in this report.

Location: Square 772, Lots 20, 21, 22, 23 and 800. Generally, a rectangular-shaped property bounded by N Street NE to the north, 3rd Street NE to the west and 4th Street to the east and a 14.75-foot wide public alley to the south. The Metropolitan Branch Trail is located west of the tracks. The Property is within 1,000 feet from the NoMA-Gallaudet U (New York Avenue) Metro Station.

Ward/ANC: Ward 6, ANC 6C

Applicant: 301 N Street Titleholder, LLC and 331 N Just, LLC, c/o Foulger-Pratt Development, LLC

Current Zoning: C-M-1 Commercial-Light Manufacturing District

Existing Use of the Property: Primarily, a 2-to-3 story brick building housing Capital Self Storage (301 N. St. NE) and the brick Grainger building of two (2)-stories (331 N. St. NE)

Comprehensive Plan Future Land Use Map Designation: Striped one-third each Medium-Density Commercial, Medium-Density Residential and Production, Distribution and Repair

Property Size: 69,240 square feet (1.5895 acres)

Proposal: Mixed use buildings of approx. 372 residential units, 175 hotel rooms (or condominiums), 25,659 sf of office/creative use and 25,327 sf of retail use on the ground floor. The total proposed GFA is 461,721 sf or total FAR of 6.67.

Relief and Zoning: Pursuant to 11 DCMR Chapter 24, the Applicant seeks:

1. Consolidated PUD and related map amendment to the C-3-C District;
2. Flexibility from Penthouse Setback Requirements (§411.20);
3. Flexibility from Rear Yard Requirements (§774.1);
4. Flexibility from Court Width and Area Requirements (§776);
5. Flexibility from Loading Requirements (§2201.1);
6. Flexibility to vary the number of residential units;
7. Flexibility regarding the uses of the second and third floors of the proposed 301 N. Street NE.
8. Flexibility to convert the proposed hotel use to residential condominiums;

9. Flexibility to make minor adjustments to the courtyard-facing facades of the residential buildings to accommodate final unit layout; and
10. Flexibility to phase development in up to three (3) phases.

III. PLAN CHANGES SINCE SETDOWN

In response to comments made by OP and the Zoning Commission at the meeting held on February 8, 2016, the Applicant filed revised plans and a Pre-Hearing Statement on March 29, 2016. On May 31, 2016, the Applicant filed a 20-Day Statement submission. The following is a summary of the Zoning Commission questions and comments from February 8 and the Applicant’s response through both of their submissions.

Zoning Commission Comment from Feb. 8, 2016	Applicant Response	OP Comment/Analysis
Clarify the “regular arts and related programing (art shows, film screenings, etc.)” proffered on p.39 of Exhibit 1	Design and install interactive art (up to \$100,000). (Exhibit 21, p.2)	OP is unclear what the art component is and where it is located. OP is unsure if it is public or private. Additional definition and certainty is needed, and the applicant may wish to involve the DC Commission on the Arts & Humanities. Barring this, the Applicant may wish to re-allocate this funding.
Concern with the roof regarding if all penthouse setbacks have been met and the penthouse needs to be in conformance with all penthouse regulations Need better roof views, sections, plans and how the project meets the penthouse setback requirements	See pages G9a, G9b, A01-A03, A13, A19, Exhibit 21C	The Applicant has provided additional drawings, and has requested 1:1 setback relief for the portions of the penthouse that face the interior courtyard. OP is not opposed to this relief, however, the complicated roof plan remains somewhat unclear.
The drawings are confusing in terms of the interior courtyards and need clarification regarding what is inside the building and what is outside of the building	Revised drawings were submitted in Exhibits 13D1-6. Also see page G9, Exhibit 21C	OP believes the drawings are sufficient to show buildings and courtyards.
Clarify the extent of the building behind the historic structure—is there an architectural embellishment? There appears to be a continuous façade with no setback.	Revised drawings were submitted in Exhibits 13D1-6, and Exhibit 21C.	OP understands that the Applicant met with OP Historic Preservation Staff regarding the design of the buildings surrounding the preserved structure and the core tower of a dark color was

		agreed-upon element to visually tie the buildings together. Additionally, core is setback from the street the distance of width of the preserved structure.
A lot of flexibility has been requested so a deeper IZ benefit and LEED gold is expected.	The Applicant has augmented its benefits package per Exhibit 21. The Applicant has proffered 10% of the 8% required IZ set-aside to 50% AMI designees. The Applicant has committed to LEED Gold USGBC certification for the residential components of the project.	OP supports the increased benefits package; however would support additional improvements to the IZ benefit. OP supports the LEED Gold proffer.
Need better roof views, sections, plans and how the project meets the penthouse setback requirements	See pages G9a, G9b, A01-A03, A13, A19	The Applicant has requested 1:1 setback relief for the portions of the penthouse that face the interior courtyard.

IV. COMPREHENSIVE PLAN MAPS, POLICIES AND SUPPLEMENTAL GUIDANCE

The proposed PUD must be determined by the Zoning Commission to be not inconsistent with the Comprehensive Plan and with other adopted public policies (§ 2403.4). The map amendment also should not be inconsistent with the Comprehensive Plan and other adopted policies.

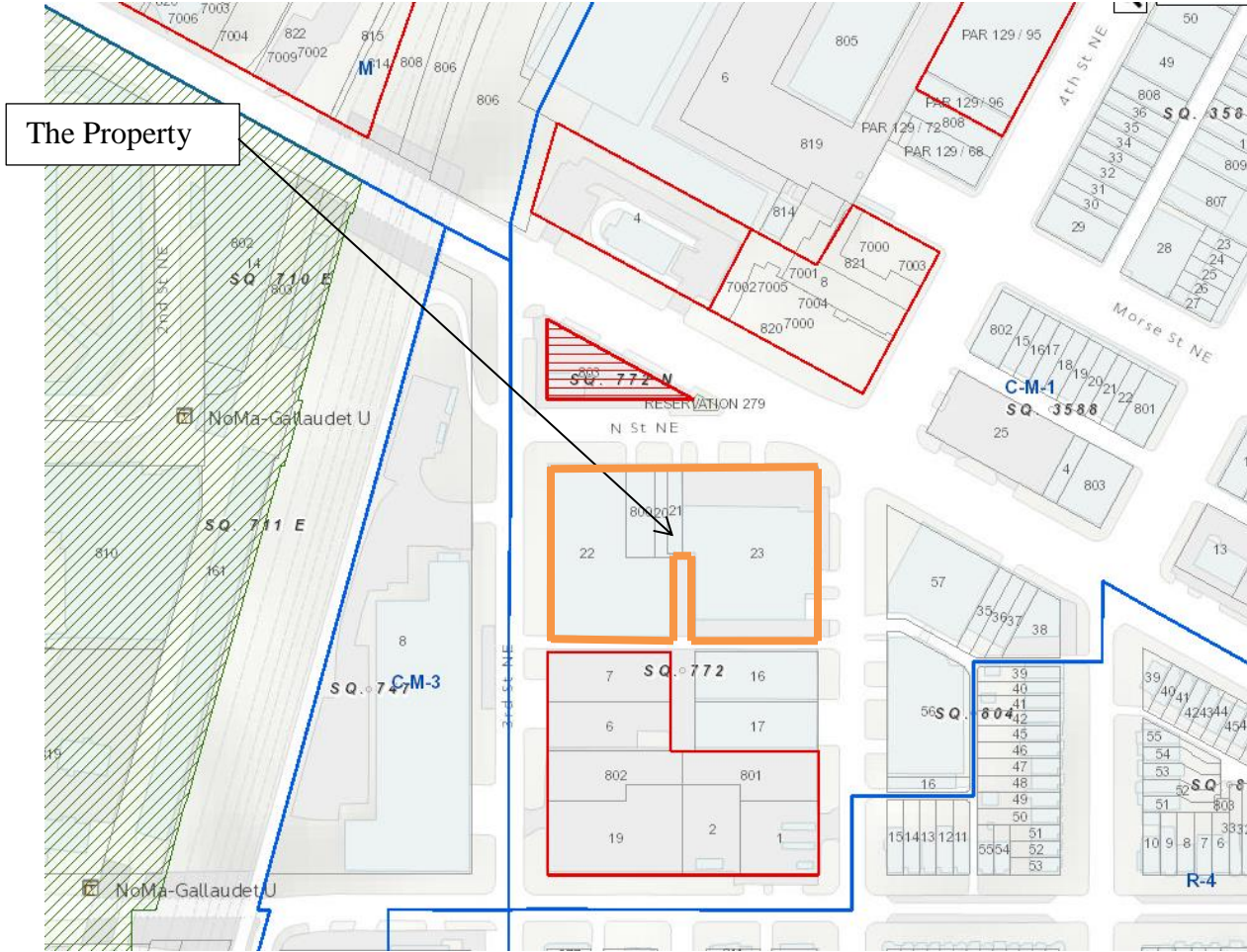
As fully discussed in the OP setdown report dated January 29, 2016 (Exhibit 11), the application would further major policies from various elements of the Comprehensive Plan, including the Land Use, Transportation, Housing, Economic Development, Historic Preservation, and Urban Design Citywide elements, and the Central Washington Area Element.

The proposal is not inconsistent with the Generalized Policy Map, which designates the site as a Land Use Change Area, which depicts development opportunities of underutilized areas with high-quality developments, and the adaptive reuse of existing structures. The Property is also within the Central Employment Area, which permits the types of uses proposed with the PUD.

A detailed review of the comprehensive plan and analysis regarding how this PUD is not inconsistent with the Comprehensive Plan is located in OP’s setdown report, Exhibit 11, pages 6 – 11.

V. ZONING

The Property is currently zoned to the C-M-1 Commercial-Light Manufacturing District, which is intended to provide sites for light manufacturing activities including warehousing, office and automotive usage at a low intensity level. It does not permit residential use or mixed use development with a residential component. The Applicant proposes C-3-C Major Business and Employment Center District which is designed to accommodate major business and employment centers, housing and mixed use development. It allows for compact, medium-high density development, including office, hotel, retail housing and mixed-use development.



Zoning Map.

The following table compares the existing matter-of-right development capacity of the C-M-1 District with the requested C-3-C District regulations:

Standard	C-M-1 By Right	C-3-C By Right	C-3-C PUD	Proposal
Uses	Industrial, commercial	Office, retail, residential and mixed use	Office, retail, residential, hotel and mixed use	Residential, hotel and office/creative uses with ground floor retail
Height in feet/stories	40 ft./3-stories	90 ft.	130 ft.	110 ft and 120 ft., 11 stories
FAR	3.0	6.0	8.0	6.67
Lot Occupancy %	Not specified	100%	100%	57%
Rear Yard	For the portion of the structure above 20' in height, 12 ft.	2.5"/vertical feet in height, but $\geq 12'$	2.5"/vertical feet in height, but $\geq 12'$	21'-11" and 26'-1" feet required, 10 feet and 5 feet provided (Relief Necessary)
Side Yard	None required	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	None provided
Courts	If provided, 6' width for open court and 2.5"/foot of height in width	Width of Courts: 4"/foot in vertical height, < 15"; Area of Closed Court: 2x the square of the width of the court, but < 350 sf	Width of Courts: 4"/foot in vertical height, < 15"; Area of Closed Court: 2x the square of the width of the court, but <350 sf	Relief Requested for closed court width and area for eastern buildings(301 N St NE) (37'-8' in width and 2836 sf in area required and 15' and 675 sf provided)
Parking (spaces)	1/1000 sf of manufacturing, industrial or whole sale establishment	1 space/1,800 sf office; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units	1 space/1,800 sf office more than 2,000 sf; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units or hotel rooms	Multifamily: 93 required for 372 units), 156 provided Retail: For 25,327 sf, 27 spaces required, 27 provided. Hotel: 44 spaces required, 44 provided. Office/Creative Uses: 13 required, 13 provided.
Loading	Berth: 1 @ 30' deep Platforms: 1 @ 100 sf & 1 @ 200 sf	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	For both multifamily and retail, 1 berth @ 30', platform of 200 sf, and 1 svc @ 20' (Relief Necessary)
Penthouse Setback	1:1 required	1:1 required	1:1 required	Relief requested from the interior open court

VI. FLEXIBILITY

The following zoning flexibility is requested to facilitate the PUD -related map amendment:

- Penthouse (§411.18)**
 The penthouses of both the 301 and 331 N. St building will not be setback from the internal, central court distances equal to their heights. Both mechanical penthouses are 20' in height. The 331 N St. building penthouses will be setback from the court a distance of 12' and 8', and the 301 N St. penthouse will be setback 9'. OP is not opposed to this relief since it is interior to the project and would not be visible from public streets or other properties.
- Rear Yard (§774.1)**
 With regard to the 301 N Street NE building, the Applicant requests flexibility to allow for a 10' rear yard instead of the required 22.9' rear yard. For the eastern building, 331 N Street NE, the Applicant seeks to provide a 5' rear yard and 25' is required. The Applicant states there are two main reasons for the reduction in rear yard: the provision of the significant,

central open space and the fact that the historic 301 N. Street NE building must remain in its current position. OP is supportive of this relief.

- Court Width and Area Requirements (§776)
The Applicant requests flexibility to allow for a closed court within the 301 N. Street Building with a width of 15' and an area of 675 sf, whereas the required width is 37'-8" and the required area is 2,836. The Applicant points out that this closed court is separated from an open court by a property line and is not indistinguishable from the open court. In total, both closed courts that form the central, significant open space total over 8,000 sf. OP is supportive of this relief.
- Loading (§ 2201.1):
The uses proposed for both the 301 N Street NE and 331 N Street NE buildings, § 2201.1 require twelve separate loading facilities, including berths, platforms, and/or services spaces of varying lengths. The Applicant requests flexibility to provide two (2) shared loading berths of 30 feet deep; two (2) 100 sf platforms; and one (1) service delivery space of 20 feet. The Applicant states the provided loading facilities will be sufficient for the proposed uses and states that twelve separate required loading facilities would consume a significant amount of ground floor area.
- Number of residential Units: The Applicant requests the ability to provide a range of the number of residential units between 340 and 390.
- Flexibility of Uses for Office Component: The Applicant requests the ability to vary uses of the second and third floors of the historic 301 N Street building. Uses requested include the following: office space for creative industries (i.e. WeWork), architecture firm, restaurant, design gallery, soft goods, furniture store. OP is supportive of this request and would ask the Applicant to include maker or creative production (arts related) uses as potential uses in at least a portion of this building.
- Flexibility to phase the development: The Applicant requests the ability to phase the development into three phases: Phase 1: rehabilitated historic building; Phase 2: two residential buildings; Phase 3: hotel. Note the Applicant may vary the components of each phase and/or seek to complete Phase 2 and Phase 3 at one time.

The Applicant has requested the following new areas of relief with its most recent submission:

- Flexibility to convert hotel use to residential condominiums: OP is not opposed to this request as both uses are consistent with the comprehensive plan maps and policies and zoning regulations. While Hotel is consistent with economic development goals, additional new housing in the CEA with its corresponding increase in the IZ production is also consistent with the comprehensive plan policies.
- Flexibility to make minor adjustments to the courtyard-facing facades of the residential buildings to accommodate final unit layout. OP is not opposed to this relief.

VII. PUD EVALUATION STANDARDS AND PUBLIC BENEFITS AND AMENITIES

The purpose and standards for Planned Unit Developments ("PUD") are outlined in 11 DCMR, Chapter 24. Section 2400.1 and 2400.2 states "The PUD process is designed to encourage high quality developments that provide public benefits....The overall goal is to permit flexibility of development and

other incentives, such as increased building height and density; provided, that the project offers a commendable number or quality of public benefits and that it protects and advances the public health, safety, welfare, and convenience.” The Applicant has requested various flexibilities detailed above and also offers several public benefits and amenities.

The Applicant requests a PUD and related map amendment, which is not inconsistent with the Comprehensive Plan maps and policies, to **allow 70’ and 80’ of additional building height** above the C-M-1 limits, as well as **a density increase of 3.68 FAR or 254,791 sf.**

Per § 2403.3 PUD Evaluation Standards, the PUD regulations further state that “[t]he impact of the project on the surrounding area and upon the operations of city services and facilities shall not 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.”

The Applicant has offered the following amenities and benefits as an offset to the additional development gained through the application process:

- (a) *Urban design, architecture, landscaping, or creation or preservation of open spaces - § 2403.9(a)*

Urban Design

In terms of urban design, the Applicant will improve the current pedestrian realm from its current state through the ground floor building design and the streetscape elements.

Ground floor Building Design: The building design at the ground floor includes base articulation through the use of aluminum-framed floor-to-ceiling glass windows and metal canopies that help establish a comfortable pedestrian-scale along 3rd Street NE, 4th St. NE and N St. NE. The ground floor uses with multiple retail entries and lobbies will activate the streetscapes. The location of retail along 3rd Street NE is consistent with the NoMA Plan recommendations and U-line development in transforming 3rd Street into a retail destination area. Similarly, locating retail uses along 4th Street NE is a continuation of retail uses planned and present within the FAMs to the north. By locating all back-of-house loading, vehicular ingress/egress and storage within the alley, it significantly reduces the need for curb cuts on streets where it would interrupt the pedestrian realm.

Streetscape Elements:

The Applicant proposes a new, expanded streetscape along N Street NE which will conceptually include a specialty paving zone along the building edge for café seating, a clear sidewalk zone and a tree planting zone. The Applicant is proffering improvements to the streetscape that are beyond a typical streetscape for a PUD. On both 3rd Street NE and 4th Street NE the Applicant will provide a specialty paving zone for café seating along the building faces, a clear sidewalk area, and a tree planting zone. These elements will improve the pedestrian experience from the current state of the streetscape; additional detail should be provided explaining how the proposed streetscape will marry with the streetscapes surrounding the project and the feasibility of specialty paving considering Public Space Regulations.

Architecture

The proposed architecture is contemporary. The color scheme of greys and blacks, as well as the materials selection of metal, glass and brick fit in with an industrial aesthetic typical of PUDs in this area. The use of brick material on the hotel and residential building that flank the preserved 301 N. Street building appears appropriate. An interesting element of the proposed façade of the residential buildings includes projecting and recessing glass planes in a random pattern which is similar to PUD #15-01, 320 Florida Avenue NE (the Highline), which is located across Florida Avenue NE.

Landscaping and Creation of Open Space

The Applicant intends to provide plantings within the streetscape planting beds as well as street trees, as would be expected for any new development. Within the private, ground floor courtyards the Applicant intends to provide over 6,000 sf of planted areas. Seating is also shown within the courtyards. The Applicant also intends to provide a substantial amount of plantings of 14,000 sf on the main roof and penthouse roof levels. A pool and seating areas are also shown on the 331 N. Street building, and seating areas are shown on the roof plan of the hotel building.

(b) Site planning, and efficient and economical land utilization - § 2403.9(b)

The proposal would completely transform a significantly underutilized site located within 1,000 sf of a Metro station. The development will provide for the adaptive reuse and façade preservation of a historic building and contribute to the activation of 3rd Street NE as an active, retail corridor from the U-line area and NoMA, west of the railroad tracks. The significant amount of retail and mix of uses will complement the FAMS/Unions Market area with its active retail uses, additional residents, and streetscape and off-site improvements. Loading and garage access from one curb cut off an alley is an efficient site planning element of the project.

(c) Historic preservation of private or public structures, places, or parks - § 2403.9(d)

The existing Property includes 301 N Street NE, which was once known as the National Capital Press Printing Plant built in 1931. The site has been deemed eligible for designation, and the Applicant has agreed to pursue a landmark designation for this building. The building has already received conceptual design approval from the Historic Preservation Review Board (HPRB) at its June 25, 2015 meeting. Since that time, the Applicant has worked with OP Historic Preservation staff regarding the design of the building, the preservation of its façade and the adaptive reuse of the building. It is anticipated that the landmark designation application will be filed soon, and the review of it by HPRB will occur concurrently with the PUD public hearing process.

(d) Housing - § 2403.9(f)

The Applicant proposes to provide 323,748 sf of residential use which will be equivalent to approx. 372 units. The Applicant has proposed 8% or 25,899 sf of GFA of affordable housing, which is the minimum requirement under the Inclusionary Zoning regulations. As a proffer, the Applicant will set aside 10% (2,589 sf of GFA) of the minimum housing contribution for 50% AMI recipients. The introduction of residential use in an underutilized site is consistent with planning goals for the property detailed above; however OP has advised the Applicant that a stronger housing proffer is warranted.

(e) Environmental benefits- § 2403.9(h)

The Applicant will certify the residential buildings as LEED Gold through USGBC, which OP supports.

(f) Uses of special value to the neighborhood or the District of Columbia as a whole § 2403.9 (i)

The proposed PUD with its mix of uses, including a hotel, and a significant amount of retail connecting U-line and FAM area, as well as the adaptive reuse of a historic building including pursuit of a landmark designation, contributes to the NoMA area and complements the future development of the FAM area to the north. OP has suggested to the applicant commitments to the provision of dedicated space for the maker or creative economy, consistent with the Comp Plan designation.

OP has also suggested to the Applicant consideration of definitive commitments additional contributions towards either the housing benefit or towards funding the eastern entrance of the Metro station.

VII. AGENCY REFERRALS

OP anticipates reports from the Department of Transportation (DDOT) and the Department of Energy & Environment (DOEE), which will be filed under separate cover.

VIII. COMMUNITY COMMENTS

The site is located in ANC 6C. The applicant has been in contact with this ANC. OP encourages the applicant to continue its community outreach efforts throughout the public review process.

JS/mcr