ZONING COMMISSION CASE NO. 16-26 CONSOLIDATED PUD AND MAP AMENDMENT FOR 4620 WISCONSIN AVENUE NW

SUPPLEMENTAL STATEMENT OF THE APPLICANT

I. <u>Update on Issues Raised at Setdown</u>

a. Revised Building Design

As noted in the Initial Pre-Hearing Submission, the Applicant responded to comments from the Commission at setdown by lowering the height of the building and simplifying the front and rear façade designs. Since that filing, the Applicant has continued to refine the design of the building. A complete set of revised plans is attached as <u>Exhibit A</u> ("**Revised Plans**").

The Applicant has also developed a set of storefront and signage guidelines, which would apply to the retail component of the Project as well as building identification signage. The storefront and signage guidelines are attached as Exhibit B.

b. Sustainability and Solar Panels

The Project will seek Gold certification under the LEED-2009 rating system. In response to comments received from the Commission and DOEE, the Applicant has made the following additional changes to the Project:

- (1) Incorporated the use of high-efficiency variable refrigerant flow ("VRF") mini-split heat systems. The VRF systems have nearly twice the heating/cooling efficiency as traditional split systems. Furthermore, the VRF units have a smaller footprint and can be located on the roof in a stacked configuration, which frees up more roof space than conventional split systems for additional green roof and renewable energy features.
- (2) Incorporated solar panels as a renewable energy source on the roof of the Project. The panels are designed to generate at least 1% of the building's total energy use.
- (3) Incorporated 5 electric car charging stations into the parking garage, with conduit to accommodate an additional 5 future charging stations.
- (4) Sized and located the trash rooms to create space for composting and separate waste streams for recyclables

The above sustainable features are all incorporated into the Revised Plans.

c. Affordable Housing

As previously noted, in response to comments from OP and the Zoning Commission, the Applicant increased the affordable housing commitment of this Project to a setaside of 10% of the residential gross floor area at 60% of the Area Median Income. This will result in nearly 12,500 square feet of affordable housing, which is a significant commitment in itself and exceeds the baseline requirement by 3,000 square feet. Also, at least one affordable unit will be a two-bedroom unit.

The commitment is particularly significant because a matter-of-right redevelopment of the property under the existing MU-4 zoning would yield only 2,500 square feet of affordable housing. This is because the bulk of the development would be a conversion of an existing office building, which is exempt from IZ. Therefore the PUD results in five times as much affordable housing as a matter-of-right redevelopment.

4620 Wisconsin Avenue – IZ Chart

	Existing Zoning w. Office	Matter of Right Re-	Proposed PUD
	Building Conversion (MU-4)	Zoning (MU-7)	(MU-7)
Lot 45	No IZ Requirement	50% of 0.8 FAR IZ Bonus	10% of Gross Area
Lot 49	75% of .5 FAR IZ Bonus	(9,496 sf of affordable	(12,496 sf of
	(2,477 sf of affordable housing)	housing)	affordable housing)
	All at 60% MFI	All at 60% MFI	All at 60% MFI
TOTAL	2,477 sf of affordable housing	9,496 sf of affordable	12,496 sf of
		housing	affordable housing
	All at 60% MFI		
		All at 60% MFI	All at 60% MFI

Details regarding the location and unit mix of the proposed inclusionary units are included in the Revised Plans.

II. <u>Development Incentives and Flexibility</u>

The Applicant seeks the following development incentives, zoning flexibility, and design flexibility in order to implement the Project.

A. Rezoning

The Applicant seeks a PUD-related rezoning from the MU-4 to the MU-7 Zone District. As described in greater detail below, the MU-7 Zone District is wholly consistent with the

Property's transit-oriented location and designation for Mixed-Use Medium Density Residential / Moderate Density Commercial Development on the Comprehensive Plan's Future Land Use Map.

B. PUD Height and Density

The Applicant proposes a height of approximately 88 feet and a density of approximately 5.73 FAR, which utilizes the bonus height and density available to PUDs under Subtitle X of the Zoning Regulations.

C. Rear Yard

The Project has a minimum rear yard requirement of approximately 21'10". The rear yard requirement is met for the bulk of the project. However, as explained in detail in the initial PUD filing, a small portion of the first floor is not compliant and requires rear yard flexibility. The relief is driven by the reuse of the existing structure. A ramp and stand-alone foundation wall currently exists on the property near the rear lot line, and the Applicant proposes to reuse this foundation wall as the building's exterior wall. This wall encloses the ramp within the garage; the wall then extends up one more level to the first floor and allows for a row of residential units to be located across the rear of the building. (The building then steps further back at the second floor.)

The existing foundation wall and proposed extension is set back at least 21'10" from the center line of the alley and therefore meets the rear yard requirement for the first 25 feet of height of the Project. The challenge is that the total height of the extended wall is approximately 29.5 feet, which means that the 25-foot horizontal plane that determines where rear yard is measured slices partway through the building's first floor. Put another way, the upper 4.5 feet of the first floor encroaches into the rear yard. The flexibility from the rear yard requirement allows for units and an articulated façade with windows to be located at the rear of the project on the first floor. Without the wall extension, the rear of the building would be set at an existing staircase and constitute a blank wall.

D. Lot Occupancy

In the MU-7 Zone, the Zoning Regulations permit a maximum lot occupancy of 75% for residential uses and otherwise permit commercial uses to occupy 100% of the lot. The lot occupancy limitation commences at the lowest level at which the residential use begins, which is considered to be the level at which dwelling units are located.

Here, the Project occupies approximately 90% of the lot on the ground level but then steps back to occupy 66% at the second floor, 62% at the fifth floor, and 57% at the 8th floor. Much as with the rear yard requirement, the upper stories all comply with the lot occupancy

limitation. However, the first floor, which includes both ground-floor retail for the majority of the floorplate as well as residential units at the rear of the building, requires lot occupancy flexibility. The requested flexibility is minor and is driven by the reuse of the existing building, as described above. Use of the rear of the existing building for residential use allows for additional housing units, an articulated façade, and a better use of the rear portion of the Project at this level.

E. Roof Structure Relief

In the initial application, relief from the setback provisions was required. That relief is no longer needed because the Applicant relocated the existing building core and eliminated the need for the relief. However, the revised building design, which only requires that one elevator provide access to the roof of the building, now features two varying penthouse heights – one for the 15' tall penthouse for the elevator that provides access to the roof, and a 5' tall penthouse for the overrun of the elevator that stops at the 8th floor. Flexibility is requested to accommodate these varying heights.

F. Design Flexibility

The PUD will be developed in accordance with the Revised Plans. As is typical, the Applicant requests minor flexibility to deviate from the approved plans in the following areas:

- 1. To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, mechanical rooms, and toilet rooms, provided that the variations do not change the exterior configuration or appearance of the structure;
- 2. To vary the final selection of the colors of the exterior materials based on availability at the time of construction, provided such colors are within the color ranges proposed in the final plans;
- 3. To make minor refinements to exterior details and dimensions, including without limitation to sills, bases, mullions, coping, railings and trim, or any other changes to comply with Construction Codes or that are otherwise necessary to obtain a final building permit, or to address the structural, mechanical, or operational needs of the building uses or systems.
- 4. To vary the final number of residential units plus or minus 5%, and accordingly adjust the number and location of affordable units to reflect the final unit mix of the Project;
- 5. To vary the final streetscape design and materials in the public right-of-way, in response to direction received from District public space permitting authorities;

- 6. To vary the final landscaping materials of the Project based on availability and suitability at the time of construction or otherwise in order to satisfy any permitting requirements of DC Water, DDOT, DOEE, DCRA, or other applicable regulatory bodies; and
- 7. To vary the final design of the ground-floor retail space frontage, including the number, size, design, and location of retail windows and entrances, signage, awnings, canopies, and similar features, to accommodate the needs of the ground-floor tenants of the Project, provided that any design is consistent with the Storefront and Signage Guidelines.

III. Community Outreach / Public Benefits and Project Amenities

For over a year, the Applicant has worked carefully and closely with members of the Tenleytown community, through presentations and discussions with ANC 3E and other neighborhood stakeholders. Among many discussions, the Applicant presented the Project to the ANC at its May 2016, June 2016, October 2016, December 2016, June 2017, and July 2017 meetings, with significant discussion and dialogue at each meeting, and anticipates a final presentation and vote at ANC 3E's September 2017 public meeting. Representatives of the Applicant also met with the Tenleytown Neighborhood Association, Revive 3E, Ward 3 Vision, and the Tenleytown Main Street Design Committee as well as other individual neighbors and stakeholders.

Through this process, representatives of ANC 3E and many residents of the neighborhood expressed strong interest in a progressive, transit-oriented project that would deliver an improved Wisconsin Avenue streetscape, better neighborhood-supportive retail options, and the additional residents necessary to support vibrant retail and streetscape experiences both within the Project and elsewhere in the neighborhood. Some residents also expressed concern about the height and scale of the Project and its potential impacts on traffic and parking. Throughout this iterative engagement process, the Applicant revised the design of the Project in response to neighborhood input (including the removal of the penthouse story) and developed a public benefits package that is commensurate with the development incentives and flexibility sought through the PUD process. The benefits package consists of the measures described below.

A. Affordable Housing

ANC 3E requested a significant commitment to affordable housing. Accordingly, and as noted above, the Applicant will aside at least 10% of the residential gross floor area for affordable dwelling units at 60% of the Area Median Income

B. Sustainable Design

ANC 3E expressed strong interest in a commitment to sustainable design. As noted above, the Applicant will achieve a minimum of Gold certification under the LEED-2009 rating system. The Project will also integrate other sustainable design features, including solar panels, high energy-efficient VRF systems, and electric car-charging stations.

C. Chesapeake House

Many neighborhood residents and members of ANC 3E, as well as other stakeholders such as the Tenleytown Historical Society, asked the Applicant to investigate whether it could help with efforts to restore the Chesapeake House, a historic but vacant property across the street from the Project, to a more active, community-serving use. The Applicant has expended significant effort to work with the National Park Service and other stakeholders to evaluate the feasibility of this renovation. The Applicant has already cleared out the property from lack of upkeep and has engaged a historic structures survey to evaluate the extent of work needed to renovate the building.

Based on this due diligence, the Applicant has concluded that it will agree to renovate the Chesapeake House to a "warm, lit shell" condition, for use as a community-serving space for residents of ANC 3E. To facilitate the proposed use, the Applicant has also and will continue to facilitate discussions with ANC 3E, NPS, and other stakeholders regarding the use of Chesapeake House following the completion of renovations.

D. Brandywine Street Closure and Park

The Rock Creek West II Livability Study calls for the closure of a one-way segment of Brandywine Street between 42nd Street and River Road, a block from the Project. ANC 3E requested that the Applicant consider implementing this closure based on existing pedestrian safety and comfort concerns. The Applicant has also discussed the proposed closure with DDOT, which proposed the recommendation in the Study. The Applicant's revised Comprehensive Transportation Review evaluated the closure and concluded that it would not have adverse impacts on traffic.

Based on these discussions, the Applicant has agreed to design and construct a new park on the closed street segment¹ and adjacent triangular plot, with the design and use of the park to be developed based on input from ANC 3E and ultimately subject to review and approval by District public space permitting authorities. The Applicant will also ensure the maintenance of the new park for the life of the Project. Finally, the Applicant will also seek approval to turn the

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Note that the street segment would not be formally "closed" by the D.C. Council; rather it would remain under the control of the District Department of Transportation as an expanded public space.

new three-way intersection at 42nd and Brandywine Streets into an all-stop intersection and construct and install signage and striping as required.

E. Restaurant

ANC 3E residents expressed a strong desire to see a full-service family restaurant located within the Project. Accordingly, the Applicant will reserve a minimum of 3,500 square feet of retail space within the Project for a full-service restaurant. The restaurant will adhere to the definition of "restaurant" under the Zoning Regulations, meaning food is delivered to tables by a server, paid for after consumption, and served on non-disposable plates with non-disposable cutlery. The Applicant will run any kitchen exhaust venting for the restaurant as well as other eating and drinking establishments to the roof of the Project.

F. Retail Leasing Restrictions

Neighbors requested a desire to focus retail leasing efforts on engaging neighborhood-serving uses and avoid predictable and street-deadening ones. To that end, the Applicant will refrain from the following uses in the Project unless approved by ANC 3E: a sexually-oriented business establishment, a check-cashing establishment, a pawnbroker, a nightclub, a mattress store, a convenience store such as 7-Eleven, a professional office, a drug store such as CVS, and any "chain" retail, service, or food service establishment (meaning any business with either at least 10 stores within the District of Columbia or at least 50 stores nationally).

G. Undergrounding Utilities

ANC 3E requested that the Applicant agree to underground utilities along the remainder of the 4600 block of Wisconsin Avenue. The Applicant has agreed to underground or cause to be undergrounded the existing above-ground utility lines along Wisconsin Avenue in front of the Project. The Applicant has also agreed to make good faith efforts to underground the utility lines in front of the remaining three lots on the block, approaching Chesapeake Street, but cannot commit to do so without the permission of those property owners. "Undergrounding" means the construction of underground vaults, installation of the utility lines presently located above ground in those vaults, and removal of all utility poles in cooperation with utilities using those poles.

H. Limitations on Future Development

ANC 3E and neighborhood residents expressed concern that the height and scale of the Project could serve as precedent for future development in the block to the north of the Project, moving away from the Metrorail station entrance. In response to these requests, the Applicant agreed that, to the extent that it might acquire and redevelop the adjacent properties in the block, the Applicant would limit the height of any new development to six stories plus a penthouse

level. The Applicant also agreed that, upon gaining control of those properties, it would underground the utilities on the remainder of the block.

IV. Agency Review / Project Impacts and Mitigation

Over the past year, the Applicant has met extensively with representatives of multiple District agencies, including the Office of Planning, the District Department of Transportation, and Department of Energy and the Environment. Following the scheduling of the public hearing, on July 19, 2017, the Applicant also participated in a coordinated interagency review of the Project, which was attended by representatives of OP, DDOT, DOEE, the Department of Housing and Community Development, and the District of Columbia Public Schools. The PUD, including the design of the Project and the content of the public benefits package, was revised to reflect input received in these discussions. Specific changes in response to agency comments include: the increased amount and depth of the affordable housing proffer; the commitment to solar panels, VRF systems, and other sustainable features; revisions to the proposed streetscape design; and the commitment to maintain the proposed "Brandywine Street Park".

A. Traffic and Parking

As set forth the Applicant's Comprehensive Transportation Report and related Addendum, the Project will not impose adverse impacts on traffic and parking. The redevelopment of the property for residential use will result in fewer trips than the existing office use of the property, thus resulting in a <u>reduction</u> in vehicular traffic compared to current conditions.

The Project is located approximately two blocks north of the Tenleytown Metrorail Station and along the Wisconsin Avenue corridor, which is well-served by Metrobus. In addition, the Project is located in a mixed-use neighborhood with significant retail and service options, including a grocery store located two blocks away. Accordingly, most residents are expected to walk or use transit on a regular basis.

The Project will provide a total of 58 parking spaces, which exceeds the requirements of the Zoning Regulations and is sufficient to accommodate parking demand for a project located along a "main street" mixed-use corridor two blocks from a Metrorail station entrance. The Project is located in a commercial zone and on a block that is not listed in the Residential Permit Parking program; accordingly, the property is not eligible to be listed in the RPP database and residents of the Project will not be able to seek RPP permits and park on surrounding neighborhood streets that are zoned for RPP. The Project will also include a 60-space bicycle room within the building as well as on-street bicycle parking to accommodate tenants, employees, and customers that bike to the site.

B. Service, Loading, and Emergency Access

The Project will locate its loading spaces off of the existing 20-foot wide public alley at the rear of the Property. As set forth in the CTR, the 20-foot wide alley is able to accommodate truck movements into and through alley such that trucks can maneuver in and out of the alley front-in, front-out. In response to neighborhood concerns, the Applicant has agreed to a Loading Management Plan through which tenants will be directed to use the Truck Routing Plan attached as Exhibit C. This plan will direct trucks to use Wisconsin Avenue for inbound and outbound truck routes.

Either Wisconsin Avenue or the 20-foot alley at the rear of the Project is wide enough to accommodate fire and ambulance vehicles in the event of an emergency.

C. Utilities

As set forth in Exhibit F of the initial PUD filing, the average daily water and sewer demands for the Project can be met by the existing District of Columbia water system. Similarly, electrical services can be accommodated through the existing power grid, with vaults that will be located within the Property. Solid waste services will be handled through a private trash collector.

D. Environmental Impacts

As discussed above, the Project will contribute positively to the District's environmental, energy conservation, and sustainability goals through a commitment to LEED Gold certification and progressive design features such as renewable energy sources and electric charging stations. The Project will also meet or exceed current stormwater management and Green Area Ratio requirements, resulting in a net positive impact on the management of stormwater runoff compared to the existing impervious office buildings and parking lots on the Property.

E. Educational Systems

The estimated unit mix for the Project consists of 140 studio and one-bedroom units and 6 two-bedroom units. Accordingly, the Project is unlikely to attract a significant number of families with school-age children that would impact the existing school system.

F. Visual Impacts

In response to concerns expressed by members of the Commission and some neighborhood residents about the relationship of the scale of the Project to the nearby single-family residential homes, the Applicant prepared a series of context images that depict the visual impact of the Project from multiple points around the block. As shown on the context renderings included in the Revised Plans, the height and scale of the Project is appropriate for its context on

Wisconsin Avenue and will not overpower or overwhelm nearby houses. The bulk of the Project has been massed toward Wisconsin Avenue and away from the neighborhood. Along Wisconsin Avenue, the stepped façade design as well as an upper-story setback on the north side of the building respond to the downward slope of the street and reduce the apparent height. Shadow studies included in the Revised Plans also demonstrate that the Project will not have an appreciable impact when compared to a matter-of-right redevelopment.

V. <u>Comprehensive Plan</u>

The Project is not inconsistent with the District of Columbia Comprehensive Plan. First, the Project is consistent with the Future Land Use Map and the Generalized Policy Map of the Comprehensive Plan. The Map Amendment to the MU-7 Zone District is directly consistent with the site's Mixed Use Medium Density Residential/Moderate Density Commercial designation on the Future Land Use Map. The Project consists of an eight-story building, which is not inconsistent with the FLUM designation and is otherwise appropriate for a PUD along a major arterial roadway in close proximity to a Metrorail station. Further, the Project provides a quintessential Main Street Mixed Use Corridor project as anticipated by the Generalized Policy Map due to its pedestrian-oriented nature with neighborhood-serving retail and additional housing near transit.

The Project also exemplifies many policies of the District Elements of the Comprehensive Plan by providing a mixed-use building with neighborhood-serving retail, new housing, including affordable housing, in an attractive, place-making development in close proximity to Metrorail. The Project creates a development near an anchor Metrorail station along a major thoroughfare by reducing an underutilized commercial use and converting that use to multi-family residential use with local-serving retail. The Project also creates an attractive streetscape and well-designed pedestrian spaces to foster an active and attractive street environment.

Finally, the Project appropriately balances its height and density, which is consistent with Land Use and Urban Design policies that call for development of transit-oriented locations on major corridors, with policies regarding buffers and transitions to nearby lower-density neighborhoods. The Project is separated from the adjacent neighborhood by the existing alley, which acts as a line of demarcation between the commercial corridor and the residential neighborhood. Furthermore, the Applicant has focused the bulk of the Project's mass along Wisconsin Avenue, eliminated the penthouse story, articulated the rear façade, and incorporated rear setbacks, all of which strike the balance called for in the Comprehensive Plan.