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February 12, 2021

VIA IZIS

Chairman Anthony Hood District of Columbia Zoning Commission 441 4th Street NW, Suite 200 Washington, DC 20001

Re: ZC Case No. 20-27 – Application of High Street District Development Inc. (the "Applicant") for a Consolidated Planned Unit Development and Map Amendment – Square 445, Lots 191, 192, 193, 194, 800, 821, 822 (collectively, the

"Property") – Supplemental Statement

Dear Chairman Hood and Members of the Commission:

At its January 28, 2021, public meeting the Zoning Commission evaluated the above referenced case for potential setdown. In response to the Commission's comments at the public meeting, the Applicant hereby submits into the record the updated plans attached as Exhibit A (the "Plans") and the additional information below.

I. Property and Development Background

As noted in the Applicant's Initial Statement submitted on November 3, 2020 (the "Initial Statement"), the Property is currently underutilized, largely vacant and in need of redevelopment. The surface parking lot and unimproved area that comprise the majority of the Property are in poor condition and create an unsightly gap at a prominent corner, actively detracting from the appearance and safety of the surrounding neighborhood. Additionally, the Property's development was delayed for several years due to title litigation. The viability of a new development on the site was further complicated by the existing affordability requirements that run with the Property. Despite these complexities, the Applicant is prepared to move forward with the proposed project, even during the current turbulent times, in which market conditions for construction of new multifamily developments, particularly large Planned Unit Developments, are highly uncertain. The proposed project will beautify and enhance a property that is currently in poor condition, and, importantly, will include deeply affordable units as required by the covenants affecting the Property. The proposed project will also contribute

EXHIBIT NO.15

significantly to the supply of Inclusionary Zoning units. There will be a total of approximately 29 affordable and Inclusionary Zoning units in the proposed project.

II. Future Land Use Map Designation

At the public meeting on January 28, 2021, the Commission raised concerns with the proposed project's consistency with the Comprehensive Plan, particularly with the east side of the Property's Future Land Use Map ("FLUM") designation of Moderate Density Residential. As discussed in the Applicant's Initial Statement, the Property's designation is mixed between the Medium Density Commercial/Medium Density Commercial on the majority of the site, with a Moderate Density Residential designation located on the east side of the Property along the corner of P and Marion Streets. In response to the Commission's comments, the Applicant has meaningfully revised the massing of the proposed project along the Marion Street side, by reducing the portion of the building that is built up to the eastern property line by a full story (a reduction from 54 feet in height to 43 feet, 8 inches in height – well below the 50 foot matter of right height in the Property's current MU-4 zone), and doubling the width of the setback above the 7th floor of the building, from 15 feet to 30 feet, as shown on the Plans.

The Applicant believes that these modifications to the proposed project are directly responsive to the concerns raised by the Commission regarding the massing of the building. The height reduction allows the proposed project to further respect the scale of the row homes and low-rise apartment buildings on Marion Street and decreases the impact of the eastern side of the proposed project on views and visibility from the street level. Additionally, the Applicant believes that the proposed project's massing and height along Marion Street are not inconsistent with the Moderate Density FLUM designation. As noted in the Framework Element of the Comprehensive Plan, Moderate-Density Residential designation "is used to define neighborhoods generally, but not exclusively, suited for row houses as well as low-rise garden apartment complexes. The designation also applies to areas characterized by a mix of single-family homes, two- to four-unit buildings, row houses, and low-rise apartment buildings." Comprehensive Plan, Framework Element, §227.6. With the reduction in height and increased setback, the portion of the proposed project along Marion Street has massing similar to a low-rise apartment building, which is appropriate for the Moderate Density FLUM designation.

Furthermore, as explained in the Framework Element of the Comprehensive Plan, the FLUM is not intended to be a "parcel-specific" map. Comprehensive Plan, Framework Element, §228.1(a). The FLUM allows for flexibility within particular designations to allow for increased density, including guidance that "While the densities within any given area on the Future Land Use Map reflect all contiguous properties on a block, there may be individual buildings that are larger or smaller than these ranges within each area." Comprehensive Plan, Framework Element, §228.1(c). While the Comprehensive Plan does set forth typical densities for various FLUM designations, the Comprehensive Plan's Framework Element also makes clear that "greater density may be possible when complying with Inclusionary Zoning or when approved through a Planned Unit Development," as is the case with the proposed project. Comprehensive Plan, Framework Element, §227.6.

The modifications to the eastern side of the building bring the proposed project closer in line to the Moderate Density FLUM designation. Furthermore, when the modified project is evaluated as part of a PUD located on a large site, the majority of which is designated as the more intense Medium Density Residential/Medium Density Commercial category, the modified project is overall not inconsistent with the FLUM, which includes flexibility for increased height and density through a PUD.

III. Other Comprehensive Plan Policies

While the Applicant does not believe this to be the case for the proposed project, even if a proposed project is not wholly consistent with the FLUM designation, the Commission may determine that advancing other elements of the Comprehensive Plan outweighs such inconsistency. As described in the Applicant's Initial Statement and the Office of Planning's setdown report, the proposed project advances many policies of the Comprehensive Plan. In particular, the proposed project's substantial affordable housing component, which is a combination of both existing affordability requirements and a significant Inclusionary Zoning proffer, furthers the following Comprehensive Plan Housing Element policies:

Policy H-1.1.1: Private Sector Support: Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives. §503.2

Policy H-1.1.3: Balanced Growth: Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing. §503.4

Policy H-1.1.4: Mixed Use Development: Promote mixed use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations. §503.5

Policy H-1.1.5: Housing Quality: Require the design of affordable housing to meet the same high-quality architectural standards required of market-rate housing. Regardless of its affordability level, new or renovated housing should be indistinguishable from market rate housing in its exterior appearance and should address the need for open space and recreational amenities, and respect the design integrity of adjacent properties and the surrounding neighborhood. §503.6

Policy H-1.2.2: Production Targets: Consistent with the Comprehensive Housing Strategy, work toward a goal that one-third of the new housing built in the city over the next 20 years should be

affordable to persons earning 80 percent or less of the areawide median income (AMI). Newly produced affordable units should be targeted towards low-income households in proportions roughly equivalent to the proportions shown in Figure 5.2. §504.7

Policy H-1.2.3: Mixed Income Housing: Focus investment strategies and affordable housing programs to distribute mixed income housing more equitably across the entire city, taking steps to avoid further concentration of poverty within areas of the city that already have substantial affordable housing. §504.8

Policy H-1.2.7: Density Bonuses for Affordable Housing: Provide zoning incentives to developers proposing to build low- and moderate-income housing. Affordable housing shall be considered a public benefit for the purposes of granting density bonuses when new development is proposed. Density bonuses should be granted in historic districts only when the effect of such increased density does not significantly undermine the character of the neighborhood. §504.14

Policy H-1.3.1: Housing for Families: Provide a larger number of housing units for families with children by encouraging new and retaining existing single family homes, duplexes, row houses, and three- and four-bedroom apartments. §505.6

Policy H-1.5.1: Land and Building Regulations: Ensure that the District's land regulations, including its housing and building codes, its zoning regulations, its construction standards, and its permitting fees, enable the production of housing for all income groups. Avoid regulations which make it prohibitively expensive or difficult to construct housing. §507.2

The Applicant believes that given the Mayor's Order 2019-036 on affordable housing which sets a goal of creating 36,000 new housing units by 2025, including 12,000 affordable housing units, the proposed project's substantial affordable housing component outweighs any potential inconsistency with other elements of the Comprehensive Plan.

IV. Additional Public Benefits and Community Outreach

In addition to the height reduction and increased setback discussed above, in response to the Commission's comments, the Applicant has also removed the vertical residential signage along P Street. The Applicant is also studying the penthouse design and will increase the number of solar panels through the use of a new technology, in response to the Commission's comments. The Commission also raised a question at the public meeting regarding the location of Inclusionary Zoning Units in the cellar level. The Applicant has modified the proposed project such that there will be only market rate units in the cellar. The affordable units required by the existing affordability covenants and the Applicant's proffered Inclusionary Zoning units will not be located in the cellar. Additionally, the Applicant has committed to achieving LEED Gold standard.

While ANC 6E had already voted in support of the proposed project prior to the public meeting (see ANC report at Exhibit 10 of the case record), the Applicant has continued to coordinate with the ANC as the proposed project is refined. In particular, the Applicant has been in close communication with the Commissioner for SMD 6E02, who has reiterated the ANC's support for the proposed project, including the proposed modifications. As stated by Commissioner Alex Lopez in the ANC SMD's letter recommending that the application be set down for a public hearing (see Exhibit 14 of the case record), "although massing on Marion Street was not a concern for the ANC or for this Commissioner, I believe the revisions are consistent with Zoning Commission recommendations."

V. Conclusion

The Applicant believes that the modifications to the proposed project are directly responsive to the Commissions comments raised at the January 28, 2021 public meeting and looks forward to the application being set down at the Commission's upcoming public meeting.

Sincerely,
/s/ Allison C. Prince
/s/ Jennifer Logan

Enclosure

Certificate of Service

I certify that on February 12, 2021, I delivered a copy of the foregoing document and attachments via e-mail, to the addresses listed below.

/s/ Jennifer Logan

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