

4608-4618 14th Street, NW

Application for Review and Approval of a
Consolidated Planned Unit Development and Zoning Map Amendment



Square 2704, Lots 64, 815, 819, 821, 823, 828, 830, 831, 832, and 833

October 26, 2021

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DEVELOPMENT TEAM

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I. INTRODUCTION

A. Summary of Application

Dance Loft Ventures LLC (the “**Applicant**”) hereby submits this application (“**Application**”) to the District of Columbia Zoning Commission (“**Commission**”) for review and approval of a consolidated planned unit development (“**PUD**”) and an amendment to the Zoning Map (“**Map Amendment**”). A one-page summary is at Exhibit A-1.

Property Details. The property that is the subject of this Application includes the approximately half-acre lot at 4618 14th Street, NW (Square 2704, Lot 64, “**4618 14th Street**”), the lots at 4608-4616 14th Street, NW (Square 2704, Lots 828 and 830-833) and smaller lots at the rear of 4618 14th Street (Square 2704, Lots 815, 819, 821 and 823) (collectively, the “**Property**”). The Property consists of approximately 0.7 acres (29,960 square feet) in the aggregate. The Property is located in the Northwest quadrant of the District along 14th Street, NW between Crittenden Street, NW to the north and Buchanan Street, NW to the south and is within the boundaries of Advisory Neighborhood Commission (“**ANC**”) 4C Single Member District (“**SMD**”) 4C03.

Application Details. This Application seeks Commission review and approval of a consolidated PUD, which establishes the height and massing, program of uses, building design and materials, and a package of public benefits for a new mixed-use building on the Property and a Map Amendment, which seeks to rezone the entirety of the Property from the MU-3A zone to the MU-5A zone (the “**Project**”, plans for which are attached as Exhibit M, the “**Plans**”).

Project Details. The Project consists of a single building with (i) approximately ***101 rental multifamily residential units***, of which approximately ***24 will contain three (3) bedrooms and approximately 66 will be affordable at a mix of 30%, 50%, and 60% of Median Family Income*** (“**MFI**”), (ii) common area amenity space (gym, conference, meeting space); (iii) approximately 11,277 square feet of gross floor area (“**GFA**”) on the ground floor and mezzanine above for a non-profit performing arts organization (iv) approximately 1,888 square feet for ground level retail/commercial uses; (v) approximately 40 parking spaces in an enclosed garage; and (vi) indoor secured bicycle parking and street bicycle parking.

The Project’s truly extraordinary public benefits (“**Public Benefits**”) include: superior urban design/architecture and efficient planning; approximately 24 new family-sized three-bedroom units; mixed-income affordability with approximately 66 units at deep levels of affordability (including approximately 22% of units in each category of 30% MFI, 50% MFI, 60% MFI, and market rate); sustainable design, including a net-zero energy target, LEED v.4 Gold-level design and solar panels; prevention of the displacement of the Moveius Contemporary Ballet Company/Dance Loft on 14 (the non-profit community arts organization on the site), and enhancement of the facility to create an arts anchor with a new performing arts theatre, black box theatre, visual arts gallery space, and dance studios; and retention of up to three (3) commercial retail bays on 14th Street, NW in addition to Dance Loft on 14.

No residents will be displaced as a result of this Application. In addition, the Applicant has made significant revisions to the Project in response to neighbor concerns raised prior to this filing. See Section IV below.

Planning/Zoning Details. The Project implements the goals and policies of the Council-approved Central 14th Street Vision Plan and Revitalization Strategy (“**Small Area Plan**”), which specifically identifies the Property as the site with “the best redevelopment potential” for ground floor commercial uses with residential above. The Project is also not inconsistent with the District of Columbia Comprehensive Plan (“**Comprehensive Plan**”) nor any other adopted policy or program applicable to the Property. The recently-approved Future Land Use Map designates the Property as Mixed-Use Moderate Density Commercial/Moderate Density Residential. This Application satisfies all of the Zoning Regulations’ PUD and Map Amendment requirements.

B. The Applicant

The Applicant is a unique collaboration of two mission-driven organizations: Heleos, a developer and owner of mixed-income and sustainable residential projects, and Dance Loft on 14, a not-for-profit community performing arts organization, and a long-time occupant of the Property. Heleos and Dance Loft on 14 together comprise the Applicant.

The origins of this Application are at the same time all too commonplace yet unique in the District. Dance Loft on 14 has been an occupant of its current building for nearly a decade. In 2020, the then-owners of 4618 14th Street decided to market the property for sale. The Dance Loft leadership team was aware that the sale of its building could result in its displacement, an unfortunately common outcome for community arts organizations in the District. Instead, Dance Loft on 14 took control of its own fate and developed a strategy to buy its building. In order to do so, Dance Loft contacted Heleos to inquire whether Heleos would help lead a redevelopment of the site. Heleos was eager to be involved in this project, and Dance Loft and Heleos set out to raise funds. Ultimately, Dance Loft and Heleos outcompeted nearly one dozen bidders for the 4618 14th Street property, and earlier this spring, through the jointly-held Dance Loft Ventures LLC, acquired ownership of 4618 14th Street with the assistance of three affordable housing lenders (City First Bank, Local Initiatives Support Corporation, and City First Enterprises). Dance Loft now controls its future. Upon completion of the Project, Dance Loft will maintain ownership of its space in the new building, and Heleos will control the multifamily residential components. Additional background on Dance Loft on 14 is attached at Exhibit G.

Heleos is a partnership between principals Mark James and Chris VanArsdale, each with extensive prior experience developing sustainable, affordable housing in the DC Metro region. Between them, the partners have developed the first net-zero-energy residential project in Mt. Rainier, the largest multifamily residential solar array the Washington Metro region, and the first (soon-to-be) certified net-zero energy multifamily building in the District. Heleos addresses the twin crises of housing affordability/income inequality and climate change.

Apart from 4618 14th Street, the balance of the Property, five in-line retail lots along 14th Street, NW, are owned by an affiliate of the Menkiti Group, a prominent local owner and developer. The Menkiti Group has authorized inclusion of its properties in this Application and will retain a minority ownership share of the Project. The alley-fronting lots at the rear of the Property are owned by three smaller owners who have authorized the inclusion of their properties in this application to create a more efficient, usable lot. All components of the Property will be combined into one record lot.

II. THE PROPERTY

A. Location and Existing Uses

Location. The Property is located within Ward 4 and ANC 4C03 in the Northwest quadrant of the District. The Property is irregularly-shaped, fronts on 14th Street, NW to the east, and occupies approximately one quarter of the block bounded by 14th Street, NW to the east, 15th Street, NW to the west, Crittenden Street, NW to the north and Buchanan Street, NW to the south. The Property consists of approximately 29,960 square feet total, all contiguous.

Existing Uses. The Property is currently improved with six structures: 4618 14th Street is, at its highest, a three-story building with a single-story entrance along 14th Street, NW and single-story warehouse structures to the rear. Within 4618 14th Street are the 8,000 square foot existing Dance Loft studios, performance space, and offices plus approximately 21,000 square feet of space occupied by an existing furniture retailer. The five existing single-story buildings at 4608-4616 14th Street contain five individual retailers: 14th Snack Bar, Golden Leon Shoe Repair, Allstate, Addis Deli, and Catrachitos (“**Existing Retailers**”). Alley lots at the rear of the Property are used for parking, garbage, and storage. The Property does not include any residential uses today.

B. Characteristics of the Surrounding Area

Central 14th Street, NW. The Property’s location within the Sixteenth Street Heights neighborhood and along the 14th Street, NW corridor informs the urban planning context for the Project and this Application. Ward 4 east of Rock Creek Park is a tapestry of primarily low- and moderate- density residential neighborhoods with nodes of higher density and mixed-use activity. The Property is in the Sixteenth Street Heights neighborhood, which is bounded to the north by Brightwood, Crestwood and Rock Creek Park to the west, Petworth to the east, and Columbia Heights to the south. Although 16th Street, NW is the neighborhood’s namesake and notable for its houses of worship, transit corridor, and prominent connection to the historic L’Enfant Plan, 14th Street, NW is the mixed-use backbone of the predominantly residential Sixteenth Street Heights neighborhood.

North of Columbia Heights, 14th Street, NW takes on a predominantly residential character, interrupted by three distinct mixed-use “nodes.” The northernmost of the three commercial nodes runs from the cross streets of Jefferson Street, NW to Longfellow Street, NW and the southernmost of the three nodes from Spring Road, NW to Shepherd Street, NW. The third node is located in between the other two, with the Property at its heart. The mixed-use, node-based hierarchy of central 14th Street, NW underpins the entire planning logic of the Small Area Plan and the Comprehensive Plan in this portion of Ward 4.

“Node Two”¹. The Property is located within “Node Two” of the Small Area Plan, a central 14th Street, NW three-block-long corridor running from the cross streets of Decatur Street, NW at the north to Webster Street, NW at the south. The northern two blocks of Node

¹ “Node Two” is the label that the Small Area Plan assigns to the stretch of central 14th Street, NW between Decatur and Webster Streets, NW.

Two include small shops retail, restaurant, and service uses along the west side of 14th Street, NW with the 5-plus-acre WMATA “Bus Barn” occupying the entirety of the blocks to the east side of 14th Street, NW. The node’s southern two blocks include residential uses on the west side of 14th Street, NW and a service station, surface parking lot and several taller, mixed-use buildings on the east side of the corridor.

The Bus Barn, which is planned by WMATA for redevelopment in the near future has the potential to be the center of gravity for the entire node. The Property, immediately to the west (directly across 14th Street, NW) of the Bus Barn can help realize that potential.

Decatur Street, NW north of the Property is a clear dividing line between single family residential blocks to the north and attached row house blocks to the south.

Uses Immediately Surrounding the Property. Seven narrow retail lots border the Property to its immediate north along 14th Street, NW. The Square 2704 public alley network bounds the Property to its immediate north, west, and south. Opposite that public alley network are the rear yards of approximately 33 attached residential buildings, generally all single-family dwellings, which front on Buchanan Street, NW to the south, 15th Street, NW to the west, and Crittenden Street, NW to the north. Three mixed-use, attached buildings occupy the southeast corner of the Square. The surrounding alleys are either 10 or 15 feet wide.

Transit and Vehicular Access. The Georgia Ave-Petworth Metrorail station is less than one mile southeast of the Property, and the 16th Street, NW transit corridor is two blocks to the west. Transit options in the vicinity of the Property include Metrobus routes 52, 54, and 59 with stops on 14th Street, NW immediately to the south of the Property. The neighborhood otherwise enjoys convenient vehicular access to the District’s downtown core via 16th Street, NW, 14th Street, NW and 13th Street, NW. The nearby Georgia Avenue, NW and 16th Street, NW each provide direct access to Silver Spring, Maryland and the Beltway to the north.

Nearby Recreation and Amenities. The Property is within walking distance of Rock Creek Park to the west and the Upshur Park complex, with a playground, pool, dog park, athletic fields, and other recreation opportunities, to the south.

Nearby Development. Ward 4 neighborhoods east of Rock Creek Park, and particularly the Sixteenth Street Heights neighborhood, have seen relatively few new developments on the scale of the Project in the past ten years (or longer). The HistoryQuest DC map of the neighborhood shows virtually no nearby buildings newly constructed within the past decade, and the Comprehensive Plan’s Generalized Policy Map designates virtually all of the surrounding blocks as “Neighborhood Conservation Areas.”

The main exception is the redevelopment of Walter Reed, approximately two miles to the north of the Property. The future redevelopment of the Bus Barn and the Project represent notable departures from that relatively static baseline.

Nearby Zoning and Economic Characteristics. The Node Two area immediately surrounding the Property is presently a mix of three zones, matching the predominant land uses: MU-3A along the west side of 14th Street, NW at the northern end of Node Two and on the east side at its southern; PDR-1 for the Bus Barn and service station blocks on the east side of 14th

Street, NW, and RF-1 for the vast majority of the balance of the Sixteenth Street Heights neighborhood.

Notable economic activity at Node Two includes the Bus Barn and the approximately two dozen storefront businesses along 14th Street, NW, the largest of which are tenants of the Property: Dance Loft on 14 and Value Furniture.

Nearby Housing Characteristics. The prevailing character of the neighborhood is older housing stock, typically single-family housing. Very little new affordable housing (or any new housing) has been constructed within the Sixteenth Street Heights neighborhood in recent years, and what little new affordable housing has been constructed is clustered along Georgia Avenue, NW, Spring Road, NW and closer to Brightwood to the north. Not surprisingly, with a static supply of housing and increasing demand for living among the many amenities of Northwest DC, house prices in the neighborhood are out of reach for all but the wealthiest District residents.

For instance, the block on which the Project is located contains 33 single-family rowhouses, with an average value of approximately \$877,000 per value estimates available on Redfin as of 2021. For reference, the monthly mortgage payment is \$3,938 for an \$877,000 house (assuming a 3.5% interest rate on a 30-year mortgage with a 20% down-payment of \$175,400). Clearly, the existing houses are not attainable to the future residents of the PUD. For a conventional loan, a monthly mortgage payment of \$3,938 requires a minimum income of \$168,771 assuming no other debts. The Project's units will be affordable to those earning 30% MFI (\$27,100 for a single-person household as of July 2021), 50% MFI (\$45,150) and 60% MFI (\$54,200). The DHCD income threshold for a three-bedroom unit for a family of four at 60% MFI is \$77,400, less than half the income necessary to afford a single-family house in the neighborhood.

III. THE PROJECT

This Section describes the Project's program and the competing interests that it seeks to balance, along with its design, requested zoning and design flexibility, and development timeline.

A. Project Description

Program Summary. The Project contains a single, mixed-use building, consisting of (i) approximately 101 rental multifamily residential units, of which approximately 24 units will contain three bedrooms and approximately 66 units will be affordable at a mix of 30%, 50%, and 60% MFI; (ii) common area amenity space for residential tenants (gym, conference, meeting space); (iii) approximately 11,227 square feet of GFA on the ground floor and mezzanine above for performing arts, assembly, and accessory office/service space for the Dance Loft on 14; (iv) approximately 1,888 square feet for ground level retail commercial uses; (v) approximately 40 parking spaces in an enclosed garage with truck loading and trash receptacles; and (vi) approximately 35 indoor secured bicycle parking spaces. See sheet A.01 of the Plans.

The Project's FAR is approximately 3.79 (well below the MU-5 maximum of 5.06 or MU-7 maximum of 5.76), with a residential lot coverage of approximately 70 percent, an overall lower level lot occupancy of 100 percent, and a maximum height of the Project of 66 feet 8 inches (also below the MU-5 or MU-7 height limits of 70 feet and 90 feet for PUDs, respectively). The Applicant also anticipates making associated modest streetscape improvements along 14th Street, NW and the public alleys surrounding the Property. See sheet A.01 of the Plans.

Project Goals. The Project's program reflects four primary goals:

1. *Balance New Housing/Affordable Housing with Neighborhood Context:* The Project seeks to contribute much-needed new housing and affordable housing at a scale and density compatible with the surrounding single-family rowhouse uses and the 14th Street, NW corridor on which the Property sits. The Project's housing and affordability program are consistent with the Mayor's housing goals,² the recently-amended Comprehensive Plan, and the Small Area Plan. The planning context specifically calls for greater housing density and commercial revitalization on the Property and more generally highlights the acute need for more affordable housing and equitable inclusion in housing.
 - Consistent with this balancing goal, the Project proposes significantly less density (i.e., an FAR of 3.79) than is potentially achievable with an MU-5A PUD – 5.04 FAR. The Project's density is also well under the maximum density potentially achievable due to the Future Land Use Map designation for the Property (i.e., an FAR of 5.76 under a MU-7 PUD and Map Amendment would be consistent with the Property's Moderate Density Commercial designation).
 - The Project's height (at 66 feet, 8 inches) is also well below the 90-foot height limit potentially achievable with an MU-5A PUD and Map Amendment. Even with a Map

² See Office of the Mayor, HOUSING INITIATIVE, Mayor's Order 2019-036 (May 10, 2019) (the "Housing Order").

Amendment to the MU-5A Zone without a PUD, the maximum height is 70 feet. The Applicant reduced height and density to the lower end of the MU-5A category in response to some neighbor concerns but could not reduce density further.

- Further, some members of the community expressed concerns that the Project fails to provide as much affordable housing as it should given both the favorable planning context described above and the building envelope that would be consistent therewith, and the acute housing crisis facing the District. The Project balances these competing concerns.
2. *Balance a New Dance Loft Space and New Arts Uses with Continued Retail Vitality and Diversity:* In light of the Small Area Plan, the Project also balances Dance Loft's interests in locating permanently and establishing performance space within the Project against maintaining ground floor space in the Project for in-line street front retailers.
 - Dance Loft has a unique ability to serve as an anchor for the neighborhood and destination for visitors to the neighborhood, while filling a community performing arts niche.
 - In response to neighbor concerns, the Applicant increased the Project's amount of retail space to include up to three retail bays in addition to the Dance Loft. These retailers will help sustain and diversify the commercial vitality of 14th Street, NW, in accordance with the Small Area Plan.
 - The future redevelopment of the Bus Barn opposite 14th Street, NW is anticipated to create additional retail opportunities.
 3. *Balance Parking and Loading:* The Project balances the provision of off-street parking within the Project to mitigate undue increased demand for on-street parking while avoiding unnecessarily inducing vehicle trips. In addition, the Project includes ample indoor and outdoor bicycle parking. The Applicant will also work with DDOT regarding the addition of a Capital Bike Share station on the sidewalk along 14th Street, NW.
 4. *Balance Sustainability/Energy Performance Targets Within a Constrained Site.* The Project will achieve LEED Gold, and will target net zero energy performance. Since the Project's rooftop alone does not provide sufficient square footage to achieve net zero, the Project will seek to utilize off-site solar energy through the District's "Community Solar Program". The Project balances rooftop renewable energy with stormwater management and GAR requirements.

Zoning Summary. The Applicant seeks the Map Amendment to rezone the Property to the MU-5A zone. Detailed zoning tabulations for the Project are included in the Plans at sheet A.01, and a summary follows.

The Project complies with applicable MU-5A requirements, but requires relief from one technical aspect of the parking regulations as noted below.

Development Standard	Required/Allowed in the MU-3A zone	Required/Allowed in the MU-5A zone	Project
Height (11-G DCMR § 403.1; 11-X DCMR § 303.7)	40 feet	90 feet with PUD	66 feet, 8 inches
FAR (11-G DCMR § 402.1; 11-X DCMR §§ 303.3, 303.1)	1.2 with IZ bonus	5.04 with IZ and PUD bonuses	3.79
GFA	35,952 sf with IZ bonus	150,998 sf with IZ and PUD bonuses	113,546 sf
Residential Units	No min. or max.	No min. or max.	approx. 101
Lot Occupancy (11-G DCMR § 404.1)	60%	80%	~70% residential 100% non-residential
GAR (<i>Id.</i> § 407.3)	0.3	0.3	0.3
Rear Yard (<i>Id.</i> §§ 405.3, 405.6)	20 feet	15 feet	15 feet
Side Yard (<i>Id.</i> § 406.1)	Not required; If provided, 2 inches per 1 foot height (min. 5 feet)		None
Court Width (<i>Id.</i> § 202.1)	Res.: 4.0 in./ft. (10 ft. min. for an open court; 15 ft. min. for a closed court)		Two courts each >16 feet (see sheet A.01.1 of the Plans); no minimum area required
Court Area (<i>Id.</i> § 202.1)	Res.: 350 sf or 2 x width ²		
Penthouse (§§ 203.1, 403.3; 11-C DCMR ch. 15)	12 feet 15 feet for mechanical space	12 feet 18.5 feet for mechanical space	Compliant (see sheets A.01.2-A.01.3 of the Plans)
Parking (<i>Id.</i> § 701.6)	Residential: 32 Entertainment: 23 Retail: 0 Total: 55/2*= 28		~40 spaces *see relief request below
Loading (<i>Id.</i> §§ 901.2; 902.2) ³	1 x 30-foot loading berth 1 x 20-foot delivery space		1 x 30-foot 1 x 20-foot
Bicycle Parking (<i>Id.</i> § 802.1)	<u>Short-Term</u> Residential: 5 Entertainment: 2 Retail: 0 Total: 7	<u>Long-Term</u> Residential: 33 Entertainment: 2 Retail: 0 Total: 35	35 long-term 8 short-term

³ Subtitle C, Section 904.5 requires loading from a 15-foot alley where one exists. The Project complies with this requirement by widening an adjacent 10-foot alley to 15-feet. Section 904.5 does not require that a 15-foot alley be entirely public or that a 15-foot public alley be used for loading when it exists.

Site Plan and Massing: The design intent of the Project is to integrate into the surrounding urban fabric, accounting for a significant grade change on the Property, rising from a low point on the east at 14th Street, NW to a high point on the west at the rear of the Property. See sheet A.04 of the Plans. The Project implements this design intent through differential treatment of each of its façades in response to the adjacent context:

1. *East (14th Street, NW)*: The Project's primary entrances are along 14th Street, NW and the Project is constructed to the lot line to help maintain and enhance the vitality of the 14th Street, NW urban street wall. See sheets A.05 and A.24 of the Plans.
2. *South (Alley)*: The Project is recessed from the lot line at grade in order to widen the alley for vehicular access to the Project's enclosed garage, which is accessible only from this side from a location designed to minimize impacts on residential neighbors. See sheets A.05 and A.26 of the Plans.
3. *South/West/North (Rowhouses)*: In general, the Project's ground level is built to the Property line at grade along the alley to each of the south, west, and north of the Project. Due to the topography of the Property, the Project's second level is essentially at grade at the rear of the Project. This results in the Project being effectively one full story lower (i.e., four stories) from the perspective of the residential neighbors. In addition, the upper levels of the Project are significantly recessed from the lot line to the south, west, and north, again with the objective of reducing impacts on neighbors. Finally, although these façades are the "rear" and "alley-facing" sides of the Project, they are highly-designed so as to have the level of design and quality of materials as would be typical of the front of a building. The Applicant is making an investment to ensure that each façade stands on its own to allow the building to have a highly-articulated "four-sided" design. See sheets A.05, A.26, and A.31 of the Plans.

All of the Project's parking and loading access is in one location accessible only from the alley, with entry and egress from 14th Street, NW. The Project does not include any new curb cuts.

Building Layout: The Project is a conventional vertically segmented, mixed-use building, with non-residential uses on the ground floor and multifamily residential uses above. The penthouse is used for residential units and related amenity space along with mechanical and related functions. See sheets A.20-21 of the Plans.

The ground level and mezzanine contain approximately 11,277 square feet of Dance Loft and 1,888 square feet of other retail/commercial use gross floor area (plus enclosed at-grade parking, loading, and additional back-of-house/service areas and additional below grade area that does not contribute to gross floor area). The retail areas are double height spaces at the street front to create active and interesting spaces. Immediately above the ground level is a mezzanine which contains Dance Loft's administrative spaces, back stage areas, and theater operations areas. The ground level and mezzanine also include the residential lobby, amenity areas, and related residential back of house space. Due to the Property's topography, much of the Dance Loft theater and rehearsal space is effectively below grade, which is conducive to use for performing arts practice areas and performances, which require little-to-no natural light and

complete soundproofing. For these reasons, the below ground space is ideal for arts but not other uses.

The upper levels of the Project include residential and amenity uses exclusively. The penthouse level includes amenity space for residents plus adjacent outdoor space. The communal outdoor amenity space is specifically located as far away from existing residences as is possible. The roof is also designed to accommodate solar photovoltaics, some mechanical equipment, green roofs and vegetation. Nearly half of the Project's units (48 of 101) have a private dedicated outdoor space (i.e., balcony or terrace).

Parking and Loading: Non-automotive modes of transportation are a priority for the Project, and the Project includes a focus on bicycle parking spaces. With approximately 40 automobile parking spaces, the Project contains more than enough spaces to serve the residential, Dance Loft, and retail/commercial uses. All of the vehicle parking spaces, along with the Project's bicycle parking and loading spaces, are located in a single enclosed garage to be accessible only from the 15-foot alley to the south of the Property.

Below-grade structured parking is prohibitively expensive in light of the Project's affordability goals and is undesirable from an environmental sustainability/vehicle emissions perspective. However, per the request of neighbors and in order to increase the amount of parking on site, the Applicant intends to install a mechanical, stacked parking system that doubles the initially planned number of cars (20 parking spaces) that can park in the garage.

Residential Unit Mix: The Project's residential program contains a mix of studio, 1-bedroom, 2-bedroom, and 3-bedroom units. Significantly, approximately 25% of the Project's units will have 3-bedrooms and approximately 40% of the units will have two bedrooms or more.

The Project exceeds the Inclusionary Zoning ("IZ") requirements of the Zoning Regulations by dedicating approximately 66% of the residential units as affordable units. Of such affordable units, one third (22% of the building unit total) are proposed to be set aside for households earning no more than 30% MFI, one third (22% of the building unit total) at 50% MFI, and one third (22% of the building unit total) at 60% MFI all of which are significantly in excess of the IZ requirements. Affordable and market rate units are designed to have identical interior finishes and are mixed evenly throughout the building.

Architecture, Façade Details, and Materials: The Project's architectural design and detailing are intended to be contemporary yet contextual, and in particular, sympathetic of the surrounding residential context to the north, south and east of the Project. The Project is clad largely in a red brick, with soldier courses at each level for visual interest. The judicious use of cementitious and metal panels breaks the overall mass of the building into discrete volumes.

The Project's 14th Street, NW frontage has an active pedestrian level featuring retail storefronts with outdoor seating and an indoor/outdoor dance studio. The studio is designed to host interior-only events and events that spill from the interior to the exterior and engage the public realm. Purposely framed alley murals contribute to an overall creative placemaking strategy allowing the arts and related uses to inform the physical characteristics of the façade and ground plane. A combined entrance of the Dance Loft and the residence reinforces the

synergistic relationship between the building's mixed uses. The entrance is marked by an iconic abstract of a dancer in motion.

The residential floors are clad with a wire cut red masonry veneer as the main façade material and a smooth red masonry band highlighting the floors. The windows are punched opening with red cast stone sills and heads. A composite grey metal panel is used for the bay projections and a section along the alley façades provides visual interest in contrast to the masonry façade. The alley façades also include multiple projecting balconies. The roof cornice line features a masonry corbel detail in character with the neighborhood. Similarly, the bays have a metal panel cornice profile. The penthouse level is clad with a grey cementitious panel.

The Project fully recognizes the Property's keystone location along 14th Street, NW in Node Two and helps realize the urban potential of that corridor. The Project employs oriel windows and ground level details that extend that vernacular street wall element from the block immediately to the north. As noted above, the Project has a four-sided design that is intended to mitigate view impacts from the perspective of the surrounding residential houses. That is, the Project's three "rear" façades are designed to be as attractive, with the same mix of high-quality materials as is typical of a front façade.

The Applicant will provide additional information regarding the Project's storefront and signage plans prior to the public hearing on this Application.

Landscaping: The Project features some additional landscaping improvements, primarily located above the street level on the terraces and roofs of the Project. The Project's landscaping strategy includes second floor landscaped terrace areas within the building setbacks and penthouse level terrace and green space. The areas incorporate primarily green roof requirements with native plants, along with some private unit and public residence terrace areas.

Sustainability: The Project is designed to be certified at the level of LEED Gold v4 and will include rooftop solar panels in an effort to achieve net zero energy. The Project's level of sustainability is further evidence of its superior design and reflective of the Applicant's commitment to advance the District's sustainable development goals. Specific sustainable design features include: (i) maximizing on-site solar energy coupled with off-site solar energy through the District's Community Solar Program in order to achieve net zero energy for the Project; (ii) maximizing rooftop renewable energy while balancing stormwater management and GAR requirements; (iii) avoiding outdoor heat pump equipment and exploring ground-source/geothermal equipment or sanitary sewer heat recovery systems; and (iv) possibly tapping into the sewer main in 14th Street, NW in order to employ a sanitary sewer heat recovery HVAC system, a concept that the Applicant has discussed with DC Water.

Existing Retailers: As noted above, the five Existing Retailers occupy the ground floor commercial spaces in the 4608-4616 14th Street buildings. The Applicant has designed the ground floor of the Project to accommodate up to three retail bays (in addition to Dance Loft's 14th Street entrance) but has not yet reached an agreement with any of the Existing Retailers to return to those bays post-construction. The Applicant can help provide the Existing Retailers with resources to relocate to other nearby buildings on 14th Street, NW or elsewhere in the vicinity of the Property.

B. Requested Design and Zoning Flexibility

The PUD process allows more flexibility in design and compliance with the Zoning Regulations than is possible under the matter-of-right application of the Zoning Regulations. That is, the Commission retains the discretion to grant flexibility with respect to Zoning Regulation development standards, to grant the Map Amendment, and approve any relief requiring a special exception under the Zoning Regulations.⁴ The Commission also has the authority to approve design flexibility in the final approved plans of a PUD.

Pursuant to that PUD flexibility, the Applicant also seeks design flexibility as a part of the PUD process, which flexibility is consistent with the design flexibility that the Commission has granted in recent PUDs, all as listed on Appendix A attached to this statement. The Applicant may propose additional design flexibility in a future filing.

The Applicant requests only one minor area of zoning flexibility with respect to parking under Subtitle C, Section 702.1(c). Section 702.1(c) permits the by-right reduction of parking for properties within proximity of transit. The Project satisfies the intent of this regulation but requires minor relief from strict compliance as administered by DCRA. Under Section 702.1(c), the parking requirements are reduced by 50% for a building both (a) within 0.25 miles of a “Priority Corridor Network” and (b) with frontage on a street that does not participate in the Residential Parking Permit program based on the block where the property is located. The Property is within 0.25 miles of the 16th Street, NW “Priority Corridor Network”. The Property also fronts on 14th Street, NW, which appears not to participate in the Residential Parking Permit program. There is no RPP parking on the entire block of 14th Street, NW between Buchanan and Crittenden Streets, NW. That entire block is signed either for two-hour commercial parking only or for a WMATA bus stop. Moreover, the character of 14th Street, NW along that block is not residential given the non-residential uses on the west side and the WMATA bus barn on the east. However, the DDOT database that tracks RPP program compliance indicates that the block is RPP-eligible (despite all signage to the contrary). DCRA determines RPP eligibility under Section 702.1(c) based on DDOT’s database rather than actual signage. As a result, to take advantage of the reduction of parking provisions of Section 702.1, the Applicant requests the flexibility for DCRA to use actual signage rather than the DDOT database to determine RPP eligibility. The result of this relief would be a zoning parking requirement of 28 parking spaces, rather than a requirement for 55 parking spaces. The Project proposes to exceed the minimum 28 spaces.

All flexibility under a PUD, together with the Map Amendment, must be balanced against the PUD’s public benefits. The Public Benefits set forth herein more than suffices to justify the Project’s flexibility, including the requested relief and Map Amendment.

C. Development Timetable

The Applicant’s goal is to begin construction of the Project by 2023, subject to DHCD, and the Applicant anticipates that the Project will take approximately 12 months to build once construction commences.

⁴ See 11-X DCMR §§ 303.1, 303.11, and 303.13.

IV. PRE-FILING COMMUNITY OUTREACH AND ENGAGEMENT

The Applicant has undertaken an extensive amount of pre-filing discussion and outreach with the ANC commissioners, immediate neighbors and the greater Sixteenth Street Heights Neighborhood community. As a result of the Applicant's outreach and the Project's extraordinary Public Benefits, this Application enjoys strong support from many in the Sixteenth Street Heights neighborhood as well as from the 14th Street, NW business association, Uptown Mainstreet.

However, the Applicant is aware that some neighborhood residents, including some immediate abutters maintain reservations and objections to the Project. The Applicant takes this opportunity to report on its outreach to date, the pre-filing changes that it has made to the Project in response to community comments and concerns, and its ongoing efforts to continue post-filing. Finally, the Applicant provides evidence and arguments that opposition to the construction of new housing, especially mixed-income housing, has adverse effects on housing affordability and housing equity goals.

A. Community Outreach to Date

The Applicant began its outreach to neighbors and community groups at the earliest possible point in the process in March 2021, before the Applicant even had the Property under control.

Since beginning to engage the neighbors and other interested groups and individuals in the PUD process, the Applicant has undertaken the following significant outreach:

- met dozens of times individually or in small groups with the households surrounding the Property;
- held eight (8) formal, widely-advertised public meetings (advertised through list-serves, social media, mailed notices and leaflet delivery to individual households);
- presented at a monthly meeting of ANC 4C;
- presented at a special ANC 4C SMD-hosted meeting;
- presented to staff of Ward 4 Council Member George;
- met with Uptown Main Street, WMATA representatives, and with surrounding churches;
- briefed the Washington Interfaith Network on the Project; and
- met via web conference with the Office of Planning (“OP”) and District Department of Transportation (“DDOT”), and the District Department of the Environment.

The Applicant conducted neighborhood outreach beyond the directly abutting properties, holding virtual and in-person meetings with more than 85 participants, and individual meetings with more than 25 nearby households in support of the Project. The Applicant has also advertised and followed through on its willingness to meet with any individual or group wishing to discuss the Project. A full listing of the Applicant's outreach to date is attached as Exhibit H. The Applicant will continue to meet with the ANC, community, neighbors and DC agencies throughout this PUD and Map Amendment process.

B. Project Opponents' Primary Concerns and the Applicant's Response to Each

The primary concerns that the Applicant has heard fall into seven categories:

1. *Density/Height*: Neighbors' concerns about and objections to the Project's height and/or density relative to the nearby rowhouses is, by far, the most commonly-recurring concern that the Applicant has heard. The Applicant is sympathetic to many of these concerns and has taken significant design and other steps to mitigate impacts.
 - a. *Height reduction*: For instance, the Applicant began with contemplating a building envelope in accordance with the MU-7 Zone, which is consistent with the Comprehensive Plan's Moderate Density Commercial Future Land Use Map designation. An MU-7 PUD on the site could have potentially yielded a building height of 90 feet plus a setback penthouse and an FAR of 5.76. However, the Applicant reduced such height to a building height that is more compatible with the surrounding context while still being responsive to its 14th Street, NW location. This consideration resulted in a building height of 66.75 feet plus a setback penthouse (5 stories) along 14th Street, NW and 47 feet plus setback penthouse (4 stories) at the rear of the Property nearest the adjacent rowhouses.
 - b. *Setbacks*: The Applicant also began with contemplating a building envelope that included no setbacks from the property lines apart from a primarily interior courtyard area and the required rear yard. However, in order to incorporate a design reflective of and sensitive to neighborhood context, the Applicant included building setbacks for the Project's second floor and above to the current distances of:
 - 16.5 feet from the southern property line, which results in a cumulative open space dimension of 61.5 feet to the average rowhouse façade-line to the south (i.e., from the rear of the houses fronting on Buchanan Street, NW);
 - 15 feet from the western property line, which results in a cumulative open space dimension of 66.5 feet to the average rowhouse façade-line to the west (i.e., from the rear of the houses fronting on 15th Street, NW); and
 - 16.5 feet from the northern property line, which results in a cumulative open space dimension of 75.3 feet to the average rowhouse façade-line to the north (i.e., from the rear of the houses fronting on Crittenden Street, NW).

See sheet A.33 of the Plans. As a result of the above setbacks, the narrowest dimension between the 2nd floor of the Project and the closest average rear rowhouse façade is greater than the width of the Buchanan Street right of way itself (60 feet).

- c. *Alternative Plans*: In addition, over the course of several community meetings with adjacent neighbors, the Applicant proposed alternative massings, including a proposal that reduced the height of the Project a full story in the rear of the building, but also reduced setbacks (i.e., reduced the separation from the Project to nearby houses). However, those alternatives were generally regarded as not

acceptable to many of the abutters so the Applicant did not develop such alternatives further.

In sum, reducing density to a level so far below what envelopes highly consistent with, and even encouraged by, the Small Area Plan and the Comprehensive Plan would contravene more than ten years of District planning efforts. Reducing the scale of the Project would also adversely affect the Project's Public Benefits in terms of contributing new housing, affordable housing, three-bedroom family units, and preservation and support of the arts. At a fundamental level, addressing the District's affordable housing concerns requires building a meaningful amount of new, particularly affordable, housing where none exists today.

2. *Privacy*: Some neighbors also voiced concerns about views from the Project's units into the backyards and windows of the existing rowhouses. The Project's setbacks at the rear of the building, which far exceed setback distances in similar configurations in many other District neighborhoods, considerably mitigate these concerns.
3. *Parking*: Many in the community have expressed concerns that the Project did not have sufficient vehicle parking spaces. The Applicant initially proposed 20 spaces. After hearing these neighbor concerns, the Applicant proposed an increase to approximately 40 spaces at considerable expense to the Project.
4. *Alley Widths*: Some adjacent neighbors were concerned that the public alley network surrounding the Property is too narrow to accommodate the demands of the Project. As a result of neighbor feedback, the Applicant widened the primary alley entrance that will serve the Project and will work with DDOT to impose directional controls (e.g., one-way signs) in the alley system. As a result of the increased vehicular egress/ingress width, ordinary ingress and egress traffic to and from the building does not require use of any alleys other than the alley entrance at 14th Street, NW.
5. *Retail Uses on 14th Street, NW*: Some in the community were concerned that the Project would result in the displacement of the Existing Retailers and that the Project (as originally proposed) would not have non-residential uses beyond the Dance Loft. The Applicant responded by decreasing the space devoted to the Dance Loft and increasing the amount of space for retail/commercial use along 14th Street, NW, adding up to three retail/commercial bays totaling approximately 1,888 square feet along 14th Street, NW.
6. *Construction-Period Impacts*: Some neighbors raised concerns and questions regarding the Project's construction-period impacts. These concerns and questions are not necessarily grounded in the Project proceeding as a PUD (i.e., the neighbors would have had the same concerns with respect to a matter-of-right development). However, the Applicant will provide an appropriate Construction Mitigation Plan to abutters prior to beginning construction.
7. *Too Little Affordable Housing*: Some community members raised the concern that this particular site should, given the planning context and the acute housing crisis facing the city, provide more dwelling units and more affordable housing. The

Applicant is sympathetic to this concern as well. More density would allow the Project to achieve its affordability goals along with being more attractive for DHCD financing. However, the Applicant believes that the proposed building envelope and the range of affordable housing proposed will be viable and properly balances competing neighborhood compatibility considerations. Significantly, the Project includes a meaningful number of units affordable at 30% and 50% MFI.

C. Project Changes in Response to Community Concerns and Considerations

In response to concerns and compatibility considerations, the Applicant has proposed or made the following changes to the Project since its original proposal to the neighbors and ANC 4C:

1. *Density/Height*: Based on considerations of the Property's surrounding context, the Applicant reduced its desired building envelope, which was initially conceived in accordance with the MU-7 Zone, and then further curtailed the building's envelope to a height and density below the maximum building envelope permissible under the MU-5 Zone. As a result, the Applicant created a building is sculpted with ample setbacks and effectively tapers from the 14th Street, NW façade to four stories at the rear closest to surrounding rowhomes. Indeed, because of the topography the Project's height at the rear is roughly the same as the height of some surrounding homes on the same block as the Property. See Plans at sheet A.32, elevation B. As mentioned above, the Applicant also studied and presented alternative building massings to the community.
2. *Privacy*: The Applicant located the residential amenity space and oriented it in such a fashion as to minimize sight lines into neighbors' property. In addition, the Applicant reduced the glazing percentage at the rear of the building to reduce views out of the Project into neighbors' yards. Finally, the Applicant also intends to install standard window treatments and other design steps to address privacy concerns. However, absent providing only frosted windows and removing balconies, there is no way to fully satisfy the neighbors' privacy concerns. The Applicant believes that it would not be equitable for the Project's future residents to have unduly restricted outward views.
3. *Parking*: The Applicant doubled the number of vehicle parking spaces it originally proposed (from 20 to 40 parking spaces), at significant cost, reducing flexibility to accommodate other concerns.
4. *Alley Width*: As noted above, the Applicant agreed to widen the primary alley serving the Project's garage at the expense of approximately 500 square feet of GFA at ground level, another non-trivial expense.
5. *Retail Uses on 14th Street, NW*: As noted above, at the request of neighbors, the Applicant agreed to reduce the Dance Loft floor area in order to include additional retail/commercial spaces in the Project.
6. *Construction-Period Impacts*: The Applicant will deliver a Construction Mitigation Plan at the appropriate time.

D. Project Supporters

The Project's extraordinary Public Benefits have generated a tremendous groundswell of support in the immediate neighborhood and beyond. There is a huge constituency of District residents who support the construction of new affordable housing and the retention of community arts organizations. Those Project supporters have coalesced around the Project and their thoughts and encouragement have also contributed positively to the Project's evolution.

E. Housing Market Effects of Opposition to New Housing and Affordable Housing

In general, neighbor opposition to the construction of new housing and new affordable housing is a significant factor increasing the cost of housing to unattainable levels in much of Northwest DC and impedes the District's fair housing and housing equity goals. Those unfortunate outcomes would be the case here as well should neighbor opposition result in reducing the Project's density below the current proposal.

1. Opposition to the Construction of New Housing Reduces Housing Affordability

As DHCD and OP noted in the Mayor's October 2019 *Housing Equity Report*, "Growing our housing supply helps maintain affordability for all."⁵

Opposition to increasing the District's housing supply stifles the District's housing affordability goal. Even for skeptics of the argument that increasing housing supply increases housing affordability, there can be no doubt that opposition to income-restricted affordable housing, resulting in fewer such affordable units, ultimately harms housing affordability.

The Mayor's primary housing goals are to build more housing and in particular more income-restricted affordable housing. Opposition to the Project seeking less housing (or, at best, desire to have at least some of it built somewhere other than on this block⁶) are directly contrary to the District's housing affordability goals.

⁵ *Housing Equity Report: Creating Goals for Areas of Our City* at 4 (Oct. 2019), available at https://housing.dc.gov/sites/default/files/dc/sites/housingdc/page_content/attachments/Housing%20Equity%20Report%2010-15-19.pdf.

See also Eli Dourado, *We Need to Build Our Way Out of This Mess*, NEW YORK TIMES (August 11, 2021), available at <https://www.nytimes.com/2021/08/11/opinion/politics/we-need-to-build-our-way-out-of-this-mess.html> ("The solution to high housing costs could not be simpler: Build more homes. . . . If we increase the supply of housing enough, prices will fall."). Although the economics of housing markets are nuanced, there is a growing body of empirical evidence supporting the position that building more housing decreases consumer housing costs. See, e.g., Shane Phillips, et al., *Research Roundup: The Effect of Market-Rate Development on Neighborhood Rents*, UCLA LEWIS CENTER FOR REGIONAL POLICY STUDIES (February 2021) (collecting empirical results of six research exercises, five of which "find that market-rate housing makes nearby housing more affordable across the income distribution of rental units and one [of which] finds mixed results").

⁶ See, e.g., William Marble & Clayton Nall, *Homeowners and Opposition to Housing Development*, J. POLITICS (June 28, 2021) ("Liberal homeowners, especially, must cope with dissonance between their egalitarian ideology and a desire to protect their home values and quality of life. They often embrace liberal housing goals and redistributive housing policies, but join conservatives in opposing dense housing in their own communities. . . . For example, in making public statements to oppose housing development, Americans seldom claim that their pecuniary self-interest is their reason for doing so. Instead, they frame concerns in terms of community quality of life: safety of

2. Neighbor Opposition to the Construction of New Housing Impedes Housing Equity and other forms of Equity

However, it is not enough to build affordable housing elsewhere besides the Property, even if at best the same total number of units would be constructed. As the Mayor’s Housing Equity Report also notes “It’s not fair to place all of the affordable units in one part of the city because the wealthiest neighborhoods don’t want it. To thrive, neighborhoods needs to be mixed-income. . . . Growing an inclusive city means adopting a ‘fair share’ principle. Every ward should be responsible for its fair share of the city’s growth.”⁷ According to this District housing equity principle, it would not be fair to relocate some of the Project’s affordable units or three-bedroom units to a different new multifamily building being constructed, for instance, in a Downtown zone away from single-family homes, even if such a transfer of density were possible. The Project’s affordable and family-sized units are especially needed in Ward 4 and in Sixteenth Street Heights.

This “fair share” concept is a bedrock of the Mayor’s housing goals. The *Housing Equity Report* seeks at least 15 percent of all units within each of the District’s ten “Planning Areas” to be affordable. The Property is within the Rock Creek East Planning Area, which the *Report* shows is 1,500 affordable housing units away from meeting that 15 percent target. Among the ten Planning Areas in the District, Rock Creek East is the Planning Area that is second *furthest* from meeting its target.⁸

Not only is the Rock Creek East Planning Area far from contributing its fair share of affordable housing in the District, so too is the area encompassed by ANC 4C specifically. According to 2018 data from OP, ANC 4C is 490 affordable housing units short of the 15 percent target.⁹ ANC 4C and Ward 4 cannot bypass this opportunity to add affordable housing and still reach its target. (Analogous data for Sixteenth Street Heights is not readily available, but based on maps from DHCD,¹⁰ much of the affordable housing in and planned for ANC 4C is in Petworth or along Georgia Avenue, NW and not within the Sixteenth Street Heights

children, traffic congestion, and school quality. Such rationales may be sincere, but they also allow development opponents to reconcile ideology and self-interest. Homeowners may also justify their opposition to needed housing development by arguing for alternative policies to address housing affordability without inviting in unwanted and spatially focused home construction. This may manifest itself in classic NIMBYism: homeowners embrace the idea of building housing somewhere in their general vicinity, but that local facts argue against building in their town or neighborhood.”)

⁷ *Housing Equity Report* at 3-4.

⁸ *Id.* at 15. Only the Rock Creek West Planning Area is further from its target at 1,990 units to go.

⁹ See District of Columbia, Income-Restricted Affordable Housing by ANC, DC Office of Planning State Data Center, available at <https://public.tableau.com/app/profile/travis.pate/viz/DistrictofColumbiaIncome-RestrictedAffordableHousingbyANC/AffordableHousingANC> (last accessed August 13, 2021). Of course, it is not enough to simply add 490 new affordable units to ANC 4C. Rather either 490 existing units would need to be converted to affordable to reach the 15 percent target or 575 new affordable units (and 0 new market-rate units) would need to be added to reach the 15 percent target. Obviously neither scenario is likely, so the total number of affordable units in ANC 4C will ultimately need to be much higher than 490-575 new affordable units in order to keep pace with any growth in market-rate units.

¹⁰ See DHCD-DFD Pipeline Public Dashboard, available at <https://octo.quickbase.com/db/bit4kvfmq> (last accessed August 13, 2021).

neighborhood, which is doubtlessly far below ANC 4C as a whole in terms of providing a proportionate share of affordable housing.)

In addition to the Mayor's *Housing Equity Report*, DHCD has extensively studied the barriers to fair housing and other forms of housing equity in the District. Not surprisingly, community opposition to new affordable housing and land use and zoning restrictions are among the most significant barriers to DHCD's fair housing goals.¹¹

Notes DHCD: "Community opposition is a major contributing factor to the perpetuation of segregation . . . in D.C. and the region. Legal challenges, petitions, historic preservation designation filings, and other forms of advocacy can delay or cancel housing projects, contributing to an inequitable distribution of housing, particularly affordable housing, in the city and reinforcing existing patterns of economic and racial segregation. . . . Overall, community opposition to proposed housing projects can have harmful effects on fair housing. ***When community opposition is successful at scaling back the size of housing projects or preventing new housing from being built, it can limit access to certain neighborhoods, especially high-opportunity areas. This has a negative effect on housing choice for members of protected classes.***" (Emphasis added)

DHCD also observes the inequitable effects of zoning, particularly zoning that preferences single-family housing:

"A large portion of the land in D.C. designated for residential housing is zoned for low-density, single family units. Indeed, while single family homes make up 30% of D.C.'s total housing stock, they account for 80% of residential buildings in the city. Some neighborhoods, such as many in upper Northwest, therefore build very little or no housing per year. Single-family homes are on average more expensive to rent or buy than other types of housing. The large amount of land reserved for single family homes means that there is a limited amount of space available to build a mix of housing types that may be more affordable to families and that can accommodate more residents. . . .

"Restrictive zoning and land use laws also help to drive up the costs of housing construction and limit the development of new housing in much of the city, particularly in high-opportunity areas. . . . Additionally, limiting housing construction in more affluent areas effectively renders these areas off-limits to growth and can lead to increased displacement pressures and gentrification elsewhere as pent-up demand for housing is redirected to moderate-income and low-income areas. Collectively, zoning and land use laws have the effect of limiting the supply of housing and excluding many middle-income and low-income.

¹¹ DC DHCD, LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW & POVERTY AND RACE RESEARCH ACTION COUNCIL, *Analysis of Impediments to Fair Housing Choice (Washington, D.C.)* [Draft for Public Comment] at 126-28 (September 2019), available at https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/event_content/attachments/D.C.%20Draft%20Analysis%20of%20Impediments%20to%20Fair%20Housing%20Choice%209.27.2019%20%281%29.pdf

“Land use and zoning laws are a contributing factor to disparities in access to opportunity. Many of the D.C. neighborhoods with the lowest crime rates, highest-performing schools, and access to quality retail and transit are zoned primarily for single family homes, which are generally more expensive than multifamily units. . . . Land use and zoning laws thus prevent a mix of housing types and more affordable housing from being built in many areas of opportunity. This has the effect of excluding many people from living in these neighborhoods, contributing to disparities across a wide set of areas.”¹² (Internal citations omitted.)

The inequities in limiting the construction of new housing and affordable housing do not simply harm low-income households who would occupy affordable, multifamily rental housing if it was allowed to be constructed. Those factors also *benefit* the relatively affluent owners of single-family housing. According to Jenny Schuetz of the Brookings Institute, “the largest group of beneficiaries from regulations that restrict housing supply aren’t [developers]. Homeowners who were lucky enough to purchase their houses in earlier periods have enjoyed substantial wealth gains, most of which are exempt from [income] taxation. Small wonder that homeowners exert their political muscle to continue restricting new housing supply.”¹³

V. THIS APPLICATION SATISFIES THE REQUIREMENTS FOR A CONSOLIDATED PUD AND MAP AMENDMENT

The Project and this Application satisfy the requirements of the Zoning Regulations for review and approval of a consolidated PUD and related Map Amendment. The Commission should set down this Application for a public hearing and ultimately approve the Project.

A. This Application Complies with the Consolidated PUD Set Down Criteria and all Other Prerequisites for a PUD

The Commission should set down this Application for a public hearing, and ultimately approve it, because this application satisfies the standards for a consolidated PUD. The procedural regulations applicable to a consolidated PUD provide (1) for the Commission to undertake a detailed review;¹⁴ and (2) that the application must contain all required information for the Commission to allow a consolidated PUD to proceed to a public hearing.¹⁵ In addition, the purpose of the PUD process is to provide for higher quality development through flexibility in building controls, provided that the project that is the subject of the PUD (3) results in a

¹² *Id.* at 137-39.

¹³ Spencer Bokart-Lindell, *America’s Housing Crisis Is a Choice*, NEW YORK TIMES (August 10, 2021), available at <https://www.nytimes.com/2021/08/10/opinion/housing-crisis-eviction.html>

¹⁴ *Id.* §§ 302.1 and 302.2 (Requiring a “general review of the site’s suitability as a PUD and any related map amendment; the appropriateness, character, scale, height, mixture of uses, and design of the uses proposed; and the compatibility of the proposed development with the Comprehensive Plan, and city-wide, ward, and area plans of the District of Columbia, and the other goals of the project” plus a “detailed site plan review to determine transportation management and mitigation, final building and landscape materials” and review).

¹⁵ 11-Z DCMR § 300.11 and 300.12, 11-X DCMR §§ 302.3 and 307.1 (identifying the information and material required for both a first- and second-stage PUD application) and 11-X DCMR § 302.4 (regarding set down standards for a Consolidated PUD).

project superior to what would result from the matter-of-right standards; (4) offers a commendable number or quality of meaningful public benefits; (5) protects and advances the public health, safety, welfare, and convenience, does not circumvent the intent and purposes of the Zoning Regulations, is not inconsistent with the Comprehensive Plan, and does not result in action inconsistent therewith; and (6) undergoes a comprehensive public review by the Commission in accordance with the procedural requirements for a PUD in order to evaluate the flexibility or incentives requested in proportion to the proposed public benefits.¹⁶ The minimum area included within a proposed PUD must be no less than 15,000 square feet, and all such area must be contiguous.¹⁷ The Property, at 29,960 square feet, satisfies the area and contiguity requirements for a PUD. The certificate attached as Exhibit I details the Application's compliance with each of the other foregoing PUD requirements.

In particular with respect to the third criteria above, the Project's mix of uses, Public Benefits, and the community engagement process that the Applicant has already begun and that will accompany the remainder of this proceeding all far exceed what would be provided under matter-of-right standards.

The Mayor's Housing Order outlines her administration's aggressive and commendable goals for increasing housing production, and particularly affordable housing production, in the District. The Housing Order notes that "Increased housing production and preservation is required to address growth and ensure the District lives up to its values of being diverse and inclusive. To do this, ***the District must create 36,000 new residential units by 2025.***" The Project is exactly the type of new development necessary to achieve the housing goals of the Housing Order. The Project alone provides more than 0.5 percent of the Mayor's goal for 12,500 new affordable housing units and helps address the District's compelling need for new family-sized housing at a site such as the Property.

The PUD process provides the framework for realizing the potential of the Property, and capturing benefits and amenities that enhance the surrounding community. The Project, by virtue of proceeding as a PUD, contributes the Public Benefits and results in a superior outcome relative to any matter-of-right development on the Property.

B. This Application Satisfies the Requirements for a Map Amendment

The Commission should grant the requested Map Amendment to change the zone designation for the Property from MU-3A to MU-5A because this Application satisfies the filing requirements for a Map Amendment and all substantive criteria relevant to the Map Amendment, which will be valid only in combination with and contingent upon the development of the Project being built and operated under the conditions of the PUD approval. As set forth below in Section VI, the proposed Map Amendment is not inconsistent with the Comprehensive Plan, Small Area Plan, or other adopted public policies and active programs related to the Property.

¹⁶ *Id.* §§ 300.1, 300.2, and 300.5.

¹⁷ *Id.* §§ 301.1 and 301.5.

VI. THE PROJECT SATISFIES THE APPLICABLE PUD EVALUATION CRITERIA

The Project satisfies the criteria by which the Commission must evaluate a PUD and balance the public benefits against the development incentives and potential adverse effects. The Commission's evaluation should include the Map Amendment (as a development incentive) as part of the PUD. *See* 11-X DCMR §§ 300.4.

First, in reviewing this Application, the Commission must find, based on the Applicant's evidence, that the Project satisfies the three elements of the PUD evaluation standard; that is, that the Project (A) is not inconsistent with the Comprehensive Plan and other relevant public policies, (B) does not result in any unacceptable impacts on the surrounding area or on the operation of District services and facilities, and (C) includes specific public benefits that satisfy the relevant requirements. 11-X DCMR §§ 304.2, 304.4, and 305.

Second, if the Commission finds that the Project satisfies those three criteria, then the Commission must judge, balance, and reconcile the relative value of the Public Benefits against the development incentives and flexibility requested as part of the Project and any potential adverse effects of the Project. *Id.* §§ 304.1 and 304.3.

The Project satisfies the three foregoing criteria and supports a balancing of the Project in favor of granting approval of this Application.

A. The Project Is Not Inconsistent with the Comprehensive Plan

In order to approve the Consolidated PUD and the Map Amendment, the Commission must find that such PUD and related Map Amendment are "not inconsistent with the Comprehensive Plan and with other adopted public policies . . . related to the subject site." 11-X DCMR §§ 304.4(a), 500.3. The Project is not inconsistent with the Comprehensive Plan or other adopted public policies, *viz.*, the Small Area Plan and the Housing Order.

The District of Columbia Court of Appeals has consistently directed the Commission to review a PUD application against the Comprehensive Plan and other adopted public policies "*as a whole*" under this prong of the PUD evaluation standard. That is, the Commission may find that a PUD application is not inconsistent with the Comprehensive Plan even if the application presents actual or potential inconsistencies with individual objectives or elements of the Comprehensive Plan.¹⁸ Rather, the Commission must weigh and balance competing policy objectives and explain its analysis.¹⁹ Finally, the Court has determined that small area plans, such

¹⁸ *Friends of McMillan Park v. District of Columbia Zoning Comm'n.*, No. 18-AA-698 and 18-AA-706 (D.C. Jul. 3, 2019) ("The Commission may approve a PUD that is inconsistent with one or more non-mandatory policies in the Comprehensive Plan as long as it recognizes these conflicting policies and explains why they are outweighed by other, competing considerations.") (internal quotations marks and citations omitted).

¹⁹ *Id.* ("Even if a proposal conflicts with one or more individual policies associated with the Comprehensive Plan, this does not, in and of itself, preclude the Commission from concluding that the action would be consistent with the Comprehensive Plan as a whole. The Comprehensive Plan reflects numerous occasionally competing policies and goals and, except where specifically provided, the Plan is not binding. Thus, the Commission may balance competing priorities in determining whether a PUD is consistent with the Comprehensive Plan as a whole.") (internal quotations marks and citations omitted).

as the Small Area Plan, must be read “in conjunction with the Comprehensive Plan, which is itself a non-binding “interpretive guide” unless otherwise provided.”²⁰

In sum, the Project is not inconsistent with the Comprehensive Plan and other adopted public policies or active programs related to the subject site, including the Small Area Plan and Housing Order, when reviewed as a whole. Attached as Exhibit J is a detailed analysis of the Project reviewing certain portions of the Comprehensive Plan and the Small Area Plan. Of particular note:

1. *Future Land Use Map*: The Comprehensive Plan’s recently-adopted “Future Land Use Map” re-designates the Property as “Mixed Use” “Moderate-Density Commercial” and “Moderate-Density Residential,”²¹ which allows for mixed-use buildings with an FAR between 2.5 and 4.0 or more subject to a PUD. The mixed-use Project with an FAR of approximately 3.79 is not inconsistent with this designation, especially given its level of affordable housing and its proceeding as a PUD. *See* 10-A DCMR §§ 227.6, 227.11, and 227.20.
2. *Generalized Policy Map*: The “Generalized Policy Map” designates the Property as a “Main Street Mixed Use Corridor” which “are traditional commercial business corridors with a concentration of older storefronts along the street” with “a pedestrian-oriented environment with traditional storefronts. Many have upper-story residential or office uses. Some corridors are underutilized, with capacity for redevelopment. Conservation and enhancement of these corridors is desired to foster economic and housing opportunities and serve neighborhood needs. Any development or redevelopment that occurs should support transit use and enhance the pedestrian environment.” *Id.* § 225.14. The Project is not inconsistent with the objectives for a Main Street Mixed Use Corridor given the proposed traditional storefront, pedestrian-oriented design along the 14th Street, NW façade of the Project. In addition, the Project’s mix of uses, and its infusion of residents who will become patrons of other nearby businesses helps conserve and enhance Node Two. Finally, the Project’s upper story housing program is consistent with this definition.
3. *District Wide and Area Elements*: The Project advances numerous individual objectives of the District Wide and Area Elements, which will be detailed more completely in a future filing in order to provide the most up-to-date analysis in light of the amendments recently approved by D.C. Council. In sum, the Project is not inconsistent with the Comprehensive Plan as a whole. Numerous objectives of the District Wide and Area Elements encourage the development of additional housing and affordable housing, especially near transit. The Comprehensive Plan also encourages the types of non-residential uses included in the Project. In addition, the Project advances urban design, arts, environmental, transportation, and other policy objectives of the Comprehensive Plan.

²⁰ *Union Market Neighbors v. District of Columbia Zoning Comm’n.*, No. 17-AA-780 (D.C. Mar. 28, 2019).

²¹ This Map is not yet effective and may not be effective prior to set down in this proceeding. However, the Applicant provides this note for context.

4. *Small Area Plan*: The Small Area Plan identifies the Property as the site with the “the best redevelopment potential” and anticipates the change on the Future Land Use Map to Moderate Density Commercial/Moderate Density Residential to “enable an increase in zoning”. Moreover, the Small Area Plan encourages “different” types of retail uses for the site including “healthy living studios” consistent with the Project’s proposal to retain the Dance Loft use. In addition, the Small Area Plan encourages “[a]dequate setbacks from adjacent residential properties” and a “step back away from existing residential neighborhoods” as is proposed for the Project’s north, south, and west façades. As further design guidance, the Small Area Plan encourages “continuous street frontage” along 14th Street, NW and parking oriented toward the rear of the building. These aspects of the Small Area Plan anticipate the Project. One aspect of the Small Area Plan that some may argue that the Project is not entirely in line with is the recommendation for two to three floors of residential above the ground floor. The Project proposes four floors of residential above the ground floor. The Applicant believes that the Project’s significant contribution of affordable housing and setbacks along the alleys warrant this deviation from the Small Area Plan, which does not mention affordable housing at all, in light of the direction of the Mayor’s Housing Order and the recently-adopted Comprehensive Plan. Additional comments regarding the Project’s consistency with the Small Area Plan are summarized in Exhibit J.
5. *Mayor’s Housing Order*: As noted above, the Housing Order sets a goal of creating 36,000 new residential units and 12,500 new affordable housing units in DC by 2025. The Project alone represents approximately 0.5% of that affordable housing goal, a significant contribution from a single site and a unique opportunity for Ward 4 and the District at large. The Project is more than just consistent with the Mayor’s Housing Order: the Project is precisely the type of transit-oriented, contextually-designed, mixed-income new development with permanent affordable housing units that will be essential to achieving the Mayor’s housing objectives.

To the extent the Project introduces any inconsistencies not identified here or in future filings, the Commission should balance those inconsistencies against the competing objectives of producing additional housing and affordable housing near transit as encouraged elsewhere in the Comprehensive Plan and as strongly urged in the Housing Order. The housing production goals, taken in the context of the Project’s design allow the Commission to find that the Project satisfies the first prong of the three-part PUD evaluation standard as being not inconsistent with the Comprehensive Plan and related public policies *as a whole*.

B. The Project Does Not Result in Any Unacceptable Impacts on the Surrounding Area, the Environment, or the Operation of District Services or Facilities

The Applicant has carefully studied the Project’s potential impacts and offers the attached Exhibit K that the Project has no unacceptable adverse impacts on the surrounding area, the environment, or on the operation of District services or facilities that cannot be mitigated or that are not acceptable in light of the Public Benefits. The Applicant prepared the impact review

based on input from its team of expert consultants, including its architects, engineers, and planners.

In sum, the Project's construction-period impacts are capable of being mitigated and/or acceptable in light of the Public Benefits being provided (primarily the affordable housing benefits, which would not be possible without such construction impacts). Similarly, any new shadow impacts or loss of light and air experienced by neighbors are acceptable in light of the magnitude of the Public Benefits relative to the relatively minor nature of such impacts. Finally, any adverse displacement impacts experienced by existing retail tenants are either capable of being mitigated or are acceptable in light of the Project's overall Public Benefits.

This impact review satisfies the requisite evidentiary standard, and the Applicant will provide supplemental information, including a Comprehensive Transportation Report, to address any questions or concerns that are raised during the PUD process.

C. The Project Includes Specific Public Benefits Satisfying Applicable Criteria

The Project provides the package of Public Benefits in satisfaction of the requirements for a PUD. The specific Public Benefits are identified in more detail on Exhibit L.

In summary, the Project's most significant public benefit is its provision of new housing: 66 new units of affordable housing at a mix of 30%, 50%, and 60% MFI, and 25% of units with three-bedrooms. The Project's sustainability commitments (LEED Gold, solar panels, and a net zero energy target) and exemplary design are further benefits. Not least of all, the Project includes the retention and enhancement of the Dance Loft use to create a performing arts anchor.

The Public Benefits accrue in part to the neighborhood and in part to the District as a whole. The objective of the PUD process is to encourage high quality development that provides public benefits and project amenities by allowing applicants greater flexibility in planning and design than may be possible under matter-of-right zoning. This Application satisfies that objective.

D. The Project Satisfies the Evaluation and Balancing Criteria Required for Commission review of a PUD

Pursuant to Subtitle X, Sections 303.12 and 304.3, in evaluating this Application, the Commission must, according to the specific circumstances of the instant application, judge, balance, and reconcile the relative value of: (i) the Public Benefits, (ii) the development incentives, including the Map Amendment and zoning and other flexibility requested as part of the Project, and (iii) any potential adverse effects of the Project.

The Project satisfies the foregoing PUD balancing test. The Project's Public Benefits, primarily its contribution of additional affordable housing/family-sized, three-bedroom units, sustainable design, and preservation of the arts justify the additional density under a PUD and the Map Amendment, which are the primary development incentives of this Application. The requested design flexibility is warranted by the Project's superior architecture and design. The minor zoning flexibility for parking is more than balanced by the Project's meritorious sustainability benefits. Finally, the Project's modest potential adverse effects are more than

justified by the Project's provision of such a significant amount of new and new affordable housing, environmental benefits, and the retention of an arts organization.

Overall, the relative value of the Project and its Public Benefits warrant granting the requested PUD approval.

VII. CONCLUSION

This Application for review and approval of a consolidated PUD and Map Amendment meets the standards of the Zoning Regulations, is consistent with the purposes and intent of the Zoning Regulations and Zoning Map, enhances the health, welfare, and safety and convenience of the citizens of the District of Columbia, satisfies the requirements for approval of a PUD and Map Amendment, provides significant public benefits in accordance with the requirements of the Zoning Regulations for same, and advances important goals and policies of the District.

Accordingly, the Applicant respectfully requests the Commission set down this Application for a public hearing at the earliest possible date.

Respectfully submitted,

Goulston & Storrs

/s/ Jeffrey C. Utz
Jeffrey C. Utz

/s/ David A. Lewis
David A. Lewis

October 26, 2021

Appendix A

Design Flexibility

- a. Interior Components: To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, atria, and mechanical rooms, provided that the variations do not change the exterior configuration of the building as shown on the plans approved by the order;
- b. Exterior Materials – Color: 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 shown on the plans approved by the order;
- c. Exterior Details – Location and Dimension: To make minor refinements to the locations and dimensions of exterior details that do not substantially alter the exterior configuration of the building or design shown on the plans approved by the order. Examples of exterior details would include, but are not limited to, doorways, canopies, railings, and skylights;
- d. Number of Units: To provide a range in the number of residential dwelling units of plus or minus ten percent (10%);
- e. Parking Layout: To make modifications to the parking configuration, including layout and number of parking spaces and the size and number of garage levels constructed, including to provide a range in the number of vehicle parking spaces plus or minus ten percent (10%), so long as the number of automobile and bicycle parking spaces is at least the minimum number of spaces required by the Zoning Regulations;
- f. Streetscape Design: To vary the location, attributes, and general design of the approved streetscape to comply with the requirements of, and the approval by, the DDOT Public Space Review Division or the Public Space Committee;
- g. Signage: To vary the font, message, logo, and color of the approved signage, provided that the maximum overall dimensions and signage materials are consistent with the signage on the plans approved by the order and are compliant with the DC signage regulations;
- h. Sustainable Features: To vary the approved sustainable features of the project, provided the total number of LEED points achievable for the project does not decrease below the minimum required for the LEED standard specified by the order; and
- i. Commercial Uses: To vary the uses of the spaces the ground floor of the Project to be used for any use allowed in the MU-5A zone subject to condition (a).