

GOVERNMENT  
OF  
THE DISTRICT OF COLUMBIA

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ZONING COMMISSION

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PRESENTATION  
BY  
OFFICE OF PLANNING

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THURSDAY  
JANUARY 18, 2001

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The presentation by the Office of Planning to the District of Columbia Zoning Commission convened at 6:15 p.m. in the Office of Zoning Conference Room at 441 4th Street, Northwest, Washington, D.C., Anthony J. Hood, Chairperson, presiding.

ZONING COMMISSION MEMBERS PRESENT:

ANTHONY J. HOOD	Chairperson
CAROL J. MITTEN	Vice Chairperson
HERBERT M. FRANKLIN	Commissioner
KWASI HOLMAN	Commissioner
JOHN G. PARSONS	Commissioner

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## COMMISSION STAFF PRESENT:

Alberto P. Bastida, Secretary, ZC

## OFFICE OF PLANNING STAFF PRESENT:

Andrew Altman, Director, Office of Planning

Lara Belkind

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P-R-O-C-E-E-D-I-N-G-S

(6:22 p.m.)

1  
2  
3 MR. ALTMAN: Okay, this is the downtown. We  
4 presented this -- the date is off -- I guess about a month  
5 and a half ago.

6 VICE CHAIRPERSON MITTEN: November 14th.

7 MR. ALTMAN: It's the culmination of a lot  
8 of work that had been done. There had been as a result  
9 of a convention -- MCI Center, as part of that agreement,  
10 settlement agreement, that there would be a downtown plan  
11 that should be done to guide the growth and development  
12 of downtown, etcetera, so when I got on board we kind of  
13 looked at what -- there had been lots of downtown plans,  
14 so there are no shortage of those and you've probably seen  
15 them all, so as much as I have.

16 So the question was what do you do, what did  
17 downtown really need right now? You had the 1984 Living  
18 Downtown Plan. You had the Interactive Downtown Plan that  
19 was under Mayor Barry. You had the Downtown Zoning  
20 Amendments. You had a number of things that have happened.

21 So what makes this plan different from all  
22 other plans that have been done? The key thing that this  
23 -- we really focused this time on was trying to -- we called  
24 it less of a plan than an agenda because it was what does  
25 the public and private sector going to do? Really, less

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1 long term because we thought the basic vision for downtown  
2 had been -- was a good vision.

3 We didn't need to go back. The idea of a  
4 living downtown was a good one. The idea of a residential  
5 downtown, the idea of having a vibrant downtown, all made  
6 sense, so there wasn't a need to reestablish that. The  
7 question was how do you build on the fact that you have  
8 \$3.5 billion of investment, keep that momentum going?  
9 So we worked a lot with the downtown bid and with downtown  
10 stakeholders developing community as well as with the  
11 housing applicants and the others to say what are the things  
12 that we can do to keep this going? So that's what this  
13 kind of framework was to guide the growth and development.

14 We decided to set some targets. This is based  
15 on research by Economic Research Associates over roughly  
16 five year to ten year period, depending on the market.

17 And we looked at the residential target of about 7500  
18 units. I'll walk through these, how we got to these in  
19 a little bit.

20 Retail, about a million square feet. Arts  
21 and culture, about 1600 new seats. Hotel and tourism --

22 MS. BELKIND: Has been refined.

23 MR. ALTMAN: It's been refined. It's about  
24 1500, 3,000 new rooms. Two thousand new rooms, an office  
25 with about 3 to 5 million square feet.

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1           Those were kind of the parameters of what we  
2 thought the demand, except for residential which is really  
3 not necessarily what the market demand is. We don't know  
4 what that is. That's still sort of developing. But we  
5 knew that based on sort of the current downtown and  
6 projections out that the other numbers we thought were  
7 attainable. And I'll walk through these in a little bit.

8           So we said what are the real issues facing  
9 downtown right now? I'll walk through these quickly, but  
10 downtown is approaching build out. Less than 10 percent  
11 is undeveloped. So there's just not land left. Real  
12 estate market is active. I talked about there's \$3.5  
13 billion in development. Key sites needed decisions,  
14 especially key public sites, but also private sites.

15           You have the existing Convention Center site  
16 and particularly in the area of north of Massachusetts  
17 Avenue which is where the real emphasis is going to be  
18 on residential. Needed some decisions about what  
19 direction the city and the market were going to take it.

20  
21           Housing development was well short of the  
22 goal. We had about 3300 housing units downtown. The  
23 Living Downtown Plan had set a target in 1984 of 12,500,  
24 so we were well short of that. Not that there's a science  
25 to this, but people based on other cities felt that you

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1 get to about a 10,000 unit range, you start to have the  
2 critical mass for vibrant downtown, for residential  
3 development, for really a mixed use downtown so to have  
4 really more of a residential community than just  
5 residential buildings.

6 The major downtown retail is evolving. It's  
7 more entertainment oriented as opposed to you know  
8 traditional retail. So you're getting things like ESPN  
9 Zone coming in. You're getting theaters such as Lincoln  
10 Square coming in, 12 to 18 theaters there. So that's a  
11 critical question. Downtown arts are in jeopardy.  
12 They're just being priced out. There's not much left of  
13 the downtown arts community, some galleries on 7th Street,  
14 but most of the artists have been displaced.

15 The new Convention Center needs hotels. With  
16 that opening in 2003, that's going to generally need at  
17 a minimum a headquarter hotel which is anywhere in the  
18 industry from a minimum of a thousand rooms, be up to 1500  
19 rooms. And there's probably a need for at least 1500 rooms  
20 downtown and could be up to 2500 rooms.

21 Limited sites for office, so the office market  
22 is pretty much tapped out. Maybe there's a million or  
23 so square feet, as I said, a couple million downtown, not  
24 including really repositioning a building, new  
25 construction of building. And you have more demand than

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1 you have sites.

2 And the physical character of downtown is  
3 uneven, meaning that downtown has critical mass of office,  
4 75 million square feet of office in downtown, but the street  
5 life as a vibrant downtown is lacking. It's not as  
6 exciting, it's not as vibrant. It could be how do you  
7 get around the street scape, the things that make for great  
8 streets and great places hasn't really come together.

9 You start to see what the difference is when  
10 you go to like Jamal's block on 7th across MCI, trying  
11 to get a feel for what the pedestrian-oriented nature of  
12 downtown, walking downtown, but they don't have that.  
13 Then downtown circulation which is kind of a mess. But  
14 there's no real way to get around downtown very easily.

15 Parking is really a problem, although there  
16 seems to be enough spaces downtown the way the buildings  
17 leases are, they're really used for long term occupants,  
18 not for short term. There's a short term parking problem.

19 So you've an imbalance there. But you also can't around  
20 downtown if you want to get from one place to another very  
21 easily other than by cab.

22 So this jumps to the chase and maybe I'll go  
23 back to this because these are kind of the recommendations  
24 that came out. Why don't I go back and walk you through.

25 It was clear to use there were some principles

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1 and with the downtown -- let's see where this -- one of  
2 the major things, I think if I were to say there are a  
3 couple of big conclusions of the plan that I remember about  
4 is that you have limited space. You have competing demand  
5 of where, on the one hand do we put office development  
6 or where will office development group given that it's  
7 limited and where do you spur residential given that you  
8 haven't reached your critical mass?

9           Given that the sites south of Massachusetts  
10 Avenue are pretty much taken up. There are very few  
11 housing sites left. So with that, sort of the big land  
12 use thrust in terms of guiding the future growth of downtown  
13 really occurs in that triangle there, the north of  
14 Massachusetts Avenue between New York, Massachusetts and  
15 New Jersey Avenue and over to this Convention Center as  
16 being really the place to put most of our emphasis on  
17 residential development.

18           And we're starting to see a lot of residential  
19 developers and you're starting to see projects coming  
20 through. Some have come through the BZA for residential  
21 developers. This will actually relate to the downtown  
22 housing report we're bringing forward who are coming in  
23 to get relief from recreation space requirements and other  
24 things, but they're looking at going to Massachusetts  
25 Avenue and there are a number of developers there. But

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1 that becomes a key focus for us.

2 So instead of saying that the office should  
3 march up, logically should march up the Mount Vernon  
4 neighborhood, we see that as between Shaw and the downtown  
5 -- I wish Ellen were here because she has that little laser  
6 -- basically you have Shaw on one hand. If you go up 7th  
7 Street, you have about a thousand units of housing that  
8 are proposed.

9 Whether the market will ultimately support  
10 that, we don't know, financing, but right now if you think  
11 about it, you have -- I'll show you a different map. But  
12 the idea is that that area becomes really primary  
13 residential. And if you do that you can achieve 10,000  
14 units of housing. We'll never achieve 12,500, but you'll  
15 get to about 10,000 through very aggressive housing  
16 program.

17 Then where does office go? You guide the  
18 downtown office development to the east and reinforce the  
19 North Capitol corridor. So you already see what's out  
20 there on North Capitol where our offices are and Planning  
21 at 801 and North Capitol and H and GSA, Department of  
22 Education for another 200,000 square feet. There's a  
23 number of office development that could happen around  
24 there. That can accommodate your growth of up to 3 to  
25 5 million square feet moving to the easterly direction.

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1 So that's just kind of a big picture of in terms of land  
2 use.

3 There are clearly well-defined areas. We  
4 kind of looked at where are areas in transition,  
5 well-defined areas and those with significant potential.

6 Clearly again, Mount Vernon and downtown east emerge as  
7 the areas where you're going to have real growth  
8 opportunities. The rest are much more in fill  
9 opportunities than they are new development. So I think  
10 that the downtown east of Mount Vernon is kind of the  
11 downtown extension. If you think 20 years ahead and look  
12 back, I think will be the direction as it moves in that  
13 easterly kind of crescent.

14 To get into a little more detail and I'll keep  
15 the time short, but the residential development here as  
16 I said is short of the goal. We think that you can get  
17 in that Mount Vernon triangle a lot more housing and I'll  
18 just point out that one of the key things, in here, what  
19 you may end up seeing quite a bit of potentially are sites  
20 such as -- I can't think of any particular case. However,  
21 like the Woodies case where they're looking at many of  
22 these sites along Mass. Ave. so we're starting to get this  
23 corridor much denser.

24 We in the city own about 25 percent of this  
25 area in here. The Wax Museum site, K Street and 5th is

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1 one of the primary sites that we own and I'll talk about  
2 one of the first actions is getting an RFP out. You'll  
3 see on 7th Street here you start to get a lot of different  
4 housing development coming on line. JPI which is about  
5 400 units. It's a GSA site. Plus the Jaleo Restaurant  
6 at 7th and D. Go up the next block, you have Hecht's which  
7 is 50 units. Gallery Place is 170 units.

8 Avalon Bay which is over here in Chinatown  
9 which was about 200 units. And of course, the case coming  
10 before us which is JPG that's proposed doing another 120  
11 to 170 units downtown. So you're really starting to get  
12 the Penn. corridor area and up about 1,000 plus units in  
13 the pipeline reinforcing that neighborhood which has been  
14 a long-standing goal of the PAEC plan and what really  
15 triggered all that market and everything else. So Mount  
16 Vernon becomes the key to our residential development  
17 downtown.

18 Next is retail. Very quickly on retail, I'll  
19 kind of zip through a lot of this, but a lot of the retail  
20 evolves obviously around the F Street core. Woodies is  
21 obviously the one we're working most. We think that's  
22 the key to catalyze all that, get a large retailer in there,  
23 but we're also working on the Carroll Square, the St.  
24 Patrick's issue which has been a long controversy. We're  
25 in mediation about that.

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1           But if you think if we can get, we're hopefully  
2 close to some resolution on that. Between F Street,  
3 between that block, Woodies and creating a better retail  
4 character there that the downtown bid is working to come  
5 up with a retail program to support smaller retailers.

6           I'll talk more about that, but the idea is that becomes  
7 a real focal point.

8           The arts, again, being pushed out. Very  
9 difficult situation. There is no easy answer for this.

10          What we've tried to do actually in a couple of our  
11 situations is like with the Mather Building which is across  
12 from the MLK Library on 10th, G, we included when we did  
13 that RFP that 20 percent, a minimum of 20 percent of the  
14 building would have to be for arts use.

15          We want to have the MLK Library is actually  
16 going through their plan right now to re-do -- to retrofit  
17 their building and actually make it more of a cultural  
18 and library so that you can kind of an attraction there  
19 and then have the Mather Building have arts and then we  
20 are trying to maintain arts on 7th Street as part of the  
21 Carroll Square mediation. So we're trying to retain what  
22 we can. One of the key things here that we propose though  
23 is that we create more direct funding for the arts, that  
24 there is no direct appropriation that we have to start  
25 to actually create a fund.

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1 One of the key other actions here is the whole  
2 MLK Library site and we're working with the library to  
3 reposition that, as I said.

4 MR. BASTIDA: Are they going to demolish the  
5 building and move elsewhere?

6 MS. BELKIND: They don't feel that they could  
7 actually demolish the building, but they might consider  
8 selling it. They're kind of late. The least expensive  
9 option for them is to stay where they are.

10 MR. ALTMAN: We're looking at it. I mean I  
11 think they very much want to stay on site.

12 MR. BASTIDA: The problem is it's  
13 overdeveloped.

14 MR. ALTMAN: I know.

15 MR. BASTIDA: Which is not perfect.

16 VICE CHAIRPERSON MITTEN: Nothing is.

17 CHAIRPERSON HOOD: Has the library maximized  
18 their capability of expanding right where they are?

19 MR. ALTMAN: The structure can't, the studies  
20 that they did showed that they could maybe add a floor  
21 it. They can't add significantly to it. But they realize  
22 that they're not utilizing their space very efficiently  
23 and it's also not to create space -- if you've been there,  
24 you walk in, it just -- one of the other things they want  
25 to do is actually open it up and create an atrium, light

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1 flow in and kind of reposition the whole thing, have some  
2 gallery space, kind of an open theater kind of space.  
3 Make it a real destination.

4           There are cities around the country when  
5 they're going through this -- L.A. just did an enormous  
6 new library. San Jose did. Seattle is  
7 re-doing its central library. But they kind of keep up  
8 with the technology and they become real centers. And  
9 interestingly with the Portrait Gallery across the street  
10 and the -- what's going on there is they are rehabbing  
11 their building. You do get kind of a locus there of  
12 activity that could be much better than it currently is.

13           The hotel situation I talked about, but the  
14 idea is that there are some sites around here. We know  
15 we need with the new Convention Center coming that we're  
16 trying to support that by having hotel uses. There are  
17 sites that ring the Convention Center, obviously this is  
18 an historic district over here. There's not much room  
19 here. This is all -- this is Shaw and it's -- it's  
20 protected, a historic designation, so there's not a lot  
21 of land for things to really happen here, but there are  
22 sites that ring it here. There's -- this obviously we  
23 approved for office, so that is probably gone, but we'll  
24 see. This is the existing Convention Center site which  
25 I'll talk about in a minute and then you have the city

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1 museum would be going right here and then there's the --  
2 what's that site called, Kwasi?

3 COMMISSIONER HOLMAN: It is --

4 MR. ALTMAN: Tech World, that's it. Tech  
5 World. But basically looking in this area, what that  
6 translates to, to be very specific, what does this mean  
7 for your life, my life, one of the things we may be looking  
8 at are changes in the zoning to facilitate, allow for the  
9 housing -- hotel development kind of in a district.

10 We call it a hospitality district, but a hotel  
11 district. Many of these sites are DD, so part of what  
12 we may be looking at as part of these downtown housing  
13 regulations, is that people can transfer that off-site,  
14 the housing off-site and allow that for full hotel  
15 development.

16 Then part of what we're looking out of the  
17 downtown housing regulations is changing to the CFO the  
18 timing requirement of a combined lot. It would be very  
19 helpful to these guys, but it may be that we want to create  
20 incentives for the hotel development as many other cities  
21 have done. So one of the things we're weighing and I don't  
22 have a conclusion on this is do you want to have those  
23 -- the housing requirements on those few sites or do you  
24 want to use that as an incentive because the hotel  
25 development show the Convention Center headquarters hotel

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1 generally requires significant public subsidy. So we're  
2 kind of weighing that now.

3 MR. BASTIDA: They have the union funding.

4 MR. ALTMAN: Exactly, it's amazing. I'm  
5 sorry I'm going through this quickly. All of this  
6 development, as I said, is to the east. Here is really  
7 the primary. We still think you can have probably about  
8 a million or a couple million square feet of Mount Vernon  
9 without endangering the residential character of the area,  
10 but really most of it we want to push or at least guide  
11 to downtown east. I'll tell you how all that happens in  
12 a second. Transportation, well, what can you say.  
13 There's lots of ideas about that.

14 Let me show you -- I'll go back to that in  
15 a second. Let me just say one point on transportation.

16 There's one idea that I think is going to really of all  
17 the ideas about transportation about circulation downtown  
18 that we're working on and this will -- John -- we're working  
19 with John a bit on this is how do we get the 20 million  
20 some tourists into downtown who go to the mall which is  
21 in downtown right, broadly defined, right? It's not  
22 blocks from downtown.

23 Part of it is having obviously a reason to  
24 go to downtown, but as that's emerging right now, I mean  
25 just 7th Street itself, the restaurants, MCI, downtown

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1 is the big concept here is that you're transforming  
2 downtown from being a premiere office district which it  
3 clearly is in the nation to being a premiere downtown.  
4 Those aren't necessarily the same thing.

5 It's a great office core, but it's also kind  
6 of like an office park in many ways. It's got 75 million,  
7 up to 100 million square feet. So now the thrust is  
8 residential, destinations, great places, great streets  
9 and getting people up there.

10 So this idea of a downtown circulator is that  
11 we're trying to have something that will fund the federal  
12 government, the private sector to actually move people  
13 from off the mall and into the area and to have some routes  
14 that would connect you from the Convention Center here  
15 and from the mall, create a loop here that takes you through  
16 and connects, you know.

17 Basically, the Park Service has committed,  
18 I think, between \$6 to \$10 million -- hi, John. Good  
19 timing. The tour mobile. So we're going to get, the idea  
20 is they come up through the core, hit 7th Street. They  
21 hit all the attractions, F Street, Gallery Place, etcetera  
22 and then also move this way through downtown so you get  
23 circulation going both ways. And you know lots of cities  
24 do these in very interesting -- Philadelphia has something  
25 called the Flash Bus which is kind of a different kind

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1 of a funky bus. It takes you through downtown, but has  
2 kind of limited stops. I think that's going to be kind  
3 of an interesting idea.

4 VICE CHAIRPERSON MITTEN: Do people pay for  
5 the bus?

6 MR. ALTMAN: No. But there can be small  
7 -- some do it for free.

8 Implementation. There are a few key things.  
9 One of the things we realize is that the public sites  
10 that we own is how do we utilize our public sites to maximize  
11 what have been called preferred uses in the zoning and  
12 in the comp plan, they talk about preferred uses all the  
13 time which is nonresidential, which is housing, which is  
14 retail, those kind of things.

15 One of the things we did, for example, in the  
16 DOES building which you've all -- you all know about, but  
17 was -- there was a lot of pressure on office development  
18 on that where we said very clearly was that it was a key  
19 site. We wanted it all and because it was Pennsylvania  
20 and we were very lucky to actually get it all, but we have  
21 housing on that site of 100 units. You have clearly the  
22 Newseum is a destination. You have great urban design  
23 and they also give us a lot of money. So that worked out  
24 really well.

25 There are other sites, now that we need to

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1 make decisions on the second one, what we did was the Mather  
2 Building and so we said okay, on the Mather when we put  
3 that out for an RFP, we wanted housing on that site. So  
4 that's about a 70,000 square foot building, 20 percent  
5 will be for arts. So you know, it's another 50 or so units  
6 depending on how the numbers work out and use that for  
7 housing. So we still have -- the biggest site that now  
8 remains, there are really two.

9 One as I said, we have a Wax Museum site up  
10 here which we want to develop. It's a publicly owned site  
11 for housing. We'll be putting out an RFP and you'll be  
12 seeing this down the road where we want to get as much  
13 housing as we can here and that will be the catalyst for  
14 the residential development of NOMA, of Mount Vernon  
15 Triangle and importantly we hope that will send, will give  
16 confidence and shore up the private development, housing  
17 development and interest that's here which we hope is firm,  
18 but the market is always changing and by using this site,  
19 this will create the retail, the housing to really  
20 reinforce this.

21 But the real big one is this site here which  
22 is the new existing Convention Center site which will be  
23 demolished. The new Convention Center opens in 2003.  
24 We want to take this down before and now suddenly you have  
25 10 acres in the heart of your downtown, perfectly situated

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1 between your Convention Center on the one hand, your  
2 downtown core on the other.

3 That becomes the key kind of site. We can  
4 do things like consider putting back streets. You can  
5 bring I Street back through. We can create a great place.

6 And the idea is what's the synergy of use is there to  
7 create a great place. So you look around at other cities.

8 The Mayor appointed a task force and that task  
9 force has been looking at this for about five months, have  
10 come up with some preliminary recommendations saying that  
11 we should try to actually get a Convention Center  
12 headquarters hotel off the site. Many people in the past  
13 assumed because we needed one, we should have it there.

14 I think one of the conclusions, at least on  
15 the staff side has been our recommendation is if we can  
16 do a site elsewhere on some of these other sites, then  
17 let's see if we can get a Convention Center headquarters  
18 hotel there. If you do that you free up the site. A  
19 Convention Center headquarters hotel is essentially --  
20 defines the site. They're very big. They have huge  
21 requirements in terms of loading, in terms of parking,  
22 in terms of -- and their presence, it's hard to make them  
23 friendly.

24 If you go around and you look at them, look  
25 at Philadelphia as an example, we looked at New York.

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1 We looked at San Francisco. They're not just big, friendly  
2 buildings. So if you can do that elsewhere we want to  
3 do that, we're going to pursue that through request for  
4 proposals from property owners.

5 If that happens, which we'll know in the next  
6 six months, what that means is we can get up to 700 to  
7 a 1,000 units of housing at the existing Convention Center  
8 site, plus creating a great public space and have like  
9 an entertainment and destination. People have talked  
10 about a music museum. That's what the Federal City Council  
11 has talked about. It doesn't have to be that. It could  
12 be many things.

13 What we want it to be is a draw for Washington  
14 and not just a draw for the mall. In other words, it's  
15 one thing, you can put an opera house there, but is that  
16 really serving Washington? People in the neighborhood  
17 are going to say I want to go down to this place to the  
18 downtown. If you think about it, there's no civic space  
19 really downtown. You have the mall and you have squares,  
20 but you don't have kind of a very urban gathering place,  
21 you have events in the heart of your downtown you can go  
22 to. This could be that mix of uses. I won't go into much  
23 more detail about that.

24 So these are some key public sites that in  
25 the next six months we'll be seeing a lot of activity on.

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1           Let me quickly go through -- well, very  
2 quickly go through what all this means. These are kind  
3 of the key recommendations. One is organizing the  
4 streetscape program which we're going to be doing with  
5 the downtown bid. A second is we're looking for funding.

6       We're allocating funds from the downtown circulator idea.

7           The public space management program which  
8 relates to vending, relates to signage, we're implementing  
9 that. We are setting up a downtown development  
10 corporation which is really, a development corporation  
11 is misleading. It's really called the Center City  
12 Partnership which is meant to be a public and private sector  
13 who sit on this, the federal government, local government,  
14 businesses which will facilitate in a way, it's kind of  
15 -- so all these things happen.

16           So there's a place where that conversation  
17 happens. They can kind of pull the different parties  
18 together. So, for example, in a downtown circulator, they  
19 can play a key role in pulling together all the different  
20 stakeholders, getting the private funders, this one, that  
21 one, they become a facilitated body, but someone who  
22 actually sees these things can occur when the public and  
23 the private sector need to come together, not just on a  
24 project by project basis.

25           And most cities have set these up. The

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1 difference here is that you have an NCRC, a capital  
2 revitalization, a corporation has been set up. They have  
3 eminent domain. They have tax increment financing. This  
4 group really doesn't have that. They don't have any of  
5 the powers. They take no powers away from government.

6 It's really like a -- I want to say sort of an advocacy  
7 organization, in essence.

8 Funds for downtown job training, we want to  
9 link our downtown jobs. You have a huge number of jobs  
10 coming through linking those to D.C. residents. What  
11 affects us and all this affects us, but in terms of coming  
12 to the Zoning Commission, is the flexibility in the zoning  
13 regulations. You're going to see next week, I think on  
14 January 29th, I believe is our public hearing on the  
15 downtown regs.

16 We did a set down report, but a group has been  
17 meeting over the past year, housing developers and private  
18 developers, office developers, to come up with changes  
19 in the zoning regulations. I won't go into detail of that  
20 now, but it will be things like looking at our combined  
21 lot system which links office development to housing  
22 development.

23 If you have a requirement for housing on an  
24 office site, until you have the C of O for housing on another  
25 site, you can't develop your office. Housing developers

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1 say that isn't necessarily going to work for them. The  
2 office developers, this obviously doesn't work for them,  
3 anything that basically impedes that. So we're looking  
4 at ways to amend that that we'll bring to you.

5 Recreation requirements are clearly part of  
6 that. Density for housing development downtown allowing  
7 greater density and more units downtown. There's a third  
8 component of that. Those would be three kind of the big  
9 issues that will be in those regulations.

10 As separate, but related as we also -- the  
11 Mayor will be putting forward a housing policy and the  
12 key element of that will be a tax abatement for housing,  
13 that for certain types of housing development,  
14 particularly downtown housing, develop some of the  
15 neighborhoods, that there will be an abatement of taxes  
16 for a period of up to five years to incent housing.

17 Establishing a neighborhood housing fund,  
18 this really relates to, we received \$25 million from  
19 Newseum. We're putting that into a housing trust fund  
20 to be a source of funding for housing, but one of the things  
21 we're also looking for is -- very carefully, are the  
22 linkage, current linkage fee issue.

23 I think we've all dealt with that in previous  
24 case and the standards for that linkage fee right now,  
25 as you know, there's provision right now where you can

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1 either -- if you can contribute to a fund the linkage fund  
2 or the housing trust fund at a certain rate, but you can  
3 also negotiate with any CDC whatever it is you that you  
4 can -- the best deal you can get essentially and they're  
5 very different deals. In some sense, you get a raise to  
6 the bottom is what happens, I think.

7 VICE CHAIRPERSON MITTEN: I agree.

8 MR. ALTMAN: And it's problematic. So what  
9 we're looking at is an adjustment that says here's the  
10 amount of money it is, and that's what it is. So to cut  
11 to the chase with that kind of thing is, but we think that's  
12 important. Area-wide TIF program right now, I don't know  
13 how much detail you want on this, but revising the TIF  
14 program. Public sites I talked about.

15 A big one is planning the extension of F Street  
16 across I-395. We're right now getting back our air rights  
17 over that. Obviously, that's longer term, but the march  
18 of office across there, that can be very helpful;  
19 hospitality district. That's it.

20 Okay, I'm exhausted. So that's basically the  
21 downtown action plan in a nutshell, but go through any  
22 questions --

23 COMMISSIONER FRANKLIN: Andy, in looking at  
24 the design for housing in that area, it strikes me there  
25 has to be an urban design standard there so you don't end

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1 up with just walls of high rises.

2 MR. ALTMAN: You don't like them?

3 COMMISSIONER FRANKLIN: No. Sorry.

4 MR. ALTMAN: Even at the expense of some  
5 reduction. Because I think that the long term viability  
6 of that area is going to depend on being perceived as not  
7 your standard run of the mill, suburban like housing  
8 development. It's got to have an architectural character  
9 and very special for it to work.

10 It also is calling for retail on the ground  
11 floor. And that gets me to the next point which relates  
12 to the retail where there is a loss of arts and galleries.

13 Jenny Jacobs came to look at buildings.  
14 Have you herd of her?

15 COMMISSIONER FRANKLIN: Yes.

16 MR. ALTMAN: I thought her idea of a FHA with  
17 retail was a very fascinating idea. Her point basically  
18 just to summarize it was that what happens is a gentrifying,  
19 revitalizing is that the rents go up for the mom and pop  
20 stores that attracted people in the first place and they're  
21 just basically priced out of these establishments by banks  
22 and --

23 COMMISSIONER HOLMAN: Starbucks.

24 MR. ALTMAN: Chains of one sort or another.  
25 So she puts it -- some minds have to -- really should

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1 focus on giving these renters an opportunity to have an  
2 interest in the real estate so they're not priced out in  
3 the same way that FHA made homeowners out of renters.  
4 And I thought that's an interesting sort of insight but  
5 needs some very careful analytical work and I think there's  
6 a group in town who would be very interested in helping  
7 you come up with that and I think we have to really focus  
8 on how to keep these retail establishments from being  
9 priced out by the kind of stuff you see all over.

10 Those are just two points. You mentioned one  
11 thing in passing, the baseball stadium and I hope -- I  
12 hope that this is not a serious problem.

13 My view on the baseball, I didn't realize  
14 there was disagreement on this. I think that baseball  
15 is great for the city, but there are other places for it  
16 to go. I think that the idea of this plan of having really  
17 maximizing the residential here is the only way I think  
18 your downtown, if you're serious about downtown housing  
19 and I think we should be, it's going to happen. And I  
20 think that's the place to do it. I think once you put  
21 baseball there, I think it's very hard to do both.

22 The waterfront plan is looking at the  
23 retrofit. I mean Olympics has looked at RFK so the  
24 waterfront plan, John and I -- John is the owner of the  
25 land. Is it leased from you?

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1 COMMISSIONER PARSONS: Yes.

2 MR. ALTMAN: Personally. This is about  
3 residential, Mount Vernon Square neighborhood.

4 VICE CHAIRPERSON MITTEN: When you do  
5 something like where the existing Convention Center is  
6 are you going to specifically require a grocery store?

7 It seems to me that's a tough economic thing to do too  
8 in terms of getting a real grocery store as opposed to  
9 Fresh Fields, which is wonderful, but it's not a real  
10 grocery store.

11 MR. ALTMAN: The answer is on the Wax Museum  
12 site, probably not putting in anything specific on it has  
13 to be a grocery store. We will say it is probably up to  
14 35,000 square foot minimum for neighborhood commercial  
15 and we could say that we would like to have a grocery store,  
16 but it is hard to say it has to be a grocery store.

17 We also are competing right now because  
18 they're trying to -- even though it's a smaller grocery  
19 store, but as part of Square 457, there's supposed to be  
20 about a 25,000 square foot grocery, so --

21 VICE CHAIRPERSON MITTEN: I don't know a  
22 whole lot about grocery stores although I know that there  
23 are -- the way Safeway and Giant operate, they need a  
24 certain size to work with, otherwise they're not  
25 interested.

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1 MR. ALTMAN: Right.

2 VICE CHAIRPERSON MITTEN: And Fresh Fields  
3 is wonderful, but you can't get toilet paper and all those  
4 things there, reasonably. There's going to be a lot of  
5 demand.

6 MR. ALTMAN: What we do is -- the grocery  
7 thing is not to make it hard and fast, but to kind of  
8 encourage it and get the interest out there so the RFP  
9 says things like "really encouraged that", put the word  
10 out and hopefully developers will respond to what the  
11 market is.

12 COMMISSIONER FRANKLIN: The Convention  
13 Center and the sites, those have to end up being urbane  
14 in character and not suburban.

15 MR. ALTMAN: I agree. I don't think though  
16 the density -- that's a question of good design and good  
17 urban design.

18 You could have dense --

19 COMMISSIONER FRANKLIN: I agree.

20 MR. ALTMAN: Massing. You could have --

21 COMMISSIONER FRANKLIN: I was thinking those  
22 sites are a little bit different.

23 MR. ALTMAN: They can be horribly done or they  
24 can be done well.

25 COMMISSIONER FRANKLIN: Those sites lend

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1 themselves to what I was thinking about, but I think the  
2 character of varying heights and that sort of thing, you  
3 can try to pull off a Mount Vernon.

4 COMMISSIONER PARSONS: I have a concern about  
5 this -- you said it was a misnomer, the development  
6 corporation. And it seemed the way you described it very  
7 briefly it seemed to be redundant or duplicative of the  
8 bid, an advocacy group rather than a development  
9 corporation.

10 COMMISSIONER HOLMAN: The bid can't --

11 MR. ALTMAN: The bid can't -- to be honest,  
12 what it is is the next generation of a bid. Because a  
13 bid rely is supposed to legally be doing clean and safe  
14 streets.

15 COMMISSIONER PARSONS: I understand. At  
16 some time does the bid get replaced then with this?

17 MR. ALTMAN: They have a different function.  
18 The bid, you know, stays focused on what it does well,  
19 clean, safe streets. That's its focus. The downtown  
20 development, the Center City Partnership really, it's hard  
21 to explain. It really is a facilitator. It says okay,  
22 if we want some of these things to happen, we want to pull  
23 together retailers on F Street to do a retail plan, let's  
24 say, they could be a facilitating end. Goes to the private  
25 sector, the property owners, the city is there. It's more

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1 programmatic because it's not dealing with nuts and bolts  
2 kind of thin.g

3 So it's almost like a -- kind of a neighborhood  
4 association almost, just for downtown. That's basically  
5 what it is.

6 COMMISSIONER PARSONS: All right.

7 MR. ALTMAN: But it's also a place where the  
8 federal government comes. We sit there. So if you have  
9 an idea like downtown circulator, let's say, there's a  
10 place where that conversation can occur and a staff that  
11 keeps it going that works between the three of us.

12 Right now, we may have lots of ideas, but you  
13 try to -- where do you get everybody in a room, right,  
14 where you've got the Parks Service person, the head of  
15 Economic Development for the city, the Planning Director  
16 for the City, the key property owners for the city and  
17 say okay, we have an idea about downtown circulator, can  
18 we make this happen?

19 COMMISSIONER PARSONS: Okay.

20 COMMISSIONER FRANKLIN: It doesn't bring the  
21 public in. Downtown progress, if we can amend it to  
22 include the public would probably --

23 COMMISSIONER PARSONS: How about a merchant  
24 center? What kind of a team have you got? Is this a pretty  
25 close private kind of thing or have you got a steering

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1 committee?

2 MR. ALTMAN: We've got a task force that the  
3 Mayor appointed which was about 30 or 40 people, community  
4 people, development people, lots of folks who spent about  
5 four months coming up with just the first pass at what  
6 the sort of planning objectives are for the site.

7 COMMISSIONER PARSONS: That was the most  
8 exciting thing for me, talking about getting a convention  
9 hotel and bringing something -- a real town square.

10 MR. ALTMAN: And we looked at -- that's the  
11 idea of it. We looked at places like Bryant Park in New  
12 York. We looked at Yerba Buena Garden in San Francisco.  
13 We looked at just for a comparison went to Seattle and  
14 looked at their music campus which is really not much of  
15 a -- it's where the new Frank Yurie, Jimi Hendrix Museum  
16 is. It's called the Seattle Experience Music Experience.

17 But we looked at all these different cities  
18 and really came back with the impression what drives this  
19 site is the creation of a public space as opposed to  
20 everyone thinking about the use of a hotel. Think about  
21 how you build the space and then what makes that space  
22 work, which is what we ended up with lots of housing and  
23 a kind of a entertainment/destination that could work.

24 One crazy idea has been that we talked about  
25 is should the library go there? That's where this idea

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1 of should the library stay where it is or maybe a great  
2 civic kind of facility that anchors that.

3 So those are the ideas right now that we're  
4 working on.

5 COMMISSIONER PARSONS: The 395 area -- that  
6 is a disaster. You didn't focus on that too much in your  
7 brief remarks. Is that a housing opportunity?

8 MR. ALTMAN: Based on the sort of overall  
9 direction we saw that probably more -- it's so many years  
10 out. I think we saw it more in the direction of office  
11 than the direction of housing. The costs are so high for  
12 it and also because the idea of it is to put, is to guide  
13 -- give offices a place to go in the city.

14 COMMISSIONER PARSONS: That's good.

15 MR. ALTMAN: Toward North Capitol and that  
16 way you can say in a macro sense then the residential and  
17 Mount Vernon, office has a place. It doesn't all have  
18 to be in Mount Vernon. That was the idea.

19 COMMISSIONER PARSONS: I think you're right.

20  
21 COMMISSIONER HOLMAN: Chairman is getting  
22 restless.

23 COMMISSIONER PARSONS: This is terrific.

24 CHAIRPERSON HOOD: Let me also say that  
25 Channel 16 shows the whole piece. You can turn to Channel

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1 16 and get the whole piece of it. That's a good thing  
2 about D.C. cable

3 COMMISSIONER PARSONS: What is the status of  
4 this? I mean is this the plan, the agenda?

5 MR. ALTMAN: This is the agenda.

6 COMMISSIONER PARSONS: Is it before the City  
7 Council or is it an idea, vision?

8 MR. ALTMAN: That's a really good question.

9 It's basically the Mayor put it out and it's on his agenda.

10 If you'd like to talk about the Planning Commission idea  
11 -- that would be -- no. It's an interesting discussion.

12 I just wanted to do this too because I know you're seeing  
13 a lot of things coming up and I thought it was good timing  
14 because before you, I'm not going to talk about the cases,  
15 trust me, you've got a Woodies case. You've got JBG coming  
16 up. You've got downtown housing regulations coming up  
17 and there may be other cases you're going to see. I thought  
18 it was good to give some context about why are you seeing  
19 those things, how do they fit into the plan, what are we  
20 trying to encourage downtown and we have a lot of text  
21 in each of these reports, but I wanted to give you a visual.

22 COMMISSIONER PARSONS: Don't tell them  
23 you're talking to the Planning Commission.

24 MR. ALTMAN: Yeah, I know that.

25 (Laughter.)

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1 CHAIRPERSON HOOD: Thanks, appreciate it.

2 MR. ALTMAN: We talk about Mount Vernon, many  
3 of the DD was stripped from many of those sites, the housing  
4 requirements was stripped. It's one of the things that  
5 hopefully one of our -- which has not caught on yet,  
6 fortunately.

7 (Whereupon, at 7:08 p.m., the presentation  
8 was concluded.)

9

10

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