

GOVERNMENT
OF
THE DISTRICT OF COLUMBIA

+ + + + +

ZONING COMMISSION

+ + + + +

PUBLIC HEARING

+ + + + +

-----)
 IN THE MATTER OF:)
)
 MODIFICATION TO THE APPROVED)
)
 PUD AT 3RD AND H STREETS, N.E.) Case No.
)
 - STEUART-H STREET LLC) 06-01B
 -----)

Monday,
November 30, 2009

The Public Hearing of Case No. 06-01B by the District of Columbia Zoning Commission convened at 6:30 p.m. in the Office of Zoning Hearing Room at 441 4th Street, N.W., Washington, D.C., 20001, Anthony J. Hood, Chairman, presiding.

ZONING COMMISSION MEMBERS PRESENT:

- ANTHONY J. HOOD, Chair
- KONRAD W. SCHLATER, Commissioner
- PETER G. MAY, Commissioner (NPS)
- MICHAEL G. TURNBULL, FAIA,
Commissioner (AOC)

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Board of Zoning Adjustment
District of Columbia
CASE NO. Transcript
EXHIBIT NO. null

OFFICE OF ZONING STAFF PRESENT:

SHARON S. SCHELLIN, Secretary
DONNA HANOUSEK, Zoning Specialist

OFFICE OF PLANNING STAFF PRESENT:

JENNIFER STEINGASSER
MATT JESICK

The transcript constitutes the minutes from the Public Hearing held on November 30, 2009.

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

2 6:49 p.m.

3 CHAIRMAN HOOD: Good evening,
4 ladies and gentlemen. This is the Public
5 Hearing of the Zoning Commission of the
6 District of Columbia for Monday, November 30,
7 2009.

8 My name is Anthony Hood. Joining
9 me are Commissioners Schlater, May, and
10 Turnbull. We are also joined by the Office of
11 Zoning staff Ms. Schellin and Ms. Hanousek,
12 also the Office of Planning and the District
13 Department of Transportation.

14 Do I have everybody? Okay. Good.

15 This proceeding is being recorded
16 by a court reporter. It's also webcast live.

17 Accordingly, we must ask you to refrain from
18 any disruptive noises or actions in the
19 hearing room.

20 The subject of this evening's
21 hearing is Zoning Commission Case No. 06-01B.

22 This is a request by Steuart-H Street LLC for

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1 approval of a modification to a PUD for a
2 property located at Square 776 and Lot 54.

3 Notice of today's hearing was
4 published in the *D.C. Register* on October 16,
5 2009. And copies of the announcement are
6 available to my left on the wall near the
7 door.

8 The hearing will be conducted in
9 accordance with the provisions of 11 DCMR 3022
10 as follows: preliminary matters; Applicant's
11 case; report of the Office of Planning; report
12 of other government agencies; report of ANC
13 6C; organizations and persons in support;
14 organizations and persons in opposition;
15 rebuttal; and closing by the Applicant.

16 The following time constraints will
17 be maintained in this meeting: the Applicant
18 30 minutes; organizations five minutes;
19 individuals three minutes.

20 All persons appearing before the
21 Commission are to fill out two witness cards.

22 These cards are like this, and they're

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1 located by the door. Upon coming forward to
2 speak to the Commission, please give both
3 cards to the reporter sitting to my right
4 before taking a seat at the table.

5 When you are finished speaking,
6 please turn your microphone off so that your
7 microphone is no longer picking up sound or
8 background noise.

9 The decision of the Commission in
10 this case must be based exclusively on the
11 public record. To avoid any appearance to the
12 contrary, the Commission requests that persons
13 present not engage the Members of the
14 Commission in conversation during a recess or
15 at any time.

16 The staff will be available
17 throughout the hearing to discuss procedural
18 questions.

19 Please turn off all beepers and
20 cell phones at this time so not to disrupt
21 these proceedings.

22 Would all individuals wishing to

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1 testify please rise to take the oath?

2 Ms. Schellin, would you please
3 administer the oath?

4 (Whereupon, the witnesses were
5 sworn.)

6 CHAIRMAN HOOD: Okay, Mr. Glasgow,
7 I think we have -- Ms. Schellin, do we have
8 any preliminary matters?

9 MS. SCHELLIN: Yes, sir. I believe
10 the Applicant asked for a waiver for the
11 posting. It was five days short of the
12 requirement of 40 days.

13 CHAIRMAN HOOD: Okay.
14 Commissioners, on Exhibit 23, Applicant
15 respectfully requests a waiver of five days
16 from Requirement 3015.3. Do I have a general
17 consensus.

18 (No audible response.)

19 CHAIRMAN HOOD: Not hearing any
20 objection, so ordered.

21 Okay, Mr. Glasgow, are you
22 proffering some expert witnesses?

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1 MR. GLASGOW: Yes, we are, Mr.
2 Chairman.

3 We have two expert witnesses this
4 evening. One is Ms. Milanovich of Wells &
5 Associates Traffic Engineers. And the other
6 is Mr. Steve Sher, Holland Knight land
7 planner.

8 CHAIRMAN HOOD: Colleagues, I think
9 we have seen both individuals previously. And
10 I would move that we go ahead and proffer both
11 as expert witnesses.

12 So ordered, Mr. Glasgow. They're
13 both proffered as experts. You may begin.

14 MR. GLASGOW: All right. Thank
15 you, sir.

16 Good evening, Members of the
17 Commission. For the record, my name is Norman
18 M. Glasgow, Jr. of the law firm of Holland &
19 Knight here on behalf of the Applicant,
20 Steuart-H Street, LLC, for the modification of
21 a previously approved planned unit development
22 -- Square 776 at 3rd and H Streets, N.E. on the

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1 north side of H.

2 Here with me this evening are Mr.
3 Guy Steuart, seated to my immediate right, Mr.
4 Jim Alexander, also of Steuart, both of
5 Steuart Investment and Development; from Torti
6 Gallas Architects, Sarah O'Neill -- Sarah
7 Alexander. Sorry. I mashed up the names.
8 And then Cheryl O'Neill is sitting in the
9 first row.

10 We are pleased to be appearing
11 before the Commission this evening to discuss
12 our modification to the PUD which has the
13 unanimous support of the ANC -- I think that
14 ANC letter is in the file -- the Office of
15 Planning and conditional support of DDOT. We
16 are not aware of any opposition to this
17 application.

18 In summary, the PUD modification
19 will reduce the height of the building from 90
20 feet to 75 feet and the overall FAR from 4.8
21 to 4.1. We also have reduced the number of
22 parking spaces from approximately 400 to 270

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1 spaces, which is a ratio of about .7 spaces
2 for the 212 residential units, and
3 approximately 2.8 parking spaces per thousand
4 square of grocery store space. So the
5 breakdown is 125 spaces for the grocery store.

6 CHAIRMAN HOOD: I'm sorry. You
7 faded out. I'm sorry.

8 MR. GLASGOW: All right. The
9 breakdown is 125 spaces for the grocery store,
10 and 145 spaces for the residential component
11 of the project.

12 Did you get that? All right.
13 Thank you.

14 The amenities package for the
15 modified proposal is the same as that for the
16 prior PUD. Except as noted in the Office of
17 Planning report, the amount of affordable
18 housing is essentially doubled from the prior
19 application.

20 The reason for this is that we are
21 now providing eight percent of the residential
22 FAR as affordable housing is that it was

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1 determined during the course of re-evaluating
2 this project that we were not going to be able
3 to just underwrite the cost of the development
4 of the parking spaces for the grocery store.
5 We're going to have to do what we did with
6 other grocery stores in the area such as the
7 Harris Teeter at Constitution Square and the
8 Harris Teeter at Jenkins Row. And we went and
9 we got a tax abate for the construction of
10 those parking spaces.

11 And the reason why we weren't
12 providing more affordable housing the last
13 time is as noted in the Commission's order, it
14 said, "The Applicant indicated that additional
15 affordable housing units cannot be provided in
16 the PUD due to the cost of providing
17 underground parking for the grocery store."

18 So since we are going to be going
19 and getting a tax abatement for that, then we
20 need to provide the eight percent affordable
21 housing. So that's how we're handling that
22 because we determined that we were not going

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1 to be able to in this environment have the
2 other residences within the building
3 subsidizing the grocery store's parking. That
4 wasn't going to work. So we're going to have
5 to go and do what I've done on other projects
6 and go to the City Council, ask for a tax
7 abatement on the cost of the grocery store
8 parking, and then we provide the additional
9 affordable housing.

10 So the only issue that we're aware
11 of that is outstanding in this case subject to
12 the Commissioner's questions -- and we'll
13 obviously do a comparison of the prior PUD and
14 the PUD modification because the project is
15 substantially smaller than it was before -- is
16 the DDOT report which has some recommendations
17 and raises some questions.

18 It's just noteworthy that with the
19 larger project that we had with more parking
20 spaces, in June of 2006 DDOT stated that it
21 had no objections to the project and noted on
22 page two that the proposed loading facility

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1 should adequately service the project, and
2 that changing the site existing cycle lengths
3 to allow movements to improve the level of
4 service on 3rd Street were acceptable.

5 We are contrasting that with the
6 new traffic report for a smaller project, and
7 we will address in as much detail as the
8 Commission desires any of the recommendations
9 of DDOT, some of which we agree with and some
10 of which we don't agree with.

11 CHAIRMAN HOOD: If you could really
12 expound on that when you get to that, let us
13 know which ones you agree with --

14 MR. GLASGOW: Yes.

15 CHAIRMAN HOOD: -- and which ones
16 you have a problem with as you go along.

17 MR. GLASGOW: And I'm going to
18 start going through part of that in summary.
19 And then we'll have the experts cover it in
20 more detail.

21 "First, DDOT supports the
22 Applicant's proposal with the condition" --

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1 I'm now at the end of the DDOT report. "DDOT
2 believes the Zoning Commission should require
3 a meaningful reduction in the number of
4 parking spaces." That's the first
5 recommendation.

6 We believe that we did meaningfully
7 reduce the number of parking spaces from 400
8 to 270. Also, we are now at .7 spaces per
9 residential unit, which I think was less than
10 the ratio that was discussed before this
11 Commission I guess approximately a month ago
12 with the downtown regulations where it was
13 talked about the .9 ratio. Well, we're at .7.

14 And we believe that is as low a parking ratio
15 as we feel comfortable with respect to the
16 parking per dwelling.

17 Next with respect to the grocery
18 store, when I've been negotiating on projects
19 where grocery stores are located, there are
20 three things that the grocery stores are
21 difficult to deal with on. One is the number
22 of parking spaces that they want for their

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1 patrons. Two is their loading berths. And
2 three is that they won't pay for the
3 underground parking. That's the problem of
4 the property owner and anybody else that's
5 around who deals with it. Those are the three
6 things.

7 So one is the number of parking
8 spaces they're mandating. With the grocery
9 store operator that they're talking with now,
10 we got them to reduce the number of spaces by
11 around 20 from where they were before prior
12 project. And we think that we have cut that
13 now to the bone.

14 Next, with respect to prohibition
15 of cuing into the site, we believe that we
16 have sufficient space to stack cars both
17 coming in and out of the site. We put the
18 arms for the gates way down at the bottom of
19 the ramp. You can go about five or six cars
20 before you hit the driveway going down into
21 the facility. Then on the way out, you're
22 stacking up into your own garage if there's an

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1 issue there. So we don't think there's a
2 problem, but DDOT can speak for themselves.

3 Evaluation and mitigation of
4 inadequate pedestrian facilities. What we
5 were understanding with respect to that is
6 that DDOT wanted us to survey the sidewalks
7 within a quarter mile radius of the property.

8 And we didn't understand why. We will work
9 on all the sidewalks that are around our site,
10 most of which have been reconstructed during
11 the improvements to H Street. There is a
12 little bit I think on 4th Street that has not
13 been reconstructed -- on 3rd. And we certainly
14 will take care of that.

15 But with respect to we think a
16 discussion or an argument that because this is
17 going to be a pedestrian-oriented grocery
18 store that somehow that puts on us an
19 obligation to build sidewalks throughout areas
20 of the community, we question that greatly.

21 Then more bicycle parking, we're
22 providing a lot of bicycle parking. We have

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1 30 bicycle parking spaces for the retail 60
2 bicycle spaces for the residential. So we
3 think we've addressed that concern. But
4 they'll be able to discuss that.

5 And then, "and require 30-foot
6 loading berths where the Applicant proposes
7 55-foot berths," we can do that for the
8 residential loading. We can do a 30-foot
9 berth instead of the 55-foot berth.

10 With respect to the berths for the
11 grocery store, that has all been very
12 carefully negotiated, and we've been able to
13 keep that exactly the same as it was in the
14 prior approved PUD. So we would not propose
15 changing the loading berths for the grocery
16 store. And they won't change even if we
17 wanted them to.

18 Lastly, I would want to mention
19 before getting to the testimony of the
20 witnesses -- and I know this is a long opening
21 statement for me -- is that I'd like for the
22 Commission Members to be cognizant that with

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1 the adoption of the IZ regs and the 20 percent
2 increase in FAR that is granted, we have a C-
3 2-B site which with IZ would have a permitted
4 FAR of 4.2. And this project remember has a
5 4.1 FAR.

6 The C-2-A portion, which is less
7 than one sixth of the area -- it's 10,000
8 square feet of the 60,000 square foot site,
9 would be permitted a 3 FAR. In doing an FAR
10 computation on this site, this total site
11 development could be about 243,000 square
12 feet. We are proposing 250,000 square feet.

13 We've got a PUD modification. Now
14 that we've taken 38,000 square feet out of
15 this PUD with the loss of the residential
16 units, we are now 7,000 square feet over
17 matter-of-right with IZ.

18 Then with respect to height, we are
19 requesting 75 feet in height versus 70 feet
20 that you'd have in C-2-B with the H Street
21 overlay.

22 And it's noteworthy that our ground

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1 floor has rather than a 14-foot clear ceiling
2 height which the H Street overlay mandates,
3 because of the grocery store and how this
4 building lays out, we have 22 to 24 feet
5 clear.

6 So I hope the Commission would
7 certainly take into consideration the very
8 nominal relief that is being conveyed through
9 the PUD with respect to this application now
10 that it's been modified.

11 Well with that, if there are no
12 initial questions, I'd like to call the first
13 witness, Mr. Guy Steuart.

14 Mr. Steuart?

15 CHAIRMAN HOOD: You may begin.
16 We'll ask our questions on the back end.

17 MR. STEUART: Terrific.

18 Good evening, Members of the
19 Commission.

20 My name is Guy Steuart III. I am
21 Senior Vice President of real estate
22 development for Steuart Investment Company.

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1 I've testified before this Commission three
2 years ago last month, and I'm here testifying
3 again over the same property. But hopefully,
4 this is a new and improved version, and
5 hopefully will meet your satisfaction.

6 The site I'm testifying about is of
7 course Square 776, Lot 54. It's a 60,000-
8 square foot parcel on the north side of H
9 Street. Roughly two thirds of the parcel has
10 been owned by our company since the 1950s.
11 And approximately four years ago, we purchased
12 the balance of the land that forms the
13 assembled parcel and the transaction of BP
14 Amoco. You may remember the service station
15 that was there.

16 And that transaction involved the
17 termination of the ground lease, cessation of
18 the fuel station operations, initiation and
19 voluntary clean-up of the site consistent with
20 the City's Department of the Environment, and
21 commencement of our application for alley
22 closings concomitant with our filing of the

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1 planned unit development proposal in January
2 of 2006. That's the one that's existing right
3 now -- 10601.

4 About three years last month, I
5 testified before the Commission about the
6 virtues of a mixed-use project on this site.
7 And that proposal was ultimately approved and
8 a final order issued in October of 2007.

9 At the time we presented the
10 existing and approved PUD, we possessed a
11 signed letter of intent with the grocery store
12 operator and were beginning to enter into
13 lease negotiations. However, as often go the
14 risks in the development game, that grocer
15 decided and opted to locate elsewhere in the
16 vicinity. And consequently though we emerged
17 with an approved PUD, we had lost our lead
18 tenant, and without the grocer, the project
19 obviously would not commence.

20 We studied alternatives such as
21 breaking up the 3,000-square foot grocery and
22 a couple of the retail bays, and though not

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1 optimal from a retailer's perspective, the
2 thought was we might be able to kick start the
3 development were we able to secure sufficient
4 interest from multiple tenants complementing
5 the smaller grocery.

6 We met with several smaller grocers
7 and received genuine interest while we
8 continue to pursue but were rebuffed by other
9 larger ones. And for better or for worse
10 before critical milestones could be met with
11 those that demonstrated interest, the real
12 estate and finance market has cratered, thus
13 slowing the progress.

14 We've used the downtime in the
15 interim to review project dynamics, and also
16 took advantage of the H Street, Great Street
17 lead construction by installing our site for
18 the proposed development -- the one that's
19 approved -- by installing the storm water, the
20 sewer and the storm water and sewer
21 connections in the mains running in H Street
22 while the reconstruction of H Street is going

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1 on. And we're hopeful that speculative
2 investment by us yields dividends by way of a
3 streamlined construction and hopefully less
4 disruption for neighbors when we eventually do
5 develop if we're so lucky as to move along.

6 That said, the well chronicled
7 movements in the commercial real estate and
8 finance markets in the intervening time since
9 PUD approval and in 2007 prompted a complete
10 re-analysis of the approved project's
11 viability and scale. While we took important
12 but speculative steps for project development
13 while the road there was under renovation, we
14 were less certain about what size ultimately
15 to develop given the market's turmoil.

16 Our critical analysis and market
17 testing suggests that reducing the project's
18 overall density and size could make the new
19 underwriting and financing realities, greatly
20 enhancing the likelihood of the development on
21 this valuable street corner. However, it is
22 important to note that we recognize a grocery

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1 store as a far-reaching community-wide impact
2 -- a positive and far-reaching community-wide
3 impact. And even with the reduced density of
4 the project, we are not wavering from our
5 commitment and the City's desire to create a
6 full-service grocery store on this site is
7 part of the proposed mixed-use development.

8 As a consequence, we planned a
9 revised and proposed PUD plan of 212 apartment
10 units and roughly 40,000 square feet of retail
11 with the grocery store occupying all but 2,000
12 square feet of the retail. We have a signed
13 letter of intent with another full-service
14 grocer that proposes to lease the entire
15 grocery footprint. And we are in detailed
16 lease negotiations and construction
17 negotiations to finalize that arrangement.
18 But while I cannot name names, I can
19 characterize our discussions with this grocer
20 as much further advanced than the aborted
21 effort two-plus years ago, giving me much
22 greater confidence that this development can

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1 proceed and succeed.

2 And I'm also confident that this
3 type of mixed-use driven project is a prime
4 example of the type of development that should
5 be encouraged to advance as we begin to emerge
6 from the recession and build out our cities.
7 Projects like this one leverage significant
8 investment by the City by utilizing existing
9 infrastructure and transportation loads.
10 Consequently, this is an example of the smart
11 development, creating jobs, enhancing quality
12 of life, and expanding municipal revenue base
13 on land that has been fallow for far too long.
14 It represents an efficient use of resources by
15 developing housing and grocery retail that is
16 easily accessible by various modes of
17 transportation from existing places of
18 employment and neighborhoods.

19 This proposed PUD differs from the
20 approved plan in that the number of apartment
21 units is decreased by approximately 20
22 residences. But of importance in the proposed

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1 modification is the fact that we have
2 increased the number of affordable units -- as
3 Mr. Glasgow has mentioned -- to eight percent
4 of the residential density consistent with the
5 MIZ guidelines and significantly about doubled
6 the number of affordable housing units we were
7 planning to construct when you approved the
8 existing PUD.

9 The reduced project density is
10 accounted for by about eight and a half fewer
11 residential units through the elimination of
12 seventh and eighth floors and a 32 1/2 percent
13 reduction in the number of parking spaces
14 through the elimination of one entire floor of
15 parking.

16 Given the more constrained
17 underlying stand of the real estate lending
18 markets, we believe that these new
19 characteristics make the proposed project much
20 more likely to proceed in its modified form
21 without compromising its long-term
22 marketability.

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1 We hope the Commission recognizes
2 the changes are minimal in scope and intent to
3 what is already approved, though significant
4 to project viability given the real estate
5 paradigm. It is our hope that depending on
6 the positive outcome from this Commission we
7 could turn our attention to finalizing the
8 grocery negotiations, secure project plans and
9 setting the path for breaking ground
10 conceivably if all goes well within a year
11 from today -- within a year from today. If
12 that schedule were to hold, we will be
13 projecting a grand opening in the spring of
14 2012.

15 We look forward to the opportunity
16 to advance this proposed modified proposal,
17 continuing our work together to realize the
18 project's sustainability, substantial
19 community benefits embodying the tenants to
20 the H Street zoning overlay.

21 And that is the contents of my
22 remarks. Thank you.

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1 MR. GLASGOW: Next, I'd like to
2 call Ms. Sarah Alexander.

3 MS. ALEXANDER: Thank you.

4 Torti Gallas has extensive
5 experience with mixed-use residential projects
6 throughout the D.C. area. Several of our
7 projects -- the Ellington, Kenyon Square and
8 Mount Vernon -- or City Vista at Mount Vernon
9 -- are all examples where we have taken
10 previously vacant land and transformed them
11 into vibrant mixed-use residential buildings
12 just as we are envisioning doing here at 3rd
13 and H Streets.

14 First to orient you to the location
15 of the site, it's just northeast of Union
16 Station. H Street is just south of the site.

17 Then there's 3rd Street and 4th Street
18 northeast, some adjacent townhomes to the
19 north, and Senate Square Landmark Lofts to the
20 west.

21 Here are some photos of the
22 adjacent properties, townhouses both currently

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1 vacant property and again Landmark Lofts in
2 Senate Square to the west.

3 This is the ground floor plan. For
4 the next series of slides I'll be showing, the
5 approved PUD is in the upper right-hand
6 corner, and the current design is the central
7 portion of the slide.

8 You can see it's virtually
9 identical to the approved PUD. The main
10 portion of the block is anchored by the
11 grocery store with a corner entrance as
12 previously designed.

13 We have the dedicated loading off
14 of 3rd Street for the grocery. The residential
15 lobby is off of H Street. And the small
16 corner retail is on 4th and H Streets.

17 We are proposing the garage entry to be off of
18 3rd Street, and residential loading to be off
19 of 4th Street.

20 We have widened all the alleys, but
21 currently they are eight to ten feet wide.
22 We've widened all the alleys to a minimum of

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1 20 feet to facilitate loading for all the
2 adjacent structures. And we have also set
3 back the building from H Street approximately
4 four to six feet to allow for greater
5 pedestrian movement.

6 For the second floor plan, you can
7 see again the shape is virtually identical to
8 what we've proposed in the past. We still are
9 proposing the main central residential
10 courtyard so amenity space is located
11 centrally in the building. We have some
12 balconies on 3rd Street. And then we also have
13 a terrace on the northern and eastern end of
14 the rear wing to set back from the adjacent
15 townhomes.

16 Once you get to the fifth floor
17 plan, we have set back the building again the
18 same as from the previous approved PUD so that
19 we have transitioned from the taller structure
20 down two stories to the lower townhomes to the
21 north.

22 At the sixth floor, we are

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1 introducing a series of terraces, very similar
2 in keeping with the terraces we proposed
3 before, again separating the building from the
4 adjacent townhomes and from the smaller
5 buildings to the east as well as creating a
6 smaller mass for H Street and 3rd Street to
7 better fit into the neighborhood.

8 For the roof plan, previously this
9 would have been the seventh floor plan. So
10 you can see previously you would have had this
11 large residential floor with the penthouse
12 structures to the north and east. We are now
13 proposing to only have three small penthouse
14 structures to house the mechanical needs as
15 well as the egress stairs and elevators. And
16 we're proposing the terrace area here with
17 some green roofs -- shown in green -- for the
18 residents to have some recreation space. And
19 then we're also providing cool roofs on all
20 areas that are not green roofed or a terrace.

21 All the parking for the project is
22 below grade as consistent with the approved

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1 PUD. The P-1 level -- the first level -- is
2 for the retail parking. So the grocery can
3 access the store from the corner here. And
4 again, all of the entrance to the parking is
5 off of 3rd Street with cuing space on this ramp
6 and ticketing right here in the central
7 portion. It's been said before, but we have
8 124 retail parking spaces currently,
9 previously 152.

10 Here you can see the residential
11 level access through a speed ramp directly
12 down to this level. All of this level is for
13 residential parking. We previously had a
14 third level of parking. We have eliminated
15 that parking. So we have only two levels of
16 parking in the current design.

17 Here you can see the difference in
18 the sections. Previously -- on the next
19 series of slides, the top portion of the slide
20 is the current design. The bottom portion of
21 the slide is the approved PUD design. And we
22 are showing as previously there was a 90-foot

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1 building with eight stores and three garage
2 levels. We are now proposing a 75-foot tall
3 building with six stories and two levels of
4 garage.

5 Here you can see the terracing that
6 we're proposing to help transition from the
7 height of our building down to the adjacent
8 townhomes consistent with what was shown in
9 the approved PUD.

10 For the elevation, we initially
11 decided that the best way to help transition
12 -- have this building fit into the context was
13 to create two languages -- red brick loft
14 portion and a yellow or blond brick building
15 with base. We are still proposing that as you
16 can see in this revised current design. And
17 we are eliminating two levels of the red brick
18 building so the entire building is six
19 stories.

20 We have eliminated the central
21 portion -- this base portion here. When re-
22 designing and eliminating those two floors, we

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1 felt with the more modest scale of the
2 building it was more appropriate to emphasize
3 the corner with the grocery entrance here, the
4 two glass bays and the tower elements helping
5 to bring visual interest to the corner.

6 And then the residential lobby is
7 here in the blond brick building we've
8 articulated with the canopy and the protruding
9 bay. And the smaller bay structure of this
10 building helps to produce a rhythm of smaller
11 elements in keeping with the smaller
12 structures to the east. We've also set back
13 the top level here as you can see with a
14 lighter color brick to help emphasize the
15 setback.

16 For the west elevation, or the 3rd
17 Street elevation, you can see again very
18 similar to the approved PUD, the reduction of
19 two floors, the reduction of height by 15
20 feet, still maintaining the corner bay for the
21 emphasis of the corner grocery entry. The
22 loading and garage entries are still with the

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1 decorative metal panel doors.

2 We have simplified the townhouse to
3 be we feel more in keeping with the
4 architecture of the simple townhouses to the
5 north, and as well as Senate Square and
6 Landmark Loft character.

7 For the east elevation, again very
8 similar. We have the two residential bays, an
9 articulated retail bay, and the loft-style
10 architecture of the wing on the alley
11 elevation, balconies and terraces for the
12 units, and again the terracing stepping down
13 to the townhomes.

14 This portion on the approved PUD,
15 you've seen the distance of eight stories and
16 penthouse, that has of course been eliminated
17 now that it's a six-story building.

18 The south elevation, you can see
19 when we took away that -- we re-proportioned
20 the facade, we made the division in the inside
21 corner for the blond brick building and the
22 red brick building so that the red brick

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1 building really is a more rational form, and
2 the blond brick building is that eastern most
3 wing as opposed to the previous design.

4 We are still proposing a large
5 courtyard here with balconies overlooking it,
6 and the four-story blond brick townhouse
7 transitioning down to the adjacent townhomes.

8 The materials of the building -- it
9 is a majority brick building with metal panels
10 and metal bays helping to give some visual
11 interest. Here you can see the materials.
12 And we brought them for your review as well.

13 Here is the red brick. It's a
14 little bit faded on this slide. Then the
15 lighter brick here is for the articulation of
16 the base. We have some series of detailing
17 there to help articulate the base of the
18 building. And on the metal colors for the
19 storefront, the panels, the railings and
20 canopies, and then there's some masonry
21 accents for the horizontal banding.

22 Next for the blond brick building,

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1 again you can see the color of the brick. The
2 accent brick here is located at the top of the
3 building to help emphasize that setback, the
4 window color, storefront color, canopies and
5 railings, and again the masonry accent for
6 horizontal banding.

7 The landscape for the project is
8 consistent with the H Street initiative
9 streetscape standards. We are proposing to
10 have the brick strip along the tree pit area
11 on H Street with concrete sidewalks. And
12 we're proposing to have brick sidewalks on
13 both the 3rd and 4th Streets side to accommodate
14 some outdoor seating that we envision
15 occurring in these regions of the project.

16 We are thinking the brick here
17 would be consistent with the rest of the
18 brick. And that's a lot of the sidewalks in
19 Capitol Hill. We then have the concrete apron
20 for the loading and garage entry, and concrete
21 for all the alley which again has been
22 extended to 20 feet minimum.

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1 We have redesigned the courtyard.
2 We felt that the previous design was a bit too
3 formal and too grand of a space where these
4 more intimately scaled spaces that we have
5 created in the new design help to facilitate
6 better areas of relaxation or however the
7 residents choose to partake in them.

8 And we have proposed some seeded
9 areas, so sustainable landscaping, and as
10 well as lower walls and planting to help
11 separate the private terraces for the adjacent
12 units.

13 Lastly, the space is LEED-certified
14 building, so we are going to specify materials
15 for the interior that are going to create a
16 healthy environment for the residents. We're
17 also specifying energy-efficient lighting and
18 mechanical systems. And we are going to
19 provide either green roof or light low-impact
20 or cool roof for the all areas of the roof.

21 Thank you.

22 MR. GLASGOW: And we have one

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1 additional witness, traffic consultant Jami
2 Milanovich. Would you like to proceed with
3 your testimony. And thank you for the light.

4 MS. MILANOVICH: Thank you. Good
5 evening, Mr. Chairman, Members of the
6 Commission.

7 For the record, my name is Jami
8 Milanovich with Wells & Associates. We are
9 the traffic consultants for the subject
10 application.

11 As you've just heard, the size of
12 the PUD before you this evening has been
13 reduced compared to the previously approved
14 PUD. In terms of the vehicle trip generation,
15 the proposed PUD would generate 123 a.m. peak-
16 hour vehicle trips and 300 p.m. peak-hour
17 vehicle trips. Compared to the previously
18 approved PUD, this will generate 33 percent
19 fewer vehicle trips during the a.m. peak hour
20 and 22 percent fewer vehicle trips during the
21 p.m. peak hour.

22 Next slide, please.

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1 The parking for the proposed PUD
2 also has been substantially reduced from the
3 approved PUD both in terms of number of spaces
4 and in terms of parking ratios. The number of
5 parking spaces has been reduced from 400
6 spaces to 270 spaces; 146 of the proposed
7 spaces would be residential spaces, and 124
8 spaces would be grocery and retail spaces.
9 Notably, the residential parking ratio was
10 reduced from one space per dwelling unit to
11 .69 spaces per dwelling unit.

12 Looking further at the grocery
13 store parking, we believe that the grocery
14 store parking is appropriate as proposed for a
15 couple of reasons. First, we looked at 12
16 grocery store sites in the District and found
17 that the 12 sites have an average parking
18 supply ratio of 3.97 spaces per 1,000 square
19 feet, which is significantly higher than that
20 proposed for this site. Additionally, grocery
21 stores require a certain amount of parking.
22 It is essential that requirements of potential

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1 tenants can be satisfied for this site.

2 Finally, the Applicant has
3 committed to a number of transportation demand
4 management measures in order to reduce the
5 number of vehicle trips to and from the site.

6 These measures include designation of an on-
7 site transportation coordinator and freight
8 manager, transit incentives including Smart-
9 trip cards for residents at initial sales
10 release, significant bicycle parking including
11 80 to 90 bicycle parking spaces in the garage
12 and approximately 20 spaces outside along 4th
13 Street, telecommuting incentives for
14 residents, and finally information available
15 on site regarding public transportation
16 options in the area.

17 MR. GLASGOW: And that concludes
18 your testimony?

19 Mr. Sher will be available for
20 questions.

21 CHAIRMAN HOOD: Okay. Thank you
22 all for your presentation.

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1 Let me see. Do we have anyone here
2 representing ANC 6C -- a representative with
3 Chairman Wirt -- Karen Wirt, Chairperson?

4 (No audible response.)

5 CHAIRMAN HOOD: Okay. Do we have
6 anyone here who's going to be testifying in
7 support?

8 (No audible response.)

9 CHAIRMAN HOOD: Anyone here who's
10 going to be testifying in opposition?

11 (No audible response.)

12 CHAIRMAN HOOD: Okay. All right.
13 Colleagues, let's open it up for questions.
14 Who'd like to start us off?

15 Commissioner Turnbull?

16 COMMISSIONER TURNBULL: Thank you,
17 Mr. Chair.

18 I guess one thing right off the
19 bat, on the elevations with the blond brick,
20 there's a difference in color. Is that just
21 on the slide or is that --

22 MS. ALEXANDER: That's just on the

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1 slide. It's just a rendering technique.

2 COMMISSIONER TURNBULL: My comment
3 was going to be it looks a hell of a lot
4 better. The other brick looked like a banana
5 yellow. And I'm like oh, my God. Did we
6 approve that?

7 But the other -- the blond brick -
8 - is a very -- oh, you have samples? Okay.

9 And the parking, is there going to
10 be another parking to go to that first level?

11 I'm just trying to remember everything from
12 what we did before.

13 The retail is totally separate.
14 And then you take that one lane down to -- and
15 so that's a pad -- like a card key that you
16 have -- or just the residents to go down?

17 MR. GLASGOW: That's right.

18 COMMISSIONER TURNBULL: It seems to
19 me -- I'm trying to remember -- one of the big
20 things we talked about when we first approved
21 this was I think we were talking about shadow
22 lines on the neighbors' property. And

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1 obviously with going down now, you've
2 eliminated that. So that's obviously got to
3 be a big plus for anybody on the alley over
4 there.

5 There was a comment about bike
6 storage. Where is the bike storage -- or bike
7 racks or --

8 MS. ALEXANDER: On the retail
9 level, we're proposing both at street level,
10 and also in a region right here that's labeled
11 bikes.

12 COMMISSIONER TURNBULL: Okay.

13 MS. ALEXANDER: And then on the
14 residential level, we have a series of islands
15 right here where there's labels for bikes.

16 COMMISSIONER TURNBULL: Is there
17 parking outside on the street?

18 MR. GLASGOW: For bikes?

19 COMMISSIONER TURNBULL: Yes.

20 MR. GLASGOW: We proposed that
21 there would be some on 4th Street at a minimum.

22 COMMISSIONER TURNBULL: Okay. You

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1 just haven't really located it as yet?

2 MR. GLASGOW: Well, there's an
3 unusual condition that as part of the Eight
4 Street Great Streets initiatives has been
5 created on the 4th Street side of our property
6 with these -- they're not four foot high --
7 pedestals. They look like marble -- granite
8 -- pedestals with beveled edges

9 We're told they're for purposes of
10 keeping cars from parking on the sidewalk.
11 That would probably function like that because
12 there are about four or five of these. And
13 they're separated by a width that'd be perfect
14 to put in bike racks. But we'd have to deal
15 with DDOT I guess or public space permits on
16 whether that'd be an appropriate use there.
17 But that'd be ideal in my way of thinking.
18 It'd be good use of the land.

19 COMMISSIONER TURNBULL: Okay. Now
20 you're going for LEED-certified?

21 MR. GLASGOW: --

22 COMMISSIONER TURNBULL: Were you

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1 going at the time also? Was that part of the
2 original?

3 MR. GLASGOW: No. We weren't going
4 to be LEED-certified originally. You may have
5 been doing it but we didn't proffer -- we
6 didn't proffer it at the time.

7 COMMISSIONER TURNBULL: Right.
8 Okay. That's very admirable. Thank you very
9 much.

10 I had a couple of questions but I
11 sort of lost my train of thought here.

12 CHAIRMAN HOOD: You can come back
13 to it.

14 COMMISSIONER TURNBULL: Thank you.

15 CHAIRMAN HOOD: Anybody else?
16 Commissioner Schlater?

17 COMMISSIONER SCHLATER: My first
18 question is about the grocery store. The
19 design looks substantially similar. What was
20 the size of the previous grocery store
21 relative to the size of the current plan?

22 MR. GLASGOW: I think it's

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1 identical.

2 COMMISSIONER SCHLATER: It's the
3 same size?

4 MR. GLASGOW: Yes. Identical.

5 COMMISSIONER SCHLATER: One of the
6 problems you see sometimes in urban grocery
7 stores is the windows get blocked by shelving.
8 And oftentimes we'll only agree to have one
9 facade where you'd be visible to the check-out
10 counters.

11 In your discussions with the
12 grocery store, are you going to be able to
13 negotiate having both of the frontage on H
14 Street and 4th Street be visible into the
15 store? Or is 4th Street going to be --

16 MR. GLASGOW: Well, it'd be 3rd
17 Street.

18 COMMISSIONER SCHLATER: Or 3rd.
19 I'm sorry. I got that wrong.

20 MR. GLASGOW: But yes, absolutely,
21 we made that point because -- and I think
22 we're simpatico on this in that I don't like

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1 blank walls on H Street and I wouldn't want
2 blank walls on 3rd Street. A part of I think a
3 good development is you activate the
4 streetscapes with things of interest that are
5 inside.

6 And in our discussions with the
7 grocer aren't advanced far enough to tell you
8 what it's going to look like. We have
9 certainly made it very clear to them that it
10 would be unacceptable for the City and
11 certainly to us to have black walls.

12 It would be our hope given the
13 first cut of what we've seen and how they
14 would lay out the interior of the store, it
15 would be our hope that they would utilize that
16 very wide sidewalk on 3rd Street for deli
17 seating -- something like that -- which would
18 create an opportunity for light and activity
19 and animation on the street.

20 COMMISSIONER SCHLATER: Sometimes,
21 yes, I agree. I think as a Member of the
22 Zoning Commission, I would also like to say I

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1 think it would be unacceptable, or at least it
2 would be a less than ideal outcome were the
3 windows to be blocked by shelves there.

4 One of the other things you see
5 with urban grocery stores is sometimes they're
6 not in terms of public space usage the most
7 progressive people. I remember we had a
8 situation up at the Tivoli a couple years back
9 with Giant where they tried to put a lay-by
10 lane on the sidewalk. And there was some
11 controversy about that.

12 Has there been any discussions
13 about that with this grocer?

14 MR. GLASGOW: No. There have not
15 been. We try to accommodate that down to P1
16 level.

17 MR. ALEXANDER: Yes, i would just
18 add that the grocery store has reviewed this
19 lay-out in terms of the site plan. And that's
20 what we're negotiating against. There's not
21 going to be any adjustment for any kind of
22 lay-by arrangement. They're well aware of the

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1 streetscape, orientation of the site, and have
2 thought into it in the negotiation.

3 COMMISSIONER SCHLATER: Okay.
4 Great.

5 Well, I'm going to move on to just
6 the affordable housing. So just clarify where
7 we're at with that.

8 I'm looking at the original order.
9 It says approximately ten percent of the
10 increase in gross floor area shall be devoted
11 to housing units that will be affordable to
12 households making no more than 80 percent of
13 the are median income.

14 So what did that translate into in
15 the number of affordable units previously?

16 MR. ALEXANDER: I'll take a stab at
17 it.

18 It depends on how they lay -- how
19 they break out. But eight to ten units I
20 think was initially what we anticipated being
21 able to provide in that excess density
22 envelope. Clearly with the proposal, we're --

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1 that. So it'll be 16 to 20 depending on how
2 they ultimately are laid out.

3 COMMISSIONER SCHLATER: And is that
4 roughly double the amount of square footage
5 devoted to affordable housing as well?

6 MR. ALEXANDER: Yes.

7 COMMISSIONER SCHLATER: Is there
8 something that shows where the affordable are
9 going to be located? Are they going to be
10 isolated on one floor or in all the --

11 MR. ALEXANDER: I think there's a
12 requirement that we try to mix and match
13 throughout the project so we don't isolate it
14 into one section on one floor. So
15 specifically, I can't tell you where they'll
16 be. But it's an obligation for us to blend
17 them into the units.

18 COMMISSIONER SCHLATER: Okay. As
19 long as that's the understanding.

20 MR. GLASGOW: Normally,
21 Commissioner Schlater, what we've done is we
22 disperse them through the building but we do

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1 reserve the right on many cases that the top
2 two floors can be all market-rate units.

3 COMMISSIONER SCHLATER: Okay.
4 Well, the last thing I want to talk about a
5 little bit is this tax abatement you're
6 getting from the City for the parking. And I
7 understand that the economics of doing an
8 urban grocery store are very challenging
9 particularly when you have to provide so many
10 underground parking spaces.

11 What is the current proposal in
12 front of the City in terms of what you're
13 asking for in terms of the scope of the
14 abatement? What's the dollar value associated
15 with that abatement?

16 MR. GLASGOW: It's 125 spaces.
17 I'll give the dollar amount. But just so that
18 you get some background, it's 125 spaces,
19 \$40,000 a space. So it's \$5 million. And
20 that's pretty much where things are right now
21 -- just the hard costs.

22 COMMISSIONER SCHLATER: Right.

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1 MR. GLASGOW: Because hard and soft
2 would take you 50 or maybe a little bit north.

3 COMMISSIONER SCHLATER: So I just
4 want to follow the logic from your initial
5 testimony you were saying.

6 Because you're now getting this tax
7 relief from the City that's worth
8 approximately \$5 million, you're proffering
9 ten additional units of affordable housing
10 because originally -- I'm trying to get my
11 mind around that -- but basically you're
12 saying under the original PUD, you were
13 providing this urban grocery store as an
14 amenity. And you are paying to provide these
15 underground parking spaces.

16 Now the City is effectively paying
17 for the underground parking spaces by virtue
18 of a tax abatement. And so therefore, you're
19 saying instead of that being the amenity,
20 we're going to increase the amount of
21 affordable housing.

22 MR. GLASGOW: I guess I look at it

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1 a little bit differently than that. It would
2 be more along the lines of we stated to the
3 Office of Planning and to the Commission in
4 our testimony that if we were paying for the
5 underground parking, we wanted additional
6 relief on or not provide as many affordable
7 unit housing units as the City would normally
8 be requesting. And both the Commission and
9 the Office of Planning supported that.

10 So we're saying since we're not
11 doing that anymore, we're not in a position to
12 not do the MIZ which is eight percent.

13 COMMISSIONER SCHLATER: Oh, okay.

14 MR. GLASGOW: Okay? So we would
15 say --

16 COMMISSIONER SCHLATER: So you're
17 not trying to compare the value of these ten
18 units to the \$5 million of public subsidy that
19 you're getting from the City?

20 MR. GLASGOW: No. No, it's just -
21 - if we made a representation and we were
22 proceeding on one basis, and then that has

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1 changed from our standpoint, we've gone to the
2 City Council and we've asked for -- had a
3 hearing -- and we believe we'll find out that
4 the tax abatement will be forthcoming. And
5 we're not in a position to say well, by the
6 way, just leave us where we were with
7 affordable housing. And just going with the
8 eight percent essentially doubles the
9 affordable housing.

10 COMMISSIONER SCHLATER: Okay. And
11 then I guess it's up to my fellow Commission
12 Members to determine whether that additional
13 affordable housing is a sufficient proffer.

14 MR. GLASGOW: I guess we didn't
15 look at it as a proffer like that. The main
16 proffer is all the amenities for the project
17 -- the grocery store, the setbacks, the
18 widening of the alley, the MBOC, the DOES --
19 all of those types of things -- they're all
20 the same.

21 COMMISSIONER SCHLATER: You didn't
22 view affordable housing as a proffer, and you

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1 don't?

2 MR. GLASGOW: We're viewing it as
3 we needed to provide eight percent. And
4 that's what we're doing. So we're providing
5 what's required with respect to MIZ. That's
6 how we're handling that.

7 With respect to the grocery store,
8 I've seen through experience and what's been
9 happening with Guy's project at -- if we don't
10 get relief on that, there weren't be a grocery
11 store, and we won't be able to go through with
12 the project. And if we went the other way,
13 you can't take 24 -- if you take 212 units by
14 the \$5 million, Guy is a great person and a
15 great human being and his family has been.
16 But they're not going to throw \$5 million on
17 the table for the project.

18 That means that each residential
19 unit if you were going to sell them as
20 condominiums, they've got to be \$24,000 a
21 piece higher in price. Or if you've got to
22 lease them, then over a certain lease period

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1 you've got to lease them and recoup that
2 money. And we just don't see it happening.

3 COMMISSIONER SCHLATER: So the
4 grocery store is one of the proffered
5 amendments?

6 MR. GLASGOW: Yes.

7 COMMISSIONER SCHLATER: Correct?

8 MR. GLASGOW: Yes.

9 COMMISSIONER SCHLATER: I guess the
10 thing I'm wresting with is if the City is
11 paying for the economic impact of that --

12 MR. GLASGOW: For the parking.

13 COMMISSIONER SCHLATER: -- for the
14 parking. But the grocery store is then going
15 to pay rent for the space they --

16 MR. GLASGOW: They'll pay --
17 they'll pay rent. They will pay rent. I
18 don't know that I would say that they are
19 generous in their rent. But they will pay
20 rent. And this site was designated -- when
21 you look at the H Street overlay, there's a
22 special provision dealing with a grocery store

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1 on this site. So everyone said okay, this is
2 where having a grocery store has the best
3 impact as opposed to Guy saying listen, I'll
4 put the apartment building above. I won't
5 have a grocery store. I'll do the ground
6 floor retail and we'll call it a day.

7 COMMISSIONER SCHLATER: Okay.
8 Thank you very much.

9 CHAIRMAN HOOD: Mr. May?

10 COMMISSIONER MAY: I don't think I
11 have a lot of questions -- just a couple.

12 With the reduction of parking, I
13 assume that the occupants of the building are
14 not going to be eligible for residential
15 parking permits. Has that been established?

16 MR. GLASGOW: That hadn't been a
17 discussion with the community.

18 COMMISSIONER MAY: Okay. And that
19 topic didn't come up at all even in the ANC
20 meeting?

21 MR. GLASGOW: No.

22 COMMISSIONER MAY: I'm just a

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1 little surprised because you're reducing the
2 amount of parking that's available to
3 residents of the building that significantly,
4 and they're all going to be eligible to park
5 on the street. That's not been an issue with
6 the community?

7 MR. GLASGOW: Has not been -- was
8 not with the ANC.

9 CHAIRMAN HOOD: I'm just going to
10 interject. And that goes along with one of
11 the questions I was going to ask.

12 I think when we did this in 2006,
13 one of the questions we inquired about which
14 had more parking that time was whether the
15 surrounding area had the residential parking
16 permit stickers. And that was one of the
17 questions I think that was asked at that time.

18 And I'm just curious. Is that still in
19 effect?

20 PARTICIPANT: Yes, the area
21 surrounding the site does have -- it is signed
22 for residential parking.

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1 CHAIRMAN HOOD: Like the streets
2 right in the area of this project?

3 PARTICIPANT: That's correct.

4 CHAIRMAN HOOD: What's that? Two
5 hours or four hours?

6 PARTICIPANTS: Two hours Zone 6
7 acceptance.

8 CHAIRMAN HOOD: I remember that
9 coming up before. Thank you.

10 COMMISSIONER MAY: Yes. I'm just
11 really surprised knowing how sensitive how
12 most neighborhoods are to development,
13 particularly development of a scale that's
14 much larger than the surrounding townhouse
15 development that they would not have zoned in
16 on that particular issue. I'm not sure what
17 to make of that.

18 Generally speaking, the rest of the
19 questions I have are pretty minor.

20 If I understand the drawings
21 correctly, the facades of the building all the
22 way around are brick. They're isn't a

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1 variation in the facades. So on the back side
2 and the alley side, all along the alley, it's
3 all brick. And there's actually been some
4 attention to making the plain brick facades
5 articulated a bit so that they don't look just
6 like a massive expansive brick. And I think
7 that's noteworthy because we usually have to
8 ask for treatments like that. And I'm glad to
9 see that was already part of the thinking.

10 And I'm glad to see that they
11 heeded shift to hardy plank and stuff like
12 that on the courtyard. So it's clear that
13 there's some real thought going into the
14 treatment of the building.

15 What are the loading doors? It's
16 hard to tell from the drawing. I mean, is it
17 -- it looks almost like windows. What's going
18 on there with those? How does that work?

19 MS. ALEXANDER: They're decorative
20 metal panel doors. They would roll up. But
21 they have a textured grid-like pattern to them
22 to match the windows of the adjacent store

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1 front.

2 COMMISSIONER MAY: Okay. I'm not
3 familiar with that kind of a product. Is that
4 something that wears well over time? It's not
5 going to --

6 MS. ALEXANDER: We have used it on
7 a property we have in Clarendon. And it works
8 fine there. So.

9 COMMISSIONER MAY: And it's holding
10 up okay?

11 MS. ALEXANDER: Yes.

12 COMMISSIONER MAY: Well, I also
13 think that's a significant improvement because
14 very often when you have those loading docks
15 facing on the street that you just have plain
16 old metal roll-up doors, and they're either
17 rolled up all the time or they're down and
18 they don't look like much. So I think that's
19 a thoughtful detail.

20 And if I understand it correctly,
21 the small bit of retail that's all the way at
22 the east end of the project, that's served by

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1 its own loading area, or it shares the
2 residential loading space?

3 MR. GLASGOW: That's correct.

4 COMMISSIONER MAY: Okay. Also
5 good. Very often people don't think about
6 that extra bit of small-scale retail, and you
7 wind up loading that off the street or
8 something which is unacceptable.

9 That's about it for me. Thanks.

10 CHAIRMAN HOOD: Mr. Glasgow, let me
11 work with Ms. Milanovich a little bit. And I
12 want to go to the DDOT report.

13 And I think Mr. Glasgow you
14 mentioned earlier -- and I looked back at the
15 order that was done in 2006 and I tried to see
16 some of the issues. And one of the things
17 that concerns me as it says, District
18 Department of Transportation had no
19 objections. And that was a much larger-scale
20 project than what we have here today. And I'm
21 in tune with my colleague Commissioner May as
22 far as parking in that area. This site goes

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1 back to the BP-Amoco, which I happened to sit
2 on that case some years ago when the police
3 department came down and opposed Amoco -- some
4 in the area may remember that -- which I
5 thought was the first time, and that was very
6 unique.

7 Well, anyway, I'm just curious --
8 and I know DDOT is here because I'm going to
9 ask them questions when we get to them -- but
10 I'm going to ask you since you're on the floor
11 now.

12 But what do you think the rationale
13 is? One of the things they mentioned -- Ms.
14 Milanovich, and I guess you can help me with
15 this -- on page two of five of their report,
16 they have recommendations in brief. And they
17 basically mention -- the first two I'm not too
18 concerned with, and I think you've addressed
19 the transportation to land management program.

20 First, have they had to look at what you
21 proposed here tonight -- what you had in front
22 of us tonight?

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1 MS. O'NEILL: Yes, they have.

2 CHAIRMAN HOOD: Okay. And
3 everybody's on the same page with that? Okay.

4 But when it says "reduce the
5 proposed supplier proposed parking spaces for
6 the TOD" -- transit-oriented development --
7 where's the nearest Metro? Even though I know
8 the answer, I just want to say it for the
9 record. Where's the nearest Metro Station to
10 this particular parcel of land?

11 MS. O'NEILL: The nearest Metro
12 Station is Union Station.

13 CHAIRMAN HOOD: How would I get to
14 Union Station -- help me with my orientation.
15 How would I get to Union Station if I was
16 leaving the project?

17 MS. O'NEILL: You would head west
18 down H Street.

19 CHAIRMAN HOOD: Okay. Suppose I
20 want to stay on H Street, would I have to up
21 any hills or anything to get to the Metro
22 Station?

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1 MS. O'NEILL: Yes. Yes, there's a
2 couple of slight hills.

3 MR. ALEXANDER: As one who's done
4 it, you have to go up H Street, you have to
5 walk over the bridge, you have to go through
6 the Union Station parking garage or walk
7 around Union Station to get to the Metro
8 entrance.

9 CHAIRMAN HOOD: And so is it easily
10 accessible going in that direction, going up
11 the bridge and walking through the parking
12 lot? Would you say that from your experience
13 or maybe from your expert experience, would
14 you say that's a pretty easy way to get to a
15 TOD?

16 MS. O'NEILL: Well, I would not
17 classify this as a transit-oriented
18 development. I mean, it is close proximity to
19 Union Station. It's a relatively easy walk
20 but it is I believe -- I'd have to check the
21 exact square footage. But it's --

22 CHAIRMAN HOOD: So you wouldn't

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1 classify it -- okay. So maybe I need to back
2 up.

3 You wouldn't classify this as a TOD
4 even from what I read in the report, I think
5 it's three different bus lines and the Metro
6 Rail is right close by. At least that's what
7 I read. I'm just curious. Because I do have
8 some issues about accessibility for this
9 project.

10 MS. O'NEILL: Yes. I mean, I think
11 our position is that public transportation is
12 prevalent in the area. There are several bus
13 lines that are in the immediate area. As I
14 said, we are in close proximity to the Union
15 Station Metro.

16 But there are -- you do need to
17 walk to get to that Metro Station. It's not
18 like it's right across the street.

19 CHAIRMAN HOOD: Okay. All right.
20 I'll go into more of this with DDOT.

21 COMMISSIONER MAY: Mr. Chairman? I
22 would just want to point out that if you look

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1 at the drawing that was provided with the
2 walking distance radius --

3 CHAIRMAN HOOD: Which drawing are
4 you --

5 COMMISSIONER MAY: I don't think
6 it's numbered.

7 CHAIRMAN HOOD: Oh, I see it.

8 COMMISSIONER MAY: It's near the
9 front. And it indicates that Union Station is
10 theoretically within a ten-minute walk. I'm
11 not sure that H Street is the right route that
12 gets you there in ten minutes.

13 You can walk down 3rd Street and
14 then down to 2nd, and then --

15 CHAIRMAN HOOD: Right. I think
16 that question came up previously. But all I
17 remember is the only way -- well, one of the
18 ways I know is go up that hill. And I'm just
19 thinking of --

20 COMMISSIONER MAY: I don't think
21 you have to up the hill. You can go down 3rd
22 and the over on G to 2nd, and then follow 2nd

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1 all the way alongside the -- walk past Station
2 Place and the Federal Judiciary Office
3 Building, and then walk across their walkway
4 to Union Station.

5 CHAIRMAN HOOD: I think Ms.
6 Milanovich hit where I wanted to go. I hear
7 all the time about TODs. And I think they
8 have given us their position.

9 COMMISSIONER MAY: Well, yes. she
10 says it's not TOD. DDOT thinks it's TOD.

11 CHAIRMAN HOOD: And that was my
12 point. I agree with Ms. Milanovich. I think
13 this may be the first time. But I agree with
14 Ms. Milanovich.

15 Okay. Let's see what else.

16 I think Mr. Turnbull alluded to
17 this. I'm not sure if he went straight to --
18 I think he mentioned about the level of the
19 additional bicycle parking. And I think what
20 DDOT has asked for, and it was provide street
21 level bicycle parking. Did you cover that?
22 Okay. I must have missed that.

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1 MR. GLASGOW: I think it was on 4th
2 Street, Mr. Chairman that we said we could put
3 them over there. When Guy was talking about
4 the bollards that were four feet high -- in
5 between those.

6 CHAIRMAN HOOD: The other issue is
7 -- can we put the slide back up? We went kind
8 of fast and I didn't want to interrupt your
9 presentation about the cuing. Let's see how
10 the ingress and the egress is on the entrance
11 to the garage.

12 And I think I remember you saying
13 it's further down so it will allow for so many
14 cars. I think five cars is what you said.
15 But let's review that --

16 MR. GLASGOW: Right. I think we
17 said five to six. Jami, down to where the
18 gates are.

19 MS. MILANOVICH: Right. Yes.
20 Sarah, can you point those out?

21 We set the gates at the bottom --
22 as far as possible towards the bottom of the

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1 ramp so that we can accommodate several cars.

2 I believe there's enough space for about five
3 cars heading into the garage so that it
4 doesn't spill back out onto 3rd Street.

5 CHAIRMAN HOOD: Okay. And the
6 loading berths -- I think that's really all I
7 had. And I'm looking forward to speaking to
8 DDOT.

9 Okay. Anything else, colleagues -
10 - Commissioners?

11 (No audible response.)

12 CHAIRMAN HOOD: Do we have
13 anyone from ANC 6C?

14 (No audible response.)

15 CHAIRMAN HOOD: Not seeing anyone,
16 cross examination. We're now ready to go to
17 the Office of Planning. Can we do the Office
18 of Planning and DDOT at the same time, Mr.
19 Jesick?

20 And there's a new gentleman down
21 there. And I didn't know whether he was with
22 DDOT, OP or with WASA or who. So that's why I

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1 kind of make sure I have everyone.

2 If you can introduce yourself also.

3 And I know Mr. Jennings.

4 MR. HENSON: My name is Jamie
5 Henson. And I'm a transportation planner with
6 DDOT.

7 CHAIRMAN HOOD: Is this your first
8 time to the Zoning Commission?

9 MR. HENSON: Yes, sir.

10 CHAIRMAN HOOD: Welcome. And I
11 think we're going to treat him pretty good
12 tonight.

13 MR. HENSON: Thank you.

14 MR. JESICK: Thank you, Mr.
15 Chairman and Members of the Commission.

16 The Office of Planning has no major
17 updates from the time of the set down meeting.

18 The design of the project has remained the
19 same.

20 The Office of Planning is
21 recommending approval of the modification. We
22 felt that the modification would not be

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1 inconsistent with the comprehensive plan
2 including the more specific guidance given by
3 the H Street plan. The H Street plan calls
4 for a six- to eight-story building on this
5 site. So the modified PUD would be consistent
6 with that.

7 The amount of zoning relief is
8 staying relatively the same. And in fact,
9 it's been reduced. There's no longer a need
10 for lot occupancy relief with the re-designed
11 project.

12 The PUD-related map amendment would
13 also be the same as the approved PUD. The
14 portion of the site not zoned C-2-B presently
15 would be zoned the C-2-B for this project.

16 And the amenity package as we heard
17 has stayed relatively the same.

18 So again, the Office of Planning is
19 recommending approval. And I'd be happy to
20 take any questions.

21 CHAIRMAN HOOD: We can just right
22 into the DDOT report.

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1 Mr. Jennings, do you want to start
2 us off?

3 MR. JENNINGS: Sure. Good evening,
4 Mr. Chairman and fellow Commissioners. My
5 name is Jeff Jennings. I work for the
6 District Department of Transportation.

7 As I think we've stated pretty
8 clearly in our comments submitted
9 approximately a week ago, we do have a couple
10 of concerns with the project.

11 Overall, we'd like to see the
12 project move forward. I think in the three
13 years perhaps since the project has been
14 approved -- or is it two years -- DDOT has
15 tried to tighten its expectations or tried to
16 look at the way that some of the other grocery
17 stores have been built here in the City and
18 the draw that they may create.

19 One of our biggest concerns -- and
20 my colleague, Jamie, will try and address this
21 a little bit further with some of the
22 questions you may have -- some of the sidewalk

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1 infrastructure around the site -- and we have
2 heard it last year to support some of the
3 concerns that we have here -- they're in very
4 poor shape.

5 As was stated earlier by Jami
6 Milanovich, H Street is undergoing a massive
7 re-make -- for lack of a better word. We're
8 installing brand new sidewalks along H Street.

9 And once you depart off of H Street, the
10 sidewalks are in very poor condition.

11 We feel that the grocery store will
12 be enough of a draw that the neighborhood will
13 walk to the site and try to use the sidewalks.

14 We tried to make it clear to the Applicant
15 that this was something that they should take
16 a further look at. We met with the Applicant
17 a couple times during the fall -- September
18 and October. Tried to have conversation about
19 the pedestrian level of service that we feel
20 needs to be addressed in a more focused
21 manner.

22 The other item -- which is not as

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1 big of a concern -- but I think it goes to
2 speak about the number of parking spaces. I
3 was unaware, and I think Jamie Henson sitting
4 next to me from DDOT was also unaware that the
5 Applicant was going to look for a tax
6 abatement for parking. That catches us off
7 guard a little bit.

8 We've had some pretty bad
9 experience with the City paying for parking
10 here in Washington, D.C. And that to us is
11 perhaps not one of the more attractive items.

12 As far as 270 spaces, when you look
13 at grocery stores of this size and residential
14 on top of the grocery store, we have some
15 great examples here in the City is it over-
16 parked is probably a question that we're
17 asking ourselves more and more on a daily
18 basis. And we feel that this has that
19 potential. With respect to the residential
20 portion, we feel that the parking spaces may
21 very well shoot for the higher numbers that we
22 probably wouldn't expect to see.

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1 I think we're going to open it up
2 to questions as far as transit-oriented
3 development. We're happy to answer any
4 questions you may have about that because we
5 do see this site as TOD with a train station
6 nearby. We have as you probably are well
7 aware, we have trolley on the way on H Street.

8 So it truly is TOD.

9 We view fixed-rail transit within a
10 quarter of a mile -- or perhaps maybe it's a
11 half a mile -- our standards as far as looking
12 at sites that are TOD. And then we look at
13 bus lines which we do look at transit-oriented
14 development. This site is truly TOD being
15 along a major bus route, within a short walk
16 to the Red Line, and then of course the Mayor
17 has put in a promise as far as delivering the
18 trolley which is another fixed-rail transit
19 along H Street by 2012.

20 So as far as getting back to
21 whether the site is TOD or not, it certainly
22 is. There's no question in our minds it is.

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1 And with that, I think both Jamie
2 Henson and I are certainly willing to answer
3 any questions you may have.

4 CHAIRMAN HOOD: Thank you both, Mr.
5 Jennings and Mr. Henson.

6 I'm just going to start right off
7 since you mentioned TOD. I know that there's
8 a theory or a book about what's transit-
9 oriented development. I don't want to get
10 into that argument. But Mr. Jennings, I will
11 be thinking about you when I'm walking across
12 that H Street bridge and trying to get to the
13 Metro station.

14 I think that's a point I just
15 wanted to hear your comments on. And I
16 greatly appreciate it while I may differ. But
17 I do know that the trolley is in the pipeline
18 for that area. And also, I know any time
19 you're around public transportation that
20 factors into the transit-oriented developed
21 equation. And I understand that.

22 Well, let me just ask this question

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1 which Mr. Glasgow actually started off with.
2 And I'm curious too looking back at the old
3 order.

4 I know a lot of things have
5 happened since we dealt with this the first
6 time in 2006. And I realize DDOT has
7 tightened up the reins and everything. But
8 this project actually went down as far as
9 density. And at that time -- it was only two
10 years ago -- I was hoping we were tightening
11 up things then.

12 Is it fair now to come back and say
13 we need to do all these things here for this
14 project? I just want to make sure that this
15 Commission moves in a fair capacity. And I'd
16 just like what you have to say on that.

17 MR. HENSON: And we at DDOT would
18 agree with that. We have been very careful
19 not to be too onerous on the Applicant. And
20 so in the past -- I've been with DDOT for I
21 think nine months now -- and so I can't speak
22 to what's happened to that. But in the nine

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1 months that I've been here, we have gone to a
2 more rigorous evaluation of projects, not only
3 this one, but others as well.

4 And so, what we would normally
5 require is even more than we have required of
6 this Applicant. And so we significantly
7 scaled back what we required. We didn't ask
8 them to collect new data.

9 We significantly reduced the size
10 of the study area that they have evaluated.
11 So this study has evaluated basically the
12 corners around this development as well as the
13 access points. So if I remember correctly, 4th
14 and I, 3rd and I, 4th and H, 3rd and H, as well
15 as the access points. And so we have reduced
16 the study area whereas before we would
17 normally look for a larger study area as this
18 is going to create they claim 300 trips.
19 That's quite a lot of trips. So we'd like to
20 see where those trips are going and if they're
21 impacting the other areas.

22 And so basically we have reduced

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1 our requirements on them for study, as well as
2 the walking evaluation which Mr. Glasgow
3 referred to earlier. We had initially said
4 evaluate pedestrian facilities in a quarter of
5 a mile in the report. We even backed down
6 from that now and sent it to review in a two-
7 block area. And so basically the K Street on
8 the north, 6th on the east to the railroad
9 tracks on the west, and to F on the south.

10 CHAIRMAN HOOD: Also, you mentioned
11 -- I think it was Mr. Jennings -- where Mr.
12 Jennings had mentioned over-park sites. Give
13 me an example of an over-park site, because
14 when I'm looking for a parking space, I don't
15 ever see one. So tell me where I need to be
16 going.

17 (LAUGHTER.)

18 MR. JENNINGS: I think the great
19 examples that we've come across and there's
20 been quite a bit of media spotlight in this
21 particular area, and that's Columbia Heights.
22 We have a 50,000-square foot grocery store

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1 and parking that for the most part half of it
2 -- half of it is really not ever used.

3 We've done some audits. That's
4 correct. The Tivoli, the Giant there.

5 CHAIRMAN HOOD: Be careful. Now
6 you know this Commission approved that also.

7 MR. JENNINGS: Yes. About 2005?

8 CHAIRMAN HOOD: Four.

9 MR. JENNINGS: So at that location
10 -- and keep in mind it's not just the Giant on
11 Park Road that has access to that parking --
12 because the offices -- you've got a dentist
13 office, you've got a development company
14 that's inside the Tivoli, you have Gala
15 Hispanic Theater that's inside there, you have
16 approximately five to six storefronts along
17 14th Street. And we're talking 200 parking
18 spaces for that 50,000-square foot grocery
19 store, and all those various uses happening
20 inside of the Tivoli -- essentially the old
21 Tivoli Theater that's been reconstructed.

22 So again, I think we've collected

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1 quite a bit of data when it comes to that
2 particular grocery store as far as use is
3 concerned.

4 Another good case I think you can
5 take a look at -- and I don't know the numbers
6 as far as the parking is concerned -- but if
7 you look at the Harris Teeter parking in Adams
8 Morgan. And Mr. Glasgow worked on that case.

9 The number of parking spaces -- on numerous
10 occasions, DDOT staff have been to that site
11 to understand how the parking works or the how
12 the loading works. The parking is just so
13 underutilized. And that's a site. That's not
14 even really near fixed-rail transit. There is
15 transit nearby in the sense of a circulator
16 bus does drive by the site. And you have
17 WMATA buses that drive relatively close by it.

18 So those are two examples I can
19 come up with off the top of my head. I do
20 know for a fact that the Giant on Park Road,
21 we have 200 parking spaces. And you never --
22 in all of our reviews, you see probably that

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1 lower tier of parking that's utilized. It's
2 covered. And then if you drive up to the very
3 top floor of parking, that's another 100
4 spaces or maybe a little bit more. Hardly
5 ever utilized.

6 So once again, off the top of my
7 head, when you talk about over-parked, as far
8 as the really big example has been used over
9 and over again. And I think you've heard from
10 our boss -- Karina Ricks, who likes to use
11 this example -- is Target. Target had great
12 expectations when it moved into the City. It
13 set upon the City to deliver a number of
14 parking spaces. How many? That's 1,000
15 parking spaces. And on the number of times
16 that we have visited -- we meaning DDOT staff
17 -- to take a look at is this used, how many
18 times is it used, is it used only on
19 Saturdays, is it used on Sundays -- we've come
20 across that you're looking at -- and we've
21 talked with the property manager at Target too
22 -- Mr. Stein. He would say for the most part,

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1 the most cars he's ever seen parked in the
2 1,000-parking space garage with Target and 11
3 other retailers in addition to Target, he has
4 seen probably somewhere in the area of 150
5 cars parked in a 1,000-parking space garage.
6 And you know all too well I think that parking
7 garage was built by the City too.

8 And I think that's where we get
9 into should parking spaces be paid for by the
10 City. And that's where I think what I heard
11 earlier just really kind of caught me off
12 guard.

13 COMMISSIONER SCHLATER: Mr.
14 Jennings, most of the examples that you're
15 citing here are retail establishments. And I
16 think you're absolutely right in saying that
17 many of those garages are over-parked. But
18 the fact of the matter is that most of these
19 retailers wouldn't have signed the lease in
20 the first place unless they got the number of
21 spaces that they asked for. In the case of
22 grocery stores, they almost always ask for

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1 four per 1,000 square feet. It's just the
2 standard of what they're asking for. And
3 they'll walk away from a deal if they don't
4 get something close to that.

5 So is DDOT proposing that we should
6 impose a stricter standard and if we lose a
7 few retailers along the way, so be it?

8 MR. JENNINGS: I think what DDOT is
9 suggesting is that there be a real thorough
10 review. And I think this is happening right
11 now within the comprehensive plan -- there be
12 a real thorough review as to how much parking
13 is required at a number of sites.

14 We thought upon initial review that
15 270 spaces -- and we're not necessarily
16 putting the onus on the retailer, we're not
17 necessarily putting the onus on the
18 residential portion. And that may be
19 something that this panel --

20 COMMISSIONER SCHLATER: But Mr.
21 Jennings, let's just talk about the retail
22 portion for now.

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1 The District has competing goals.
2 Do you agree the District is both under-
3 retailed and perhaps over-parked? And it's
4 the job of the Zoning Commission maybe to
5 weigh about -- and do you understand that
6 there are these other goals out there like
7 bringing in retail?

8 MR. JENNINGS: I do.

9 COMMISSIONER SCHLATER: And that
10 perhaps by setting more stringent parking
11 standards it may actually scare away some
12 retailers from doing urban business?

13 MR. JENNINGS: I guess what I would
14 say to that, Commissioner Schlater, is if we
15 can look at other cities and understand how
16 they work so well and why this City perhaps
17 could do a little bit better, I think that's
18 worth a real hard look. I really do.

19 You constantly hear from the
20 Transportation staff why is it that cities
21 that don't cater to the automobile, how do
22 they function so well. And I guess that's

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1 something that we really need to take a real
2 hard look at.

3 COMMISSIONER SCHLATER: Okay. I
4 guess I'm just -- you haven't quite answered
5 the question which is -- this case is a very
6 concrete example. If the developer cannot
7 sign a lease, if they don't provide the number
8 of parking spaces they're asking for here and
9 you're asking us to reduce the number of
10 parking spaces, would you be willing to forego
11 the grocery store on the principle that we
12 should have fewer parking spaces?

13 MR. JENNINGS: Again, I'm not
14 necessarily saying that the reduction needs to
15 come from the grocery store side or the
16 residential side. I think I'm looking at this
17 as a whole. And you asked for -- Commissioner
18 Hood asked for examples where the City has
19 over-parked, and I tried to provide those
20 examples.

21 Again, I'm necessarily just trying
22 to understand how 270 spaces is the number of

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1 spaces that needs to happen for this project.

2 Maybe it works well for the retailer.

3 Retailers have this notion in mind -- and this

4 is something we've discussed here at this

5 body. Retailers have this great notion in

6 mind that everybody's going to drive to pick

7 up their groceries.

8 You and I can go to a number of

9 grocery stores here in the City tonight and

10 figure out that not everybody's driving to the

11 grocery store. There's a significant amount

12 of people biking and walking and being dropped

13 off by taxis and then walking home once they

14 do their shopping.

15 So for the most part, I don't know

16 if the reduction happens from the retail side

17 or if it happens from the residential side. I

18 think what DDOT really wants to state here

19 tonight is that the number of parking spaces

20 is quite high.

21 CHAIRMAN HOOD: The loading dock

22 -- and I'm trying to remember where I read it

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1 -- I think the Applicant may have mentioned
2 it. The 55-foot loading berth on the retail
3 side, I think -- was DDOT proposing that there
4 be a 30-foot berth on the retail and
5 residential, or was it just the residential?
6 And if the Applicant has mentioned it, they
7 did not agree to the 35 or the 30 on the
8 retail side. Does DDOT have a problem with
9 them continuing to stay the 55-foot berth?

10 I think I've captured all that I
11 read. I may be off anyway. But you get the
12 gist of what I'm asking.

13 MR. JENNINGS: I think what we
14 heard earlier -- we had some pre-discussion
15 with Mr. Glasgow -- and I think what we heard
16 was they were willing -- the Applicant was
17 willing to see to it about a 30-foot loading
18 berth for the residential side, which makes so
19 much more sense to us.

20 The reason I say that is because
21 once again, we have a number of examples here
22 in D.C. that have been built within the recent

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1 past where -- I'm not sure where a 55-foot
2 loading berth would ever really be used for
3 somebody moving into an apartment or a
4 condominium 1,000 to 1500 square feet. That's
5 a lot of stuff.

6 I think we heard in a case earlier
7 this year that what we thought was
8 appropriate, that building where we heard the
9 case with the grocery store earlier this year,
10 we thought it would be more appropriate for a
11 30-foot loading berth. The trucks are more
12 manageable with respect to smaller spaces.
13 You don't necessarily have to tax the
14 infrastructure as much with a 30-foot truck.

15 So there's a number of advantages
16 with a smaller truck as far as we see it. So
17 that 30-foot loading berth is much more of a
18 welcomed idea than the 55-foot.

19 CHAIRMAN HOOD: So from your
20 comments, it seems like there's an agreement
21 then?

22 MR. JENNINGS: I heard --

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1 CHAIRMAN HOOD: From DDOT and the
2 Applicant.

3 MR. JENNINGS: I heard from Mr.
4 Glasgow that he was willing to see it that the
5 residential side receive space for two 30-foot
6 loading berths. And I let him know that a lot
7 of the residential buildings here in the City,
8 it's on the property management team as far as
9 the logistics, setting up a time schedule, to
10 allow plenty of ample opportunity for people
11 to move in.

12 Once again, the property manager
13 hears from the tenant that they're moving in
14 on Saturday. He may get a window to move in
15 somewhere between 2:00 p.m. and 7:00 p.m. And
16 then someone may have it before or after you.

17 They will actually establish a schedule if
18 there's a number of people moving in on the
19 weekend or at nighttime -- whenever it may be
20 of great opportunity.

21 CHAIRMAN HOOD: Okay. Great.
22 Thank you.

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1 Mr. Turnbull?

2 COMMISSIONER TURNBULL: Thank you,
3 Mr. Chair.

4 I wanted to get back to Mr.
5 Jennings on you made a comment earlier -- and
6 Commissioner Schlater was talking about it.
7 The tax abatement -- you seem to be very
8 negative toward this tax abatement. And you
9 didn't approve of it. Is that your own
10 personal feeling, or is that Ms. Ricks'
11 opinion?

12 MR. JENNINGS: I think that's
13 probably my own personal opinion.

14 COMMISSIONER TURNBULL: I was going
15 to say, I don't know if this is the proper
16 venue for that. Because we've got other
17 agencies trying to help in development just
18 like we all are and solve a problem. I mean,
19 this is not only from what Mr. Schlater -- it
20 talks about commercial development and the
21 prongs that are out there that you have to go
22 around. But it also for affordable housing.

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1 And so you've got a developer trying to seek a
2 way to do several things at once. And then
3 for you to come out and say you don't approve
4 of tax abatements and that it shouldn't be
5 done, I'm just wondering why you say things
6 like that.

7 MR. JENNINGS: Commissioner, I did
8 state that I didn't approve of tax abatements
9 paying for parking. And that's where I think
10 the City is being put on the hook here with
11 respect to paying for an amenity -- paying for
12 an amenity that may very well go unused.

13 So the fact that the retailer's
14 dictating what's going to happen here -- and
15 it is to me what is happening here -- I mean,
16 that's where it's a tough hurdle to kind of
17 get over as far as the City continuing to pay
18 for something that may go under used.

19 COMMISSIONER TURNBULL: I guess
20 that's really for you to talk to other people
21 in the City about your ideas.

22 I mean, for here, we're dealing

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1 with the zoning issue and the downsizing of a
2 project and trying -- you've seen downsizing
3 in parking and you've seen a developer trying
4 to not only boost the affordable housing -- I
5 guess I want to pat the Applicant on the back
6 a bit and just say we're seeing some very
7 positive things here tonight.

8 And I hear your version and you say
9 oh, boy, I wish we had tax abatements. Oh, my
10 God. And it just sounds like well, you
11 shouldn't have done that. Shame on you. And
12 I just feel it's unfair. I mean, I just think
13 it's an unfair thing to say for someone who's
14 -- and you may have very legitimate reasons.
15 I'm not saying that. I just think that in
16 light of where we are, the economic times
17 where we are and what they're trying to do to
18 get their project done, I want to step back
19 and look at all aspects of this. And I think
20 your comments were inappropriate.

21 I mean, I figure they have very
22 sound -- I mean, you may have good reasons --

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1 but I think that needs to be explored at a
2 venue someplace else. That's all I'm saying.

3 Thank you.

4 CHAIRMAN HOOD: Okay. Anyone else?

5 COMMISSIONER MAY: Yes.

6 CHAIRMAN HOOD: Commissioner May?

7 COMMISSIONER MAY: Yes. Would you
8 comment on the residential parking permit?
9 The residents of this building, are they going
10 to be eligible for residential parking? Are
11 they going to be able to park on G Street and
12 3rd and 4th and I Street?

13 MR. JENNINGS: I think what
14 Associate Director Ricks has stated previously
15 is that we will take up the RPP exclusion if
16 it's something that has been negotiated with
17 the ANC and the Applicant. And in this
18 instance, it doesn't sound as though that's
19 something that has been negotiated.

20 So at this point -- and I can't
21 necessarily speak for Ms. Ricks as far as
22 excluding this particular address from the RPP

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1 system -- but I do understand what you're
2 trying to get to here.

3 COMMISSIONER MAY: I'm just really
4 shocked that it hasn't already come up
5 somewhere in the conversation either in the
6 community meetings or in the Office of
7 Planning's discussion or -- I don't know what
8 to make of it because it seems to me it would
9 be something to address. So I'll have to
10 think about what that means.

11 All right. I guess I have a couple
12 of other questions.

13 As I understand it, the parking
14 ratio now for the residential units is
15 something like .7 per unit. How does that
16 compare to where we would be in the limits
17 that were discussed in the proposed zoning re-
18 write? Wasn't that .9 -- going to be the
19 limit? This is for Office of Planning.

20 MS. STEINGASSER: .9 was where we
21 were looking at. We hadn't identified where
22 that would have been applicable to them.

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1 COMMISSIONER MAY: Right. So it
2 might be lower in a TOD area, or it might be
3 higher in other --

4 MS. STEINGASSER: No. That was
5 what we were looking at.

6 Are you talking about parking
7 maximums?

8 COMMISSIONER MAY: Yes.

9 MS. STEINGASSER: We were looking
10 at those. But we were also very sensitive and
11 had publicly stated to this particular ANC our
12 willingness to work carefully when you have a
13 higher density project up against a row house
14 -- high density but deep single-family
15 neighborhoods.

16 COMMISSIONER MAY: Yes. I think we
17 have that spill over issue that still needs to
18 be addressed somehow when you do a maximum.

19 But this is already below the
20 maximum is what I'm getting at. Okay.

21 And of course, it's already been
22 stated that the normal averages for a grocery

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1 store in the City is something like four per
2 1,000 square feet. And here we're at three.
3 And that's actually been reduced somewhat from
4 what was there before.

5 I have to say frankly that the
6 whole DDOT report was puzzling to say the
7 least, certainly disappointing, and frankly
8 quite frustrating. We have in it these
9 statements and it's been repeated here from
10 the dais that we have this sense that the
11 project is over-parked.

12 Well, you were okay with it before.

13 It had more parking before. It's only two
14 years ago. The building size has been reduced
15 by a sixth. The parking has been reduced by a
16 third. I mean, I guess in the global scale of
17 things, it might be over-parked. But you're
18 late to the game to say that it's over-parked
19 now. I mean, I don't find that position to be
20 tenable.

21 Then we talk about loading docks.
22 We're going to seriously suggest that a

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1 grocery store operate without 55-foot loading
2 docks? I mean, I don't understand that at all
3 either.

4 The sidewalks? Great. You're
5 early on in a PUD discussion. You have an
6 area where there's a need for better
7 sidewalks. This is going to generate a lot of
8 foot traffic. Perfect time to start talking
9 about what a good amenity might be that goes
10 beyond the site.

11 But the sidewalks around this site
12 are going to be re-done. The streetscape is
13 being re-done. Now to say that they've got to
14 go out and look at all the sidewalks in the
15 neighborhood. I mean, my reaction to that is
16 when are you DDOT going to fix the sidewalks?

17 That's your job normally.

18 I find it very frustrating that we
19 come to this stage in cases, and I think that
20 DDOT is fighting for all the right things.
21 But the timing is off. The delivery is off.
22 I don't want to have to negotiate how much

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1 parking there is when we get to this point. I
2 want it to be settled. And I want something
3 that you can support.

4 I mean, there are some small things
5 that can be negotiated by the Zoning
6 Commission on behalf of DDOT. But I think
7 things like this are very unhelpful. And I'm
8 getting a little more worked up than normal.
9 I was very disappointed.

10 Like I said, I'm totally
11 sympathetic. I think you're fighting for the
12 right stuff. I just think this time around,
13 the timing is off and you're not seeing the
14 bigger picture.

15 CHAIRMAN HOOD: Any other
16 questions, Commissioner Schlater?

17 COMMISSIONER SCHLATER: I just have
18 one question for OP. It goes to my questions
19 of the Applicant regarding the tax abatement
20 for the supermarket.

21 I think in your report you state
22 that the grocery store is the primary

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1 proffered amenity for this development. Does
2 the District's potential tax abatement for
3 this project impact your thinking around the
4 value of that amenity?

5 MR. JENNINGS: I think the tax
6 abatement does not impact our thinking about
7 the value of the amenity. Certainly, a
8 grocery store is very much needed in this
9 neighborhood. Whether the City provides the
10 parking or the Applicant provides the parking,
11 I don't think that was an issue for us. We
12 feel that the neighborhood wanted this
13 amenity, and the Applicant is willing to
14 provide it, so we were fine with that.

15 COMMISSIONER SCHLATER: I guess I
16 have a concern with that kind of thinking
17 because ultimately the value of the proffered
18 amenities is supposed to compensate for the
19 relief that is granted under the zoning. And
20 I feel like if the City is effectively paying
21 for that amenity, then we are granting relief
22 and density without -- or basically giving

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1 away density to the developer.

2 So I guess I think that -- I'm not
3 saying that you discount it altogether. But
4 my sense is there's got to be a way to think
5 about this, and I've asked OP about it with
6 respect to affordable housing as well. That
7 says we need to recognize when the City is
8 putting money forward so that potentially we
9 ask for other things in terms of proffered
10 amenities.

11 MS. O'NEILL: I'd like to address
12 that. OP doesn't dismiss, but we recognize
13 it's in combination that neither the density
14 nor the tax abatement on its own would result
15 in this grocery store.

16 We also balance that with the fact
17 that the City doesn't do its own construction.

18 So it's not as if we owned a piece of land
19 and had a construction crew that would go out
20 and design and build this.

21 So we weigh all that and look at
22 the end product and say is this a project

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1 that's worthy of the relief necessary through
2 the PUD. And in this case, we thought it was
3 and the Commission thought it was and moved it
4 forward.

5 But we are sensitive to those cases
6 where left hand and right hand are not
7 coordinated and were taken from both pockets
8 and giving it very little. We did not think
9 that was the case with this particular
10 project.

11 COMMISSIONER SCHLATER: Okay. I
12 appreciate that. Thank you.

13 COMMISSIONER MAY: Mr. Chairman, I
14 have one follow-up.

15 There was something in the DDOT
16 report which I agreed to which I should have
17 mentioned as well, which is that I do think
18 that there should be more street-level parking
19 for bicycles. And it's not that hard to
20 incorporate into the streetscape. And I
21 really think that should be seriously
22 addressed.

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1 I'm a regular cyclist. I go to the
2 hardware store with a cyclist and carry home
3 large bulky objects on my bicycle. So I know
4 that's it possible to shop on your bike and do
5 things like that.

6 But it's getting hard to find
7 parking spaces for bicycles in a lot of areas.

8 So I think it's a very important thing to do.

9 CHAIRMAN HOOD: Questions? We want
10 to thank --

11 MR. GLASGOW: Excuse me, Mr.
12 Chairman, can I address Commissioner May's
13 comment?

14 CHAIRMAN HOOD: Can you hold that?

15 MR. GLASGOW: I can hold it.

16 CHAIRMAN HOOD: Let me just say to
17 the Office of Planning, I want to thank you
18 Mr. Jesick and Ms. Steingasser. A very well
19 done report. And also Mr. Jennings and Mr.
20 Henson.

21 While we appreciate it, we may not
22 always agree. But I'll tell you one thing

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1 about this Commission. We appreciate the
2 advice that the District Department of
3 Transportation has given. Mr. Henson, I'm
4 saying this because it's your first time. One
5 time we weren't getting that from DDOT some
6 years back. And under the leadership of Ms.
7 Ricks, she's making sure that we get reports
8 because we might not sound like it tonight,
9 but we do depend on the information you all
10 give us. So I wanted to make sure I say that
11 to you, especially Mr. Henson because this is
12 your first time.

13 The last person that came on their
14 first time, I haven't seen them back.

15 (LAUGHTER.)

16 CHAIRMAN HOOD: So I wanted to make
17 sure that you understand we really value the
18 information you give us. We may not always
19 agree with, but we appreciate it and we value
20 it. And again, welcome.

21 COMMISSIONER MAY: Mr. Chair, I
22 would second your comments on that.

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1 CHAIRMAN HOOD: Okay. Thank you.
2 Because I don't want us to go back to where we
3 were some years ago. Okay.

4 All right. Any other questions?
5 (No audible response.)

6 CHAIRMAN HOOD: Does the Applicant
7 have any questions? And Mr. Steuart, we'll
8 get to you shortly.

9 Any questions of the Office of
10 Planning?

11 MR. GLASGOW: No. No questions.

12 CHAIRMAN HOOD: Okay. Now while
13 it's fresh in your mind, I'm going to take
14 this out of order. And I hope I don't get in
15 trouble.

16 You wanted to say something to
17 Commissioner May?

18 MR. GLASGOW: Yes, if I may.

19 With respect to the bicycle parking
20 on 3rd Street, I'm an advocate of bikes as
21 well. At this point though, given the status
22 of the negotiations with the grocer, I'm not

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1 quite sure how that 3rd Street area is going to
2 be programmed. So I was reluctant to -- at
3 this point -- proffer commitments to bicycle
4 parking.

5 I think ultimately there will be
6 bicycle parking available there. I just don't
7 know quite precisely where that we might put
8 it.

9 That's my comment.

10 COMMISSIONER MAY: If you wind up
11 with like an outdoor cafe kind of seating
12 there, you're going to wind up with bikes all
13 parked up against the rail and locked to
14 anything that you can find. So you might as
15 well incorporate it into whatever you do
16 there.

17 MR. GLASGOW: I'm happy to do that.

18 And we will certainly take that under
19 advisement. I don't disagree with at all.

20 CHAIRMAN HOOD: Okay. Let's move
21 right along with the agenda.

22 Reports of other government

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1 agencies, I didn't see anything other than OP
2 report and DDOT report. There's some
3 materials that happened from the previous case
4 with the DOES and I think now they call it CD.
5 But at that time, it was the LSDB.

6 Also, report of ANC 6C, Exhibit 25,
7 it says October 14, 2009, "at a duly noticed
8 regularly scheduled meeting of ANC 6C with a
9 quorum of nine, out of nine Commissioners at a
10 public presence, the above-mentioned matter
11 came before us. After a brief summary of the
12 requested modification including less density
13 and less height but with a supermarket still
14 in place in part of the plan, the
15 Commissioners voted unanimously nine to zero
16 to zero to support the modification."

17 And that's Exhibit 25.

18 I have a list here of witnesses.
19 We'll call for organizations and persons in
20 support.

21 I have Mr. Anwar Saleem who I
22 believe is the Director of H Street -- Main

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1 Street, but he'll identify himself as he comes
2 up.

3 Anyone else who is here to testify
4 in support? Is there anyone else --
5 organization or person -- here in opposition?

6 (No audible response.)

7 CHAIRMAN HOOD: Okay. So Mr.
8 Saleem, you will be the only person we hear
9 from tonight.

10 MR. SALEEM: Good evening. My name
11 is Anwar Saleem, the Executive Director of H
12 Street Main Street.

13 I believe we last met here I guess
14 in 2006 to support this application. Since we
15 last met, the economy took an unexpected
16 downturn and many developers who are able now
17 must return to the drawing board to creatively
18 re-think various projects that make economic
19 sense and meet reality.

20 We are very excited that this
21 developer decided to move forward with a
22 modified version of this project instead of

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1 like some projects around the City abandoning
2 their projects. We believe this developer is
3 a good, creative and smart developer and
4 believe that -- believe in the promise of the
5 H Street Corridor.

6 H Street Main Street, Inc. is in
7 support of the modified PUD application of
8 Square 776, Lot 54, submitted by Steuart-H
9 Street, LLC. It is very important that this
10 modification is approved to help further bring
11 life along the western end of the H Street
12 Corridor. An approved modification would
13 bring the Corridor steps closer in meeting the
14 goals set forth in the revival to approve H
15 Street development plan and comprehensive
16 plan.

17 Not only does this project have the
18 potential to do wonders for Square 776, it
19 will again infuse signs of hope that will
20 further entice investors to the western end of
21 the corridor, mainly the 300 to the 600 blocks
22 that have struggled to keep up with the

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1 eastern end.

2 Many eyes and hopes from property
3 owners and residents are on this project.
4 This project will bring new construction
5 development, new jobs and much needed
6 employment, sales taxes and potential of
7 attracting residents that will further serve
8 businesses along the corridor.

9 On behalf of the H Street Main
10 Street, we urge this Commission to support and
11 vote for the approval of this modification.

12 Thank you.

13 CHAIRMAN HOOD: Okay. Let's see if
14 we have any questions for you. Any questions?

15 (No audible response.)

16 CHAIRMAN HOOD: Does the Applicant
17 have any questions of Mr. Saleem?

18 MR. GLASGOW: No questions.

19 CHAIRMAN HOOD: Okay. Well, let me
20 say this, Mr. Saleem. Ever since I've been
21 here for 12 years, you've been down here
22 making sure that issues are steadfast on H

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1 Street. I want to commend you, and keep up
2 the great work.

3 MR. SALEEM: All right. Thank you.

4 CHAIRMAN HOOD: Thank you for
5 coming down.

6 Okay. I think that's all we have.
7 We'll do rebuttal -- well, closing remarks,
8 Mr. Glasgow.

9 MR. GLASGOW: Yes. I think we have
10 some closing -- some brief closing remarks.

11 We were thinking about that we
12 would have rebuttal for the traffic report,
13 but the Commission has already taken care of
14 that.

15 So just very briefly, where I
16 concluded on the opening statement is this is
17 a modification. That's for sure. We were at
18 one point in time about 45,000 square feet
19 above the permitted FAR. We're now 7,000
20 square feet. So that gets to the balancing
21 that you're talking about.

22 With a 250,000-square foot project,

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1 we're almost -- gosh, we're close to within
2 the two percent rule if it were a PUD to begin
3 with. So we're at 243,000 square feet if you
4 had the IZ. We're at 250. We have asked for
5 an additional five feet in height. So there's
6 not a lot that we're asking for. The
7 amenities package is essentially still the
8 same.

9 As has been testified, we think
10 we've got the appropriate amount of parking.
11 I don't think we've heard anything this
12 evening that would indicate otherwise.

13 I think we've done the right with
14 respect to the loading berths. And we agree
15 that we will have a 30-foot loading berth for
16 the residential side.

17 And with that, we would hope that
18 given where you are with your negotiations
19 that we could have a decision this evening if
20 that's possible. We don't think there's any
21 reason why we shouldn't given the testimony
22 this evening so that Mr. Steuart and Jim can

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1 move forward to complete their negotiations.

2 And that concludes my statement.

3 CHAIRMAN HOOD: Okay. Thank you
4 very much.

5 Commissioners, I think the record
6 is complete. And what I would propose that we
7 do at this time -- not to belabor anything --
8 I think we had a very thorough discussion and
9 a thorough vetting, I would move that we
10 approve Zoning Commission Case No. 06-01B,
11 Modification to the Approved PUD at 3rd and H
12 Street, N.E., Steuart-H Street LLC, and ask
13 for a second.

14 COMMISSIONER TURNBULL: Second.

15 CHAIRMAN HOOD: Okay. It's been
16 moved and properly seconded.

17 Any further discussion?

18 (No audible response.)

19 CHAIRMAN HOOD: Any further
20 discussion?

21 (No audible response.)

22 CHAIRMAN HOOD: All those in favor?

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1 (A CHORUS OF AYES.)

2 CHAIRMAN HOOD: Ms. Schellin, not
3 hearing anyone opposed of those who are
4 present, could you record the vote?

5 MS. SCHELLIN: Yes. Staff records
6 the vote four to zero to one to approve
7 proposed action in Zoning Commission Case No.
8 06-01B. Commissioner Hood moving;
9 Commissioner Turnbull seconding; Commissioners
10 Schlater and May in support; Commissioner
11 Keating not present, not voting.

12 CHAIRMAN HOOD: Okay. Ms.
13 Schellin, do we have anything else?

14 MS. SCHELLIN: No, sir.

15 CHAIRMAN HOOD: Okay. I want to
16 thank everyone for their participation
17 tonight. And this hearing is adjourned.

18 (Whereupon, at 8:36 p.m., the
19 hearing was adjourned.)

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