

January 11, 2016

VIA HAND DELIVERY

Anthony Hood, Chairperson
D.C. Zoning Commission
441 4th Street NW, Suite 210
Washington, DC 20001

Re: **Application of 25 M Street Holdings, LLC¹ (“Applicant”) for Modification of an Approved Design in the Capital Gateway Overlay District (Square 700, Lots 33, 802, 840, 841, 850, 864, 865, 868, 871, 872, 873, 874, and 875) (“Property”)**

Dear Chairman Hood and Members of the Commission:

Enclosed please find an application for a modification of the mixed-use project in the Capital Gateway (“CG”) Overlay District that was approved in Zoning Commission Case Nos. 08-30 and 08-30A. This application seeks to modify the office building portion of the project located along M Street, SE in order to better respond to the demands of the current office market.

This application only applies to a portion of the building on Lot 873 that was approved in Zoning Commission Case Nos. 08-30 and 08-30A. There is currently pending before the Zoning Commission an application (ZC Case No. 08-30B) to modify the portion of the building that will be located on Lots 33, 802, 840 841, 850, 864, 865, 868, 871, 872, 874, and 875 in Square 700. Although part of the same building, these modification applications should be viewed as separate and distinct applications.

A. Background

The Property is located in the CG/CR Zone District. Pursuant to Chapter 16 of the Zoning Regulations, the Zoning Commission originally approved a mixed-use project on the Property that included approximately 260-300 residential units, approximately 370,019 square feet of office space along M and Half Streets, SE, approximately 53,840 square feet of ground

¹ 25 M Street Holdings, LLC is the owner of Lot 873 in Square 700, which has frontage along M Street, SE between Van and Half Streets, SE and includes the northern portion of Square 700.

floor retail throughout the entirety of the building, and a maximum building height of 110 feet. The original approval became effective on April 10, 2009 with the issuance of ZC Order No. 08-30. In 2011, the Zoning Commission approved a minor modification of the approved plans (ZC Order No. 08-30A), which resulted in a project that consisted of approximately 288,242 square feet of residential use, approximately 369,292 square feet of office space, and approximately 51,624 square feet of retail space. The maximum height of the building remained 110 feet. Copies ZC Order Nos. 08-30 and 08-30A are attached as Exhibit A.

B. Modifications to the Approved Office Building along M Street, SE

As noted above, the Applicant is seeking modifications to the office building along M Street, SE in order to better respond to current office market demand. In particular, the previous office layout measured 60 feet from the windows along the edge of the building to the core of the building. The current office market demands more column free spaces and the ability for more natural light to penetrate into the interior office spaces. Therefore, it is common for office buildings to now have a dimension of 45 feet from the edge of the building to the interior core.

The modifications depicted in the attached Exhibit B² respond to the office market's demand for more column free spaces and more natural light flowing into the interior offices. The distance between the interior core of the building and the exterior windows will be 45 feet. In addition, the ground floor lobby space has been slightly altered and new outdoor terraces at the third, fourth and ninth levels of the building along Half Street, SE and M Street, SE have been introduced into the building. No changes are proposed to the height of the building, which remains 110 feet. The proposed roof structures will satisfy the newly adopted requirements.

All of these changes result in a decrease in the amount of office space gross floor area of approximately 22,630 square feet. It is rare that a developer will propose a reduction in the amount of approved gross floor area in a building, especially for an office building. However, the Applicant in this case believes that this new design is a significant and necessary change that will result in a higher quality building and allow this portion of the project to move forward in an expeditious manner.

The proposed modifications still allow for a strong three story presence at the corner of Half Street, SE and M Street, SE to allow the building to "hold" that important corner. The ground floor retail spaces will have a floor height of 20 feet and the second floor will have a floor height of up to 15 feet, which will allow for retail or office uses on the second floor. The new outdoor terraces will help further the vitality and dynamism of the building which is created by the active retail spaces at the street level. The exterior materials of the building continue to be of a very high quality and reflect a uniqueness that has not been previously constructed along M Street. The proposed signage at the northeast corner of the building has been brought closer to

² For the Commission's convenience, the proposed changes to the plans have been printed side-by-side with the approved plans.

the pedestrian level and will be two stories tall, while additional signage at the entrance to the Via from Half Street, SE has been included to further accentuate the entrance into the Via.

The modifications to the office building are entirely consistent with the intent of the CG Overlay and the original approvals of this project. These changes do not create any new areas of relief needed from the requirements of Chapter 16 of the Zoning Regulations. The three areas of relief that were previously granted for this building, setbacks along M Street and Half Street and the percentage of ground floor retail uses, are not exacerbated by this modification.

C. Materials Included with this Application

The information noted above serves as the Applicant's preliminary statement addressing the intended office and retail uses on Lot 873 of the Property and the satisfaction of the relevant requirements of Chapter 16 of the Zoning Regulations. Also included with this application are the following materials:

- Zoning Commission Order Nos. 08-30 and 08-30A (Exhibit A);
- Architectural plans detailing the proposed modifications to the approved plans (Exhibit B);
- Completed application form, agent authorization letter, and filing fee (with hearing fee calculator form);
- Photographs of the Property;
- Plat of the Property; and
- Names and mailing addresses of all owners of property located within 200 feet of the perimeter of the Property and the name and mailing address of the lessee on the Property.

Conclusion

The proposed modifications to the office building, with ground-floor retail uses, are consistent with the Commission's approval in Zoning Commission Case Nos. 08-30 and 08-30A of creating a place-setting mixed-use project and have no impact on the previous relief that the Zoning Commission granted for this project. Approval of the proposed modifications will not substantially impair the intent, purpose or integrity of the Zoning Regulations or the Zoning Map and will allow the Applicant to move forward with the construction of this building as soon as possible.

We look forward to the Zoning Commission's review and approval of this modification application at its earliest convenience.

Anthony Hood, Chairman
January 11, 2016
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Sincerely yours,

A handwritten signature in blue ink, appearing to read "Paul T. S.", with a stylized flourish at the end.

Paul Tummonds

CERTIFICATE OF SERVICE

I hereby certify that on January 11, 2016, a copy of the attached letter and enclosures were served by hand and/or by U.S. Mail on the following:

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