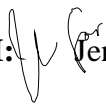




MEMORANDUM

TO: District of Columbia Zoning Commission

FROM:  Jennifer Steingasser, Deputy Director Development Review & Historic Preservation

DATE: April 28, 2014

**SUBJECT: OP Hearing Report 3 - ZC #13-14 (McMillan)
First Stage and Consolidated PUD and Related Map Amendment
Parcel 1**

I. SUMMARY AND RECOMMENDATION

Vision McMillan Partners, LLC and District of Columbia (Co-Applicants) propose a mixed use development on the property known as the “McMillan Reservoir” at 2501 First Street, NW (Square 3128, Lot 800). To accommodate the development, the Applicant has divided the site into seven parcels, and has requested:

- A Stage 1 Planned Unit Development (PUD) for Parcels 2 and 3;
- A Consolidated PUD for parcels 1, 4, 5, and 7; and
- A related map amendment to rezone the property from Unzoned to the Mixed Use (Commercial Residential (CR) (Parcels 2 through 6) and C-3-C (Parcels 1 and 7) zone districts.

At the January 17, 2014 public meeting, the Zoning Commission set down the proposal for public hearings as follows:

- | | |
|-------------------|--|
| Hearing #1 | Stage I Master Plan (Parcels 1 through 7) and Open Space, Parks and Community Center (Parcels 6 and 7) – Refer to Office of Planning Report dated April 21, 2014 |
| Hearing #2 | Multifamily/Retail Building and Townhouses (Parcels 4 and 5) - Refer to Office of Planning Report dated April 25, 2014 |
| Hearing #3 | Healthcare (Parcel 1) |
| Hearing #4 | Continuation hearing, as needed |

This report for Hearing #3 will focus on Parcel 1, the Healthcare Building for which the Applicant has requested consolidated PUD review and PUD related map amendment from unzoned to C-3-C. The Office of Planning (OP) recommends **approval** of the requested Consolidated PUD for Parcels 1. The parcel is designated on the Comprehensive Plan for mixed medium density residential, moderate density commercial and Parks, Recreation and Open Space. This proposal is not inconsistent with the Comprehensive Plan and would further Plan objectives for this site.

OP has advised the applicant to provide additional details regarding the nature of the healing garden sandwiched between Michigan Avenue and the transit hub, clarify the request for retail flexibility, and address the Department of Transportation (DDOT) issues such as the dispersion of traffic through the site.



II. SITE DESCRIPTION AND SURROUNDING AREA

The irregularly shaped Parcel 1 is located in the Northern Sector of the McMillan site and has a land area of approximately 4.61 acres (214,555 square feet). The topography rises from east to west with the northern end of the site being approximately 10 feet lower than Michigan Avenue. On the eastern portion of the site is Filtration Cell 14.

The site is surrounded by a mixture of uses. To the north, across Michigan Avenue are institutional uses: the Veterans Affairs Hospital, Washington Hospital Center and Children's Hospital which range in heights of between 90 and 130 feet. To the east, across North Capitol Street is the Stronghold, rowhouse neighborhood; to the south is the North Service Court; and to the west, across First Street, is the McMillan Reservoir and Sand Filtration complex.

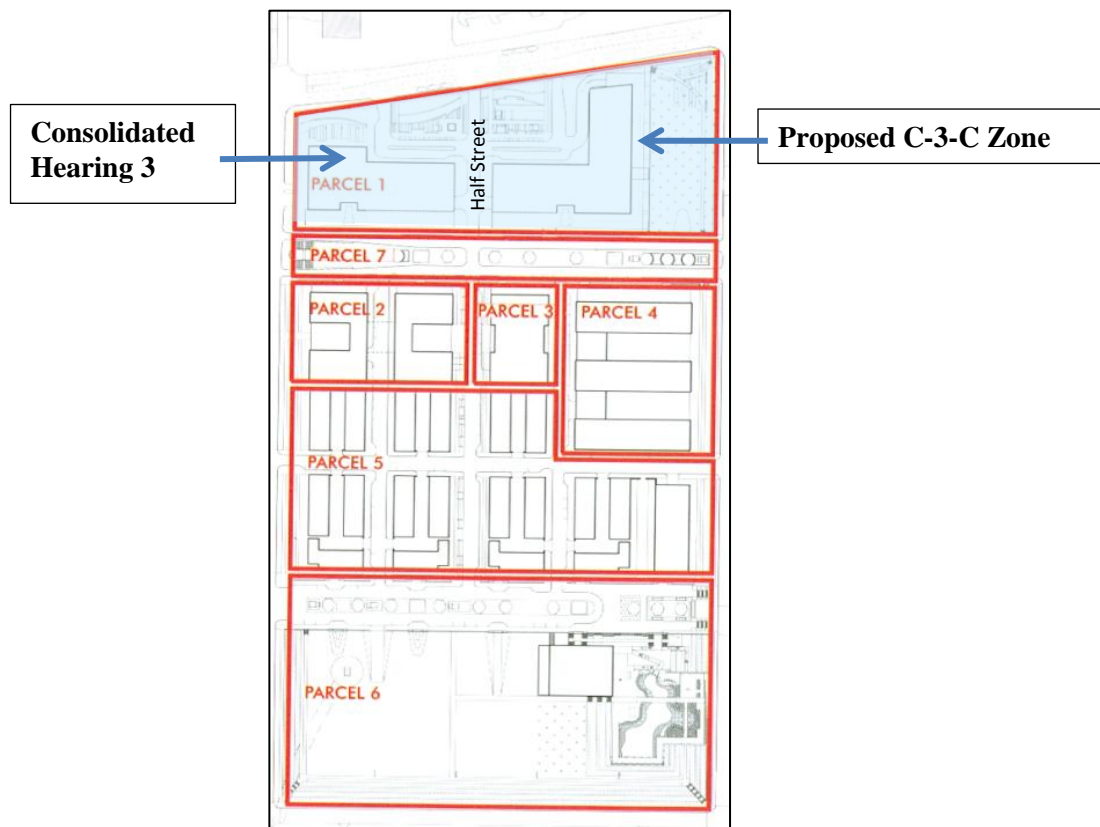


Figure 3 - Northern Sector - Parcel 1

III. PROPOSAL

Parcel 1, is proposed to be developed with a building containing 875,000 square feet of space of which 860,000 square feet would be for medical offices and 15,000 square feet of ground floor retail. The structure is proposed to have two towers joined together at the parking level¹, and would have a maximum of 9-stories extending up to 130-feet at the corner of Michigan Avenue and First Street, tapering to 115-feet on Half Street and 102-feet on the eastern portion of the building. A new Half Street which extends between Michigan Avenue and the South Service Court (Parcel 6) would bisect the building. The frontage along the North Service Court (Parcel 7) would have ground floor retail uses, community space, and access to parking. Access to the loading berths would be off Half Street from the North Service Court. The main office entrance would be along the Michigan Avenue frontage and due

¹ Considered to be a single building for zoning purposes.

to the topography would be at a level higher than the retail. Along this frontage would be a nearly “U” shaped driveway that is bisected by Half Street. Starting at about the 3th story, the building would cantilever over the driveway and cover the drop-off areas.

On the eastern portion of the parcel, the building would be setback 150-feet from North Capitol Street for a 41,141 square foot park above the preserved Filtration Cell 14. This area allows views into the large cylindrical sand bins from the north. The underground structure would be preserved for future adaptive reuse, but in the interim, will be used by D.C. Water as a stormwater storage tank and would revert back to the property owner around 2022.

Between the a driveway and Michigan Avenue would be a 23,374 square foot “Healing Garden” oriented to Michigan Avenue, for patients, visitors and employees.

IV. DESCRIPTION AND OP ANALYSIS FOR PUBLIC HEARING 3

Similar to other structure within the development, the architecture takes its direction from the historic structures on the site and would include the use of metals, terracotta panels, and glass. Portions of the building would have screens with climbing vines to emulate the vines on the preserved silos.

Circulation

Facilities for circulation through and around the building are designed to serve a variety of users of the building. The North Service Court could be considered the “main street” of the development and would be the primary pedestrian entrance into the healthcare facility and the retail uses which would front on this street. The new Half Street through the middle of the site would run between the South Service Court and Michigan Avenue and would be the main north to south connection through the property to Michigan Avenue. The driveway in front of the medical office building would allow drop-off and pick-up of patients and visitors under a covered area. The driveway would also accommodate shuttles for patients or staff from transit stations or other medical facilities. The Applicant envisions this area as a transit hub if the Connector Ride and or the Streetcar had a stop in this area. Similar to the other portions of the development, the Olmsted Walk would be along the perimeter of the site and separated from the sidewalk.

The Applicant proposes a maximum of 1,900 parking spaces on Parcel 1 (about 2 spaces per 1,000 square feet of space). Spaces to serve the different users of the building would be separated with the retail parking accessed from the North Service Court; employee parking from First Street; and visitor/patient parking from Michigan Avenue via the driveway. OP agrees with DDOT that 2 spaces per 1,000 square feet of space is a high rate, but it is not inappropriate for a medical office use which can have a higher parking demand. OP is supportive of DDOT’s recommendations that TDM measures such as the provision of charging stations, increasing the potential for the use of alternate modes of transportation and improving access to transit be implemented to help reduce the impact of traffic on adjacent roadway and the environment.

Parks and Open Space

Parcel 1 would include significant open spaces including medical healing gardens along Michigan Avenue. This terraced area would be approximately 10 feet below Michigan Avenue and would include the medical healing gardens, a Shade garden and a Ginkgo Grove. The Olmsted Walk would also be integrated into this open space, garden area, intended to provide a relaxing, serene space for patients, visitors and employees of the building. The applicant should further address how the healing garden

located between the transit hub and Michigan Avenue would be designed to provide a serene, reflective area.

The preservation of the underground Cell 14 and manhole covers on the eastern portion of the parcel allows for a large, grassed, open space area above ground. As this area would be undeveloped, it would provide clear views of the historic elements in the Northern Service Corridor.

V. PROPOSED ZONING

The C-3-C zone is proposed for Parcel 1. Table 1 is a comparison of the C-3-C, C-3-C/PUD standards and the development proposal for Parcel 1.

	C-3-C	C-3-C PUD	Proposal	Flexibility
Area	N/A	15,000 sq. ft.	214,555 sq. ft. 158,547 sq. ft. without Cell 14, Half Street r.o.w. and 1 st Street setback	No
Height	90 ft.	130 ft.	102 ft. to 130 ft.	No
FAR	6.5	8.0	4.08 for entire site (4.01 for office uses) (0.07 for retail use) 5.52 without Cell 14, Half Street r.o.w. and 1 st Street setback	No
Lot Occupancy	100%	100%	55% 74% without Cell 14, Half Street r.o.w. and 1 st Street setback	No
Rear Yard	2.5 in./ft. of height or 12 feet, whichever is greater (27.08. ft.)	2.5 in./ft. of height or 12 feet, whichever is greater (27.08. ft.)	27.08. ft.	No
Side Yard	If provided, must be a min. of 2 in./ft. of height or 6 feet, whichever is greater	If provided, must be a min. of 2 in./ft. of height or 6 feet, whichever is greater	None	No
Parking	<u>Retail:</u> In excess of 3,000 sf., 1 per 750 sf. of gfa and cellar area = 16 spaces <u>Medical Office:</u> In excess of 2,000 sf., 1 per 900 sf. of gfa and cellar area = 954 spaces Total = 970	<u>Retail:</u> In excess of 3,000 sf., 1 per 750 sf. of gfa and cellar area. = 16 spaces <u>Medical Office:</u> In excess of 2,000 sf., 1 per 900 sf. of gfa and cellar area = 954 spaces Total = 970	Total Proposed = 1,900	No

Bicycle Parking	<u>Retail:</u> 5% of car spaces <u>Medical Office:</u> 5% of car spaces	<u>Retail:</u> 5% of car spaces <u>Medical Office:</u> 5% of car spaces	<u>Retail:</u> 5% of car spaces = 94 spaces <u>Medical Office:</u> 5% of car spaces = 1 space	No
Loading	<u>Retail:</u> None required <u>Office:</u> 3- 30 ft. deep loading berths; 3- 100 sf. Loading platforms; 1- 20 ft. service/delivery space	<u>Retail:</u> None required <u>Office:</u> 3- 30 ft. deep loading berths; 3- 100 sf. loading platforms; 1- 20 ft. service/delivery space	<u>Total Proposed:</u> 4- 30 ft. deep loading berths; 4- 100 sf. loading platforms; 4- 20 ft. service/delivery space	No

VI. FLEXIBILITY

The applicant has requested C-3-C zoning for Parcel 1, through the PUD. The only flexibility would be related to the rezoning and the PUD. Generally, the C-3-C district is designed for major business and employment centers that are supplementary to the Central Business District and provide substantial amounts of employment, housing, and mixed uses. C-3-C districts permit medium-high density development, including office, retail, housing, and mixed-use development. The C-3-C zone is appropriate for this parcel as it allows the Applicant to respond to the adjacency of the hospitals across Michigan Avenue at an appropriate massing and density, and to provide the medical office building. The flexibility to provide for the 130-foot height would also allow the ability to step the buildings down towards the lower height community and to provide an abundance of open space across the site.

No other flexibility from the zoning regulations has been requested.

VII. PUBLIC BENEFITS AND AMENITIES

Benefits and amenities evaluation is based on an assessment of the development potential gained through the PUD process. In this instance, the map amendment from unzoned to C-R/C-3-C/ PUD would allow the site to be developed at a density and height that allows the highest building to be located on the northwestern portion of the site and taper down to heights that are compatible with the adjacent residential uses. Further, it allows for the preservation of a significant amount of open space and a variety of uses on the site. The following areas are amenities and public benefits of the development.

Retail

The proposal would provide approximately 15,000 gross square feet of ground floor retail space on Parcel 1, within the healthcare building all fronting on the North Service Corridor. The Applicant has requested that a portion of the space be “optional retail” but did not state what would be the other optional use to occupy this space. The applicant is also providing community space at the North Service Court and First Street corner.

Connectivity

The transportation features would include a multimodal system to accommodate vehicles and encourage the use of public transit, bicycle and foot travel. The Applicant envisions that the site could be a future “transit hub” if the Circulator Bus or Streetcar projects are realized. The Applicant has committed to providing a private shuttle service to serve site-generated transit demand if the Circulator Bus or streetcar service is not provided by the completion of Phase I of the development. These facilities would serve the site as well as the adjacent institutional and residential uses. Visitors and workers on the site would have easy access to Capital BikeShare stations, multiple short and long term bike parking locations, shuttle buses and long term parking.

The Applicant has outlined transportation demand management strategies (TDM) to help reduce the reliance on automobile use and measures would include:

- TDM Coordinator to implement, monitor, and be the point of Contact with DDOT;
- Bicycle parking and shower accommodations;
- Working with nearby institutions to promote transit and explore the concept of a shuttle service;
- Electronic messaging boards to display transit information;
- Market rate pricing for on-site parking spaces (except where prohibited by tenant agreements); and
- An on-site transit hub to facilitate local bus and van trips.

At the time of this report, the highlighted TDM measures and the future facilities are all recommendations and the Applicant is working with DDOT on which would be acceptable and a determination as to which of the suggestions would be implemented.

Green Elements

The developer proposes various environmentally sensitive elements including alternative energy sources, bioretention facilities and permeable pavers to reduce stormwater runoff, and green engineering. The Applicant would seek to meet the standard of LEED for Core and Shell Development and the checklist has been provided. The overall McMillan development would have a Green Area Ratio (GAR) of 0.254 and would be achieved through a combination of landscaped areas; bioretention facilities; permeable paving; water features, and plantings (Master Plan, April 11, 2014, pages 38-44).

VIII. COMPREHENSIVE PLAN

The Future Land Use Map designates the site for mix of uses: medium density residential, moderate density commercial and Parks, Recreation and Open Space. The proposed density and the proposed office and retail uses are consistent with the Comprehensive Plan recommendations. A full review of the proposed McMillan residential development against the Comprehensive Plan was provided as part of the OP Setdown Report of January 17, 2014, and the OP Public hearing Report for the overall Master Plan, dated April 24, 2014.