

MEMORANDUM

TO: District of Columbia Zoning Commission
FROM: ^{JLS}Jennifer Steingasser, Deputy Director
Historic Preservation and Development Review
DATE: October 11, 2016
SUBJECT: ZC 15-27 – Final Report for a Consolidated and First Stage Planned Unit Development (PUD) and Related Zoning Map Amendment for 300 Morse Street, N.E. in Florida Avenue Market

I. SUMMARY RECOMMENDATION

The Office of Planning cannot make a recommendation of the Consolidated and First Stage PUD for development of and related Zoning Map Amendment from the C-M-1 District to the C-3-C District for the project known as 300 Morse Street, N.E. in the Florida Avenue Market (Square 3587, Lots 805, 814, and 817). The proposal is for a large and complex development that represents a great opportunity for connectivity between the NoMA neighborhood and the developing Florida Avenue Market area and an influx of new residential where residential does not yet exist.

OP recommends that the Commission hold the public hearing and prior to a recommendation the following information should be provided:

1. Materials: Provision of additional specific information regarding the types of materials to be used, including material type, color, and samples, demonstrating that the proposed building materials will be of a high-quality;
2. Additional Renderings: Provision of additional renderings, including: 1) an eye-level rendering of the plaza from the ground floor between buildings A-1 and B; 2) additional eye-level renderings, as requested by the Zoning Commission; 3) a rendering showing the proposed landscape and use of the green space between building B and the approved Highline PUD to the south (ZC 15-01);
3. Neal Place: The extension of Neal Place, whether in a temporary or permanent condition, shall remain open during the construction of adjacent buildings;
4. DC Water Easement: Continued coordination with DC Water to ensure that the proposed easement requested by DC Water meets its needs;
5. Virginia Railway Express: Provision of correspondence from Virginia Railway Express (VRE) regarding the use of Track 2 for the New York Avenue Storage Facility, and on mitigation measures that minimize the impact of the use of the track to adjacent properties;
6. Green Roof Data: Provision of the square foot area of green roof that would be provided for the consolidated portion of the PUD;

7. Park Connection: Provision of additional information regarding the connection between the lower portion of the Florida Avenue Park (ZC Case No. 15-01) and the proposed plaza, including materials, permeability, and landscape;
8. Use of City-owned Land: Provision of correspondence with the Deputy Mayor of Planning and Economic Development regarding the use of city-owned land as a paved surface;
9. FAR Calculations: Provision of a determination letter from the Zoning Administrator regarding FAR calculations for theoretical lots; and
10. Building Connection: Provision of additional information relating to the requested flexibility to allow buildings C-1 and C-2 be considered the same building for zoning purposes.

In addition, DDOT has raised a number of questions regarding the Comprehensive Transportation plan and is working with the applicant to address them. See DDOT’s report for more detailed information on the project’s transportation impacts.

II. APPLICATION IN BRIEF

Location:	Generally located north of Florida Avenue N.E. west of Fourth Street N.E., east of railroad tracks, and south of New York Avenue N.E. Square 3587, Lots 805, 814, and 817; Ward 5, ANC 5D. The property is within a 0.4 mile walk from the NoMa-Gallaudet University Metro Station.
Applicant:	KF Morse, LLC
Current Zoning:	C-M-1, Commercial-Light Manufacturing District
Comprehensive Plan Future Land Use Designation:	High Density Commercial, High Density Residential, PDR
Property Size:	213,044 square feet (4.8 acres)

Proposal: The applicant proposes a Consolidated and First Stage PUD with a related map amendment from C-M-1 to C-3-C resulting in an overall FAR of 6.9, and would consist of the following

Consolidated PUD

- Building A-1, a five and twelve story building ranging in height from 78 to 130 feet, providing 16,495 square feet of ground floor retail and 422,605 square feet of residential (457 units);
- Building B, a five story building with a height of 78 feet, providing 9,476 square feet of ground floor retail, and 93,232 square feet of residential (110 units);
- Building C-1, a ten story building with a height of 130 feet, providing 10,563 square feet of ground floor retail, and 217,558 square feet of office use

First Stage PUD

- Building A-2, a twelve story building with a height of 130 feet consisting of 4,570 square feet of ground floor retail, and either 249,323 square feet or residential (198 units) OR 150,000 square feet of hotel use (150 rooms);
- Building C-2, a twelve story building with a height of 130 feet, consisting of 9,200 square feet of ground floor retail, and 211,784 square feet of residential (232 units); and

- Building D, a ten story building with a height of 130 feet, providing 3,140 square feet of ground floor retail, and 121,484 square feet of residential (115 units), 120,000 square feet of hotel use (120 rooms) OR 121,484 square feet of office

Relief and Zoning: Pursuant to 11 DCMR Chapter 24, the applicant is seeking:

Use

1. Consolidated PUD, First Stage PUD and related Map Amendment to the C-3-C District;
2. Flexibility of use for building A-2, for either residential or hotel;
3. Flexibility of use for buildings D, for either hotel or office;

Development Standards:

4. Flexibility from rear yard requirements for buildings A1, A2, C, and D (§ 774.1);
5. Flexibility from court requirements for buildings C1 and C2 (§ 776.1);
6. Flexibility from side yard requirements for building A2 (§ 775.1);
7. Flexibility to provide 0 feet of open space depth in front of the building entrance, where the equivalent of required rear yard depth is required for theoretical building sites with no street frontage for buildings A-1, A-2, B, and C (§ 2517.3);

Parking and Loading:

8. Flexibility to provide parking for building B in the building A parking structure (§ 2101.1)
9. Flexibility to vary the number, location and arrangement of parking spaces so long as the total number is not reduced below the minimum number of spaces required per the Zoning Regulations;
10. Flexibility to provide additional compact parking spaces for building C-1 (§2115.2);
11. Flexibility from loading requirements (§ 2201.1) to: 1) provide no loading for Building B; 2) provide 1-30 foot loading berth for Buildings A-1 and A-2; 3) provide 1-30 foot loading berth for Building C-1; 4) provide 1-30 foot loading berth for Building D; provide no service/delivery space for Buildings B, C-1, C-2, and D; and 5) provide 1-100 square foot loading platform for Buildings C-1 and D.

General Flexibility:

12. Flexibility to vary the number of proposed residential units (+/- 10%);
13. Flexibility to vary the location and design of interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms provided variations do not change the exterior configuration of the building;
14. Flexibility to vary the final selection of the exterior materials within the color ranges and material types as proposed, based on availability at the time of the construction without reducing the quality of the materials, and to make minor refinements to exterior details, locations, and dimensions, including: window mullions and spandrels, window frames, doorways, glass types, belt courses, sills, bases, cornices, railings, canopies, and trim, and any other changes in order to comply with all applicable District of Columbia laws and regulations that are otherwise necessary to obtain a final building permit;
15. Flexibility in the retail and service areas to vary the location and design of the ground floor components in order to comply with any applicable District of Columbia laws and regulations, including the D.C. Department of Health, that are otherwise necessary for licensing and operation of any retail or service use and to accommodate any specific tenant requirements; and to vary the size of the retail area

LEED and GAR:

16. Flexibility to vary the sustainable design features of building provided that the total number of LEED points remains equivalent to LEED Silver rating (v. 2009) per USGBC;
17. Flexibility to vary the features, means and methods of achieving the Green Area Ratio of 0.2; and

Meaningful Connection:

18. Flexibility to not provide an interior building connection between buildings C-1 and C-2, but still treat them as a single building for zoning purposes, including the measuring point, building height, setbacks, and courts (§§ 199.1 and 2517);

Discussion of the flexibility is provided in section VII. of this report. The request for flexibility regarding the meaningful connection for Buildings C-1 and C-2 was only recently identified and requested in the 20-Day Supplemental Prehearing Statement; it was not discussed at setdown or otherwise advertised.

It is important to note at this point that the Office of Planning absolutely does not support the request to have no internal connection between building C-1 and C-2. The meaningful internal connection is a fundamental determining factor to whether buildings are considered single or multiple structures and ultimately how the development standards, including height are measured and applied.

If there is no meaningful internal connection between building C-1 and C-2, then building C-2 is considered a single building and will be evaluated as such. Additional information should be provided regarding any variance relief that building C-2 would need and the zoning evaluation table provided in this report in section VI should be updated by the applicant.

III. PLAN CHANGES SINCE SETDOWN

In response to comments and requests made by OP and the Zoning Commission identified in the setdown report dated April 18, 2016, and at the public meeting held April 25, 2016, the applicant filed revised plans and Pre-Hearing Statement on May 11, 2016. A Supplemental Pre-Hearing Statement, identifying substantial changes to the site plan, architecture, and benefits and amenities was submitted September 29, 2016. The applicant has provided written responses to OP and the Zoning Commission in Exhibits 15 and 26 of the record. The following table summarizes the comments and responses.

1. **Zoning Commission Comment:** Study and provide additional detail, regarding the project's architectural design elements, including:
 - a. The color scheme for Building A-1;
 - b. Adding additional balconies, particularly on the low-rise buildings;
 - c. Providing additional renderings of the outdoor spaces, eye-level renderings of the project, and information regarding the proposed Gantry Feature; and
 - d. Revise the roof plan for the high-rise portion of Building A-1 to meet the setback requirements.

Applicant Response: As shown on the supplemental architectural drawing sheets (the "Supplemental Sheets") attached hereto as Exhibit A, the applicant has provided additional renderings and perspectives to address the Zoning Commission's comments. In addition, an updated design narrative for Buildings A-1, B, and C-1 is attached hereto as Exhibit B.

The applicant is continuing to update the application materials to address the design of the project, and will submit revised architectural drawings showing these updates no later than 20 days prior to the public hearing on this case.

Revised drawings were provided in the Pre-Hearing Submission dated September 30, 2016.

OP Analysis:

Color Scheme

The color scheme for building A-1 has been revised since this project was set down. In the original application, building A-1 consisted of primarily red hues with gray accents between floors and at the ground floor level. The revised elevation for building A-1 is much darker, consisting of a dark gray metal panel, trim, and block, with little variation in shades. Given that very little information regarding these materials has been provided, it is difficult to assess their impact on the overall project, including how they may affect shade and shadowing on the plaza. The applicant should provide additional information regarding the building materials at the hearing that demonstrate that they are of a high-quality, as anticipated in a PUD, and that the colors are appropriate for the scale of the building and enhance the pedestrian plaza.

Balconies

Additional balconies have been added to the lower-scale section of building A-1, which adds more interest to what was previously a flat façade. The elevations for building B have also significantly changed since the project was set down, and balconies have been added.

Additional Renderings

The applicant has provided additional renderings of the outdoor space, although more renderings are anticipated prior to the hearing. OP has expressed to the applicant concern that the plaza between buildings A-1 and B, in particular, lacks vision. It is unclear, based on what has been provided, if this issue has been addressed. OP has indicated that the plaza is an important thoroughfare, providing a significant pedestrian path to Florida Avenue and the Metro Station, and should be a destination in its own right.

OP also anticipates that additional eye-level renderings will be provided prior to the hearing, as requested by the Zoning Commission. Given the importance of the plaza, the design of the ground floor is particularly important. OP is uncertain if the way the plaza has been framed, between buildings A-1 and B, is appropriately scaled. Furthermore, the design of the ground floor should consist of industrial elements that have been carried through the Market, including canopies.

Gantry

The applicant has provided renderings of the Gantry in the Pre-Hearing submission (Exhibit 37A7); although, the renderings leave a lot to be desired, as they do not clearly demonstrate the sculpture's relationship with the adjacent buildings, and do not provide clear images as to how it fits in with the plaza, or with planned activities that would occur at the Gantry. It does appear that a fog water feature would be incorporated into its design, which adds interest and utility. Overall, OP is

supportive of this feature, but additional details providing dimensions and views from the plaza at eye-level should be provided.

Roof Plan

A revised roof plan showing a compliant penthouse for building A-1 has been provided. As a result, the flexibility previously requested for rooftop structures has been removed from the application. The building sections indicate that the penthouse will consist of amenities and mechanical equipment, and as a result, do not require a separate contribution toward affordable housing.

2. **Zoning Commission Comment:** Explain the impact of the project on transportation conditions in the surrounding area, and provide information regarding the phasing of any proposed street openings and closings during development of the project.

Applicant Response: The project includes a number of elements designed to promote effective and safe vehicular, pedestrian, and bicycle movement in and around the subject property. The project also includes sufficient on-site parking and loading facilities to accommodate the proposed mix of uses. Moreover, the applicant is working closely with DDOT to develop appropriate transportation demand management (TDM) measures. As a result, the project is not anticipated to have any negative impacts on the transportation system surrounding the subject property.

The applicant has retained Gorove/Slade Associates as its transportation consultant for the project, who will submit a full transportation impact analysis to DDOT and the Zoning Commission no later than 20 days prior to the public hearing on this case.

The transportation impact analysis will also include details regarding the phasing of street openings and closures during development of the project.

Exhibit B of the Comprehensive Transportation Review, provided in the Pre-Hearing Submission concludes that the PUD will not have a detrimental impact to the surrounding transportation network assuming all background improvements are executed, all planned site design elements are implemented, and all mitigation measures are incorporated. The following measures are to be incorporated:

1. Designate a Transportation Management Coordinator responsible for organizing and marketing the TDM plan and will act as a point of contact with DDOT;
2. Provide TDM materials to new residents as part of the Residential Welcome Package;
3. Price all on-site vehicle parking at market rate at minimum, defined as the average cost for parking within a 0.25 mile radius of the PUD site;
4. Unbundle the cost of residential parking from the cost of lease or purchase of residential units;
5. Exceed the zoning requirements to provide bicycle parking/storage facilities at each of the Buildings, which include long term (secure, interior) and short-term (exterior) spaces;
6. Provide a total of four bicycle repair stations, located within the bicycle storage rooms within the garages in Buildings A-1, B, and C, and adjacent to the public plaza;
7. Install a transit information screen in each of the residential and office lobbies, containing information related to local transportation alternatives; and

8. For the initial lease-up of each residential unit, offer either a one-time annual car-share membership or a one-time annual Capital Bikeshare membership.

OP Analysis: As part of the PUD, the applicant has agreed to extend Neal Place to the west between future buildings C-2 and D, providing connectivity to Third Street. However, the timing on when a permanent connection should be made has been a point of discussion since this case was set down. OP is concerned that realigning Neal Place, as proposed by the applicant, to accommodate construction will be problematic to access and circulation.

The CTR provided by the applicant notes that “the value of Neal Place lies more in the connectivity that it provides than the capacity benefits that it provides.” It is anticipated by the study that the nearby roadway infrastructure would be sufficient for roadway traffic, should a temporary alternative alignment be provided or should it be determined that a complete closure of Neal Place be necessary to facilitate construction.

OP notes that it is opposed to the complete closure of Neal Place at any time, and that if a permanent roadway is not provided, an alternative as shown on page C202 of the Pre-Hearing Statement (Exhibit 37A8) should be provided.

3. **Zoning Commission Comment:** Study increasing the affordability proffer for the project.

Applicant Response: As requested by the Zoning Commission, the applicant is studying the feasibility of increasing the affordability proffer for the project. The applicant will submit its final affordability proffer no later than 20 days prior to the public hearing on this case.

OP Analysis: The applicant has provided affordable housing calculations on sheet 14 of the Pre-Hearing submission (Exhibit 37A1). All buildings, with the exception of A-2, would allocate 10% of the residential gross floor area to affordable housing, with half at 50% AMI and the other half at 80% AMI. Eight percent of the gross floor area of building A-2 would be allocated to affordable housing, also with half at 50% AMI and the other half at 80% AMI. The total amount of affordable housing that would be provided by the development would be 104,079 square feet, approximately 114 units.

OP notes that these calculations are inclusive of the floor areas that would be gained through residential options included in buildings A-2 and D, and may ultimately not be as significant should the applicant choose to accommodate other use options, such as office or hotel. Should the residential options for these buildings not be constructed, 71,984 square feet of affordable housing would be provided.

4. **Zoning Commission Comment:** Study increasing the LEED proffer to Gold or higher.

Applicant Response: As requested by the Zoning Commission, the applicant is studying the feasibility of increasing the LEED proffer for the project. The applicant will submit its final LEED proffer no later than 20 days prior to the public hearing on this case.

OP Analysis: The applicant has provided LEED scorecards for buildings A-1, B, and C-1 in the Pre-Hearing submission. Building A-1 would be certified at the LEED Gold level; building B would be certified at the LEED Silver level; and building C-1 would be certified at the LEED Gold level.

The applicant has indicated that building B cannot be certified at the Gold level because it reduces the affordability of the project. OP strongly encourages the applicant to reevaluate this option.

5. **OP Comment:** Additional drawings and renderings are needed to detail the consolidated portion of the PUD and OP notes that the architecture warrants additional attention. The park and the plaza created by the tower and lower Building B need to feel more open and engaged with Florida Avenue. The line of sight to and through this pedestrian park is critical to drawing people up to the western end of the Market. Views should be provided that include the connection to the adjacent project (ZC Case No. 15-01) all the way to Florida Avenue.

Applicant Response: As shown on the Supplemental Sheets attached hereto as Exhibit A, the applicant has provided additional renderings and perspectives to address the Zoning Commission's and Office of Planning's comments. The applicant is continuing to update the application materials to address the design of the project, and will submit revised architectural drawings showing these updates no later than 20 days prior to the public hearing on this case.

OP Analysis: The applicant has not provided all the requested renderings, particularly those providing eye-level perspectives, as requested by the Zoning Commission.

Sheet L2.03 of the Pre-Hearing submission provides a site plan showing the connection of the lower portion of the public space accessible from Florida Avenue to the proposed plaza. The design appears to be cohesive, but additional information regarding the paving materials, permeability, and landscaping should be provided. OP strongly supports the coordination that has occurred between both parties.

OP is further concerned with the "dead" space between building B and the Highline project to the south. The applicant has indicated that it would be landscaped, but additional information has not been provided.

Given the lack of detail on the architectural renderings in the Pre-Hearing submission, OP is uncertain that issues regarding the architecture and quality of building materials have been addressed.

6. **OP Comment:** Verification that all the obligations outlined in the authorization of use letter from DMPED dated April 20, 2016 have been met. OP will coordinate closely with the Deputy Mayor's office to ensure the condition of the letter prior to making a recommendation at a public hearing.

Applicant Response: The applicant will continue to work closely with DMPED to ensure that DMPED provides the necessary confirmation for the proposed park amenity on the District land. In the event that the applicant and DMPED are not able to reach agreement prior to the public hearing, the applicant will replace this proposed amenity with another amenity of comparable value.

OP Analysis: Since the project was set down, the applicant has revised the site plan so that a park is no longer provided on property owned by DMPED. Rather, this property would continue to be a paved surface. The applicant has not provided any information regarding its communication with DMPED; although, it has been indicated that additional correspondence indicating DMPED's approval is forthcoming and will be provided prior to or at the public hearing.

7. **OP Comment:** Depiction of railway easement on a plat showing the accurate location and size of the railway easements on the Property. Provide letter(s) from entities who are party to the railway easement that demonstrates their agreement of uses shown in the PUD on and adjacent to the railway easements.

Applicant Response: Attached hereto as Exhibit C is a plat depicting the location and size of the railway easements on the subject property. The easements were reserved by the Consolidated Rail Corporation (CRC) in 1983 to provide rail access to a number of existing warehouses on the subject property. However, the railway tracks shown on Exhibit C are in disrepair, blocked by fences, are partially buried, and appear to be abandoned. Title documents indicate that CC only has existing easement rights to Track #1, and that with Track #2 was previously released or not part of the original reservation. The applicant has contacted CRC to confirm this and to request the release of any and all remaining easements. If this request is not available at an unreasonable cost, the applicant will leave Track #1 in place and incorporate it into the proposed development.

OP Analysis: Since this project was set down, the applicant has been working with both DDOT and VRE regarding the railway easements. In a letter dated August 11, 2016, addressed to DMPED, VRE describes the need to establish a permanent midday storage facility for its equipment using Track A, as shown on the exhibit referenced by the applicant (Exhibit 18C), and has committed to continue working with all stakeholders to achieve results that address the interests and needs of all involved. The applicant should provide evidence of correspondence with VRE to the record.

The applicant has indicated that further discussions with VRE have continued, and anticipates a letter from the agency supporting the proposed development prior to the public hearing.

8. **OP Comment:** An easement per DC Water standards for their access and maintenance of a large sewer pipe at the western edge of the property, where an easement does not current exist.

Applicant Response: Attached hereto as Exhibit C is a plat depicting the location of DC Water's facilities on the subject property and the proposed easement area. The applicant will coordinate with DC Water to ensure that any easements required by DC Water are recorded at the necessary point in the permitting process in order to obtain DC Water approval for issuance of a building permit for building A-1 of the project.

OP Analysis: The applicant has coordinated with DC Water to provide a proposed location for the easement that meets its needs. OP has provided a condition requiring further coordination with DC Water on this effort.

9. **OP Comment:** Confirmation if FAR relief is necessary for theoretical Lot C, which has an FAR of 9.27. Note: Overall project FAR is 6.64, under the permitted maximum of 8.0 FAR.

Applicant Response: FAR relief is not necessary for theoretical Lot C, which has a proposed density of 9.27 FAR where a maximum density of 8.0 FAR is permitted. Based upon Zoning Administrator determinations for similar project sites, a single theoretical lot may be non-compliant with respect to density, so long as the overall development site complies with the density limitations set forth in the Zoning Regulations. The applicant will submit a letter from the Zoning Administrator confirming this analysis for the subject property prior to the public hearing on this case.

OP Analysis: The applicant has not provided a letter from the Zoning Administrator confirming the interpretation regarding FAR on theoretical lots. OP has provided a condition requiring the submission of an interpretation.

10. **OP Comment:** Confirmation if relief is needed to provide IZ units required in a Phase 2 building within a Phase 1 building (Building B in Phase 1 is planned to provide 3 IZ units required in Building A-2/Phase 2. Note: Building A-2 could be hotel use in Phase 2.)

Applicant Response: The applicant will work with the Office of the Attorney General to confirm whether relief is needed to provide IZ units required in a Phase 2 building within a Phase 1 building. If relief is necessary, the applicant will submit justification for this relief no later than 20 days prior to the public hearing on this case.

OP Analysis: The applicant is no longer requesting this relief. Rather, IZ units will comply with the Zoning Regulations and be provided in their respective buildings.

11. **OP Comment:** Demonstrate on the plans that Neal Place will be open during all phases of the project, even if not constructed with final materials.

Applicant Response: The applicant is in the process of finalizing phasing plans for development of the project, and is also working closely with DDOT to ensure appropriate timing for construction of the streets within the PUD. No later than 20 days prior to the public hearing on this case, the applicant will finalize its phasing and construction plans to ensure that appropriate vehicular access to and through the subject property is provided throughout construction.

OP Analysis: See number 2 under Zoning Commission comments above.

12. **OP Comment:** Provide rationale for future use conversions, and confirm that both buildings A-2 and D could ultimately be developed both as hotel uses or both as residential, should this flexibility be approved.

Applicant Response: The applicant is seeking flexibility with respect to the use of building A-2 based on market conditions at the time of permitted. This site is included in the first-stage review and will be subject to second-stage approval. The subject property is located in a highly

dynamic market with a large supply of residential proposed, such that the applicant seeks the flexibility to be able to provide a hotel use should that produce the highest and best use of the subject property.

OP Analysis: In general, OP is not opposed to the requested flexibility, as it has been approved in other cases in the Market area. It is anticipated that the associated Stage 2 PUDs will identify with certainty the proposed use, and the architectural renderings will be appropriate for that use.

13. OP Comment: More detail on the public benefits and amenities for the project.

Applicant Response: Attached hereto as Exhibit D is a detailed listing of the proposed public benefits and project amenities associated with the project. As shown on the attached, the project includes a substantial amount of public benefits and project amenities that balance the flexibility being requested in this case. The applicant will submit any updates to this listing no later than 20 days prior to the public hearing on this case, and will be prepared to describe in detail the appropriateness of the proposed public benefits and project amenities during the public hearing on this application.

OP Analysis: Analysis of the benefits and amenities for the proposed development are provided under the “PUD Evaluation Standards” section further in the report.

IV. SITE AND AREA DESCRIPTION

Information regarding the site and area description was provided in the setdown report, dated April 18, 2016. See Appendix 1 of this report for a summary and map.

V. COMPREHENSIVE PLAN AND PUBLIC POLICIES

The proposed PUD must be determined by the Zoning Commission to be not inconsistent with the Comprehensive Plan and with other adopted public policies (§ 2403.4). The use and density are not inconsistent with the Future Land Use and Generalized Policy Maps, as well as with the Florida Avenue Market Small Area Plan upon a determination that the PUD results in “the provision of significant amenities”, and would further objectives of the Land Use, Transportation, Housing, Economic Development, Urban Design, and Upper Northeast Area elements and their related policies. However, the proposal could better address specific employment and economic development objectives of the Comprehensive Plan, the Ward 5 Works Study, and the Florida Avenue Small Area Plan.

An analysis of this project as it relates to the relevant Comprehensive Plan provisions, as well as an analysis of the proposal against the objectives of the Ward 5 Industrial Land Transformation Study and the Florida Avenue Market Small Area Plan was provided in the setdown report dated April 18, 2016. See Appendix 2 for these analyses.

VI. ZONING

All of the property included in this development is currently zoned C-M-1. The purpose of the C-M-1 zone is “to provide sites for heavy commercial and light manufacturing activities employing large numbers of people and requiring some heavy machinery...” (§800.1). Furthermore, C-M zones

characteristically have “heavy truck traffic and loading and unloading operations...” (§800.2). The existing C-M zone does not allow for residential development and limits height to 40 feet as a matter-of-right and 60 feet through a PUD, so is considered not consistent with current Comprehensive Plan direction.

The Applicant is requesting a PUD-related map amendment to change the zoning to C-3-C. C-3-C is considered a high-density mixed-use zone, and is not inconsistent with the Comprehensive Plan. Project parameters have been slightly refined since the application was set down, and are provided in Exhibit 37A1. Modifications consist primarily of adjustments to the floor area, although the proposed FAR and height remain compliant.

Standard	C-M-1 By Right	C-3-C By Right	C-3-C PUD	Proposal
Uses	Industrial, commercial	Office, retail, residential and mixed use	Office, retail, residential, hotel and mixed use	Primarily residential with ground floor retail
Height in feet/stories	40 ft./3-stories	90 ft.	130 ft.	130 ft.
FAR	3.0	6.0	8.0	Overall 6.9
Lot Occupancy %	Not specified	100%	100%	Overall 77.8%
Rear Yard	For the portion of the structure above 20' in height, 12 ft.	2.5"/vertical feet in height, but $\geq 12'$	2.5"/vertical feet in height, but $\geq 12'$	Relief Requested <u>Theoretical Lot A</u> – 27.08 ft. req./18.5 ft. provided <u>Theoretical Lot C</u> – 27.08 ft. req./24 ft. provided <u>Theoretical Lot D</u> – 27.08 ft. req./0 ft. provided
Side Yard	None required	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	None required, but if provided, then 2" in width/vertical feet in height, but $\geq 6'$	Relief Requested Building A-2 – 21.58 ft. req./0 ft. provided
Courts	If provided, 6' width for open court and 2.5"/foot of height in width	Width of Open Court: 4"/foot in vertical height, > 15'; Area of Closed Court: 2x the square of the width of the court, but >350 sf	Width of Open Court: 4"/foot in vertical height, > 15'; Area of Closed Court: 2x the square of the width of the court, but >350 sf	Relief Requested Building C – 40 ft. req./34.66 ft. provided
Parking (spaces)	1/1000 sf of manufacturing, industrial or whole sale establishment	1 space/1,800 sf office; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units	1 space/1,800 sf office; 1 space/750 sf retail (if more than 3,000 sf); 1 space per 4 units	A1: 132 req./308 provided A2: 52 req./62 provided B: 36 req./0 proposed Relief requested to provide parking within A. C1: 130 req./138 proposed C2: 70 req./90 proposed D: 29 req./83 proposed.
Loading	Berth: 1 @ 30' deep Platforms: 1@ 100 sf & 1 @ 200 sf	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	Multifamily > 50 units 1 berth @ 55 ft. 1 platform @ 200 sf. 1 svc space @ 20 ft. Office & Retail (8,000 sf+): 1 berth @ 30 ft. 1 platform @ 100 sf 1 svc space @ 20 ft.	Relief Requested Building B, C2 and D – 0 loading is provided Building B – 30' berths instead of 55' berths are provided Buildings A-1, A-2 & C-2 – 1 X 30' berth and 1 X 20' delivery space to be provided with C-1 (where 3 X 30' berth, 3 X 100 sf platform are required).

VII. FLEXIBILITY

The following zoning flexibility has been requested to facilitate the PUD-related map amendment.

1. Flexibility of use for building A-2, requesting residential or hotel;

The applicant has requested flexibility that would allow for either a residential or hotel use in building A-2, which would require a Second Stage PUD application. Either option would diversify the mix of uses in the Market area and would be consistent with the Comprehensive Plan and Florida Avenue Market Small Area Plan. Provided that the structure is designed appropriately at the time of application for the proposed use, OP is supportive of this flexibility.

2. Flexibility of use for building D, requesting hotel or office;

The applicant has requested flexibility that would allow for either a hotel or office use in building D, which would require a Second Stage PUD application. Either option would diversify the mix of uses in the Market area and would be consistent with the Comprehensive Plan and Florida Avenue Market Small Area Plan. Provided that the proposed development is designed appropriately at the time of application for the proposed use, OP is supportive of this flexibility.

3. Flexibility to not provide an interior building connection between buildings C-1 and C-2, but still treat them as a single building for zoning purposes, including the measuring point, building height, setbacks, and courts (§§ 199.1 and 2517);

The applicant has requested flexibility that would allow buildings C-1 and C-2 to be considered a single building for zoning purposes. Building C-1 would be constructed in the first phase, while building C-2 would be constructed in the second phase. Given that building C-2 has not been developed in terms of design it is difficult to ascertain its relationship with C-1, however the Office of Planning absolutely does not support the request to treat C-1 and C-2 as one single building for zoning purposes and calculations.

If there is no meaningful internal connection between buildings C-1 and C-2, then building C-2 is considered a single building and will be evaluated as such. Additional information should be provided regarding any variance relief that building C-2 would need; and the zoning evaluation table provided in this report in section VI. should be updated by the applicant.

4. Flexibility from rear yard requirements for buildings A-1, A-2, C, and D (§ 776.1);

The applicant has requested relief from rear yard requirements for buildings that are included in both phases of development. Buildings A-1 and A-2 are located adjacent to railroad tracks, from which a buffer will be provided that includes landscaping. Buildings C-1 and C-2 would have frontage on 3rd Street, and would back to a 48 foot alley that would provide a wide sidewalk, flexible space, and a bike lane, as well as serve the back-of-house functions of the development. Building D would have frontage on Neal Place, while the east side of the building would have frontage along the wide, 48 foot alley, and the north side of the building would back to railroad tracks. Given that there are features that provide separation from the affected buildings and adjacent structures, be it an alley or railroad tracks, the intent of the rear yard has been met. As a result, OP supports the requested rear yard flexibility.

5. Flexibility from court requirements for buildings C-1 and C-2 (§ 776.1);

The applicant has requested relief from court requirements for buildings C-1 and C-2, where 40 feet is required and 36.44 feet has been provided. The requested flexibility is minimal. OP would have

no objections to court relief provided there is no change in this relief pending outcome of C-1 and C-2 being separate buildings.

6. Flexibility from side yard requirements for building A-2 (§ 775.1);

The applicant has requested flexibility from side yard requirements for building A-2, providing no side yard where 21.58 feet is required. Separation has been provided between the building and adjacent uses, which include the railroad tracks to the north and west, as well as a park east of the building, where Neal Place terminates. As a result, the intent of providing a side yard has been met, and OP has no objection to this relief.

7. Flexibility to provide zero feet of open space depth in front of the building entrance, where the equivalent of required rear yard depth is required for theoretical building sites with no street frontage for buildings A-1, A-2, B, C-1, and C-2 (§ 2517.3);

The applicant has requested flexibility that would allow for no open space to be provided for buildings A-1, A-2, B, C-1, and C-2, where open space equivalent to the rear yard depth is required for theoretical lots. Significant areas of open space have been provided elsewhere in the development, in areas where the space can be used more effectively. For example, the plaza provides a significant route to Florida Avenue and is a gateway to the Market area as identified in the Small Area Plan, and open space has been provided at the termination of Neal Place, which will provide interesting temporary uses. As a result, OP has no objection to the requested flexibility.

8. Flexibility to provide parking for building B in the building A parking structure (§ 2101.1);

Flexibility has been requested to permit the parking required for building B, a total of 36 spaces, to be provided in the parking structure for building A. Building A is proposed to provide a surplus of parking spaces, as 308 spaces would be provided, where only 132 are required. Given this surplus and the adjacency of building A to building B, OP is supportive of this flexibility.

9. Flexibility from loading requirements (§ 2201.1);

Flexibility from loading requirements has been requested to allow: 1) building B to provide no loading spaces; 2) buildings A-1, A-2, C-1, C-2, and D to provide a 30 foot berth where a 55 foot berth is required; and 3) building C-1 to provide one loading berth where three are required, one platform where three are required, and no service/delivery space where one is required. OP has no objection to this flexibility, provided that DDOT has no concerns and a Loading Management Plan has been provided.

10. Flexibility to provide additional compact parking spaces for building C-1;

The applicant has requested flexibility to provide more compact parking spaces than required for building C-1. OP has no objection to this flexibility, particularly as more parking than required is proposed for this project.

11. Flexibility to vary the number of proposed residential units (+/- 10%);

The applicant has requested flexibility regarding the number of residential units. This flexibility is typical of PUD applications; however OP anticipates that regardless of the number of units

provided, that a minimum of 71,984 square feet of affordable housing be provided when the non-residential options are pursued for buildings A-2 and D, and a minimum of 104,079 square feet of affordable housing be provided when the residential options are pursued for buildings A-2 and D. With these conditions, OP has no objection to this flexibility.

12. Flexibility to vary the location and design of interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms provided variations do not change the exterior configuration of the building;

The requested flexibility to vary the location and design of interior components would not impact the exterior of the proposed buildings. As a result, OP has no objection to this flexibility.

13. Flexibility to vary the number, location and arrangement of parking spaces so long as the total number is not reduced below the minimum number of spaces required per the Zoning Regulations;

The application proposes to provide a total of 682 parking spaces, and some of the spaces would be shared between buildings. OP supports the requested flexibility provided the number of parking spaces remains consistent with what has been provided in the application.

14. Flexibility to vary the sustainable design features of buildings provided that the total number of LEED points remains equivalent to LEED Silver rating (v. 2009) per USGBC;

OP supports the flexibility requested to vary sustainable design features of buildings, provided that buildings A-1, A-2, C-1, C-2, and D have enough points to be certified LEED Gold, as proffered by the applicant, and building B has enough points to be certified LEED Silver; however, OP continues to encourage building B be certified as LEED Gold. .

15. Flexibility to vary the final selection of the exterior materials within the color ranges and material types as proposed, based on availability at the time of the construction without reducing the quality of the materials, and to make minor refinements to exterior details, locations, and dimensions, including: window mullions and spandrels, window frames, doorways, glass types, belt courses, sills, bases, cornices, railings, canopies, and trim, and any other changes in order to comply with all applicable District of Columbia laws and regulations that are otherwise necessary to obtain a final building permit;

OP generally has no objection to the flexibility to vary the final selection of exterior building materials in PUDs; however, the quality of materials shall not be compromised to value-engineer a building and it should be flexibility within the color ranges and material types “approved by the Zoning Commission” and not as proposed.

16. Flexibility in the retail and service areas to vary the location and design of the ground floor components in order to comply with any applicable District of Columbia laws and regulations, including the D.C. Department of Health, that are otherwise necessary for licensing and operation of any retail or service use and to accommodate any specific tenant requirements; and to vary the size of the retail area; and

OP generally has no objection to the flexibility requested to vary the location and design of the

ground floor components.

17. Flexibility to vary the features, means and methods of achieving the Green Area Ratio of 0.2.

OP generally supports the flexibility requested to vary the features, means and methods of achieving the Green Area Ratio, provided that it complies with the Zoning Regulations and is consistent with Department of Energy and Environment standards.

VIII. PUD EVALUATION STANDARDS AND PUBLIC BENEFITS AND AMENITIES

The purpose and standards for Planned Unit Developments are outlined in 11 DCMR, Chapter 24. Section 2400.1 states that a PUD is “designed to encourage high quality developments that provide public benefits.” In order to maximize the use of the site consistent with the Zoning Regulations, and be compatible with the surrounding community, the application requests that the proposal be reviewed as a consolidated PUD. This will allow the use of the flexibility stated in § 2400.2:

The overall goal is to permit flexibility of development and other incentives, such as increased building height and density; provided, that the project offers a commendable number or quality of public benefits and that it protects and advances the public health, safety, welfare, and convenience.

The application would allow up to **80 feet** of additional building height above C-M-1 limits. The project proposes an FAR of up to 6.9, which is permitted under a C-3-C PUD, but more than the 3.0 FAR permitted under the C-M-1 zoning. This equates to a gain of **835,938** square feet, which is a **76%** gain over matter-of-right development.

The PUD standards further provide that the “impact of the project on the surrounding area and upon the operations of city services and facilities shall not be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project.”

Sections 2403.5 – 2403.13 of the Zoning Regulations discuss the definition and evaluation of public benefits and amenities. In its review of a PUD application, § 2403.8 states that “the Commission shall judge, balance, and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” To assist in the evaluation, the Applicant is required to describe amenities and benefits, and to “show how the public benefits offered are superior in quality and quantity to the typical development of the type proposed...” (§ 2403.12). The application has offered the following amenities and benefits as an offset to the additional development gained through the application process:

(a) *Urban design, architecture, landscaping, or creation or preservation of open space;*

The proposed development consists of a consolidated component for buildings A-1, B, and C-1, in which the architecture has been provided. Buildings of varying heights add interest, but are perhaps a missed opportunity to incorporate larger, more productive open spaces into the development by reallocating density on the site. While the architecture of C-1 is a high-quality, industrial-themed design, OP feels additional detail could be given to the design of buildings A-1 and B to meet the same standard. The applicant should demonstrate that the design of buildings A-1 and B is of a high-quality, as anticipated of a PUD, and provide more specific information regarding the materials that would be used in

these buildings. The information provided in the Pre-Hearing statement is vague (e.g. metal panel, masonry block, metal trim), making evaluation of the architecture difficult.

The applicant has indicated that approximately ten percent (10%) of the land area would be devoted to open space. There are few opportunities within the Market area to provide large areas of open space, so the provision of approximately 21,000 square feet of open space would be considered a significant benefit and amenity. However, OP is concerned that the proposed plaza that is located between buildings A-1 and B is not fully envisioned. The plaza should draw visitors to the west end of the Market area, and provide a vital connection to the gateway at Florida Avenue towards the Metro Station. The plaza includes bioretention areas, generous seating, and an interesting Gantry sculpture, but it does not yet seem to be well-coordinated. The plaza still seems a bit awkwardly framed by buildings A-1 and B. OP has also requested additional information regarding the plaza, including materials, landscape, and permeability.

Additional open space would be located at the terminus of Neal Place, in front of building A-2. The applicant has proposed to provide temporary space for “maker” producers or artists, which is an interesting component of the project, and a benefit of the development. OP strongly supports this benefit.

OP has requested additional information regarding the green space shown between building B and The Highline to the south, as there is concern that this space may become unsafe with limited access. OP has expressed a preference to the applicant to break up the massing of building B so that this space could be more accessible, and also to shorten the “blocks” along the plaza and create a scale more appealing to pedestrians.

In terms of urban design, the applicant has proposed to construct 3rd Street and the Neal Place extension, adding to the street grid in the Market and significantly enhancing connectivity. These improvements are consistent with the Small Area Plan, compatible with previous PUD approvals, and are considered benefits and amenities to the project.

(b) Site planning, and efficient and economical land utilization;

The proposed development contains elements of thoughtful site planning, including the locations of the plaza and park, and the completion of the street grid, which will significantly enhance circulation for the overall Market area. The project includes several underused sites within close proximity to a Metro Station and several bus lines, which would be enhanced to provide a mix of uses complimentary to the Florida Avenue Market Area. The applicant should provide additional information regarding the ground floor treatment of the buildings demonstrating the consideration of a pedestrian scale. The alley located to the east of buildings C-1 and C-2 would be activated through the incorporation of a wider sidewalk, flex space, and a cycle track.

The applicant has indicated that an investment of approximately \$2.5 million will be made for the extension of all new utilities throughout the PUD site. The utilities for the consolidated portion of the PUD will be oversized for future development in order to minimize utility work in the streets during later phases of development. This investment is essential to realizing the goals of the Florida Avenue Market Small Area Plan, and is a significant benefit and amenity to the project. The oversized portion of the utilities that serve sites other than the applicants, are considered benefits of the PUD.

(c) *Housing and affordable housing;*

The applicant has proposed to exceed minimum IZ requirements by dedicating 10% of the residential gross floor area in buildings A-1, B, C-1, C-2, and D to affordable housing, where half of the floor area would be set aside for households at 50% AMI and the other half would be set aside for households at 80% AMI. Eight percent of the residential gross floor area of building A-2 would be set aside for affordable units, also with an even split between 50% AMI and 80% AMI. The overall area of affordable housing that would be provided in the proposed development would be between 71,984 square feet and 104,079 square feet, depending on whether the applicant executes the residential option in buildings A-2 and D. While the provision of housing and affordable housing is considered a benefit and amenity, OP requests that the applicant consider increasing the set-aside to twelve percent (12%) of the residential gross floor area.

(d) *Social services/facilities;*

The applicant has indicated that it will be contributing \$25,000 towards a BID exploratory committee for the Florida Avenue Market area. While this would be an important process to establish, it has not been considered a benefit for the purposes of a PUD. BIDs generally provide services that are required of applicants to maintain the site regardless of the presence of a BID, including trash removal, clean-up of graffiti, and security services. The applicant should continue to work with the Advisory Neighborhood Commission (ANC) 5D and the surrounding community to identify any additional needs.

(e) *Environmental benefits;*

The applicant has indicated that this project would be designed to achieve certification at the LEED Gold and Silver level. Points would be gained for optimizing energy performance, water efficiency, proximity to public transportation, and building reuse. The applicant has specified that buildings A-1, A-2, C-1, C-2, and D would be certified at the LEED Gold level, while building B would be certified at the LEED Silver level. OP has encouraged the applicant to reevaluate the certification of building B.

(f) *Uses of special value to the neighborhood or the District of Columbia as a whole;*

The applicant states that the proposed open spaces will be of special value to the neighborhood, including: 1) the Florida Avenue Park, which connects to the Highline Park (ZC Case No. 15-01) and features terraced green space, public seating areas, and two pathways that provide handicapped, bike, and stroller accessibility; 2) the plaza, which provides a critical pedestrian connection from the Metro Station to the Market area and is expected to be a gathering space for neighborhood residents, office workers, students, shoppers, and visitors; 3) Neal Place Park, providing nearly 12,000 square feet of public open space and featuring seating, outdoor dining, and an artistic water feature; and 4) the interim park, consisting of approximately 41,000 square feet that will accommodate outdoor fitness classes, musical performances, and festivals, and feature interactive foam building blocks.

Neal Place Park will feature pop-up business incubators intended to accommodate small, local, start-up businesses devoted to the creation of goods and services, known as “maker uses.” The applicant will spend up to \$80,000 to purchase and install approximately 3,000 square feet of retrofitted containers or similar structure to house these uses in the park, and has developed a plan for marketing the containers to the appropriate users.

The applicant has also committed to dedicating space to maker uses at below-market rates. Approximately 1,500 square feet of space would be provided to maker uses in buildings A-1, B, and C at 10% below the average base rent charged for leased retail space across the PUD site. OP strongly supports this proffer.

- (g) *Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;*

The applicant has worked with DDOT to develop a Transportation Demand Management plan that commits to the implementation of strategies that include: 1) designation of a Transportation Management Coordinator; 2) providing TDM materials to residents; 3) pricing all on-site vehicle parking at market rate at minimum; 4) unbundling the cost of residential parking from the cost of lease or purchase of residential units; 5) exceeding the zoning requirements to provide bicycle parking/storage facilities at each building site; 6) providing a total of four bicycle repair stations within bicycle storage rooms; 7) installing a transit information screen in each of the residential and office lobbies; and 8) offering a one-time annual car share membership or one-time annual Capital Bikeshare membership to new residents.

The overall development consists of thoughtful site design principles that would enhance all modes of transportation, including improvements to the streetscape, establishing a street grid, and creating two-way vehicular circulation connecting Morse Street to 3rd Street to Neal Place. The applicant would also contribute \$10,000 to the Metropolitan Branch Trail beautification program (PowWowMural) via the NoMa BID.

- (h) *Employment and training opportunities.*

The applicant has committed to executing a First Source Employment Agreement for this project. Further, it is anticipated that the development would create a variety of job opportunities.

IX. AGENCY REFERRALS

OP anticipates a report from Department of Transportation (DDOT) will be filed under separate cover.

OP has coordinated with other agencies in the completion of this report, including DCHD and DC Water.

X. COMMUNITY COMMENTS

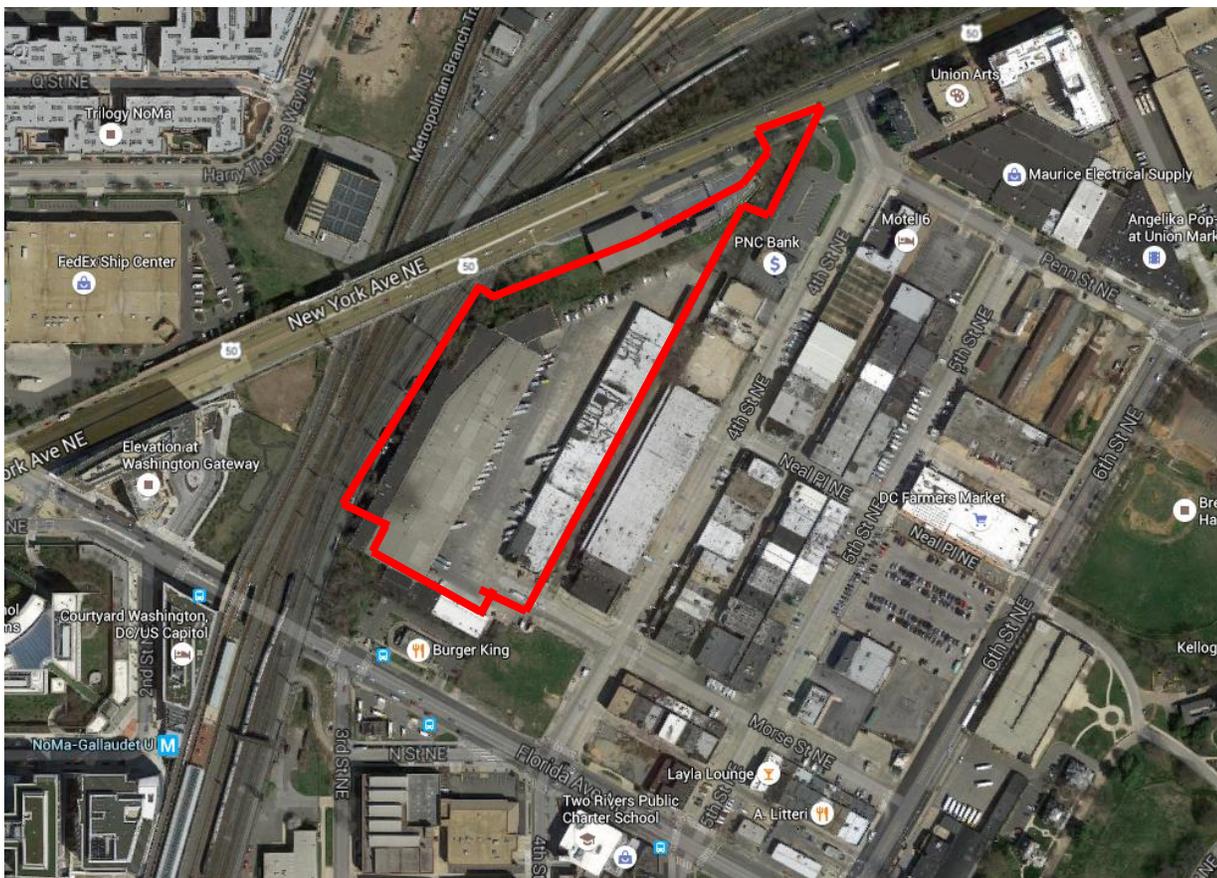
The site is located in ANC 5D and is adjacent to 6C. ANC 5D has issued two letters to the record indicating its support of the proposed PUD (Exhibits 29 and 36). A letter requesting Party Status in Opposition has been submitted to the record.

JS/be
Case Manager, Brandice Elliott

APPENDIX 1: SITE AND AREA DESCRIPTION

The large, irregularly-shaped Property consists of a portion of one record lot totaling 213,044 sf (4.8 acres) in area. There are large, one-to-two-story wholesale food warehouse and distribution brick and concrete structures on the Property, as well as large swaths of concrete or asphalt vehicular loading, travel and parking areas. Third Street NE and a portion of Morse Street NE are located within the development area; however are controlled by the District who is not a party to this Application. While only a very small portion of the Property has frontage on a main thoroughfare, generally, the Property is bounded by New York Avenue to the north; railroad tracks to the east; Florida Avenue to the south and 4th Street NE. There is an alley located adjacent to the east of the first-stage PUD area.

The Property is approximately .3 miles from the entrance of the NOMA-Gallaudet U (New York Avenue) Metro Station to the southwest. Please refer to the aerial vicinity map below. The topography of the Property includes a rise in elevation from Florida Avenue (elevation between 54' to 62') approximately ten (10) to fifteen (15) feet up to the northern/rear property boundary whereby the elevation is seventy (70) feet.



Vicinity Map/ Aerial Photo. Approximate bounds of the Property in red. 2014 Google.

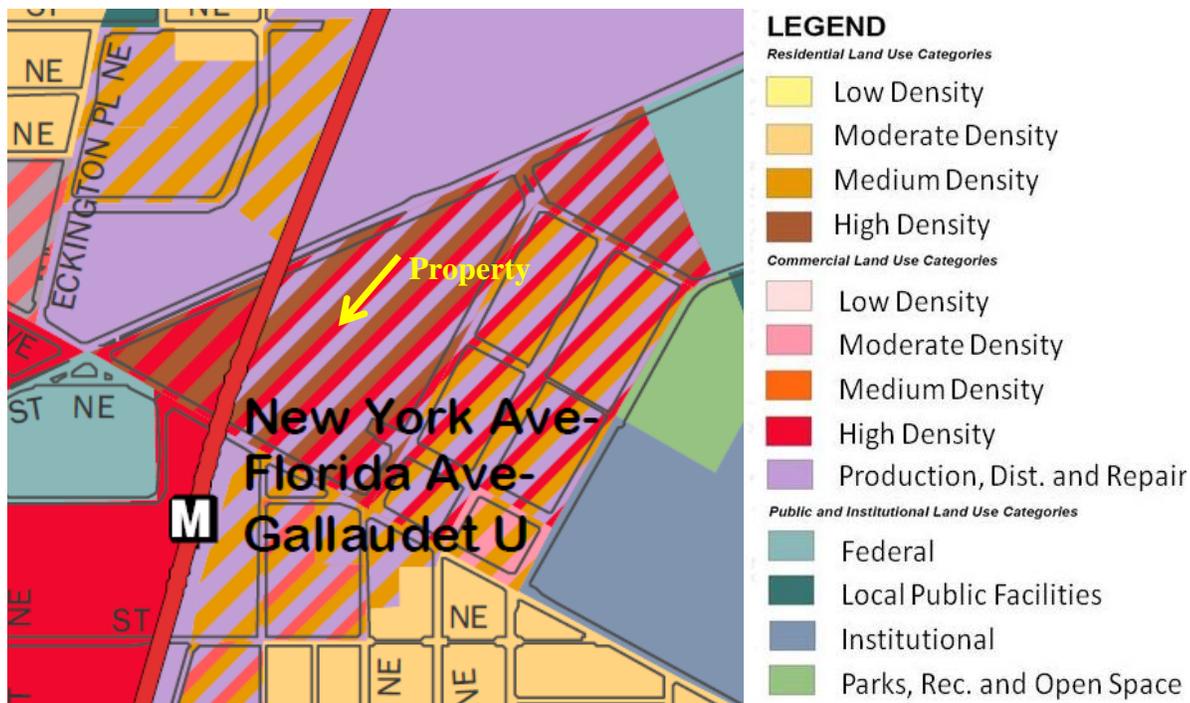
The Property is within the small area plan known as the Florida Avenue Market Study Area which is detailed more specifically below in Section IV. The Florida Avenue Market Study Area is currently undergoing a significant amount of development interest. Within the forty (40) acre market area, there are several approved PUDs, several PUDs currently under review, and others are anticipated to be filed in the near future. See map below for a summary of PUDs. In almost all cases, the PUDs include a related map amendment to the C-3-C District from an industrial district of either M or CM.

APPENDIX 2: COMPREHENSIVE PLAN ANALYSIS

The proposed PUD must be determined by the Zoning Commission to be not inconsistent with the Comprehensive Plan and with other adopted public policies (§ 2403.4). The map amendment also should not be inconsistent with the Comprehensive Plan and other adopted policies.

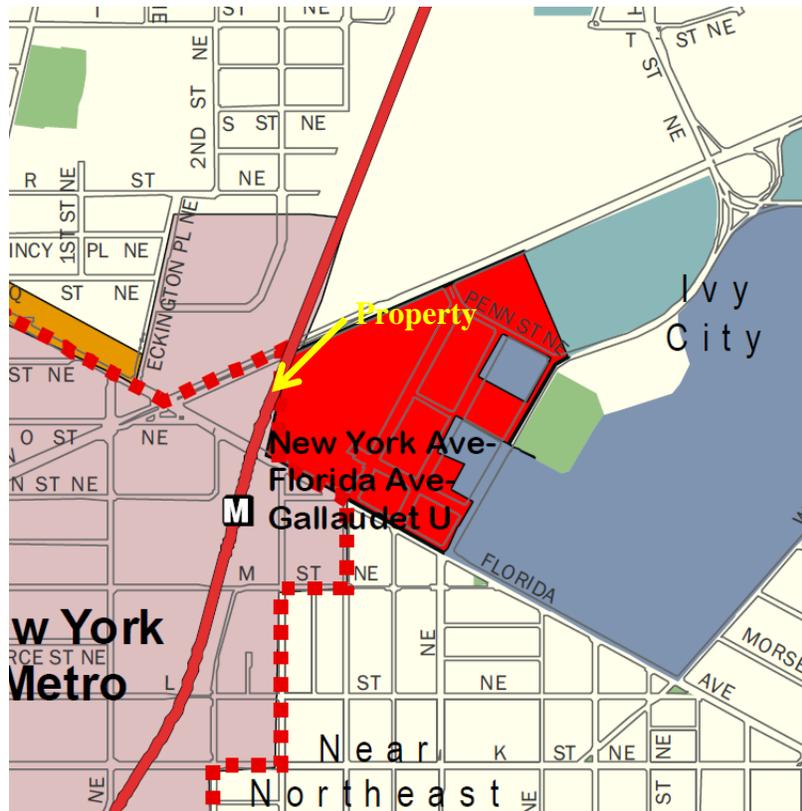
A. Future Land Use Map

The Future Land Use Map designation for the Property is striped for mixed use High-Density Commercial, High-Density Residential and Production, Distribution and Repair.



B. General Policy Map

The Generalized Policy Map designates the Property as part of a “Multi-Neighborhood Center” which is to meet the day-to-day needs of residents and workers in the adjacent neighborhoods in terms of both depth and variety. The service areas of Multi-Neighborhood Centers are typically one (1) to three (3) miles. These centers are generally found at major intersections and along key transit routes. These centers might include supermarkets, general merchandise stores, drug stores, restaurants, specialty shops, apparel stores, and a variety of service-oriented businesses. These centers also may include office space for small businesses, although their primary function remains retail trade. Mixed-use infill development at these centers should be encouraged to provide new retail and service uses, and additional housing and job opportunities. Transit improvements to these centers are also desirable. (Comprehensive Plan, §§ 223.4 and 223.5)



C. Comprehensive Plan Policies

The Property is located in the Upper Northeast Area of the Comprehensive Plan. There are several policies within the Upper Northeast Area Element, as well as policies in the Citywide Framework (primarily the Land Use Element), which encourage a mix of uses in the Florida Avenue Market/Capital City Market Area, high-density development and well-designed open space and public realm.

More specifically, the Property is located within the Florida Avenue Market Area Study (2009), a small area plan adopted by City Council, which includes general guidance for the immediate area, as well as site-specific guidance.

Finally, the area is included in the “Ward 5 Works: Ward Five Industrial Land Transformation Study” area. The ways in which this study is applicable to the Property is detailed below.

Ultimately, a map amendment-related PUD development facilitated by the regulations of the C-3-C zone would help achieve the applicable policies. Please note bold text was added for emphasis.

Upper Northeast Area Element (“UNE”):

- **Planning and Development Priority e.:** “Retail choices in Upper Northeast need to be expanded... Many of the commercial areas in Upper Northeast are dominated by used car lots, carry-outs, liquor stores, automotive uses and other activities that are not conducive to neighborhood shopping... **Florida Avenue and the areas around the Metro stations have the potential to become pedestrian-oriented**

shopping districts. The Florida Avenue Market also has the potential to become a more vital shopping district, serving not only as a wholesale venue but also as a retail center for Ivy City, Trinidad, Eckington and nearby neighborhoods. (§2407.2)

- **Planning and Development Priority h:** “Upper Northeast did not experience the kind of large-scale development experienced elsewhere in the city between 2000 and 2005, but that is likely to change in the next few years. **Proposals to redevelop the Capital City Market as ‘new town’ are being discussed...Growth and development must be carefully managed to avoid negative impacts, and should be leveraged to provide benefits for the community wherever possible.** (§2407.2)
- **UNE-1.1.8: Untapped Economic Development Potential:** Recognize the **significant potential** of the area’s commercially and industrially-zoned lands, particularly along the New York Avenue corridor...and **around the Capital City Market, to generate jobs, provide new shopping opportunities, enhance existing businesses, create new business ownership opportunities, and promote the economic well-being of the Upper Northeast community.** The uses, height and bulk permitted under the existing M and C-M-1 zones are expected to remain for the foreseeable future. (§2408.9)
- **UNE-1.2.1: Streetscape Improvements:** “**Improve the visual quality of streets** in Upper Northeast, especially along...Florida Avenue...Landscaping, street tree planting, street lighting, and other improvements should **make these streets more attractive community gateways.**” (§2409.1)
- **UNE-2.1.2: Capital City Market:** “**Redevelop the Capital City Market into a regional destination that may include residential, dining, entertainment, office, hotel and wholesale food uses...**” (§2411.6)
- **UNE-2.1.4: Northeast Gateway Urban Design Improvements:** “**Improve the image and appearance** of the Northeast Gateway area **by creating landscaped gateways into the community, creating new parks and open spaces, upgrading key streets** as specified in the Northeast Gateway Revitalization Strategy, **and improving conditions for pedestrians along Florida Avenue and other neighborhood streets.**” (§2411.8)
- **Action UNE-2.1.A: Capital City Market:** “**Develop and implement plans for the revitalization and development of the Capital City Market into a mixed use residential and commercial destination.** Redevelopment plans for the site shall be achieved through a collaborative process that involves the landowners and tenants, the project developers, the District government, and the community.” (§2411.9)

Citywide Guiding Principles:

- **Land Use (“LU”)-1.3.2: Development Around Metrorail Stations:** **Concentrate redevelopment efforts on those Metrorail station areas which offer the greatest opportunities for infill development and growth,** particularly station in areas...with large amounts of vacant or poorly utilized land in the vicinity of the station entrance... (§306.11)
- **LU-1.3.3: Design To Encourage Transit Use:** “**Require architectural and site planning improvements around Metrorail stations that support pedestrian and bicycle access to the stations** and enhance the safety, comfort and convenience of passengers walking to the station or transferring to and from local buses. **These improvements should include lighting, signage, landscaping and security measures...** (§306.13)

- **LU-3.1.4 Rezoning of Industrial Areas:** “**Allow the rezoning of industrial land for non-industrial purposes** only when the land can no longer viably support industrial or PDS activities or is located such that industry cannot co-exist adequately with adjacent existing uses. Examples **include land in the immediate vicinity of Metrorail stations...** (§314.10)
- **Housing-1.1.4: Mixed Use Development:** **Promote mixed use development, including housing, on commercially zoned land**, particularly in neighborhood commercial centers, along Mains Street mixed use corridors, and **around appropriate Metrorail stations.** (§503.5)
- **PROS-4.3.2: Plazas in Commercial Districts:** **Encourage the development of outdoor plazas** around Metro station entrances, in neighborhood business districts, around civic buildings, and **in other areas with high volumes of pedestrian activity. Use the planned unit development process to promote such spaces for public benefit and to encourage tree planting, public art, sculpture, seating areas, and other amenities within such spaces.** (§819.4)
- **Urban Design-1.4.1: Avenues/Boulevards and Urban Form:** Use Washington’s major avenues/boulevards as a way to reinforce the form and identity of the city, connect its neighborhoods, and improve its aesthetic and visual character. **Focus improvement efforts on avenues/boulevards in emerging neighborhoods**, particularly those that provide important gateways or view corridors within the city. (§906.4)
- **UD-2.3.4: Design Context for Planning Large Sites:** **Ensure that urban design plans for large sites consider not only the site itself, but the broader context presented by surrounding neighborhoods.** Recognize that the development of large sites has ripple effects that extend beyond their borders, including effects on the design or transportation systems and public facilities nearby. (§911.6)

D. Florida Avenue Market Study

The Florida Avenue Market Study (“FAMS”) was completed by the Office of Planning in March 2009 as a result of several catalysts which included development pressure within and around the NOMA-Gallaudet (New York Avenue) Metro Station, guidance from the Comprehensive Plan, the New Town at Capital City Market Revitalization Development and Public/Private Partnership Emergency Act of 2006, the Northeast Gateway Revitalization Strategy, and the Gallaudet University Campus Plan. It was adopted by City Council and is a small-area plan. Within the FAMS, is a “Development Framework.” The purpose of the FAMS “Development Framework” is to provide opportunities, guidance and direction for developers and property owners as they propose redevelopment solutions of the ~40 acre area (p.6). It defines a redevelopment vision which includes a recognition of the “grittiness” of the wholesale, ethnic market retail niche in its current state, as well as its turn-of-the-century historic Capital Market past; future development as a mixed-use neighborhood with a focus on retail and food-related retail; inclusion of historic market structures that are to remain; new bustling and alluring ground floor uses; pedestrian and bicycle connections to the NOMA-Gallaudet (New York Avenue) Metro station and to the Metropolitan Branch Trail; and finally an improved public realm of streets, sidewalks, open spaces, plazas and gathering places. The following includes general guidance for the redevelopment Property, which is primarily taken from the Development Framework section of FAMS (p.49-76):

- Zoning and Intensity Plan (Figure 6.01) p. 57: Designated as “High Density,” which corresponds to development of 90’ in height and an FAR of 6.5 as a matter-of-right; or 130’ in height and an 8.0 FAR in a PUD/TDR scenario.
- “To fulfill the public real and sense of place vision for the Study Area, it is essential that **street-activating or pedestrian-enlivening activities are featured in the ground floors** of development or **within public space of key streets such as...Morse Street...and Neal Place...**” (p.54)
- “Sense of Place: **Utilize design techniques in new construction to enhance the sense of place and pedestrian character of the FAMS.**” (p.58)
- “Open Space: Include **amenities in open space** for users, such as benches, water fountains, etc...**Create defensible open space that is well-lit, with clear sightlines from multiple points in and near the market...Ensure accessibility for a wide range of users**—both physically accessibility and obvious visual cues will ensure people know the space is public....Utilize and enhanced streetscape as part of the open space system.” (p.58)
- “Public Realm: **Create a pedestrian-friendly environment with clear pathways throughout the market**...Improve sidewalk conditions...**encourage active ground-floor uses** (such as restaurants and retail) along expected pedestrian routes...” (p. 59)
- “Transportation: **Increase pedestrian connectivity to/from the New York Avenue Metro Station**...Reestablish a more complete street grid in the study area...” (p.59)

E. “Ward 5 Works: Ward 5 Industrial Land Transformation Study”

Through mayoral executive order in 2013, a task force was established to create a strategy for the modernization and adaptive use of industrial land in Ward 5. The resultant study strives to do the following: guide the development of existing industrial land into cutting-edge and sustainable production, distribution and repair industry that diversifies the District economy; recommend the preservation of industrial lands; serve as a hub for low-barrier employment and job-training; allow for cheaper land costs; complement and enhance the integrity of neighborhoods; and provide opportunities for arts, recreation and other community amenities, as well as creative start-up maker businesses.

The Property is within the 1,030 acre “Ward 5 Works” study area, and is specifically within the area named the ‘New York Avenue South’ area. While the proposed map amendment-related PUD would preclude future light industrial uses on the Property, the “Ward 5 Works” study acknowledges the FAMS and the market’s revived food distribution and production role, the fast-growth rate of the District, and market pressures for development by Metro that have resulted in zoning map changes that allow for residential uses and a mix of uses that do not otherwise allow for industrial uses (p.20-22). It also states: “In some ways, this area [FAM] is already sustaining PDR growth—particularly among food industries based in the FAM, though this zone also features several blighted and underperforming properties as well...sites in this zone feature somewhat better vehicular pedestrian connectivity as...Florida Avenue connect[s] to the broader city. This area still requires improved pedestrian

and transit access to meet its potential as a PDR hub.” (p.49). In terms of request and its acknowledgement of the Ward 5 Works study, the proposed ground-floor retail uses provide an opportunity for certain creative, start-up maker uses that complement the food-focused retail of Union Market.