

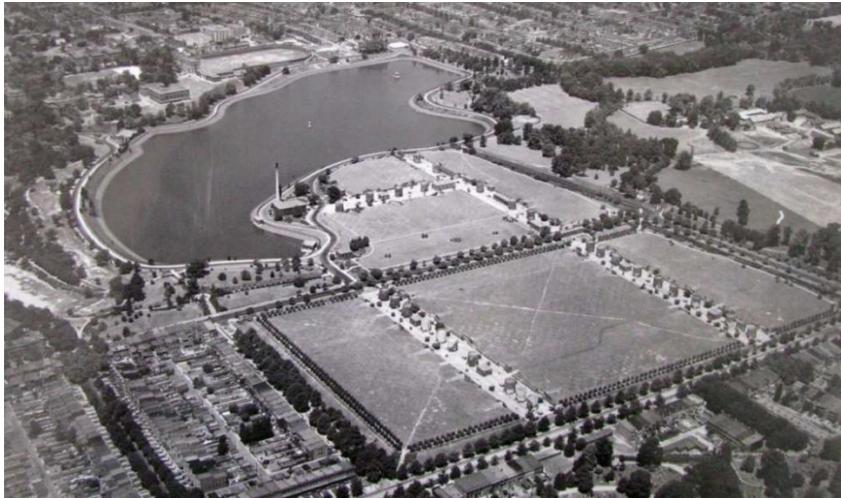
**BEFORE THE MAYOR'S AGENT FOR THE  
DISTRICT OF COLUMBIA HISTORIC LANDMARK AND  
HISTORIC DISTRICT PROTECTION ACT**

**PRE-HEARING STATEMENT**

**VISION MCMILLAN PARTNERS, LLC  
AND THE DISTRICT OF COLUMBIA DEPUTY MAYOR'S  
OFFICE FOR PLANNING AND ECONOMIC DEVELOPMENT**

**IN SUPPORT OF THE  
APPLICATION FOR PARTIAL DEMOLITION AT  
2501 FIRST STREET, N.W.  
(THE MCMILLAN SAND FILTRATION SITE)  
Square 3128, Lot 800**

**HEARING DATE: OCTOBER 6, 2014**



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September 16, 2014

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**BEFORE THE MAYOR'S AGENT FOR THE  
DISTRICT OF COLUMBIA HISTORIC LANDMARK AND  
HISTORIC DISTRICT PROTECTION ACT**

<b>IN RE:</b>	)	
	)	
<b>Application of Vision McMillan</b>	)	<b>SQUARE 3128</b>
<b>Partners, LLC, and the District of</b>	)	<b>Lot 800</b>
<b>Columbia Office of the Deputy Mayor</b>	)	
<b>for Planning and Economic Development</b>	)	
	)	<b>H.P.A. No. 13-318</b>
<b>Partial Demolition of 2501 First Street, N.W.</b>	)	
<b>(the McMillan Sand Filtration Site)</b>	)	

**STATEMENT OF THE APPLICANT**

**I. INTRODUCTION**

Vision McMillan Partners, LLC ("VMP") and the District of Columbia, acting through the Office of the Deputy Mayor for Planning and Economic Development ("DMPED") (together, the "Applicant"), submit this statement in support of the application for partial demolition and subdivision of the former McMillan Sand Filtration Site, which is part of the larger 92-acre McMillan Park Reservoir that is listed as an individual landmark in the District of Columbia Inventory of Historic Sites. The 25-acre McMillan Sand Filtration Site ("McMillan Site") is located at 2501 First Street, N.W., at Lot 800 in Square 3128, and was historically used for water purification.

The special merit features of the project consist of three new world-class healthcare facilities; two mixed-use, multi-family residential buildings with approximately 500 residential units; 80,000 square feet of much-needed, neighborhood-focused retail uses, anchored by a full-service grocery store; approximately 146 individual row dwellings; a 17,500 square foot

community center; and approximately ten acres of open space, parks, and historic preservation, including 6.2 acres of contiguous green space at the southern end of the site.

The residential portions of the program include both for-sale and rental components and, most importantly, one of the most robust and comprehensive affordable housing offerings of any District project in recent memory. Of the approximately 500 multi-family units, 110 will be affordable housing units and 85 of these affordable units will be set aside for senior residents making between 50-60 percent of the Washington, D.C., Metropolitan Area Median Income ("AMI"). Additionally, within the for-sale row-home program, approximately 13 units will be set aside as for-sale affordable units for residents making 80 percent of AMI and nine units will be set aside for residents making 50 percent of AMI.

Another critical component to the special merit of the Applicant's proposal is the significant job creation and economic development impacts the project will have on the surrounding neighborhoods and the District as a whole. An estimated 3,000 construction jobs will be generated by the project's combined development activity and, when fully built out, an additional 3,200 permanent jobs will be generated, the majority of which will be in the high-impact and highly sought after healthcare industry.

In order to maximize the impact of this significant level of job creation, the Applicant has, as a part of its PUD application, agreed to a package of community benefits that includes \$1.2 million of contributions to be directed toward the creation and furtherance of workforce development programs and initiatives designed to match District residents with the significant opportunities created by the Project and to prepare District residents in advance of these jobs coming online. This level of financial commitment significantly exceeds in both size and

complexity other similar efforts on other large District projects. Drawings of the Master Plan and Phase I development are attached as Exhibit A.

In addition to the robust job creation, affordable housing, job creation, and preservation aspects of the project, the master plan and architecture were developed and refined through a several year process that included all key stakeholders including the surrounding community, the affected ANC's, and all the appropriate District Government agencies. The result is a world-class master plan that blends the historic elements of the site with new development, an architectural palette that weaves the many uses together into a vibrant, campus like setting, and development program that respects the existing neighborhood through vast open spaces and appropriate height and scale where the new project will coalesce with the existing neighborhoods to the south and east.

The project requires the demolition of 16 of the remaining 18 underground sand filtration cells that were originally used for water purification as part of the slow sand water filtration process.<sup>1</sup> See sketch of proposed demolition attached as Exhibit B. As described in more detail herein, the demolition is necessary to support the proposed redevelopment of the McMillan Site since the underground cells are not structurally sound and cannot support any significant above-ground development. Despite the proposed demolition, the Applicant will retain and restore significant portions of the iconic above-ground historic structures on the site, as well as two underground cells. The Applicant will incorporate these historic structures into the design and program of the site's new building and landscaped elements.

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<sup>1</sup> The D.C. Water and Sewer Authority was granted permits to demolish the other two underground filtration cells. See Mayor's Agent Order in McMillan Park Reservoir, Case. No. 13-208, April 10, 2013.

## II. JURISDICTION OF THE MAYOR'S AGENT

### A. Statutory Authority

The Mayor or his designated agent (the "Mayor's Agent") has the authority to hear the merits of the partial demolition and subdivision application pursuant to the District of Columbia Historic Landmark and Historic District Protection Act (the "Act"), D.C. Official Code §§ 6-1104(c) and (e), 6-1106, and 6-1107 (2012 Repl.); see also Mayor's Order 2011-210 (July 18, 2011). The hearing shall be conducted in accordance with the requirements of D.C. Official Code § 2-509, as this is a contested case.

### B. Satisfaction of Procedural Requirements

In accordance with sections 6-1104, 6-1106, and 6-1107 of the Act, the Applicant submitted to the District of Columbia applications for demolition of the majority of the underground sand filtration cells and conceptual design plans for subdivision and redevelopment of the McMillan Site. The applications were forwarded to the Historic Preservation Review Board ("HPRB" or the "Board") for review at the meetings held on April 25, 2013, and September 27, 2013. On October 31, 2013, the HPRB found the revised concept designs to "represent an architecturally coordinated and cohesive approach that specifically relates to the character of the McMillan Site." HPRB also found that the master plan for the McMillan Site had been "developed to retain important character-defining features of the site sufficient to convey its historic characteristics." Based on its review, HPRB recommended that the project return for final review after approval by the Mayor's Agent, pursuant to the Act. Copies of the HPRB recommendations are attached as Exhibit C.

By letter dated May 22, 2014, the Applicant notified the Mayor's Agent that it would demonstrate that the proposed partial demolition and subdivision are necessary in the public interest to construct a project of special merit. *See* 10A DCMR § 403.4(b). The Mayor's Agent scheduled a public hearing in this matter for October 6, 2014.

### **III. BACKGROUND**

#### **A. History of the Site**

Constructed between 1902 and 1905, the McMillan Slow Sand Filtration Plant is a 25-acre site designed as Washington's first water treatment facility. Together with the McMillan Reservoir and McMillan Park located immediately west across First Street, N.W., they comprise the larger, 92-acre McMillan Park Reservoir Historic District that is listed in the D.C. Inventory of Historic Sites and the National Register of Historic Places. The entire facility was owned and operated by the federal government under the jurisdiction of the U.S. Army Corps of Engineers. Since its construction in the early 1900s, the site has always been an industrial facility and has never been open to the public as a park or for any other purpose. In 1986, the Army Corps installed a chemical treatment facility on the reservoir site (on the west side of First Street) and the slow sand filtration facility (on the east side of First Street) was closed.<sup>2</sup>

That same year, the Army Corps declared the property surplus and the General Services Administration initiated proceedings to dispose of the McMillan Site for mixed use commercial development. By quitclaim deed dated September 25, 1987, the District of Columbia ("District") purchased the property with the explicit intent to develop it for mixed commercial and public uses.<sup>3</sup> The deed included restrictive covenants for the protection of historic resources on the

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<sup>2</sup> See "McMillan Park Reservoir Historic District," National Register of Historic Places, U.S. National Park Service, <http://www.nps.gov/nr/feature/places/13000022.htm>.

<sup>3</sup> *McMillan Park Committee v. National Capital Planning Comm'n*, 968 F.2d 1283, 1286 (D.C. Cir. 1992); *see also*

McMillan Site to satisfy the requirements of Section 106 of the National Historic Preservation Act.<sup>4</sup> In 1991, the 92-acre McMillan Park Reservoir site was listed in the D.C. Inventory of Historic Sites.

After acquiring the site, the District issued several solicitations for redevelopment of the property. Due to the complexity of the site, however, viable plans did not materialize. In March 2006, the District transferred jurisdiction of the property to the National Capital Revitalization Corporation (“NCRC”) to act as the master developer. After a year-long solicitation and rigorous vetting process, NCRC selected VMP to develop the site. When NCRC was dissolved, the DMPED upheld NCRC’s decision to select VMP to develop the McMillan site.

VMP developed a master plan for the site, which was substantially revised several times based on community input, the need to accommodate D.C. Water on the site, and in response to comments from HPRB and its staff. After obtaining HPRB concept approval in October 2013, the Applicant filed an application with the D.C. Zoning Commission for a planned unit development and zoning map amendment to change the property from “unzoned” (due to its previous federal ownership) to the C-3-C District at the north end of the site and the remainder to the CR District. The Zoning Commission held a hearing on the application over five nights in May 2014. At its regular meeting on July 28, 2014, the Zoning Commission requested additional information from the Applicant, which was filed August 25, 2014. Responses to those materials were due on September 15, 2014. Thereafter, the Zoning Commission is scheduled to take preliminary action on September 29, 2014. The application is expected to be referred to the National Capital Planning Commission to review potential impacts of the project on the federal

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Quitclaim Deed from General Services Administration to the District of Columbia for the McMillan Site recorded among the Land Records of the District of Columbia as Document No. 56985 on October 7, 1987.

<sup>4</sup> *McMillan Park Committee*, 968 F.2d at 1288.

elements of the Comprehensive Plan. The Zoning Commission will then take final action on the case. As of the date of this submission, the proposed redevelopment has the support of the Office of the Deputy Mayor for Planning and Economic Development,<sup>5</sup> the Office of Planning, the Historic Preservation Review Board, the District Department of Transportation, the staff of the National Capital Planning Commission, Advisory Neighborhood Commission ("ANC") 5E, in which the site is located, and ANC 5A. Documentation of their support is attached in Exhibit D.

Simultaneously, VMP and the District have been negotiating the Land Disposition Agreement ("LDA") for the site, which is expected to be forwarded to the District of Columbia Council this month for consideration. The LDA will set forth the terms for the transfer of ownership of the development pads for the healthcare facilities, the mixed-use multi-family buildings, and the rowhouses to VMP. The LDA will also cover the terms for management and operation of the McMillan Site.

**B. Project Summary**

The McMillan Site contains approximately 1,075,356 square feet (24.69 acres) of land area. The Applicant proposes to subdivide the property into seven development parcels or record lots. Parcel 1 is located at the north portion of the McMillan Site and will be improved with a health care facility with ground floor retail (the "Healthcare facility") and a park above a preserved water filtration cell ("Cell 14"). Parcel 4, fronting on North Capitol Street at the center of the McMillan Site will be developed with a mixed-use, multi-family residential building with a ground floor grocery store ("Multi-Family/Grocery Building"). Parcel 5 will be developed

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<sup>5</sup> See testimony of Shiv Newaldass, project manager in the Office of the Deputy Mayor for Planning and Economic Development before the Zoning Commission in Case No. 13-14, May 1, 2014, available at <http://app.dcoz.dc.gov/Content/Search/ViewCaseReport.aspx>.

with approximately 146 individual row dwellings (the "Rowhouses"). Parcel 6 contains the south one-third of the McMillan Site and will be developed as an eight acre park ("Park") including a 6.2 acre green space, a community center building, and the South Service Court comprised of the historic above-ground sand bins, sand washers, and regulator houses. The Park will also incorporate underground water filtration cell 28 ("Cell 28"), which will be exposed and restored as part of a museum illustrating the history of the site. Lastly, Parcel 7, located immediately south of Parcel 1 and comprised entirely of the North Service Court, will also contain the restored above-ground historic resources. Around the perimeter of the project, all new buildings are set back from the adjacent streets to allow for the re-creation of the Olmsted Walk, which will serve as landscaped walking, running and biking trail for the community at large. Future second-stage applications will include a mixed-use, multi-unit residential building with ground floor retail on Parcel 2, and a mixed-use commercial building with ground floor retail and medical offices above on Parcel 3.

**C. The Applicant**

The VMP development team is comprised of Trammell Crow Company, EYA, and JAIR LYNCH Development Partners. Trammell Crow will develop the healthcare facility; EYA will develop the rowhouses; and JAIR LYNCH will develop the multi-family buildings, grocery store and related retail. Under a Development Management Agreement ("DMA") with the District, VMP is performing and providing the following services: general master development planning; lead design process; lead community engagement process; lead regulatory approval preparation process; and preparation of a fiscal impact analysis and public finance plan. Additionally, under an Exclusive Rights Agreement ("ERA") with the city, the VMP received the exclusive right to negotiate for the acquisition and development of the vertical components of the McMillan Site

designated for commercial and residential uses. As such, consistent with the District's original intent in 1987, VMP is required to construct a mix of uses on the McMillan Site, including housing, affordable housing, home ownership opportunities, new neighborhood serving retail, and open spaces and parks that respect the historic property.

#### **IV. PROJECT DESCRIPTION**

##### **A. Site Location and Description**

The McMillan Site is located at 2501 First Street, N.W. and consists of Assessment and Taxation Lot 800 in Square 3128, which is bounded by North Capitol Street to the east, Michigan Avenue to the north, First Street to the west, and Channing Street to the south, all within the northwest quadrant of Washington, D.C.

Historically, the McMillan Site was used as a slow sand water filtration plant. It consists of 20 underground sand filter beds (or cells) below a level platform or "plinth," which is inserted into the rising slope of North Capitol Street. The south end of the McMillan Site is situated approximately 16 feet above the north end of the McMillan Site; however, as North Capitol Street rises, the plinth remains level so that it sits approximately ten feet below Michigan Avenue at its northern end.

The surface of the McMillan Site is rectangular in shape, and is made up of a shallow dirt-bed covered with grass and weeds. The surface or "plinth" has a generally flat appearance but is slightly crowned and is punctuated by two service courts embedded five feet below grade. The plane is punctuated by 2,100 manholes to provide light into the filter bed chambers below. The North and South Service Courts traverse the McMillan Site laterally and are lined with elements of the water filtration process, including the sand storage bins, stationary sand washers, regulator houses, and portals and ramps into the underground chambers of the sand filter beds.

Overall, the McMillan Site is approximately three city blocks long along North Capitol Street and First Street, and one extra-long block wide along Channing Street and Michigan Avenue.

The McMillan Site is situated adjacent to the residential neighborhoods of Bloomingdale to the south and Stronghold to the east, which are characterized by a variety of large Victorian rowhouses and more modest Wardman rowhouses, many with front porches. The Glenwood Cemetery and Trinity College are also located to the east across North Capitol Street, adjacent to the residential communities. The Veterans Affairs Medical Center, Washington Hospital Center, and Children's National Medical Center are located across Michigan Avenue to the north and have building heights ranging from 90 to 127.5 feet. To the west across First Street is the functioning reservoir of the McMillan Reservoir and Filtration Complex operated by the U.S. Army Corps of Engineers. Further to the west is Howard University.

**B. Redevelopment Project**

Phase I of the overall redevelopment project will include a combined gross floor area of approximately 2,070,753 square feet, or an aggregate floor area ratio (“FAR”) of approximately 1.92 (2.36 FAR excluding the private rights of way). Uses on the McMillan Site will include (i) the Healthcare facility with approximately 825,000-860,000 square feet of gross floor area devoted to medical offices and retail uses; (ii) the Multi-Family/Grocery Building on Parcel 4 comprised of approximately 305,847 square feet of gross floor area, divided into 258,235 square feet of residential gross floor area (inclusive of loading areas) and approximately 55,567 square feet of retail gross floor area devoted to the grocery store (inclusive of loading areas); (iii) 146 individual Rowhouses, comprised of approximately 350,000 square feet of residential gross floor area; and (iv) the 17,500 square foot community center. In addition, almost 500,000 square feet of land area on the McMillan Site is devoted to parks, landscaping, and open areas. This consists

of healing gardens in Parcel 1 adjacent to the Healthcare facility, the Park, the North and South Service Courts, Cell 14, and the historic elevated walkway located along the perimeter of the McMillan Site originally designed by Frederick Law Olmsted, Jr.

A future phase of development will also include an approximately 173,000 square foot health care facility with retail on the ground floor (Parcel 3) and an approximately 334,950 square foot mixed-use building with retail on the ground floor and residential units above (Parcel 2).

Building heights on the McMillan Site will range from 26 feet to 115 feet. The project will be an architecturally distinct, vibrant, mixed-use development that provides housing, employment, retail, cultural, and recreation opportunities for District residents. The McMillan Site will retain many significant elements of the historic McMillan Slow Sand Filtration Plant, including all of the above-ground structures and two of the underground filtration cells, and will incorporate these elements into the overall design and concept within the site's master plan. The McMillan Site will be open to the public at all times and will seamlessly integrate necessary retail amenities, parking, and pedestrian-oriented infrastructure into the existing community.

### **C. Project Design**

#### **1. Overview**

The project will be developed in accordance with the Master Plan (Volume 1) and the individual building designs (Volume 2) submitted with this statement. As shown on these plans, the project will integrate many of the historically significant portions of the McMillan Site into a new development consisting of medical office, residential, retail, and community uses. The property will be subdivided into record lots that correspond to the seven building parcels, as shown on the drawings.



## 2. The Master Plan

The Master Plan for the McMillan Site provides the framework the project and orients development around a new, two-way internal street grid, which will disperse traffic and provide cross-site connectivity. Evarts Street will run laterally across the McMillan Site from First Street to North Capitol Street. Quarter Street and Three-Quarters Street will run north-south, in between the North Service Court and the South Service Court. Half Street will be located at the mid-point of the McMillan Site, connecting Michigan Avenue to the South Service Court. The North and South Service Courts will be divided into two-way streets and will similarly be integrated into the proposed street grid system. The Applicant will preserve within the service courts the historic sand bins, regulator houses, and many of the access bays to the underground sand filtration cells associated with the landmark. The overall development is set back from all edges of the McMillan Site, retaining the existing topography of the site and recreating the elevated Hawthorn-lined perimeter walkway designed by Frederick Law Olmsted, Jr. (the “Olmsted Walk”). Just as originally designed and intended, this perimeter walkway will be a publically accessible recreational path set inside and parallel to the public sidewalk.

The North and South Service Courts divide the McMillan Site into three distinct development blocks. The northern block is comprised solely of Parcel 1, which will be developed with the healthcare facility. The Applicant will preserve a substantial amount of open space on the northern block, maintaining important sightlines across the McMillan Site. The Applicant will also retain the 41,414 square foot Cell 14 and will incorporate a "healing garden" along Michigan Avenue. The reconstruction of the Olmsted Walk along the perimeter of the McMillan Site will provide a pedestrian link between the healthcare facility to the north and the

primary open space at the southern end of the McMillan Site. This northern block will be rezoned to the C-3-C District.

South of the North Service Court is the central block of the McMillan Site, which the Applicant will develop with the Multi-Family/Grocery Building containing approximately 281 residential units and a ground floor grocery store (Parcel 4), and the 146 moderate density Rowhouses (Parcel 5). Phase II of the project will provide another healthcare facility with ground floor retail, consisting of approximately 173,000 square feet of gross floor area (Parcel 3) and a second multi-family building with ground floor retail consisting of approximately 334,950 square feet of gross floor area (Parcel 2). This central portion of the McMillan Site has a land area of approximately 447,565 square feet that will be bisected by the newly created Evarts Street and further divided by Three-Quarters Street, Half Street, and Quarter Street.

The southern block of the McMillan Site (Parcel 6), located between Parcel 5 and Channing Street, is the Park and will include the 6.2 acre green space, the community center, and the South Service court. The southern block currently accommodates a construction and staging area for D.C. Water and will provide permanent access to the sewer infrastructure being constructed below. The Park's program includes convenient pedestrian, bicycle, and vehicular access, large informal play areas, the Olmsted Walk, terraced seating, an outdoor "sprayground" and playgrounds, natural amphitheater, a stormwater pond that will reference the McMillan Site's subterranean natural hydrology, and a "walking museum" that will tell the history of the McMillan Site. The Park will also accommodate informal sports and other events for public enjoyment. The western portion of the Park will incorporate the reconstructed elevated plinth, which will be preserved with views to the reservoir and city landmarks beyond. A portion of Cell 28, an underground filter bed, will also be preserved as part of that "walking museum" so

that visitors can see the groin vault as originally designed. A tree grove in a quincunx pattern will be located in the center of the Park, referencing the historic pattern of manholes in the plinth.

The North Service Court will provide two-way vehicular access, connecting First Street through to North Capitol Street, with sidewalks that are activated by ground floor retail uses in the Healthcare facility to the north and in the Multi-Family/Grocery Buildings to the south. Primary pedestrian access to the grocery store will be from the North Service Court. The South Service Court will provide external vehicular access from First Street only, and is designed to be a shared corridor with pedestrian access, open space, street parking, and vehicle zones for convenient drop-off and pick-up for the Park. This court is expected to be closed to vehicles on a regular basis for farmer's markets, street fairs and other community activities.

### 3. Historic Preservation

The proposed project incorporates major historic preservation elements into the proposed redevelopment, which are consistent with the historic preservation covenants that were dedicated on the McMillan Site when it was transferred from federal ownership to the District. For example, creation of the 6.2-acre open space at the southern portion of the McMillan Site will retain the site's visual expanse from North Capitol Street, westerly to and beyond the Reservoir, as well as offer the opportunity for residents and visitors to observe the McMillan Site close in, rather than only from the perimeter as originally designed and as it presently sits.

The Applicant will retain and rehabilitate the historic above-ground features on the North and South Service Courts, including all 20 sand storage bins, all four regulator houses, at least one sand washer, certain filter bed portals, and extended portions of the Service Court walls. The Applicant will also preserve underground Cell 14 and a portion of Cell 28. Cell 14 will

become, on its surface, a new park permitting views to the cylindrical sand bins from the north, while its underground structure will be reserved for future adaptive reuse to compliment the public activities in that area of the McMillan Site. In the interim, Cell 14 will be used by D.C. Water as a stormwater storage tank. A portion of Cell 28 will be preserved and will be incorporated into the Park as part of an interpretive program of the historic site. The vision is a "walking museum" that tells the history of the McMillan site and its significance to the city via a self-guided walking tour of the site's preserved and restored historic assets. In total, approximately 1.5 acres of underground cells will be preserved and slated for future use.

As described above, the Applicant will re-establish the historic Olmsted Walk around the perimeter of the McMillan Site planted with two rows of thornless Hawthorn trees, consistent with Olmsted's original design intent. The Hawthorn species is historically accurate, native to America, adapted to urban environments, and has pleasant aesthetic qualities year-round. The path itself will be made of recycled and reclaimed concrete paving to the greatest extent possible, with a steel edge and a sand or DG setting. The Applicant will reconstruct three of the original corner stairs at the edges of the McMillan Site, and will construct ADA-compliant ramps for handicapped access.

In addition to the existing historic elements, the Applicant will seek permission from the U.S. Army Corps of Engineers or other responsible government agency to obtain the historic McMillan Fountain, formerly located on a portion of the McMillan Reservoir site west of First Street, to be installed on the McMillan Site. All of the work described above will be consistent with the Secretary of the Interior's standards for the Treatment of Historic Properties, including the Treatment for Rehabilitation. Retention and rehabilitation of the site's iconic features will retain the historic identity of the McMillan Site and will create unique, place-making settings for

the new community.

The Applicant retained EHT Tracerics, Inc. as historic preservation consultant to evaluate the McMillan Site to ensure an appropriate and sensitive approach to this engineering landmark. Attached as Exhibit E is the Historic Preservation Report, dated September 12, 2014, and prepared by EHT Tracerics. The report does the following: (i) provides a guide to the extensive documentation on the historic site; (ii) evaluates the historic significance of the McMillan Site; (iii) evaluates the historic integrity of the landmark; (iv) provides recommendations for preservation based on the Secretary of the Interior's Guidelines for the Treatment of Historic Properties; and (v) guides the preservation-related approval processes for the redevelopment project. As indicated in the report and as will be further described at the public hearing, each of the preserved historic elements will be sensitively integrated into the master plan and will continue to convey its significance in a new setting of buildings that respect the history of the McMillan Site.

The project has undergone extensive review by HPRB and the Historic Preservation Office ("HPO") through a series of public meetings over eighteen months. On April 25, 2013, and September 27, 2013, the HPRB reviewed and discussed the master plan, design guidelines and concept designs for new buildings for the McMillan Site and provided additional recommendations to the Applicant. On October 31, 2013, HPRB found the revised concept designs to "represent an architecturally coordinated and cohesive approach that specifically relates to the character of the McMillan Site." HPRB recommended that the project return for final review after approval by the Zoning Commission and the Mayor's Agent, pursuant to the Historic Preservation Act.

4. Subdivision

In order to redevelop the McMillan site in compliance with the Zoning Regulations and subdivision laws, record lots for each building parcel must be established through subdivision of the McMillan Site. Subdivision in this case is consistent with the purposes of the Act because it will facilitate the design approved by HPRB, retain and enhance the landmark site, and appropriately adapt the property to current use. Attached hereto as Exhibit F is the subdivision plat indicating the record lots for each building parcel.

**V. THE PROJECT MEETS THE TEST FOR SPECIAL MERIT APPROVAL**

**A. Standard of Review**

The Act provides for the protection of landmarks and buildings in historic districts. The law neither requires nor contemplates retention of the status quo. Rather, through the review process, it seeks to ensure that change is accomplished in an appropriate and compatible manner.

Under D.C. Official Code §§ 6-1104(e) and 6-1106(e), the Mayor's Agent may authorize the issuance of permits to demolish or partially demolish an historic resource and to approve a subdivision if the issuance of such permits is found to be necessary in the public interest. D.C. Official Code § 6-1101(b) specifies that “[w]ith respect to historic landmarks”, its purpose is

- (A) to retain and enhance historic landmarks in the District of Columbia and to encourage their adaptation for current use;  
and
- (B) to encourage the restoration of historic landmarks.

D.C. Official Code § 6-1101(b)(2). In this case, the partial demolition will ensure the creation of an extraordinary, high-quality mixed-use development that adaptively reuses one of the District's most treasured historic engineering resources.

The Act defines "necessary in the public interest" to mean either (i) consistent with the purposes of the preservation law, or (ii) "necessary to allow the construction of a project of special merit." D.C. Official Code § 6-1102(10). A project of special merit is further defined as "a plan or building having significant benefits to the District of Columbia or to the community by virtue of exemplary architecture, specific features of land planning, or social or other benefits having a high priority for community services." D.C. Code Ann. § 6-1102(11).

In evaluating projects of special merit, the Mayor's Agent must balance the effects of demolition against the goals and objectives achieved by the new construction. *See Citizens Committee to Save Rhodes Tavern v. District of Columbia Department of Housing and Community Development*, 432 A.2d 710, 716 (D.C. 1981) (historic preservation law requires Mayor's Agent to balance historic value of building to be demolished against the special merit of the project). If the Mayor's Agent finds that the project has special merit, there is an implicit finding that the demolition is necessary in the public interest. *Committee of 100 on the Federal City v. District of Columbia Department of Consumer and Regulatory Affairs*, 571 A.2d 195, 200 (D.C. 1990) ("a determination by the Mayor's Agent that a project is of special merit implicitly includes the finding that issuance of a demolition permit is necessary for the proposed project to proceed"). *See also Don't Tear It Down, Inc. v. D.C. Department of Housing and Community Development*, 428 A.2d 369, 373 (D.C. 1981) (authorizing demolition of Pepco substation in Georgetown). As such, there must exist some specific feature of land planning or social benefit having a high priority for community services associated with the proposed development for it to be considered a project of special merit. Specifically, for a project to be of special merit, it must have significant benefits to the District of Columbia or to the community either (i) by virtue of exemplary architecture, (ii) specific features of land planning, or (iii) social or other benefits

having a high priority for community services. D.C. Official Code § 6-1102(11).

As set forth below, the proposed redevelopment of the McMillan site is a project of special merit by virtue of its exemplary architecture, social and other benefits having a high priority for community services, and specific features of land planning. The project will provide significant benefits to the District of Columbia through its diverse mix of new market-rate and affordable housing units, a major new healthcare facility, retail opportunities including a full service grocery store, and significant new community-gathering spaces. The project will also provide benefits through the adaptive reuse of many of the historic elements on the McMillan Site; the site's carefully designed new architecture and sustainability features that incorporate and celebrate the historic elements; the vast outdoor public spaces that encourage community interaction; and numerous other specific features of special value to the neighborhood. These features of the project, all of which have a high priority to the community, foster the goals of the preservation law and establish the special merit necessary for the issuance of the partial demolition permit.

**B. The Necessity for Partial Demolition of the Historic Underground Filtration Cells**

In determining whether the issuance of a demolition permit is necessary in the public interest to allow the construction of a project of special merit, the Mayor's Agent must consider whether the proposed demolition is actually necessary to allow the project to proceed. *See Committee of 100*, 571 A.2d at 200. In this case, based upon the evidence found, it is clear that the proposed project can move forward only if the underground filtration cells are demolished. The 20 underground filters were built circa 1905 and each consists of multiple vaults of unreinforced concrete. The vaults are typically 14 feet x 14 feet and supported on a single column over a shallow inverted vault slab, cast on grade. As described below, these structures

cannot be adaptively reused or reinforced to support the development objectives established by the city for the McMillan Site. Furthermore, the site was never meant to support public activities on its surface or within—its design limited its use to a specific function, slow sand water filtration, and its longevity was inextricably linked to the continuation of that function.

Robert Silman Associates (“RSA”) was retained to perform a structural investigation and feasibility analysis for potential restoration and/or adaptive reuse of the underground water filtration structures at the McMillan Site. The structural investigation included document review and a structural condition assessment of representative areas of the site. This assessment allowed RSA to develop an understanding of the historic structural system, identify the causes of damage, and determine current and future ability to support both current and potential future loadings.

RSA’s observations found severe damage throughout the site, with many of the underground filters at risk of imminent collapse for two primary reasons. First, the underground vaults are made of unreinforced concrete, which collapses easily upon tension without steel or rebar for support. Second, the structures were built on variable, unstable soil that was re-graded after two periods of construction, leading to severe vertical and lateral settlement. Settlement combined with the unreinforced material created an underground structural system that cannot be built upon or within without significant support work and/or complete reconstruction.

The proposed demolition is necessary to make the McMillan Site usable, safe and code compliant. The underground cells were built as industrial structures not intended to provide the level of safety and serviceability required for occupied use. The vault ceilings harbor loose material that can fall without warning, and continued settlement of the brittle, heavy structure has resulted in unsafe conditions. To use the surface of the site solely as an un-developed field would require significant topside and foundation reinforcement; to reuse the inside of the vaults

for any purpose would necessitate extensive safety protection measures to prevent collapse. Even simply retaining Cells 14 and 28, as proposed by the Applicant, will require extensive and costly structural intervention and reconstruction. An analysis of the constraints and challenges associated with Cell 14, prepared by Streetsense, is attached as Exhibit G. Any work to stabilize the cells from further decay or make the site safe and code compliant will essentially destroy the historic integrity of the existing underground structures. A copy of the RSA report is attached as Exhibit H.

The demolition of the below-ground structures is also necessary in order to fulfill the objectives and policies of the District of Columbia Comprehensive Plan, which forms the basis for a project's special merit. *See, e.g., In the Matter of Calvary Baptist Church*, HPA No. 00-601 (April 20, 2001) (consistency with the Comprehensive Plan is a specific feature of land use planning that may provide the basis for a project's special merit). In addition, in order to proceed with development, zoning and subdivision laws require subdivision of the parcels for development.

### **C. Social and Other Benefits Having a High Priority for Community Services**

#### **1. Housing and Affordable Housing**

The project will result in a critical and substantial addition to the District's housing stock, a social benefit having a high priority for the city as reflected in the Comprehensive Plan. The development will contain approximately 281 new residential units in the Multi-Family/Grocery Building (approximately 258,235 square feet of residential gross floor area), approximately 146 individual Rowhouses (approximately 350,000 square feet of residential gross floor area), and approximately 311,700 square feet of multi-family residential uses on Parcel 2. Significantly, the Applicant will set aside 85 of the 281 units in the Multi-Family/Grocery Building as senior-

affordable units for seniors earning between 50 and 60 percent of the area medium income (“AMI”). The Applicant will also set aside 22 individual Rowhouses to affordable households: nine of the Rowhouses will be offered to households earning no more than 50 percent of the AMI, and 13 of the Rowhouses will be offered to households earning no more than 80 percent of the AMI.

The goal of the Housing Element of the Comprehensive Plan is to “[d]evelop and maintain a safe, decent, and affordable supply of housing for all current and future residents of the District of Columbia.” 10A DCMR § 501.1. The proposed project will help achieve this goal by advancing the policies discussed below.

*Policy H-1.1.1: Private Sector Support: Encourage the private sector to provide new housing to meet the needs of present and future District residents at locations consistent with District land use policies and objectives. 10A DCMR § 503.2.*

The proposed development will include approximately 924,583 square feet of gross floor area devoted to residential uses, of which 311,700 square feet will be provided in Phase II on Parcel 2. As noted above, the Applicant intends to reserve a significant portion of this housing for households earning between 50 and 80 percent of the AMI. The proposed project will therefore further the District's policy of leveraging private development to create affordable housing within the city.

*Policy H-1.1.3: Balanced Growth: Strongly encourage the development of new housing on surplus, vacant and underutilized land in all parts of the city. Ensure that a sufficient supply of land is planned and zoned to enable the city to meet its long-term housing needs, including the need for low- and moderate-density single family homes as well as the need for higher-density housing. 10A DCMR § 503.4.*

The project will provide significant new housing on vacant, underutilized land. The housing is planned and to be zoned to enable the city to serve its long-term housing needs, by providing single family row dwellings and higher-density multi-family residential buildings.

*Policy H-1.1.4: Mixed Use Development: Promote mixed-use development, including housing, on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations. 10A DCMR § 503.5.*

The project is consistent with the goals of promoting mixed use development. The project will contain retail, residential, office, and recreational uses on commercially and residentially zoned land, and will be located along North Capitol Street, one of D.C.'s designated *Main Streets* and designated *Great Street*..

*Policy H-1.1.5: Housing Quality: Require the design of affordable housing to meet the same high-quality architectural standards required of market-rate housing. Regardless of its affordability level, new or renovated housing should be indistinguishable from market rate housing in its exterior appearance and should address the need for open space and recreational amenities, and respect the design integrity of adjacent properties and the surrounding neighborhood. 10A DCMR § 503.6.*

The project will exceed the required amount of affordable housing required by the Zoning Regulations and would not otherwise be offered in a typical housing development. Consistent with Policy H-1.1.5, the affordable housing units will meet the same high-quality architectural standards provided for the market-rate housing and will be indistinguishable from market rate housing in their exterior appearance. The project will provide ample open space and recreational amenities for public use, and will gracefully respect the design and integrity of the adjacent residential neighborhoods.

*Policy H-1.2.3: Mixed Income Housing: Focus investment strategies and affordable housing programs to distribute mixed income housing more equitably across the entire city, taking steps to avoid further concentration of poverty within areas of the city that already have substantial affordable housing. 10A DCMR § 504.8.*

The proposed development is mixed-income and includes both market-rate and affordable housing units. The project will further the District's policy of dispersing affordable housing throughout the city in mixed-income communities, rather than concentrating such units in

economically depressed neighborhoods.

*Policy H-4.2.2 - Housing Choice for Seniors - Provide a wide variety of affordable housing choices for the District's seniors, taking into account the income range and health care needs of this population. Recognize the coming growth in the senior population so that the production and rehabilitation of publicly-assisted senior housing becomes a major governmental priority. 10A DCMR § 516.7.*

The project will provide 85 affordable units set aside for senior residents 55 years and older making 50-60% of area median income. Doing so will take into account the income range and health care needs of the elderly. The Applicant recognizes the imminent growth in the senior population and will therefore provide high quality affordable housing that allows seniors to age in-place in a mixed-use, walkable urban environment.

2. Historic Preservation

a. City Preservation and Planning Goals

The significant historic preservation features of the project provide benefits to the city and fulfill the goals of the historic preservation law and the city's planning objectives. The above-ground historic components of the McMillan site will be protected, retained, enhanced, and rehabilitated for adaptive reuse, thereby safeguarding the city's historic and cultural heritage as reflected in this landmark. *See* D.C. Official Code § 6-1101(a). The project will also achieve the overarching goal of the Historic Preservation Element of the Comprehensive Plan, which is to:

[p]reserve and enhance the unique cultural heritage, beauty, and identity of the District of Columbia by respecting the historic physical form of the city and the enduring value of its historic structures and places, recognizing their importance to the citizens of the District and the nation, and sharing mutual responsibilities for their protection and stewardship.

10A DCMR § 1001.1. The sensitive treatment of the historically significant portions of the McMillan site, and the integration of the new construction into the historic fabric of the existing

structures, is precisely the type of redevelopment encouraged by the city. In addition, the proposed project will further a number of the specific policies outlined in the Historic Preservation Element of the Comprehensive Plan, including the following.

*Policy HP-1.3.1: Designation of Historic Properties: Recognize and protect significant historic properties through official designation as historic landmarks and districts under both District and federal law, maintaining consistency between District and federal listings whenever possible. 10A DCMR § 1005.2.*

The McMillan Site is within the McMillan Park Reservoir Historic District, which was listed in the District of Columbia Inventory of Historic Sites in 1991 and on the National Register of Historic Places in 2013. Although the landmark designation affects significantly the McMillan Site's development potential, the Applicant believes that many of the structures on the site are historically significant and should be preserved and maintained for continued enjoyment.

*Policy HP-2.1.2: Disposition of District-Owned Properties - Evaluate District owned properties for historic potential before acting on disposition. When disposal of historic properties is appropriate, ensure their continued preservation through transfer to a suitable new steward under conditions that ensure their protection and reuse. 10A DCMR § 1010.3.*

After disposition of the McMillan Site to the Applicant development team, the Applicant will ensure the protection and reuse of the important historic components while developing the site with new buildings specifically designed to evoke historic themes, architectural elements and complement preserved structures.

*Policy HP-2.4.2: Adaptation of Historic Properties for Current Use: Maintain historic properties in their original use to the greatest extent possible. If this is no longer feasible, encourage appropriate adaptive uses consistent with the character of the property. 10A DCMR § 1011.5.*

Although the McMillan Site will no longer be used for water filtration purposes, it will be devoted to a variety of mixed uses, including significant new public open space that preserves and celebrates the site's historic structures. Two underground cells will be preserved and adapted to

highlight their contribution to the historic engineering functions of the filtration plant. The proposed change in use of the overall site is in harmony with the original use and is fully consistent with the objectives of Policy HP-2.4.2.

*Policy HP-3.2.1: Preservation and Community Development: Promote historic preservation as a tool for economic and community development. 10A DCMR § 1017.3.*

In its current state, the vacant, fenced-off McMillan Site detracts from the character of the surrounding neighborhood. While its bones are elegant, its outward appearance serves as an eyesore. The rehabilitation and reuse of the historic structures, combined with the high-quality new vertical development, will provide an attractive physical environment for community members and District residents. The preservation of the existing above-ground structures will improve the overall appearance of the streetscape and help stimulate additional private investment in the surrounding area.

*Policy HP-2.4.1: Rehabilitation of Historic Structures: Promote appropriate preservation of historic buildings through an effective design review process. Apply design guidelines without stifling creativity, and strive for an appropriate balance between restoration and adaptation suitable from the particular historic environment. 10A DCMR § 1011.4.*

The proposed development is subject to review by HPRB, the Mayor's Agent for Historic Preservation, and the Zoning Commission. These proceedings will involve the exact design review contemplated by Policy HP-2.4.1. The Applicant has also achieved an appropriate balance between restoration, rehabilitation, and adaptation of the most significant historic structures, including an extensive scope of preservation work.

b. Preservation Scope of Work

The McMillan site is a rare surviving example of a slow sand filtration plant at an urban scale in the United States. The site holds historical and architectural significance, exemplifying

the design quality and innovation of public works and the City Beautiful movement at the turn of the twentieth century. Preserving, restoring and making the McMillan site accessible to the public is an integral component of the project. As determined by HPRB when it voted to support the project's design guidelines, the McMillan Site will retain significant character defining features of the historic site.

The preservation strategy will ensure that the landmark site continues to convey its unique character and historic significance by: 1) preserving and adaptively reusing the historic built resources, developing interpretive programs, and incorporating significant views and landscape features; and 2) implementing design guidelines to shape all new construction throughout the site. The preservation of historic built resources on the site is based on the resource-specific treatment recommendations provided in the McMillan Sand Filtration Plant Historic Preservation Report (2014). These recommendations reflect the relative importance of the resources to the significance of the landmark. The design guidelines provide direction on the treatment of these resources and address the character distinctions between above-ground and below-ground resources. The preservation for the built resources is as follows:

- Regulator Houses: All four regulator houses will be retained in place and adaptively reused as appropriate and feasible;
- Sand Bins: All 20 of the sand bins will be retained in place and adaptively reused as appropriate and feasible;
- Sand Washers: At least one sand washer will be preserved, with the possibility of relocating and adaptively reusing select sand washers as landscape features within the McMillan Site's open spaces;

- Service Court Walls and Portals: A majority of the walls and all of the portals in the South Service Court will be retained, including stairs and ramps where possible. These features will be incorporated into the design of the Park and the residential developments to the north. The walls, portal, and stairs associated with Cell 14 will be preserved to provide an intact example of the resource type;
- Underground Cells 14 and 28: These cells will be preserved. Cell 14 will be preserved as an intact artifact in the northeast corner of the McMillan Site. A substantial portion of Cell 28 will be incorporated into the design of the Park as part of the interpretive program of the historic site.

The views and landscape resources on the McMillan site are also key character-defining features of the landmark site that will be incorporated into the master plan to enhance the quality of redevelopment. The McMillan Site will continue to read as whole, preserved in its original form, organization, and topography, including the berm. Almost all of the above-ground historic built features will be retained and rehabilitated to the Secretary of the Interior's standards and guidelines, including the historic tripartite organization and horizontal plinth that is critical to the interpretation of the historic operations of the water filtration plant. The Applicant will recreate the defining Olmsted Walk and will stabilize and rehabilitate two underground cells in a manner that will allow for public use. Retaining the historic site and its significant historic elements will provide a concentration of public experience at the southern end of the McMillan Site, retain the visual and physical connection between the McMillan Site and the reservoir across First Street, and allow the southern portion of the original plain to be read from the recreated Olmsted Walk at its original height.

Moreover, the master plan for the project is accompanied by design guidelines that will

ensure that the redevelopment preserves the McMillan site as a distinct landmark while it shapes a built environment that exists harmoniously in its urban context. The design guidelines provide direction on how to interpret the historic character of the site; preserve and adapt the historic resources on the site; design a public realm and built environment that is compatible with the site and its context including ensuring all new buildings are cohesive and complement and enhance the landmark; and achieve urban design principles and objectives established in the project's master plan. Overall, the project will result in the revitalization of a long-since defunct and deteriorating resource including providing for public understanding of a significant historic site and serving public enjoyment in a way the landmark never has before.

### 3. Land Use

The Land Use Element of the Comprehensive Plan establishes the basic policies guiding the physical form of the city, and provides direction on a range of development, conservation, and land use compatibility issues. The Land Use Element describes the balancing of priorities that must take place in order to accommodate a multiplicity of land uses within the boundaries of the District. The overarching goal of the Land Use Element is to:

[e]nsure the efficient use of land resources to meet long-term neighborhood, citywide, and regional needs; to help foster other District goals; to protect the health, safety, and welfare of District residents and businesses; to sustain, restore, or improve the character and stability of neighborhoods in all parts of the city; and to effectively balance the competing demands for land to support the many activities that take place within District boundaries

10A DCMR § 302.1. Consistent with this objective, the project at the McMillan Site promotes the following policies of the Land Use Element of the Comprehensive Plan:

*Policy LU-1.2.1: Reuse of Large Publicly-Owned Sites: Recognize the potential for large, government-owned properties to supply needed community services, create local housing and employment opportunities, remove barriers between neighborhoods, provide large and significant new parks, enhance waterfront access, and improve and stabilize the city's neighborhoods. 10A DCMR § 305.5.*

The proposed redevelopment reuses the historic McMillan sand filtration site, currently owned by the District of Columbia, to supply needed community services, create local housing and employment opportunities, remove a large barrier among neighborhoods, and provide a large and innovative new public park. The project will also improve the surrounding neighborhood by completing the street grid and creating a walkable and pedestrian-friendly environment.

*Policy LU-1.2.2: Mix of Uses on Large Sites: Ensure that the mix of new uses on large redeveloped sites is compatible with adjacent uses and provides benefits to surrounding neighborhoods and to the city as a whole. The particular mix of uses on any given site should be generally indicated on the Comprehensive Plan Future Land Use Map and more fully described in the Comprehensive Plan Area Elements. Zoning on such sites should be compatible with adjacent uses. 10A DCMR § 305.7.*

The project, which incorporates residential, retail, office, and recreational uses on a large site is consistent and compatible with adjacent uses and will provide a numerous significant benefits to the immediate neighborhood and to the city as a whole. The proposed mix of uses on the McMillan Site is consistent with the Comprehensive Plan Future Land Use Map's designation of the property. The proposed uses are also neighborhood-serving and will provide much needed new retail opportunities, including a new full service grocery store for the benefit of the surrounding community.

*Policy LU-1.2.5: Public Benefit Uses on Large Sites: Given the significant leverage the District has in redeveloping properties which it owns, include appropriate public benefit uses on such sites if and when they are reused. Examples of such uses are affordable housing, new parks and open spaces, health care and civic facilities, public educational facilities, and other public facilities. 10A DCMR § 305.10.*

As a public-private development between the Applicant and the District, the proposed project will incorporate significant benefits for the public in fulfillment of this land use policy. As described in Policy LU-1.2.5, these benefits include affordable housing, new parks and open spaces, recreational amenities, a new public community center, and health care facilities.

*Policy LU-1.2.6: New Neighborhoods and the Urban Fabric: On those large sites that are redeveloped as new neighborhoods (such as Reservation 13), integrate new development into the fabric of the city to the greatest extent feasible. Incorporate extensions of the city street grid, public access and circulation improvements, new public open spaces, and building intensities and massing that complement adjacent developed areas. Such sites should not be developed as self-contained communities, isolated or gated from their surroundings. 10A DCMR § 305.11.*

The proposed project will integrate new development directly into the fabric of the city. The project will extend the existing city street grid, improve public access and circulation, provide new public open spaces, and develop building intensities that complement adjacent areas. The project will not be developed as a self-contained community and will not be isolated or gated from the surrounding neighborhoods.

*Policy LU-1.2.7: Protecting Existing Assets on Large Sites: Identify and protect existing assets such as historic buildings, historic site plan elements, important vistas, and major landscape elements as large sites are redeveloped. 10A DCMR § 305.12.*

The project will protect many of the historic assets of the McMillan filtration site, including the above ground structures, approximately 70,000 square feet of below-ground structures, the historic site plan and design elements, important vistas, and major landscape elements.

*Policy LU-1.4.1: Infill Development: Encourage infill development on vacant land within the city, particularly in areas where there are vacant lots that create "gaps" in the urban fabric and detract from the character of a commercial or residential street. Such development should complement the established character of the area and should not create sharp changes in the physical development pattern. 10A DCMR § 307.5.*

*Policy LU-1.4.2: Long-Term Vacant Sites: Facilitate the reuse of vacant lots that have historically been difficult to develop due to infrastructure or access problems, inadequate lot dimensions, fragmented or absentee ownership, or other constraints. Explore lot consolidation, acquisition, and other measures which would address these constraints. 10A DCMR § 307.6.*

The proposed project will provide necessary infill development on underutilized land that

presently creates a major gap in the urban fabric. The project will facilitate the reuse of the vacant land, which has historically been difficult to develop due to infrastructure and access problems and fragmented ownership. Furthermore, the project will complement the established character of the residential and institutional uses of the surrounding neighborhoods and will provide new, much-needed retail and employment opportunities.

#### 4. Transportation

The transportation infrastructure surrounding the McMillan Site is comprised primarily of automobile-oriented roads. The site lacks the necessary infrastructure to provide safe and efficient multi-modal travel. The Transportation Element's overarching goal is to:

[c]reate a safe, sustainable efficient multi-modal transportation system that meets the access and mobility needs of District residents, the regional workforce, and visitors; supports local and regional economic prosperity; and enhances the quality of life for District residents

10A DCMR§ 401.1. Redevelopment of the McMillan Site is consistent with this goal and will significantly improve the existing transportation facilities surrounding the McMillan Site by furthering the policies described below.

*Policy T-2.4.1: Pedestrian Network: Develop, maintain, and improve pedestrian facilities. Improve the city's sidewalk system to form a network that links residents across the city. 10A DCMR § 410.5.*

*Policy T-2.4.2: Pedestrian Safety: Improve safety and security at key pedestrian nodes throughout the city. Use a variety of techniques to improve pedestrian safety, including textured or clearly marked and raised pedestrian crossings, pedestrian-actuated signal push buttons, and pedestrian count-down signals. 10A DCMR § 410.6.*

Consistent with these policies that promote the safety and convenience of pedestrian activity throughout the District, the project will provide new pedestrian facilities by creating a grid street system with wide sidewalks, a recreational path, landscaping, lighting, and ground floor retail, as well as streets designed to calm traffic. These new facilities will improve the

city's sidewalk system to form a network that links residents within the immediate neighborhood and across neighborhoods. The project will also improve safety and security throughout the Site by installing clearly marked pedestrian crossings and signals and human-scaled lighting, and by increasing foot traffic in the neighborhood.

Another major benefit of the project is that it will serve as a catalyst for enhanced city-wide public transportation options. As a result of the McMillan redevelopment, the city has committed to fund a new Circulator route between Brookland and Tenleytown with service to the McMillan site and H Street Metrobus lines that will also serve the project.

*Action T-2.3-A: Bicycle Facilities: Wherever feasible, require large new commercial and residential buildings to be designed with features such as secure bicycle parking and lockers, bike racks, shower facilities, and other amenities that accommodate bicycle users. 10A DCMR § 409.11.*

This action element encourages new developments to include bicycle facilities. The project will include secure bicycle parking and bicycle racks as amenities within the development that support and encourage bicycle commuters and visitors. The project will provide a variety of bicycle storage options, including groupings of bicycle racks at building entrances and public spaces, as well as secured and covered facilities. The Applicant will also pay for the installation of 80 new Capital Bikeshare docks and will work with DDOT to improve bicycle connectivity throughout and surrounding the McMillan Site.

## 5. Environmental Protection

The Environmental Protection Element addresses the protection, restoration, and management of the District's land, air, water, energy, and biologic resources. The overarching goal for environmental protection is to:

[p]rotect, restore, and enhance the natural and man-made environment in the District of Columbia, taking steps to improve environmental quality, prevent and reduce pollution, and conserve the values and functions of the District's natural

resources and ecosystems.

10A DCMR § 601.1. In keeping with this objective, the Applicant has gone to great lengths to comply with the Environmental Protection Element's policies and actions on important issues, such as energy conservation and air quality, and specific policies including the following:

*Policy E-1.1.1: Street Tree Planting and Maintenance: Plant and maintain street trees in all parts of the city, particularly in areas where existing tree cover has been reduced over the last 30 years. Recognize the importance of trees in providing shade, reducing energy costs, improving air and water quality, providing urban habitat, absorbing noise, and creating economic and aesthetic value in the District's neighborhoods. 10A DCMR § 603.4.*

The project will incorporate hundreds of new trees throughout the McMillan Site thoughtfully installed including caliper sizing, tree box design and connections to stormwater runoff. The Applicant recognizes the importance of trees in providing shade, reducing energy costs, improving air and water quality, absorbing noise, and creating economic and aesthetic value.

*Policy E-1.1.3: Landscaping: Encourage the use of landscaping to beautify the city, enhance streets and public spaces, reduce stormwater runoff, and create a stronger sense of character and identity. 10A DCMR § 603.6.*

The entire McMillan Site will be landscaped to beautify the area, enhance streets and public spaces, reduce storm water runoff, and create a stronger sense of character and identity to the new McMillan site.

*Policy E-2.2.1: Energy Efficiency: Promote the efficient use of energy, additional use of renewable energy, and a reduction of unnecessary energy expenses. The overarching objective should be to achieve reductions in per capita energy consumption by D.C. residents and employees. 10A DCMR § 610.3.*

The project will employ strategies and new technologies to use energy efficiently and minimize unnecessary energy expenses.

## 6. Economic Development

The Economic Development element of the Comprehensive Plan addresses the future of the District's economy and the creation of economic opportunity for current and future District residents. It includes strategies to sustain Washington's major industries, diversify the economy, accommodate job growth, maintain small businesses and neighborhood commercial districts, and increase access to employment for District residents. The overarching goal of the Economic Development element is to:

[s]trengthen the District's economy by sustaining its core industries, attracting new and diverse industries, accommodating future job growth, fostering the success of small businesses, revitalizing neighborhood commercial centers, improving resident job skills, and helping a greater number of District residents find and keep jobs in the Washington regional economy.

10A DCMR § 701.1. The project furthers this goal by supporting the following policies.

*Policy ED-1.1.1: Core Industries: Continue to support and grow the District's core industries, particularly the federal government, professional and technical services, membership associations, education, hospitality, health care, and administrative support. 10A DCMR § 703.9.*

Redevelopment of the McMillan site with a new world-class healthcare facilities located directly adjacent to the largest concentration of similar healthcare uses in the city is a major step toward helping to support, encourage and expand the health care sector, one of the District's core industries.

The physical plant of all of the District's healthcare providers and hospital facilities, even those of the most successful and profitable operators, are significantly aged, outdated and inefficient. Yet, owing to the complex and incredibly demanding uses of these buildings once they are placed in service, the cost and space requirements involved with a major upgrades to these facilities often make such improvements prohibitive if not impossible. The creation of approximately one million square feet of new, cutting-edge healthcare delivery, research and administrative space will have a materially positive impact on the ability of several of the District's

leading healthcare providers to deliver care to customers more efficiently and effectively, thereby positively impacting the healthcare system of the city as a whole.

Furthermore, the total development included within the project will generate approximately 3,000 construction jobs, many of which will go to District residents thanks to the First Source commitments already made by the Applicant during the PUD process. Additionally, when fully built-out, the project is anticipated to generate an additional 3,200 permanent jobs many of which will be within the high-growth healthcare industry. In order to ensure that the number of District residents who can take advantage of these job opportunities is maximized, the Applicant has committed \$700,000 toward the establishment of a workforce fund, which will organize and distribute grants and awards to local workforce development and social service organizations to connect District residents seeking jobs at the McMillan Site with the training, job preparation, and workforce readiness skills necessary to maximize their job opportunities. These efforts will be undertaken for both the construction jobs generated by redevelopment of the McMillan Site and for the permanent positions within the retail and healthcare arenas generated by the tenants that will locate at the McMillan Site. As a part of this process, an advisory board will be established, made up of local community stakeholders, workforce development organizations, and representatives from the Applicant and the tenant community, which will provide input and approve grants awarded by the fund. A description of the workforce development plan, known as Opportunity McMillan, is attached as Exhibit I.

*Policy ED-2.2.3: Neighborhood Shopping: Create additional shopping opportunities in Washington's neighborhood commercial districts to better meet the demand for basic goods and services. Reuse of vacant buildings in these districts should be encouraged, along with appropriately-scaled retail infill development on vacant and underutilized sites. Promote the creation of locally-owned, non-chain establishments because of their role in creating unique shopping experiences. 10A DCMR § 708.7*

The project is consistent with the policy of encouraging neighborhood shopping. The project will create new shopping and retail opportunities to better meet the demands for basic goods and services for McMillan residents and the residents of the neighboring communities. The retail will be located on an underutilized site, and will recruit of locally-owned, distinctive, neighborhood serving establishments anchored by an established grocer. The project has set aside space and funds to facilitate and incubate retail start-ups. Together the established retailers and new business will create a unique shopping experience. The retail will be easily accessible by all modes of transportation and by all segments of the population.

*Policy ED-2.2.6: Grocery Stores and Supermarkets: Promote the development of new grocery stores and supermarkets, particularly in neighborhoods where residents currently travel long distances for food and other shopping services. Because such uses inherently require greater depth and lot area than is present in many commercial districts, adjustments to current zoning standards to accommodate these uses should be considered. 10A DCMR § 708.10.*

The project will include a full service grocery store on the ground floor of the Multi-Family/Grocery Building. The grocery store will be located in a neighborhood where residents currently have to travel long distances for similar grocery facilities and will therefore be conveniently located for use by McMillan residents and the residents of the neighboring communities.

*Policy ED-2.4.1: Institutional Growth: Support growth in the higher education and health care sectors. Recognize the potential of these industries to provide employment and income opportunities for District residents, and to enhance the District's array of cultural amenities and health care options. 10A DCMR § 710.3.*

This newly developed space within the McMillan project affords a tremendous opportunity for many of the District's most successful health systems to expand beyond their existing facilities, into more smartly designed and appropriate facilities thereby providing a significant benefit to their workforce and assisting with employee retention and satisfaction. One need only look to the

redevelopment of the former George Washington University hospital (now owned and operated by Universal Health Services) to see the incredible benefits afforded to a healthcare system that is first able to upgrade and improve its existing and aging physical infrastructure and second, able to reap the benefits of a significant level of mixed-use redevelopment directly adjacent to the healthcare facility. The type of development taking place within the McMillan project represents exactly this kind of forward-thinking, comprehensive, mixed-use development that has proven successful in the past.

Additionally, the development of such a significant amount of new healthcare space in the District is such a rare event that the project may also succeed in attracting world-class health systems which are currently looking to expand their footprint and operations within the District (i.e. Johns Hopkins), but have not been able to find appropriate opportunities for such expansion efforts to date. As outlined in the Mayor's Five-Year Economic Development Strategy for the District, the development of McMillan as a global medical center is a key priority for the city and has been designed to help bring the District's healthcare infrastructure to a level that will rival the most powerful and successful medical districts in the country from Houston to Chicago to Boston. Those other examples of mature medical districts have shown themselves to be economic powerhouses in terms of attracting industry-leading healthcare systems, research institutions and educational partners to their respective cities and have had immense impacts on the related healthcare and higher education systems.

As noted above, the Applicant has made a significant commitment to workforce development initiatives and programs which will be developed and fostered in conjunction with the Community Foundation for the National Capitol Region and will be designed specifically to prepare District residents for the significant number of new job opportunities within the healthcare

industry that the McMillan project will generate. This \$1.2 million combined commitment by the Applicant exclusively to workforce development and the preparation of District residents is unprecedented, not just for its size and scale, but for its significant focus on healthcare job opportunities which will undoubtedly have an effect far beyond the project itself.

Healthcare careers are unique in that they provide a broad spectrum of opportunities from entry-level positions like EMTs and home health aides, to careers requiring significant post-secondary education like physicians and dentists. Many of these opportunities can be pursued only after training and certification programs have been completed, and thus, a significant amount of focus and coordination is being aligned to ensure the workforce development efforts of the project involve healthcare employers and workforce development providers from across the city, far beyond the boundaries of the project itself. While ambitious and certainly expensive (\$1.2 million being the highest financial commitment ever made to such workforce development efforts related to a development project to date), the ultimate effects that the project will have on District residents and on the healthcare industry as a whole will be substantial.

As a result of the Healthcare component of the project as well as the retail and housing, the project is expected to deliver over \$1 billion in new property, sales, and income tax revenue for the District over the first thirty years of operation. A copy of the fiscal impact report is attached as Exhibit J. These funds can be invested in operating the City, including uses such as hiring teachers and policemen, investing in parks and schools, and creating more affordable housing and educational opportunities for District residents. The project takes a site with no tax revenue and no direct benefit to the District residents and turns it into an economic development engine for both neighborhood residents and District at-large.

#### 7. Parks, Recreation and Open Space

One of the project's most salient features is its preservation of open space and its creation of a safe and integrated public park for district residents. The Parks, Recreation and Open Space Element addresses the future of parks, recreation, and open space in the District. It recognizes the important role that parks play in recreation, aesthetics, neighborhood character, and environmental quality. The overarching goal of Parks, Recreation and Open Space Element is to:

Preserve and enhance parks and open spaces within the District of Columbia to meet active and passive recreational needs, improve environmental quality, enhance the identity and character of District neighborhoods, and provide visual beauty in all parts of the national capital

11 DCMR § 801.1. The project exemplifies this goal and a number of the specific policies within the Element as follows.

*Policy PROS-1.2.2: Improving Access: Improve access to the major park and open space areas within the city through pedestrian safety and street crossing improvements, bike lanes, and storage areas, and adjustments to bus routes. 10A DCMR § 805.6.*

The project will further the policy objective of improving access by providing safe and secure pedestrian facilities, bicycle lanes, and transit access to a major new park, retail, and public recreational facilities.

*Policy PROS-1.4.3: Parks on Large Sites: Include new neighborhood and/or community parks on large sites that are redeveloped for housing and other uses that generate a demand for recreational services. The potential for such parks to enhance the connectivity of parks and open spaces throughout the city should be an important planning and design consideration, particularly where multiple large adjacent sites are being redeveloped. 10A DCMR § 807.6.*

The project will create a new 6.2 acre park, which is otherwise being redeveloped with housing, retail, and office uses. These complementary uses generate a high demand for recreational services and open space. The park will enhance connectivity throughout the city, and will provide a major new green space for District residents to enjoy.

## 8. Compliance with the Mid-City Area Element

In addition to the citywide elements, the Comprehensive Plan includes ten geographically based "area elements." The McMillan Site is located within the Mid-City area. The Mid-City area is one of the most diverse parts of the District. Much of the area was developed during the late nineteenth and early twentieth centuries, giving it a rich and historic urban character. The project is consistent with the objectives and policies of the Mid-City Area Element as follows.

*Policy MC-1.2.4: New Parks: Explore the possibility for new neighborhood parks within the Mid-City area, particularly in the area around the proposed Howard Town Center, and on the McMillan Reservoir site. Additionally, pocket parks and plazas such as those planned for the Columbia Heights Metro station area should be encouraged elsewhere in the Planning Area, particularly near higher density development. The dearth of parks in the Mid-City area is a serious problem that must be addressed as its population grows—all recreation areas must be retained and new recreation areas must be provided wherever possible. 10A DCMR § 2009.4.*

The project will provide the largest new neighborhood park and two smaller pocket parks on the McMillan site, as specifically recommended in Policy MC-1.2.4.

*Policy MC-2.6.1: Open Space on McMillan Reservoir Sand Filtration Site: Require that reuse plans for the McMillan Reservoir Sand Filtration site dedicate a substantial contiguous portion of the site for recreation and open space. The open space should provide for both active and passive recreational uses, and should adhere to high standards of landscape design, accessibility, and security. Consistent with the 1901 McMillan Plan, connectivity to nearby open spaces such as the Armed Forces Retirement Home, should be achieved through site design. 10A DCMR § 2016.5.*

The project will dedicate a substantial, contiguous portion of the McMillan Site for recreation and open space. The proposed 6.2 acre park in the southern portion of the property will provide both active and passive recreational uses, and will adhere to high standards for landscape design, accessibility, and security.

*Policy MC-2.6.2: Historic Preservation at McMillan Reservoir: Restore key above-ground elements of the site in a manner that is compatible with the original plan, and explore the adaptive reuse of some of the underground "cells" as part of the historic record of the site. The cultural significance of this site, and its importance to the history of the District of Columbia must be recognized as it is reused.*

*Consideration should be given to monuments, memorials, and museums as part of the site design. 10A DCMR § 2016.6.*

In keeping with this policy objective, the proposed project will restore the site's primary above-ground structures in a manner that is compatible with the original McMillan plan, and will adaptively reuse two of the underground filtration cells to be preserved and celebrated for their historic use and achievement. The Applicant recognizes the importance of preserving the cultural significance of the McMillan Site and highlighting its importance to the history of the District. The Applicant will convey this history via a fully accessible "walking museum" open to the public during all open park days and hours. The project has been reviewed and approved by HPRB.

*Policy MC-2.6.3: Mitigating Reuse Impacts: "Ensure that any development on the site is designed to reduce parking, traffic, and noise impacts on the community; be architecturally compatible with the surrounding community; and improve transportation options to the site and surrounding neighborhood. Any change in use on the site should increase connectivity between Northwest and Northeast neighborhoods as well as the hospital complex to the north. 10A DCMR § 2016.7.*

The proposed project is designed to reduce parking, traffic, and noise impacts on the community by creating new streets that will be integrated with the existing street grid and providing new pedestrian and bicycle infrastructure facilities to encourage active and alternative transportation modes. The Applicant will provide the funding for 80 new Capital Bikeshare docks, and the overall master plan will increase connectivity between the northwest and northeast neighborhoods, as well as to the health care facilities to the north of the McMillan Site. Furthermore, the architecture of the proposed new buildings will be compatible with the surrounding community, mirroring the height and massing of the health care facilities to the north and the lower-density residential neighborhoods to the south and east.

*Policy MC-2.6.4: Community Involvement in Reuse Planning: Be responsive to community needs and concerns in reuse planning for the site. Amenities which are accessible to the community and which respond to neighborhood needs should be included. 10A DCMR § 2016.8.*

The proposed redevelopment has been responsive to community needs and concerns in reuse planning for the site. The Applicant has devoted significant time and resources in meeting with the community to address its concerns and encourage the development of creative ideas to plan for the Site's reuse. On-site amenities will be easily accessible to the public and will respond to the neighborhood's specific requests.

*Policy MC-2.6.5: Scale and Mix of New Uses: Recognize that development on portions of the McMillan Sand Filtration site may be necessary to stabilize the site and provide the desired open space and amenities. Where development takes place, it should consist of moderate- to medium-density housing, retail, and other compatible uses. Any development on the site should maintain viewsheds and vistas and be situated in a way that minimizes impacts on historic resources and adjacent development. 10A DCMR § 2016.9.*

The project is consistent with this policy goal of encouraging moderate to medium density housing, retail, and other compatible uses. Development on the McMillan Site will maintain viewsheds and vistas and will be situated to minimize impacts on historic resources and adjacent development.

9. Other Features Having a High Priority for Community Services

The Applicant will provide the following community benefits as part if the redevelopment project:

- a. Prior to settlement on the sale of the first townhouse on Parcel 5, the Applicant shall initiate annual payments of \$60,000 each over a five-year period (\$300,000 total) to the CFNCR to support scholarships for higher education, training or job-related certification encouraging “legacy” careers paths such as civil engineering, landscape architecture, or on-site jobs in the medical field, with a preference for Ward 1 and 5 residents to the extent permitted by law
- b. Prior to settlement on the sale of the first townhouse on Parcel 5, the Applicant shall initiate annual payments of \$25,000 each over a five-year period (\$125,000 total) to the D.C. Education Fund to be used to improve science, technology, engineering, and math ("STEM") teacher professional development and instruction, as well as student learning and achievement,

particularly at Dunbar High School, McKinley Technical High School, and Langley Educational Campus.

- c. Prior to the issuance of the first Certificate of Occupancy for the building on Parcel 4 and prior to the first settlement on the sale of a house on Parcel 5, the Applicant shall initiate annual payments of \$50,000 over a ten-year period (\$500,000 total) to the project association to hire high-school age residents and senior residents to provide guided tours of the McMillan site highlighting the preserved historic resources.
- d. Prior to the issuance of the first Certificate of Occupancy for the building on Parcel 4 and prior to the first settlement on the sale of a house on Parcel 5, the Applicant shall initiate annual payments of \$75,000 over a ten year period (\$750,000 total) to the project association operating budget to create a community market, outdoor cafe, and space for art installations between the South Service Court and South Park, and to activate the South Service Court and existing elements, such as regulator houses for small business incubators, silos as hanging gardens, water features and observation points.
- e. Prior to the issuance of the first Certificate of Occupancy for the building on Parcel 4, the Applicant shall show evidence of payment of \$225,000 to the project association to facilitate business start-ups in the project.
- f. Prior to the issuance of the first Certificate of Occupancy for the building on Parcel 4 and prior to the first settlement on the sale of a house on Parcel 5, the Applicant shall provide evidence to the D.C. Department of Consumer and Regulatory Affairs (“DCRA”) that it has initiated payments to a contractor or otherwise will incur costs in the amount of \$500,000 over a five-year period for fabricating, installing, repairing and restoring tree box fence enclosures; planting trees and ground cover plants, and installing certain neighborhood signage in coordination with the Bates, Bloomingdale, Eckington, Edgewood, Hanover Area, and Stronghold Civic Associations.
- g. The Applicant shall use best efforts to provide free WiFi for public use in the community center and park.
- h. Prior to the issuance of the first Certificate of Occupancy for the mixed-use building on Parcel 4, the Applicant shall initiate annual payments in the amount of \$30,000 each over a five-year period (\$150,000 total) to North Capitol Main Street, Inc. for storefront improvements located on North Capitol Street, N.E. and N.W., between Channing Street and New York Avenue.

**D. Consistency with Prior Mayor's Agent Decisions**

1. Overview

Over the years, the Mayor's Agent has approved more than thirty special merit projects.

The common thread of these cases involves at least one of the following two elements:

- (1) The amenities in question are designed to benefit more than just a small number of people and can properly be regarded as "having significant benefits to the District of Columbia" as a whole.
- (2) The proposal incorporated a plan for retaining all or significant portions of the affected structures. The preservation aspect of this element can also be considered as conferring a benefit that is available across-the-board and not just to a small number of people, and it is also consistent with the Act's statement of purposes.

Some of the specific features of land planning that the Mayor's Agent has previously found to constitute special merit—either alone or in some combination with other elements—include museums, art galleries, performing arts centers, theaters, historic preservation, cultural and entertainment venues, education, community outreach, market-rate housing, affordable housing, employment opportunities, and subsidies for preferred uses.

The following sample of redevelopment projects approved by the Mayor's Agent demonstrates that the McMillan project and related subdivision not only meet, but far exceed, the special merit features of the projects approved in those earlier cases.

2. Previous Special Merit Cases

- a. In the Matter of: Trustees of the Corcoran Gallery of Art and MR Randall Capital LLC for Partial Demolition of 65 I Street, S.W. (the former Randall Junior High School), HPA No. 07-245 (September 18, 2007)

The Mayor's Agent approved granting a permit to demolish portions of the Randall Junior High School in order to construct a major new residential building and a new campus for the Corcoran College of Art and Design. The Mayor's Agent held that the demolition was necessary in the public interest in order to construct a project of special merit, which would provide a number of social and other benefits having a high priority for community services. These included the provision of 100,000 square feet of new arts and arts-education uses; a new gallery

for student and faculty work; continuing education and arts outreach programs for the community; approximately 420,000 square feet of new affordable and market-rate housing; and the preservation of the most historically significant portions of the Randall School building to allow its re-use as an educational institution. The project would also advance numerous objectives and policies in the Comprehensive Plan.

- b. In Re: Application of the Phillips Collection for Partial Demolition and Subdivision at 1618 21<sup>st</sup> Street, N.W., HPA No. 00-405 (October 11, 2000)

The Phillips Collection sought approval for permits authorizing the demolition of substantial portions of one of its structures (with plans to maintain and restore the structure's façade) and subdivision of its lots into a single lot of record. Findings of Fact ¶¶2 and 4 (p. 2). The Mayor's Agent found that issuance of the permits was necessary in the public interest to complete a project of special merit bestowing significant benefits on the community through exemplary architecture and significant educational, cultural, and other important social benefits to the District. Conclusions of Law ¶13 (pp. 6-7). The Mayor's Agent specifically noted the expansion of the museum's collection, expansion of its library, new experimental education uses for the collection, and the museum's "Art of the City" education program that would be expanded by the increase in the museum's facilities. Findings of Fact ¶10 (pp. 5-6).

- c. Application for Partial Demolition of Sixteen Structures Located at 1005 through 1017 E Street, N.W., 501, 507, 511, 515-525 11<sup>th</sup> Street, N.W. and 1012 F Street, N.W., HPA Nos. 88-350 through 88-354 (November 18, 1988)

In this matter, the applicant sought demolition permits to allow the construction of a mixed-use project containing arts, retail, and office uses. The Mayor's Agent determined that the project was one of special merit by virtue of its specific features of land planning, furtherance of the District's goals and objectives as set forth in the Comprehensive Plan, and the provision of social and other benefits having a high priority for community services. Findings of Fact ¶10 (p. 13). Particularly, the project devoted 76,000 square feet to preferred retail and arts-related uses. *Id.* The project also proposed the construction of four movie theaters containing a total of 1,540 seats and a prominent entrance on E Street. *Id.* (p. 14). Finally, the applicant committed to

setting aside and subsidizing twenty-five percent (25%) of the total 40,000 square feet of retail space for minority, displaced, and small businesses. Findings of Fact ¶11 (p. 15). These factors were found to constitute a project of special merit by virtue of specific features of land planning and other social benefits. Conclusions of Law (p. 25).

d. In the Matter of: 507-525 11th Street, N.W. (et al.), 507-525 11th Street, N.W. (et al.), HPA Nos. 94-157 through 94-175 (July 28, 1994)

The applicant sought permits for total and partial demolition of nineteen non-landmark buildings located within the Pennsylvania Avenue National Register of Historic Places—four of which were deemed to be non-contributing structures—and permits for new construction to build a mixed-use development. The applicant proposed to completely demolish twelve of the buildings, including the four non-contributing buildings. Findings of Fact ¶¶1-3 (p. 1). Additionally, two façades would be relocated and reconstructed, while seven others would be retained and restored. Findings of Fact ¶3 (p. 1). The Mayor's Agent concluded that the project was one of special merit by virtue of specific features of land planning and social or other benefits having a high priority for community services since the plan exceeded the amount of arts space required under the Comprehensive Plan, including a five-screen movie theater. Conclusions of Law ¶29 (p. 4). Additionally, the Mayor's Agent found that agreements between the developer and community groups would secure employment opportunities for the local community.<sup>6</sup>

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<sup>6</sup> The applicant filed a Motion for Modification of the Mayor's Agent's Decision and Order of July 24, 1994 so that it could dismantle, catalog, and store the façades of three buildings while the buildings were demolished. Based on testimony from the D.C. Chief Building Inspector and the applicant's experts indicating that leaving the façades in place during demolition would present an imminent danger to public health, the Mayor's Agent concluded that the applicant's plans were an appropriate response to the situation and consistent with the Order of July 24, 1994. Modification Order (March 6, 1996).

- e. In Re: Application of the Corcoran Gallery of Art for Partial Demolition of 500 17<sup>th</sup> Street, N.W., HPA No. 02-284 (September 19, 2002)

The Corcoran Gallery sought a permit to demolish a portion of its rear wall in order to build a new addition to accommodate increasing demand on the museum's galleries and educational programs. In his discussion, the Mayor's Agent noted that the design was selected not merely because of cost efficiencies but, rather, because it offered the "appropriate balance" of several factors including preservation of as much of the landmark building as was reasonable and the accommodation of the applicant's programmatic needs. Discussion at p. 11. The Mayor's Agent concluded that the project was one of special merit by virtue of exemplary architecture that would also provide significant benefits to the District through its educational and outreach programs. Conclusions of Law ¶5 (p. 14).

- f. In Re: Application of Washington Drama Society, Inc. for Partial Demolition, Subdivision, and New Construction at 1101 6<sup>th</sup> Street, S.W., HPA Nos. 02-471, 02-472, 02-515, and 02-262 (September 27, 2002)

Based on the findings by the Historic Preservation Review Board and the Commission on Fine Arts, as well as his own review of the record, the Mayor's Agent concluded that the proposed expansion of the landmark Arena Stage, which would include a new addition—described as "an egg-like structure" under continuing study at the time of the hearing—and a transparent glass structure that would encapsulate the two historic theaters on the site and showcase them through large windows was a project of special merit by virtue of exemplary architecture. Findings of Fact ¶9 (pp. 4-5). Additionally, the Mayor's Agent found that the proposed addition was a project of special merit by virtue of specific features of land planning in that the project would fulfill several major themes from the District's Comprehensive Plan, including the preservation of two major historic theater spaces, in a manner that allowed the

continued support of the District's arts and cultural community and financial support of preservation of historic properties by private means. Findings of Fact ¶16 (p. 6); Discussion at pp. 7-8; Conclusions of Law ¶4 (p. 8). The proposed project was found to appropriately balance a number of factors, including the preservation of as much of the landmark building as was reasonable and the programmatic needs of the applicant, including the enhancement and expansion of its outreach programs. Discussion at p. 7.

- g. Application for Partial Demolition and New Construction Permits for the Rose L. Hardy Middle School, a District of Columbia Public School, at 1819 35<sup>th</sup> Street, N.W., HPA No. 02-608 (February 3, 2003)

The basis for this application was that the District of Columbia Public School system had requested a permit to demolish the original gymnasium wing of the Rose L. Hardy Middle School (formerly the James H. Gordon Junior High School, and formerly the Carlos Rosario Center), and in its place to erect a new facility that would house a state-of-the-art gymnasium, plus choral and band-dedicated spaces, uniform and physical education equipment storage areas, and laundry facilities. Background at p. 2. Additionally, dedicated space was to be created for fitness, health, physical therapy, and mechanical equipment. In finding that the project was one of special merit, the Mayor's Agent stated that:

Approval of this application is necessary in the public interest as the improvements and expansion of the school's facilities are needed to allow construction of a project of special merit having significant educational, cultural, social or other benefits to the District of Columbia and having a high priority for community services.

Findings of Fact ¶9 (p. 5); Conclusions of Law ¶2 (p. 5).<sup>7</sup>

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<sup>7</sup> The project was also found to be consistent with the purposes of the Act, as the end result significantly retained and enhanced the structure and caused it to be adapted for current use. Findings of Fact ¶8 (pp. 4-5).

## **VI. WITNESSES**

The Applicants intend to present the following witnesses in support of their application for a project of special merit:

1. Anne Corbett, Vision McMillan Partners
2. Adam C. Weers, Trammell Crow Company
3. Aakash Thakkar, EYA
4. Robert Youngentob, EYA (will likely not testify, putting him on in case)
5. Jair K. Lynch, JAIR LYNCH Development Partners
6. Matt Bell, Perkins Eastman/EEK, expert in architecture
7. Kirk Mettam, Robert Silman Associates, expert in structural engineering
8. Emily Eig, EHT Traceries, expert in architectural history and historic preservation
9. Lindsley Williams, expert in planning and zoning
10. Bruce Leonard, Streetsense, expert in retail architecture and adaptive reuse

## **VII. CONCLUSION**

The partial demolition, new construction and subdivision proposed for the McMillan Site represents an exceptional opportunity for the city of Washington to facilitate the rehabilitation of an historically significant site, provide significant new residential, retail, office, and recreational uses and generally enhance the quality of life in the surrounding neighborhood. The project consists of significant benefits to the District and to the community by virtue of its exemplary architecture, specific features of land planning, and social benefits, placing a high priority on community services and amenities. These significant benefits include:

- Adaptive reuse of the historic structures on the site, including all of the above-grade structures and two of the underground water filtration cells;
- Exemplary architecture and site planning;
- New healthcare facilities;
- Housing and affordable housing;
- Neighborhood-serving retail, including a major new grocery facility;
- Scholarships for community residents;
- Significant job creation and economic development impacts;
- Substantial new tax revenue for the city at-large
- Workforce development, jobs training and grants;
- Support for local small businesses, D.C. Public Schools, and local parks; and

- Neighborhood beautification;
- Together creating a distinctive new destination for public enjoyment.

Accordingly, on the basis of the foregoing statement, and testimony to be presented at the required public hearing, the Applicant respectfully requests that the Mayor's Agent approve the proposed subdivision and the issuance of the permit for partial demolition in H.P.A. No. 13-318, as necessary in the public interest in order to construct a project of special merit. The proposed project and subdivision will retain, enhance and adapt for current use the landmark McMillan site and provide social and other benefits to create of project of special merit as set forth in the Act.

Respectfully submitted,

HOLLAND & KNIGHT LLP

By: \_\_\_\_\_  
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Mary Carolyn Brown  
Jessica R. Bloomfield\*

\*Admitted in Pennsylvania; practicing in D.C. pursuant to D.C. Court of Appeals Rule 49(c)(8)