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#### MEMORANDUM

TO:

ANC 4B Housing Justice Committee

ANC 4B09 Commissioner LaRoya Huff ANC 4B08 Chairperson Alison Brooks

FROM:

Paul Tummonds

DATE:

November 19, 2021

**SUBJECT:** 

ZC Case No. 06-10G - Modification of Significance - Art Place at Fort Totten,

Block B

The Morris & Gwendolyn Cafritz Foundation ("Applicant") submitted a Modification of Significance application on October 19, 2021 regarding the Art Place at Fort Totten Block B project that was approved by the Zoning Commission in ZC Case No. 06-10D on June 10, 2019 (and became effective on March 20, 2020). As noted in Subtitle Z, §704.4, "The scope of a hearing conducted pursuant to this section [a modification of significance] shall be limited to the impact of the modification on the subject of the original application, and shall not permit the Commission to revisit its original decision."

During the Applicant's presentation to the ANC 4B Housing Justice Committee on November 8, 2021, the Applicant was requested to provide the following information:

- <u>Electronic Copy of the 11/8/21 PowerPoint Presentation</u> This was submitted to ANC 4B Commissioners Huff, Topolewski, Yeats, and Chairperson Brooks on 11/11/21.
- <u>Public Benefits and Project Amenities</u> Attached as <u>Exhibit A</u> is a chart that outlines the
  public benefits and project amenities of the Block B PUD project, as determined by the
  Zoning Commission in Order No. 06-10D and as amended pursuant to this Modification
  of Significance application.
- Relocation Process of Former Riggs Plaza Apartments Tenants All leaseholders of the former Riggs Plaza Apartment buildings that were previously located on the site were offered units in The Modern apartment building, which was the first phase of development of the Arts Place at Fort Totten project. The units in the Modern were offered to the Riggs Plaza leaseholders at the same rent that they were paying at the Riggs Plaza apartments.

In 2017, prior to the start of construction of The Modern, there were 84 Riggs Plaza leaseholders. There are currently 68 former Riggs Plaza leaseholders living in The Modern. It is the Applicant's understanding that a number of the 16 former Riggs Plaza leaseholders passed away before The Modern was ready to be occupied or have subsequently passed away after living in The Modern for a period of time.

 Affordable Housing (Total Number of Affordable Units, Artist Affordable Housing Units, Enhanced Commitment) - The Zoning Commission required that the overall Art Place at Fort Totten PUD will include 171 affordable units. The Modern includes an affordable housing covenant that requires 141 of the approximately 520 units in The Modern be reserved as affordable units (including the 68 former Riggs Plaza leaseholders described above).

In Zoning Commission Case No. 06-10D, the Zoning Commission approved the inclusion of 30 units reserved for artists at the 60% MFI level for a period of 20 years. Those artists will be identified by a qualified arts organization as potential tenants. When an artist tenant requests a lease renewal the selection panel (which is composed of the building owner and the qualified arts organization) may request additional documentation from the artist to reconfirm their artistic eligibility in accordance with the initial Artist Criteria (defined below) used to select them. The building owner and qualified arts organization will determine, in their sole discretion, whether the renewal will be offered so long as the artist tenant meets the income and household size requirements. The proposed Artist Criteria is: commitment to artistic practice and/or active participation in the arts industry; demonstrated previous and current involvement in the arts industry; housing needs; and priority will be given to artists that currently live and work in the District of Columbia.

The Modification of Significance application proposes 23 additional residential units in the Block B PUD project. The Applicant has agreed to reserve three of these additional units, 13% of the additional units, as Inclusionary Zoning ("IZ") units.

• Racial Equity Analysis – A preliminary racial equity analysis is provided in the attached Exhibit B. This analysis details how the Block B PUD project is not inconsistent with the Comprehensive Plan's racial equity goals.

Please feel free to contact me with any questions or comments. We look forward to presenting this application at ANC 4B's Public Meeting on November 22, 2021.

Ex. A – Public Benefits and Project Amenities

Ex. B – Racial Equity Analysis

# **EXHBIT A**

# <u>Public Benefits and Project Amenities for Block B- Art Place at Fort Totten - Approved in ZC Case No. 06-10D and Proposed in ZC Case No. 06-10G</u>

| Proffered<br>Benefit                                | Proposed Condition/Details  |
|---|---|
| Superior Urban Design and Architecture              | Block B of the Art Place at Fort Totten is a unique, culturally immersive, art-inspired place that brings a unique, world-class arts and cultural destination to the Lamond Riggs and Fort Totten neighborhoods. The urban design strategy reinforces the overall intent of the master plan, to make a great transit-oriented neighborhood at Fort Totten, with walkable streets, great outdoor places and a diverse program of activities and living accommodations.                           |
|   | The Family Entertainment Zone building ("FEZ") exemplifies the superior architecture of the project. The round drum ("HUB") located at the main entrance to the FEZ building is considered by the design team as the FEZ building's most important element of the public identity of the project.   |
| Promotion of the Arts                               | Block B will include approximately 142,000 gross square feet of children's museum, arts-based uses, theater, and entertainment spaces. Residents of the local community will be eligible to pay a discounted entry fee to the immersive arts space. This eligibility to pay a discounted entry fee will last for the life of the project.   |
|   | The Explore! Children's Museum will also be located in the FEZ building. The mission of Explore! is to create a DC-based children's museum that engages children and the District at many levels and to inspire children to be curious thinkers, creators, communicators and collaborators. Residents of Ward 4 and Ward 5 will receive discounted entry fees of 25% off then prevailing ticket prices on a quarterly basis. These discounted entry fees will last for the life of the project. |
| Site Planning and<br>Economical Land<br>Utilization | The Applicant is proposing an approximately 25,000 gross square foot full-service Aldi grocery store as part of Block B.  |

| Proffered<br>Benefit   | Proposed Condition/Details  |
|--|---|
| Site Planning and<br>Economical Land<br>Utilization  | The Applicant is proposing approximately 65,000 gross square feet of retail and food hall uses along South Dakota Avenue, the upper portion of Ingraham Street, and the former 4 <sup>th</sup> Street. These retail and food hall spaces will serve neighborhood residents as well as visitors to the project.  |
| Superior Landscaping, creation of open spaces, streetscape maintenance for duration of project | Block B includes extensive plaza areas, café spaces and pedestrian focused activity in a portion of the to-be-closed 4 <sup>th</sup> Street - which becomes a Flexible Pedestrian Zone - and the public streetscapes along South Dakota Avenue/ Ingraham Street/Kennedy Street. A dog-run is provided at the corner of 4 <sup>th</sup> Street and Kennedy Street.   |
| Promotion of the Arts  | The Block B PUD project includes a series of artist studio and maker spaces in the ground floor of the northern end of the west residential building. The Applicant will engage a qualified arts organization that will interview and select the qualified artists for the studio and maker spaces. The Applicant will rent these artist studio and maker spaces to artists at a dollar/sf monthly lease rate not to exceed 50% of the average dollar/sf monthly lease rate charged to the other retail tenants in the project. |
| Environmental<br>and Sustainable<br>Benefits   | The Applicant will pursue sustainability certification for the entire PUD under the US Green Building Council's LEED Neighborhood Development (ND) rating system. The Block B PUD project includes a rooftop solar array that will generate 332,500 kW of electricity per year.   |
| Employment and Training Opportunities  | The Applicant will have a First Source Agreement in place for the development of Block B, consistent with its development of Block A. The Applicant (or grocery store operator) will provide evidence that at least three-monthly hiring open houses were held in the four months prior to the opening of the grocery store. The open houses will provide local job candidates with information on employment opportunities with the grocery store operator.  |
|  | The food hall operations will allow "up and coming" chefs/restauranteurs opportunities to open a stall/counter that may not be available in established restaurant spaces. This provides an important training and employment opportunity for local residents.  |

| Proffered<br>Benefit                    | Proposed Condition/Details   |
|---|--|
| Housing and<br>Affordable<br>Housing    | 171 income restricted residential rental units will be provided in the entire project. Block A includes 141 income restricted units.  Block B will contain 30 artist housing units which will be reserved as affordable for a period of 20 years from the issuance of the first Certificate of Occupancy in Block B at 60% MFI level. Block B will also include three Inclusionary Zoning ("IZ") units.  |
| Transit and Infrastructure Improvements | The Block B PUD project is a transit-oriented development located within a 3- minute walk of a multi-modal transit hub that services 3 Metrorail lines (red, yellow & green) and 7 Metrobus routes.  The Applicant proposes to locate a Capital Bikeshare Station on the site.  The Applicant will construct an extension of 3 <sup>rd</sup> Street, NE that will connect Kennedy Street, NE to 3 <sup>rd</sup> Street, NE. This extension of 3 <sup>rd</sup> Street, NE through the combination of reduced speeds and warning signage and striping, will result in improved safety for all roadway users (bikes and cars) and the proposed sidewalks and crosswalks will enhance pedestrian safety. |

# EXHIBIT B - RACIAL EQUITY ANALYSIS

In the initial application (ZC Case No. 06-10D), the Applicant evaluated the Block B PUD project against the then-current Comprehensive Plan. Recently adopted amendments to the Comprehensive Plan (the "Plan") require that any action by the Zoning Commission must be analyzed "through a racial equity lens." 10-A DCMR §2501.8. The Plan defines racial equity as "the moment when 'race can no longer be used to predict life outcomes and outcomes for all groups are improved." (See §213.8.) The call to evaluate decisions through a racial equity lens is achieved by addressing structural racism, "target[ing] support to communities of color," and "taking into account historical trauma and racism." (See §213.9.) The Plan gives specific examples of ways a project can work toward eliminating racial inequity, including "transportation, housing, employment, income, asset building, geographical change, and socioeconomic outcomes." (See §213.10.)

The analysis below addresses how the specific changes proposed in this Modification of Significance application for the Block B PUD Project (the "Project") are not inconsistent with the Plan's goals around racial equity.

# Arts & Culture

Recent changes to the Arts and Culture Element of the Comprehensive Plan include the following: "The key issues facing the District as it seeks to foster and enhance arts and culture include: expanding affordable arts and cultural production, presentation, and administrative spaces; increasing the visibility and accessibility of arts and culture as a means of diversifying resident engagement and participation; enhancing arts and cultural organizations capacity for strategic planning and partnerships; and building capacity through investments in historically underrepresented communities. (See §1400.2.)

The Project will establish an arts, cultural and educational facility that will offer innovative and dynamic experiences and high quality entertainment for both children and adults. The development of the Family Entertainment Zone (FEZ) building will be transformative for the neighborhood, as it will replace a poorly lit and generally pedestrian unfriendly corridor along South Dakota Avenue with a world-class cultural and arts focused destination located at the intersection of the Lamond Riggs and Fort Totten neighborhoods. The closed former 4<sup>th</sup> Street will create a pedestrian-oriented gathering space that can be used for street fairs and community events.

The Project will include approximately 142,000 gross square feet of children's museum, arts-based uses, theater, and entertainment spaces. Residents of the local community will be eligible to pay a discounted entry fee to the immersive arts space. The Explore! Children's Museum will also be located in the FEZ building. The mission of Explore! is to create a DC-based children's museum that engages children and the District at many levels and to inspire children to be curious thinkers, creators, communicators and collaborators. Residents of Ward 4 and Ward 5 will receive discounted entry fees of 25% off then prevailing ticket prices on a quarterly basis.

A series of artist studio and maker spaces in the ground floor of the northern end of the west residential building are another signature feature of the Project. The Applicant will engage a qualified arts organization that will interview and select the qualified artists for the studio and maker spaces. The Applicant will rent these artist studio and maker spaces to artists at a dollar/sf monthly lease rate not to exceed 50% of the average dollar/sf monthly lease rate charged to the other retail tenants in the project.

All of these attributes of the Project are consistent with the Plan policies and goals noted in §1400.2.

#### Market-Rate and Affordable Housing

In Zoning Commission Case No. 06-10D, the Zoning Commission determined that IZ does not apply to the overall Art Place at Fort Totten PUD project until the Applicant proposes the construction of the 930<sup>th</sup> unit. The Project proposes market-rate and affordable housing units with a total of 294 units (resulting in a total of 814 units so far for the entire Art Place at Fort Totten PUD project), including 30 artist affordable units (the artists that are eligible for those units will also be selected by a qualified arts organization) and three IZ units. The creation of both market-rate units and affordable units in Ward 5 and in close proximity to the Fort Totten Metro Station, as well as 13% of the additional 23 residential units being IZ units, furthers the overall goals of racial equity.

### **Employment and Job Training**

The Plan also focuses on job training and employment opportunities, which can build income and asset building opportunities, as well as create more equitable socioeconomic outcomes. (See §715.7.) The Project will create significant employment opportunities for nearby residents in the Aldi grocery store, the retail stores, or the food hall. The Applicant (or grocery store operator) will provide evidence that at least three-monthly hiring open houses were held in the four months prior to the opening of the grocery store. The open houses will provide local job candidates with information on employment opportunities with the grocery store operator. This provides an important training and employment opportunity for local residents. The Applicant has also entered into a First Source Employment Agreement for the development of this project. All of these attributes are consistent with §715.7.

# **Business Opportunities**

In addition to employment opportunities, the Plan also focuses on "opportunities to participate by small and minority-owned businesses . . . to close the racial income and wealth gaps in the District." (See §703.21.) The Applicant and the Project focus on inclusion of local and minority-owned businesses. The food hall operations will allow "up and coming" chefs/restauranteurs opportunities to open a stall/counter that may not be available in established restaurant spaces. This provides an important training and employment opportunity for local residents and is consistent with the goals of §703.21.

#### Sustainability

The Plan notes that a focus on racial equity includes focusing on environmental justice, which "refers to the fair treatment of people of all races" with respect to environmental laws and regulations. (See § 628.1.) The Plan notes that "some District neighborhoods have been adversely impacted by pollution-generating uses and other forms of environmental degradation, particularly in Wards 5, 6, 7, and 8. . . . The legacy of these uses . . . disproportionately impact[s] often overlapping vulnerable populations, including . . . communities of color." (See §628.2.)

The entire Art Place at Fort Totten PUD will be LEED ND certified. The structures on Block B will contain a rooftop solar array that will generate 332,500 kW of electricity per year and all roof levels include green roofs. The Project's focus on sustainability helps improve the surrounding environment and is evidence of the Applicant's larger commitment to improving overall environmental health.

#### **Healthy Communities**

The Plan also focuses on increasing equitable health access in communities, especially because "significant health disparities persist along dimensions of income, geography, race, gender, and age in the District." (See §1105.1.) There are multiple ways to create healthy communities, including improving non-automotive transit opportunities and creating access to healthy food.

The Project provides both. The Project provides extensive plaza areas, café spaces, open spaces (including the pedestrian focused portions of former 4<sup>th</sup> Street and a dog park), streetscape improvements to the 3<sup>rd</sup> Street extension, and the creation of safe pedestrian and bicycle mobility and accessibility from the Block B site to the nearby Fort Totten Metro Station.

The Project also will include an Aldi grocery store, which will "enhance healthy food access, address diet-related health disparities, and generate economic and social resilience by supporting the development of locally owned, community-driven grocery stores in areas with low access to healthy food options." (See §1106.14.)

The grocery store, open space, and public infrastructure components of the Project support improving health in the community consistent with the goals of racial equity in the Plan.