

MEMORANDUM

TO: District of Columbia Zoning Commission

FROM: Maxine Brown-Roberts, Development Review Specialist

Joel Lawson, Associate Director, Development Review

Jennifer Steingasser, Deputy Director, Development, Design and Preservation

DATE: July 1, 2024

SUBJECT: OP Supplemental Report - Proposed Zoning Text and Map Amendments to create

and map new Chevy Chase Neighborhood Mixed Use Zones - NMU-4/CC1 and

NMU-4/CC2.

At the May 23, 2024 public hearing, the Zoning Commission requested that the Office of Planning (OP) provide information on the following:

1. Potential impacts on retail and office uses along the corridor;

- 2. Changes made to the proposed text amendment as a result of suggestions by the ANC or others;
- 3. Potential loss of housing with ANC proposal compared to OP proposal on civic site;
- 4. Illustrations showing the OP proposal and the ANC's latest proposal;
- 5. Status of the Chevy Chase Civic Site RFP;
- 6. Livability

1. Potential Impacts on Retail and Office Uses Along the Corridor

OP Citywide Division staff evaluated retail and office vacancy rates within the area of the text and map amendment and that of the District of Columbia in June 2024 using CoStar Real Estate Data.

Retail Space:

The data shows that this portion of the Chevy Chase corridor has approximately 219,000 square feet of retail space in 29 properties. A vacant retail space is considered not leased but on the market. The area has a vacancy rate of 0.4% or approximately 900 square feet. This is considered very low when compared to the District-wide rate of 4.9% over 10 years.

Available space is a broader measure that includes space that is not leased or is leased but available for sub-lease, as well as space under construction and on the market. The data shows that 3%, or approximately 7,000 square feet, of retail space is available, which is also considered low compared to typical retail vacancy rates. Districtwide, the available retail space is at 7.4% or approximately 1,900,000 square feet, although this is considered high when compared to rates over the past ten years.

The table below is a summary of the retail vacancy rate and available retail space.



Retail Vacancy Rate	Chevy Chase	District-wide
Number of Properties and	29 properties	4,600 properties
square footage	219,000 sq. ft.	25,600,000 sq. ft.
Vacancy rate/square footage	0.4%	4.9%
	900 sq. ft.	1,200,000 sq. ft.
Retail Space Available	Approximately 3%	Approximately 7.4%
	657 sq. ft.	1,900,000 sq. ft.

The low vacancy rate and available space appear to indicate that the corridor has weathered the COVID-19 pandemic.

Office Space:

The table below shows that the Chevy Chase area has approximately 60,000 square feet of office space in 4 properties. Both the vacancy rate and available office space for Chevy Chase are at 18.8% or 1,200 square feet which is slightly higher than the District-wide vacancy rate of 17.6% and space availability at 21%. Both the office vacancy rate and space availability for the Chevy Chase Area and the District-wide are considered high.

Office Vacancy Rate	Chevy Chase	District-wide
Number of Properties and	4 properties	2,667 properties
square footage	60,000 sq. ft.	171,000,000 sq. ft.
Vacancy Rate/square footage	18.8%	17.6%
	1,200 sq. ft.	429,000,000 sq. ft.
Office Space Available	18.8%	21.6%
	1,200 sq. ft.	37,000,000 sq. ft.

As stated in the OP Hearing Report, (<u>Exhibit 87</u>, page 28, *Potential Impact of the Proposed Zoning Action*), displacement pressures on existing businesses (retail and office) could be intensified by the proposed text and map amendment. However, the proposed regulations would require the provision of ground floor retail space in any new building, something not required in current zoning. This could, over the long term, provide opportunities for relocation of existing businesses, and for new retail and service options in the neighborhood.

The CCSAP also includes guidelines to "attract commercial uses that activate the corridor" (5.1) but to also "support continuity of operations for small businesses…during times of change" (5.3). While not within the scope of zoning, initiatives noted in the CCSAP to support a thriving retail and office corridor could include technical assistance and the promotion of independent businesses by the Chevy Chase Main Street, grant assistance, working with businesses during lease negotiation, and promoting interim uses of any vacant space.

2. Changes Made to the Proposed Zoning

The Zoning Commission requested that OP provide a summary of changes made to the proposed zoning text as a result of discussions with the community. The original OP proposal, based on the Comp Plan and Small Area Plan direction, was first discussed with a subcommittee of the ANC, consisting of members of the ANC and some members of the community, in late 2022. These were highly productive meetings which led to considerable refinement of the proposal. A first draft of zoning was prepared for the subcommittee on November 2, 2022.

A draft proposed zoning was first presented to the community at an ANC meeting on May 17,

2023, although a copy of draft text had been circulated in March, 2023. Other community meetings were also held through the ANC prior to the OP setdown report, which was considered by the Zoning Commission at its November 9, 2023 Public Meeting. Following setdown, OP had additional discussions with the ANC Racial Equity Standing Committee and the community.

This is in addition to the extensive community outreach by OP through the Small Area Plan process, culminating a Council Hearing on July 12, 2022, as well as outreach conducted by DMPED as part of the OUR RFP process for the Civic Site.

The OP Setdown Report at Exhibit 2 provided a summary of community outreach to date and of changes made to the proposed text by OP prior to setdown (p. 17-18). This report also provided analysis of the proposal against Comprehensive Plan direction, and a table of the Chevy Chase Small Area Plan guidance incorporated into the zoning proposal.

The OP Public Hearing Report at Exhibit 87 provided an updated summary of engagement (p. 25-26) and a summary of changes made in response to community comments (p. 26-28).

The tables below summarize the changes OP has made in response to input first from the ANC subcommittee, and then by the full ANC and community. Some aspects of the zoning which did not change since the original proposal are also included for clarity. Generally, the proposed changes make the zoning more restrictive, and better address CC SAP guidance.

Commercial	Original	Set down	Public Hearing		
Corridor	Proposal	Proposal	Proposal		
NMU-4/CC1 zone	Based on MU-4 zone	unchanged	unchanged		
FAR	2.5 3.0 IZ+ max.	unchanged	unchanged		
Pre-1958 façade retention	0.5 FAR bonus for retention of façade	unchanged	unchanged		
Building Height	40 ft.; 50 ft. IZ+ max.	unchanged	unchanged		
Minimum Building Height	-	25 ft. min.	unchanged		
Penthouse Height	12 ft. max. 15 ft. for mechanical	unchanged	unchanged		
Ground Floor Retail Height	14 ft. min.	14 ft. min. 5 ft. bonus for an 18-foot tall ground floor	unchanged		
Lot Occupancy	60% residential; 75% IZ+ max. Nonresidential not regulated	unchanged	unchanged		
Rear Yard	15 ft from a point 25 ft. up from the rear lot line if there is an alley; 15 ft. min. if no alley	unchanged	unchanged		
Rear Step-back	1:1 setback from a point 25 ft above grade at the rear lot line	unchanged	unchanged		
Side Yard	None required; 6 ft. min. if provided	None required; 6 ft. min. if provided, or 15 ft. foot min. if abutting residentially zoned properties and not separated by an alley	unchanged		

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Commercial Corridor	Original Proposal	Set down Proposal	Public Hearing Proposal
Upper Level Glazing	-	Limitations on glazing on upper floors	unchanged
Front Façade Upper Stories Step-back	1:1 step-back above 35 ft.	3 ft. step-back above the third floor or above a preserved façade	unchanged
Trash collection, loading and parking access	From the alley where existing; not from Connecticut Avenue NW	unchanged	unchanged

Civic Site	Original Proposal	Set down Proposal	Public Hearing Proposal
NMU-4/CC2 zone	Based on MU-5A zone	Based on MU-4 PUD	unchanged
FAR	3.5 4.2 IZ+ max.	3.0 3.6 IZ+ max.	unchanged
Building Height	65 ft.; 70 ft. IZ+ max.	65 ft. max. including IZ+	unchanged
Penthouse Height	12 ft. habitable; 18.5 ft. mechanical max.	12 ft. habitable 15 ft. mechanical max.	unchanged
Lot Occupancy	80% residential max. 80% nonresidential	60% residential 60% nonresidential	unchanged
Rear Yard	15 ft from a point 25 ft. up from the rear lot line if there is an alley; 15 ft. min. if no alley	15 ft. from rear lot line	Define east lot line as rear lot line
Rear Step back	1:1 setback from a point 45 ft. above grade at the rear lot line	1:1 setback from a point 25 ft above grade at the rear lot line	unchanged
Side Yard	None required; 6 ft. min. if provided None required; p		unchanged
Trash collection, loading and parking access	From the alley where existing; not from Connecticut Avenue NW	unchanged	From Mckinley or Northampton Street only

Other Lots	Original Proposal	Set down Proposal	Public Hearing Proposal
R-1-B and R-2	Retain zoning or include in new	Rezone to RF-1, a	unchanged
zones	mixed-use zones	transition zone	unchanged

OP continues to recommend approval of the proposed NMU-4/CC zones as they would allow for an appropriate level of development over time to achieve the vision for a thriving retail corridor, meet its housing equity goals, and provide an inviting social and cultural character as envisioned by the Comprehensive Plan, the Rock Creek West Plan and the CCSAP, while providing appropriate transitions to adjacent lower density residences.

3. Potential Amount of Housing Under OP and ANC Submitted Proposals

The Commission asked OP to provide an estimate of housing that would be produced under the OP and ANC proposal, and the potential impact on housing potential. The OP proposal is described above; the ANC proposal submitted at Exhibit 175 and described at Exhibit 248 was to:

- 1. limit height in both zones to 60 feet maximum including the penthouse (an effective height of 45 feet plus a typical habitable penthouse of 12 feet and an additional 3 feet for mechanical space); and
- 2. limit lot occupancy for all uses to 60% in both zones.

Civic Site:

While it is difficult to address the housing potential or lost housing potential based on zoning for a site with a complicated program such as the Civic Site, simply based on the proposed height and lot occupancy limitations proposed for the site, and assuming a 20 foot tall ground floor for civic uses, OP analysis indicates:

	OP Proposal	ANC Proposal	Difference
Dwelling units	201	113	-87
Affordable units ¹	60	34	-26

A different design and program could increase the residential numbers under either of the options.

Commercial Corridor:

OP looked at two scenarios – typical small lot of 7,000 sq.ft.; and typical larger lot of 21,000 sq.ft. which would be more likely to be redeveloped:

	Small lots (7,000 sq.ft.)		Larger lots (21,000 sq.ft.)			
	OP Proposal	ANC Proposal	Difference	OP Proposal	ANC Proposal	Difference
Dwelling units	16	14	-2	45	36	-9
Affordable units ²	3	2-3	-	8	7	-1

The ANC proposal could also reduce design flexibility to, for example, provide taller ground floor retail, and potential ground floor retail space would also be reduced due to the lot occupancy limit.

Note:

- Estimates are based on approximately 1,000 sq.ft. gross floor area (i.e. including hallways, vestibules, etc.) per unit.
- Estimates include housing resulting from a habitable penthouse.
- Commercial Corridor estimates include one story of non-residential commercial use.

Based on the 30% affordable requirement under the RFP

Based on the IZ Plus requirement

Page 6 of 9

4. Illustrations

The Commission requested a visual comparison of the OP proposal and the ANC proposal, as well as to a revised ANC proposal if filed. It is OP's understanding that an ANC alternative proposal was proposed but was not adopted by the ANC, and there is not a new proposal in the record. As such, the following illustration is a comparison of the OP proposal to the original ANC proposal.

Illustration 1 – Civic Site (NMU-4/CC2) – OP Proposal (orange) and ANC Proposal (blue)

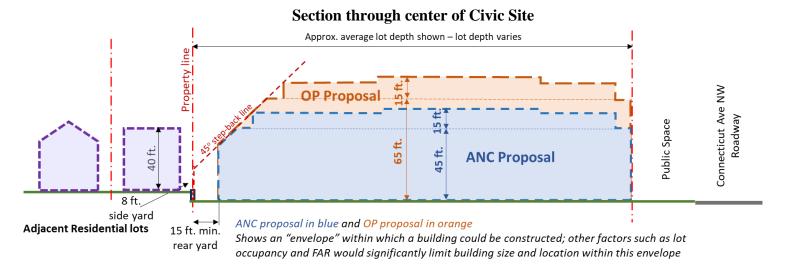
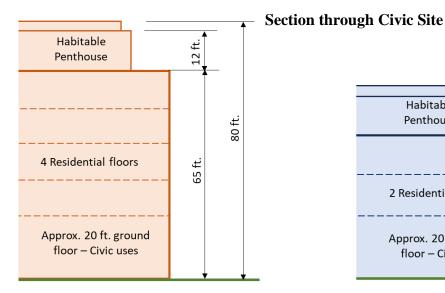
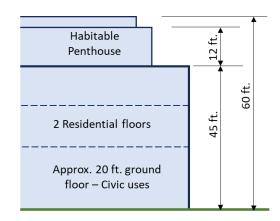


Illustration 2 – Civic Site (NMU-4/CC2) – OP Proposal (orange) and ANC Proposal (blue)



Civic Site - OP Proposal

Would allow 4 stories of residential on one double height civic use; with adjustments to the ground floor uses, an additional floor of residential may be possible

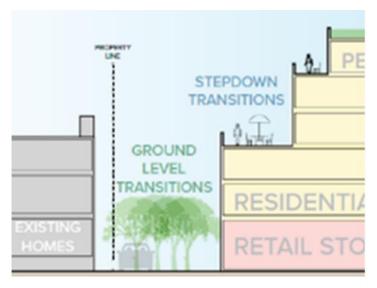


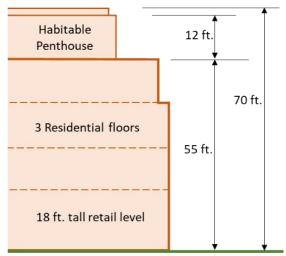
Civic Site – ANC Proposal

Would allow 2 stories of residential on one double height civic use building; with adjustments to the ground floor uses, an additional floor of residential may be possible

Page 7 of 9

Illustration 3 – Corridor (NMU-4/CC1) – CCSAP and OP Proposal Comparison





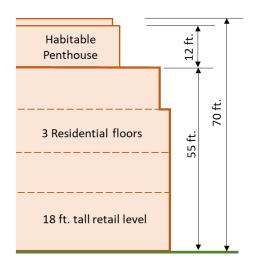
Corridor – Image from the CC Small Area Plan

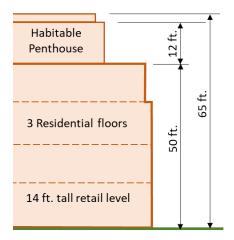
Shows a building height consistent with the OP proposal

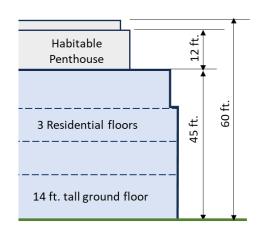
Corridor – OP Proposal

Ground floor 18 ft. in height, allows an additional 5 ft. of building height. Would allow 3 stories of residential on one level of non-residential

Illustration 4 – Corridor (NMU-4/CC1) – OP Proposal (orange) and ANC Proposal (blue) Section through front of a building







Corridor - OP Proposal

Ground floor 18 ft. in height, allows an additional 5 ft. of building height. Would allow 3 stories of residential on one level of non-residential

Corridor – OP Proposal

Ground floor less than 18 ft. in height – Would allow 3 stories of residential on level of non-residential

Corridor – ANC Proposal

Would allow 3 stories of residential on one level of non-residential; a taller ground floor would limit residential potential above

5. Status of Chevy Chase Civic Site RFP

The Chevy Chase Civic Site RFP (RFP) was opened on January 17, 2024, with a due date of April 18, 2024. The due date was subsequently amended to extend to April 28, 2024 and again to August 28, 2024.

The RFP specifies that the proposal for the "Development Parcel must include housing and the replacement of the Library and Community Center on the Development Parcel ("Required Uses.)." (page 2 of 51). The RFP outlines some of the development standards that were in the OP Set down report, but also states that respondents should assume the NMU-4/CC2 zone in their proposals (page 7 of 51).

6. Livability

The ZC asked OP to address the "Livability" of the area as a result of the implementation of the recommended zoning and development parameters on the corridor and Civic Site. Although livability is a subjective term, it can be described as "the sum of the factors that add up to a community's quality of life - including the built and natural environments, economic prosperity, social stability and equity, educational opportunity, and cultural, entertainment and recreation possibilities." ³

In the case of the Chevy Chase area, factors necessary for creating and maintaining a livable community are not solely based on the Zoning Regulations. Rather, a combination of factors are relevant, including the recommendations and policies of the Comprehensive Plan, the CCSAP, other planning documents, the RFP/facilities and open space planning, the Zoning Regulations, transportation plans and public space plans.

The Rock Creek West Area Element includes the following priorities:

- Increasing affordable and moderate-income housing units within new market rate projects;
- Attracting retail uses to provide a wider range of neighborhood serving retail;
- Encouraging developments that would improve the vibrancy of a pedestrian oriented corridor; and
- Supporting improvements to common open spaces and public facilities.

These policies go towards creating a livable community for current and future residents of the area and for Rock Creek West as a whole.

The CCSAP notes that the Plan's vision "... is rooted in a people-centered planning and design approach that aligns with citywide priorities of housing production, economic recovery, and racial equity. Most significantly, the CCSAP envisions a corridor that offers dedicated affordable housing options, where none exist today." (page 2). To implement this vision, the recommendations of the CCSAP build on positive characteristics of the Chevy Chase community and the CCSAP frames success in achieving this vision around the six themes:

- 1. An inviting social and cultural character
- 2. An inclusive built environment

³ Partners for a Livable Community What is Livability?

- 3. A reimagined civic core
- 4. A thriving retail corridor
- 5. An equitable housing strategy
- 6. Safe and sustainable mobility

For each of these themes, the CCSAP outlines a number of measures to implement each theme and identifies implementors including District and federal agencies, the ANC, community groups, and property owners as the vision could not be implemented solely through the zoning text, particularly since many guidelines – such as ones related to the quality of public space, cannot be implemented through zoning. However, the proposed text amendment has incorporated zoning-relevant design requirements at §1009 and §1010.

Considerable concessions have been made to the zoning to balance the Rock Creek West and city-wide objectives for current and future residents with the priorities of existing residents of the area. For the Civic Site, proposed provisions would allow for improved facilities for the current and future users and residents of the Civic Site. Urban Design and Public Space Goals of the CCSAP are included in the RFP to ensure the creation and improvement of useable outdoor spaces and improvements to the public space. The RFP states that "The redevelopment of the Development Parcel should further the urban design and public space goals outlined in the Chevy Chase Small. The Project should aim to:

- Improve the connection of new facilities to the sidewalk and street, creating an inviting and accessible environment.
- Maximize the utilization of outdoor public gathering and recreational spaces. This includes the integration of both indoor and outdoor community gathering areas that offer passive and active recreational opportunities for people of all ages and abilities, with a special focus on family-friendly amenities.
- Consider distinctive pavement, landscaping, and streetscape materials that reflect the civic nature of the space.
- Embrace the local community's identity through significant commemoration that holds cultural and historical relevance.
- Strategically position parking and loading entrances on alleys or secondary streets to reduce curb cuts along Connecticut Avenue, preserving an uninterrupted pedestrian pathway.
- Infuse public spaces and the built environment with playful elements that are inclusive, catering to people of all ages and abilities, with a particular emphasis on creating family-friendly spaces. (RFP p. 6)

These urban design guidelines and requirements for any redevelopment of the site, along with the additional requirements of the zoning regulations, would promote buildings, uses and spaces that create social stability, equity, and improved cultural, entertainment and recreation opportunities.