

July 13, 2015

BY E-MAIL

Russell Shaw
Head of School
Georgetown Day School
4200 Davenport Street NW
Washington DC 20016

Dear Russell:

At our June 11 meeting, ANC 3E indicated that we would continue to share our thinking about and questions regarding the proposal by Georgetown Day School (GDS) to consolidate its lower and middle schools its Lower and Middle Schools with its Tenleytown High School and build a mixed-use building ("Project").

Our June 11 letter addressed transportation issues; this letter addresses four other issues.

Zoning & Public Space

GDS has shared with the ANC and the community a series of drawings and illustrations of possible designs as its plans evolved. Significant gaps remain in our understanding of GDS's proposal, however, both conceptually and legally, despite the fact that GDS indicated that it expects to file its PUD application after our September 10th meeting.

Conceptually, we have seen relatively little about how either the school or mixed-use project would look from ground level beyond sightline studies and general massing. Moreover, we have no sense how GDS intends to place more than 300 residential units in its mixed-use component.

Legally, significant gaps remain in our understanding of how GDS hopes to obtain necessary zoning and public space permissions. For example, at one meeting, the GDS team said the plan involved reallocating FAR from one lot to another in order to achieve the desired height of 90' for the mixed-use building. However, it is not clear how this reallocation would be achieved. Will GDS need a zoning map amendment to exceed the 65 foot maximum permitted in a PUD in the area in which it seeks to build?

Likewise, GDS proposes to build a substantial portion of its mixed-use component on public space. We are not aware of a precedent for a private entity placing a building (as opposed to, say, a sidewalk cafe) in public space. We also wonder about the status of those portions of the Maarten's and current GDS sites that were once Davenport Street.

Are these areas still public space and does DC retain an easement or other interest in them?

With this in mind, we ask that you provide the following:

- A comprehensive visual and written descriptions of the current plan.
- A detailed explanation of the zoning relief and public space concessions needed to accommodate the current plans.¹ This explanation should include without limitation a specification of each element of PUD relief (*eg*, map amendment) sought and the precise mechanism by which GDS hopes to obtain the right to construct a building on public land (including the schedule for obtaining such permission). We also ask that you list precedents in DC for both the zoning relief GDS hopes to obtain (including without limitation a PUD involving non-contiguous lots) and the acquisition of public space for private use.

Sustainability

GDS and the ANC share a commitment to making the Project sustainable. In addition to transportation aspects of sustainability which were addressed in our earlier letter, . we ask GDS to seek LEED Platinum status for all new buildings in the Project. We also ask that GDS underground all utility wires around its mixed-use building and consider doing so around its school perimeter.

Please share with us your plans for:

- LEED certification of the lower/middle school building and the mixed-use building
- Run-off control
- Undergrounding of utilities

DC Tax Impact

In most cases, development delivers multiple social benefits including an increase to the jurisdiction's tax base. This is especially true for planned unit developments (PUDs) where the additional density obtainable through a PUD delivers even more tax revenue. However, the PUD that GDS proposes is likely to reduce the District's tax base because GDS is a nonprofit exempt from DC taxes. If the Martens and Safeway properties and additional parcels recently purchased by GDS had been acquired by a private developer and placed in a PUD, or developed as a matter of right, DC would almost certainly experience a net increase in tax revenue

¹ We understand that GDS owns the following directly or indirectly: Square 1733, Lots 20, 839, 817, 818, 7 and 827. Square 1673, Lots 822, 824. Square 1672, Lots 4, 804, 803, 812 and 815.

The conversion of the Safeway site alone from commercial to nonprofit use will result in the loss of approximately \$231,000 per year in property taxes based on current valuation. If a commercial owner bought and developed the Safeway property, the value of the land would rise appreciably and the District would collect significantly more revenue, as the \$28 million price of the five parcels indicates.

On June 25, 2015, a GDS representative stated “at this point there are just too many variables to provide a concrete answer” to questions about taxation of the Project. The community cannot accept that response given GDS’ determination to file its PUD application in September or early-October. As noted, the degree to which taxes will be paid on the Project is a key issue in determining the social value of the Project.

Accordingly, please specify:

- The impact that ownership by GDS or its affiliates² of the land on which the mixed-use property will be located will have on DC tax revenue.
- Whether GDS is obligated to pay property taxes on the Safeway site after the Safeway store closes?

Transparency

GDS has stated that it is committed to full transparency in the development process. In that light, we ask that GDS share with the ANC and broader community all communications between GDS and its “school community,” including without limitation its students, parents, and alumni, current or present, regarding or related to the Project.³

* * *

We ask that GDS provide the requested information in electronic form within two weeks after receipt of this letter.. Thank you for your assistance.

This letter passed by a vote of 5-0-0 at a properly noticed meeting held on July 9, 2015, at which a quorum was present, with Commissioners Bender, Hall, McHugh, Quinn, and Wallace in attendance.

² 4570 Wisconsin Avenue LP, 4800 Wisconsin Ave LLC, 4203 Davenport Street LLC, and Georgetown Avenue LLC

³ To be clear, we do not seek individual e-mail communication between GDS representatives and members of its school community, but rather the documents that GDS uses to communicate with its school community about the project, *eg*, internal newsletters, minutes of meetings of the school community, etc.

ANC 3E

By Jonathan Bender, Chairperson

cc: Mary Cheh
Leif Dormsjo
Eric Shaw
Ryan Westrom