

Friday, December 12, 2008

Developers pitch plans for Hill East

Washington Business Journal - by [Sarah Anderson](#) Staff Reporter

Four development teams presented their plans to build a new 67-acre Hill East neighborhood to a crowd that packed the school cafeteria of St. Coletta of Greater Washington on Capitol Hill Thursday night.

The teams are bidding to be named master developer of the project, which D.C. officials hope will be an environmentally innovative development that connects the existing neighborhood to the Anacostia River waterfront.

A team led by Hunt Development Group, Mosaic Urban Partners LLC and four other groups proposed an ambitious zero-carbon, zero-waste community that would include a windmill farm along the Anacostia River and a 35 megawatt renewable energy plant adjacent to the D.C. jail. The plant would be designed, built and operated by Metro Re-Energy LLC.

Overall, the team proposed development of 3 million square feet, the lowest density of the four proposals, including 2.1 million square feet of residential space, 473,000 square feet in office space, 80,000 square feet of medical space, a farmer's market on C Street SE and a Kipp charter school. Three percent of the project -- 100,000 square feet -- would be neighborhood-serving retail, and Jair Lynch of Jair Lynch Development Partners said he had received letters of interest from many local retailers, including Busboys & Poets.

All the buildings would be Leadership in Energy and Environmental Design (LEED) certified and Calvin Gladney of Mosaic Urban Partners estimated the project could provide 4,700 construction jobs, 2,700 permanent jobs and potentially generate \$300 million in consulting and contracting revenue.

Franklin L. Haney Co. LLC teamed with Donatelli Development Inc. and four other companies to suggest the most office-heavy project: 2.6 million square feet of office space, 1.8 million square feet of mixed-use housing, 240,000 square feet of retail and 327,000 square feet of medical space including a medical office center.

The group's proposal included a massive system of underground parking and 24.5 acres of open space, more than the 23 acres suggested by the city. Its energy proposal includes a new energy plant, certifying all LEED buildings and retention of all storm water runoff on site. The group also proposes a vertical garden that would block the view of the D.C. Jail and street lighting using low-energy bulbs and "house light shields," which prevent glare from entering homes. Darryl Wiggins

of Digidoc Inc. has been working with the team to create a “business incubator program,” an effort to lure technology companies into the area and create 11,000 or more jobs.

Another team was led by Urban Atlantic (formerly MidCity Urban LLC) and eight partners including BBE LLP, Blue Sky Housing and Eagle Vision Ventures, as well as Vornado/Charles E. Smith and Trammel Crow Co. Its proposal is the most high density, exceeding 5.1 million square feet, and includes the most housing, 2.9 million square feet of mixed housing types and a 90,000-square-foot indoor sports complex.

Through an agreement with Sun Edison LLC, most of those buildings would be covered with a vast solar panel system tied to an underground geothermal heating and cooling system, as well as wind turbines, all generating power to be used during hours of peak electricity. Urban Atlantic also proposed 938,000 square feet of office space and 262,000 square feet of retail. The development would include almost another 1 million square feet to medical and academic space, providing a nursing academy and primary and emergency health services. The team also proposed the immediate development of an interim retail element, creating a “Festival Center” that would include a 140,000-square-foot Wegman’s grocery store, which would be the first of that chain in the District. They estimate a creation of 4,000 permanent jobs, 1,000 education jobs and 1,200 construction jobs annually.

EastBanc took a different approach to the proposal, beginning their presentation with a bleak market rundown and slide after slide of plunging economic charts.

“No matter how much we would like things to be, that does not make it so,” said East Banc President Anthony Lanier. The group explained that they initially decided to take a pass on the development in February but, in light of the recession, decided to come back and propose something more conservative to the District and community.

“It’s a great time to prepare land and prepare to sell it when the market bounces back,” said Joe Sternlieb, vice president for acquisitions at EastBanc. The group plans to break the project up into smaller building pads and sell them to as many as 70 different developers over several years. The group proposes a minimum of 2,000 residential units, 60 percent owner occupied and 40 percent rental units. EastBanc officials were also quick to suggest that their plan did not preclude the plans proposed by the other team, merely delayed any implementation.

All of the teams maintained a 30 percent affordable housing minimum, and had plans to renovate Ann Archbold Hall as some kind of community space.

A lot of time also was spent assuring the crowd that the groups had the capital to realize their goals despite the troubled economy, and those comments were punctuated by EastBanc’s approach.

All contents © American City Business Journals Inc. All rights reserved.