

GOVERNMENT  
OF  
THE DISTRICT OF COLUMBIA

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ZONING COMMISSION

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PUBLIC HEARING

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IN THE MATTER OF:      |
                        |
Consolidated PUD and Map Amendment |
@ Square 119, Lot 26 --      | Case No.
International Monetary Fund HQ2   | 01-13C
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Monday  
January 7, 2002

Hearing Room 220 South  
441 4th Street, N.W.  
Washington, D.C.

The Public Hearing of Case No. 01-13C by the District of Columbia Zoning Commission convened at 6:30 p.m. in the Office of Zoning Hearing Room at 441 4th Street, Northwest, Washington, D.C., Carol J. Mitten, Chairperson, presiding.

ZONING COMMISSION MEMBERS PRESENT:

CAROL J. MITTEN	Chairperson
ANTHONY J. HOOD	Vice Chairperson
JAMES HANNAHAM	Commissioner
PETER G. MAY	Commissioner
	(Architect of the Capital)

JOHN G. PARSONS Commissioner

COMMISSION STAFF PRESENT:

Alberto P. Bastida, Secretary, ZC

**NEAL R. GROSS**  
COURT REPORTERS AND TRANSCRIBERS  
1323 RHODE ISLAND AVE., N.W.  
WASHINGTON, D.C. 20005-3701

OTHER AGENCY STAFF PRESENT:

Andrew Altman, Director, Office of Planning  
Ellen McCarthy, Deputy Director, Office of  
Planning  
David McGhettigan, Office of Planning

D.C. OFFICE OF CORPORATION COUNSEL:

Patricia Young, Esq.

I-N-D-E-X

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P-R-O-C-E-E-D-I-N-G-S

(6:31 p.m.)

CHAIRPERSON MITTEN: Good evening ladies and

1 gentlemen. This is a public hearing of the Zoning Commission of  
2 the District of Columbia for Monday, January 7, 2002. My name  
3 is Carol Mitten. Joining me this evening are Vice Chairman  
4 Anthony Hood and Commissioners Peter May, John Parsons, and  
5 James Hannaham.

6 Notice of today's hearing was published in the  
7 D.C. Register on November 9, 2001, and in the Washington Times  
8 on November 5, 2001. This hearing will be conducted in  
9 accordance with the provisions of 11 DCMR ? 3022 for contested  
10 cases. The subject of this evening's hearing is Zoning  
11 Commission Case No. 01-13C. This application is a request by  
12 the International Monetary Fund for consolidated review and  
13 approval of a planned unit development and map amendment under  
14 Chapter 24 of the District of Columbia Zoning Regulations for  
15 property located at 1900 Pennsylvania Avenue, N.W.

16 Copies of today's hearing announcement are  
17 available to you and are located to my left near the door where  
18 you came in. The order of procedure will be as follows: We'll  
19 begin with Preliminary Matters, followed by the applicant's  
20 case, the report of the Office of Planning, reports of other  
21 government agencies, report of Advisory Neighborhood Commission  
22 2-A, parties and persons in support, parties and persons in  
23 opposition, and rebuttal by the applicant.

24 The following time constraints will be maintained  
25 in this hearing: the applicant will have one and a half hours;

1 parties will have 15 minutes; organizations will have five  
2 minutes; individuals will have three minutes.

3 The commission intends to adhere to these time  
4 limits as strictly as possible in order to hear the case in a  
5 reasonable period of time. The commission reserves the right to  
6 change the time limits for presentations if necessary, and notes  
7 that no time shall be seeded.

8 All persons appearing before the commission are  
9 to fill out two witness cards. These cards are located on the  
10 table near the door. There's also a sign-in sheet for witnesses,  
11 and please indicate whether you are a proponent or an opponent  
12 of this case. Upon coming forward to speak to the commission,  
13 please give both cards to the reporter sitting to my right.

14 The decision of the commission in this case must  
15 be based exclusively on the public record. To avoid any  
16 appearance to the contrary, the commission requests that persons  
17 present not engage the members of the commission in conversation  
18 during a recess or at any other time. Staff will be available  
19 throughout the hearing to discuss procedural questions and you  
20 can direct any questions you have to Mr. Bastida.

21 Please turn off all beepers and cell phones at  
22 this time, so as not to disrupt these proceedings. At this  
23 time, the commission will consider any Preliminary Matters. Mr.  
24 Bastida, do you have any Preliminary Matters?

25 SECRETARY BASTIDA: Yes, the staff has two

1 Preliminary Matters. The first is that the applicant has  
2 complied with the posting of the property and I just received  
3 the affidavit of maintenance. It seems to be properly executed  
4 and maintained. Staff requests that the commission accepts that  
5 finding.

6 CHAIRPERSON MITTEN: Thank you, Mr. Bastida.

7 SECRETARY BASTIDA: The second is you have  
8 received a notice from the West End Citizen's Association for  
9 postponing this hearing.

10 CHAIRPERSON MITTEN: I think what we'll do first  
11 is take up the request for party status, and then we'll take up  
12 the request for postponement.

13 SECRETARY BASTIDA: Okay, thank you.

14 CHAIRPERSON MITTEN: Thank you. We have a  
15 request for party status by the West End Citizen's Association.

16 VICE CHAIRPERSON HOOD: Madam Chair, I make a  
17 motion that we grant the West End Citizen's Association party  
18 status in this case, 01-13C.

19 CHAIRPERSON MITTEN: Thank you. Is there a  
20 second?

21 COMMISSIONER MAY: Second.

22 CHAIRPERSON MITTEN: We have a motion and a second  
23 to grant party status to the West End Citizen's Association.  
24 All those in favor please said aye. (Chorus of ayes.) Those  
25 opposed, please say no?

1 Mr. Bastida.

2 SECRETARY BASTIDA: The staff will record the vote  
3 5-0 to accept it. I'm sorry I was distracted. I think Ms.  
4 Mitten moved it, Mr. Hood seconded?

5 CHAIRPERSON MITTEN: I'll help you out there. It  
6 was Mr. Hood made the motion and Mr. May seconded the motion.

7 SECRETARY BASTIDA: Thank you. The staff records  
8 the vote in such a fashion.

9 CHAIRPERSON MITTEN: Thank you. Now we'll take up  
10 the request for postponement. We have the request from the West  
11 End Citizen's Association, and we have the objection from the  
12 applicant. Please turn on the microphone.

13 MS. KAHLLOW: In the request for party status ?

14 CHAIRPERSON MITTEN: You just turned off the mike.

15 MS. KAHLLOW: In the request for party status ? I'm  
16 Barbara Kahlow of the West End Citizen's Association. In the  
17 request for party status, we asked as the applicant did, your  
18 notice gave the applicant 60 minutes and you granted them 90  
19 minutes. We asked instead of 15 minutes for 30 minutes. We  
20 won't take up the whole 30 minutes, but we have a statement that  
21 we believe is non-duplicative and worthy of your consideration.

22 CHAIRPERSON MITTEN: All right. We'll be flexible  
23 when you make your presentation, but given that you don't know  
24 what the ANC is going to be presenting in particular, but we  
25 will be watching for duplication.

1 MS. KAHLOW: I will say that we're going through  
2 the historical information from 1991 on. I don't believe the  
3 ANC is handling that at all.

4 CHAIRPERSON MITTEN: Okay, as long as you think  
5 that that's relevant.

6 MS. KAHLOW: It is.

7 CHAIRPERSON MITTEN: And time well spent.

8 MS. KAHLOW: Commitments not met. Thank you.

9 CHAIRPERSON MITTEN: Thank you. We had a  
10 conversation among the commissioners prior to coming out this  
11 evening about the request for a postponement. And what we would  
12 like, the way that we would like to proceed if there's no  
13 objection from the parties is that we would hear the applicant's  
14 case this evening and get through cross-examination on that, and  
15 then we would reconvene relatively quickly to finish the  
16 hearing, and we have two nights set aside.

17 Hopefully, we would only need one, so that there  
18 wouldn't be a serious time lag between this evening and when we  
19 would reconvene. But there would be adequate time for everyone  
20 to digest the report from the Office of Planning, and also the  
21 DPW report. Now just in concept, is that acceptable?

22 MS. KAHLOW: In concept ? this is Barbara Kahlow  
23 again, with one exception. Could you make sure that DPW is  
24 present for cross-examination? Since it will be Day 2, will you  
25 make sure they'll be here?

1 CHAIRPERSON MITTEN: We will definitely encourage  
2 them to come, and on that note, we also would like, and if the  
3 Office of Planning could assist us in this, getting some  
4 response from the police department, given that security is a  
5 big issue that's been raised in this case and we'd like to have  
6 a report from them as well as someone in attendance to be cross-  
7 examined. Mr. Altman, could you speak to that?

8 DIRECTOR ALTMAN: Yes. Dave McGettigan and my  
9 staff spoke with the police department and we will have them  
10 here if you set the date, to provide their report and be  
11 available for questions, cross-examination.

12 CHAIRPERSON MITTEN: Thank you. Please come  
13 forward.

14 MS. ELLIOTT: Sorry. I'm Elizabeth Elliott chair  
15 of ANC-2A. We have some problems with the applicant's numbers,  
16 the underlined assumptions within the benefits package and we've  
17 got a lot of questions about that. We don't think there's ? we  
18 think it's pretty thin testimony and do not think the support's  
19 there. And so we would like to have more information on that,  
20 and we'd like to be able to cross-examine on that, which we  
21 don't think we'll be able to do tonight, the cross-examination  
22 of just where those numbers came from and we need more details  
23 on that. We don't think it's supportable at this point.

24 CHAIRPERSON MITTEN: You'll be given the  
25 opportunity to raise questions this evening, and that may lead

1 to a request for supplemental information.

2 MS. ELLIOTT: As long as we're allowed to cross-  
3 examine on that supplemental information, is that possible?

4 CHAIRPERSON MITTEN: Certainly. Whatever we ask  
5 them to ? whatever additional information we ask them to submit  
6 that you be given the opportunity to respond.

7 MS. ELLIOTT: Okay, and one other issue that we  
8 had was the security issue, which in our report we talked about  
9 the whole issue of looking for a security analysis by the Office  
10 of Homeland Security, and we would like to continue to keep the  
11 security issue in the forefront on this.

12 CHAIRPERSON MITTEN: What we'll do, I mean we  
13 really don't have the prerogative to ask for reports from the  
14 Office of Homeland Security.

15 MS. ELLIOTT: Right.

16 CHAIRPERSON MITTEN: But we do to ask for reports  
17 from the police department or the Office of Emergency  
18 Preparedness, or anyone else who in the local government would  
19 have some input to that. And so, we're going to work those  
20 channels, and then to the extent that they would want to take it  
21 further, that would be for them to do, for them to initiate. Is  
22 that clear?

23 MS. ELLIOTT: Yes. Thank you very much.

24 CHAIRPERSON MITTEN: Thank you. Now let's try for  
25 a few dates to reschedule. What we would propose is either

1 Thursday, January 24th to reconvene with keeping the following  
2 Monday, January 28th available for a carryover date if we needed  
3 that, if we didn't finish on the 24th. Or, Monday, January 28th  
4 to reconvene, with February 1st as a possible third night. Are  
5 the parties available?

6 MS. KAHLLOW: Yes, the West End is available.

7 CHAIRPERSON MITTEN: I'm sorry. I think I  
8 misspoke. I think January 31st would be the Thursday that week.

9 Mr. Quin?

10 MR. QUIN: Are there not any earlier dates that we  
11 could continue this to? It's very important that we get this  
12 done expeditiously.

13 CHAIRPERSON MITTEN: Right.

14 MR. QUIN: And I'm concerned about the delays.

15 CHAIRPERSON MITTEN: We have hearings ? we have a  
16 meeting and hearings scheduled for the week of the 14th, Monday  
17 and Thursday are occupied, and then when we went into the  
18 following week, the Monday of the following week is a holiday.

19 MR. QUIN: What about this Thursday, the 10th?

20 CHAIRPERSON MITTEN: Let me see if the parties  
21 could get ? we have a very late submission from the Department  
22 of Public Works. We don't have a report yet from the police  
23 department, and I think we need to give ample time to get a  
24 substantive report from the police.

25 So, I think ? we're trying to be mindful of not

1 letting this drag on, which is why I have the dates in late  
2 January to propose, and our thought was that was the best  
3 combination of acting quickly without acting so quickly that we  
4 don't give folks a chance to respond to the reports.

5 MR. QUIN: Well, I just know on the 24th I'm  
6 supposed to give a seminar in Chicago so that's going to be  
7 difficult to get back for that.

8 CHAIRPERSON MITTEN: Would the combination of the  
9 28th and the 31st work?

10 MR. QUIN: I was hoping you could do it earlier  
11 than that. Any day earlier at all that we could take?

12 CHAIRPERSON MITTEN: Are you ?

13 SECRETARY BASTIDA: Madam Chairman, we just  
14 received the Office of DPW's report on traffic. It would  
15 require 10 days for it to be available without a waiver. If you  
16 were to have it this coming Thursday, you would have to waive  
17 that report. And I have copies of the DPW report with me, in  
18 case somebody has not received it and I can hand it out. Thank  
19 you.

20 CHAIRPERSON MITTEN: Are you just in Chicago for  
21 one day?

22 MR. QUIN: Yes.

23 CHAIRPERSON MITTEN: Well, how about the 23rd  
24 then, Wednesday the 23rd in combination with Monday the 28th?

25 MR. QUIN: That would be better.

1 CHAIRPERSON MITTEN: Is that possible to do, Mr.  
2 Bastida?

3 SECRETARY BASTIDA: I would have to check the  
4 availability of the hearing room. It would take only a minute.

5 CHAIRPERSON MITTEN: Okay.

6 MS. ELLIOTT: Madam Chair.

7 CHAIRPERSON MITTEN: Yes.

8 MS. ELLIOTT: Our ANC meeting is scheduled on the  
9 23rd of January, plus we are appearing in front of the Zoning  
10 Commission on the 10th of January for four GW cases. We are  
11 also appearing on the 17th for another case in front of this  
12 commission.

13 VICE CHAIRPERSON HOOD: Madam Chair, I would  
14 rather be cautious as opposed to ? I understand the different  
15 schedules that everybody has.

16 CHAIRPERSON MITTEN: Right.

17 VICE CHAIRPERSON HOOD: If we plan on all of our  
18 schedules, we would probably never have the hearing. It seems  
19 as though the dates that we have, and I understand Mr. Quin's  
20 trying to move this as expeditiously as possible, but I think I  
21 would rather proceed with caution, give the Office of Planning  
22 to get the report from MPD.

23 Also, we didn't ask for something from the  
24 Emergency Preparedness preparing a report. Maybe they can  
25 assist us with that. I understand he's the ? the mayor refers

1 to him, I believe, as the master of disaster, so he would be ?  
2 and I'm not making light of the situation. But I think his  
3 expertise weighing in on this would be very valuable. But I  
4 would rather go with the dates and maybe we can make another  
5 arrangement with Mr. Quin to move it back even further, because  
6 of the schedule. I don't see us coming in here on Thursday and  
7 have the reports and then have to have another hearing again and  
8 again and again. I won't belabor that point.

9 CHAIRPERSON MITTEN: Well the 23rd is not going to  
10 work then. I think what's going to work the best, in terms of  
11 having everything available and being able to proceed, would be  
12 the 28th and the 31st.

13 MR. QUIN: Can I ask again, the 24th is a  
14 Thursday?

15 CHAIRPERSON MITTEN: Is a Thursday.

16 MR. QUIN: Actually I think I'm in Chicago on  
17 Friday and I think I'm okay for the 24th.

18 CHAIRPERSON MITTEN: Okay, then we're now  
19 considering the 24th and then the following Monday the 28th.  
20 Any problems? Okay. Very well. So we'll have the applicant's  
21 case and cross-examination tonight, and then we'll pick up with  
22 the Office of Planning report on the 24th.

23 MR. QUIN: If we get through speedily enough,  
24 could we possibly go into OP tonight so that we can get a little  
25 further along? Because their report ?

1 CHAIRPERSON MITTEN: There was some conversation  
2 among the commissioners earlier about not wanting to split this  
3 up, and about having the testimony and the cross-examination in  
4 one evening, so there is concern about that.

5 MR. QUIN: Right.

6 CHAIRPERSON MITTEN: I understand your point, but  
7 we have discussed it and this is the way we would prefer to  
8 proceed. But I don't think there's going to be undue delay with  
9 the schedule that we set. Thank you.

10 Now, all individuals planning on testifying this  
11 evening, please rise to take the oath.

12 (Witnesses sworn.)

13 SECRETARY BASTIDA: Another matter, anybody who  
14 was to be a witness, would you sign the request by the entrance,  
15 and that way we'll have a full number of people who would like  
16 to be witnesses during the presentation ? anybody that would  
17 like to obtain a copy of it. Thank you.

18 CHAIRPERSON MITTEN: Thank you.

19 UNIDENTIFIED MEMBER: The witnesses who will not  
20 be testifying tonight, do you want us to take the oath of office  
21 tonight.

22 CHAIRPERSON MITTEN: We'll re-swear anyone who  
23 hasn't been sworn.

24 UNIDENTIFIED MEMBER: Very good. I just wanted to  
25 be sure.

1 CHAIRPERSON MITTEN: Okay. Thank you. Mr. Quin,  
2 you can come forward, and while you're setting up, let me just  
3 ask the commissioners if they've had a chance to review the  
4 resumes for the seven individuals that the applicant would like  
5 to have designated as experts? Any objections? No objections.  
6 Mr. Quin, your experts have been designed without objection, so  
7 you can just move right into your presentation.

8 MR. QUIN: May I begin?

9 CHAIRPERSON MITTEN: Please do, and please turn on  
10 the microphone.

11 MR. QUIN: Madam Chairperson, members of the  
12 commission, my name is Whayne Quin with Christine Shiker of  
13 Holland and Knight. We represent the International Monetary  
14 Fund in this application. Let me start by saying we're pleased  
15 to be here tonight to represent the International Monetary Fund,  
16 which is the applicant in this case. The fund, we believe, is  
17 extremely important to the city, both from its local aspects and  
18 interest standpoint and its Federal interest. It's important to  
19 the nation, and it's important to the world, and we'll come back  
20 to that in just a moment.

21 But I want to go first now to the site and just  
22 briefly talk about the location which you hopefully know at this  
23 point. It consists of the entire square bounded on the north by  
24 Pennsylvania Avenue, 19th and 20th on the east and west. It's  
25 in red, and this is part of our exhibit, our Tab G in our

1 original statement, and H Street to the south.

2 To the immediate south is the International  
3 Monetary Fund existing headquarters building, which was approved  
4 by this commission in three phases of PUD approval for a period  
5 of about 30 years, in the three different phases. So Christy, I  
6 think we can go on with some other testimony before we come back  
7 to that, our description.

8 The application will permit the IMF to meet a  
9 critical need for consolidated, state-of-the-art secure and  
10 functional space for a building which we will call HQ2, with  
11 direct connection below grade to HQ1, that is the existing  
12 headquarters building, to serve its membership nations and its  
13 staff. And the site, as you probably know, was previously used  
14 by PEPCO, and in a building that has been identified sometimes  
15 as less than appropriate for Pennsylvania Avenue.

16 The proposed building, on the other hand, has  
17 been designed by the architectural firm of Pei Cobb Freed and  
18 specifically Henry Cobb who will present the plans tonight. And  
19 the building will have 12 stories, 130 feet in height, a 10 FAR,  
20 with a total gross square footage of a little under 650,000  
21 square feet.

22 It's design, as the testimony will show, has been  
23 carefully chosen and detailed to fit the context of the area,  
24 with the highest quality materials, the most appropriate  
25 configuration in shape, and a streetscape that is exceptionally

1 inviting to the general public and the community.

2           There are many project amenities, which will be  
3 described and we will hand in a sheet that lists those,  
4 including retail uses which are open and directly accessible to  
5 the public from the confronting streets. These have evolved  
6 over a period of time that we've had the application pending,  
7 and enhanced through meetings with the Office of Planning and  
8 the community. Their extensive public benefits are also being  
9 contributed by the fund, in keeping with the fund's social  
10 commitment to the city and the community. All this will be  
11 described by our witnesses.

12           I would like just to reflect on the record that  
13 we have filed tonight a consolidated package that updates some  
14 of the design matters, but essentially is a package that puts  
15 together our application in one package, so it would be more  
16 convenient for the commission, and it's been served on all  
17 parties.

18           Although designated in the highest density  
19 commercial land-use category on the comprehensive plan land-use  
20 map, and notwithstanding the fact that the site is virtually  
21 surrounded by C-4 zoning or C-4 densities, either existing or  
22 permitted, the property is underzoned, FC-3C, and this can best  
23 be seen by looking at this exhibit.

24           What I want to do is just briefly start at the  
25 southeastern corner. You can use this one up here, Christine.

1 This is fine. Right there is fine. And, point the World Bank  
2 is zoned C-4 at 130 feet, 10 FAR. You go straight up across the  
3 parks, also C-4. A new building is being finished there for DRI  
4 at 1899, and that whole area that goes to the east of 19th  
5 Street is in the new downtown receiving area, permitting to the  
6 other direction, going out towards the circle, Washington  
7 Circle, and which permits 10 FAR and 130 feet.

8 And then as you go south, you have immediately  
9 adjacent to the site, to the west, first redline row, which as  
10 you know is a PUD, at 112, 113 feet in height, and a 7 FAR. Then  
11 you have George Washington University, which is the first part  
12 at the top is designated as academic and administrative use, and  
13 then the rest of that is the GW Campus.

14 The most important point though is just to the  
15 south, which I mentioned earlier, and if you look at our tabs in  
16 our original application, you'll find the orders of the Zoning  
17 Commission approving and finding appropriate the density for  
18 that site, which is the last phase was approved at 10.11 FAR,  
19 130 feet, so that the entire square is 130 feet in height per  
20 building, and a 9.07 FAR. Thank you, Christy.

21 Mr. Shur is going to get more in detail on that,  
22 as you can imagine, so I'm going to move quickly on. This  
23 application seeks no deviations from the C-4 zoning  
24 classification that we're seeking, and no incentives about the  
25 C-4. We're not seeking extra height, extra FAR, smaller courts,

1 no less setbacks than required. The only three reasons that we  
2 have chosen to come to this commission for a PUD is the pattern  
3 of approval in the past. We thought it would be strange to come  
4 as a straight zoning case when the rest of IMF was approved  
5 through PUDs.

6 Secondly, we knew that if we came in it through  
7 PUDs, that this commission would be able to determine the exact  
8 building that's going to go on this site, and we thought that  
9 would be a plus for the application. And thirdly, as you know,  
10 it allows the most detailed input from the community and the  
11 various agencies. So that's why we are here for the PUD.

12 What is the IMF and why is it appropriate? This  
13 will be described by Mr. Prebensen shortly, but from a zoning  
14 use perspective, the IMF is an international organization  
15 primarily responsible for regulating the international monetary  
16 system. But one aspect is very important today. Pursuant to  
17 its Articles of Agreement and Resolutions, IMF plays a major  
18 role in fostering global economic stability and international  
19 trade, which are meaningful especially since September 11th of  
20 last year, in helping to maintain and restore international  
21 peace and security.

22 As to the location, as a combination of the  
23 Foreign Missions Act, the IMF's own Articles of Agreement and  
24 the Foreign Missions international organization element of the  
25 comprehensive plan provide for the location of the IMF in the

1 District of Columbia, and in the Central Employment Agency, as  
2 other business areas following criteria set up by NCPC. And I'd  
3 like to submit for the record, since it's not referenced in any  
4 way by the Office of Planning, portions of the Foreign Mission's  
5 element, which describe the criteria for locating international  
6 organizations. And if you look at Page 134 in that element,  
7 you'll see all the criteria listed for the location of the  
8 international organizations.

9 The subject site is within a preferred location  
10 pursuant to those elements and those criteria because especially  
11 the location in close proximity with other United States offices  
12 and agencies with which IMF does business, as well as the World  
13 Bank, OAS, International Finance Corporation, Pan American  
14 Health Organization, State Department, Executive Offices and  
15 obviously, the existing headquarters of the International  
16 Monetary Fund with which the new building will connect.

17 The Office of Planning, I'm sure through  
18 inadvertence, mistakenly refers to the density on the land-use  
19 element of the comprehensive plan as medium-high density. The  
20 density prescribed is high density. But I want to point out  
21 that we are very pleased and appreciative of the input that we  
22 have received from the Office of Planning, and the ultimate  
23 support in their statement.

24 We believe that the project has improved  
25 significantly as a result of many meetings and lots of guidance,

1 particularly on design and the retail uses. We're also pleased  
2 with the DPW report, which among other comments concludes that  
3 our vehicular and loading access is appropriate on 20th Street,  
4 and that the only non-use time or peak period of non-use should  
5 be in the morning, the AM peak.

6 We're sorry, however, that we've not been able to  
7 reach agreements at this point either with the ANC or the West  
8 End Citizen's Association, but we've worked very hard to try to  
9 reach agreements. Unfortunately, we have not reached those, but  
10 we have made substantial changes which you see before you.

11 Again, we're not seeking any deviations or incentives from the  
12 C-4 zoning, so balancing under the section of PUD ? 2403.8 is  
13 not needed in this case.

14 I would like to submit for the record a response  
15 to the memorandum that the ANC filed with its statement. We'll  
16 just file it for the record. This was an attachment that Mr.  
17 Hitchcock prepared, and we found that in his memorandum they'd  
18 essentially agreed with our legal conclusions but came to a  
19 different result.

20 This leads me to my final point. The IMF has  
21 proffered extensive and costly lists of project amenities and  
22 public benefits that would not be required under matter-of-right  
23 C-4 zoning. These are listed and described in the Office of  
24 Planning statement, at Pages 10 to 11.

25 There's one major exception and I have not seen

1 anything to the contrary at this point. The IMF has neither  
2 offered nor agreed to contribute to the Housing Trust Fund.  
3 Such a contribution is not legally required under either the PUD  
4 regulations or the comprehensive plan, and there simply is no  
5 basis for such a provision, especially in view of the extensive  
6 additional benefits and project amenities that have been  
7 proffered, and we can enter into that later, and I don't know  
8 whether the Office of Planning has corrected that at this point  
9 or not, but I have not received a copy of any such memorandum.

10 Finally, we would like to submit our list of  
11 proposed amenities and benefits, because what we've done is  
12 taken them and put them in one page so it would describe what  
13 they all are. There's nothing new. It's just that these are  
14 the ones that we have been working with the Office of Planning  
15 and the community with.

16 We would also submit for the record our proposed  
17 first source and LSDBE agreements, so that they will be ? this  
18 is the part that's been signed on behalf of the International  
19 Monetary Fund at this point. We'll put that in the record  
20 today, and also finally a letter from St. Mary's Court  
21 expressing satisfaction with our proposal to assist in a van for  
22 their use, as well as a drug prescription program for the  
23 elderly.

24 We look forward to your favorable consideration,  
25 hopefully expeditiously, and unless there are questions, we

1 would like to go now to our witnesses.

2 CHAIRPERSON MITTEN: Please proceed and we'll hold  
3 our questions until the end, Mr. Quin.

4 MR. QUIN: Thank you.

5 CHAIRPERSON MITTEN: Thank you.

6 MR. QUIN: Ms. Prebensen.

7 MS. PREBENSEN: Good evening and thank you, Madam  
8 Chair and members of the commission. My name is Inger  
9 Prebensen. I'm Deputy Director of the Technology and General  
10 Services Department of the International Monetary Fund and I'm  
11 responsible to the management of the International Monetary Fund  
12 for the proposed project.

13 First to what is the IMF? The International  
14 Monetary Fund was established by international treaty in 1945,  
15 to help promote the health of the world economy. It is governed  
16 by its membership of 183 countries. The IMF is the central  
17 institution of the international monetary system, the system of  
18 international payments and exchange rates among national  
19 currencies that enables business to take place between  
20 countries.

21 The IMF's presence in Washington, D.C. makes this  
22 city a world center of international public policy and finance.

23 We also provide financial assistance to members having trouble  
24 meeting their financial obligations to other countries, but only  
25 on the condition that they undertake economic reforms.

1 Experience has confirmed that without a global  
2 monetary agency, the modern system of payments simply would not  
3 work. The foreign exchange market profoundly affects us all.  
4 Importers, banks, governments, and other institutions must  
5 acquire foreign currency before they can do business abroad.

6 As the development of the world economy since  
7 1945 has brought new challenges, the work of the IMF has  
8 evolved. Most fundamentally, however, we serve as a permanent  
9 forum for international cooperation. Through the IMF, our  
10 universal membership works together to seize the opportunities  
11 and minimize the risks of global economic developments as they  
12 unfold.

13 As Mr. Quin indicated, it is clear that the world  
14 economy today faces difficult challenges. In particular, too  
15 many people are living in poverty. Steps to strengthen  
16 governments and fight corruption have too often lagged behind  
17 other reforms. The final strategy to meet new challenges by  
18 insuring international monetary and financial systems and  
19 promote higher quality growth and fight poverty, is more  
20 important than ever.

21 Indeed, it is critical in combating current  
22 threats and improving living standards by fighting poverty  
23 worldwide. A recent example of our work in this area is the  
24 fund's policy reduction and growth facility which provides  
25 assistance to members.

1           The IMF headquarters are at 1900 Pennsylvania  
2 Avenue, so why did we need this new building, and why did we buy  
3 it? The purpose of this project is to house all the IMF staff  
4 in owned facilities in the present Headquarters 1 building, and  
5 future Headquarters 2 building. This project will enable the  
6 fund to continue its important work in the world economy while  
7 controlling its own long-term cost to ownership. The present  
8 headquarters building was built in three phases, approved by the  
9 Zoning Commission in 1969, 1980, and 1992 respectively. The  
10 last phase was completed in 1998.

11           In approving our present headquarters building,  
12 the Zoning Commission recognized the area as an appropriate  
13 location for our international organization, and IMF has now  
14 been in this location for over 30 years. During this time, the  
15 IMF has established close ties with the District. Through its  
16 civic and community relations programs, the IMF has partnerships  
17 with three local schools, participates in local community  
18 groups, and makes its public space available to non-profit  
19 organizations and the local government.

20           Through these programs, IMF makes financial  
21 donations to many programs, benefitting the local community as  
22 well as various in-kind donations, including computers to public  
23 schools, food to the D.C. Central Kitchen, add furniture and  
24 fixtures to local charities and schools. These services and  
25 activities, among others, show that IMF is a valuable community

1 member.

2 Location in the District of Columbia at this site  
3 is appropriate. Questions have been raised by the community  
4 about whether downtown Washington is an appropriate location for  
5 the IMF. The IMF Articles of Agreement require the institution  
6 to be located in the territory of its largest member, which is  
7 the United States.

8 The United States holds about 18 percent of  
9 voting power in the fund. Further, our close cooperation with  
10 our sister organization, the World Bank, other international  
11 organizations, and Federal agencies in Washington, D.C., make  
12 this location optimal.

13 This was recognized by the Zoning Commission when  
14 approving Phase II and Phase III of our present headquarters  
15 building. For the IMF, the location of the property at 1900  
16 Pennsylvania Avenue, adjacent to our present headquarters and  
17 the possibility of connecting the two buildings, via the  
18 construction of a tunnel, will enhance the effectiveness and  
19 efficiency of our daily operations. This will also enable us to  
20 achieve higher levels of security by consolidating our  
21 facilities in a single location. This is also very important  
22 these days.

23 This choice of location has no adverse impact on  
24 the D.C. community and supports the purpose of the comprehensive  
25 plan. The proposed use is the same as the existing building,

1 and the number of employees proposed for the building is, in  
2 fact, less than the number previously housed at the PEPCO  
3 Building.

4 Our proposal replaces the typical office building  
5 currently located on the site, which has been identified as less  
6 than appropriate for the Pennsylvania Avenue, with a building  
7 that will enhance the architectural presence of the neighborhood  
8 compared to today's building.

9 The removal of the PEPCO Building, and the  
10 construction of the proposed new building, which is purely  
11 decided by PEPCO Freedom Partners, world famous architects will  
12 constitute a tremendous asset to the area. Unlike the PEPCO  
13 Building, the Headquarters 2 Building will have retail uses on  
14 Pennsylvania Avenue, extensive landscaping and a lively sidewalk  
15 atmosphere, as you will see, which will be presented by our  
16 architects.

17 Our consultants will describe the building itself  
18 as it's related to parking and traffic. From a security  
19 perspective, our consultants have confirmed that there would be  
20 no additional security issues for the neighborhood as the IMF  
21 Headquarters Building, and other international organizations are  
22 already located in this area.

23 Indeed, the security enhancements incorporated in  
24 the design of the project significantly increase the level of  
25 security provided. The sign of the Headquarters 2 Building

1 provides for access control screening, protection of mechanical  
2 systems, and significant design level protection for electrical  
3 fire and security systems.

4 The building's exterior walls and glass are  
5 designed to meet the qualifications for a GSA Class C office  
6 building. This is the set of criteria established by the U.S.  
7 Government for security of its offices in downtown Washington,  
8 D.C. It includes the use of maximum vehicle areas, hard walls  
9 and glass. In addition, the design includes elements that  
10 provide progressive collapse of the building. The present  
11 building at 1900 Pennsylvania Avenue does not include these  
12 security features.

13 We have worked with the community and the listed  
14 agency, first the ANC-2A. The IMF has worked closely with the  
15 community and government agencies to develop a project that will  
16 meet everyone's needs. The IMF has presented the project three  
17 times in the monthly meetings of the ANC-2A since June, 2001. I  
18 personally have walked the neighborhood with representatives of  
19 ANC to discuss the project and held several other meetings with  
20 them, as well as a multitude of telephone conversations and e-  
21 mail exchanges from last summer until now.

22 We have received useful comments on the design of  
23 the building, as well as on which local amenities should be  
24 included in our package. Both our design and our understanding  
25 of the local community have been greatly enhanced through these

1 discussions. We do, of course, regret that these discussions  
2 did not result in the full support of ANC-2A. The commission  
3 has voted 3-2 against our project. It is incorrectly noted that  
4 the vote was 4-1.

5           Nevertheless, we are grateful for the positive  
6 atmosphere in which these discussions were held. We are also  
7 grateful for the extensive discussions we have had with the West  
8 End Citizen's Association regarding this project. Their  
9 intuitive and positive suggestions have been valuable in  
10 developing this project.

11           We have also, from the very start of the project,  
12 had the advantage of meeting with the staff of the Office of  
13 Planning, NCPC, and DPW. In response to these meetings and the  
14 comments received, we have made significant changes in the  
15 design and use of the proposed building. We have significantly  
16 reworked the facade of the building, especially on the  
17 Pennsylvania Avenue frontage and the meeting hall facade.

18           We have incorporated water features on  
19 Pennsylvania Avenue to enhance the pedestrian's experience, and  
20 we have included public retail space both at corners of 19th and  
21 20th Streets and Pennsylvania Avenue to promote the commercial  
22 development of the city, and for the added convenience of the  
23 neighborhood.

24           Because of its global membership and importance  
25 to the international financial community, some may think of the

1 IMF as a rich organization. However, in all its endeavors, the  
2 IMF remains a public institution governed by its member  
3 countries and financed with public money.

4 Public benefit and project amenities, the exhibit  
5 has been given to the Zoning Commission by Mr. Quin. The list  
6 of public benefits and project amenities ? on this, I will be  
7 glad to answer any questions in that regard. I won't go through  
8 them in any detail, as you have been provided with the exhibit.

9 I would point out that in light of the concerns expressed by  
10 the Zoning Commission during our sit-down hearing in September,  
11 we are proposing that the fund shall be responsible for  
12 undertaking the offsite amenities, instead of a local task.

13 The Transportation Management Plan has been  
14 submitted and will be discussed in further detail by Mr. Osborne  
15 George. The architectural design has responded to the  
16 functional needs of the IMF and the comments from the community  
17 and the Office of Planning. It also reflects IMF's desire to be  
18 perceived as an open transparent, engaging, and welcoming public  
19 institution and establishes an appropriate architectural  
20 character for the Headquarters 2 Building in relation to its  
21 immediate neighbors, including the Headquarters 1 Building and  
22 the World Bank.

23 In conclusion, we are very proud of this project.

24 We think it's a wonderful building, and we hope that you will  
25 agree it will be a tremendous benefit to the city and is

1 deserving of your expeditious approval. Thank you.

2 CHAIRPERSON MITTEN: Thank you.

3 MR. QUIN: Madam Chair, first we'd like to call ?

4 CHAIRPERSON MITTEN: Could you turn on the mike?

5 MR. QUIN: Sorry. Our next witness, Mr. Henry  
6 Cobb of Pei Cobb Freed to proceed with presentation of the  
7 architecture.

8 CHAIRPERSON MITTEN: Thank you.

9 MR. COBB: Good evening, Madam Chairman and  
10 members of the commission. My name is Henry Cobb. I'm a  
11 founding partner of Pei Cobb Freed and Partners, Architects.  
12 Our practice over the past 45 years has been exceptionally  
13 diverse in terms of building type and setting, and that  
14 diversity is quite well represented in our work in the city of  
15 Washington.

16 Dating back to the 1950s, when we prepared the  
17 original urban renewal plan for southwest Washington and  
18 executed two residential buildings in that area ? what's  
19 happened? This is the problem with technology. No? It's not  
20 working. I think I'll just proceed, because in order to save  
21 time, I'll just mention some of these projects, which you  
22 probably know.

23 In the `60s the Le Font Plaza project, also in  
24 southwest Washington; in the `60s also, and into the `70s, the  
25 east wing of the National Gallery of Art; in the `80s Columbia

1 Square at F Street and 13th Street; also in the '80s, 1299  
2 Pennsylvania Avenue adjacent to Columbia Square. In the '90s ?  
3 you do, all right.

4 MR. QUIN: May we have a few minutes to try to set  
5 this up? It seems to me I've seen it before.

6 CHAIRPERSON MITTEN: We would ask the Office of  
7 Planning to help you, but. Mr. Bastida, would you shut the  
8 clock off for a couple minutes?

9 (Background discussion.)

10 MR. COBB: I'd rather wait and get started,  
11 because I don't want to start without it going right.

12 (Pause.)

13 CHAIRPERSON MITTEN: Now Mr. Cobb, I'm going to  
14 need you to put your mike back on.

15 MR. COBB: Thank you. As I was explaining, our  
16 work over the past 45 years has included a number of projects in  
17 Washington which illustrate the diversity of our practice. Way  
18 back in the 1950s, we prepared the initial urban renewal plan  
19 for southwest Washington, executed two residential buildings  
20 there.

21 In the '60s, two buildings in Le Font Plaza for  
22 which we also did the master plan. In the '70s, the building of  
23 the National Gallery of Art. In the '80s, Columbia Square at  
24 Pennsylvania Avenue and 13th Street, and also 1299 Pennsylvania  
25 Avenue, adjacent to it. In the '90s, the United States

1 Holocaust Memorial Museum, the headquarters of the American  
2 Association for the Advancement of Science at New York Avenue at  
3 12th Street, and the Federal Triangle on Pennsylvania Avenue at  
4 14th.

5 Our most recent executed building in Washington  
6 is 2099 Pennsylvania Avenue at the corner of 21st Street, and a  
7 building currently in the works, which in fact was submitted to  
8 and approved by this commission just a few weeks ago, is 1700 K  
9 Street.

10 This bring us now to our 11th project in the city  
11 of Washington, the IMF HQ2. I show this plan because to us the  
12 location of this site is exceptionally important and  
13 challenging, located exactly halfway between Washington Circle  
14 to the west, and the White House to the east, and flanked by two  
15 quite interesting and exceptional small parks that set off this  
16 site and make it particularly prominent on the avenue.

17 These are privileges of these sites, and with the  
18 privilege comes clearly in our view an obligation on us as  
19 architects, to make a building here that is worthy of this  
20 exceptionally privileged setting. This image shows a block  
21 model. On your right, there is a more detailed model, which you  
22 can examine later. This is a block model that simply gives a  
23 notion of the volume of the building in its setting. It is a  
24 building of 12 stories, 130 feet, as Mr. Quin has said, matching  
25 the height of adjoining buildings on Pennsylvania Avenue. World

1 Bank is here at 19th Street. IMF HQ1 is here just to the south.

2 In approaching the design of this project, and  
3 this is as my previous history showed, this is one of a quite a  
4 few projects that we have had, in which we have dealt with the  
5 special condition of Washington, the intersection of the  
6 octagonal grid and the diagonal, which is of course the  
7 emblematic aspect of Le Font's plan.

8 In this case, we felt that the first benefit that  
9 could be extracted from that is to create at the heart of this  
10 site an atrium, which would allow the building to fill the site  
11 as we believe it should for urban design reasons, to come out to  
12 the street walls on all sides, and at the same time, provide  
13 light and air to its interior.

14 We next introduced smaller atria on the two ends  
15 of the building, emphasizing the intersection of the diagonal of  
16 Pennsylvania Avenue with the octagonal sides adjoining it. On  
17 this site, it seems clear that there ought to be a public  
18 entrance on Pennsylvania Avenue, but it's also clear that  
19 because of its adjacency to IMF HQ1 to the south, that there  
20 needs to be an entrance both for visitors and for staff on the  
21 19th Street side, facing this small park.

22 Service entrances and parking entrance are appropriately placed  
23 on 20th Street. This is the location preferred by DPW, and  
24 seems appropriate as it is also the location of service on the  
25 HQ1 building.

1 Here you see something that Mr. Quin mentioned an  
2 important underground link between HQ1 and HQ2 below H Street.  
3 Now, this is just a quick overview of the building in its  
4 setting. As I said, it's 12 stories, 130 feet high. There is  
5 the small park to the east with the World Bank Headquarters  
6 here, IMF HQ1 to the south, H Street, the H Street facade, 20th  
7 Street, and here you can see those atria which introduce a  
8 degree of transparency into the building at the two ends,  
9 breaking up the volume of the building on that side.

10 Now coming back to Pennsylvania Avenue, an  
11 important aspect of this building is the way in which it speaks  
12 to the avenue and the way in which it can be entered from the  
13 avenue. This is the main public entrance, and as you move  
14 through that entrance, you arrive in the atrium that occupies  
15 the center of the building, and it goes straight up to a  
16 skylight in the roof.

17 I want to touch for a moment on not just the  
18 massing, but the exterior, the character of the exterior of this  
19 building. As Inger Prebensen mentioned, there's a desire by IMF  
20 to present itself on Pennsylvania Avenue as an institution that  
21 is transparent, that is engaging, that is welcoming, and at the  
22 same time, that has a family relationship to the headquarters  
23 behind it.

24 We wanted the building to be more transparent,  
25 more open, not as heavy. We wanted it to be lighter than the

1 building behind, but to share something in common with it so the  
2 material quality of the solid elements in this building are  
3 similar to HQ1.

4 There are essentially three materials in the  
5 exterior of this building, and the whole architecture of the  
6 building is the result of an interplay, a variation on a theme  
7 in the relationship between these three materials, an  
8 architectural grade precast concrete, which is a very fine  
9 finish material, glass and painted aluminum with a silver color.

10 These are the three materials that define the exterior of the  
11 building, but what is important in our view, especially in so  
12 large a building, is that they're varied.

13 The variation of the material and the variation  
14 of massing, as you can see in the elements that introduce  
15 eventfulness into that long Pennsylvania Avenue facade, these  
16 are the elements out of which the architecture of this building  
17 is made. If we deal first with the variations of material, it's  
18 a question of varying the proportions.

19 On the south side, as this red line indicates,  
20 where you have the most sun, we have most solid. It's about  
21 half and half, solid and glass. Always what is common to  
22 everything is the horizontal metal band that goes right around  
23 the whole building. But then above it and below it, it varies.

24  
25 There is on the Pennsylvania Avenue side less

1 solid, more glass, more transparency, and in the special  
2 features such as this penthouse element that introduces the play  
3 between the octagonal and the diagonal on the Pennsylvania  
4 Avenue facade, we eliminate the solid of the precast concrete  
5 altogether and it becomes glass and metal.

6 There is a view looking eastward toward the White  
7 House. This is 20th Street and Pennsylvania Avenue. There's the  
8 red line project. And, I want to touch for a moment in a little  
9 more detail on what happens in what we call the lower register  
10 of this building, that is to say, below the lowest three floors,  
11 because it's our view that a building fronting on Pennsylvania  
12 Avenue needs to deal in a very positive way with that frontage.

13 Given the length of this building, we need to shape it in terms  
14 of both use, material and the articulation of the elements,  
15 architectural elements.

16 We need to shape it in such a way that it is  
17 inviting to the public and engaging, interesting. It's the  
18 experience that people apprehend along, in the first 30 feet of  
19 height that is going to determine the way that this building  
20 feels to people in the street.

21 Now most important perhaps is the question of  
22 use, and we have, as Mr. Quin and Ms. Prebensen indicated, we  
23 have introduced at the two corners significant activities  
24 accessible to the public. On the northwest corner of 20th  
25 Street and Pennsylvania Avenue, a two-story high restaurant, you

1 see it here in the perspective, that occupies that very  
2 important and very visible corner.

3 And at the other end, at 19th Street and  
4 Pennsylvania Avenue, a two-story high glass wall opening into a  
5 ground floor retail area, community-oriented retail, at that  
6 even more prominent corner. So the two corners, we feel, have  
7 appropriately been given to activities that are accessible to  
8 the public.

9 And here, I want to reiterate what has already  
10 been said by the previous two witnesses, that in working out  
11 this scheme to the level of detail that it's now reached, we  
12 have benefitted greatly from the constructive criticism that we  
13 have had from members of the community, from the Office of  
14 Planning, and from the staff of NCPC. And I will describe now  
15 some of those elements in further detail.

16 But before I come to the exterior, I want to  
17 touch just a little bit more on the ground floor, the lower  
18 floors of this building, because there is a significant public  
19 aspect to the activities on these levels. You see here in  
20 yellow the public lobby that joins the two public entrances, one  
21 on 19th, one on Pennsylvania Avenue. They're joined by a public  
22 lobby and then you go through security and go into the atrium  
23 and the elevator banks beyond.

24 What is important to see here from a public point  
25 of view is that the major meeting facilities of IMF, this is a

1 large meeting hall subdivisible, which putting the two together  
2 can hold more than 450 people, and with it smaller meeting halls  
3 that are used in conjunction with it. These very important IMF  
4 facilities can and will be made available for public use on a  
5 scheduled basis, and when that happens, the whole atrium then  
6 becomes available as a gathering place in conjunction with that  
7 use.

8 So for us, this is a very important principle in  
9 the design of this building, that those facilities which are the  
10 most important gathering places for IMF during its working day,  
11 have been placed at the ground floor so that they can become, on  
12 occasion, useful and important gathering places fo the public,  
13 and making not only the facilities themselves, but the atrium  
14 which is at the heart of the building, available to the public.

15 At the same time that the ground floor can be  
16 made available, the mezzanine, which contains the IMF  
17 restaurant, it's a 300-seat restaurant, cafeteria, can also be  
18 opened up by way of a grand stair here so that people using the  
19 atrium, using the meeting rooms below, can also use these  
20 facilities. So the public uses which are explicit at the two  
21 corners are complemented in a way by occasional public use of  
22 the interior of the building at these first two levels.

23 Coming back now to the exterior, again the design  
24 as it has evolved is the product of extensive dialog with the  
25 neighbors, particularly with the Office of Planning and with

1 NCPC, particularly with respect to the public sidewalk areas.  
2 There's a lot of detail here which I won't go into, but I'll be  
3 glad to respond to questions later about it.

4           Essentially, there are two major types of  
5 streetscape planned for this project. One type is on H and 20th  
6 Streets, which proposes in this quite wide sidewalk, it's more  
7 than 30 feet, to have a planter with the seating area next to  
8 the building, then a pedestrian walking area, then trees.

9           The trees have been selected to be appropriate to  
10 the particular street, so that we have on H Street Lyndon trees,  
11 on 20th Street Norway Maple, on Pennsylvania Avenue and 19th  
12 Willow Oak, which are streets that are characteristic to the  
13 existing streets in that area, trees that are characteristic.

14           So that is one type of perimeter public space  
15 around the building. Because the sidewalks are very generous,  
16 we are able to create these embellishments, which we believe  
17 will make all the sidewalks quite attractive and engaging to the  
18 community.

19           Now on the Pennsylvania side, this is a section  
20 taken through the meeting room wall. There is a mar complex  
21 array of facilities. On 20th and H Streets, there are bollards  
22 at the curb. These bollards are required for security. They  
23 are spaced at about four feet on center, and they provide a lot  
24 of transparency permeability, but they prevent vehicles from  
25 going onto the sidewalk.

1           On the Pennsylvania side, it seemed that  
2 something more varied and interesting was required, and that  
3 takes the form of a series of planters with benches or seating  
4 areas which vary as you move along the avenue. Some of them  
5 have seating facing outboard.

6           Some of them have seating facing inboard, the  
7 outboard facing seating has planters behind it and vice versa on  
8 the inboard, and then there is always a tree between these  
9 seating areas. These seating areas are inviting and useful to  
10 the public, but they do also provide security. And in view of  
11 that, the number of bollards along the Pennsylvania Avenue side  
12 is greatly reduced.

13           The material quality in the lower register, as I  
14 call it, that is to say the lowest three floors of the building  
15 is also a very important consideration here. In the walls in  
16 the lower register, we use a limestone in a portion of that wall  
17 which I'll refer to in a moment as the water wall, becomes Deer  
18 Island granite. The paving in the sidewalk is a precast paver  
19 of a gray color, but with an aggregate in it to give it a  
20 texture. And framing the building around its perimeter is a  
21 frame of brown granite. Here are the three tree types, the  
22 willow oak which will be on Pennsylvania Avenue, the Lyndon and  
23 the Norway Maple on the other streets.

24           Now the result of this array of amenities in the  
25 street will be a very significant transformation in the

1 character of all the streets, but the one, of course, that is of  
2 the greatest concern to the widest public is Pennsylvania  
3 Avenue. This is a view looking west on Pennsylvania Avenue  
4 today, with the PEPCO Building and its arcade on the left, and  
5 this is the same view as it would appear with the building that  
6 we propose.

7           Very important here, and I'll emphasize it again,  
8 is the monumentalizing of the lower register. In other words,  
9 we deliberately create tall columns recess a play of volumes and  
10 space within that first three floors. Why? Because it's within  
11 that lower register that the experience of the building for the  
12 person in the street is defined.

13           Here is the main entrance on Pennsylvania Avenue  
14 to IMF, and here is a feature which we call the water wall,  
15 which lines the outer perimeter of the large meeting room  
16 within, so that you have a play between the transparency of the  
17 entrance and the solidity of the perimeter of the meeting room.

18           Looking eastward on Pennsylvania Avenue towards  
19 the White House, there's the view today, and that's the view  
20 that we propose. You see in the foreground the planters, the  
21 trees, the double lighting standard, the Washington double  
22 lighting standard which would be on Pennsylvania Avenue. On  
23 20th Street would be the Washington single light standard, and  
24 there at the corner is the retail space on the corner of 19th  
25 and Pennsylvania.

1                   Here in the center, the entrance to IMF with its  
2 canopy, and here that wall of water. Now it's worth saying a  
3 word about that, because from the point of view of the public,  
4 and after all, this is a building which is a working building.  
5 At ground level, it will be made accessible to the public in  
6 important ways, permanently at the two corners, and periodically  
7 the whole building at the ground level.

8                   But still, it is a working building and the  
9 question is, how can a working building like this be made  
10 interesting and engaging to people at street level? We think  
11 trees, paving, planting, lights are part of it, but in this case  
12 we thought that it would benefit also from the animation to be  
13 provided by water.

14                   This water wall, we attempt a representation  
15 here, but this image in the upper left is really more accurate,  
16 is a kind of fountain. It's a kind of waterfall, if you will,  
17 across a striated stone face, which creates a very engaging  
18 play. It's constantly in motion, but it doesn't wet people.  
19 It's a surface motion, but it invites touching. It invites  
20 people to come up and engage it.

21                   It's that kind of activity that is very easy to  
22 enjoy. It provides sound and evening light, and in the daytime,  
23 the reflected light, the animation of the surface, in a way that  
24 we think will make the building a welcomed presence on the  
25 avenue.

1                   And complementing that, in the corner here is  
2 something else special in the way of water. It's called a  
3 lamina flow. This is actually a photograph of such a flow.  
4 It's a perfect cylinder of water made by a special kind of jet  
5 that creates a kind of three dimensional sculpture at that  
6 intersection of the water wall and the entrance. So these two  
7 kinds of water play are important events. In their own way,  
8 they are just as important as the larger events that occur in  
9 the facade of the building above that.

10                   And here again, I want to emphasize how much we  
11 have benefitted from discussions with the building's neighbors  
12 and with the Office of Planning in discussing how a wall of this  
13 kind can be made engaging, attractive, transparent, alive, how  
14 this is a working office building, and yet it has a presence  
15 that brings something more to the street than just more windows  
16 with offices behind. And I think with that, I'll complete my  
17 initial presentation. I'll be glad to answer questions later.

18                   CHAIRPERSON MITTEN: Thank you.

19                   MR. QUIN: Madam Chairperson, may we move to our  
20 next witness, Mr. Stephen Fuller, economic consultant?

21                   DR. FULLER: Good evening commission members, a  
22 pleasure to be with you. I'll just take a few minutes to review  
23 the economic impact of the proposed HQ2. Just by way of  
24 introduction, my name is Stephen Fuller. I'm Professor of  
25 Public Policy at George Mason University.

1           It's clear to me and should be to everyone, that  
2 the international sector is extremely important to the District  
3 of Columbia economy. It's one of the three primary core  
4 industries, and it's been estimated to generate up to \$10  
5 billion worth of economic activity, 10 to 15 percent of the  
6 economy in the District.

7           It's important that it has a broad impact across  
8 all business sectors, particularly the hospitality industry and  
9 the business service sector. Among the principal players in the  
10 international sector, but not the only ones are the World Bank  
11 Group, all the foreign missions that are housed and annexes  
12 housed within the District, and the IMF.

13           If we look just at the impacts of HQ2, they fall  
14 into two principal categories, the impacts that flow from the  
15 construction of the building, the construction budget is  
16 proposed at this point at \$130 million, excluding site and any  
17 kind of financing or related tax outlays, but hard and soft  
18 costs of \$130 million. This would generate roughly 800 jobs  
19 over a three-year construction period and a payroll in the  
20 District of \$32 million.

21           Given the memorandum understanding the First  
22 Source Employment Agreement, it's proposed that all efforts  
23 should be undertaken to achieve a 51 percent of those on-site  
24 construction jobs for District residents.

25           OP in their report, I would argue incorrectly has

1 discounted the IMF's benefits that accrue from operations. In  
2 relocating 1,400 workers to this building, IMF would be  
3 releasing 500,000 square feet of existing lease space back to  
4 the marketplace. So in effect, this building represents a net  
5 addition to the office space and potential workforce in the  
6 District, and therefore its benefits stand on their own and  
7 should be considered as new dollars.

8 It's very important, of course, to think of this  
9 as an expansion of the economy, even though many of these  
10 functions already exist as they enable others to replace them  
11 elsewhere in the city.

12 We've taken a fairly narrow look in reporting the  
13 benefits of the operations. Not to overstate them, and clearly  
14 we've ended up understating them, but to operate this building  
15 would generate about \$6 million worth of outlays on an annual  
16 basis, employee spending in the building and outside, roughly  
17 \$10 million for mainly restaurants and retail. We haven't  
18 included parking or entertainment.

19 The facility would generate roughly 18 million  
20 visitors a year, almost 10 million hotel ? excuse me, almost  
21 10,000 hotel room nights, and if we look at some of their  
22 spending, it would tote up to be about \$2.5 million just in and  
23 around the immediate area. The spending of \$15 million would  
24 support 111 net new jobs in the District beyond the workers on  
25 site.

1                   This excludes the vendors that do business with  
2 IMF. IMF spends about \$100 million for goods and services from  
3 local vendors within the Metropolitan area. We do not have a  
4 specific breakout to the District, but I do have a specific  
5 breakout for the World Bank Group, and it was 23 percent of  
6 their procurement accrues to District-based vendors, and we  
7 might assume the same would be roughly true for the IMF, support  
8 additional jobs and business activities.

9                   While the IMF itself does not pay real estate  
10 tax, it does as we've reported generate a range of fiscal  
11 benefits to the District. These are summarized in my report.  
12 We have not reported every fiscal flow that the District  
13 benefits from, but some of the most obvious are the income tax  
14 generated by those jobs supported by spending, either by the  
15 staff or the organization directly within the community, as well  
16 as a small proportion of the staff that lives in the District  
17 that are U.S. citizens.

18                   Retail sales, restaurant sales, hotel receipts,  
19 this totals during the construction phase, about \$1.8 million.  
20 That's a one-time benefit spread out over the construction  
21 period, and then once the building is finished and occupied,  
22 approximately \$1.6 million annually thereafter.

23                   On top of that spending would be retail sales ?-  
24 or excuse me, residential real estate taxes paid by the roughly  
25 225 staff members of the IMF and HQ2 that would live in the

1 District; also, parking taxes and vendor business taxes. So  
2 there's a wide range of tax benefits that accrue to the  
3 Metropolitan ? or to the city from the presence of this  
4 facility.

5 The retail and restaurant facilities that were  
6 shown to be proposed for the building itself, were not included  
7 in my analysis. They were added since I did my work, but a  
8 rough estimate based on the square footage of that space and  
9 typical sales volumes would yield about, these two facilities,  
10 about \$5 million in sales revenues a year and about a half a  
11 million dollars in food or retail sales taxes.

12 So even though the IMF itself would not be paying  
13 real estate taxes, there would be a significant tax flow once  
14 the building was completed and would recur thereafter. So with  
15 that, I think I will yield my time to the following ? those  
16 following behind me and be happy to answer questions when we're  
17 completed. Thank you.

18 CHAIRPERSON MITTEN: Thank you.

19 MR. QUIN: Madam Chairperson, our next witness is  
20 Mr. Osborne George, a traffic consultant.

21 MR. GEORGE: Good evening, Madam Chair and members  
22 of the commission. For the record, my name is Osborne George,  
23 appearing this evening on behalf of the applicant in this case.

24 At the request of the applicant, we conducted a  
25 traffic impact assessment, which is performed in accordance with

1 the city's guidelines, as spelled out in Title X of the city's  
2 Zoning ? I'm sorry, of the city's regulations dealing with large  
3 tract review.

4 At the onset of our study, we agreed upon the  
5 scope of the Department of Public Works, and we considered  
6 issues which arose out of initial discussions with the Office of  
7 Planning. We thus were able to address the city's concerns as  
8 it pertains to general traffic impact assessments, as it  
9 pertains to access management, the location of parking and  
10 loading facilities, curb cuts and issue such as these.

11 Our studies included in Tab I of the applicant's  
12 statement, and it concludes that the project satisfies the  
13 city's requirements as spelled out in the applicable  
14 regulations. In essence, the study has found that the project  
15 proposed by the applicant can be accommodated by the area  
16 transportation system, and as such, it will not adversely impact  
17 adjacent properties or users of the roadway system.

18 In keeping with the letter and spirit of the PUD  
19 regulations, we have also found that the applicant's proposal  
20 would result in public benefits that relate to transportation,  
21 and I would like to briefly summarize our study process and our  
22 conclusion.

23 Madam Chair, the exhibit before us is extracted  
24 from the study in Tab I of the applicant's statement. I use  
25 this because it's important to highlight the location of the

1 subject property, which I won't go into detail, you've heard  
2 before.

3 But from the transportation perspective, it's  
4 important to point out that: 1) the site is located within the  
5 central employment area. It's within easy access of regional  
6 facilities from the south and east particularly, and it's  
7 immediately accessed by principal and minor arterials, notably  
8 Pennsylvania Avenue upon which the site fronts to the north;  
9 19th Street a principal arterial running north/south; and 20th  
10 Street which runs from south to north.

11 I would mention the adjacent block of H Street,  
12 which is the only collector roadway, which runs east to west and  
13 provides travel in both directions, and this has some  
14 significance as far as access to adjacent residential and  
15 institutional activity and I'll discuss this briefly as we move  
16 forward.

17 As you can see then, Madam Chair, the site is  
18 favorably situated in respect to roadway access, roadway  
19 facilities, and perhaps quite importantly with respect to public  
20 transportation facilities, notably the far west Metro Station,  
21 which is two and a half blocks to the northeast, the Foggy  
22 Bottom Metro Rail Station which is three blocks to the west; and  
23 thirdly, the far north station which is located just about four  
24 blocks to the north, all within acceptable walking distances.

25 Our study has also documented that there are a

1 number of surface bus routes along Pennsylvania Avenue and 19th  
2 Streets, a total of 10 bus routes. We've determined which serve  
3 this area of the city radiating to the north, east, south and  
4 west.

5 We followed the city's guidelines in looking at  
6 the existing situation, and of course, one of the most important  
7 factors is that the site which currently ? which is the proposal  
8 of the subject development is currently occupied by a building,  
9 and as such, the proposed use represent what we would call a  
10 replacement land use. This, of course, is significant in terms  
11 of the net traffic impact on the sub-area.

12 As you've heard before, the PEPCO Building which  
13 occupies the site currently, I understand it is now vacant, but  
14 previously housed an employee population of approximately 1,600.

15 The applicant proposes to accommodate 1,400 employees, a net  
16 reduction of 200 employees.

17 A third factor which relates to the local  
18 environment and opportunities that are available, is the fact  
19 that use of the site as proposed would represent a consolidation  
20 of the IMF staff. To the south, as you've heard before,  
21 Headquarters 1 currently accommodates approximately 2,500  
22 employees. An additional 1,400 employees would be provided  
23 within Headquarters 2, HQ2, providing added critical mass, which  
24 allows the opportunity for enhancement of transportation  
25 management, which is a reduction of vehicular traffic.

1           As far as our study process, we looked at the  
2 existing situation and as agreed with the Department of Public  
3 Works, we considered the six most critical intersections  
4 adjacent to the site, to the north and to the south. Applying  
5 the standard procedures, we determined that all of those  
6 intersections currently operate at acceptable levels of service.

7  
8           At this time, I would like to use a second  
9 exhibit, which is also substantially a replica of an exhibit in  
10 our traffic impact assessment. This exhibit shows the study of  
11 a road network, which we have described, and one additional fact  
12 I think is very important that contributes to the favorable  
13 traffic operations within the area, is the fact that a number of  
14 the roadways are one-way streets.

15           And as a traffic engineer, I would like to tell  
16 you that that's one of the most favorable situations that a  
17 traffic engineer can encounter when you have one-way streets  
18 intersecting, because the number of conflicting movements,  
19 vehicular movements are drastically reduced, allowing for  
20 greater efficiency and through vehicles.

21           I would mention, as far as our assessment of  
22 existing conditions, there's one unsignalized intersection, that  
23 at 19th and H Street. Our study shows that this intersection  
24 operates marginally, very marginally below the level of service  
25 standard of level of service D, and the contributing factor to

1 this is the fact that H Street is two-way and it currently, or  
2 at least at the time of our survey during the winter of 2001,  
3 the PEPCO Building was here. It's entrance was off H Street,  
4 allows for two-way flow, and this resulted in some minor delays  
5 here, reflected in the level of service.

6 As far as the future traffic situation, the  
7 applicant advised that they anticipate build out of the project  
8 within three to four year time frame. That is by the year 2004.

9 And so, we projected traffic to that year as our design year,  
10 applying growth in traffic, in existing traffic, allowing for  
11 potential increases, and also considering known developments  
12 that have been approved by the city's various agencies but which  
13 are yet to be built out.

14 These include the building known as the 1899  
15 Pennsylvania Avenue to the north, the American Red Cross  
16 Headquarters which is off 20th street a few blocks to the south,  
17 and the Associated General Contractors Building or site, which  
18 is now being developed by the George Washington University as  
19 dormitory and office space.

20 I might add that, as far as the latter  
21 development, it would result in significant reduction of traffic  
22 since it had initially or previously been approved for  
23 development of over 150,000 square feet of commercial office  
24 space plus a significant number of housing units. And so, this  
25 would allow for additional reduction.

1                   In addition, we considered all the developments  
2                   that we could site from the records and from our discussions  
3                   with the Department of Public Works, and the Office of Planning.  
4                   As far as the future situation, looking at the 2004 traffic  
5                   projections, we find again that all intersections would continue  
6                   to operate within the city's limits of level of service D or  
7                   better, except that as I stated earlier, the intersection of  
8                   19th and H Street would be improved, because based on the  
9                   applicant's proposal to locate the entrance to its new building  
10                  off 20th Street, this would reduce traffic along this section of  
11                  H Street between 19th and 20th Street.

12                  We cited in our report this is a narrow street,  
13                  approximately 30 feet wide, with parking along both sides of the  
14                  roadway, metered parking, as well as loading. So there's a lot  
15                  of friction, a lot of noise in the system so to speak, and it  
16                  allows for extreme delays, inconvenience and resulting poorer  
17                  levels of service.

18                  As I indicated earlier, one of the factors  
19                  indicated or one of the issues indicated by the Department of  
20                  Public Works was that we should consider the location of the  
21                  parking garage entrance, as well as the loading dock entrance.

22                  As you've heard from Mr. Cobb earlier, the future  
23                  building, Headquarters 2, will be connected by an underground  
24                  tunnel. The existing loading docks serving the Headquarters 1  
25                  Building would continue to be the primary receiving facility of

1 the building, and the loading dock on 20th Street would be a  
2 secondary receiving facility. We think that it's favorable. We  
3 reviewed the applicant's loading dock plan, and we think it is  
4 situated well in accordance with the city's regulations in terms  
5 of its separation or its distance from the adjacent  
6 intersection.

7 We understand from the applicant that they expect  
8 few deliveries to take place, given the operational arrangement  
9 that they've made. However, we find that the turning radiuses  
10 and so on that would be available would allow for efficient  
11 ingress and egress without significant interruption of thru-  
12 traffic.

13 We do not think it is necessary to restrict use  
14 of the loading dock; however, we understand this is under  
15 consideration between the applicant and the community and that  
16 it might be restricted during the morning peak hours only.

17 Our report again documents the parking situation  
18 along 20th Street, with parking allowed at all times, except  
19 during the morning peak hours. That is between 7:00 and 10:00,  
20 along the east side where there's metered parking.

21 The applicant's garage entrance would be located  
22 along the west side of the building. The applicant currently  
23 uses an electronic or card reader system, which allows for a  
24 very efficient access, as opposed to commercial garages where  
25 you would have a card reader ? or sorry, a ticket entry,

1 dispenser arrangement, and very often the garage in a commercial  
2 situation would be utilized by people who are not familiar.

3 We understand from IMF that it provides parking,  
4 almost exclusively for its employees who would, of course, be  
5 familiar with the operation, the entrance location and so on,  
6 and we think that these factors would support the efficient  
7 operation of the entrance.

8 However, we went one step further, and we assumed  
9 as a worst case scenario, that the east side then was considered  
10 what we call a de facto right-turn lane. In other words, what  
11 would happen if instead of three lanes during the morning peak  
12 hour, you had only two lanes, with the lane adjacent to the  
13 building being used exclusively by vehicles entering the garage.

14  
15 This is not likely to happen, but again we wanted  
16 to simulate the worst case scenario. Our analysis shows that  
17 even under those circumstances, both of the adjacent  
18 intersections would operate acceptably. Again, we've presented  
19 those analyses to the Department of Public Works, discussed them  
20 in detail, and we believe their report indicates they have been  
21 accepted.

22 In conclusion ? I'm sorry, I think I should  
23 address the issue of the applicant's transportation management  
24 plan, which we understand is part of the public benefits which  
25 the IMF proposes. As you've heard earlier, the Headquarters 2

1 Building has been developed on the adjacent square and been in  
2 operation on the adjacent square since 1969, with the latest  
3 approval occurring in 1992.

4 With the number of employees and the  
5 organizational structure, our survey, our discussions with  
6 senior IMF staff, shows that there is significant positive  
7 effect being derived from the applicant's transportation  
8 management plan, based on its location and the other factors  
9 which I've cited and which I won't repeat.

10 We believe, again, that with the consolidation it  
11 further enhances the opportunity for an effective transportation  
12 management plan. In conclusion, Madam Chair, members of the  
13 commission, we believe that our extensive studies and  
14 evaluations have concluded that the project as proposed by the  
15 applicant can be developed without adversely impacting the area.

16  
17 In addition, we note that a number of public  
18 benefits would accrue. I cited earlier the improvement at the  
19 intersection of 19th and H Street. There would be improved  
20 access along the adjacent section of H Street. The prospect for  
21 enhanced transportation management would arise. There would be  
22 improved loading situation, and the applicant has in place plans  
23 to address impacts during demolition and construction.

24 We believe then that we can say, based on our  
25 professional opinion and the studies that we've done, that the

1 applicant satisfies the requirements based from the  
2 transportation perspective. Thank you.

3 CHAIRPERSON MITTEN: Thank you, Mr. George.

4 MR. QUIN: Madam Chairperson, for the record, I'd  
5 like to call Mr. Steven Shur, urban planner, as our last  
6 witness.

7 CHAIRPERSON MITTEN: Thank you. You have 11 whole  
8 minutes.

9 MR. QUIN: Eight more than he usually gets.

10 MR. SHUR: You know what happened the last time I  
11 did that, so I'm not going to take 11 minutes.

12 CHAIRPERSON MITTEN: Well, we didn't have the  
13 clock on you the last time. I know better than that now.

14 MR. SHUR: That was a mistake. We all know that.

15 Madam Chair and members of the commission, for the record my  
16 name is Steven E. Shur, the Director of Zoning and Land Use  
17 Services with the law firm of Holland and Knight, LLP. I want  
18 to focus on basically one issue, and that one issue is the  
19 appropriateness of the proposed height and density for this  
20 particular property based on, 1) the permitted height and  
21 density on the surrounding properties; and 2) the comprehensive  
22 plan, both District and Federal elements, and you have our  
23 report in front of you, which I will attempt to summarize and  
24 condense into dealing with that one basic point, because I  
25 really think that's what the heart of this case is all about.

1           The first part of dealing with that is to look at  
2 what is the level of height and density that is now permitted,  
3 existing and permitted in that particular area? There are a  
4 number of different visual aids one could look at to deal with  
5 that. At the back of the report, there's an aerial photo which  
6 works as well as anything else. Ms. Shiker is going to put up  
7 one of those other exhibits which was in the original  
8 application which does the same thing.

9           The point of all this is, if you look at what's  
10 existing and permitted, you will find that starting at any point  
11 in a compass, approximately three-quarters of the way around  
12 that circle, the existing and permitted height and density is at  
13 approximately 130 feet and approximately 10 FAR. There are some  
14 that are 124 feet. There's one that's 113 ?. There are some at  
15 10.11. There are some that are at 9.07.

16           But if you start your way at any point around  
17 that circle, you will go three-quarters of the way around and  
18 get back to the point where you discover that that is the  
19 predominant height and density in that neighborhood.

20           Where does that come from? It comes from, in  
21 part, C-4 zoning which permits as a matter of right 10 FAR and  
22 130 feet if you're on a street 110 feet wide. It comes in part  
23 from the designation of the area west of 19th Street and north  
24 of Pennsylvania Avenue as the new downtown receiving zone, which  
25 again permits as a matter of right 130 feet and 10 FAR on a

1 street that's 110 feet wide.

2 It comes in part from approval of planned unit  
3 developments, for the arts club property, for the IMF site on  
4 the south and others, all of which taken together say that this  
5 site in my mind is like the hole in the donut with a bite taken  
6 out of the donut I guess I would have to say.

7 The second piece of what is relevant and  
8 important to consider in deciding what to permit on this site is  
9 by reference to the comprehensive plan. As you all know, zoning  
10 is required to be not inconsistent with the comprehensive plan,  
11 and there are two parts of the comprehensive plan that bear upon  
12 this application, District elements and Federal elements. The  
13 Federal elements because the National Capitol Planning  
14 Commission is the planning interest for the Federal  
15 establishment in the region, and that has been deemed to include  
16 for planning for foreign missions and international  
17 organizations. And there is a separate Federal element of the  
18 comprehensive plan that deals with that aspect.

19 But to start with the local elements, this  
20 property is shown on the general land use map as high density  
21 commercial. It's within the boundary of the central employment  
22 area, and it is consistent with the kind of goals and policies  
23 and other things that are set forth as included in the  
24 comprehensive plan and they are outlined and detailed beginning  
25 on Page 10 and going on for any number of pages thereafter.

1           The second piece of this then is to look at the  
2 foreign missions and international organizations element, and  
3 specifically the criteria for locating expanded international  
4 organization which are set forth on Page 16. And, just to  
5 summarize those, in the central employment area and areas served  
6 by public transportation with preference given to proximity to  
7 U.S. and other international organizations with which those  
8 organizations regularly conduct business, on special street,  
9 Pennsylvania Avenue, and then in buildings owned by  
10 international organizations that space be provided that is  
11 suitable for other activities, primarily on major pedestrian  
12 access levels, that the building be made available for  
13 occasional cultural educational or recreational activities, and  
14 so forth.

15           In the map which designates appropriate locations  
16 for international organizations, in the foreign missions  
17 element, this site is identified as one which is suitable for or  
18 a permitted location for international organizations.

19           So on the one hand, we have the context set by  
20 existing buildings and existing regulatory framework. On the  
21 other hand, we have the plans for the District of Columbia as  
22 set forth in both the District elements and the Federal element  
23 which suggest this is the right location for a building of this  
24 height and density for this particular organization.

25           I'm going to stop. I think based on those two

1 factors, the project is not inconsistent with the comprehensive  
2 plan. It's within the applicable height in both standards of  
3 the zoning regulations. It's compatible with the use height  
4 bulk, existing and permitted as a matter of right in the  
5 surrounding area. The approval of this PUD, as Mr. Quin set out  
6 some time ago, is consistent with the way the Zoning Commission  
7 has created expansion of the IMF in three previous cases in the  
8 square to the south, and I've set forth the details of those in  
9 the outline.

10 The PUD allows the Zoning Commission to condition  
11 approval to what it is that's been presented to you tonight,  
12 without allowing more density or uncontrolled density or  
13 development, and I believe you should approve what's before  
14 you. Thank you.

15 CHAIRPERSON MITTEN: Thank you.

16 MR. QUIN: Madam Chairperson, that completes our  
17 direct presentation. We are ready for questions from the Zoning  
18 Commission. We do have some other people here to answer  
19 questions, if the first line witnesses can't answer them or we  
20 need explanation beyond their direct responses.

21 CHAIRPERSON MITTEN: Okay, thank you. Who'd like  
22 to go first? Mr. Hannaham.

23 COMMISSIONER HANNAHAM: I'll go first. I'm the  
24 newest member of this group. I'm just getting indoctrinated.  
25 In the testimony, I think it was the lady from IMF mentioned

1 among public amenities and others addressed the issue of public  
2 access to the lower levels of the building, the auditorium, the  
3 atrium, first floor atrium area.

4 I'm just wondering whether access to the public  
5 meant the entire D.C. public, and I mention this because I was  
6 aware that the PEPCO Building also allowed its auditorium to be  
7 used for public meetings over the past two decades to my  
8 knowledge. I wouldn't want it to be lost to the general public  
9 if that's the case. So I would appreciate a definition of what  
10 you mean by public in this instance.

11 MS. PREBENSEN: We mean exactly what you said  
12 about the PEPCO Building that it will generally be on a  
13 scheduled basis, of course.

14 COMMISSIONER HANNAHAM: Right.

15 MS. PREBENSEN: It would be accessible or open to  
16 be used by the public in general.

17 COMMISSIONER HANNAHAM: Not just the local people  
18 in the immediate community, but the general public?

19 MS. PREBENSEN: Yes.

20 COMMISSIONER HANNAHAM: Okay, thank you.

21 CHAIRPERSON MITTEN: Mr. May? Mr. Hood?

22 COMMISSIONER MAY: All right, I have a handful of  
23 primarily architectural questions to start with, but that's not  
24 all. First of all, I have to say this case is somewhat unusual.  
25 We've gotten several different versions of the design, and it

1 seems as was said earlier, that it has been improving through  
2 the different steps, so I think that's commendable and it looks  
3 like a very fine building and well thought out.

4 I have some relatively minor questions, I think.

5 The first goes to the auditorium and its usability by the  
6 general public. The earlier versions of the auditorium showed  
7 fairly standard seating arrangements, and the last version  
8 showed something different. I'm just wondering how flexible  
9 that space is and, in fact, whether the community will get used  
10 ? I mean is it a flat floor? It looks kind of like it might be  
11 sloping on either side with a big conference table in the  
12 middle. What's going on with that?

13 MS. PREBENSEN: Yes, it's a flat floor. The  
14 configuration is to a certain extent in today's set up. We are  
15 indicating that the meeting hall will be used, of course, for  
16 the IMFC, the International Monetary and Finance Committee of  
17 the World Bank and the IMF. So we have sort of a test fit that  
18 we can fit the necessary people into it. It can be configured  
19 in any way, really very flexible. It can also be divided into  
20 two by a dividing wall.

21 COMMISSIONER MAY: So it's a flat floor.

22 MS. PREBENSEN: Yes.

23 COMMISSIONER MAY: And moveable seating and all of  
24 that?

25 MS. PREBENSEN: Yes, totally.

1                   COMMISSIONER MAY: Okay. The next question is on  
2 the materials, the three main materials, precast being one of  
3 them. Maybe you stated this, but I missed it. I'm curious  
4 about the choice of precast, as opposed to natural stone in  
5 what's obviously a building where you're spending a lot of money  
6 in developing the facade of the building. So I'm curious about  
7 that choice. Does it relate to the HQ1 in some way, or  
8 something?

9                   MR. COBB: Well, it does related to HQ1 in  
10 appearance, but in fact it's a choice made because we believe  
11 that in the way in which we're going to use it, which is as you  
12 can see from the drawings, the facades of this building are  
13 essentially flush, therefore there are not extensive corners or  
14 modeling of the stone face. And in that circumstance, we  
15 believe that the color and texture and surface that we can  
16 obtain with architectural precast is actually superior to what  
17 we can get in limestone.

18                   It has to do with the availability of aggregates  
19 and the textures we can get. In our recent experience, we have  
20 actually been building buildings where additions were made to  
21 limestone buildings in which we found that we got a superior  
22 finish by using precast in preference to limestone.

23                   COMMISSIONER MAY: Okay. That's very interesting.  
24                   Jumping around a bit to the treatment of the various benches  
25 and tree boxes and bollards and that scheme, and others who know

1 more about urban landscapes may be able to answer this in fact.

2 But it just seems to me that those trees are highly constricted  
3 by what's being constructed around them, and I assume that it's  
4 all be planned out so that you'll get good survivability of  
5 those trees, and that there will be sufficient space for the  
6 root mass.

7 I mean it looks like there's no more than about  
8 eight feet from one bench construction to the next, and then  
9 there's a bollard which is obviously secured below that to a  
10 grade beam or something. So it's going to be really boxed in.

11 MR. COBB: Well, first of all you're pointing to a  
12 very real problem in any urban situation, and certainly this is  
13 a special one. But it's really a technical problem and there  
14 are many solutions. You do have to make adequate provision for  
15 the root ball. You do in some cases actually have to protect  
16 the root ball by a structure around it that prevents the  
17 intrusion of other things into it. Or if there are elements,  
18 such as bollards that have to be anchored to it, you have to do  
19 that in a way that allows the root ball to go, to spread beyond  
20 it and that would be our intention.

21 I mean these are intended to be not little trees.  
22 They're intended to be full-grown trees to give shade over the  
23 seating areas around.

24 COMMISSIONER MAY: Yes, they're drawn that way and  
25 I was hoping that they're actually going to be able to reach

1 that.

2 MR. COBB: It's our intention that they will  
3 survive and flourish.

4 COMMISSIONER MAY: I'm highly optimistic because  
5 there's a lot of design that goes into that. Minor question,  
6 the water wall, did I see that that's battered slightly or  
7 sloped? Okay. I'm a little curious about this and this goes I  
8 guess to the management of the building more than anything else.

9 We have this combination of fountains and horizontal surfaces,  
10 which in an urban environment where there is a problem with the  
11 homeless can lend itself to the wrong people kind of settling  
12 in. They've got bed and shower basically. Have you given some  
13 thought to that problem?

14 MS. PREBENSEN: Well, we haven't given much  
15 thought to it actually. But we do have some experience in our  
16 present fountains surrounding our present headquarters building.

17 We believe, you know, we will see the homeless and other people  
18 take a bath in them, and that has not been the case. We have  
19 had no incident as far as we know that people actually have  
20 accessed the area, the fountains, and they are much more  
21 attractive I thought than the present water wall we are  
22 planning.

23 COMMISSIONER MAY: Well, that's encouraging and  
24 you only have to worry about the college students, right? I  
25 went to college too, so. All right, I have one question ?

1 mostly at this point I have traffic questions, but one ? maybe I  
2 get to ask this question twice.

3 I seem to see in the architectural presentation  
4 that there was a staff entrance at the very least on H Street,  
5 kind of mid-block, both to HQ1 and HQ2, and to me that means  
6 people are going to be walking out of one and straight across  
7 the street to the other. And I was wondering if that was given  
8 consideration architecturally. Obviously, you put the  
9 underground connection in and depending on how difficult your  
10 security requirements and that may determine how often people go  
11 all the way down to go across. But I think a lot of people, if  
12 there's a door there, they're going to want to go out of the  
13 building and cross the street directly and go in.

14 So was that considered from an architectural  
15 point of view? And then when we move into the traffic side of  
16 things, I'll ask that question of our transportation expert as  
17 well.

18 MR. COBB: It was considered. That entrance is a  
19 very secondary one, but it's a convenience because that's where  
20 the elevators arrive from parking below, and those elevators  
21 only go to the ground floor. You have to transfer then, for  
22 security reasons. It seemed appropriate to us to provide that  
23 secondary entrance at that point. It is true that it allows  
24 people to cross. I think that the use of that will be very  
25 secondary, compared to the use of 19th Street. But perhaps, Ms.

1 Prebensen.

2 MS. PREBENSEN: I can add to that. The entrance  
3 and exit from the Headquarters 1 Building is actually much  
4 closer to the 19th Street corner. It's not directly opposite of  
5 the entrance to HQ2. So I think that people will actually be  
6 more attracted to go down to the corner of 19th where there will  
7 be a pedestrian crossing, and cross over to the staff entrance.

8 It's also more easily accessible to go from that entrance  
9 straight up, right up to the cafeteria, where I think most  
10 people will actually cross from the HQ1 to HQ2 for lunch  
11 purposes and other purposes like that.

12 So and with the tunnel as well, I think it will  
13 be fine. However, also the entrance on H Street we'll put into  
14 that place because we are planning to have the credit union for  
15 the World Bank and the IMF accessible from the street, and there  
16 are also people that we do not let into our security, sort of  
17 closed area. They can come in that entrance and go straight  
18 into the credit union without having to go through the security  
19 check.

20 COMMISSIONER MAY: That's on H Street?

21 MS. PREBENSEN: Yes.

22 COMMISSIONER MAY: In HQ2?

23 MS. PREBENSEN: Yes.

24 COMMISSIONER MAY: Okay. I think that's it for  
25 architecture. I just had a few minor questions. The rest of my

1 questions, I think, go to transportation. The first question I  
2 had has to do with parking. Comparing the existing building to  
3 the new building and the occupancy, in terms of occupancy and  
4 parking, we're getting less people but we're getting more  
5 parking. Is that right? Do I understand that correctly?

6 MR. GEORGE: No, the existing Headquarters 1  
7 Building there are ?

8 COMMISSIONER MAY: Oh no, I mean in the existing  
9 PEPCO Building.

10 MR. GEORGE: Exactly, okay.

11 COMMISSIONER MAY: 305 spaces or something going  
12 up to 400.

13 MR. GEORGE: That is correct.

14 COMMISSIONER MAY: So and did I understand  
15 correctly that all of the parking spaces would be staff parking  
16 or will also be open to the public?

17 MR. PREBENSEN: All of the parking spaces will be  
18 used by staff and not open to the public.

19 COMMISSIONER MAY: Okay. So in essence, even  
20 though we're getting fewer people, we have more cars coming and  
21 going from the building, right?

22 MR. GEORGE: Yes, that is correct. That's  
23 correct, Mr. May.

24 COMMISSIONER MAY: Okay. You mentioned with that  
25 parking garage that you looked at the situation where if you had

1 a lineup of people and you lost that one lane, that there would  
2 be some drop in the ratings, but it would still be in the  
3 acceptable range. Can you tell me what the level of service  
4 grades are? What they would drop to in that circumstance?

5 MR. GEORGE: I could not just off the top of my  
6 head. We did that in a supplementary analysis for the  
7 applicant. I don't have the numbers in my head. I could  
8 certainly furnish it to you, Mr. May.

9 COMMISSIONER MAY: Okay.

10 MR. GEORGE: But it's still well within the city  
11 standards.

12 COMMISSIONER MAY: Right, okay. I'd appreciate  
13 that.

14 MR. GEORGE: Yes, sir.

15 COMMISSIONER MAY: Well, we've been through the  
16 discussion of the grading of level of service standards, so  
17 we're aware what those are, however difficult it may be to  
18 believe that level of service D is acceptable. We understand  
19 that that is acceptable, or at least I do. Enough of that.

20 The transportation management program, when I  
21 read through that, it seems to me that compared to some of the  
22 other ones that we've seen here, it's not the most aggressive in  
23 terms of encouraging alternate means of transportation, getting  
24 people out of their cars or what have you, and I was wondering  
25 if this is ? I mean if this is it? Are there other

1 opportunities? Am I missing things? I mean, it seemed to me  
2 that it encouraged ride sharing and things, but I didn't see any  
3 of the other kinds of things encouraging Metro or other public  
4 use or public transportation, whether there's more to it, I just  
5 didn't get it.

6 MR. GEORGE: Yes, Commissioner May. Of course,  
7 transportation management plans can vary in terms of the extent  
8 and the elements which they cover. I think what we considered  
9 in this case is the fact that there's an existing building,  
10 Headquarters 1, which is approximately twice the size of the new  
11 building in terms of its employee population.

12 And considering the fact that the employees  
13 moving to the new Headquarters 2 Building are located just a  
14 couple blocks to the north at the international square at 19th  
15 and K Street, and considering the fact that we've done surveys  
16 and show quite a significant result in terms of what's accruing,  
17 in terms of the spread of the peak hour, for example, as you can  
18 appreciate, the variable work hours is one of the most  
19 significant elements of an effective transportation management  
20 plan.

21 We did surveys of the existing building, which  
22 would have perhaps close to 60 to 70 percent of the total  
23 employee population, and I didn't compute these figures exactly.

24 Those are estimates. And looking at the favorable results in  
25 terms of vehicle occupancy rates, in terms of the spread of the

1 peak hours, we didn't see that it was necessary to recommend it  
2 for the measures. Of course, those options are always available  
3 to the applicant should they chose to do so.

4 Another fact is that, as you know, the parking is  
5 just marginally above the minimum requirements which the Zoning  
6 Ordinance required, 360 is required, 400 is proposed. But it's  
7 just marginally, approximately 10 percent higher than that  
8 minimum. So based on these considerations, based on the track  
9 record of the institution over the past 30 years or so, we  
10 didn't see it necessary to make a strong recommendation to the  
11 applicant on that score.

12 COMMISSIONER MAY: I guess to the applicant then I  
13 would ask whether there's been any consideration of that on your  
14 own or whether you're satisfied with the transportation  
15 management plan that you have now?

16 MS. PREBENSEN: We have discussed, and we  
17 certainly will renew our various measure and discussions with  
18 our staff, and we are only being able to house in the two  
19 buildings from a parking point of view this number of people  
20 that are driving today.

21 Of course, we would try to reduce that, and we do  
22 have quite positive measures, like you know, good facilities for  
23 parking of bikes and showers, and we do also expect that we will  
24 have more people in each car, as we are putting people next to  
25 each other in the two buildings except for being apart a couple

1 of blocks, which would enhance the possibility for joining in  
2 car-pooling in a much better way than they are now.

3 COMMISSIONER MAY: Okay. Now we need some bike  
4 lanes to reach your building, right? I guess the only other  
5 question I had goes back to the question about the pedestrian  
6 crossing between Headquarters 1 and 2, and I'm guessing there  
7 hasn't been any study from a traffic point of view in terms of  
8 the impact or potential need for some greater controls on mid-  
9 block crossings as a result of those two building, your two  
10 buildings having the mid-point. So was there any analysis of  
11 that pedestrian crossing?

12 MR. GEORGE: We did not specifically address that.  
13 We are advised that I think the underground connection would be  
14 used by both, by pedestrians also, and again the short answer is  
15 that we did not specifically address that.

16 COMMISSIONER MAY: Okay, I'm not sure that it's  
17 necessary and I'm not asking for that.

18 MR. GEORGE: Yes.

19 COMMISSIONER MAY: Given the answers that we got  
20 before, I think ? I can picture people going across the street  
21 for lunch, and if they're heading to the 19th Street door,  
22 that's probably where the traffic is going to be going.

23 MR. GEORGE: Yes, sir.

24 MS. PREBENSEN: May I add to that, that actually  
25 the entrance and exit on H Street from HQ2 is connected directly

1 down by the elevators coming up there. They're connected to the  
2 tunnel. That's where the tunnel is going to come from HQ1, so I  
3 think that we will have more success in using this tunnel than  
4 the one we have with the World Bank on the other side, because  
5 it is directly connected to the parking system and where we have  
6 to go up from the garage and down to the garage. So I think it  
7 will prove more successful than previously.

8 COMMISSIONER MAY: Okay, does that mean that  
9 there's a problem. I didn't even know you had a tunnel in the  
10 World Bank, so is that not working out well?

11 MS. PREBENSEN: People are crossing 19th Street.  
12 We are trying, both institutions are really trying to make  
13 people not cross 19th Street directly between the two at a mid-  
14 point of those two institutions. That's really a dangerous  
15 point traffic wise, and much more dangerous I think than top  
16 cross H Street. But there is no problems, no. But it's not an  
17 attractive tunnel either and we're going to make this an  
18 attractive tunnel.

19 COMMISSIONER MAY: Okay. Well, I know a few  
20 things about tunnels and it's hard to make them really  
21 attractive. But, one of the things that you could do to address  
22 the issue on H Street where people might be more encouraged to  
23 walk across the street would be whether you really need to have  
24 that door in that location. But that's your call. I'm not  
25 going to try to design that for you. But if you're concerned

1 about that problem on 19th Street, that's one way to address it.

2 And that's it for me.

3 CHAIRPERSON MITTEN: Thank you, Mr. May. Mr.  
4 Hood.

5 VICE CHAIRPERSON HOOD: Madam Chair, thank you.  
6 Mr. George, while you're at the table, going back to the  
7 question about the level of service. Fortunately, I guess my  
8 questions that I've asked in the past, one of your counterparts  
9 in the business have supplied this commission with the level of  
10 service definitions.

11 MR. GEORGE: Yes, sir.

12 VICE CHAIRPERSON HOOD: I notice on your chart,  
13 you had level of service B, which is good progressing, with  
14 short cycles at the traffic light.

15 MR. GEORGE: Yes, at which location?

16 VICE CHAIRPERSON HOOD: If you put the chart up,  
17 where you have B and B, 19th Street, 19th and H you have level  
18 of service D. But 19th and G and 19th, what is that?  
19 Pennsylvania, you have B and B. Okay. This goes to where I'm  
20 trying to go. Previously, in another case, when you are doing  
21 traffic analysis, are you specifically just dealing with the  
22 specific project that's being applied for the applicant or are  
23 you dealing with the whole area as far as traffic?

24 MR. GEORGE: Well.

25 VICE CHAIRPERSON HOOD: Let me just say, the

1 reason I'm asking you that is I'm looking at the same street.  
2 Somebody told me a couple weeks ago it was level of service B.  
3 So some kind of way it's improved in the past three weeks from a  
4 B to a D. I'm not being sarcastic. I'm being very serious.  
5 I'm trying to understand how do we go from a D on the same  
6 street to a B?

7 MR. GEORGE: You're referring to the intersection  
8 of 19th and Pennsylvania, is that correct?

9 VICE CHAIRPERSON HOOD: I guess I'm referring to  
10 19th Street as a whole. Let me do this, Mr. George, let me come  
11 back and ask you, is there a traffic problem in that area?

12 MR. GEORGE: I would say that the site is located  
13 within an urban area, within the city's central employment area.  
14 Vehicular demand is high. Pedestrian movements are high. I  
15 think the question relates to, as I understand it, how do you  
16 define a problem? The vehicle is a fact of life. I think  
17 Washington is fortunate in that it has experienced very  
18 favorable levels of transit usage with Metro, mass transit and  
19 so on.

20 If you follow the recent items in the news, you  
21 find that the agency Womata (phonetic) seems to be having  
22 problems with keeping up as far as providing capacity in terms  
23 of real cars. So yes, we are in an urban area. There is heavy  
24 travel demand. But I would not define it as a problem. I use  
25 the term problem in terms as the definitions which you would

1 have received from my colleague regarding levels of service. It  
2 relates to the travel time experience, the average delays  
3 experienced, and I think it's been universally accepted that  
4 certain levels of delay are acceptable, particularly within  
5 urban areas.

6 We base our assessment on turning movement cones  
7 that are done on specific days. We avoid days that are  
8 particularly light, and so it would reflect the typical demand  
9 on the day within the life of the city, and as such I would say,  
10 we stand by the levels of service we present and we do not  
11 interpret the results as indicative of a problem.

12 VICE CHAIRPERSON HOOD: Okay, and understand Mr.  
13 George I'm not picking on you. I'm just trying to make sure I  
14 understand.

15 MR. GEORGE: Yes.

16 VICE CHAIRPERSON HOOD: So again, back to my first  
17 question. When you're analyzing, are you analyzing the whole  
18 area or just for that specific site?

19 MR. GEORGE: Okay, the city requires us to analyze  
20 the operations at individual intersection, and we've highlighted  
21 the six intersections which were agreed upon, and we think that  
22 they're reasonable. The analysis is based on those particular  
23 intersections. Now if you're referring to analysis of the area,  
24 there are the related analyses that could be done, such as  
25 average travel time.

1 In other words, one could look at flowing from,  
2 let's say 20th Street down at Constitution Avenue all the way up  
3 to M Street, and looking at the overall rate of flow along the  
4 corridor. So the corridor analysis, there are link analysis,  
5 what the city requires us to do is intersection or nodal  
6 analysis, using their particular procedures.

7 MR. QUIN: Mr. George, could I ? I think you're  
8 going in a different direction. Maybe this will be a helpful  
9 question for an answer. In terms of your studies to determine  
10 level of service, does that involve a study of all existing and  
11 proposed, as far as you can tell, new development in the area  
12 when you make your studies? I think that may have been where  
13 your question was going?

14 VICE CHAIRPERSON HOOD: Not actually, but since  
15 you asked it, I would like him to answer your question.

16 MR. QUIN: Sorry, I should not have said anything.

17 VICE CHAIRPERSON HOOD: Sometimes silence is a  
18 virtue.

19 MR. QUIN: The first rule of law.

20 MR. GEORGE: Well, could Mr. Quin repeat the  
21 question to make sure.

22 MR. QUIN: I don't remember it. No, I do. No,  
23 the question is when you do your studies, do you take into  
24 account all existing known and proposed developments in order to  
25 reach your conclusions?

1 MR. GEORGE: Yes, we do. Yes, we do.

2 VICE CHAIRPERSON HOOD: Okay, thank you Mr.  
3 George.

4 MR. GEORGE: Thank you, sir.

5 VICE CHAIRPERSON HOOD: I have an architectural  
6 question, which I normally don't get in that area. Mr. Cobb  
7 obviously you have designed the Ronald Reagan Building which is  
8 a building I'm familiar with. When I looked at your  
9 architectural renderings and your submissions, this reminded me  
10 a lot of the Ronald Reagan building with the exception of, in  
11 this case, it looks like you're using a lot of glass.

12 With the safety issues that have been brought up,  
13 and actually in the submissions from the applicant about safety  
14 and I think they mentioned ? anyway, I'll find it. Oh, blast  
15 protection glass and some other issues. Do you think that the  
16 way it's presented to us, we're using entirely too much glass?  
17 And I'm not condemning the architects or anything. I'm just  
18 asking with the safety issues involved, should the glass have  
19 been cut back a little more, and I'm just curious?

20 MR. COBB: I think not. I don't believe that the  
21 amount of glass is really a safety issue in a building. At  
22 street level, there are significant solid areas, particularly  
23 surrounding the meeting room, but above street level, in our  
24 judgment this is not a factor of safety. It's not an issue in  
25 safety.

1 VICE CHAIRPERSON HOOD: And I mean not necessarily  
2 just to folks on our side, but also those folks who have to work  
3 within the building. You did design the Ronald Reagan Building,  
4 am I correct?

5 MR. COBB: Yes, we did.

6 VICE CHAIRPERSON HOOD: Okay, there are people in  
7 there very concerned about ? I shouldn't be using that example.  
8 But that is a safety concern of folks who work there. So I was  
9 just wondering, before we go out and put all this glass here,  
10 while it looks good especially with the safety issues that have  
11 arisen on this particular case, I was just wondering if there  
12 was some other type of architectural pieces you can put in  
13 besides all that glass. But if not, I mean it looks good but I'm  
14 just concerned about the safety issue. Were you going to  
15 respond Ms. Prebensen?

16 MS. PREBENSEN: We have had security studies for  
17 the building and we renewed those after September 11th and what  
18 the answer from the security consultant was that we actually did  
19 design this building from a security point to be ready ? not  
20 ready but to be security protected against situations like this.

21 Of course, a plane we could not and would not, but we have  
22 glass protection glass. I don't know if they have that in the  
23 Ronald Reagan Building, and also the frames are reinforced. So  
24 I don't know if ?

25 VICE CHAIRPERSON HOOD: It just looks to me, Mr.

1 Cobb, that there's a lot of glass being used in this particular  
2 building as opposed to the Ronald Reagan. I believe it's more  
3 in this building as opposed to the Ronald Reagan, am I correct?

4 MR. COBB: Yes, it is.

5 VICE CHAIRPERSON HOOD: That's just where I was  
6 going, and Ms. Prebensen answered my question.

7 MS. PREBENSEN: The Ronald Reagan building from  
8 what I'm hearing does not have the glass protection glass as we  
9 have it in our building.

10 VICE CHAIRPERSON HOOD: Don't tell me that now.  
11 No, I'm just playing. The atrium, and I keep referring back to  
12 the Ronald Reagan Building because I had a chance to be in there  
13 frequently, is that atrium going to be similar to the atrium  
14 that we have here?

15 MR. COBB: No. The atrium in the Ronald Reagan  
16 Building is a very large public place. It's an emblematic space  
17 within a very large building complex. This atrium is much more  
18 modest in size, and in purpose. It's main purpose is to bring  
19 light and space down to the ground level and to allow the people  
20 in the upper floors of the building to get light and air, as  
21 opposed to being enclosed.

22 So it's quite different. It's not at all like  
23 the Reagan Building atrium actually. It's much more like the  
24 atria that you find in other office buildings in Washington.  
25 For example, as in Columbia Square, another building that we

1 did. But you find it's not an unusual feature in Washington  
2 office buildings, because characteristically you have very large  
3 floor plates, and in order to bring daylight to the interior,  
4 many buildings have atria.

5 The Reagan building is really exceptional in the  
6 size and shape. This is much more characteristic of Washington  
7 office buildings.

8 VICE CHAIRPERSON HOOD: Okay. Thank you Mr. Cobb.

9 Mr. Quin, the submittal that was given to us, even though we  
10 had it previously about the project amenities and the public  
11 benefits. Let's just run over that list right quick. Would you  
12 agree with me that for right now, through no fault of this  
13 applicant, 10 and 11 right now, let's say don't exist?

14 MR. QUIN: I would agree with that.

15 VICE CHAIRPERSON HOOD: Okay.

16 MR. QUIN: And I am hopeful that by the time we  
17 close, we get close to finishing the hearings, we will have it  
18 signed.

19 VICE CHAIRPERSON HOOD: Okay, but for the sake of  
20 discussion right now, let's say 10 and 11, we can agree that 10  
21 and 11 don't exist.

22 MR. QUIN: Only in proposal.

23 VICE CHAIRPERSON HOOD: Okay. So we're down to 9,  
24 and we can also say number 8 doesn't actually exist?

25 MR. QUIN: Well, I think number 8 exists if you

1 approve the project.

2 VICE CHAIRPERSON HOOD: Well, you backed me up in  
3 the corner on that one, so I'll move away from that question,  
4 even though that's some question. We can question that. My  
5 colleague pointed to me and was saying training. I understand  
6 training. A lot of times the commission is faced with these  
7 offers and actually this stuff never actually happens, the  
8 training never actually happens, and if somebody can prove me  
9 wrong, I will stand corrected.

10 So I'm looking at 1, 2, 3, 4 and 6 and I'll give  
11 you 7. Enough said on that.

12 MR. QUIN: Well, I don't know what happened to 5,  
13 but.

14 VICE CHAIRPERSON HOOD: 5, okay that brings up  
15 another question, thank you. Are there benches in the parks now  
16 right in the area?

17 MR. QUIN: That's my understanding, yes. They  
18 will be replaced.

19 VICE CHAIRPERSON HOOD: Okay, the reason why I  
20 kind of have a question mark by that because the neighborhood  
21 beautification and trees, I didn't see anything substantive, at  
22 least in the submittals to how that was actually going to be  
23 implemented.

24 MR. QUIN: Why don't we submit something for that  
25 for the record. We do have a plan for that as to how it would

1 be and the geographic boundaries.

2 VICE CHAIRPERSON HOOD: Okay. The drug program  
3 which is great. The van I think is great. Contribution to  
4 D.C., okay. Let me just ask about the public use of the meeting  
5 facility, which was offered. I believe the community is now  
6 using the facility in Headquarters 1 for meetings, and they  
7 don't have to pay anything. I believe they even had a black tie  
8 event. They have to pay for their own food and everything, they  
9 just don't pay for the use of the facility.

10 MS. PREBENSEN: That's correct.

11 VICE CHAIRPERSON HOOD: And that same thing is  
12 going to be offered in Headquarters 2?

13 MS. PREBENSEN: That's correct.

14 VICE CHAIRPERSON HOOD: Do they also use the  
15 atrium?

16 MS. PREBENSEN: Atrium outside the meeting?

17 VICE CHAIRPERSON HOOD: No, in the new ? will they  
18 be able to use the atrium inside the facility? If it's like I'm  
19 thinking, like the Ronald Reagan, Mr. Cobb said it's a little  
20 different, but I know they have some nice black tie events and  
21 there's no cost to the community.

22 MR. PREBENSEN: Oh, yes.

23 VICE CHAIRPERSON HOOD: The ANC, civic groups.

24 MS. PREBENSEN: Yes, they will be able to use it.  
25 However, the atrium which is over the galleria, which is an

1 atrium in the Headquarters 1 building is much more attractive  
2 and easy to hold such events, but it will be, of course, open to  
3 have it also in HQ2 and we also have planned kitchen or support  
4 facilities to be able to have events like that in the atrium.

5 VICE CHAIRPERSON HOOD: Okay. Mr. Quin, could you  
6 just briefly let me know what the outstanding issues are among  
7 the ? you mentioned there were some issues that were still  
8 outstanding among the civic groups and the ANC. Could you just  
9 briefly tell me what they are? I mean, we're a lot closer than  
10 where you were.

11 MR. QUIN: It's a difficult ? let me answer it in  
12 two parts, ANC and West End Citizen's Association. They're two  
13 different groups.

14 VICE CHAIRPERSON HOOD: So there are different  
15 issues that are outstanding with different, okay.

16 MR. QUIN: Yes.

17 VICE CHAIRPERSON HOOD: We can hear that from  
18 them. We don't have to go into that.

19 MR. QUIN: Yes.

20 VICE CHAIRPERSON HOOD: Mr. Cobb, back to Mr.  
21 Cobb, in the slide presentation I noticed that you had a now  
22 look and an after look after the project, if the project is  
23 approved how it's going to look.

24 It looked to me like the building was not walkway  
25 friendly. I guess it looks like the building was kind of

1 encroaching on the walkway. I would ask to put that back up so  
2 we can look at it again but I won't. I remember that as kind of  
3 just not being walkway friendly. You showed a before picture  
4 and an after picture. Okay. You see how it looks. Okay. I  
5 don't know whether it's ? you mentioned the tree boxes and the  
6 benches as a safety issue. I don't know whether that's making  
7 it look crowded or what. I'm sure it's not the design because  
8 the water table there I think looks nice.

9 MR. COBB: The sidewalk is very wide and there's,  
10 I think with the closeness that the building comes to the  
11 street, I think leaves a clear walking area of some 18 feet,  
12 which is a very wide sidewalk, but not counting ? because you  
13 have ? I have to ask my colleagues to confirm this, but I  
14 believe it's ? well, hang on, I'll just check. I want to give  
15 you the right numbers. I have them here.

16 What you're looking at in this image is a width  
17 from the building to the curb of 25 feet 10 inches, and the tree  
18 zone and planter bed combined occupies 8 feet 2 inches of that.

19 So you have 17 feet 6 inches clear sidewalk. That's an  
20 exceptionally wide footpath. It's very wide. I don't believe  
21 that there are many in Washington that are that wide.

22 VICE CHAIRPERSON HOOD: Can you go back to the  
23 before picture quickly for me?

24 MR. COBB: Yes.

25 VICE CHAIRPERSON HOOD: So what I'm hearing now,

1 we got basically the same amount of space here as we do  
2 previously, I mean on the after, after it's built?

3 MR. COBB: You have the same amount of space as a  
4 minimum. Actually it moves in and out a little bit so you have  
5 more than that when it moves in, but the minimum, yes the  
6 building essentially comes to what we call the street wall, what  
7 we call the edge of the property line and in that sense, it's  
8 similar. But the character of that edge, of course, is very  
9 different.

10 VICE CHAIRPERSON HOOD: Okay.

11 MR. COBB: And yes, it's certainly true that the  
12 footpath itself is narrower because we have introduced the  
13 planting elements into it. Those planting elements we view as  
14 an amenity for the people in the street, not as in any sense an  
15 obstruction to people to freedom of movement.

16 VICE CHAIRPERSON HOOD: Okay. The only other thing  
17 I would just ask if we could get a copy, there was a security ?  
18 you did a security piece on the building and they told you  
19 everything was cool, okay. Could we get a copy of that for the  
20 file?

21 MR. QUIN: There may be some security issues with  
22 regard to submitting the security statement, but within those  
23 guidelines, we will certainly submit whatever can be submitted.

24 VICE CHAIRPERSON HOOD: Okay, sounds good. I'll  
25 settle for that.

1 MS. PREBENSEN: The reason for us not submitting  
2 it already is that we would not like everybody in the public to  
3 know exactly what security features we have.

4 VICE CHAIRPERSON HOOD: Right. It's better not to  
5 tell us, okay. I agree.

6 MS. PREBENSEN: So that's the reason.

7 VICE CHAIRPERSON HOOD: Okay, whatever you can  
8 give us, that will be good.

9 MR. QUIN: And we also have with us, if you have a  
10 specific question, our security expert who is here tonight in  
11 case there is a specific question.

12 VICE CHAIRPERSON HOOD: Will they be able to come  
13 back hopefully for the next hearing when we have some more  
14 substantive information?

15 MR. QUIN: Yes.

16 VICE CHAIRPERSON HOOD: Okay, thank you. Thank  
17 you all for answering my questions. No further questions, Madam  
18 Chair.

19 CHAIRPERSON MITTEN: Thank you, Mr. Hood. Mr.  
20 Parsons did you want to?

21 COMMISSIONER PARSONS: Ms. Prebensen, I remember  
22 the last cases how impressed we were with the ample square  
23 footage you provide for each one of your employees, as opposed  
24 to most institutions in the city. I note in your publication,  
25 you have 2,800 employees and 1,400 of them would be located

1 here, is that correct, in this building? Does that mean half  
2 are in the other building, the existing building?

3 MS. PREBENSEN: At the moment, we have planned  
4 between 1,200 and 1,300 employees. We have reserved some space  
5 for the credit union, and also as we did not show you on our  
6 plans is that the institute, IMF Institute occupies a whole  
7 floor, as well as the training part of our Human Resources  
8 Department occupies more or less nearly a floor as well. So  
9 that is why also, yes we have quite a few levels without  
10 offices, and that's probably why also we then do not have as  
11 high a number of employees occupying the building.

12 But yes, I shall be absolutely honest with you,  
13 that our employees are all more or less economists or high-  
14 level, people coming from high-level positions, from government  
15 positions, et cetera. Therefore, their demand for adequate  
16 office space is probably on average higher than many other  
17 institutions or organizations have. However, we think they are  
18 not the adequate.

19 They're not very large, and we have rather the  
20 opposite from our employees because we do have, a lot of them do  
21 have meetings with the finance ministers, governors, central  
22 banks, and then they always say that their offices are not  
23 adequate for that types of meetings we have. So we are trying  
24 to make, sort of come in the middle, that we have good offices,  
25 not extravagant offices, no.

1 COMMISSIONER PARSONS: So the 2,800 employees that  
2 you have will be housed in these two buildings?

3 MS. PREBENSEN: Today we have exactly about 3,000  
4 staff employees, but we also have quite a number of consultants.  
5 We have a big number of vendor personnel, which are not counted  
6 exactly in our staff member number you are referring to.

7 COMMISSIONER PARSONS: That's all right.

8 MS. PREBENSEN: We have about 500 vendors and 400  
9 contractals, in addition to the 2,800 staff, and that's why the  
10 numbers not always add up when you look at our staff numbers and  
11 the numbers we are saying we're putting into the building.

12 COMMISSIONER PARSONS: So the 1,400 employees that  
13 you speak about here are not all employees of the bank, right?

14 MS. PREBENSEN: Not all staff.

15 COMMISSIONER PARSONS: Are you planning for an  
16 expansion here or is this it? I mean it seems as though you're  
17 accommodating your existing needs but not allowing any  
18 expansion, unless you can talk these economists into subdividing  
19 their offices or bunk desks or something.

20 MS. PREBENSEN: We are looking at introducing some  
21 office space which are more effective than our present office  
22 space and more flexible, like shared offices and consultants  
23 coming in and out. Today, we have not as good flexibility in our  
24 office space as we would like. But we are not planning that we  
25 will expand a lot. We have some space for expansion in the

1 building actually.

2 COMMISSIONER PARSONS: So that would take you  
3 above the 1,400 that you're ?

4 MS. PREBENSEN: No, within the 1,400.

5 COMMISSIONER PARSONS: Would you have any  
6 objection if we limited the employees to 1,400 as you propose in  
7 our decision on this building?

8 MS. PREBENSEN: Well sometimes, I hope you don't  
9 have limitations on the number of staff because it varies on  
10 occasion with consultants and people coming from our offices  
11 abroad or the experts. We have a lot of experts out in the  
12 field.

13 COMMISSIONER PARSONS: Sure.

14 MS. PREBENSEN: And that's what I was referring  
15 to, that we are planning some open space, some other types of  
16 spaces than separate offices, which are not as effective in use  
17 as these open spaces are. So, we would hope that you wouldn't  
18 limit it to exactly the 1,400 because it will vary at times, but  
19 we don't expect to have to house more than 1,400 or a little  
20 more at any one space.

21 We have looked at it and seen that we have to use  
22 our space more efficient to house everybody at certain times of  
23 the year, and as you know with our annual meetings, we house  
24 quite a few people. We use our office space more effectively.  
25 But on a normal day basis, there wouldn't be more than, on a

1 normal day it wouldn't be more than 1,400, no.

2 COMMISSIONER PARSONS: Okay, you can see my  
3 concern. I mean if this building was not occupied by you 50  
4 years from now, or you decided to move, relocate, whatever and  
5 leased this to a more normal tenant, there's room for a lot more  
6 employees in this building than you would house. So that's why I  
7 was considering some kind of a cap.

8 MS. PREBENSEN: Yes.

9 COMMISSIONER PARSONS: Whether it's 10 percent  
10 more than 1,400 to allow flexibility, or what. Maybe you could  
11 give that some thought and get back to us on that.

12 MS. PREBENSEN: Yes, we'll certainly give it some  
13 thought.

14 CHAIRPERSON MITTEN: Anything else Mr. Parsons?

15 COMMISSIONER PARSONS: No.

16 CHAIRPERSON MITTEN: I wanted to start by just  
17 having a conversation with Mr. Quin about your introductory  
18 statements and the analysis that you provided for the commission  
19 related to the public benefits and amenities and planned unit  
20 developments, because it's very relevant here and it's also  
21 relevant in a broader scope.

22 I guess I'm trying to understand exactly why ? I  
23 know what you said about selecting the planned unit development  
24 as the avenue for achieving the rezoning, but given the analysis  
25 that you've done, you seem also to be saying that you really

1 don't have any ? you don't have any requirement to provide  
2 public benefits or amenities because you're really not asking  
3 for anything.

4 So could you in maybe a little bit less legal  
5 talk and more plain speaking, if you could explain to me why  
6 we're here talking about a PUD rather than a straight map  
7 amendment if you feel that you don't have really have a burden  
8 for public amenities.

9 MR. QUIN: Yes, let me try to answer that. The  
10 provision in the zoning regulations that relates to project  
11 amenities and public benefits and how you judge what is  
12 required, there are two tests, nexus and proportionality.

13 CHAIRPERSON MITTEN: Right.

14 MR. QUIN: Which even Mr. Hitchcock agreed in  
15 terms of the basic premise, has been written into the zoning  
16 regulations in ? 2403.8 which says, and I think I'm almost  
17 quoting it is that the Zoning Commission shall judge where there  
18 are incentives sought for adverse conditions, and balance the  
19 project amenities and public benefits to relate to those.

20 CHAIRPERSON MITTEN: Yes.

21 MR. QUIN: So you start with that basic premise.  
22 In this case, this is ? remember in another case, I had said  
23 that there will be a series of cases. More and more people will  
24 want to use the PUD process. I'm not sure that's going to  
25 always be, but what that allows is it allows you as a zoning

1 commission to see what you're going to get, and that is in  
2 effect an added ingredient that makes an applicant, like the  
3 International Monetary Fund and their attorneys, feel more  
4 comfortable in requesting, in this case, a specific zoning  
5 category.

6 We believe all the reasons that Mr. Shur stated  
7 that C-4 zoning is the appropriate zoning for this site. We  
8 don't have to go anyplace else. We didn't have to. But to give  
9 us comfort, to make us feel ? I'm just being very direct with  
10 you.

11 CHAIRPERSON MITTEN: Right.

12 MR. QUIN: That when we come into a zoning  
13 commission and we're asking for a change in zoning from C-3-C to  
14 C-4 notwithstanding that this is the hole in the donut with a  
15 bite taken out in one area, we wanted to feel more ?

16 CHAIRPERSON MITTEN: Let's not go back to that  
17 analogy again, okay.

18 MR. QUIN: Okay. I won't even talk about the type  
19 of donut. But at any rate, the point is is that we felt more  
20 comfortable because frankly you are, except for Mr. Parsons, all  
21 of you are relatively new in the zoning commission process, and  
22 advising ?

23 CHAIRPERSON MITTEN: What's your point?

24 MR. QUIN: My point is, is that to feel  
25 comfortable that we will get the relief that we seek, we want to

1 make it as sweet as possible. So, 1) we had a pattern of PUDs  
2 to the south for IMF. If we had come in with a straight  
3 rezoning, we don't know what your reaction would be. Would you  
4 say, well how do we know that this building is going to tie in  
5 with the development of the area? How do we know that it's  
6 going to be in the context? So those questions would come up.  
7 The only way we have in the city for contractual zoning is  
8 through a PUD.

9 Secondly, what is does is it does allow everybody  
10 to have input. Frequently, this commission and other boards  
11 say, please involve the agencies, involve the public. This is  
12 the best way to do it. It's very painful I must say, but  
13 nevertheless we do it.

14 CHAIRPERSON MITTEN: That's the price you pay for  
15 your comfort, I guess, is pain.

16 MR. QUIN: I guess it is. I think you're right.  
17 And I think that the only other reason, which I said before, is  
18 that you can ? there really were three reasons as I stated in  
19 the beginning. One is the pattern of approval previously. I  
20 think a certain suspicion, for lack of a better word, that's not  
21 really the right word, could be created if we simply came in for  
22 C-4 and nothing else. We always had a history of coming in for  
23 PUDs.

24 You changed the rules. The zoning commission  
25 changed the rules. If we were under the old guidelines, before

1 you changed your guidelines for the relatively, for the  
2 different categories, we wouldn't have to change the zoning at  
3 all. We could come in for C-3C. So I don't know if I'm  
4 answering your question or not. I'm trying to.

5 CHAIRPERSON MITTEN: No, you are. What I guess  
6 I'd like to follow up on what you said and what Mr. Shur said.  
7 You speak of the context, and yet in part the context has been  
8 created through the PUD process. So it's not just, hey C-4 over  
9 there, C-4 over here, C-3-C in a receiving zone, might as well  
10 be C-4 up there, and as you fill out the context, part of that  
11 context has been created through a dynamic process.

12 MR. QUIN: Right.

13 CHAIRPERSON MITTEN: Called the PUD Process.

14 MR. QUIN: Or other zoning process. The receiving  
15 zone is not a PUD process.

16 CHAIRPERSON MITTEN: True.

17 MR. QUIN: And that's the major area, going all  
18 the way to Washington Circle is a receiving zone where each  
19 building can go as a matter of right. Like the Graves Building  
20 that goes from 21st to the circle, matter of right building.

21 CHAIRPERSON MITTEN: Right.

22 MR. QUIN: Even though there had been a PUD, as  
23 Mr. Parsons will remember.

24 CHAIRPERSON MITTEN: And I remember that myself,  
25 although I was just a casual observer of that. But there was a

1 conscious decision not to cross Pennsylvania Avenue with the  
2 receiving zone and so on and so forth. I guess what I'm trying  
3 to get at and understand is, given that this isn't just a C-3-C  
4 site surrounded by C-4 zoning, that could be achieved matter of  
5 right or the equivalent thereof, what I'm grappling with is this  
6 idea of balancing and yet as the opening lines for this case,  
7 you introduce it. You say there's no balancing necessary.

8 So you're basically saying "look folks, we've  
9 been really ? in order to get comfortable with getting through  
10 this process, we've spent months and months talking to the  
11 Office of Planning, months and months talking to the ANC, months  
12 and months talking to the West End Citizens, and now that it's  
13 put before us, we really don't have anything to say about it. I  
14 mean, is that what you're ?

15 MR. QUIN: No.

16 CHAIRPERSON MITTEN: If we have no authority to  
17 balance the what I would call relief from a matter of right or  
18 from a straight rezoning process, if that's a straight map  
19 amendment process, if that's how you want to characterize it,  
20 then if we're not giving you any relief, then really where do we  
21 derive our authority to tell the applicant anything?

22 MR. QUIN: Well two things: 1) you have the basic  
23 zoning enabling act where you measure against the comprehensive  
24 plan and all the standards that are set forth there. But if you  
25 read that section over again carefully, 2403.8, if you read it

1 carefully, it doesn't just say where you're seeking incentives.

2 It also says if there are adverse impacts.

3 CHAIRPERSON MITTEN: Correct.

4 MR. QUIN: So you have to make a judgment. If we  
5 are designing something that is, in your view, needs to have  
6 something to offset it, I think you still have a certain amount  
7 of balancing to do. What our point is, is that this is not a  
8 case where we come in and we're seeking above the appropriate  
9 zoning some major change. We're not seeking that. Therefore,  
10 the proportionality of your balance is not going to as great.

11 But in order for us to feel comfortable as we  
12 have worked with the International Monetary Fund, we have tried  
13 to negotiate, and this has been along period. I'm sure OP will  
14 describe it. But we started with a lot fewer amenities than we  
15 now have, including the uses on both corners as project  
16 amenities.

17 CHAIRPERSON MITTEN: Yes.

18 MR. QUIN: A totally different facade. All these  
19 things were products, and I think that's part of the  
20 measurement. I think forgetting about, sometimes we get caught  
21 up in all this regulation language, the lawyer stuff. Forget  
22 about it sometimes and think what's right. What seems right for  
23 this area?

24 CHAIRPERSON MITTEN: I agree with that. I guess I  
25 just had sort of a slightly different thought about what was

1 right and what our abilities were even after reading what you  
2 wrote, and I just wanted to talk to you about what exactly your  
3 intentions were.

4 I mean you made reference in your analysis to the  
5 confusion that you think exists in the community, perhaps in the  
6 Office of Planning and perhaps at the commission, and I'm trying  
7 to sort through that because I don't want to ? I'm new but I  
8 don't want to be confused.

9 MR. QUIN: Right, well I think the point there  
10 that always jumps out at me is what has happened over a period  
11 of time with PUDs is that in our effort, meaning developer's  
12 efforts and counsel, to have a compromise and to work things out  
13 with the community, we give a lot of things up. That doesn't  
14 mean that those are required by zoning. It just means that it's  
15 part of the process. That's what we try to do, because it's  
16 much better to walk into this hearing and have support.

17 CHAIRPERSON MITTEN: Right.

18 MR. QUIN: And in the process, there is a mind set  
19 that says that when a PUD comes in, certain groups, people, feel  
20 that it's fair game to ask for almost anything, and I don't  
21 think that's what the Zoning Commission regulations say,  
22 although frankly we do consider almost anything in terms of  
23 trying to get support from neighborhoods. They're two different  
24 strings.

25 MS. ELLIOTT: Madam Chair can I lodge an

1 objection?

2 CHAIRPERSON MITTEN: Well, if you're going to  
3 object to one of my questions, I'm going to say overruled.

4 MS. ELLIOTT: I'm having an objection to the  
5 presentation here of what's going on with this particular  
6 conversation.

7 CHAIRPERSON MITTEN: Well, if you disagree with  
8 Mr. Quin, you can just, when you get your chance to testify, you  
9 can just give us your version of it. But really, your objections  
10 are only to questions that are being asked or if ?

11 MS. ELLIOTT: Well no, it's to the point of order.

12 CHAIRPERSON MITTEN: All right, well come on  
13 forward and make your case.

14 MS. ELLIOTT: I'm Elizabeth Elliott, ANC-2A. My  
15 problem with this, Madam Chair, is that the IMF came in with  
16 some extraordinary requests on this and then also filed in their  
17 memorandum from Mr. Quin something involving constitutional  
18 takings on this, which I think we're not even talking about  
19 here, and we, the ANC, put an extraordinary amount of effort  
20 into coming to them with public benefits, with what we thought  
21 was right and we're trying to set up some things in the  
22 community.

23 CHAIRPERSON MITTEN: And what's your objection  
24 exactly?

25 MS. ELLIOTT: Well, my objection is to this being

1 characterized as this PUD. Why are they asking for a PUD  
2 exactly, as you were questioning them, as opposed to going for a  
3 straight matter of right? Because I think they're trying to  
4 have it both ways. They don't want to give any public benefits,  
5 or they want to define all the public benefits.

6 CHAIRPERSON MITTEN: I think that's really part of  
7 your case.

8 MS. ELLIOTT: Okay.

9 CHAIRPERSON MITTEN: I mean, you and Mr. Quin  
10 disagree about that obviously, but that's really for you to make  
11 as part of your case.

12 MS. ELLIOTT: And I also disagree with the  
13 characterization of it, because I don't believe that we are  
14 asking for extraordinary things in the neighborhood, so thank  
15 you.

16 CHAIRPERSON MITTEN: Thanks. Okay, let me get to  
17 some of my smaller questions, and maybe anticipate a question  
18 that the ANC would ask. At the end ? or Exhibit I in the more  
19 recent submission of October 5, 2001, there is the community  
20 amenity package and summary of costs of each of the items, which  
21 I know has changed somewhat and would now correspond with the  
22 January 7th amenities and public benefits.

23 But in terms of the quantification of these  
24 costs, and I don't want you to go through it now, but I think  
25 what would be helpful is understanding how these were calculated

1 and relative to what. Thank you and just turn on your mike.

2 MR. QUIN: We can submit that and just in summary,  
3 the additional amount is about one million four would bring it  
4 to five million nine fifty-nine, and we will supply that with  
5 the breakdown.

6 CHAIRPERSON MITTEN: Thank you.

7 MR. QUIN: Although I would say, I don't think  
8 amenities and benefits are necessarily tied to dollars.

9 CHAIRPERSON MITTEN: And I would agree with that,  
10 but to the extent that you have endeavored to quantify it, I  
11 think we'd like to understand how you got those numbers, because  
12 once you put a number out there, that does bear some ? it  
13 influences people in the order of magnitude.

14 I'd also like to maybe just pick up where Mr.  
15 Hood left off, and I'm not sure this is where he was going  
16 exactly, but when he was talking about the additional submission  
17 that you made today and talking about #10 and #11, the First  
18 Source Agreement, and the LSDBE Agreement.

19 Not only in discussing in in terms of we don't  
20 have the signed agreements yet, but in terms of conversations  
21 that we've had in the context of other applications and the  
22 actual ability of an applicant to achieve the goals outlined in  
23 those agreements, it seems to me that #8 and 9 of the project  
24 amenities and public benefits, if I read Mr. Fuller's report  
25 correctly, are very much a function of achieving the goals. So

1 that the numbers don't work if they're a function of 51 percent  
2 District residents being provided these jobs and so on.

3 So if you could ? anything else that you could  
4 offer to the commission by way of either modifying the  
5 calculations to something that is more based on the experience  
6 we've had so far that's more likely to be achieved, or again as  
7 I had asked in another case, if you could make these more  
8 performance based somehow.

9 MR. QUIN: I understand.

10 CHAIRPERSON MITTEN: It's sort of an ongoing  
11 conversation that we've been having.

12 MR. QUIN: I understand.

13 CHAIRPERSON MITTEN: Thank you. This is probably  
14 ? well, let me ask my threshold question first which is, there  
15 are two sections of the atrium on the upper levels that project  
16 out. They're kind of off, they're kind of outside the normal  
17 line of the building. They are kind of at a different angle and  
18 they project out. Does the projection along Pennsylvania Avenue  
19 or H Street project into the public right-of-way?

20 MR. QUIN: Yes, it does. It requires a  
21 modification under the building code. We have met with the  
22 Acting Director of the Building Plan Regulation and since it  
23 doesn't interfere with public space utilization, there does not  
24 seem to be a problem.

25 CHAIRPERSON MITTEN: Okay.

1 MR. QUIN: We are not adding ? that does not add,  
2 doesn't give us any additional FAR.

3 CHAIRPERSON MITTEN: Okay, and then just so that I  
4 understand the nuance of it, in a previous case you had to lease  
5 public airspace to do a projection like this, and this case I  
6 take it it's not necessary. Is that because it doesn't add FAR  
7 or what's the reason?

8 MR. QUIN: There are different provisions. This  
9 is a section under the building code which allows you to have  
10 certain projections providing it's not primarily there to gain  
11 additional space for the building.

12 CHAIRPERSON MITTEN: Okay.

13 MR. QUIN: If it's architectural or for some other  
14 reason you use it, and it doesn't interfere in some other way  
15 with the space, there is not a charge for that. If you use  
16 vault space, below grade, and you extend into public space, you  
17 have to rent it.

18 CHAIRPERSON MITTEN: Okay.

19 MR. QUIN: We were under a separate section  
20 entirely for the Public Space Utilization Act. It was under a  
21 separate act of Congress.

22 CHAIRPERSON MITTEN: And are you saying that if  
23 this case were somehow functional, as opposed to aesthetic,  
24 there would be a different requirement?

25 MR. QUIN: No, it is functional, but it is not ?

1 we're not gaining any FAR. When we gave our calculations of the  
2 10 FAR, we've included that space, even though technically it's  
3 not within private property, so that we're not gaining anything  
4 over what we're allowed.

5 CHAIRPERSON MITTEN: So the calculation in the 10  
6 FAR includes those projections, even though it's not really on-  
7 site.

8 MR. QUIN: Right. I'm not sure we have to do  
9 that, but in this case we are because the wording of it, which  
10 we can submit to you, is a copy of the building code that has  
11 the section of modifications in it.

12 CHAIRPERSON MITTEN: I'd be interested in  
13 understanding the nuance of that. And then my final question  
14 is, what is located immediately opposite where the loading dock  
15 is proposed on 20th Street? What's opposite that location?

16 MR. QUIN: I'm not sure.

17 MS. PREBENSEN: Today it's a parking lot. I think  
18 ?

19 MR. QUIN: Maybe we ought to understand the  
20 question more.

21 CHAIRPERSON MITTEN: As I understand it, the  
22 loading dock for this proposed building is going to be located  
23 on 20th Street, is that right?

24 MR. QUIN: Yes.

25 CHAIRPERSON MITTEN: And then there's something

1 immediately opposite it, immediately opposite so if you're in  
2 the loading dock and you're facing out and you just drive  
3 forward across the street, what are you going to hit?

4 MR. QUIN: I don't know but I'll get you the  
5 answer.

6 CHAIRPERSON MITTEN: Okay. No, I'm asking them.

7 MR. QUIN: We know that it's part of the  
8 development of Red Line Row, but I don't know precisely where it  
9 fits with regard to the access to parking or the entrance to the  
10 building.

11 CHAIRPERSON MITTEN: Okay, maybe if you just  
12 submit something, or can you answer that Mr. Cobb? Oh,  
13 terrific.

14 MR. COBB: Unfortunately, I don't have that image.

15 MS. PREBENSEN: It's the 2000 Penn Garage entrance  
16 lot it says.

17 MR. QUIN: Why don't we file that for the record.

18 MS. PREBENSEN: It's a GW parking lot at the  
19 moment. I think they're planning to build something on that  
20 lot.

21 CHAIRPERSON MITTEN: Okay.

22 MR. QUIN: Let us file it for the record to make  
23 sure we're correct on that.

24 CHAIRPERSON MITTEN: Yes, all right. Thank you.  
25 I don't think I have anything else, and any other commissioners,

1 anything else occur to you? All right, then we'll go to ? well  
2 you know, let's just take a five minute break and then we'll  
3 pick up with cross-examination by the ANC.

4 (Whereupon, the above-entitled matter went of the  
5 record.)

6 CHAIRPERSON MITTEN: Take a seat.

7 MR. ELLIOTT: Madam Chair, again Elizabeth  
8 Elliott, ANC-2A an with me is Commissioner Richard Price from  
9 ANC-2A, and he'll be asking some questions also. One thing I  
10 wanted to ask at the outset, we've been given a lot of material  
11 tonight here that we haven't had time to go over, in addition to  
12 what you mentioned beforehand, and I was wondering if we could  
13 set aside, we may not need it, but if we could set aside about  
14 15 minutes at the beginning of the next portion of the hearing  
15 to do some further cross-examination if we need to do it.

16 CHAIRPERSON MITTEN: As long as the items that you  
17 are going to seek to cross-examine the applicant on are new and  
18 we have a lot of summary material that's been submitted that is  
19 really not new information. It's just collected for our  
20 convenience. So as long as it's something that was submitted  
21 and it is new, of course we'd give you that opportunity.

22 MS. ELLIOTT: Okay, great. I'll start out. I  
23 have one question. There's been talk about the site being  
24 located in the central employment area, and I would like to get  
25 that straightened out while we are here, whether it actually is

1 in the central employment area or outside the central employment  
2 area.

3 CHAIRPERSON MITTEN: And what's the question that  
4 you'd like to pose to the applicant?

5 MS. ELLIOTT: Is this site within the central  
6 employment area or just adjacent to the central employment area?

7 MR. SHUR: The answer is yes.

8 CHAIRPERSON MITTEN: I think it was a two-part  
9 question, so maybe you could just identify which part you're  
10 answering.

11 MR. SHUR: I thought the question was, is the site  
12 within the boundaries of the central employment area?

13 CHAIRPERSON MITTEN: She said or just adjacent to  
14 it.

15 MR. SHUR: The answer is yes. It is within the  
16 boundaries of the central employment area. Those boundaries are  
17 set forth within the comprehensive plan and incorporated by  
18 reference in the Zoning Regulations ? 199.1 of the comprehensive  
19 plan. I'll submit the definition for the record because it runs  
20 on about a page and a half, starting here and going all the way  
21 around and wandering around.

22 But in pertinent part, it gets to north along  
23 19th Street for F Street, west on F Street to 20th Street to  
24 Pennsylvania West, west along Pennsylvania Avenue to 21st  
25 Street. So 19th to F, 20th to Penn, west along Penn to 21st.

1 So we are within the boundaries of that area.

2 CHAIRPERSON MITTEN: Thank you, and it would be  
3 helpful if you would submit that for us.

4 MR. SHUR: Sure.

5 CHAIRPERSON MITTEN: Thank you.

6 MR. SHUR: It's also on Map #2 of the  
7 comprehensive plan map which I can submit as well.

8 CHAIRPERSON MITTEN: Why not?

9 MR. SHUR: Sure.

10 MS. ELLIOTT: Thank you very much. I also have  
11 one other question about the site, and is it also within the  
12 campus plan boundaries of George Washington University?

13 MR. SHUR: Yes.

14 MS. ELLIOTT: Thank you. Mr. Price, do you have  
15 some questions?

16 MR. PRICE: Yes. I'd like to follow up with some  
17 questions that address the issue of the financial value of the  
18 amenities offered by the IMF, getting at the last issue you  
19 brought up Ms. Mitten. But I have some very specific questions  
20 I want to ask.

21 CHAIRPERSON MITTEN: Let me just, before you start  
22 down that road, Mr. Quin has said that he's going to submit some  
23 additional information about how those calculations were done.

24 So to the extent that you were going to ask him  
25 those kinds of questions, could you hold off until we get the

1 additional submission and then see if you still have those  
2 questions? Or, are the questions different than that?

3 MR. PRICE: Well, they're related but why should  
4 we wait again for more information if they don't address the  
5 issues of the ANC?

6 CHAIRPERSON MITTEN: Well, because we've asked for  
7 an additional submission so we don't have to go through numerous  
8 calculations, to just facilitate the hearing, it would be better  
9 if we didn't get bogged down in that given that we're expecting  
10 an additional submission.

11 MR. PRICE: So for instance, on upgraded  
12 landscape, would be Mr. Quin be submitting information about  
13 what portion of the landscape could be attributed to the  
14 security of the building? And should we, as the community, be  
15 paying for the security of the IMF?

16 CHAIRPERSON MITTEN: Attributing landscaping to  
17 security is a different question, so go ahead and ask him that  
18 one.

19 MR. PRICE: Okay. So I'd like to know what  
20 portion of the landscaping, the upgraded landscaping around the  
21 building.

22 (Pause.)

23 MR. QUIN: This is Mr. John Schlichting. John,  
24 would you identify yourself for the record, please?

25 MR. SCHLICHTING: Yes, I'm John Schlichting. I'm

1 Vice President and Director of Development for Car America  
2 Development, Inc. and we are the development manager on behalf  
3 of IMF. And good evening to you, Madam Chair, and members of  
4 the commission.

5 CHAIRPERSON MITTEN: Good evening, and did you  
6 understand Mr. Price's question?

7 MR. SCHLIGHTING: I'd like him to rephrase it,  
8 please.

9 MR. PRICE: I'd like to know what portion of the  
10 upgraded landscaping around the building, whose value now is at  
11 \$612,300, can be attributed to security precautions that the IMF  
12 requires for their building. And I have a related question  
13 that I guess we'll address in our own testimony about whether  
14 we, as a community, should be paying for the IMF's security  
15 through this upgraded landscaping. We have heard from Mr. Cobb.

16 CHAIRPERSON MITTEN: Let's have him answer the  
17 first question. I don't think he's going to answer the second  
18 question.

19 MR. SCHLIGHTING: I don't think so. As Mr. Quin  
20 represented earlier, we will be submitting a breakdown of  
21 exactly what is in all those numbers that we provided you  
22 earlier. And as far as the \$612,000 goes, we will provide you  
23 with exactly what that represents. There could be some  
24 comingling of security versus landscaping, so therefore I  
25 understand the question, given the fact that we are using

1 planting devices as security. But we'll look at that and  
2 respond to that appropriately and fully.

3 CHAIRPERSON MITTEN: So you're detailing, we will  
4 be able to break that out through the detail that you'll  
5 provide?

6 MR. SCHLIGHTING: That's correct.

7 CHAIRPERSON MITTEN: Okay, thank you.

8 CHAIRPERSON MITTEN: You need to turn on the mike  
9 again.

10 MR. PRICE: The facade premium is valued at \$2.2  
11 million. Now I'm not a trained architect, but I see that the  
12 materials of the building are precast concrete and glass. These  
13 are materials very common to many other speculative buildings in  
14 Washington. Now why is this a true amenity? What is there in  
15 this facade treatment that represents a true amenity?

16 CHAIRPERSON MITTEN: I think that's the kind of  
17 information that we're going to be getting, because what I asked  
18 was, how were these numbers calculated and it's relative to  
19 what. So we're going to find out what the baseline is for what  
20 they were thinking of as a matter-of-right facade.

21 MR. PRICE: I hope.

22 CHAIRPERSON MITTEN: And then the increment above  
23 that. So that's the kind of thing we'll get in the additional  
24 submission.

25 MR. PRICE: I'm wondering about the water feature.

1       The IMF has told the ANC at the public meeting that the total  
2 cost, approximate cost of building this building is \$150  
3 million. This water feature has a value of \$1 million. It  
4 doesn't seem reasonable to me on the surface.

5                   CHAIRPERSON MITTEN: So did you have a specific  
6 question, or are you just taking issue with the number?

7                   MR. PRICE: I'm wondering what goes into that \$1  
8 million that represents an amenity to the community that is  
9 worth \$1 million. Are we talking about the materials? Are we  
10 talking about an artist who is being commissioned to design it,  
11 et cetera?

12                   CHAIRPERSON MITTEN: Mr. Schlighting?

13                   MR. SCHLIGHTING: The water sculpture, actually is  
14 what we call it. We call it a water sculpture. We are actually  
15 commissioning a water consultant who is more of an artist than  
16 an engineer. It's a relatively new amenity to the project that  
17 we really added based on the direction from the Office of  
18 Planning, beginning in late November, early December. The \$1  
19 million number is our budget figure at this point.

20                   So we have not completely cost estimated what  
21 you're seeing on those drawings but we anticipate, at this time,  
22 that both the cost of the design and the cost of the machinery  
23 and everything that's required for that highly technical water  
24 sculpture to operate properly will cost approximately \$1  
25 million. But as I said, it's a budget figure.

1 CHAIRPERSON MITTEN: Thank you.

2 MR. PRICE: The IMF contends they'll spend  
3 \$240,000 a year for events. That's \$20,000 per month. In the  
4 17-month period, May, 2000 through September, 2001, the IMF  
5 hosted 40 events that averaged 116 guests.

6 CHAIRPERSON MITTEN: Where's the question?

7 MR. PRICE: How many events do you plan on having  
8 that will cost \$240,000, and how much do you plan on spending  
9 per event? I called the Monarch Hotel today. It costs \$500.

10 CHAIRPERSON MITTEN: We don't want any testimony.  
11 We just want questions. Who can answer that question, Mr.  
12 Quin, the number of events that the amenities projected based  
13 on?

14 MR. QUIN: Ms. Prebensen can answer it in terms of  
15 events.

16 MS. PREBENSEN: Thank you. I'll try to answer it,  
17 but we can come back in more detail if you so wish. These  
18 numbers are based on what we actually do in our present  
19 Headquarters 1 Building, what each event, how many events we  
20 usually have, how many people and what the costs are involved  
21 from our side. So these are based on statistics from our  
22 present events in our present building.

23 CHAIRPERSON MITTEN: So in the additional  
24 submission, will there be a breakdown? That would be helpful.

25 MS. PREBENSEN: We'll break that down.

1 CHAIRPERSON MITTEN: Thank you.

2 MS. ELLIOTT: Elizabeth Elliott again. In that  
3 breakdown, could we have the specific attendees at the meetings?  
4 How much are from the ANC-2A and whether they're from the city  
5 wide?

6 CHAIRPERSON MITTEN: I don't know that they keep  
7 track of who their attendees are.

8 MS. ELLIOTT: Who they're renting the facilities  
9 to.

10 CHAIRPERSON MITTEN: Is that something you can  
11 provide, Ms. Prebensen?

12 MS. PREBENSEN: I think so. We know who are  
13 arranging it each time.

14 MS. ELLIOTT: Yes, that's all I was asking.

15 CHAIRPERSON MITTEN: That's what she was looking  
16 for.

17 MS. PREBENSEN: Okay.

18 CHAIRPERSON MITTEN: Thank you. Any other  
19 questions?

20 MR. PRICE: I don't have any other questions.

21 CHAIRPERSON MITTEN: Ms. Elliott, any more from  
22 you?

23 MR. QUIN: They're the same ANC. They only get  
24 one shot, right?

25 CHAIRPERSON MITTEN: Well, they're sort of, we'll

1 consider them tag team as Mr. Hood said. I think we're just ?  
2 believe me, it's easier this way.

3 MR. QUIN: I believe you.

4 MS. ELLIOTT: I just have one further question, in  
5 qualifying Mr. Fuller on his credentials, he's not appearing as  
6 an economist in his analysis, is he? Or is he appearing as an  
7 urban planner?

8 CHAIRPERSON MITTEN: Well, let's see. What was he  
9 proffered as an expert in? I don't have that.

10 MR. PRICE: I have some questions of Mr. Fuller  
11 too.

12 CHAIRPERSON MITTEN: Just hold on one second.  
13 What did you proffer Mr. Fuller as an expert in, Mr. Quin? I'm  
14 not finding that?

15 MR. QUIN: As an urban and regional economist.

16 CHAIRPERSON MITTEN: All right. If you wanted to  
17 take issue with his designation as an expert, you should have  
18 done that up front, but that's what the designation was, Urban  
19 and Regional Economist.

20 MS. ELLIOTT: Is that what his Ph.D. is in?

21 CHAIRPERSON MITTEN: If you wanted to Voir Dire  
22 Mr. Fuller or Dr. Fuller, excuse me, you should have done that  
23 in the beginning and raised those objections in the beginning  
24 before we designated him as an expert. All right. And did you  
25 have some questions?

1 MR. PRICE: For Mr. Fuller, yes.

2 CHAIRPERSON MITTEN: All right, Dr. Fuller.

3 MR. PRICE: Mr. Fuller ?

4 DR. FULLER: Doctor.

5 MR. PRICE: Dr. Fuller, your study indicates that  
6 it has been estimated that international business activity  
7 accounts for 10 percent of the District's economy. I'd like to  
8 know what is the source of that information?

9 DR. FULLER: There are several sources. There was  
10 a study commissioned by the Board of Trade in 1997, I believe.  
11 Deloitte & Touche was the prime on it. I was the subcontractor.  
12 We looked at all facets of international business in the  
13 District and Washington area, and developed a number at that  
14 time that supports a \$20 billion regional contribution today.  
15 That study was updated last year by the Board of Trade without  
16 my participation. Those are the two principal sources.

17 MR. PRICE: Now is this regional or is it for the  
18 District of Columbia?

19 DR. FULLER: District's broken out.

20 MR. PRICE: Okay. You argue that because the IMF  
21 is moving its employees from rented quarters to another  
22 building, another site, in essence this presents instead of  
23 shuffling of the deck so to speak, moving people just from one  
24 place to another, it represents a whole new level of economic  
25 activity.

1                   How would that economic activity compare with a  
2 for-profit business that would be paying real estate taxes on  
3 the property and which might also generate more income tax  
4 revenue for the District of Columbia?

5                   DR. FULLER: You're asking a combined question.  
6 You're mixing up economic impact with fiscal impact, not an  
7 unusual mixup. Economic impact could be less. Economic impact is  
8 measured by the number of jobs created, the amount of economic  
9 activity generated. I don't know until you propose what else  
10 might be in that 650,000 square feet alternatively.

11                   The fiscal impact of a building that was  
12 privately built on that site might be larger solely because of  
13 the income tax base that it would generate. There's no measure  
14 that a building such as that might not be occupied by a non-  
15 profit corporation and therefore, you forego the corporate  
16 income tax and possibly the property tax as well. We're a  
17 Federal organization.

18                   You can't just suggest a private versus a public  
19 use of a property and make a valid point in this town.

20                   MR. PRICE: I'm not sure if you can answer this  
21 question. The IMF has told us that now this property generates  
22 \$1 million to \$1.5 million of real estate taxes. Now that's  
23 based on an old assessed value of land and the building on the  
24 land. The IMF paid \$98 million, I believe, in 1996 for this  
25 property and they will spend \$150 million on a new building.

1 Do you have any idea of the amount of real estate  
2 taxes this new property would generate if it were taxable?

3 DR. FULLER: I don't.

4 MR. QUIN: We'll get that.

5 CHAIRPERSON MITTEN: Anything else?

6 MR. PRICE: That's all.

7 MS. ELLIOTT: I have one last question, Dr.  
8 Fuller. I noticed in your analysis that there were not costs,  
9 just the benefits. Is there any possibility that you can  
10 include costs, such as the security costs for demonstrations, et  
11 cetera, some of the other costs accrued, associated with this  
12 project in the District?

13 DR. FULLER: I was asked to identify the fiscal  
14 flows, the fiscal benefits that it generated, not the cost. I'd  
15 be happy to do that for you if you want to commission me to do  
16 it.

17 MS. ELLIOTT: I guess that's not what I'm asking  
18 you.

19 CHAIRPERSON MITTEN: He'll probably give you his  
20 card and then you could follow up with him.

21 MS. ELLIOTT: Right.

22 CHAIRPERSON MITTEN: Anything else?

23 MS. ELLIOTT: No further questions.

24 CHAIRPERSON MITTEN: And that's for across the  
25 board, you're not going to call someone else up, you're done?

1 MS. ELLIOTT: Yes.

2 CHAIRPERSON MITTEN: All right, very good. Thank  
3 you. Now we'll have Ms. Kahlow.

4 MS. KAHLOW: Sarah Mattox (phonetic) and I are  
5 both asking questions. I have certain witnesses. She has other  
6 witnesses.

7 CHAIRPERSON MITTEN: Okay, Mr. Quin. We were a  
8 little bit more flexible with the ANC, but typically one person  
9 is designated as the spokesperson for the group.

10 MS. MATTOX: I've written out my questions.

11 CHAIRPERSON MITTEN: Terrific, thank you.

12 (Background discussion.)

13 MS. KAHLOW: All right, I have questions in now  
14 five areas. The first area is safety and I think Ms. Prebensen  
15 and then Mr. Shur need to come up for this. First, did the IMF  
16 request a security analysis from the Treasury Department Secret  
17 Service? And if not, why not?

18 MR. QUIN: Madam Chairperson, this is Mr. Henry  
19 Garcia who is our security consultant and expert. We have his  
20 resume. I don't know whether we should qualify him, since he's  
21 going to be answering questions, or not. That's really up to  
22 you.

23 MS. KAHLOW: I would like to see his resume,  
24 however.

25 CHAIRPERSON MITTEN: Why don't we take the resume

1 and we'll deal with the qualification in a bit.

2 MS. KAHLOW: Thank you.

3 CHAIRPERSON MITTEN: Mr. Garcia, did you hear the  
4 question.

5 MR. GARCIA: Could you repeat it again?

6 MS. KAHLOW: Did the IMF request a security  
7 analysis from the Treasury Department Secret Service? If not,  
8 why not?

9 MR. GARCIA: We did not request a specific  
10 analysis from the Secret Service.

11 MS. KAHLOW: Will the IMF do so?

12 MR. GARCIA: We can request one. I'm not  
13 confident that they will provide one, since we are not a true  
14 government agency.

15 MS. KAHLOW: I believe because of the proximity to  
16 the White House, they will do so. Just for the record, the West  
17 End Citizen's Association has asked Secretary O'Neill for such  
18 an analysis, and it is in preparation, but we would like the IMF  
19 to participate and to help with that.

20 MR. GARCIA: We'd welcome the opportunity,  
21 actually.

22 MS. KAHLOW: Second, did the IMF request a  
23 security analysis from Homeland Security Head Governor Tom  
24 Ridge, and if not, why not? The ANC has asked the Zoning  
25 Commission to do so, since they can not. Can the IMF do so?

1 MR. GARCIA: We have not requested anything from  
2 the Homeland Security Group and can we? We can request it.  
3 Again, I'm not confident or certain of the response we're going  
4 to get.

5 MS. KAHLOW: Third, considering the flexibility in  
6 the IMF's Articles of Agreement, let me quote, since the IMF  
7 submission only quotes in part, not in total: "The principal  
8 office of the agencies or branch offices may be established in  
9 the territories of other members, and the bylaws quote the  
10 principal office of the fund shall be located within the  
11 metropolitan area of Washington, D.C."

12 And the submission they gave us today from the  
13 comprehensive plan was also a partial.

14 CHAIRPERSON MITTEN: And the question is?

15 MS. KAHLOW: The question is whether ? I need to  
16 make sure. Let me just show you what it is. It's on Page 134.

17 It's a CA Plus Business Centers. My question is, what other  
18 sites within the metropolitan area of D.C. did the IMF consider  
19 for Headquarters 2 since all of these documents allow them to be  
20 elsewhere in D.C. including a medium high density to high bulk  
21 business centers?

22 MR. QUIN: Madam Chairperson, I'd like to object  
23 to the question. I think that the international organization  
24 says it shall be permitted to locate only, and then it lists  
25 the criteria where it should locate. I don't see ?

1 CHAIRPERSON MITTEN: We typically don't take  
2 testimony about what else an applicant could have done. We're  
3 voting an application up or down, so it's not where else they  
4 could be. They have made a proposal and we're considering that  
5 proposal as presented.

6 MS. KAHLOW: All right. Is the IMF ? next  
7 question then. I will be discussing that in my testimony, but  
8 that's fine. Is the IMF willing to reimburse D.C. for any  
9 property or personal damage made by demonstrators during its  
10 future annual meetings?

11 MR. QUIN: Again, an objection for the record. I  
12 don't think that's germane to this zoning case.

13 MS. KAHLOW: Since safety is a critical issue, I  
14 believe it is extremely germane, since the cost to the city is  
15 what we're talking about here, in terms of amenities, public  
16 benefits, and also public cost.

17 MR. QUIN: Stand on my objection. I don't think  
18 it's germane to zoning. We're talking about use and height,  
19 bulk of the facility.

20 CHAIRPERSON MITTEN: Mr. Quin, I'd like to get an  
21 answer to the question for this reason which is, we've heard  
22 testimony about the IMF and the characteristics of the IMF, the  
23 importance of a specific occupant of the building, and this is  
24 also related to a specific occupant. If you'd like to submit  
25 something else about whether or not we should consider the

1 answer to the question, we certainly welcome that. But I would  
2 like to get the answer to the question.

3 VICE CHAIRPERSON HOOD: Madam Chair, may I also  
4 add, I believe we were charged with protecting the safety of the  
5 residents of the District of Columbia and I think that is part  
6 of our charge, and if Mr. Quin wants to answer to that and tell  
7 us why it's not part of the charge, then I would be willing to  
8 accept anything that he wants to submit. So I would agree with  
9 you, Madam Chair.

10 MR. QUIN: My understanding of the question was  
11 one that deal with cost, as opposed to safety or security. We  
12 already have put in, and we have a witness to talk about  
13 security and safety. But I think the cost issue on security is  
14 not fairly before the Zoning Commission as to who bears what  
15 cost.

16 CHAIRPERSON MITTEN: Well, I think with the  
17 assistance of Mr. Hood, the point is that we've heard testimony  
18 about the security of the IMF and the building itself, but we  
19 haven't heard anything about the security of the general public,  
20 which is not outside the scope of what the Zoning Commission  
21 needs to consider.

22 So again, while you might want to submit  
23 something that elaborates more on why we shouldn't consider the  
24 answer to the question, I would like to get the answer. If  
25 someone here can't answer it, then we'll allow you to submit

1 something for the record.

2 COMMISSIONER PARSONS: Madam Chair, I'm a little  
3 troubled by this. As I understand the question, it had to do  
4 with whether they'd be willing to reimburse the District of  
5 Columbia. Was that the question Ms. Kahlow?

6 MS. KAHLOW: And any affected properties,  
7 including homeowners in the neighborhood for property or  
8 personal damage by the demonstrators. Currently as you know,  
9 the District was paying a large part and the Federal Government  
10 was paying, but there was no consideration of the people in the  
11 neighborhood, what cost they would have.

12 COMMISSIONER PARSONS: Well, it seems to me that  
13 the target of this aggression is in this community right now.  
14 Why is it then that this building, this new building? Is it  
15 simply because it's fronting on Pennsylvania Avenue? The  
16 Monetary Fund is there now. The threat is there now. The issue  
17 seems to be something that should be addressed outside this  
18 forum.

19 MS. KAHLOW: I don't agree with you. My testimony  
20 is going to get into the analysis of the breakdown of the cost.

21 The reason why is September 11th happened and the world has  
22 changed, and the White House especially is especially concerned,  
23 and this is two blocks away.

24 Those of us living in the neighborhood are also  
25 concerned, and my testimony will get in what the considerations

1 were and the cost before September 11th for their annual meeting  
2 that was supposed to take place at the end of September. And  
3 those were phenomenal, and now what the cost would be, and I  
4 think those are very relevant to consideration by the Zoning  
5 Commission of a protection of the Foggy Bottom West End  
6 residential neighborhood.

7 CHAIRPERSON MITTEN: I think it's ?

8 COMMISSIONER PARSONS: Well, I would just register  
9 a disagreement with you.

10 MS. KAHLLOW: Okay.

11 COMMISSIONER PARSONS: If the monetary fund was  
12 not there now, I think you'd have reason for that. But I don't  
13 understand it. We won't debate it now. We'll wait for your  
14 testimony.

15 CHAIRPERSON MITTEN: Ms. Prebensen.

16 MS. PREBENSEN: Yes. I was just going to say the  
17 same as Mr. Parsons. We had a report of the security consultant  
18 what the change would be if we didn't have the ? if we didn't  
19 increase the security issues for the neighborhood and for our  
20 institution, by putting the two together, and they said it  
21 doesn't actually change because the demonstrators in these  
22 occasions would always focus on the Headquarters Building.

23 The Headquarters Building is already in this  
24 exact location, so therefore they said it didn't have any  
25 further consideration actually to put the two next to each

1 other, because they would always focus on the main Headquarters  
2 Building which is already there.

3 CHAIRPERSON MITTEN: Okay, that's helpful.

4 MR. QUIN: Another point which we can supply, and  
5 that deals with the consolidation for safety purposes. Now  
6 you've got spread. You've got two other locations for the  
7 employees, which increases under law the requirement for cost.  
8 If they're consolidated, there's less cost.

9 MS. KAHLOW: My question had to deal with not the  
10 cost to the city, the cost to the residents in personal and  
11 property damage by the demonstrators.

12 CHAIRPERSON MITTEN: Well, I think now we've  
13 gotten at least some conversation that is related to your  
14 question. I think the point that Mr. Parsons made and then Ms.  
15 Prebensen made is, there is no increased risk to property owners  
16 or the city as it relates to demonstrators, as a result of HQ2  
17 as proposed.

18 Now if you would like to assert that there is,  
19 you may do that during your testimony, and then if we have to  
20 ask for some follow-up, we will. But I think for the moment,  
21 we'll just stop there.

22 MS. KAHLOW: Okay, so after my testimony, you're  
23 willing to then ask the applicant questions that are the logical  
24 questions afterwards?

25 CHAIRPERSON MITTEN: If we are of a like mind as

1 you.

2 MS. KAHLOW: Thank you. I have one more question  
3 on safety. Is the IMF willing to share in the security cost  
4 reach feature annually in D.C.? At this point they split  
5 between the Feds and D.C. at great cost to D.C. and the as the  
6 law does not require the IMF to, are they willing to?

7 MR. QUIN: Once again, Madam Chairperson, I don't  
8 think that's an appropriate question. I think the security is  
9 an appropriate issue to deal with neighborhood security and  
10 security of the occupants of the building. But to getting into  
11 matters that deal with Federal policy, I don't think have  
12 anything to do with this zoning case.

13 CHAIRPERSON MITTEN: Mrs. Kahlow, I'm going to put  
14 that on the list of things that you need to prove that that's  
15 relevant to HQ2.

16 MS. KAHLOW: I think I will.

17 CHAIRPERSON MITTEN: All right.

18 MS. KAHLOW: Thank you. Second category, loading  
19 dock. I think Mr. Cobb will have to comment for that.

20 MR. QUIN: What do you want, the traffic?

21 MS. KAHLOW: I think Mr. Cobb will have to come  
22 up to that. Mr. Cobb, when you came to the ANC meeting didn't  
23 you, when you heard the objections from the community about 20th  
24 Street versus H Street, didn't you say H Street was possible,  
25 and that you would try to do it?

1 MR. COBB: I can't recall, but it's possible that  
2 I did.

3 MS. KAHLOW: Now you may be able to answer this or  
4 maybe Mr. Quin. What FAR will the IMF lose if it had to move  
5 its loading dock from 20th Street to H Street?

6 MR. COBB: What FAR would it lose?

7 MS. KAHLOW: That is correct.

8 MR. COBB: I would think none.

9 MS. KAHLOW: In prior meetings they said quite a  
10 bit, so someone has to know the answer to that. We've been told  
11 that.

12 CHAIRPERSON MITTEN: Well, Mr. Cobb just testified  
13 that there would be none.

14 MS. KAHLOW: Okay. All right. Did the IMF  
15 provide ? oh, excuse me a second here. I have too many papers,  
16 I'm sorry. Thank you for your indulgence. Mr. Quin, are you  
17 familiar with this diagram that you gave us, entitled "IMF  
18 Headquarters 2 Loading Comparison H Street Versus 20th Street?"

19 MR. QUIN: Sorry, I'm not a witness.

20 MS. KAHLOW: Is Mr. Schlichting a witness, since  
21 he's already testified? Is he aware of it? He actually handed  
22 it to us.

23 CHAIRPERSON MITTEN: You're going to have to ask a  
24 question that relates to ?

25 MS. KAHLOW: The question is, does it say on this,

1 the IMF proffering to the community, restricted loading to non-  
2 rush hour periods. Isn't that what you have proffered to us  
3 before today? And if so, why are you backing away from that?

4 MR. SCHLIGHTING: We have always proffered  
5 restricting loading in the morning rush hour. The PM rush hour  
6 has never been considered to be a concern.

7 MS. KAHLOW: All right, that's not the  
8 conversation. Now I'll go to the next category, public  
9 sidewalks. I'm sorry, Mr. Cobb, I think you're going to have to  
10 come back. I'm going by categories instead of witness. I think  
11 it's easier for everyone.

12 Since we're talking about public space, what is  
13 the distance, exact distance, inches and feet from the IMF's  
14 property line to the curb on Pennsylvania Avenue at the closest  
15 point, not the farthest point? From the property line to the  
16 first planter? This is getting to what Mr. Pitts' question was.

17 First of all, what's the total distance at the shortest point  
18 between the property line and the curb?

19 MR. COBB: The total distance is 25 feet 10  
20 inches.

21 MS. KAHLOW: At the shortest place?

22 MR. COBB: Yes.

23 MS. KAHLOW: Not the longest, the shortest. And  
24 what percent, what area of that is clear?

25 MR. COBB: 17 feet 6 inches.

1 MS. KAHLOW: What was the amount of public right-  
2 of-way that was in the original proposal and in the revised  
3 proposal? How was it revised?

4 MR. COBB: I don't know.

5 MS. KAHLOW: Can you submit that for the record?

6 MR. QUIN: I don't think that's germane, Madam  
7 Chairperson.

8 CHAIRPERSON MITTEN: What was the purpose?

9 MS. KAHLOW: The purpose is the encroachment on  
10 public sidewalk space. Mr. Hood made a compelling statement of  
11 how it looks crowded, and we're going to talk about this special  
12 street and this special sidewalk.

13 And I'm going to ask the next question, which  
14 you'll see how it's related, which is the amount of proportion  
15 of public sidewalk space that the IMF is proposing to use along  
16 Pennsylvania Avenue and the average proportion and the range for  
17 everyone up and down Pennsylvania Avenue from Washington Circle  
18 to the White House, on the south side of Penn.

19 This is extraordinary, and that's the point, and  
20 I would like an analysis if you have it of the average and the  
21 range on south of Penn, the amount of clear sidewalk space for  
22 all other buildings.

23 CHAIRPERSON MITTEN: Okay, let me ask one question  
24 which is, do you have such an analysis?

25 MR. COBB: I do not.

1 CHAIRPERSON MITTEN: All right, to the extent that  
2 you want such an analysis done, Mrs. Kahlow, I think you're  
3 going to have to do it yourself. It's not ?

4 MS. KAHLLOW: Okay.

5 CHAIRPERSON MITTEN: It's not part of the  
6 applicant's burden to compare.

7 MS. KAHLLOW: Okay, I thought he might know.  
8 That's fine. Let me go to Headquarters 1. Mr. Shur and Mr.  
9 Quin and I were the only ones in this room that are witnesses,  
10 so Mr. Shur could you come up, please?

11 MR. QUIN: Shur.

12 MS. KAHLLOW: Am I pronouncing it wrong?

13 MR. QUIN: Right.

14 MS. KAHLLOW: Steven Shur.

15 MR. QUIN: S-H-E-R.

16 MS. KAHLLOW: I know how to spell it.

17 MR. QUIN: Shur.

18 MS. KAHLLOW: I didn't realize it, excuse me.

19 MR. SHUR: It's okay.

20 MS. KAHLLOW: All these years I called him Steven.

21 CHAIRPERSON MITTEN: He responds to lots of  
22 things.

23 MS. KAHLLOW: Did the IMF promise the Zoning  
24 Commission, the D.C. City Council, the Foggy Bottom West End  
25 Community in the 1991-1994 IMF Headquarters 1 proposal period

1 that its expansion in Square 120, including removal of the  
2 Historic Western Presbyterian Church and the public park  
3 provided as amenity in Part 2 would be the end of its  
4 encroachment in Foggy Bottom?

5 MR. SHUR: I don't know.

6 MS. KAHLOW: Inger, how many member countries did  
7 the IMF have when it testified before the D.C. Council in April,  
8 1994 versus how many it has now? Did you testify that there  
9 were 178 countries in April, 1994, the IMF not you, and that now  
10 there are 183, an increase of five members?

11 MS. PREBENSEN: I have to check our testimony from  
12 that time.

13 CHAIRPERSON MITTEN: All right.

14 MS. KAHLOW: I now have Ms. Mattox' questions and  
15 I'm going to read them, since I'm not necessarily competent, and  
16 they're for Dr. Fuller.

17 I'm sorry to have everybody jumping up and down here. Dr.  
18 Fuller, does your analysis and statistics take into account the  
19 Federal and D.C. taxes and status of the employees and the  
20 visitors, the IMF employees and the visitors to the IMF?

21 DR. FULLER: Yes.

22 MS. KAHLOW: Do your statistics take into account  
23 the effect of the impact of the tax equalization fund on the  
24 U.S. employees tax payments?

25 DR. FULLER: U.S. employees tax liability is

1 included in the analysis.

2 MS. KAHLOW: In the proposed agreements, are there  
3 clauses to enforce the training programs? That may be Inger.

4 MR. QUIN: Training programs.

5 MS. KAHLOW: In the analysis that he has about  
6 what ?

7 (Question off mike.)

8 MS. KAHLOW: Oh, to Mr. Hood's issues, I'm sorry,  
9 so they are for you. I misunderstood. In the proposed  
10 agreements that you have on small businesses, et cetera, are  
11 there clauses to enforce the training programs?

12 MR. QUIN: I think we'll have to submit that for  
13 the record, because enforcements are part of the law under which  
14 we would sign the agreement.

15 MS. KAHLOW: In the proposed agreements, is there  
16 an opportunity to establish an outside audit process on the  
17 training?

18 MR. SHUR: Is that auto or audit?

19 MS. KAHLOW: Audit, A-U-D-I-T.

20 MR. SHUR: I don't know, but I'm not supposed to  
21 be answering that question. Do you know?

22 MS. PREBENSEN: I'm sorry, I don't.

23 CHAIRPERSON MITTEN: Can you just state that into  
24 the microphone if you're responding.

25 MS. PREBENSEN: I'm sorry. We have to come back

1 on that.

2 CHAIRPERSON MITTEN: Okay.

3 MS. PREBENSEN: And check that out.

4 CHAIRPERSON MITTEN: All right.

5 MS. KAHLOW: Let me be clear, the questions and  
6 don't know, are we going to get answers, except for the one  
7 I've actually got to go and do the calculations?

8 CHAIRPERSON MITTEN: We're having an additional  
9 submission on the number of member countries in 1994 versus now.

10 MR. QUIN: '98 or '99?

11 MS. KAHLOW: '94, which was 1978 versus now, 1983,  
12 183.

13 CHAIRPERSON MITTEN: Well, we're going to find out  
14 what the numbers are and you're not going to be testifying about  
15 that ?

16 MS. KAHLOW: No, I will be testifying. When I do  
17 testify having all their documents from before of exactly what  
18 they testified in various things.

19 CHAIRPERSON MITTEN: All right.

20 MS. KAHLOW: For this five new countries, I just  
21 wanted to ask her for this record today.

22 CHAIRPERSON MITTEN: Okay.

23 MS. KAHLOW: But I mean this business about the  
24 small business and the minority employment, are we going to get  
25 the answers to those questions?

1 CHAIRPERSON MITTEN: Well, we are getting some  
2 additional submissions from the applicant in that regard, and  
3 the answers may be included in those.

4 MS. KAHLOW: Okay, I have some other questions I  
5 want to direct to the Office of Planning, though these people  
6 probably want to answer it. I want the Office of Planning and  
7 DPW to answer it. So I related that they may come back up, just  
8 so you know. Not for me, but I'm sure they'll want to speak  
9 about it.

10 CHAIRPERSON MITTEN: All right.

11 MS. KAHLOW: Thank you.

12 CHAIRPERSON MITTEN: Thank you. All right. Now  
13 we'll need to go through the materials, the additional  
14 submissions that we talked about before we adjourn for the  
15 evening. And anyone who doesn't want to stay for this most  
16 exciting part, we just remind you that we will reconvene on  
17 Thursday, January 24th at 6:30 p.m. in this room. Mr. Bastida,  
18 do you want to go through your list or should I go through the  
19 list I have?

20 SECRETARY BASTIDA: At your pleasure. I have 12  
21 items, I mean 11, yes 12 items.

22 CHAIRPERSON MITTEN: Okay, why don't you go  
23 through them.

24 SECRETARY BASTIDA: Number one is the level of  
25 service on 20th Street, and some of the points of intersections

1 that Mr. Hood talked about, especially the Bs and the Ds.

2 The implementation of the ?

3 CHAIRPERSON MITTEN: Hold on one second.

4 I don't think there was an additional submission that was  
5 requested regarding the level of service along 20th Street.

6 COMMISSIONER PARSONS: Yes, there was.

7 CHAIRPERSON MITTEN: There was.

8 COMMISSIONER PARSONS: Regarding when they're down  
9 to only two lanes.

10 CHAIRPERSON MITTEN: Oh, that was yours.

11 COMMISSIONER PARSONS: Yes.

12 CHAIRPERSON MITTEN: I thought it was something  
13 that Mr. Hood.

14 SECRETARY BASTIDA: I was mistaken. I attributed  
15 it to Mr. Hood.

16 CHAIRPERSON MITTEN: Okay, I'm with you now. Go  
17 ahead.

18 SECRETARY BASTIDA: The implementation of the  
19 beautification program.

20 CHAIRPERSON MITTEN: That's actually a little bit  
21 broader. It's implementation of, I think everything in #5 under  
22 the project amenities and public benefits on the list, January  
23 7, 2002. Okay.

24 SECRETARY BASTIDA: And #3 was the security  
25 submission to see what there could be that is now proprietary

1 that can be submitted for the record.

2 CHAIRPERSON MITTEN: Yes.

3 SECRETARY BASTIDA: Quantification of amenity  
4 costs. Five, calculation of the space and FAR base on the  
5 building code. Location of the improvements or lack of  
6 improvement across the loading dock or what is directly located  
7 across the loading docks. Seven is the cost of the landscaping,  
8 versus security. In other words, what cost is incurred for  
9 security that is attributed to landscape. Eight, number of  
10 activities in the building and cost of those activities. Number  
11 nine is the safety cost to the D.C. residents, and I'm not sure  
12 that the commission decided to request that information.

13 CHAIRPERSON MITTEN: No, we decided not to. Now  
14 we're basically asking them for a proffer of relevance from West  
15 End.

16 SECRETARY BASTIDA: Agreement on the training  
17 program of training programs, the number of member countries  
18 from 1993 or was it '94 versus today. Okay, an implementation  
19 of small business contracts and minorities.

20 CHAIRPERSON MITTEN: We were going to get the  
21 definition and the definition of the central employment area,  
22 along with the map from the comprehensive plan. Did you have  
23 anything else on your list, Mr. Quin or Ms. Shiker?

24 COMMISSIONER PARSONS: While they're looking, I  
25 had asked for a response about the number of employees and

1 possible limitations.

2 CHAIRPERSON MITTEN: Yes. I don't think there  
3 were additional submissions in related to security. Okay, let's  
4 ? when do you think you'll be able to provide that information  
5 in terms of having timely cross-examination, Mr. Quin, if it  
6 were provided them? Can you turn on your microphone?

7 MR. QUIN: Yes, I'm sorry. Let's work backwards.  
8 If the hearing is on the 24th, I would say is seven days  
9 enough?

10 CHAIRPERSON MITTEN: Mrs. Kahlow is that enough  
11 time?

12 MR. QUIN: It's one week beforehand.

13 CHAIRPERSON MITTEN: Okay. Ms. Elliott is that  
14 all right. Okay.

15 MR. QUIN: That would be the 17th.

16 CHAIRPERSON MITTEN: Okay, so we'll have the  
17 additional submissions by the applicant due in the Office of  
18 Zoning by the 17th.

19 MR. QUIN: And we'll serve it on ANC and ?

20 CHAIRPERSON MITTEN: West End Citizens.

21 MR. QUIN: West End Citizens, right.

22 CHAIRPERSON MITTEN: Terrific, and then we won't  
23 expect any kind of written responses from the parties, but we  
24 will give the opportunity for limited cross-examination on the  
25 new material. Everybody understand? All right then ?

1 SECRETARY BASTIDA: Madam Chairman.

2 CHAIRPERSON MITTEN: Yes, sir.

3 SECRETARY BASTIDA: It is Thursday, January 17th  
4 at 12:00 noon.

5 CHAIRPERSON MITTEN: 12:00 noon, and we will  
6 reconvene this hearing on Thursday, January 24th at 6:30 p.m. in  
7 this room. Thank you all for your patience this evening, and we  
8 look forward to seeing you then. This hearing is adjourned.

9 (Whereupon, the above-entitled matter was  
10 concluded.)

11

12