November 12, 2015 Special Meeting Minutes

Attendance

Commissioners present (5): Jim Lamare; Kevin Deeley; John Fanning; Pepin Tuma; Kevin Sylvester

CDC members present (5): Jim Loucks; Dave Feinstein; John Long; Rob Rubin; Helen Kramer

Overview of redevelopment process

Lee Goldstein, assigned DMPED project manager for the redevelopment of the historic Franklin School, provided an **overview of the D.C. government's process to date in seeking to rehabilitate the historic building** located at 925 13th Street, NW (2F08). Goldstein explained that five of the redevelopment teams that initially responded to the Request for Qualifications issued on February 5, 2015 were subsequently chosen (on August 21, 2015) to compete to redevelop the historic Franklin School through a Request for Proposal (RFP) process.

The RPF process closed on October 16, 2015, and four of the redevelopment teams elected to move forward: 1) Aria Development Group; 2) Dantes Partners; 3) Friedman Capital Advisors, LLC, and; 4) Thoron Capital, LLC. Representatives for the four redevelopment teams were in attendance to present their proposals to ANC 2F and the community.

Goldstein shared additional details about the process, including:

- the Office of the Deputy Mayor anticipates selecting a development team for the Franklin School by the end of the year (which may or may not involve a "best and final offer" round);
- the project will involve a long-term (50-99 years) ground lease;
- the proprietary financial information behind each of the competing teams' proposals will be released after the winning team/proposal has been chosen;
- the National Historic landmark status of the Franklin School means both exterior and major interior elements must be preserved, and that the final project design will go through the appropriate Historic Preservation Review Board process(es).

Proposal #1: Friedman Collaboration for the Arts

Proposal: arts, hotel, and food destination View proposal

Adam Williamowsky, Director of Eat+Drink Operations at Streetsense, and Ian Callendar, of the proposed Museum of Alternative Arts and co-founder of the Blind Whino nonprofit arts club and event space, presented their proposal for a "SoHo House-style" hotel with complementary community-focused, multi-use functions. The proposal included provisions for 16-24 guest rooms; large multi-use common areas; a major food and beverage component with an educational (i.e. cooking school/vocational training) focus; a gym; and a substantial arts component. Callendar described how the proposal envisioned reactivating the Franklin School through the creation of a dynamic arts space that would include street arts, murals, graffiti, performances, live art, and dance.

Commission and community questions were raised about the financial feasibility of the project; the nature of the nonprofit uses (including Blind Whino as well as other nonprofits and NGOs); and the team's thoughts on hotel market saturation in D.C.

Proposal #2: ARIA Development Group

Proposal: hotel, restaurant, and bar View proposal

Kristiana Wilson and Yuri Blazar of the ARIA Development Group, and Ralph Cunningham and Heather Rao of Cunningham Quill Architects presented their proposal for a design-focused boutique hotel with 65-80 rooms, and an "innovative first floor" and rooftop restaurant, which would serve as a culinary and entertainment destination. The proposal included provisions for shared room concepts and different price points; a commitment to LEED building standards; a proposed side-yard addition accessible on K Street, NW; and plans to partner with local nonprofits to display artwork.

Commission and community questions were raised about the impact of the proposed side-yard addition on the existing courtyard space; the proposed use(s) of the Great Hall space (which would contain a pod of rooms in its center); and the extent to which the existing classroom spaces would be divided up into smaller spaces for hotel rooms.

Proposal #3: Dantes Partners and UberOffices

Proposal: co-working office space View proposal

LaToya Thomas and Corey Powell of Dantes Partners, and Raymond Rahbar, co-founder of UberOffices, presented their proposal for a flexible co-working and office space solutions venue for small business teams and entrepreneurs. The team's vision consists of 33,000-38,000 square feet of 24-hour usable workstation space, a central pantry/hub for tenants, shared reception and office facilities, and ample communal work and meeting space. The proposal included provision for public tours of the historic space; access to local community groups for meetings; and neighborhood-serving retail and/or amenities space along a portion of the 13th Street walkway.

Commission and community questions were raised about the retail vision for the 13th Street walkway; the nature of the purported "24-hour" use of the space; and the team's willingness to make specific commitments for public use of meeting and co-working space.

Proposal #4: Thoron Capital & Georgetown University

Proposal: technology, arts, and media center View proposal

Robert Taylor of Thoron Capital, Proferssor Anthony Cook of Georgetown University, and architects Chris Gray and Gretchen Pfaehler of Beyer Blinder and Belle, among others, presented their proposal for a technology, arts, and media center envisioned as the "Y Combinator start-up model meets Julliard" with live performance, educational activity, and a dynamic space where technologists, artists, and entrepreneurs come together. The proposal included mention of arts and media technology certification programs for area youth and teachers; an incubator to

encourage arts, technology, and media start-ups and job creation; and the opportunity for numerous public-focused performances, talks, events, and exhibits.

Commission and community questions were raised about the ongoing revenue streams for the project; and the extent to which community members would have access to the spaces, classes, and activities offered.

CDC and Commission Deliberation

The Community Development Committee (CDC) and Commissioners established the following criteria for their evaluation of the proposals (not in order of priority):

- 1. preference for proposed uses that respect the historical functions of the school by furthering public purposes (including education, art, and culture) and the integrity of the historic structure;
- 2. long-term viability and sustainability of the proposal (both financial and operationally);
- 3. tax revenue generated for the city;
- 4. intangible benefits generated for the city and immediate neighborhood (i.e. vitality for the surrounding neighborhood, an elevated arts & culture scene for the city, etc.);
- 5. creation of employment for District residents;
- 6. "fit" within the context of the greater comprehensive plan/vision for Franklin Square; and
- 7. community/public access to the building, its spaces, and amenities.

Based on the preceding criteria, the CDC and Commission evaluated the merits of the four proposals, and solicited community input. Topics of discussion related to evaluation of the proposals included: viability of the proposals if/when there is an economic downturn; the operator's ability to sustain operations and provide for community benefit in the long term; preservation of the "historic volumes" of the interior spaces; diversity of uses and aspects of community benefit; and potential public access limitations for the two hotel proposals.

Ultimately, Commissioner Deeley moved that ANC 2F communicate to DMPED its first and second choices for redevelopment of the historic Franklin School: the Thoron Capital/Georgetown University proposal, and the Friedman Collaboration proposal, respectively. Deeley's motion included a recommendation that DMPED enter into a "best and final offer" process with both redevelopment teams, and that as part of the "BAFO" process, both teams detail a specific Community Benefits Package for public access and use (i.e. which spaces, how often, under what circumstances, etc.). The motion also requested that DMPED's selection satisfy the above mentioned seven criteria to the fullest extent possible. Deeley's motion was seconded and approved unanimously (5-0) by the Commission.

The Commission thanked all four redevelopment teams for their proposals, while noting that the Commission felt the Thoron/Georgetown and Friedman Collaboration proposals were better suited for the disposition of a public property, use of the historic space, and provision of community benefits.