

Peebles Corp., Walker Group selected to redevelop Fifth and Eye into a hotel, branded residences



The Peebles Corp. and the Walker Group have won the rights to develop this 13-story, 198-key hotel and 59 branded residences at 901 Fifth St. NW.

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The District has selected the Peebles Corp. and the Walker Group to redevelop the D.C.-owned parcel at Fifth and Eye streets NW into a hotel and branded residences.

The team, which also includes WDG Architecture, MacFarlane Partners and Standard Group, proposed a 13-story, 198-key hotel from Standard International and 59 market-rate residences for the 21,000-square-foot Mount Vernon Triangle lot at 901 Fifth St. NW, plus 100 affordable units off-site to those earning 60 percent or less of the area median income.

In a statement, Peebles described his proposal as "transformational."

"We are humbled by all of the community support and look forward to bringing to District residents a culturally and economically transformative project, one that will bring tourism and revenue to the city," he said.

The bid touted 385 permanent jobs, 650 construction jobs and more than \$8 million in new annual tax revenue.

“The Peebles Corporation and Walker Group will transform this valuable site into a thriving and productive asset that will serve the District of Columbia and beyond,” Mayor Vincent Gray said in a statement.

The off-site units are planned for Anacostia, as Peebles PR rep Asher Corson explained in a February email to Nikki Peele, who pens the Congress Heights on the Rise blog.

“The building Mr. Peebles’ has proposed for Anacostia would not be low-income housing, but a mixed-income development,” Corson wrote. “It would be a 200 unit building, with 100 units at market rate and 100 units available to residents at 40-60% [area median income]. The development would be built upon an empty lot which Mr. Peebles already owns. Ours is the only proposal for 5th and I, NW that includes a component in Anacostia.”

The vacant lot, D.C. officials say, is located on V Street SE adjacent to the office building at 2100 Martin Luther King Jr. Ave. SE. It appears to be the office building's parking lot. Also, per the city, the Anacostia plan calls for 61 units at 60 percent of AMI.

In his email, Corson went on to say that Peebles “has long been dedicated to the Anacostia community and believes this development would be an asset for Anacostia — creating new housing for residents and putting a vacant lot to good use.”

Peele strongly disagrees, as do others in the neighborhood. When Peebles first suggested that the units were destined for east of the Anacostia River, it went over with a thud.

“Consider that Anacostia is located in the ward that has the highest unemployment, lowest wages and least amount of jobs, and where home ownership is the lowest in the whole city,” she said Friday. “The last thing Anacostia and Ward 8 needs is the importing of more low-income, packaged as affordable, housing.”

According to a news release, the best and final offer from Peebles included the highest monetary value for the land and the most affordable units. The Peebles-led team beat out three other shortlisted groups.

Akridge, the Jefferson Apartment Group, The Jarvis Co. and Esocoff & Associates proposed a 13-story, 208-unit apartment building and 8,000 square feet of retail. Moddie Turay Co. and The JBG Cos. bid to build a 271-unit multifamily building, with 27 units dedicated as affordable. Trammell Crow Co. and CSG Urban Partners offered a 195,000-square-foot, 12-story trophy office building with 10,000 square feet of retail, including a 2,500-square-foot YMCA day care center.

All four bids offered improvements, worth varying amounts, to two nearby parks.

“Our commitment to provide affordable housing as part of our site plan, along with community focused retail and amenities including dedicated space for day care and a \$2 million renovation of the surrounding park space would have greatly improved quality of life for residents in the Mt. Vernon Triangle neighborhood,” Robbie Brooks, vice president of development with JAG, said in a statement. “JAG and our partners are proud of the proposal we put forth to DMPED and are very disappointed and shocked by the news.”

This is the District's second attempt to dispose of this parcel. It last bid out the Fifth and Eye site shortly before the economy tanked in 2008. The site was awarded to The Donohue Cos. the same week Lehman Brothers Holdings Inc. collapsed, but Donohue's plans for "the Arts at 5th and I" never came together and the deal was canceled.