SULLIVAN & BARROS, LLP
REAL ESTATE | ZONING | LITIGATION | BUSINESS LAW

MARTIN P. SULLIVAN, PARTNER
DIRECT: (202) 503-1704
FAX: (888) 318-2443
MSULLIVAN@SULLIVANBARROS.COM

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March 6, 2012

Board of Zoning Adjustment
Government of the District of Columbia
One Judiciary Square
441 4th Street NW
Suite 210S
Washington, DC 20001

BOARD OF ZONING ADJUSTMENT
District of Columbia
CASE NO. 18312
EXHIBIT NO. 37

**Re: BZA Variance Application No. 18312; 1341 Irving Street, NW**

Dear Members of the Board:

This submission is in response to the Board's February 14th request for additional information. We trust this additional information is responsive and helpful to the Board.

## I. Additional Information Requested by The Board.

A. Construction Budget and Sales Analysis For a Single-Family Dwelling.

The Applicant is providing the requested analysis, attached hereto as Exhibit A. The analysis shows that restoring the subject property for resale as a one-family dwelling is economically impossible. The analysis supports the conclusion of the Applicant's witness, real estate agent and developer Barrett Evans, that the market in this location is demanding much smaller, more affordable living units compatible with public transit, reduced carbon footprints, shorter commutes, and smaller families. The single-family construction budget total is $469,500. That number included in the pro forma results in an estimated loss of $147,399.

B. An analysis of extraordinary costs beyond the "typical gut job" renovation.

The difference between expected modest renovation, or basic gut job, and the actual situation, is reflected in Exhibit B. Exhibit B presents the originally expected reconstruction budget

Board of Zoning Adjustment
District of Columbia
CASE NO.18312
EXHIBIT NO.37

under a 2-unit scenario and the current reconstruction budget under the 2, 3, and 4-unit scenarios (these budgets were submitted with the pre-hearing statement and are re-submitted here). The original expected reconstruction cost was $513,000. The current reconstruction budget for 2 units is $767,000; for 3 units it is $968,000; for 4 units it is $988,000.

The Applicant notes, also, that the cost of what would be termed the 'typical gut job portion' of the reconstruction should *also* be considered in the practical difficulty analysis. The fact that this is a gut job – even aside from the extraordinary structural integrity issues with the 1950's addition and original rear wall – is very unique on this well-developed block. Also, in similar cases before the Board, the Board typically considers the entire cost of acquisition and restoration in analyzing Prong 2 (see discussion of precedents below).

C. Description of whether the addition is an addition to or a replacement of the mid-century addition.

The addition is a replacement of the previously-existing 2-story "1950s" addition (the "Old Addition") to the original structure. It is also, in part, an addition beyond the Old Addition. The floor area of the two-story Old Addition was a material portion of this structure, and it was presumed to be viable space. The structural engineer's investigation proved otherwise, not only for the Old Addition but for the rear wall of the original structure as well.

D. Additional information regarding the roof deck.

The Board asked questions about the use of the roof deck. Included herein as Exhibit C are photos of the view from the Property's rooftop showing neighboring roof decks and balconies. The Applicant intends to provide the roof deck as a benefit to one unit owner only (the top unit).

**II. Based on BZA Precedent, the Applicant Has Shown a Practical Difficulty.**

The Board has approved requests for relief from the 900-foot rule under a couple different scenarios, including the scenario in this case, in which extensive disrepair of a property is the primary unique condition, and the elevated cost to fix that disrepair, in relation to current market values for various-sized units, is the primary practical difficulty.

A comparison of this case and past decisions supports approval of this Application. The following are a few of the instances where the Board has granted relief from the 900-foot rule in recognition of the difficulty in restoring certain buildings and delivering units in response to customer demand.

In BZA Case No. 18055 (also opposed by OP), the Board approved four units on 896 square feet of land. The property in Case No. 18055 had been used as a church previously, and so the unique condition cited was somewhat different than this case. But the practical difficulty in that case was economic, and the Applicant in that case submitted information similar to this case. The building in Case No. 18055 was three levels with a basement, as in this case. In 18055, the Office of Planning offered similar resistance to any approval of 401.3 relief, which the Commission rejected outright as a departure from variance law, noting that such area variance relief from the 900-foot rule is available as it is in any other area variance case.

In BZA Case No. 18197 (also opposed by OP), the Board granted relief from the 900-foot rule to grant 3 units to a 2-level plus basement building on 2,309 square feet of land at 1211 10th Street, NW. In that case, the Board noted various unique conditions (land-locked, historic preservation, long vacancy), but the primary impact of those conditions – the practical difficulty - was the cost of repair, just as in this case.

In BZA Case No. 18297 (also opposed by OP), the Board granted relief from the 900-foot rule to grant 3 units for a 2-level plus basement building at 3609 13th Street, NW. The building was currently used as an 11-unit rooming house, and the primary practical difficulty involved the cost of restoring that property to a conventional (non-rooming house) residential use. The analysis on practical difficulty in this case is similar, although the cost of reconstruction at 1341 Irving is much greater than it was for 3609 13th Street.

In BZA Case No. 17779 (also opposed by OP), the Board granted relief from the 900-foot rule to provide 8 units in Columbia Heights where only 4 were permitted as a matter of right, at 3408 Sherman Avenue, NW. The primary practical difficulty in that case was soil remediation cost; although the majority of the cost was incurred *prior to* the decision to add residential units and the economics of that case were not so well-documented (which was, we believe, one reason that there was a dissenting vote in that case).

In BZA Case No. 17873 (also opposed by OP), the Board granted relief to Tanya Topolewski of 4114 New Hampshire Avenue to convert a property to 3 units on 2,387 square feet of land. The primary practical difficulty was the cost to correct what the Board termed the effects of "severe deferred maintenance." (See Footnote 3 below.)

The common thread through these approvals (other than OP's opposition) was the Board's recognition that the cost in restoring a severely damaged property can be deemed a practical difficulty worthy of variance relief. This case fits squarely within that analysis, and within the guidance of the above cases. In fact, in terms of the degree of disrepair (and the level of documentation thereof), it is perhaps the strongest of these cases.

## III. Prior Knowledge of the Condition is Not Relevant.

It's important to note that the Applicant's knowledge of the Property's condition is not a factor in the *area* variance/practical difficulty analysis.[1]

In this case, in particular, the Applicant's prior knowledge should not be a factor. There were fourteen bidders for this property, all of whom presumably had sufficient knowledge – or thought they did – of the overall condition of this Property. If the property is to be restored and permanently sustained in quality, productive use (i.e., no more revolving door foreclosures), then relief for four units would be necessary regardless of the applicant that eventually takes the risk to restore this property. [2]

## IV. Response to the Office of Planning.

The Office of Planning has rejected the Applicant's practical difficulty argument without real explanation, and without reference to consistent Board precedent (see above cases). OP does acknowledge the "very advanced state of disrepair," but it's not clear why OP believes that correcting that disrepair is not difficult or unnecessarily burdensome. In past cases, OP has stated – and they stated in discussions with the Applicant in this case - that they will not consider economic

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[1] From Gilmartin: "Moreover, this court has held that prior knowledge or constructive knowledge or that the difficulty or hardship is self imposed is not a bar to an area variance, the type of variance with which we are concerned in the instant case. *See A.L.W. v. District of Columbia Board of Zoning Adjustment*, 338 A.2d 428, 431 (D.C. 1975). In *Taylor v.District of Columbia Board of Zoning Adjustment*, 308 A.2d 230 (D.C. 1973), it was held that such knowledge or self imposition of the hardship would ordinarily bar a use variance. *Taylor*, however, has been limited to requests for use variances, and has not been applied to applications for area variances. *See A.L. W., supra*, 338 A.2d at 431." Gilmartin v. Bd. of Zoning Adjustment 579 A.2d 1164,1169.

[2] In deliberation of BZA Case No.17873, in which the Board approved similar relief, Chairman Loud recognized a similar reality when he found that: "this property has suffered from severe deferred maintenance, and restoring it to some kind of productive use is going to require significant investment on the part of an applicant, either this applicant or some other applicant. Board Meeting Transcript, March 3, 2009, p. 55.

factors in evaluating this variance request. This is a position squarely outside the applicable variance law.[3]

OP has also frequently cited a 2007 amendment of the Zoning Regulations (Case 06-47) as support for its position that relief from the 900-foot rule should not be granted. But the 2007 amendment was not a general "reinforcement" of the 900-foot rule – as OP often terms it, and it certainly does not work to override the variance law codified in the D.C. Code and the Zoning Regulations, which is "designed to provide relief from the strict letter of the regulations, protect zoning legislation from constitutional attack, alleviate an unjust invasion of property rights and **prevent usable land from remaining idle.**" *Palmer v. D.C. Board of Zoning Adjustment,* 287 A.2d 535, 541, (D.C. 1972)(emphasis added).

The purpose of the 2007 amendment was to shore up two prior ambiguities: (i) *pre-1958* apartment houses could increase the number of living units without regard for the 900-foot rule (since this was not technically a "conversion"), and (ii) lot occupancy limits did not apply at all to conversions to apartment houses. These were obvious inconsistencies and the 2007 amendment corrected them. The amendment did not generally "reinforce" the 900-foot rule and it certainly did not preempt variance relief law (or even raise the threshold for such relief).[4]

It seems that the Office of Planning analysis deems the relief requested as a use variance, rather than an area variance. In BZA Case No. 18055, citing *Wolf v. D.C. BZA*, the Board reiterated that 401.3/900-foot rule variance requests are to be considered strictly as "area" variances and not

[3] The Board regularly cites economic justification for area variances. The D.C. Court of Appeals has ruled on this point as well. From Tyler v BZA 606 A.2d 1362: "But we have recently eliminated any doubt that "[e]conomic use of property" may properly be "considered as a factor in deciding the question of what constitutes an unnecessary burden or practical difficulty in [area] variance cases. . . ." *Gilmartin,* 579 A.2d at 1170."

[4] From Zoning Commission Order No. 06-47: "The text amendment clarifies that the number of apartment units in existing apartment houses located in the R-4 Zone District may not be increased unless there are 900 square feet of lot area for each unit, regardless of whether the apartment is a new conversion or has existed as an apartment building since 1958. It also imposes a lot occupancy limit for buildings or structures converted to apartment houses in the R-4 Zone District." (pg. 2).

as use variances or hybrids. The Board thus dismissed the notion that there should be a higher standard for these variance requests. Since the Wolf decision, the Board has considered numerous requests for relief from the 900-foot rule, always under the area variance standard.

## V. Further Discussion on Prong Three.

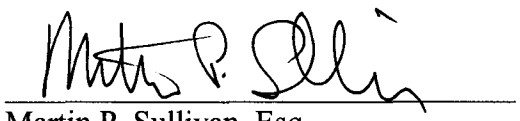
A. Public Good. Granting relief in this case will not be a substantial detriment to the public good and will not substantially impair the intent, purpose, and integrity of the zone plan. The Property has been vacant for at least five years, and has been the subject of a foreclosure notice 8 times under different owners over the past 13 years. The restoration of this building, in an area which has few if any such damaged properties, will be a great benefit to the neighborhood. The views expressed by opponents at the February 14th hearing related almost entirely to the matter-of-right construction. In fact, one of the opponents who testified, Steven Greenwood, has since provided the Applicant with a letter of support, and *both immediate neighbors* have signed a letter of support as well. These letters are included here as Exhibit D. Even the opposition petition (which contained several blatant misrepresentations) noted no concern for the configuration as a 4-unit building.

Parking was expressed as a concern, and in response the Applicant will agree to provide one LCE (limited common element) parking space in addition to the one required parking space in the rear. The Applicant is also amenable to limiting RPP permits as a condition of approval (preferably to 3 or 4 permits - that being the number of RPP permits one might find in a 2-unit flat or a "single-family" group home). The Applicant will also limit use of the roof deck to the owner of the top unit, to prevent overuse of that space. The Applicant also notes that while the Board cannot give great weight to the ANC recommendation if it decides to grant four units, the ANC has noted its approval

of the concept of the conversion to apartment house, albeit making known its preference for 3 units. The difference in impact on the public good between 3 units and 4 units in this case is negligible (*i.e.*, a large 2-level condo may have just as many adult residents as 2 separate one-level condos), particularly when compared to the difficulty in marketing a 2,600 square foot two-level unit in this area. Finally, the Property is less than 400 feet from a Metro station, which is very likely to mitigate any negative impact on the parking situation.

B. The Zone Plan. The integrity of the zone plan is protected by the severity and uniqueness of this request. If other property owners think they can use this case as precedent for easy relief in the future (the most direct way in which integrity of the zone plan is compromised), all they need do is (1) find a property which has gone through multiple foreclosures over a 13-year period, which also had a contractor destroy the interior then disappear, leaving the property vacant for at least five years (in the middle of a vibrant neighborhood near a Metro), and then (2) outbid thirteen others, (3) be forced to demolish almost half of the structure, and then (4) seek discretionary relief from the Board with the hope of winning approval. Based on the history and condition of this property, and the limited scenarios (compatible with this situation) under which the Board has consistently considered and carefully granted such approvals, the integrity of the zone plan is secure.

Respectfully submitted,



Martin P. Sullivan, Esq.

# Budget For Single Family Reconstruction

1341 Irving Street, NW

| Number | Description | Budget | Number | Description | Budget |
|---|---|---|---|---|---|
| 1 | Preliminary Construction | | 45 | Fireplace | $10,000.00 |
| 2 | Architectural Design | $15,000.00 | 46 | Gas Logs | |
| 3 | Design Engineering/Condo Docs | $0.00 | 47 | Electrical | $20,000.00 |
| 4 | Engineering and Survey | $4,000.00 | 48 | Security System | $0.00 |
| 5 | Project Management Fee | $30,000.00 | 49 | Masonry and Stone | $3,000.00 |
| 6 | Permits and Fees | $4,000.00 | 50 | Stucco | |
| 7 | Insurance and Security | | 51 | Siding | $8,000.00 |
| 8 | Utility Tap Fees | $0.00 | 52 | Insulation | $10,000.00 |
| 9 | Construction Utilities | | 53 | Drywall | $22,000.00 |
| 10 | Temp. Power and Phone | | 54 | Garage Doors | |
| 11 | Inspections | $9,600.00 | 55 | Rough Contingency | $8,500.00 |
| 12 | Construction Intrest, Fees, and Expenses | | 56 | Special Equipment | |
| 13 | Excavation and Backfll | $0.00 | 57 | Painting | $13,000.00 |
| 14 | Steel Supply | $0.00 | 58 | Cabinets/Vanity | $25,000.00 |
| 15 | Caisson Drilling | | 59 | Countertops | $8,000.00 |
| 16 | Concrete Foundation | $0.00 | 60 | Wall Coverings | |
| 17 | Foundation Labor | | 61 | Int. Trim Material | $8,500.00 |
| 18 | Trash Hauling/Dumpster/Demo/ | $10,000.00 | 62 | Interior Trim Labor | $8,000.00 |
| 19 | Concrete Pumping | | 63 | Ceramic Tile | $14,000.00 |
| 20 | Crane Service | | 64 | Flooring | $25,000.00 |
| 21 | Water Proofing | $0.00 | 65 | Carpeting | $0.00 |
| 22 | Perimeter Drain | $0.00 | 66 | Mirrors | $1,500.00 |
| 23 | Sewer, Septic, Water | | 67 | Shower Doors/Tubs | $10,000.00 |
| 24 | Equipment Rental | | 68 | Hardware | $5,000.00 |
| 25 | Gas, Electric, Phone Service | $5,000.00 | 69 | TV, Phone, Stereo | $4,000.00 |
| 26 | Heating and A/C | $20,000.00 | 70 | Elec. Fixtures | $6,000.00 |
| 27 | Flatwork Interior | $6,000.00 | 71 | Plumbing Fixtures | $5,000.00 |
| 28 | Exterior Flatwork | $0.00 | 72 | Special Appliances | |
| 29 | Foundation Contingency | | 73 | Appliances | $12,000.00 |
| 30 | Frame Lumber and Trim Labor | $15,000.00 | 74 | Security | |
| 31 | Trusses | | 75 | Fine Grading | |
| 32 | Stairs | $8,000.00 | 76 | Finish Contingency | $8,000.00 |
| 33 | Frame and Trim Lumber | $10,000.00 | 77 | Misc. Glazing | |
| 34 | Windows | $12,000.00 | 78 | Final Cleaning | $1,400.00 |
| 35 | Skylights | $0.00 | 79 | Fencing | |
| 36 | Exterior/Interior Doors | $10,000.00 | 80 | Landscape/Irrigation | $5,000.00 |
| 37 | General Labor | $5,000.00 | 81 | Rooftop Deck/Decks | $10,000.00 |
| 38 | Gutters and Downspouts | $5,000.00 | 82 | Closets/Builtins | $10,000.00 |
| 39 | Roofing | $10,000.00 | 83 | Site Improve/Repairs | |
| 40 | Plumbing | $20,000.00 | 84 | Retaining Walls | $0.00 |
| 41 | Developer's Fee | | 85 | Street Signs | |
| 42 | Lender Origination Fee | | 86 | Interior Sprinkler System | $0.00 |
| 43 | Loan Closing Costs | | 87 | Metal Railing | $10,000.00 |
| 44 | Legal Fees; Loan Procurement & Closing | | | | |
| | **Total This Side** | $198,600.00 | | **Total This Side** | $270,900.00 |

**(Total Both Sides)***Loan Amount*****

$469,500.00

Exhibit A-1

**Pro Forma Net Proceeds Single Family**

| | |
|---|---|
| Purchase Price | $562,000.00 |
| Taxes/Blight | $27,200.00 |
| Closing Costs from Acquisition | $34,663.34 |
| Construction Costs | $469,500.00 |
| 6 Months Interest Payments | $36,000.00 |
| Est Closing Costs @ 2.5% | $26,829.63 |
| Commissions Paid @ 6% | $64,391.10 |
| Total Costs | $1,220,584.07 |
| | |
| 3700 sqft @ 290.05 | $1,073,185.00 |
| Final Net Proceeds | **-$147,399.07** |

3700 is total living area. Even counting below grade square footage, a profit is not possible

**Market Analysis For Units Under 1,600 Square Feet**

| Address | Bed(s) | Bath(s) | Level(s) | Sq Ftg | Sold Price | Price/Sq Ft |
|---|---|---|---|---|---|---|
| 1322 KENYON ST NW #4 | 2 | 2.5 | 1 | 1509 | $610,000.00 | $404.24 |
| 1322 KENYON ST NW #1 | 2 | 2.5 | 1 | 1509 | $467,500.00 | $309.81 |
| 1322 KENYON ST NW #2 | 2 | 2.5 | 1 | 1509 | $580,000.00 | $384.36 |
| 1322 KENYON ST NW #3 | 2 | 2.5 | 1 | 1509 | $584,000.00 | $387.01 |
| 1020 GIRARD ST NW #2 | 2 | 2 | 1 | 1500 | $438,750.00 | $292.50 |
| 1020 GIRARD ST NW #1 | 2 | 2 | 1 | 1500 | $399,999.00 | $266.67 |
| 1020 GIRARD ST NW #3 | 2 | 2 | 1 | 1500 | $501,500.00 | $334.33 |
| 1470 CHAPIN ST NW #1 | 2 | 2 | 1 | 980 | $414,000.00 | $422.45 |
| 1470 CHAPIN ST NW #2 | 2 | 2 | 1 | 980 | $485,000.00 | $494.90 |
| 1470 CHAPIN ST NW #3 | 2 | 2 | 1 | 980 | $515,000.00 | $525.51 |
| 3311 13TH ST NW #3 | 2 | 2 | 1 | 1558 | $550,000.00 | $353.02 |
| 3311 13TH ST NW #4 | 2 | 2 | 1 | 1443 | $600,000.00 | $415.80 |
| 1330 PARK RD NW #A | 2 | 2 | 1 | 996 | $387,300.00 | $388.86 |
| 1135 FAIRMONT ST NW #2 | 2 | 2 | 1 | 1243 | $485,000.00 | $390.19 |
| 1202 FAIRMONT ST NW #2 | 2 | 2 | 1 | 1354 | $528,500.00 | $390.32 |
| | | | | Total SF | Total Price | **Avg Price PSF** |
| | | | | 20,070.00 | $7,546,549.00 | **$376.01** |

**Market Analysis for single family Units Over 2,000 Square Feet**

| Address | Bed(s) | Bath(s) | Level(s) | Sq Ftg | Sold Price | Price/Sq Ft |
|---|---|---|---|---|---|---|
| 1012 PARK RD NW | 5 | 3.2 | 4 | 2320 | $567,450.00 | $244.59 |
| 3605 13TH ST NW | 4 | 3.1 | 3 | 2272 | $631,500.00 | $277.95 |
| 1008 SPRING RD NW | 5 | 6 | 3 | 2474 | $679,000.00 | $274.45 |
| 3519 10TH ST NW | 5 | 4 | 4 | 2434 | $675,000.00 | $277.32 |
| 1205 KENYON ST NW | 5 | 3.1 | 4 | 2670 | $995,000.00 | $372.66 |
| 3649 11TH ST NW | 5 | 5 | 3 | 2132 | $750,000.00 | $351.78 |
| 3220 13TH ST NW | 6 | 3.1 | 4 | 2616 | $650,000.00 | $248.47 |
| 1331 PARK RD NW | 7 | 4.1 | 4 | 3654 | $1,010,000.00 | $276.41 |
| 1422 MONROE ST NW | 4 | 2.1 | 3 | 2348 | $690,000.00 | $293.87 |
| | | | | Total SF | Total Price | **Avg Price PSF** |
| | | | | 22,920.00 | $6,647,950.00 | **$290.05** |

**NOTE PRICE PER SQFT BASED ON TAX LIVING AREA NOT TOTAL LIVING AREA**
**NOTE THAT NO 2-LEVEL CONDO IS MORE THAT 2000 SQFT**
**NOTE THAT NO 2-LEVEL CONDO HAS SOLD FOR MORE THAN $720,000 IN 2011**

# Original Budget for 2-Unit Construction

1341 Irving Street, NW

| Number | Description | Budget | Number | Description | Budget |
|---|---|---|---|---|---|
| 1 | Preliminary Construction | | 45 | Fireplace | $10,000.00 |
| 2 | Architectural Design | $20,000.00 | 46 | Gas Logs | |
| 3 | Design Engineering/Condo Docs | $8,500.00 | 47 | Electrical | $20,000.00 |
| 4 | Engineering and Survey | $4,000.00 | 48 | Security System | $0.00 |
| 5 | Project Management Fee | $30,000.00 | 49 | Masonry and Stone | $3,000.00 |
| 6 | Permits and Fees | $6,000.00 | 50 | Stucco | |
| 7 | Insurance and Security | | 51 | Siding | $8,000.00 |
| 8 | Utility Tap Fees | $0.00 | 52 | Insulation | $10,000.00 |
| 9 | Construction Utilities | | 53 | Drywall | $22,000.00 |
| 10 | Temp. Power and Phone | | 54 | Garage Doors | |
| 11 | Inspections | $9,600.00 | 55 | Rough Contingency | $8,500.00 |
| 12 | Construction Intrest, Fees, and Expenses | | 56 | Special Equipment | |
| 13 | Excavation and Backfll | $0.00 | 57 | Painting | $13,000.00 |
| 14 | Steel Supply | $0.00 | 58 | Cabinets/Vanity | $35,000.00 |
| 15 | Caisson Drilling | | 59 | Countertops | $12,000.00 |
| 16 | Concrete Foundation | $0.00 | 60 | Wall Coverings | |
| 17 | Foundation Labor | | 61 | Int. Trim Material | $8,500.00 |
| 18 | Trash Hauling/Dumpster/Demo/ | $10,000.00 | 62 | Interior Trim Labor | $8,000.00 |
| 19 | Concrete Pumping | | 63 | Ceramic Tile | $14,000.00 |
| 20 | Crane Service | | 64 | Flooring | $25,000.00 |
| 21 | Water Proofing | $0.00 | 65 | Carpeting | $0.00 |
| 22 | Perimeter Drain | $0.00 | 66 | Mirrors | $1,500.00 |
| 23 | Sewer, Septic, Water | | 67 | Shower Doors/Tubs | $10,000.00 |
| 24 | Equipment Rental | | 68 | Hardware | $5,000.00 |
| 25 | Gas, Electric, Phone Service | $5,000.00 | 69 | TV, Phone, Stereo | $4,000.00 |
| 26 | Heating and A/C | $24,000.00 | 70 | Elec. Fixtures | $6,000.00 |
| 27 | Flatwork Interior | $6,000.00 | 71 | Plumbing Fixtures | $5,000.00 |
| 28 | Exterior Flatwork | $0.00 | 72 | Special Appliances | |
| 29 | Foundation Contingency | | 73 | Appliances | $20,000.00 |
| 30 | Frame Lumber and Trim Labor | $15,000.00 | 74 | Security | |
| 31 | Trusses | | 75 | Fine Grading | |
| 32 | Stairs | $10,000.00 | 76 | Finish Contingency | $8,000.00 |
| 33 | Frame and Trim Lumber | $10,000.00 | 77 | Misc. Glazing | |
| 34 | Windows | $12,000.00 | 78 | Final Cleaning | $1,400.00 |
| 35 | Skylights | $0.00 | 79 | Fencing | |
| 36 | Exterior/Interior Doors | $10,000.00 | 80 | Landscape/Irrigation | $5,000.00 |
| 37 | General Labor | $5,000.00 | 81 | Rooftop Deck/Decks | $10,000.00 |
| 38 | Gutters and Downspouts | $5,000.00 | 82 | Closets/Builtins | $10,000.00 |
| 39 | Roofing | $10,000.00 | 83 | Site Improve/Repairs | |
| 40 | Plumbing | $20,000.00 | 84 | Retaining Walls | $0.00 |
| 41 | Developer's Fee | | 85 | Street Signs | |
| 42 | Lender Origination Fee | | 86 | Interior Sprinkler Systen | $0.00 |
| 43 | Loan Closing Costs | | 87 | Metal Railing | $10,000.00 |
| 44 | Legal Fees for Loan Procurement & Closing | | | | |
| | **Total This Side** | $220,100.00 | | **Total This Side** | $292,900.00 |

**(Total Both Sides)***Loan Amount*****

$513,000.00

Exhibit B-1

# Budget Recap Sheet

1341 Irving St NW | 2-Unit Budget | Prepared by Keolee Construction, LLC

| Number | Description | Budget | Number | Description | Budget |
|---|---|---|---|---|---|
| 1 | Preliminary Construction | | 45 | Fireplace | $15,000.00 |
| 2 | Architectural Design | $20,000.00 | 46 | Gas Logs | |
| 3 | Design Engineering/Condo Docs | $8,500.00 | 47 | Electrical | $28,000.00 |
| 4 | Engineering and Survey | $7,000.00 | 48 | Security System | $0.00 |
| 5 | Project Management Fee | $40,000.00 | 49 | Masonry and Stone | $12,000.00 |
| 6 | Permits and Fees | $6,000.00 | 50 | Stucco | |
| 7 | Insurance and Security | | 51 | Siding | $16,000.00 |
| 8 | Utility Tap Fees | $20,000.00 | 52 | Insulation | $10,000.00 |
| 9 | Construction Utilities | | 53 | Drywall | $25,000.00 |
| 10 | Temp. Power and Phone | | 54 | Garage Doors | |
| 11 | Inspections | $9,600.00 | 55 | Rough Contingency | $8,500.00 |
| 12 | Construction Intrest, Fees, and Expenses | | 56 | Special Equipment | |
| 13 | Excavation and Backfil | $10,000.00 | 57 | Painting | $13,000.00 |
| 14 | Steel Supply | $7,000.00 | 58 | Cabinets/Vanity | $35,000.00 |
| 15 | Caisson Drilling | | 59 | Countertops | $12,000.00 |
| 16 | Concrete Foundation | $12,000.00 | 60 | Wall Coverings | |
| 17 | Foundation Labor | | 61 | Int. Trim Material | $8,500.00 |
| 18 | Trash Hauling/Dumpster/Demo/ | $25,000.00 | 62 | Interior Trim Labor | $8,000.00 |
| 19 | Concrete Pumping | | 63 | Ceramic Tile | $14,000.00 |
| 20 | Crane Service | | 64 | Flooring | $27,000.00 |
| 21 | Water Proofing | $6,500.00 | 65 | Carpeting | $0.00 |
| 22 | Perimeter Drain | $4,500.00 | 66 | Mirrors | $1,500.00 |
| 23 | Sewer, Septic, Water | | 67 | Shower Doors/Tubs | $10,000.00 |
| 24 | Equipment Rental | | 68 | Hardware | $5,000.00 |
| 25 | Gas, Electric, Phone Service | $5,000.00 | 69 | TV, Phone, Stereo | $4,000.00 |
| 26 | Heating and A/C | $27,000.00 | 70 | Elec. Fixtures | $6,000.00 |
| 27 | Flatwork Interior | $12,000.00 | 71 | Plumbing Fixtures | $5,000.00 |
| 28 | Exterior Flatwork | $8,000.00 | 72 | Special Appliances | |
| 29 | Foundation Contingency | | 73 | Appliances | $20,000.00 |
| 30 | Frame Lumber and Trim Labor | $30,000.00 | 74 | Security | |
| 31 | Trusses | | 75 | Fine Grading | |
| 32 | Stairs | $10,000.00 | 76 | Finish Contingency | $8,000.00 |
| 33 | Frame and Trim Lumber | $32,000.00 | 77 | Misc. Glazing | |
| 34 | Windows | $12,000.00 | 78 | Final Cleaning | $1,400.00 |
| 35 | Skylights | $0.00 | 79 | Fencing | |
| 36 | Exterior/Interior Doors | $10,000.00 | 80 | Landscape/Irrigation | $5,000.00 |
| 37 | General Labor | $11,000.00 | 81 | Rooftop Deck/Decks | $30,000.00 |
| 38 | Gutters and Downspouts | $5,000.00 | 82 | Closets/Builtins | $10,000.00 |
| 39 | Roofing/Greenroof | $22,000.00 | 83 | Site Improve/Repairs | |
| 40 | Plumbing | $29,000.00 | 84 | Retaining Walls | $0.00 |
| 41 | Developer's Fee | | 85 | Street Signs | |
| 42 | Lender Origination Fee | | 86 | Interior Sprinkler System | $25,000.00 |
| 43 | Loan Closing Costs | | 87 | Metal Railing | $15,000.00 |
| 44 | Legal Fees for Loan Procurement & Closing | | | | |
| | **Total This Side** | $389,100.00 | | **Total This Side** | $377,900.00 |

**(Total Both Sides)***Loan Amount*****
**$767,000.00**

Exhibit B-2

# Budget Recap Sheet

**1341 Irving St NW** **4-Unit Budget** Prepared By Kedee Construction, LLC

| Number | Description | Budget | Number | Description | Budget |
|---|---|---|---|---|---|
| 1 | Attorney Fees | $15,000.00 | 45 | Fireplace | $22,000.00 |
| 2 | Architectural Design | $25,000.00 | 46 | Gas Logs | |
| 3 | Design Engineering/Condo Docs | $8,500.00 | 47 | Electrical | $40,000.00 |
| 4 | Engineering and Survey | $7,000.00 | 48 | Security System | $0.00 |
| 5 | Project Management Fee | $60,000.00 | 49 | Masonry and Stone | $12,000.00 |
| 6 | Permits and Fees | $6,000.00 | 50 | Stucco | |
| 7 | Insurance and Security | | 51 | Siding | $24,000.00 |
| 8 | Utility Tap Fees | $25,000.00 | 52 | Insulation | $12,000.00 |
| 9 | Construction Utilities | | 53 | Drywall | $32,000.00 |
| 10 | Temp. Power and Phone | | 54 | Garage Doors | |
| 11 | Inspections | $9,600.00 | 55 | Rough Contingency | $8,500.00 |
| 12 | Construction Intrest, Fees, and Expenses | | 56 | Special Equipment | |
| 13 | Excavation and Backfil | $25,000.00 | 57 | Painting | $16,000.00 |
| 14 | Steel Supply | $7,000.00 | 58 | Cabinets/Vanity | $48,000.00 |
| 15 | Caisson Drilling | | 59 | Countertops | $18,000.00 |
| 16 | Concrete Foundation | $20,000.00 | 60 | Wall Coverings | |
| 17 | Foundation Labor | | 61 | Int. Trim Material | $8,500.00 |
| 18 | Trash Hauling/Dumpster/Demo/ | $30,000.00 | 62 | Interior Trim Labor | $10,000.00 |
| 19 | Concrete Pumping | | 63 | Ceramic Tile | $18,000.00 |
| 20 | Crane Service | | 64 | Flooring | $35,000.00 |
| 21 | Water Proofing | $6,500.00 | 65 | Carpeting | $0.00 |
| 22 | Perimeter Drain | $4,500.00 | 66 | Mirrors | $2,000.00 |
| 23 | Sewer, Septic, Water | | 67 | Shower Doors/Tubs | $15,000.00 |
| 24 | Equipment Rental | | 68 | Hardware | $6,000.00 |
| 25 | Gas, Electric, Phone Service | $5,000.00 | 69 | TV, Phone, Stereo | $4,500.00 |
| 26 | Heating and A/C | $40,000.00 | 70 | Elec. Fixtures | $6,000.00 |
| 27 | Flatwork Interior | $12,000.00 | 71 | Plumbing Fixtures | $6,000.00 |
| 28 | Exterior Flatwork | $10,000.00 | 72 | Special Appliances | |
| 29 | Foundation Contingency | | 73 | Appliances | $40,000.00 |
| 30 | Frame Lumber and Trim Labor | $40,000.00 | 74 | Security | |
| 31 | Trusses | | 75 | Fine Grading | |
| 32 | Stairs | $10,000.00 | 76 | Finish Contingency | $10,000.00 |
| 33 | Frame and Trim Lumber | $40,000.00 | 77 | Misc. Glazing | |
| 34 | Windows | $12,000.00 | 78 | Final Cleaning | $1,400.00 |
| 35 | Skylights | $0.00 | 79 | Fencing | |
| 36 | Exterior/Interior Doors | $12,000.00 | 80 | Landscape/Irrigation | $5,000.00 |
| 37 | General Labor | $15,000.00 | 81 | Rooftop Deck | $20,000.00 |
| 38 | Gutters and Downspouts | $5,000.00 | 82 | Closets/Builtins | $12,000.00 |
| 39 | Roofing/Greenroof | $25,000.00 | 83 | Site Improve/Repairs | |
| 40 | Plumbing | $36,000.00 | 84 | Retaining Walls | $0.00 |
| 41 | Developer's Fee | | 85 | Street Signs | |
| 42 | Lender Origination Fee | | 86 | Interior Sprinkler System | $30,000.00 |
| 43 | Loan Closing Costs | | 87 | Metal Railing | $15,000.00 |
| 44 | Legal Fees for Loan Procurement & Closing | | | | |
| | **Total This Side** | $511,100.00 | | **Total This Side** | $476,900.00 |

**(Total Both Sides)***Loan Amount*****
$988,000.00

Exhibit B-3

# Budget Recap Sheet

1341 Irving St NW | 3-Unit Budget | Prepared by Keolee Construction LLC

| Number | Description | Budget | Number | Description | Budget |
|---|---|---|---|---|---|
| 1 | Attorney Fees | $15,000.00 | 45 | Fireplace | $22,000.00 |
| 2 | Architectural Design | $25,000.00 | 46 | Gas Logs | |
| 3 | Design Engineering/Condo Docs | $8,500.00 | 47 | Electrical | $40,000.00 |
| 4 | Engineering and Survey | $7,000.00 | 48 | Security System | $0.00 |
| 5 | Project Management Fee | $50,000.00 | 49 | Masonry and Stone | $12,000.00 |
| 6 | Permits and Fees | $6,000.00 | 50 | Stucco | |
| 7 | Insurance and Security | | 51 | Siding | $24,000.00 |
| 8 | Utility Tap Fees | $25,000.00 | 52 | Insulation | $12,000.00 |
| 9 | Construction Utilities | | 53 | Drywall | $32,000.00 |
| 10 | Temp. Power and Phone | | 54 | Garage Doors | |
| 11 | Inspections | $9,600.00 | 55 | Rough Contingency | $8,500.00 |
| 12 | Construction Intrest, Fees, and Expenses | | 56 | Special Equipment | |
| 13 | Excavation and Backfil | $25,000.00 | 57 | Painting | $16,000.00 |
| 14 | Steel Supply | $7,000.00 | 58 | Cabinets/Vanity | $48,000.00 |
| 15 | Caisson Drilling | | 59 | Countertops | $16,000.00 |
| 16 | Concrete Foundation | $20,000.00 | 60 | Wall Coverings | |
| 17 | Foundation Labor | | 61 | Int. Trim Material | $8,500.00 |
| 18 | Trash Hauling/Dumpster/Demo/ | $30,000.00 | 62 | Interior Trim Labor | $10,000.00 |
| 19 | Concrete Pumping | | 63 | Ceramic Tile | $18,000.00 |
| 20 | Crane Service | | 64 | Flooring | $35,000.00 |
| 21 | Water Proofing | $6,500.00 | 65 | Carpeting | $0.00 |
| 22 | Perimeter Drain | $4,500.00 | 66 | Mirrors | $2,000.00 |
| 23 | Sewer, Septic, Water | | 67 | Shower Doors/Tubs | $15,000.00 |
| 24 | Equipment Rental | | 68 | Hardware | $6,000.00 |
| 25 | Gas, Electric, Phone Service | $5,000.00 | 69 | TV, Phone, Stereo | $4,500.00 |
| 26 | Heating and A/C | $40,000.00 | 70 | Elec. Fixtures | $6,000.00 |
| 27 | Flatwork Interior | $12,000.00 | 71 | Plumbing Fixtures | $6,000.00 |
| 28 | Exterior Flatwork | $10,000.00 | 72 | Special Appliances | |
| 29 | Foundation Contingency | | 73 | Appliances | $32,000.00 |
| 30 | Frame Lumber and Trim Labor | $40,000.00 | 74 | Security | |
| 31 | Trusses | | 75 | Fine Grading | |
| 32 | Stairs | $10,000.00 | 76 | Finish Contingency | $10,000.00 |
| 33 | Frame and Trim Lumber | $40,000.00 | 77 | Misc. Glazing | |
| 34 | Windows | $12,000.00 | 78 | Final Cleaning | $1,400.00 |
| 35 | Skylights | $0.00 | 79 | Fencing | |
| 36 | Exterior/Interior Doors | $12,000.00 | 80 | Landscape/Irrigation | $5,000.00 |
| 37 | General Labor | $15,000.00 | 81 | Rooftop Deck | $20,000.00 |
| 38 | Gutters and Downspouts | $5,000.00 | 82 | Closets/Builtins | $12,000.00 |
| 39 | Roofing/Greenroof | $25,000.00 | 83 | Site Improve/Repairs | |
| 40 | Plumbing | $36,000.00 | 84 | Retaining Walls | $0.00 |
| 41 | Developer's Fee | | 85 | Street Signs | |
| 42 | Lender Origination Fee | | 86 | Interior Sprinkler System | $30,000.00 |
| 43 | Loan Closing Costs | | 87 | Metal Railing | $15,000.00 |
| 44 | Legal Fees for Loan Procurement & Closing | | | | |
| | **Total This Side** | $501,100.00 | | **Total This Side** | $466,900.00 |

**(Total Both Sides)***Loan Amount*****
$968,000.00

Exhibit B-4

Exhibit C-1

Exhibit C-2

Steve Greenwood
1317 Irving Street, NW
Washington, DC

March 5, 2012

***For Delivery to BZA via the Applicant***

Board of Zoning Adjustment
441 4th Street, NW
Suite 210S
Washington, DC 20001

Re: BZA Area Variance Application No. 18312; 1341 Irving Street, NW; Square 2848; Lot 815

Dear Board of Zoning Adjustment,

I am writing this letter as a follow-up to my testimony before the BZA on February 14, 2012. In my testimony then, I offered concerns about the construction and the size of the building. I was under the impression that the Applicant, Mr. Salem, was seeking relief from the lot occupancy or other "footprint" related area restrictions. As that is not the case, I am 100% supportive of approval of the Application, as requested.

I have followed the history of this property. It has been vacant since 1997, and the previous owner has never even occupied the building. She had intended to renovate the building, but was then swindled by a partner-developer who left the property in a state that was unfit for habitation.

The bottom line is that we have a beautiful block on Irving Street, and we do very much want to see this rogue property brought back to life, and we appreciate Mr. Salem taking the risk to accomplish that goal. I have never had an issue with the proposed four-unit configuration. Residential is residential, and Columbia Heights draws residents that are often looking for smaller and more affordable units, particularly in this location near the Metro. I understand that certain properties require zoning relief for them to come off the rolls of the vacant and blighted property list. This building is certainly one of those properties, and thankfully it is the aberration on this block. For these reasons, I urge the Board to grant the requested relief for Mr. Salem.

Sincerely,

Steve Greenwood

Exhibit D-1

Eulalio Maldonado and Ernante D. Jones
1339 and 1343 Irving St NW
Washington DC 20010

March 2, 2012

***For Delivery to BZA via the Applicant***

Board of Zoning Adjustment
441 4th Street, NW
Suite 210S
Washington, DC 20001

Re: BZA Area Variance Application No. 18312; 1341 Irving Street, NW; Square 2848; Lot 815

Dear Board of Zoning Adjustment,

I am writing this letter as a follow-up to my support of opposition to Mr. Salem's case before the BZA on February 14, 2012. The opposition offered concerns about the construction and the size of the building. I was under the impression that the Applicant, Mr. Salem, attempting to build out the entirety of his lot to the back alley. As that is not the case, I am 100% supportive of approval of the Application, as requested.

After taking the time to understand What Mr. Salem is proposing, the 4 unit condo building will stabilize the loan dilapidated property on our block, as well as give a pride of ownership that has been missing for the better part of 20 years. Being so close to the metro, our block is able to support greater density, as the majority of these large row-homes have been converted to condos. I understand that certain properties require zoning relief for them to come off the rolls of the vacant and blighted property list. This building is certainly one of those properties, and thankfully it is the aberration on this block. For these reasons, I urge the Board to grant the requested relief for Mr. Salem.

Sincerely,

Eulalio Maldonado -1339 Irving St NW

Ernante D. Jones – 1343 Irving St NW

Exhibit D-2