

March 20, 2012

VIA HAND DELIVERY

Meridith Moldenhauer, Chairperson
D.C. Board of Zoning Adjustment
441 4th Street, N.W.
Second Floor
Washington, D.C. 20001

Re: Board of Zoning Adjustment ("BZA") Case No. 18325 – Supplemental Information Regarding Variance Relief from the Off-Street Parking Requirement in Response to Requests from the Office of Planning

Dear Chairperson Moldenhauer and Members of the Board:

In response to the requests for additional information from the Office of Planning in its March 13, 2012 report concerning the Applicant's requested variance from the off-street parking requirements, the Applicant submits the following material in support of the requested variance relief for the property located at 704 3rd Street NW (Square 529, Lots 802, 804, 845, and 847) ("Property").

I. Summary of the Exceptional Conditions at the Property

The Property's "exceptional conditions" arise from a confluence of factors, including its zoning characteristics, the layout of the Property, and the presence (and retention) of a fragile historic landmark building. In order to adaptively reuse the existing historic structure, *the Applicant must work within the constraints of extensively preserving the existing building pursuant to the design approved by the Historic Preservation Review Board* ("HPRB") on September 22, 2011. As described in the HPRB Staff Report and Recommendation, the building is "... six stories... five above grade, plus a full basement...", and it is noted that the "condition of the building has declined dramatically in the years since the staff first toured it (about 2004)." The report goes on to describe active movement in the masonry walls, which were further damaged by the August, 2011 earthquake, including the near collapse of the chimney. Thus, the required preservation of the majority of an extraordinarily fragile historic landmark building is the main component of the Property's exceptional condition that contributes to the practical difficulty of providing all of the required parking.

MAR 20

BOARD OF ZONING ADJUSTMENT
District of Columbia

CASE NO. 18325

EXHIBIT NO. 30

II. The Retention of the Historic Building Results in a Practical Difficulty in Complying with the Off-Street Parking Requirements

The Applicant's legal burden in an area variance case is a practical difficulty, not impossibility, in complying with the Zoning Regulations. It is well settled that the BZA may consider "a wide range of factors in determining whether there is an 'unnecessary burden' or 'practical difficulty' . . . Increased expense and inconvenience to applicant for a variance are among the factors for BZA's consideration." Gilmartin v. Bd. of Zoning Adj., 579 A.2d 1164, 1171 (D.C. 1990) (citing Barbour v. D.C. Bd. of Zoning Adj., 358 A.2d 326, 327 (D.C. 1976)); see also Tyler v. D.C. Bd. of Zoning Adj., 606 A.2d 1362, 1367 (D.C. 1992). Other factors to be considered by the BZA include: "the severity of the variance(s) requested"; "the weight of the burden of strict compliance"; and "the effect the proposed variance(s) would have on the overall zone plan." Gilmartin, 579 A.2d at 1171. ***Thus, to demonstrate practical difficulty, the Applicant must show that strict compliance with the regulations is burdensome, not impossible.***

The Applicant's current plan locates one level of parking at the same underground elevation as the existing basement of the historic building to provide parking in partial compliance of the off-street parking requirement. Parking relief is required only for hotel use, as illustrated in the table below. The requested relief is based on the required parking for the addition to the historic structure. Parking for the historic structure itself is not required.

<u>Provided in the Addition¹</u>	<u>Required Parking</u>	<u>Provided Parking</u>
Hotel: 151 rooms + 375 SF of function rooms	(1 space per 2 rooms + 1 space per 150 SF of function rooms) -25% parking reduction for location within 800 feet of Metro = 60 spaces	21 spaces <i>Relief required for 39 spaces</i>
Residential: 75 units	1 space per 4 units = 19 spaces	21 spaces <i>Conforming</i>

All of the provided parking will be on the existing partial underground level. Any additional parking would require new underground levels, which would risk the structural integrity of the fragile exterior walls of the existing historic building. The Applicant will

¹ Pursuant to Section 2120.3, parking is required only for the addition to the historic structure

undertake careful restoration and utilize current construction practices, but it cannot allow the building to be further damaged by taking actions such as constructing additional parking levels that will increase that risk.

Parking over the entire basement level would yield approximately 32 spaces. However, the HPRB staff report recommends that, in addition to preserving the exterior walls on the north, south and east faces of the building, “the applicant retain, repair and incorporate the brick stairwell/elevator core and the floors extending out from it to, and including, the four surrounding steel columns, as well as the large, hexagonal lightwell...” This criterion of HPRB approval to retain interior elements exacerbates the challenge of adaptively reusing the existing structure in full compliance with the off-street parking requirements, contributes to the exceptional condition that characterizes the Property, and renders it impossible to provide more than 21 spaces on the first underground level. Retaining these interior elements eliminates the ability to provide parking on the northern 33% of the site, dramatically reducing the efficiency of the garage and forcing additional underground levels for more parking.

Because of the exceptional conditions affecting the Property, the Applicant would be extremely burdened by providing all of the required parking for a hotel. The practical difficulty of excavating deeper for additional levels of parking results from a number of factors that are individually and collectively significant.

1. The site area that has been determined by HPRB to be acceptable for garage excavation will be surrounded on all sides by existing building fabric. On the north side is the portion of the landmarked building, which was deemed by the HPRB to be the most significant historic element. Structural engineering analysis shows that this building is in very poor condition and must be structurally stabilized prior to excavation activities. On the east side of the excavation area is the existing east façade of the landmark building, which will be supported in place via an engineered steel framework five stories tall in the sidewalk area of 3rd Street NW. This façade extends westward along the south side of the property as well. On the west side of the property are three separate buildings of bearing masonry construction, all of which are greater than 50 years old and susceptible to damage from construction and excavation activities. Additional levels of excavation require even more complex stabilization and create a greater risk of damage to the historic building and nearby buildings. Exhibit A illustrates the bracing and underpinning plan, and it demonstrates the increasing difficulty of the excavation plan as additional levels of parking are created. As you can see, each successive level of parking would limit the amount of excavation possible, which would severely limit the ability to conduct construction activities in the small space. This increases the time that construction activities are necessary and increases the risk to damage to the historic building because it must be supported for a longer period of time.
2. These surrounding existing elements leave only a narrow 27' wide access point along the north side of the site (opening onto the public alley) and a 70' wide access point along the south side along G Street. Since the alley along the north is the access point for loading and parking to the adjacent development on the north side of the alley, this access point

will be unavailable for long-term closure for excavation and construction activities. Therefore, all excavation, material deliveries, and equipment mobilization will need to take place from the south access point along G Street. This increases the time that it will take to excavate for construction, which, in turn, increases the risk of damage to the historic building.

3. All of the adjacent structures described have no more than one level of underground basement or cellar. As page 04B of Exhibit A illustrates, only limited underpinning would be required for P1, but it would be much more extensive and complex for the construction of P2 and P3. Once additional underpinning is required, it would increase the burden of constructing the additional levels of parking. This additional underpinning would entail a longer construction duration, significant cost, extensive monitoring of the adjacent structures, and increased risk of damage to the historic structure.
4. The total size of the excavation area is quite small due to the HPRB requirement to not excavate under the north wing of the Canterbury building. This excavation area is only about 8,600 square feet, so there is little room for excavation equipment to mobilize. Very few (possibly only one) excavators (machines for excavating the site) would be able to fit within the hole, and therefore the duration of construction would be much longer than normal. Again, the longer the time period that the historic structure must be braced and under excavation, the likelihood of potential damage increases.

III. Exponential Increase in Difficulty, Time, and Cost Because of Additional Parking Levels

While the Applicant has not prepared a full engineering study for the construction of the proposed project, the Applicant's construction consultant conducted an analysis of the expected costs and time of additional parking levels. The consultant's analysis is attached in Exhibit B. As the analysis explains in greater detail, because of the complex support and engineering required, the addition of two levels of underground parking would increase the cost of the project by approximately four months and \$3.6 million or more than \$89,000 per space, which is a considerable financial burden for a project of this size and considerably more than the value of the parking spaces. Cost aside, one must not overlook the difficulty – from both an engineering and construction perspective – of constructing these additional underground levels. Much of what drives the increase in cost is the additional time required to build just the additional two underground parking levels; this extended timeline would also increase the risk of damage to the historic building.

IV. Summary of the Lack of Harm to the Public Good

Granting of the requested variance relief would not have an adverse impact on parking or traffic on streets in the vicinity of the Property, and it would not harm the Zone Plan. Because of the Property's location in a transit-rich location that is close to many goods and services, guests

and employees of the hotel would have ample options for transportation other than personal automobile. The Property is located 1.5 blocks from the Judiciary Square Metro station, 4 blocks from the Gallery Place Metro station, and 1.5 blocks from a Capital Bikeshare station. It is proximate to Circulator routes on Massachusetts Avenue and to several Metrobus routes on nearby streets. There is ample street parking in the Property's vicinity, but it is anticipated that many hotel guests would arrive by train at Union Station. In addition, the proposed project will provide bicycle parking for employees and guests. Thus, simply because of the hotel's location, visitors would be less inclined to use personal automobiles and more inclined to use other modes of transportation; this is typical of hotels in downtown Washington. The District Department of Transportation ("DDOT") supports this conclusion. In its report recommending approval of the requested parking variance, DDOT stated, "[It] is reasonable to expect that the majority of trips generated by the site will be non-vehicle." Even when the trips are with vehicles, it is expected that the vehicles for a hotel in this location will be non-personal (taxis). Therefore, the requested variance relief would not have an adverse impact on neighborhood traffic and parking and, accordingly, would not harm the Zone Plan.

V. Conclusion

The additional information provided herein satisfies the Applicant's burden of proof for an area variance from the off-street parking requirements and for the other area variances from the rear yard and lot occupancy variances. The Property's "exceptional conditions" arise from a confluence of factors, including its zoning characteristics, the layout of the Property, and, most importantly, the presence and required retention of a fragile historic landmark building. The HPRB's staff report notes that the historic building is particularly fragile, so the Applicant's primary concern is to construct a project that minimizes risk to the historic building while preserving most of its fabric and its cellar. This condition results in the Applicant facing a considerable burden, both in terms of construction complexity and cost, for providing additional levels of underground parking that would be required to comply with the Zoning Regulations. The analysis of the architect and the construction consultant demonstrate the nature of the burden that the Applicant would face in constructing such additional levels. Finally, as DDOT concluded, most trips in this location are unlikely to be from personal vehicles, so there would be negligible impact on the surrounding streets as a result of the requested relief.

Sincerely,



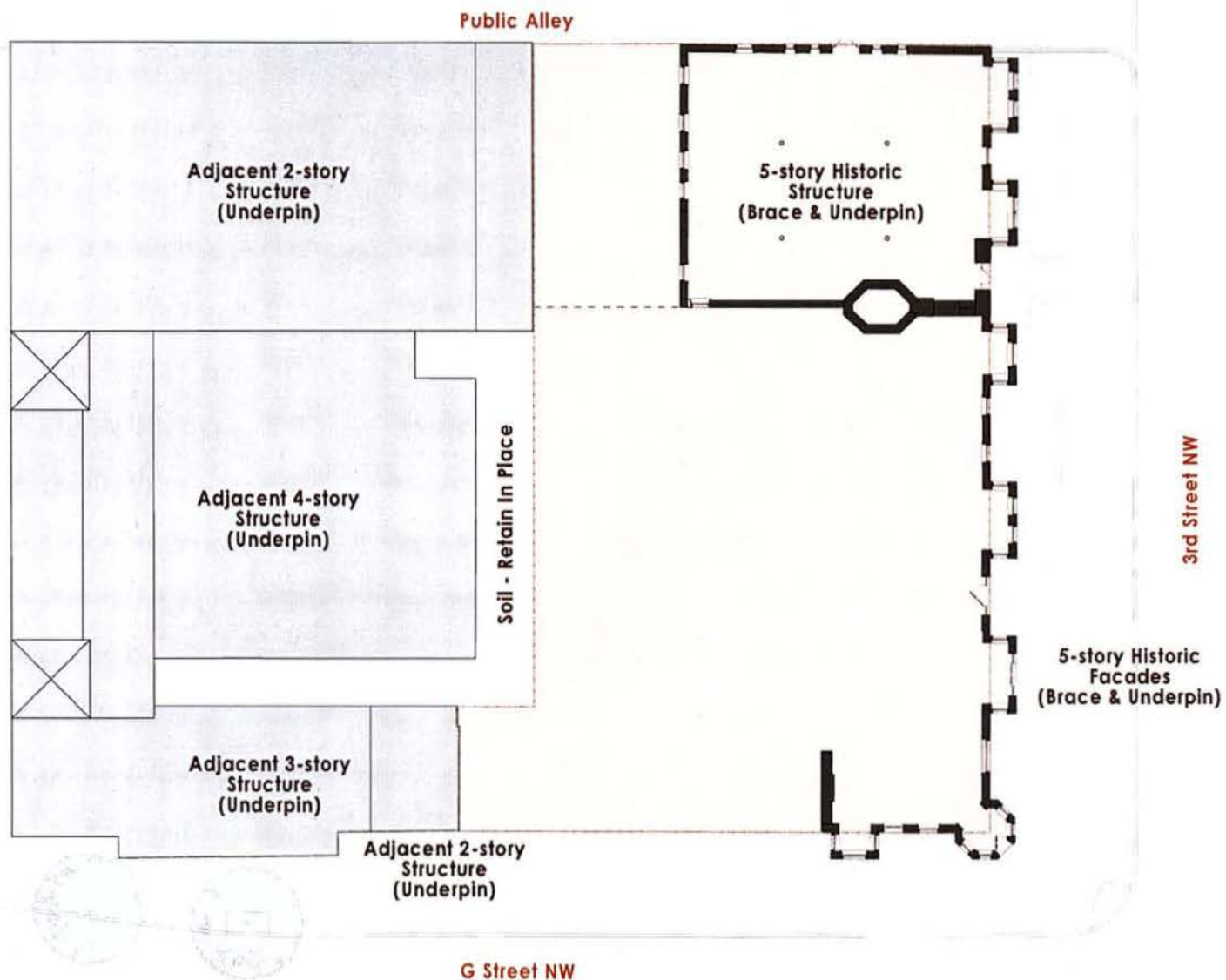
Cary R. Kadlecek

EXHIBIT A

Bracing, Excavation and Underpinning Plan

The building plans are preliminary and subject to change. The Applicant requests flexibility to modify the interior configuration of common areas, lobby, restaurant, bar, and services areas; number, type, size, and configuration of hotel sleeping rooms/residential dwelling units; number of parking spaces; and design elements, as long as such flexibility does not affect the zoning relief granted or result in the need for further relief.

4th Street NW



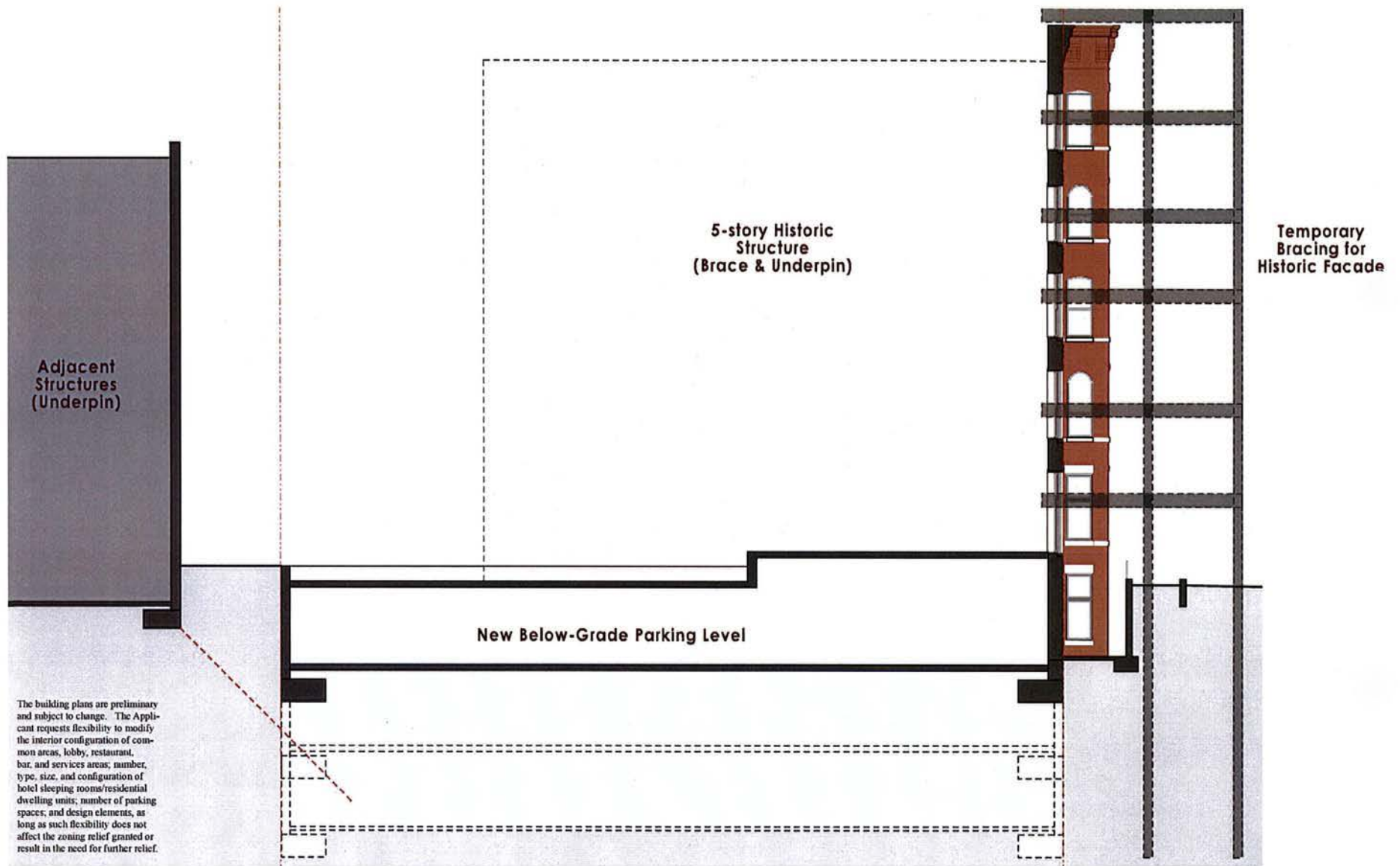
The Harrison (Canterbury) 704 3rd St. NW

Underpinning Plan **04A**

R2L:ARCHITECTS

RENAISSANCE
CENTRO





The Harrison (Canterbury) 704 3rd St. NW

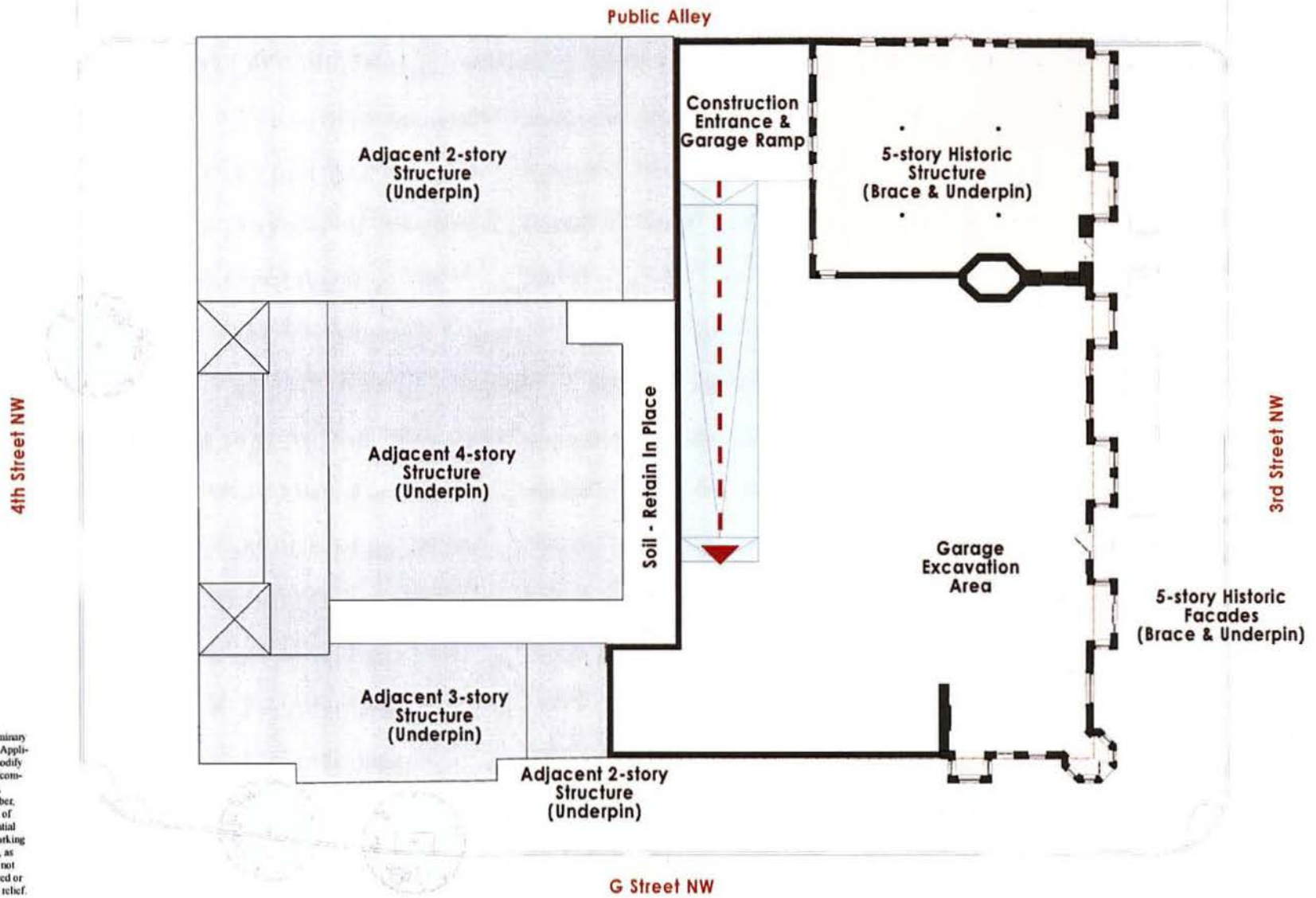
Bracing & Underpinning Section **04B**

R2L:ARCHITECTS

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The building plans are preliminary and subject to change. The Applicant requests flexibility to modify the interior configuration of common areas, lobby, restaurant, bar, and services areas; number, type, size, and configuration of hotel sleeping rooms/residential dwelling units; number of parking spaces; and design elements, as long as such flexibility does not affect the zoning relief granted or result in the need for further relief.



The Harrison (Canterbury) 704 3rd St. NW

Excavation Plan: 1 Level of Below-Grade Parking **04C**

R2L:ARCHITECTS

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4th Street NW

Public Alley

Adjacent 2-story
Structure
(Underpin)

Construction
Entrance &
Garage Ramp

5-story Historic
Structure
(Brace & Underpin)

Adjacent 4-story
Structure
(Underpin)

Soil - Retain In Place

Extended
Construction
Ramp

Garage
Excavation
Area

3rd Street NW

5-story Historic
Facades
(Brace & Underpin)

Adjacent 3-story
Structure
(Underpin)

Adjacent 2-story
Structure
(Underpin)

G Street NW

The building plans are preliminary and subject to change. The Applicant requests flexibility to modify the interior configuration of common areas, lobby, restaurant, bar, and services areas; number, type, size, and configuration of hotel sleeping rooms/residential dwelling units; number of parking spaces; and design elements, as long as such flexibility does not affect the zoning relief granted or result in the need for further relief.

The Harrison (Canterbury) 704 3rd St. NW

Excavation Plan: 2 Levels of Below-Grade Parking **04D**

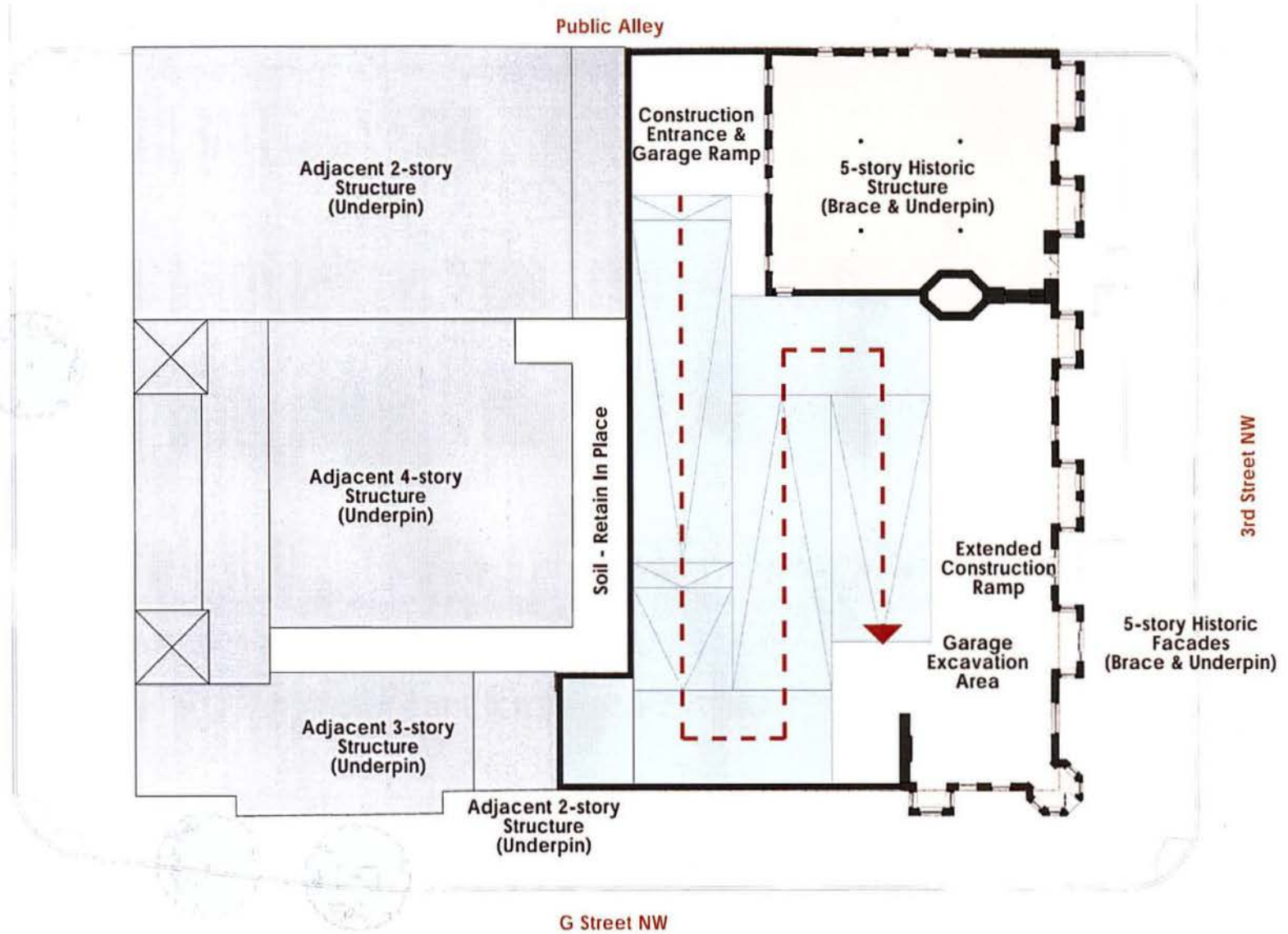
R2L:ARCHITECTS

RENAISSANCE
CENTRO



The building plans are preliminary and subject to change. The Applicant requests flexibility to modify the interior configuration of common areas, lobby, restaurant, bar, and services areas; number, type, size, and configuration of hotel sleeping rooms/residential dwelling units; number of parking spaces; and design elements, as long as such flexibility does not affect the zoning relief granted or result in the need for further relief.

4th Street NW



The Harrison (Canterbury) 704 3rd St. NW

Excavation Plan: 3 Levels of Below-Grade Parking 04E

R2L:ARCHITECTS

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EXHIBIT B

Contractor Pricing of P-2 and P-3 Garage Levels



TO: Ilan Scharfstein

RE: Off Street Parking Requirements for Proposed Project at 3rd & G Streets, NW

Date: March 19, 2012

As per your request, Forrester Construction has reviewed the added costs associated with providing two additional parking levels under the proposed hotel to be located at the corner of 3rd and G Streets NW Washington DC.

Attached are the spread sheets associated with this study which indicate that the addition of these two underground parking levels will increase the total project construction cost by approximately \$3.6 million and extend the construction timeline by approximately four months.

The expense associated with these added parking levels is fairly high based on the following factors that specifically pertain to this Project.

- The preservation of the historic building located on the northeast corner of the site, restricts the size of the parking levels and this inefficiency increases the cost of these added levels.
- The preservation of the existing façade that exists at the remaining historic building that runs along 3rd Street and a portion of way along G Street require an extensive system of temporary supports, which will need to be extended to the full depth of the excavation for any parking levels constructed behind these facades.
- Sheet piling and shoring is required to allow parking garage construction to occur up to the existing property lines, so as to maximize the areas available for underground parking. The system associated with sheet piling and shoring increases in cost as the retaining system gets deeper into the ground.
- The estimate assumes no rock and only a minimal need for excavation dewatering. Both assumptions may prove to be false.

All of these supporting systems, particularly as they are extended deeper in the ground, represent fairly risky construction activities that may be adversely affected by currently unknown conditions, such as the presence of rock, unsuitable soils or high water tables as mentioned above. The estimated costs of these systems are based on recent relevant costs from previous projects in the Metro Area, and the input from subcontractors who specialize in these systems. However these systems have not been fully engineered, and the costs associated with them may be subjected to dramatic increases when fully engineered in accordance with actual sub-soil conditions.

Sincerely

Victor Bonardi

VP – PreConstruction Services



Divisional Cost Summary Breakdown:

FCC Proposal Number: 11-27-1215
 FCC Estimate Date: 07-28-2011
 FCC Budget Captain Estimator: VJB
 Revised Budget Date: 04/19/2012

Project Sq-Ft: 18,186
 Total Cost / SF: \$196.48
 - Construction Start: 06/01/12
 - Construction Comp: 10/01/12
 - Duration (Cal-Days): 122
 - Duration (Weeks): 17.3
 Cost per Parking Space: \$89,329

Owner: Renaissance Centro/3rd Street LLC
 Project: The Harrison Hotel
 Architect: R2L Architects
 Location: Washington DC
 Project Type: Historic Renovation/New Construction
 (Months): 4.0
 g Spaces - P2 & P3: 40

Bid Pack:	Description of Work:	PARKING LEVELS 2 & 3 04/19/2012	Parking Level Cost per SF	Miscellaneous / Comments:
Division 1 - General Requirements				
01-P	General Conditions	\$384,000	\$ 21.12	\$400,000
01-P	Construction Waste Management	\$ 16,000	\$ 0.88	
Division 2 - Sitework				
02-C	Excavation & Sediment Controls	\$487,665	\$ 26.82	\$1,032,015
02-D	Site Utilities	None Included	\$ -	
02-Q	Sheeting & Shoring	\$361,000	\$ 19.85	
02-P	Support of Existing Historic Facade	\$169,850	\$ 9.34	
02-U	Site De-Watering	\$7,500	\$ 0.41	
02-V	Surveys & Layout	\$6,000	\$ 0.33	
02-W	Hazardous Materials	EXCLUDED	\$ -	
02-X	Testing & Inspections	BY OWNER	\$ -	
02-Y	Permits, Licenses, Fees	BY OWNER	\$ -	
02-Z	Sitework Maintenance & Demobilization	None Included	\$ -	
Division 3 - Concrete				
03-A	Structural Concrete	\$797,472	\$ 43.85	\$797,472
Division 4 - Masonry				
04-A	Masonry	\$58,240	\$ 3.20	\$58,240
04-I	Masonry Cleaning & Restoration		\$ -	
Division 5 - Structural Steel & Metals				
05-A	Structural Steel	\$0	\$ -	\$13,690
05-B	Welders & Erectors	None Included	\$ -	
05-C	Miscellaneous Metals	\$13,690	\$ 0.75	
Division 6 - Rough & Finish Carpentry				
06-A	Rough Carpentry	\$4,000	\$ 0.22	\$4,000
06-B	Architectural Millwork	None Included	\$ -	
Division 7 - Thermal & Moisture Protection				
07-D	Waterproofing	\$80,600	\$ 4.43	\$83,328
07-F	Caulking	\$2,728	\$ 0.15	
Division 8 - Doors Glass & Glazing Systems				
08-A	Doors, Frames & Hardware	\$6,900	\$ 0.38	\$6,900
Division 9 - Finishes				
09-D	Paint & Wallcovering	\$9,093	\$ 0.50	\$9,093
Division 10 - Specialties				
10-F	Fire Extinguishers & Cabinets	\$260	\$ 0.01	\$260
10-X	Miscellaneous Accessories	None Included	\$ -	
Division 11 - Equipment				
Division 12 - Furnishings				
Division 13 - Special Constructions				
Division 14 - Materials Handling				
14-A	Elevator Systems	\$108,000	\$ 5.94	\$108,000
14-C	Pneumatic Tube Systems	None Included	\$ -	
Division 15 - Mechanical Systems				
15-A	Plumbing Systems	\$6,000	\$ 0.33	\$212,404
15-B	Fire Protection Systems	\$50,012	\$ 2.75	
15-C	HVAC Systems	\$156,393	\$ 8.60	
15-X	Miscellaneous Mechanical Systems	None Included	\$ -	
Division 16 - Electrical Systems				
16-A	Electrical Systems	\$200,046	\$ 11.00	\$231,872
16-G	Fire Alarm Systems	\$31,826	\$ 1.75	
16-X	Miscellaneous Electrical Systems	None Included	\$ -	
Division 17 - Special Systems				
17-B	Tele-Comm, Data, Paging Systems	\$13,640	\$ 0.75	\$16,140
17-C	Security Systems	\$2,500	\$ 0.14	
SUBTOTAL, Above:				
		\$ 2,973,413	\$ 163.50	
01-D	Design Team Fees:	0.00%	\$0	\$0.00
01-P	Sub Default Insurance / Bonds:	1.25%	\$32,368	\$1.78
01-P	GL Insurances, Warranty, Legal:	0.95%	\$33,944	\$1.87
01-P	Project Builder's Risk Insurance:	1.00%	\$23,582	\$1.30
01-P	Payment & Performance Bond:	0.30%	\$27,473	\$1.51
01-P	Gross Receipts Taxes (VA Only):	0.00%	\$0	\$0.00
01-P	Design / Estimate Completion Cont:	10.00%	\$357,316	\$19.65
01-P	GMP Construction Contingency:	0.00%	\$0	\$0.00
01-Z	Escalation:	0.00%	\$0	\$0.00
01-P	Owner Construction Contingency:	0.00%	\$0	\$0.00
00-A	Fee:	3.50%	\$125,060	\$6.88
TOTAL BUDGET ESTIMATE:				
		\$ 3,573,155	\$ 196.48	

None Included
 Included As Noted
 Included; No Deducts
 Included As Noted
 General Contractor Rates
 None Included

For Completion of Documents / Estimate
 Must Be Carried by Owner
 Must Be Carried by Owner
 Must Be Carried by Owner