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February 25, 2014

BY HAND DELIVERY

Lloyd J. Jordan, Esq.
Chairperson
Board of Zoning Adjustment
441 4th Street, N.W., Suite 210
Washington, D C 20001

Re BZA Application No. 18651
319 A Street, N E
Rear of 319 and 321 A Street, N.E.
(Lots 22 and 827, Square 786) ("Property")

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Dear Chairperson Jordan and Members of the Board:

At the conclusion of the January 29, 2014 Public Hearing, the Board requested the Applicant to provide additional information on the Property and more detailed economic analysis of the potential alternative uses of the Property. On behalf of the Applicant, please accept the original and ten (10) copies of the following requested information for filing in the above-referenced case

1 **Existing Physical Condition and Limitations of the Property**

Based on the record, the following facts are undisputed and established.

- The existing garages have not been used for parking of vehicles for at least fifty (50) years
- The existing deteriorated physical condition of the garages (leaking roof, cracked concrete floor for Lot 827, gravel floor for Lot 22, limited utilities, and lack of physical security) make the structures entirely unsafe and unsuitable for parking, storage or artist studio.
- The Applicant's temporary and limited storage of debris waiting to be disposed of does not require that the materials be protected from the elements or thieves and produces no income for the Applicant.

BOARD OF ZONING ADJUSTMENT
District of Columbia
Case No. 18651
EXHIBIT NO. 61

Lloyd J Jordan, Esq.
February 25, 2014
Page 2

- Lot 827, with a width of 17.62 feet, will only accommodate one (1) 9' x 19' parking space in either a garage or a surface parking space.
- Lot 22, an irregularly L-shaped lot with a clear width of 17.08 feet, will only accommodate one (1) 9' x 19' parking space in either a garage or a surface parking space
- Lots 827 and 22 cannot be subdivided as a matter-of-right to create a larger, wider lot suitable to accommodate additional garage or surface parking spaces or larger artist studio
- Trash cans for the proposed new single-family alley dwelling can be stored inside the structure as shown in the plans in the record and only brought out on collection days as permitted and customary.
- Based on guidance provided by the utility companies, the gas and electric meters and hookups can be located within the proposed structure and will not encroach on the public alley

2. Potential Alternatives Are Not Economically Feasible

Based on the requests from the Board, the Applicant has prepared more detailed cost and economic analysis for the proposed new single-family dwelling, new artist studio, existing garage renovations, surface parking lot and alternative proposal requested by the Neighbors for two interior spaces in a two-story single-family dwelling. Exhibits A and B

A. Applicant's Proposed Two-Story Dwelling With One Parking Space.

As set forth in the detailed budget, Exhibit C, the hard construction costs for the proposed project are \$678,000, plus additional soft costs (legal, architectural, engineering) utility connections, commissions and cost of borrowed funds of \$164,000, for a total project cost of \$842,643. Based on the estimated sales price of the unit of \$925,000, this yields a return on investment of 9.77% Exhibit A. The Applicant intends to immediately sell the completed single-family alley dwelling unit.

Lloyd J. Jordan, Esq.

February 25, 2014

Page 3

B. Renovation of Existing Garages

Renovation of the existing garages would involve hard construction costs of \$130,000 and other costs of \$68,843 for a total project cost of \$198,843. Based on an estimated sales price of the renovated garages of \$100,000, this yields a negative return on investment of 49.71% Exhibit A. However, if the Applicant were to lease the renovated garages for three (3) years and collect market rent (\$250/month per space) and reasonable appreciation (3% per year) of the property for that period, there would be a negative return on investment of 27.41%. Exhibit B

C. New Artist Studio

Replacement of the existing garages with a new artist studio structure would involve hard construction costs of \$345,000, plus additional costs of \$130,643 for a total project cost of \$475,643. Based on estimated sales price of \$375,000, Exhibit D¹, for the artist studio, this yields a negative return on investment of 21.16%. Exhibit A. However, if the Applicant were to lease the artist studios for three (3) years and collect market rent (\$600, \$618 per month) and reasonable appreciation (3% per year) of the property for that period, there would be a negative return on investment of 12.54% Exhibit B.

D. Two Surface Parking Spaces

After demolition of the two existing garages, the Applicant could establish two surface parking spaces. The cost of demolition, paving and other costs would be \$91,293 Exhibit B. Based on renting the two spaces at market rate (\$200/month) for five (5) years, then selling the spaces, this alternative approach would yield a negative return on investment of 14.01% Id.

E. Two-Story Dwelling Unit with 2 Car Garage

At the hearing, the Neighbors proposed the two-story alley project provide two-car garage parking spaces on the ground floor with living quarters on the second floor. In response, the Applicant developed the attached preliminary plan with two ground floor garage parking spaces and a cramped two-bedroom, two bathroom single-family unit of approximately 971 square feet on the second floor. Exhibit E.

¹ Based on an appraisal of two current artist studios at 317 Constitution Avenue, N.E.



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Lloyd J. Jordan, Esq

February 25, 2014

Page 4

The Neighbors' proposal would involve hard construction costs of \$565,786, Exhibit F, and other costs of \$150,143 for a total project cost of \$715,929. Based on an estimated sales price of \$675,000, this yields a negative return on investment of 0.06%. Exhibit A.

3. No Additional Zoning Relief Required

The Applicant filed this application requesting the required zoning relief specifically identified by the Zoning Administrator in two memoranda (with zoning computation worksheets) to the Board dated June 4, 2013 BZA Exhibit 5. The proposed two-story single-family alley dwelling would occupy 100% of the proposed new lot with no rear yard provided. As a result, in addition to the lot occupancy variance, the Applicant was required to seek a variance from the entire (100%) of the applicable twenty (20) foot rear yard restriction. The Office of Planning has advised the Board that it believes that the Applicant should be required to obtain an additional and separate variance from the definition of "yard" in Section 199 that provides "[n]o building or structure shall occupy in excess of fifty percent (50%) of a yard required by this title."

On its face, OP's position is contrary to the Zoning Administrator's direction to the Board and Applicant, duplicative of the greater rear yard relief requested and without justification. The Applicant has requested relief from the entire rear yard requirement of twenty (20) feet. Having requested complete, 100% relief, there is no basis or purpose for also requiring relief from the 50% rule in §199 which should properly be determined to be a lesser included restriction.

4. Parking Prohibited in the Public Alley

Parking is not allowed in the public alley. The D.C. Traffic and Vehicle Regulations are clear.

2405.3 No person shall park a motor vehicle or trailer, whether occupied or not, otherwise than temporarily for the purpose of and while actually engaged in loading or unloading of passengers or freight in any of the following places:

(e) In any public alley; provided, that parking shall be permitted in a public alley where authorized by a public space permit or where designated by posted sign; and

18 DCMR §2405.3



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Lloyd J. Jordan, Esq.

February 25, 2014

Page 5

In this case, no public space permit exists (or will be requested) to allow parking in the public alley and signs are posted in the public alley specifically prohibiting parking Exhibit G.

Very truly yours,

GREENSTEIN DELORME & LUCHS, P.C.

A handwritten signature in black ink, appearing to read "John Patrick Brown, Jr.", written over a horizontal line.

John Patrick Brown, Jr.

Enclosures

By Electronic Mail

cc' ANC 6C
Mr. Matthew Jessick, Office of Planning
Janet L. Schmidt, Esq., Designated Representative of Neighbors