

**Statement of Christopher K. Chapin, President, Sheridan-Kalorama Neighborhood Council (SKNC)
Before the Board of Zoning Adjustment (BZA) on Case No. 19659
Concerning 2118 Leroy Place NW**

My name is Christopher K. Chapin, and I am President of the Sheridan-Kalorama Neighborhood Council (SKNC). For more than 60 years, the SKNC has been the citizens' association of Sheridan-Kalorama. It is funded by resident dues and seeks to preserve the residential character of our neighborhood. We have testified before the BZA many times, often on issues related to foreign chanceries.

For 40 years I have lived at 2136 Leroy Place. My house is up the street and just a few feet outside the 200' radius of 2118 Leroy Place. I am not an attorney, but here is how I look at the case.

The Special Exception was designed to protect residential areas like ours, which is zoned R-3. It seeks to prevent exceptionally large houses from becoming abandoned and derelict. Hence the 10,000 square-foot criteria. To use these houses for non-profit offices was thought to be better than to let them become a blight on neighborhood.

This does not apply to 2118 Leroy Place. This property is not in danger of being abandoned. When it was for sale, there were 2 other bidders, at least one of which was a residential user.

The FSMB told immediate neighbor David Feigin that it had looked at commercial space on Connecticut and Mass Avenues and picked Leroy because it was cheaper on a per square-foot basis. On Connecticut Avenue within 200 feet of 2118 Leroy, there are two office buildings for sale or lease (see attachment). 1832 and 1834 Connecticut Avenue have been renovated as offices. Both have commercial office Certificates of Occupancy and off-street parking in the alley behind. Each is 5-6,000 sf, and they can be merged into a combined office of 11,000 sf. This is a perfect location and size for FSMB.

So why did FSMB buy Leroy Place? As they told the neighbor, it was cheaper. The buildings on Connecticut are for sale for an asking price of \$740 per sf. FSMB paid \$383 per sf for Leroy Place. Add a million dollars for renovation, and the cost is still only \$475 per sf. This is a 35% discount off the cost of equivalent office space less the 200 feet away. With \$43 million in annual revenues, FSMB is not some cash-strapped charity that can't afford to pay commercial rates.

FSMB bid up the price of 2118 Leroy from \$3.5 million to \$4.15 million, an increase of \$650,000. FSMB could have bid up the price another \$2 million and still gotten a lower cost than nearby commercial space. How can any residential bidder ever hope to compete?

The Special Exception regulation should not be a loophole for office users looking for cheap office space. This is a case pure and simple of an office user wanting to pay residential prices for commercial office space, when that space is available less than 200 feet away.

We are aware that both FSMB and the DC Office of Planning have offered conditions to reduce the adverse impacts of an office in the middle of a residential block. The conditions are not sufficient to protect the neighborhood. For example, the 2100 block of Leroy Place has dual Zone 1 and Zone 2 resident parking. In Sheridan-Kalorama the dual zone applies to just the first blocks west of Connecticut. This means any FSMB employee who lives in Ward 1 or Ward 2 and has a sticker could park on Leroy all day. They say they won't. How do we enforce that? We can't. The same applies to many of the other

conditions. This is another reason why the neighbors and the ANC are opposed to the Special Exception. John Sukenik will address adverse impacts in greater detail.

The Sheridan-Kalorama Neighborhood Council has been fighting for decades to limit foreign chanceries. We recognize that we are a residential neighborhood, close to the center of the City. When we had the Diplomatic Overlay, it was cheaper for a chancery to buy a house here than buy or rent commercial space.

The new zoning regulations have removed the DO and raised the institutional criteria to 50%. Just when we are getting more protection from one non-residential threat, we now have this new one. S-K has 50 residences and chanceries with more than 8,500 square feet. There are only 195 countries with chanceries, but there are thousands of trade associations in Washington.

Just when we had a chance to recover a chancery as a residence to increase to the residential character of Leroy Place, a commercial office user comes into this interior block and outbids a residential buyer. The zoning regulations are being abused so that commercial office users can get cheap office space. This is what R-3 zoning is designed to prevent.

The Sheridan-Kalorama neighborhood asks the Board of Zoning Adjustment to uphold the integrity of the R-3 zoning, protect the residential character of Sheridan-Kalorama, and deny the Special Exception.

Thank you.