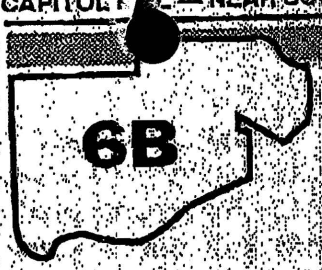
CAPITOL HILL — NEAR SOUTHEAST 921 PENNSYLVANIA AVENUE, S.E. — SUITE 108
PHONE: 543-3344 WASHINGTON, D.C. 20003

Advisory Neighborhood Commission



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EXECUTIVE DIRECTOR

Gottlieb Simon

September 14, 2000

DISTRICT OF COLUMBIA
'00 SEP 18 P3:35

Board of Zoning Adjustment
441 4th Street NW
Washington, DC 20004

re: BZA Case #16601
Square 741

Dear Board Members:

The applicant is asking for three types of zoning relief for the construction of a 130 foot, 371-unit apartment house and 170 room adjoining hotel ("extended care facility").

1. TDR Variance. As the project is located in a "receiving zone", the applicant could purchase Transferable Development Rights (TDRs) to increase the matter of right height limit from 90 feet to 130 feet. The applicant, however, says that the cost of purchasing the TDRs would make it too costly to develop the apartment building. (They do plan to purchase TDRs for the hotel portion.) Therefore, they are asking for increased height without having to purchase the TDRs.

The Commission is satisfied that the production of housing (particularly where it includes some "affordable housing") warrants consideration of this request. However, the applicant provides no formal evidence that the cost of TDR's would be prohibitive. Indeed, the applicant has provided no information whatsoever on the cost of a TDR. Is there a point at which the cost could be absorbed, and beyond which it could not be? In other words, must the requirement be waived completely, or would a partial waiver be appropriate?

In effect, the applicant is asking for an imputed subsidy. Such a subsidy can be supported for the special purpose of providing new housing. It would be wrong to provide this exceptional benefit, however, if the developer later changed his mind and decided to make the entire building an "extended stay facility." The Commission has seen apartments buildings on Capitol Hill redeveloped in this manner and does not wish to see a repitition on this site.

BZA
Case No. 16601
Exhibit No. 32

Board of Zoning Adjustment
District of Columbia
CASE NO.16601
EXHIBIT NO.32

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2. Residential Recreation Space. The applicant is asking to be relieved of the requirement to provide 10% of the building's space for resident recreation use. The applicant indicates that the entire project will yield approximately 5% recreation space. Here again the applicant says, without formal documentation, that the imposition of the full requirement would make it difficult if not impossible to develop the housing it proposes.

3. Multiple Roof Structures Setback. The applicant persuasively maintains that the application of this requirement is impractical, unnecessary, and also costly.

4. Public Benefits. In response to Commission concerns, the applicant noted several ways in which the project would provide public benefits. The applicant presented a letter from Donohue Construction saying that Donohoe would look to the neighborhood first to fill construction jobs. In addition, the applicant said a letter would be submitted later committing the hotel operation to sign a first source agreement. Finally, the applicant agreed to undertake a marketing program to make nearby low-income residents aware of the project's housing opportunities.

The ANC therefore voted 6-0[1] at its properly noticed meeting of September 12, 2000 to support this application on two conditions:

1) ***the applicant shall provide the BZA with an economic analysis that shows whether the project needs a complete waiver, or only a partial waiver, of the TDR requirement; and,***
2) ***that the BZA impose a provision that would ensure that the apartment building stays a true residential, i.e. not hotel, use.***

Finally, Commissioner Jessica Cogan and Executive Director Gottlieb Simon are authorized to represent the ANC in this case.

Very truly yours,

Peter J. Waldron
Chairperson

[1] Three of the 13 SMD's being vacant, a quorum is six Commissioners.

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From	703-998-2912
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