Case # 16985

BENNETT BEAUTY INSTITUTE, INC., SCHOOL OF COSMETOLOGY, BARBER-STYLING AND MANICURING
RHODE ISLAND AVENUE PLAZA, 680 RHODE ISLAND AVENUE, N.E., WASHINGTON, D.C. 20002
TELEPHONE (202) 526-1400 FAX (202) 526-1405

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March 10, 2003

D.C. OFFICE OF PLANNING
2003 MAR 11 PM 12:31

Government of the District of Columbia
Office of Planning
Attention: Andrew Altman, Director
441-4th-Street, N.W.,
Washington, D.C. 20001

RE: BZA Application 16985, Bennett Career Institute, Inc. - 700 Monroe Street, N.E. , Washington, D.C. 20002

Dear Mr. Altman:

The purpose of this letter is to respectfully request that you **approve and recommend** that Bennett Career Institute, Inc. (BCI) be granted a **"Use Variance"** to operate its Vocational Training School in the 700 Monroe Street, N.E. facility.

As you are aware , in your February 10, 2003 letter to the Board of Zoning Adjustment, you recommended denial of the "Use Variance" to allow BCI Vocational Trade School to operate in the R-4 zone district **because we had not demonstrated that the property can not be reasonably used for any purpose for which it is zoned due to some physical or extraordinary condition related to the property itself.** However, at the March 4, 2003, Board of Zoning Adjustment meeting, we verbally articulated evidence that showed that the strict compliance with the zoning regulations has created an undue hardship upon George Basiliko, the current owner of the property, and will create an undue hardship on the perspective owner if a "Use Variance" is not granted. We stressed that Mr. Basiliko has suffered a financial hardship based on the market value of the land, and its unique size for a R-4 zoned lot. R-4 properties are normally prescribed as 1,800 square feet, single family dwellings. The 700 Monroe Street, NE facility is on a 18,570 square feet lot, and is improved by a 28,880 square foot building. The facility was built in 1957 as a Seminary (Theology Training School) and has been used as a Social Service Center by the District of Columbia under a "Special Exception" use since 1973. However, the property has been vacant every since the District of Columbia vacated it in 1999 (over 3 years ago). Mr. Basiliko attributes his difficulty in selling the property to the fact that it is to large and too valuable for a R-4 zoned property. See last sentence in Mr. Basiliko's letter dated March 4, 2003 for confirmation of this thought (Attachment 1).

Also worthy of discussion is the fact that 700 Monroe Street, N.E. is a "L" shaped structure which is located at the southern corner of lot 3657, with a long wing extending along 7th Street, and a shorter entry wing along Monroe Street. The existing structure is a load bearing masonry constructed building, with bar joist framing and concrete slab construction. The exterior and interior corridor walls are concrete blocked walls with internal cells filled solid with concrete. Spanning between these walls is 12 inch steel open web bar joist with welded wire mesh connected above the joist upon which

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EXHIBIT NO. 47

a 4 inch concrete slab is poured. Based on the narrowness and shallowness of this building, it only contains a total of 43 dormitory rooms. Because of the limited number of rooms in this facility, and the market value of the land, dormitory room use is not **reasonably**, financially feasible for the site. Further, based on the "L" shape and exceptional narrowness of the building plan, in conjunction with the 12 inch concrete block, load bearing, interior and exterior corridor walls, it is not **reasonably,** physically feasible to convert this property into an apartment building or to other R-4 zoned uses. "See excerpt from Chaney and Associates Appraisal Report (Attachment 2) which states that **" The cost of the land limits those uses that are financially feasible for the site [lot 827, square 3657]. Any use of the subject site which provides a financial return to the land in excess of the cost of the land is a use which is financially feasible." The report goes on to say that "the subject [700 Monroe Street, NE] conforms to zoning regulations. Educational uses are allowed by special exception. The area is characterized by special-purpose uses. The most likely buyer would be an owner-user purchaser who would renovate the improvements for alternative uses, including special-purpose such as a school, church, or group care facility."** In summary, based on the size and shape of the 700 Monroe Street facility, it is not reasonable to operate the facility for a R-4 zoned use.

Also worthy of consideration is the fact that although the 700 Monroe Street, NE property is zoned R-4, the two (2) lots to the north (same square) that abuts it is zoned C-1, and the two (2) lots to the east (same square) that abuts it is zoned CM-1. Because the surrounding lots are zoned C-1 and CM-1, approval of BCI's application to operate a Vocational Trade School in this facility under a "Use Variance" will not substantially impair the intent, purpose, and integrity of the zone plan. This is further clarified by the Chaney & Associates Appraisal Report which states under the heading **Surrounding Land Uses** -- "metro-rail and railroad tracks and metro-rail subway stop to the east; small restaurant and Catholic University of America to the north; educational/dormitory buildings and a Theological College to the west; vacant land, light industrial, special-purpose and single family residential uses to the south. **The subject (both the dormitory and the trade school) conforms to the surrounding uses."** See Attachment 4.

Further, the Board's granting of this application will not be of substantial detriment to the public good. While the proposed owners will not accommodate housing in this facility, they will provide employment to at least 30 people, of which 13 will be new jobs. And as we all know, employment will allow people to pay for housing at other locations. Additionally, the hundreds of individuals that complete training programs in this facility can also look forward to gainful employment and improved housing.

Also, the Board's approval of this application will not substantially impair the intent, purpose and integrity of the zone plan, since the property cannot reasonably be used as prescribed by the zoning regulation and an undue hardship is created by the physical constraints of the property.

Again, please be mindful that the Board will only be granting the same consideration that was provided to the District of Columbia to operate their Social Service Center out of the same building, under a "Special Exception" use for 26 years (1973-1999). Further, please consider the fact that BCI has received a substantial number of letters from organizations and businesses in the community supporting its move to the 700 Monroe Street facility. Additionally, BCI has received the unanimous

support of the ANC (ANC-5C) who has asked for the "great weight" to which it is entitled. See Attachment 3.

WE (the owners, the current 17employees and prospective 13 new employees, the students, and clientele) look forward to your recommendation of approval to Board of Zoning Adjustment.

If you have questions, please call Joyce A. Bennett at (202) 232-3305 or Mr. Chet Bennett at (202) 526-1400. Also, I can be reached at (202) 452-2870.

Sincerely,

Carroll Hawkins
Business Adviser

CC:
Chairman Geoffrey Griffis, BZA
Government of the District of Columbia
441 4th Street, N.W.
Washington, D.C. 20001

Joyce A. Bennett, President
Chet A. Bennett, Vice President and CEO
Tod Ray, Architect

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Attachment 1

March 4, 2003

Mr. George Basiliko
1113 Eye Street, N.W.
Washington, D.C. 20005
Phone: (202) 737-1915

Government of the District of Columbia
Board of Zoning Adjustment
441- 4th- Street, N.W.
Washington, D.C. 20001

Re: Letter of Authorization

Dear Sir/Madam:

This letter is to confirm that Joyce A. Bennett and Chet A. Bennett, DBA Bennett Beauty Institute, Inc. (BBI), have my authorization to represent me in seeking a "Use Variance" or a "Zone Change" to my property located at 700 Monroe Street, N.E., Washington, D.C., Square 3657, Lot 827. The property is zoned R-4. It is my understanding that BBI need to either get a "Use Variance" or a "Zone Change to C-1" to operate their Vocational Training School in the facility. I fully support that either is granted and they have my authorization to proceed. This property has been vacant for the past three years and is difficult to sell based on its size and market value in a R-4 zone.

If you have any questions, please call.

Sincerely,

George Basiliko

George Basiliko, Owner

ncrements, due March 31st and September 30th. The subject is identified for taxation purposes as Lot 827 in Square 3657. The tax rate for the subject's property class is $1.85 per $100 of assessed value (non-profit ownership entities are exempt from payment of real estate taxes in the District of Columbia). The assessment for the subject is presented on the following table.

	2002 Assessment	2003 Assessment
Land Value	$129,990	$167,130
Improvement Value	$735,010	$778,170
Total Value	$865,000	$945,300
Tax Rate/$100 Assessed Value	$1.85	$1.85
Taxes	$16,002.50	$17,488.05

The current assessment is well below our opinion of the subject's *market value as is*. Such significant variations are not unusual in this assessment office. Once complete the subject will likely be re-assessed at its transaction value.

Highest and Best Use:

"In appraising real property: The reasonably probable and legal use of property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.[6]

The highest and best use of a property is concluded after each potential use has been tested using the ur criteria. The use that fulfills the four criteria and maximizes value is the highest and best use. A stinction is made between the highest and best use of the land or site as though vacant and the highest and best use of the property as improved. Highest and best use of the land or site as though vacant may be the existing use, a projected development, a subdivision, an assemblage, or speculative holding. The highest and best use of a property as improved may be continued maintenance, renovation, rehabilitation, expansion, adaptation or conversion to another use, partial or total demolition, or some combination of these alternatives.

Highest and Best Use, As Vacant

Physically Possible - The physical characteristics of the subject impose initial restraints upon the type of uses possible for the property. Any use incompatible with its utility would not be considered physically possible. There are no physical impediments to development of the site.

Legally Permissible - The site is zoned R-4, which allows a single-family, row dwelling and special-purpose uses (including, by special exception, educational use).

Financially Feasible / Maximally Productive - The cost of the land limits those uses that are financially feasible for the site. Any use of the subject site which provides a financial return to the land in excess of the cost of the land is a use which is financially feasible. Land uses in the subject neighborhood and submarket are changing from vacant/underutilized to residential and special-

ppraisal Standards Board, *Uniform Standards of Professional Appraisal Practice*, 2003 ed. (Washington, D.C.: The Appraisal Foundation, 2003), 223.

purpose. Given the subject's Metrorail proximity and surrounding educational uses, we have concluded that the reasonably probable and maximally productive use of the subject, as vacant, is a special purpose such as a church or school.

Highest and Best Use, As Improved

Physically Possible – The subject is improved with a dormitory in fair condition. Significant renovation is required for continuation of the current or alternative uses (including educational).

Legally Permissible - The subject conforms to zoning regulations. Educational uses are allowed by special exception. Given the subject's proximity to similar educational and commercial uses we assume a special exception may be obtained for this alternative use.

Financially Feasible / Maximally Productive - The area is characterized special-purpose uses – the reasonably probable, physically possible and legally permissible use. There are no other maximally productive uses. The most likely buyer would be an owner-user purchaser who would renovate the improvements for alternative uses, including special-purpose (such as school, church or group care facility).

Valuation Process:

"The valuation process is accomplished through specific steps. The number of steps followed depends on the nature of the appraisal assignment and the available data. The model indicates a pattern that can be used in any appraisal assignment to perform market research and data analysis, to apply appraisal techniques, and to integrate the results of these activities into an opinion of defined value."[7]

In assignments to develop an opinion of market value, the ultimate goal of the valuation process is a well-supported value conclusion that reflects all the pertinent factors that influence the market value of the property being appraised. To achieve this goal, an appraiser studies a property from three different viewpoints, which are referred to as the *approaches to value.* The three approaches are described below."[8]

"In the sales comparison approach, properties similar to the subject property that have been sold recently or for which listing prices or offers are known are compared to the subject. Data from generally comparable properties is used and comparisons are made to demonstrate a probable price at which the subject property would sell if offered on the market.

In the cost approach, an estimated reproduction or replacement cost of the building and land improvements as of the date of appraisal is developed (including an estimate of entrepreneurial profit or incentive), and an estimate of the losses in value that have taken place due to wear and tear, design and plan deficiencies, or neighborhood influences is subtracted. An estimate of the value of the land

[7] Appraisal Institute, *The Appraisal of Real Estate*, 12th ed. (Chicago: Appraisal Institute, 2001), 49.
[8] Ibid., 49-50.

Attachment 3

GOVERNMENT OF THE DISTRICT OF COLUMBIA
ADVISORY NEIGHBORHOOD COMMISSION 5C

POST OFFICE BOX 77761
WASHINGTON, D.C. 20013

TELEPHONE: 832-1965/1966
www.anc5c.org

March 5, 2003

Chairperson Geoffrey Griffis
Government of the District of Columbia
Board of Zoning Adjustment
441 4th Street, N.W., Suite 220
Washington, D.C. 20001

Attention: Sherri Pruitt, Secretary

RE: **Application of Bennett Beauty Institute**, pursuant to 11 DCMR 3103.2, for a variance from the use provisions to establish a trade school having 250 students and 24 teachers/staff under subsection 330.5, and a variance to allow 50 children in a child development center under subsection 330.5(d), and a variance from the off-street parking requirements under section 2102, in the R-4 District at premises 700 Monroe Street, N.E. (Square 3657, Lot 827).

Dear Chairperson Griffis:

I write to inform you that the officers and members of Advisory Neighborhood Commission 5C (ANC 5C) met on Tuesday, March 4, 2003 at its regular monthly forum to consider, among other issues, the above-referenced application. For the record, please note that this meeting was held at the NoMa Center, 64 New York Avenue, N.E.; that the public was given timely notice of the date, location and hours of the gathering; and that a quorum of our membership was present and voting at the time that a decision was made concerning the issue. In brief, ANC 5C voted to extend its unanimous support to the applicant in this matter and, as such, respectfully requests that the Board of Zoning Adjustment grant to the applicant the special relief that it is requesting.

To our knowledge, there is no community opposition to the applicant's desire to relocate the Bennett Beauty Institute to premises 700 Monroe Street, N.E. and, in general, we view their move as well as their expansion as a "win-win-win situation," i.e., for the community, for the Institute, and for the host of students that they routinely equip with marketable skills both now and into the foreseeable future. Indeed, the owners of the Institute have been responsible and productive businesspersons in the 5C community for many many years and we wish them well in this, there most recent enterprise.

On behalf of ANC 5C, I would like to thank the members of the BZA for deferring your decision-making in this case and for allowing us an additional window of time in order to hear from the applicant, consider the merits of his application, and then transmit our comments to

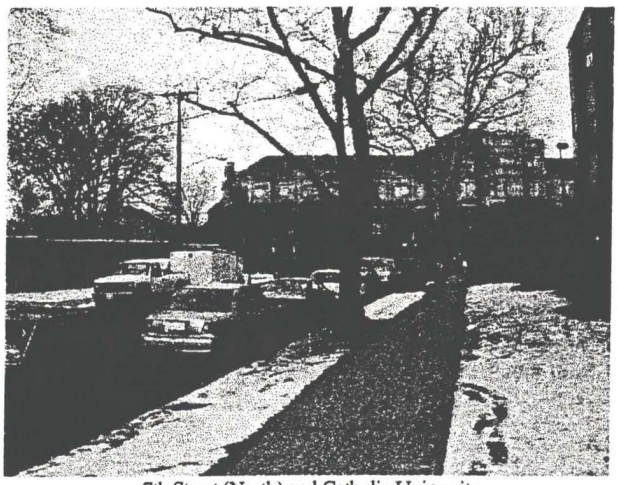
Attachment 3 (Cont.)

you. As indicated, the application enjoys our unanimous support. Finally, we thank you in advance for giving our position on this matter the "great weight" to which it is entitled.

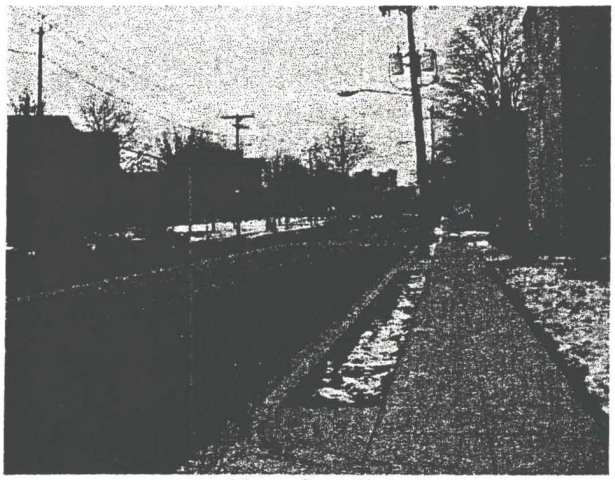
Yours truly,

James D. Berry, Jr.
Chairperson

JDB



7th Street (North) and Catholic University



Monroe Street West

Visibility - The subject, situated on a corner just off a major traffic artery (Michigan Avenue, N.E.), has excellent visibility.

Topography - Flat.

Surrounding Land Uses - Metrorail and railroad tracks and Metrorail subway stop to the east, small restaurant and Catholic University of America to the north, educational/dormitory buildings and Theological College to the west; vacant land, light industrial, special-purpose and single-family residential uses to the south. The subject (both as a dormitory and proposed trade school) conforms to surrounding uses.

Drainage - Adequate, and facilitated by public storm water systems. The subject appears to drain adequately.

Flood Zone - According to FEMA Map #1100010020B dated November 15th, 1985 the site is situated within Zone C, which is outside the 100-year flood plain.

Soil Condition - Unknown. Assumed adequate for legally permissible use.

Environmental Hazards - None noted or known.

Utilities - Electricity, gas, water, and telephone are available at the subject.

Easements / Encroachments - None noted.

Detrimental Influences - None significant noted.

Off-Site Improvements - Concrete gutters, curbs and sidewalks.