BEFORE THE BOARD OF ZONING ADJUSTMENT OF THE DISTRICT OF COLUMBIA

Application of Patterson Owner SPE LLC

ANC 2B

STATEMENT OF THE APPLICANT

This is the application of Patterson Owner SPE LLC ("Applicant") for a Modification of

Significance to Order No. 18744 (the "Order") to permit the conversion of a portion of an

existing apartment building to lodging use. The property that is the subject of this application is

located at 15 Dupont Circle, NW (Square 136, Lot 34) ("Property") and is shown on the

Surveyor's Plat attached as Exhibit C. The Property is located in the MU-15 Zone District, as

shown on the excerpt of the Zoning Map attached as Exhibit D.

I. NATURE OF RELIEF SOUGHT

The Applicant requests that the Board of Zoning Adjustment (the "BZA" or the "Board")

approve, as a Modification of Significance, a special exception for a lodging use under Subtitle

U, §504.1(f).

II. JURISDICTION OF THE BOARD

The Board of Zoning Adjustment (the "BZA" or the "Board") has jurisdiction to grant

the relief requested pursuant to Subtitle X, §900.2 of the Zoning Regulations (11-X DCMR

§900.2), Subtitle Y §§100.3 and 704 of the Zoning Regulations (11-Y DCMR §§100.3 and 704).

III. DESCRIPTION OF THE PROPERTY AND SURROUNDING AREA

The Property is located in the northwest quadrant of the District and in Ward 2. The

property is trapezoidal-shaped and contains approximately 13,853 square feet of land area. It is a

corner lot with frontage on both Dupont Circle to the west and P Street to the southzoning Athestment

District of Columbia CASE NO.18744A north, it is bordered by a nine-story office building (zoned MU-21), and to the east, it is bordered by the Consulate of the Republic of Iraq. The surrounding area contains a mix of office, residential, institutional, hotel, and retail uses.

The Property is improved with the Patterson House ("Mansion"), a four-story former residence and a seven-story addition to its rear (east) (the "Addition" and, together with the Mansion, the "Project"). The Mansion and the Addition comprise Ampeer Residences, a luxury apartment building containing 85 market rate dwelling units as well as 7 inclusionary zoning units and amenity spaces. The Ampeer Residences currently offers furnished studio apartments with significant common amenities spaces, including a shared kitchen space, library, and fitness facility. The Mansion is a historic landmark, and it is also located within the Dupont Circle and Massachusetts Avenue Historic Districts.

IV. BACKGROUND AND PROJECT DESCRIPTION

A. Background

The Patterson House, constructed in 1902-03, was designed by architect Stanford White (of the firm McKim, Mead, and White) for Robert Wilson Patterson, the editor of the *Chicago Tribune*, in the Italian neoclassical style. The Patterson family continued to control the property for nearly five decades and maintain it as a social hub. Among other highlights, the Mansion served as a temporary home for President Coolidge and his wife while the White House was under renovation in the 1920s, and the President hosted Charles Lindbergh at the Mansion following his transatlantic flight. The Club bought the property in 1951 and it was used as a private club until 2014, when it was purchased by the Applicant.

The Applicant converted the Property for use as a furnished all-studios apartment building containing 92 dwelling units and amenity spaces, targeting business people, diplomats,

government officials, academicians, and professionals who want to live in a walkable neighborhood close to the central business district with urban amenities and convenient access to public transportation.

In connection with the conversion of the Property to apartment use, the Applicant demolished a then-existing two-story rear addition and replaced it with the current seven-story rear addition. As part of this conversion to apartment use, pursuant to BZA Order No. 18744 (the "Order"), attached as Exhibit E, the Applicant obtained relief to allow two nonconforming courts, to allow no parking spaces, and to allow roof structures that are non-conforming as to setbacks and uniform height. The renovations of the Mansion and construction of the Addition were completed in August 2017, when the Project was opened to the public.

B. Project Description

The floor area ratio ("FAR") of the Project is approximately 4.1 and the lot occupancy of the Project is approximately 76%. The Mansion measures approximately 57.7 feet in height, and the Addition is approximately 69'10" in height. 7 of the 92 dwelling units are inclusionary zoning units. After nearly two years of operating the Project as market rate apartment units, the Applicant has determined that changing a portion of the Project to a lodging use is necessary in order to make the Project more financially viable. The Applicant is therefore seeking a limited conversion of 31 units to a lodging use, while maintaining 54 residential market-rate units and 7 inclusionary zoning units. The Project will remain primarily residential, with 66.3% of the units as a residential use (including the 7 inclusionary zoning units), and 33.7% of the units as a lodging use. One inclusionary zoning unit will be located on each of the first through seventh floors of the Addition, as shown on the floor plans of the proposed Project attached as Exhibit F.

This limited conversion will not alter the current design, unit layout, or dimensions of the

Mansion and the Addition. Except for the relief requested herein and the relief previously granted pursuant to the Order, the Project will comply with the Zoning Regulations and the conditions of the previously granted zoning relief. The Project will comply with the requirements of inclusionary zoning and the green area ratio.

C. Review of Current Operations

The Project is currently operated as Ampeer Residences, a luxury apartment building that offers both long-term and short-term leases. The units at the Ampeer Residences are all furnished luxury studios that are "move-in ready." The Ampeer Residences functions similarly to a hotel in that all units are fully furnished with small appliances and residents are offered towels and linens. Furthermore, the vast majority of current residents utilize public transportation or taxi services to access the Ampeer Residences.

V. DESCRIPTION OF RELIEF REQUESTED

The Applicant requests that the Board approve a modification of significance for a special exception pursuant to Subtitle U, §504.1(f) allowing a lodging use. ¹ As part of the apartment development, the Applicant utilized the inclusionary zoning height and density bonuses set forth in Subtitle C §§ 1002.3 and 1002.4 to slightly exceed the 4.0 maximum matter of right FAR and the maximum 65' matter of right height for Project. The dimensions of the

¹ As discussed further herein, BZA Order No. 18744 granted relief from the parking requirement of 23 vehicular parking spaces, to allow zero vehicular parking spaces to be provided for the apartment use at the Project. Pursuant to Subtitle C§701.5, the Project, consisting of the lodging use and the 61 retained residential units (7 inclusionary zoning units and 54 market-rate rental units), is required to provide 10 parking spaces (the number of required parking spaces is reduced by half pursuant to Subtitle C§702.1(a), due to the Project's proximity to the Dupont Circle Metrorail station). Pursuant to Subtitle C§705.1, the Applicant is not required to provide additional parking spaces for a change of use within an existing building or structure since the minimum number of parking spaces required for the new use does not exceed the minimum number of parking spaces required for the prior use that occupied the same gross floor area. Furthermore, pursuant to Subtitle C §705.3, a historic resource shall not be required to provide additional parking spaces for a change in use without expansion. Therefore, the Applicant is not seeking parking relief as part of this modification. The Applicant is also not seeking relief for bicycle parking, as pursuant to Subtitle C §802.4, historic resources are not required to provide additional bicycle parking spaces for a change in use when the gross floor area of the building is not expanded. Additionally, the Applicant is not seeking relief for loading, as pursuant Subtitle C §901.5(c), historic resources shall not be required to provide additional loading for a change in use without expansion.

Project and the internal configuration of the Project shown on plans approved pursuant to the Order and attached hereto as Exhibit G (the "Plans") are not changing. The mix of units in the Project will be 66.3% residential and 33.7% lodging, and the Project will continue to constitute an Inclusionary Development as defined in Subtitle B, §100.2 and entitled to the inclusionary zoning bonus.

VI. SATISFACTION OF STANDARDS OF RELIEF

Under Subtitle X, §901.2, in order to obtain special exception relief, the applicant must show that the requested relief will be in harmony with the intent and purpose of the Zoning Regulations and Zoning Maps and will not adversely affect neighboring properties. Additionally, for special exception relief to allow a lodging use pursuant to Subtitle U, § 504.1, the applicant must demonstrate compliance with certain additional conditions for relief. As discussed below, the Project meets the specific conditions of Subtitle U, § 504.1 and the relief requested is in harmony with the intent and purpose of the Zoning Regulations and Zoning Maps and will not adversely affect neighboring properties.

A. The height, bulk, and design of the lodging use shall be in harmony with existing uses and structures on neighboring property.

The height, bulk, and design of the Project is not changing from that currently on the Property and will not introduce any inharmonious conditions to the neighboring property. Furthermore, the configuration of interior rooms of the Project is not changing from the current configuration. The Project is adjacent to the Iraqi Consulate and an office building, and the Project is consistent with the nature of Dupont Circle, which contains a mixture of historic structures and taller new construction around the circle. Further, because the tenancies of most of the market rate apartment units have been for relatively short-term durations, the day-to-day

usage of the Project will not be overtly changing and should not have any impact on the ongoing use of the 61 residential units.

B. To ensure that height, bulk, and design is in harmony with existing uses and structures on neighboring property, the Board of Zoning Adjustment may require special treatment in the way of design, building setbacks, screening, landscaping, sign controls, and other features as it deems necessary to protect neighboring property.

As discussed above, the Applicant believes that the height, bulk, and design is in harmony with existing uses on neighboring property. The internal and external bulk and design of the Project is not changing, and the formal shift of certain units to lodging use from the current use of the Project as short-term accommodations will not introduce any material changes to the operations of the Project or its interaction with neighboring property. The Project's current operations as short-term apartment rentals of fully furnished studio apartments are highly similar to the proposed operations of a portion of the Project as a hotel. The Applicant will work with the Board of Zoning Adjustment should the Board require special treatment in terms of screening, landscape, sign control or other features it seems necessary to protect neighboring property. However, as noted herein, given that the building footprint and dimensions are not changing in connection with the change of units to a lodging use, the Applicant believes that such special treatment will be unnecessary.

C. The approval of the lodging use shall result in a balance of residential, office, and lodging uses in the applicable zones in the vicinity of the lodging use.

The Dupont Circle neighborhood is characterized by mixed-uses and contains a variety of office, residential, retail, and lodging uses. The approval of the lodging use of just 31

units will not significantly alter the balance of residential, office, and lodging uses in the Dupont Circle neighborhood.

D. The gross floor area devoted to function rooms and exhibit space shall not exceed fifteen percent (15%) of the gross floor area of the hotel.

The gross floor area devoted to function rooms and exhibit space will not exceed 15% of the gross floor area of the hotel. As set forth in the definition of "Hotel" in Subtitle B, §100.2, "function rooms" are rooms that are "used primality to accommodate gatherings of hotel guests and visitors, such as meetings, banquets, and other group events", and "guestroom areas" are "floor area within a hotel devoted to guestrooms or suites [. . .] and other space directly supportive of guestrooms. The main lobby, front desk, and hotel administrative offices are also included in guestroom areas for purposes of pro-rating floor area between residential and nonresidential uses in applicable zones." As noted on the development data sheet included with the Plans, the total gross floor area of the Project is 54,495 square feet. As further shown on the Plans, the function rooms and exhibit space, as defined in Subtitle B, §100.2, comprise only a small portion of the Project, approximately 5,550 square feet, below the 15% threshold, overall and when the limited hotel use is considered proportionally. Furthermore, such function rooms and exhibit space will remain available for the use of the residential units as well as the converted lodging units.

E. The lodging use shall be located within one thousand three hundred feet (1,300 ft.) of the Central Employment Area or a Metrorail station as measured from the entrance of the lodging use closest to the main lobby and guest registration desk to the edge of the Central Employment Area or the entrance to the Metrorail station, following public rights-of-way.

The Project is located within 1,300 feet of the Dupont Circle Metrorail station, as measured from the entrance of the Project closest to the main lobby and guest registration desk to the entrance of the Metrorail station, following public rights of way, as shown on Exhibit H attached hereto.

F. The Board of Zoning Adjustment may require more or less off-street parking spaces and loading berths than required by this title to accommodate the activities of the lodging use, so as to avoid unduly impacting parking or traffic on the surrounding streets.

As discussed below, the Project was previously granted a variance by the Board to allow zero parking spaces at the Property in BZA Case No. 18744. In that case, the Board considered the difficulties of providing parking on the site as well as the likely lack of demand for parking for the Project, and agreed with the Applicant that provision of parking spaces is not required for the Mansion and the Addition. The Project was granted a variance to allow zero parking spaces to be provided at the Project pursuant to the Order and no parking spaces are provided. As discussed in Case No. 18744, provision of underground parking is not possible because the Applicant cannot excavate under the historic Mansion without a high risk of damaging the structure. Additionally, it is not possible to provide parking under only the Addition because of the space constraints of providing necessary drive aisle widths and turning radii that would consume more area than is available. Given the Project's proximity to public transportation and the Dupont Circle Metrorail station and centrally located area and based upon two years of operating experience, it is unlikely that the lodging patrons will have a significant or any need for parking. Additionally, pursuant to Subtitle C§705.1, the Applicant is not required to provide additional parking spaces for a change of use within an existing building or structure since the minimum number of parking spaces required for the new use does not exceed the minimum number of parking spaces required for the prior use that occupied the same gross floor area. Furthermore, pursuant to Subtitle C§705.3 and Subtitle C §901.5(c), a historic resource shall not be required to provide additional parking spaces or additional loading spaces for a change in use without expansion, as is the case here.

G. The location and design of driveways, access roads, and other circulation elements of the lodging use shall be located to avoid dangerous or other objectionable traffic conditions.

Pursuant to the Order, relief was granted to have zero parking spaces at the Project and the Project does not have any parking spaces. Residents currently access the site by public transportation and taxi drop-off and pick up. As discussed above, the limited conversion to lodging use will involve no changes to the driveways, access road, and other circulation of the lodging use. Based upon two (2) years of operating experience, the Applicant anticipates that access to the Project will continue to be primarily through public transit and taxi, and therefore no new dangerous or objectionable traffic conditions will be introduced.

H. General Special Exception Review Standards

In addition to the specific conditions for special exception relief to allow a lodging use, the requested relief must be in harmony with the intent and purpose of the Zoning Regulations and Zoning Maps and must not adversely affect neighboring properties. The conversion of a limited number of market rate rental units, which are being used primarily for short-term rentals, to lodging use will also be in harmony with the general purpose and intent of the Zoning Regulations and Zoning Maps and will not adversely affect the remaining residential units or neighboring properties. The Dupont Circle neighborhood contains a variety of lodging,

residential, office, and retail uses, and an additional lodging use will be compatible with this mix. Additionally, the Project is comprised of fully furnished studios and is targeted to individuals who may be living in the District for only a limited period of time. To that end, the Project currently offers many short-term lease options. The conversion of less than 35% of units from apartment to lodging will therefore not be replacing a long-standing or deeply ingrained residential use, but rather will be shifting a somewhat transient residential use, characterized by fully furnished, short-term apartment rentals, to a lodging use. The shift to a lodging use will not involve a change in the room dimensions or layout. Due to the similarities in the current type of residential use to a lodging use (albeit with shorter-term stays), the change of 31 units to a lodging use will not introduce significant or adverse effects to the neighboring properties. Additionally, the residents in market rate units will have the opportunity to stay in their current units following the shift to lodging use and finish out or extend their lease terms. As discussed above, the change of 31 units to a lodging use will not involve modifications or alterations to the Project's dimensions, further minimizing the impact of the new use on the neighboring properties. Therefore, the special exception to allow a lodging use will be in harmony with the general purpose and intent of the Zoning Regulations and Zoning Maps and will not adversely affect neighboring properties.

VII. EXHIBITS

Exhibit A	Application form, Self-Certification form, and authorization letter
Exhibit B	Statement of existing and intended use, and burden of proof
Exhibit C	Surveyor's Plat
Exhibit D	Excerpt from Zoning Map
Exhibit E	The Order
Exhibit F	Floor Plans of the proposed Project
Exhibit G	Plans and Elevations approved pursuant to the Order
Exhibit H	Map showing distance from the Project to Dupont Circle Metrorail station
Exhibit I	Certification of Proficiency
Exhibit J	Statement of Community Outreach
Exhibit K	List of names and mailing addresses of the owners of all property within 200 feet of the boundaries of the Property
Exhibit L	Summary of Witness Testimony
Exhibit M	Certificate of Occupancy for the Property

VIII. CONCLUSION

For all of the above reasons, the Applicant is entitled to the requested special exception relief in this case.

Respectfully submitted, GOULSTON & STORRS, PC

John T. Epting

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