SUPPLEMENTAL REPORT

TO: District of Columbia Board of Zoning Adjustment

FROM: Crystal Myers, AICP, Case Manager
MBR
Maxine-Brown Roberts, Associate Director Development Review

DATE: June 26, 2026

SUBJECT: BZA Cases 21453 — Use Variance to add four units in the cellar of an existing 20-unit apartment house building in the R-3 zone.

I. OFFICE OF PLANNING RECOMMENDATION

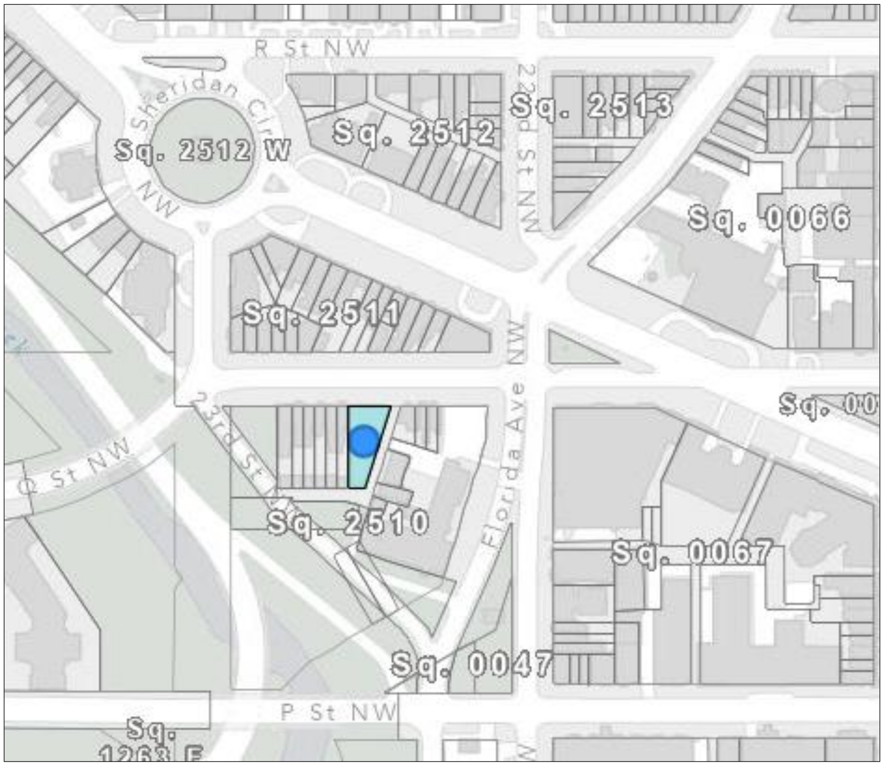
The Office of Planning (OP) recommends **approval** of the following use variance pursuant to Subtitle X § 1002:

- Subtitle U §§ 201.1 and 202.1-Matter of Right Uses;
- Subtitle C § 204.1 Nonconforming Uses (Nonconforming Uses cannot be extended).

II. LOCATION AND SITE DESCRIPTION

Address	2222 Q Street, NW
Applicant	2222 Q Street Owner, LLC represented by Goulston & Storres
Legal Description	Square 2510, Lot 38
Ward, ANC	Ward 2, ANC 2D
Zone	R-3
Historic District	Sherida-Kalorama Historic District
Lot Characteristics	Irregularly-shaped lot with a 20-ft. public alley in the rear and east side of the property.
Existing Development	20-unit apartment building
Adjacent Properties	The adjacent property is a rowhouse
Surrounding Neighborhood Character	The neighborhood is a mix of attached, single-family and multifamily residential buildings.
Proposed Development	The proposal is to add 4 dwelling units in the cellar of an existing apartment building which would increase the number of units from 20 to 24. The Applicant proposes making one of the units subject to Voluntary IZ.

III. LOCATION MAP



IV. OFFICE OF PLANNING ANALYSIS

Subtitle X § 1002 - Use Variance

Extraordinary or Exceptional Situation

The Applicant seeks use variance relief to add four new residential units in the building's cellar level. Several exceptional conditions support this request. The building is a large 20-unit apartment building in the R-3 zone and is permitted as a nonconforming use because it predates the 1958 Zoning Regulations, and is designated as a contributing structure within the Sheridan-Kalorama Historic District. This designations does not allow the building to be demolished and replaced with a conforming use.

The building is very old and is in a substantial state of disrepair[1] as shown in Exhibit 24A. The disrepair includes a roof that is broken, leaking, and way beyond its lifetime. The electrical, plumbing, and elevator systems are also broken and in a state of disrepair. Additionally, there is an above-ground storage tank and an outdated gas-fired furnace. Further, the building contains significant amounts of hazardous materials, including lead-based paint and asbestos throughout the building. Problems also exist on the exterior of the building as the masonry and windows are in need of repairs. Due to the age of the building, the cellar roof is low and cannot accommodate equipment that would be needed if the space was to be converted to amenity space for residents.

These items taken individually are a problem but when taken together are significant and combine to an exceptional situation.

[1] Pages 4 and 5 of the Applicant's plans show where improvements will need to be completed.

Resulting Undue Hardship to the Property Owner

In order to make the building habitable, extensive repairs including, replacement of the leaking roof, comprehensive waterproofing, modernization of the electrical, plumbing, and elevator systems would be needed. Additionally, the removal of hazardous materials, including lead-based paint, and asbestos would require specialized methods of removal, containment and cleanup. The above-ground storage tank, and the outdated gas-fired furnace must be removed and replaced, and the extensive, external masonry repointing will be necessary for the restoration of the building's historic façade.

The Applicant has outlined that the costs associated with these improvements are exorbitant and is a significant hardship in making the building habitable. Although not a hardship by itself, the overall cost is further significantly increased by the added expense of the external repairs and replacement by materials particularly because the work would have to meet historic preservation requirements. Therefore, the additional residential units are necessary to secure the full financing required to complete the extensive scope of work.

The existing units cannot generate sufficient revenue to fund all necessary improvements. If the variance relief is not granted, the owner would be unable to construct the additional units needed to fund the renovation and upgrades for the building. This would create a significant challenge because, under the terms of their loan, failure to increase the building's value by the amount attributable to the four new units would result in losing more than 27 percent of their financing. As a result, the following work could not be completed:

- Major reduction in the scope of electrical updates, with no increase to building power capacity, updated metering, or wiring;
- No replacement of existing windows; work limited to essential repairs only;
- Gas storage tanks left in place;
- Historic façade repairs not implemented; work limited to cleaning;
- No full roof replacement; work limited to essential repairs only;
- No full upgrade to extremely dated elevator system; work limited to essential repairs only;
- No new trash/recycling chute system; building would remain without any full building system to manage trash/recycling;
- No new building sprinkler system;
- No new roof deck amenity for residents;
- No new building entrance awning.

While some repairs could be completed, the building would ultimately be of lower quality because full rehabilitation would not be financially feasible and would limit the owner's ability to compete effectively in the local multifamily market.

Further, the building is located near RA- and MU-zoned multifamily properties, which have the flexibility to add units or reconfigure existing layouts to increase revenue and support major renovations. In contrast, the building lacks comparable opportunities to expand its income potential. As a result, it is at a competitive disadvantage when compared to nearby buildings, with fewer options to finance the improvements needed to meet local market standards.

Based on these constraints, the owner estimates there would be a 37 percent reduction in the project's internal rate of return, which represents a significant negative impact on their ability to achieve a reasonable and fair return on investment.

If the building's unfinished cellar space cannot be converted into residential units then it would continue to be underutilized. The owner considered converting it into an amenity space to provide a similar rate of return to support the renovations and upgrades. However, due to the low ceiling, equipment could not be accommodated. Other options for the space, such as using it for storage would not generate additional revenue. Therefore, taken together the cost associated with the rehabilitation of the building and the inability to use the cellar for a permitted use that would generate the funds to assist in the renovation of the building, is a hardship to the applicant.

No Substantial Detriment to the Public Good

Granting this use variance should not result in a substantial detriment to the public good as it would result in the renovation of a building, which is an eyesore when viewed from the street. The surrounding area would benefit from the addition of four dwelling units. These units would include three, two-bedroom units and one, three-bedroom unit with one of the units voluntarily dedicated to the IZ program. The adjacent properties would not be negatively impacted by the additional units as no additions or exterior expansions are proposed so their light, air, and privacy would remain unchanged.

The subject property is almost a quarter-mile from the Dupont Circle Metrorail station. Given this transit-rich location, the continued absence of on-site parking should not have a negative impact on the neighborhood.

No Substantial Impairment to the Intent, Purpose, and Integrity of the Zoning Regulations

Granting this relief should not impair the intent, purpose and integrity of the R-3 zone. The Regulations allow for nonconforming uses to legally continue. Creating the additional four units in the existing space would not introduce a non-residential use in the building. Approving this relief would enable a full renovation of this century-old historic building, helping ensure its long-term viability and continued contribution to the historic character of the area.

V. EXISTING RESIDENTS -TENANT OPPORTUNITY TO PURCHASE ACT ("TOPA")

According to the Applicant's supplemental statement, page 5, the tenants living in the building, and listed in the Applicant's Property Owner and Tenant List, page 4, have executed TOPA agreements and will be leaving the property prior to the start of construction.

VI. OTHER DISTRICT AGENCIES

The Department of Transportation (DDOT) informed OP that they have no objection to the proposal. As of the writing of this report, no other District agencies have provided comments on this application.

VII. ADVISORY NEIGHBORHOOD COMMISSION

ANC 2D submitted a letter in support at Exhibit 19.

VIII. COMMUNITY COMMENTS TO DATE

Currently there are no comments from the community in the record.