COMMITTEE OF CONCERNED OWNERS
of Watergate East, Inc.
Apartment 703-N
2510 Virginia Avenue. N.W.
Washington, DC 20037

April 23, 2004

D.C. Zoning Commission
Suite 210
441 4th Street, N.W.
Washington D.C. 20001

Re: Zoning Commission Case. No. 03-16
Watergate Hotel Conversion

Dear Members of the Commission:

The Committee of Concerned Owners in Watergate East, Inc. ("Committee") hereby supplements its previous submissions. The Committee appeared and participated as a party in support of the Application at the public hearings of the Commission and has consistently stated its support for approval of the referenced Application.

Committee members have attended and testified at the hearings, listened to the presentations of the opponents and reviewed the post-hearing filing by the Applicant. The Committee believes that the Applicant has appropriately responded to the issues raised by the opposition and by the Commission.

The conversion as proposed by Monument will keep a restaurant and the health club, which were the two most important components of the hotel for the residents of WEI. The Monument proposal includes density of occupancy and sublease limits consistent with WEI's desires and the initial PUD. Conversion from hotel to permanent residential space seems to us fully on keeping with the current and future long-term needs of the District of Columbia and the city's development plans.

ZONING COMMISSION
District of Columbia
CASE NO. 03-16
EXHIBIT NO. 154

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The Applicant argues that it would have the right to undertake the project even if it remained as a lessee of the space now under the long-term lease from WEI. While we believe that the Applicant's analysis of the lease is correct, the Committee notes that in the recent Annual Meeting of the members of Watergate East, a majority of the voting power was voted in favor of a sale of the leased space to Monument. If sold, the Applicant's qualification for approval of its Application should be enhanced. As we stated at the hearing, the conversion makes sense for us as residents and collectively as the owners of the space that Monument wants to buy. Under the terms of the existing lease, WEI receives and will receive for the 62-year remainder of the 99-year lease term $1 per month. The sale of the space to Monument will result in a much larger one-time capital infusion than would be achieved by the continuing lease payments. These funds will be used to help WEI maintain its building in full conformity with the PUD as initially approved.

.As noted above, at the meeting of the WEI members held on April 12, 2003, at which a quorum was present, a majority of the voting power of WEI present in person or by proxy, supported the sale of the leased space to Monument. . The Committee applauds that result, which confirms the vote of the membership taken in January, 2004. A new Board of Directors was also elected at the April meeting, which will now deal with Monument to conclude the sale transaction. The Committee continues to support the Application and urges the Zoning Commission to approve the modification to the PUD to allow the hotel to be converted to a cooperative apartment house, subject to the conditions specified in the Applicant's written and oral representations to WEI regarding the cooperative form of governance of the apartment house, its density and sub-lease limitations, the accessibility by WEI residents to a continued health club and restaurant and the provision of a group meeting room.

Sincerely,

William B. Wolf, Jr.

For the Committee of Concerned Owners of Watergate East, Inc.

Copy to:

National Capital Planning Commission
401 - 9th Street, NW, Suite 500-N
Washington, DC 20576