Sol S. Shalit, *MBA, Ph.D.* (Econ: Chicago).
Economist

2500 Virginia Avenue, NW Washington, DC 20037 Tel: 202-338-7468 sss.sol@gte.net Fax: 202-338-7468

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REZONE NO!

Ms. Carol Mitten, Chair
DC Zoning Commission
441 Fourth Street, NW, Rm. 210
Washington, DC 20001

RE: Monument Residential, LLC's Application for a PUD Modification to Convert the Watergate Hotel from Commercial to residential use.
ZC #0316

Dear Madam Chair and Commission Members:

As a resident of Watergate and as an economist, I would like to state the reasons why the proposed elimination of the Watergate Hotel, and its conversion to 155 residential apartment building, would have an objectionable impact on life at the Watergate and Foggy Bottom, with no discernable benefit the District.

The Watergate Complex was designed by the famous architect and urbanist Luigi Moretti as an integrated environment, in which living (the apartments), working (the offices), visiting (the hotel) and shopping (the mall) would be all essential components of the Watergate Complex -- a unique concept in high-quality urban living. That is what has made it world renowned, not only as a work of art, but of a prized, successful, and highly sought residence and tourist attraction in our nation's capital.

The original PUD (1962) approved by the Zoning Commission, in fact, required the provision of a hotel, as one of the uses. In their wisdom and foresight, the original developers of the Complex have purposely structured a long-term lease by WEI to the hotel, at a nominal rate of $12 a year. It was conceived for a purpose: to have a hotel as part of the Watergate Complex, a hotel that -- even then -- could not make it on its own. This was a subsidy given by the residential Watergates to the hotel in order to obtain an amenity deemed a necessary integral part of this complex as unique urban concept and way of life. .

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This amenity is an integral part of the PUD and should not be detached, let alone eliminated. If the conversion is permitted to happen, it would critically damage the character and integrity of the entire Watergate Complex, disturb the ecological balance between its different component, diminish quality of life there and ultimately could very well cause its decline and even demise. Although maintaining a 4 1/2 star hotel may no longer be feasible, it is an uncontested fact that a 3 or 3 1/2 star hotel remains a viable option.

Currently, the hotel guests more or less come and go. They are transient, and merely use the hotel for lodging purposes, which serves the community, the Kennedy Center, and the State Department rather well. The Watergate retail establishments include a Safeway, a liquor store, a CVS Drugstore, two restaurants, a post office, barber shop and hair salon, art gallery and framer. There are also a Saks-Jandel Dress shop, a florist, a bakery, a photo and duplication shop, and a dental suite . These facilities serve the entire neighborhood because there are so few retail facilities available at Foggy Bottom, as our Councilmember Jack Evans has repeatedly stated. There is already intense congestion at times for both Watergate residents as well as those from the neighborhood. Due to the unmitigated expansion of The George Washington University in Foggy Bottom we are already suffering the increased density caused by the conversion of the former Howard Johnson Hotel into a GW dormitory. An additional hi-rise residential apartment building, just an elevator button away, would render congestion intolerable. The shopping facilities infrastructure simply was not sized to accommodate any additional density and there is literally no physical space for any expansion of those facilities.

Double damage. Approving this application would double-damage Watergate and Foggy Bottom. First, it would damage them by eliminating a critical amenity that is an economic complement (enhancing quality of life and property values), and then it would further damage them by replacing it by an economic substitute (decreasing quality of life and property values) -- the establishment next door of a new luxury apartment building directly competitive with existing units -- thereby depressing property values and diminishing the quality of life here by density, congestion, traffic, parking, etc. Not only would you be removing a positive amenity, but you would be imposing a negative amenity in its place.

Economic Development. Converting the Watergate Hotel into residential use could not even remotely qualify as "economic devel-

opment", although it would certainly create, for a short duration, some additional construction jobs during the conversion. Whether even these jobs would be of benefit to the District -- or rather to Virginia and Maryland -- is not obvious. There is little question that the overall net effect of converting the hotel would be decidedly negative as it would permanently destroy some 250 personnel and service jobs associated with running a hotel, if and when converted into a residential dwelling. Monument's claim that these lost jobs would be absorbed by other DC hotels is farfetched and unsupported by facts.

Finally, I want to raise a point that is unlikely get much attention here. If the existing PUD is disturbed and the project proceeds, there will never again be a Watergate Hotel. This may not sound like much, if you think of it merely as a sum of physical entities like square footage, people, restaurant, health club, etc. But you will have eliminated not just a hotel, but a mental concept. You will have wiped out forever from our vocabulary a living cultural icon, part of history, and part of the nation's cultural landscape. It's like making the Plaza Hotel in NYC disappear forever into just another hi-rise apartment building. These are cultural monuments -- and you can see the irony -- they have a history, and you will have turned it into archeology.

And all that for what? So that Monument and Blackstone can make another $20 million? Who are the beneficiaries? Certainly not the District, nor the neighborhood. Who would you be really helping? This is not Anacostia in need of development, but a built-up, well functioning neighborhood you would be injecting yourself into. Please consider it.

In summary, I respectfully ask the Commission to carefully examine the wisdom of granting the proposed PUD change, to weigh its expected objectionable impact on the neighborhood, and specifically on the present and future residents of this well-functioning complex, against the benefits and amenities offered by the applicant. I urge the Commission to reject this PUD modification on these grounds.

Thank you.

Dr. Sol S. Shalit