

Testimony of Mr. William Sisolak, ANC Commissioner 6C07

Re: Case No. ZC-05-34

A petition to amend the Zoning Map re: Square 895, Lot 76, filed by ANC 6C

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Good Evening, Chair Mitten and Members of the Commission. My name is Bill Sisolak. Thank you the opportunity to speak with you concerning ANC 6C's petition to rezone Square 895, Lot 76 which I will refer to as "Medlink" in my testimony.

I am the ANC Commissioner for the Single Member District 6C07 which borders the south side of the Medlink property. I'm also the chair of 6C's Zoning and Planning Committee. I became an ANC Commissioner this past December to fill the unexpired term of Mr. Bill Crews when Mr. Crews resigned his ANC seat shortly after he became DC's Zoning Administrator. Prior to assuming Mr. Crews' seat, I had been a citizen member of 6C's Zoning Committee for approximately a year. I was also a founder of the Capitol Hill Coalition for Sensible Development – a neighborhood group formed in 2000 in response the initial proposals to convert Medlink into condominiums.

Both through the ANC and the Coalition, I've been very active in the neighborhood's attempts to reach a mutually satisfactory compromise with Medlink's owner on his plans to develop the property. I've attended numerous community public meetings. I've also participated in several private meetings with the owner's representatives arranged through the good offices of the HPRB and the OP. Most recently on January 27th I met by myself for two-and-one-half hours with the owner's attorneys and architects, along with representatives from the Office of Planning, to hear the owner's arguments why the proposed rezoning would be bad for the neighborhood. In summary, let me emphasize that the testimony I am about to give is not the idle speculation of an outsider to this process. I have been part of it.

My wife and I have lived at 638 A Street NE -- approximately a block from Medlink -- for over thirty years. Over the last three decades, we have seen it change from a fully functioning, general purpose community hospital and emergency room to an underutilized, specialized medical operation. In the 1970's and early '80s, my family regularly used "Capitol Hill Hospital", as it was known, to patch up our boys' cuts and bruises. I've been operated on there.

I know the important public-benefit role that the hospital played in our community long before the current owner bought it. I don't think any of us ever expected or intended that this positive community resource would become a vehicle for major residential development that will degrade the quality of life in our neighborhood.

My purpose in the remainder of this testimony is not to argue the technical merits of the ANC's petition concerning the re-zoning. Those arguments are compelling. But others can present them better than I.

What I hope to do is give you a sense of our community and how a clear majority of us feel about Medlink and the various proposals by its current owner since the late 1990's to convert this property to residential housing. In so doing, I will address the following two specific points that may be of concern to the Commission in this matter:

- First, that rezoning the property to R4, or even R5A or R5B, will create a non-conforming structure that the owner will then not tear down and replace with a new and better building.
- Second, that rezoning will place an undue economic hardship on Medlink's owner and will be unfair to him.

On the first point, I want to make it clear to each of you that we as community leaders understand that the proposed re-zoning will result in non-conforming structures on the property. Furthermore, we understand the owner's assertion that he will not tear down the "grandfathered" existing 1950's buildings on the south half of the property and replace them with new residences that conform a different zoning. Further, we understand his position that he will, most likely, renovate the existing '50s buildings and convert them into apartment units. Finally, we understand his contention that such renovated buildings may well have less parking than his proposed brand-new building.

If the community understands these possible consequences of creating non-conforming structures, you may well ask yourselves "Why is this better? Why are 1950's buildings converted to rental units with possibly limited parking better for the community than the owner's proposed brand new building with more parking?" The answer to those questions has several facets. But, the most important one comes down to a single word – density.

We are a community of single-family rowhomes with a limited number of low to medium-density apartment buildings. A high-density R5D zoning for a residential development on the Medlink property is simply incompatible with Capitol Hill.

In 1999, the owner proposed selling the property to Holladay Corporation. Holladay would then build a full 90' high building allowed under the property's R5D zoning. Fortunately, the Historic Preservation Review Board recognized that Holladay's 90' building would be incompatible with the historic character of Capitol Hill. HPRB limited the height of that proposed building – and subsequent iterations – to approximately 65'. As we know, the Holladay plan for Square 865 never happened because the owner declared bankruptcy. Nevertheless, his current plan likewise calls for a 65' high building.

Even though the HPRB has said “no” to an R5D matter-of-right height, the proposed 65’ building results in a condominium with approximately 150 units. That is far denser than anything in the surrounding area. Again, you may ask yourself, “What’s wrong with that? Why are more people, per se, a bad thing?”

That’s a logical question. After all, we’re city dwellers. We live here – rather than on five acres in Ashburn, Virginia – because we like being around people. But there has to be a limit to density in our neighborhood because of what people bring with them, especially cars. I wish that new-comers wouldn’t bring cars and SUVs when they move into our neighborhood. But they do and they have a right to.

A 150-unit condo will generate unacceptable levels of traffic on our local streets. Massachusetts and Constitution Avenues and C Street are already choked in the morning and evening rush hours. I defy anyone to stand on the streets around Medlink during the peak morning and evening rush hours, and say that putting the cars coming in and out of 150 units will not make an already bad situation that much worse.

Not only does common sense say that R5D is wrong given our traffic problems, but the law supports that view. Section 101.1 of the Zoning Regulations state that the city’s zoning shall be designed, interpreted and applied to “...lessen congestion in the streets ...” and “provide ... use of land that will tend to create conditions favorable to transportation ...”.

Density and traffic are not the only issues why the proposed new building is worse for our community than renovating the ‘50s buildings. Architectural beauty is in the eye of the beholder. We can disagree about whether the proposed design is more appealing than renovating the ‘50s buildings. But time after time I have had neighbors tell me that they prefer to keep the existing 50’s buildings versus the modernistic look of the Sponsellor design. That design might be perfectly fine somewhere else. But the overriding sentiment of the neighborhood is that it doesn’t fit into our Victorian rowhomes.

You might say “but the HRPB has approved the conceptual plans so it must be Ok for the Capitol Hill Historic District.” Many of us disagree with the HPRB approval but that’s not relevant. The HPRB staff has told us on several occasions that they can only respond to plans and designs presented to them. Short of completely rejecting a project’s fundamental design, as they did with the original Holladay plan for a 90’ high building, they basically tinker with what’s been given to them. In my opinion, that is exactly what has happened here.

How does the neighborhood know what the ‘50s buildings would look like if they were renovated into rental units? Very simple. That was the final plan presented by Holladay Corporation in 2001. The renovated buildings were part of an overall compromise that included other important elements. But virtually everyone had the same reaction to Holladay’s renovation design, “You know, you take that ugly white

banding off the top, put new windows in, get rid of some of the muddling that was done over the years, and those are perfectly acceptable buildings”.

At my January meeting with the owner’s representatives that I mentioned earlier, they told me that if the property is rezoned they will keep the ‘50s buildings and “do the Holladay plan” to convert them into rentals. While that was presented to me as a bad thing for the community – essentially a threat – every person I have talked to about this idea has had the same general response – “Let them renovate the 50’s buildings. That’s better than a higher density, modernistic new building”.

The message from the neighborhood to the Zoning Commission is very clear on this point. If rezoning causes the 1950’s buildings to become non-conforming and non-conformance results in the owner keeping and renovating those buildings, we much prefer that outcome to his plan for a new building with 50 percent more units.

Let me close by addressing the issue of the financial impact of rezoning on the owner. He bought the hospital in 1992 for a fraction of its current underlying real estate value. Under his management, the hospital went into bankruptcy in a few years. Bankruptcy is not an abstract concept. It has real consequences. A lot of people lost a lot of money because they believed that when they delivered goods and service to the owner he would pay them. He did not.

Whether or not Medlink’s bankruptcy was the result of business conditions beyond the owner’s control, we will never know. But there is one thing that we do know. The Medlink property today is worth multiples of what it was when the owner purchased it ten years ago. In my layman’s opinion, the owner will reap huge profits regardless of whether the zoning is R5D, R5B, R5A or R4. As a business owner myself, I would applaud him for his good fortune, but not under these circumstances. This situation is different.

Hospitals, even privately-owned ones, serve a public purpose for a public good. The public through its elected officials grants hospitals the right to operate and then it carefully monitors their day-to-day operations. Hospitals ought not to be bought and run to make a killing on their real estate value. Was that the owner’s intent from the beginning? I don’t know and I’m quite sure he would say that all he ever wanted to do is run a successful hospital. But I believe that the facts speak otherwise.

In summary, ANC 6C petitions with its great weight the Office of Planning to rezone Square 895, Lot 76 to R4. The current R5D zoning is not consistent with the Comprehensive Plan for Ward 6. And the law requires that it be so. R4 is the zoning that best fits the neighborhood understands the consequences of such a rezoning and overwhelming supports it.

Thank you.