

Robert Scholz
3900 University Avenue, NW
Washington, DC 20016
rrscholz@msn.com 202-550-9142 (cell)

Friday, May 9, 2025

Mr. Anthony J. Hood, Chairman
DC Zoning Commission
441 4th St. NW., 2nd floor
Washington, D. C. 20001

Re: Zoning Commission Case No. 23 - 08 (1) – Wesley Theological Seminary
Updated Campus Plan (2025 - 2035)

Chairman Hood and Members of the Commission,

Good afternoon my name is Bob Scholz.

I was born and raised in DC and for the past 44 years my wife and I have lived in the single-family residence at 3900 University Ave., directly across from the Wesley exit onto University Avenue.

I want to see Wesley survive and thrive at the present location. Nevertheless, I am opposed to this Wesley Landmark development scheme. I have submitted written testimony further explaining my objections which I will summarize in these three minutes. I have testified twice before on this Wesley Landmark initiative. I remain concerned that:

1. American University avoids involvement even though 86.43% of this project is for AU students;
2. The impact of the height of the proposed building placed on a 50 foot hill on RA-1 zoned land for LOW RISE residential development and other probable impacts to ours and our neighbor's property remain a concern;
3. Parking on Wesley's campus seems insufficient for the many residents living on campus, commuter students, faculty and staff; and
4. The cash payment by Wesley/Landmark in lieu of providing 8% – 10% of the beds/units for Inclusionary Zoning seems insufficient.

In the past, I don't believe the Zoning Commission, nor the ANCs have taken my concerns seriously. Wesley's desire to thrive does not supersede the serious concerns of neighbors. I ask you to take these concerns seriously and protect the interests of the neighbors and not just create a special privilege for Wesley and Landmark. Citizens rely on land zoning and the ZC to enforce regulations and thereby protect the interests of all communities.

For the four reasons above and the arguments made by The Neighbors for a Livable Community and the Spring Valley Wesley Heights Citizens Association, I ask that you to reject this Wesley/Landmark project as it is now proposed.

Thank you for your attention and consideration.

Bob Scholz

Robert R. Scholz
E-mail: rrscholz@msn.com
3900 University Avenue, NW, Washington, DC - 20016-5622
Voice, Cell (202) 550-9142

Friday, May 9, 2025

Mr. Anthony J. Hood, Chairman
D.C. The Zoning Commission
441 4th Street NW, 2nd Floor
Washington, D.C. 20001

Re: Zoning Commission Case No. 23-08 (1) – Wesley Theological Seminary
Updated Campus Plan (2025-2035)

Dear Chairman Hood and Members of the Commission,

I was born and raised in the District of Columbia and for the past 44 years, I and my wife have lived in the single-family residence at 3900 University Ave., directly across from the Wesley exit onto University Avenue.

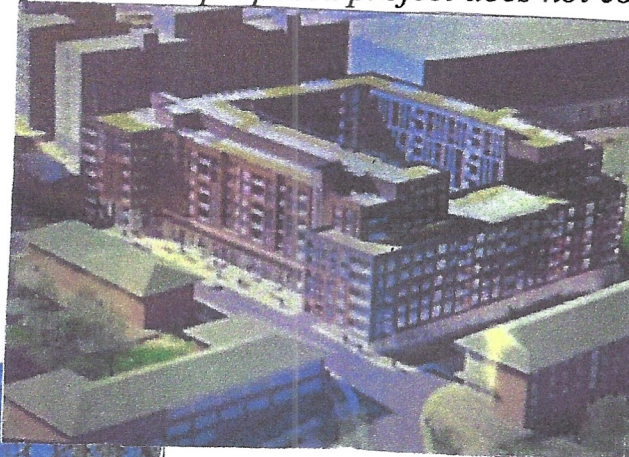
I strongly support the opposing position taken by the Neighbors for a Livable Community (NLC) and the Spring Valley Wesley Heights Citizens Association (SVWHCA), to *the Wesley/Landmark project* (W/L), as expressed in the NLC/SVWHCA letter sent to the Zoning Commission (ZC) prior to the hearing on May 12, 2025.

I make the following comments in support of the opposition to W/L:

1. **American University (AU) does not support this project.** Dennis Paul and Blaine Carter, also homeowners on University Avenue, in a recent meeting with AU learned that AU is still not going to go on the record in this case. It is understandable, because W/L would divert revenue from AU, which faces its own budgetary challenges. Wesley's action is not very neighborly. Nor is it logical for the ZC to approve the referenced project, since the ZC approved in the most recent AU campus plan a large dormitory to be built on AU's campus. W/L is proposed on RA-1 zoned land next to a community of single family homes. Why would the ZC approve a competitive second dormitory for the same group of AU students?

2. **Zoning and impacts on neighbors.** The Seminary property is zoned RA-1. The maximum permitted building height is 40 feet in the RA-1 zone. This represents a **LOW-RISE** residential neighborhood 1-4 stories in height. Seminary property is directly across the street from the East side of Spring Valley, that is predominantly developed with single-family detached homes and a few low-rise apartments. **Today all seminary buildings meet that standard, W/L's massive 7 story luxury dormitory placed on top of a 50-foot hill does not.**

Citizens rely on land zoning and the ZC to enforce regulations and thereby protect interests of all communities. The proposed project does not conform with zoning.



Before



After

Our property is the one most affected by this project; nevertheless, others on University Avenue and on the east side of Spring Valley will be affected as well. Height and windows that face our living room, dining room, and bedrooms are not the only impact on us. Possible impacts to us and others are commercial traffic to service this large building, increased stormwater runoff to once again give us and neighbors wet basements, and densely parked cars on University Avenue making it

difficult for residents to park their cars near their homes. All are impacts we have previously mentioned.

I have testified over the last three years and I don't believe the Zoning Commission nor the ANC's have on taken my concerns seriously. Nothing in this case is any different today from what it was three years ago. Wesley's desire to "thrive" does not supersede the serious concerns of neighbors. I ask you to take these concerns seriously and protect the interests of the neighbors and not just create a special privilege for W/L.

3. **Parking:** this massive building will have 659 beds. One layer of the original underground parking garage was removed from the original concept to provide \$8 million dollars for providing a cash payment in lieu of meeting DC's Inclusionary Zoning (IZ) requirement for new residential construction. IZ on a campus is not permitted. However, the removal of one level of the garage with 99 parking spaces under the building has reduced the total on-site parking to 295, which includes 31 surface spaces. Where are the 659 residents in the new building, 76 residents in the 2014 dormitory, day students, faculty, and staff going to park, when the 295 spaces are full?

In the 1980s, neighborhood AU student parking was such a problem that AU installed a fence between AU and the neighbors.

After the fence installation, student street parking in Spring Valley declined. Nevertheless, a few students still illegally park in Spring Valley. AU monitors and tickets students' parking violations. What is Wesley/Landmark's plan for monitoring and enforcing parking violations?

4. **Inclusionary Zoning (IZ).** In DC, the IZ program mandates that most new residential developments with 10 or more units, as well as certain rehabilitation projects expanding existing buildings with 10 or more units, allocate 8% to 10% of the residential floor area for affordable housing units. At a recent community meeting with Wesley, a Landmark representative indicated that they had determined the fair market value of the IZ requirement at \$8 million by calculating the estimated construction cost of the residential square footage that was to be used by AU students. The square footage for 90 of the 659 beds will be utilized by Wesley's residential students, faculty, and staff, and therefore are excluded from the requirement to provide IZ units. The remaining square footage for 569 beds (86.34% of the total beds) will be for AU students.

The ANC3E and Zoning Commission had previously asked for the development team to explore what other developers and jurisdictions had used in determining the fair market value in today's dollars of the IZ requirement. As a member of the public, I have not heard a report of what the investigation discovered.

The \$7,083,600 payment in lieu of IZ that Mr. John Patrick Brown, Jr., Esq., of the law firm Goldstein Delorme & Luchs, P.C. indicated in his 11/25/2024 letter to the Zoning Commission appears insufficient, as does the \$8 million of his recent update. Calculations are omitted. Neither the DC office of Planning (OP), nor the public understands how the \$8 million figure was determined. It should be based on 86.43% of the entire project cost, including the cost of all of the nonresidential part of the building, garage and site improvements, and the fair market value of the comparable RA-1 land that is required to support the gross square feet of the building.

An alternative to determining the value of the land for this project is to take 8% of 86.43% (6.7144%), or 10% (8.643%) of the lease payments and contribute them to the Local Initiatives Support Corporation (LISC).

Any other developer/builder would have to pay these additional costs to actually provide 8% or 10% IZ units in DC west of Rock Creek Park.

With all this complexity an appraiser, a Member of the Appraisal Institute, could work with the developer Landmark to get the estimated costs, subcontracts etc., to specify reasonable estimated costs of these additional items, 86.34% of which should be added to the construction cost of the 569 beds attributable to AU students and requiring fair payments in lieu of IZ.

There is a comparable dormitory at the University of Maryland, the College Park Project, (CPP), that could be used as a benchmark for the cost of this project. It is a 741-bed facility with \$148,750,000 budget containing 323,000 ft². Amenities include a ground-floor conference space, interior and exterior courtyards, a penthouse community lounge, resident parking, and internal bike storage. Shrinking it to 569 beds ¹proportionately = \$114,222,335¹. (\$457/ft²).

1. $(569/741) \times \$148,750,000 = \$114,222,335$

8% of the CPP is: \$9,137,787, 10% is \$11,422,234. Still these figures only represent the initial construction costs of the IZ units. They do not represent any of the present value of the differential between market rents and the rents for the IZ units over the next 99 years that add to the developer's return. This future income would probably more than offset the costs of maintenance and replacement for 86.43% of building components.

Attorney Pat Brown indicated at the ANC3D meeting on May 7, 2025 that Landmark would be paying to DC the real estate taxes on the fair market value of the **entire** property i.e. 100% of the new building, garage, and RA-1 land required to support the building, as well as, the franchise taxes on the net operating income from the entire building. Although not memorialized in the project documents Pat Brown assured us at the ANC3E May 8th meeting that this would occur. When it would become effective was unspecified.

See "Attachment (1)" for an **Analysis of a Payment in Lieu of IZ.**

1. AU Not Being Involved.
2. Building height violation for RA-1 zoning and other possible impacts;
3. Insufficient Parking; and
4. The Fair Market Value to DC for IZ Units Not Provided

all make this Wesley/Landmark project problematic.

For these four reasons and the arguments made by the NLC/SVWHCA in their most recent letter to you, I humbly ask you to reject this Wesley/Landmark project as it is now proposed.

This concludes my written testimony. Thank you for your attention and consideration.

Very truly yours,

Robert R Scholz
DC Licensed Civil Engineer, Retired

Analysis of Providing a Cash Payment in lieu of Providing Inclusionary Zoning Units (IZ) Wesley Landmark Project

The Wesley/Landmark project contains a total of 299,244 *gross square feet*¹; the net residential gross floor area is 236,116 *square feet*¹. The usage of this project by AU students, based on beds, is 86.43% of the total project. There are 659 beds in the project, of which 90 will be used by Wesley's students, which are exempt from IZ. Therefore, only 569 beds will represent AU occupancy, which as a percentage is approximately 86.43% of the dormitory occupancy $[(659-90)/659 = 569/659 = 0.8643 = 86.43\%]$

W/L has used \$300¹ a gross square foot ONLY for the residential space for AU in calculating the 8% cash payment to satisfy the IZ requirement.

THIS IS DECEPTIVE, because if the total project could provide IZ units from the 569 beds for AU students, those IZ residents would have equal access to the use of the amenities in the non-residential square footage and to the garage. Therefore, 86.43% of the sum of: 1) total construction of the building + 10%² for soft costs, 2) cost of the subsurface garage, and 3) the fair market value of RA-1 zoned land necessary to support a building of 299,244 *gross square feet*¹, represents the total cost of a smaller project for AU students only. It is to this sum that the 8% or 10% for IZ is applied:

$$\text{Cost of Building} = 299,244 \text{ ft.}^1 \times \$300 \text{ per ft.}^1 + 10\%^2 = \$98,750,520$$

$$\text{Cost of Garage} = 295 \text{ spaces} - 31 \text{ surface} = 264 @ \$35,000 = \$9,240,000$$

$$\text{Cost of RA-1 Land} = \text{approximately } 20\%^2 \text{ of building cost} = \$19,750,104$$

$$\text{Total W/L Project} = \$127,740,624$$

$$\text{Total AU Part @ } 86.43\% = \$110,406,221$$

8% IZ Cash Payment = \$8,832,899 & 10% = \$11,040,622 these are at the low end for the numbers represents just today's construction costs of IZ units and **has nothing for the present value of the differential between market rents and the IZ rents during the 99 years of the lease.**

$$\text{Averaging CPP to W/L by beds \& ft}^2 \text{ } 8\%-10\% = \$9,301,222^3 - \$11,626,528$$

1. Data from the 11/25/2024 letter from John Patrick Brown Jr., Esq. provided this information, I assume to be true.
2. \$300 per square foot is at the low-end for dormitories, that in 2025 ranges from \$300-\$500 per sq. ft., 10% of the hard construction costs were added for architectural and engineering services, RE taxes & interest on the construction loan during construction, developer's profit, etc. bringing the cost per sq. ft. to \$330/ sq. ft.
3. Adjusting the College Park Project (1) on the basis of beds 569/741, W/L has a total cost of \$114,222,335 (\$442/ sq. ft.)
Adjusting CPP based on sq. ft. $(86.43\% \times 299,244) / 323,000$ W/L has a total cost of \$118,308,223 (\$457/sq. ft.). Averaging the two approaches = \$116,265,279 (\$421/sq.ft.) and 8% of this average = \$9,301,222, and 10% = \$11,626,528 for the (LISC) for support of IZ west of Rock Creek. Even these numbers are low for they just represent initial construction costs.

Attachment (1)

Copies sent by email To the Following:

Ms. Jennifer Steingasser

Mr. Joel Lawson

Ms. Maxine Brown-Roberts

DC Office of Planning

1100 4th Street, SW Suite E650

Washington, D.C. 20024

Jennifer.steingasser@dc.gov

Joel.lawson@dc.gov

Maxine.brownroberts@dc.gov