4732 Van Ness St, NW
Washington, DC 20016
202-686-9696

Dec. 28, 2017

2018 JAN -9 AM 11:41

Mr. Anthony Hood, Chairman
District of Columbia Zoning Commission
441 4th Street NW
Suite 210 S
Washington, DC 20001

Subject: Case Number 16-23, Proposal for Design Review and Development by Valor Development, LLC, Square 1499, Lots 802, 803, 807; Letter in Opposition

Dear Mr. Hood:

The economic and demographic rationale for Valor's proposal to develop 220 living units at the former SuperFresh site is flawed.

The original plan was to install a 55,000 sq. ft. full-service grocery store below the residences. Valor received expressions of interest from 12 (unnamed) stores in the summer of 2015. But, as Will Lansing, representing Valor, explained at a recent ANC Dec. meeting, all of the 12 original stores withdrew interest. And the available floor space for the store had shrunk to 16,000 sq. ft, or maybe even less. As Mr. Lansing stated: 'The full service grocery business has changed dramatically in the past two years.'

The original plan also called for the construction of 220 residential units. 90% were to be one and two bedroom rentals, with the remainder to be condominiums. Mr. Lansing explained that the mix was based upon demographic data and socio-economic trends for the area.
I infer that from a business perspective, maximum occupancy would be achieved and maintained by that mix of 220 units. That was the rationale for the original plan as of mid-2015.

Therein lies the problem. There is a logical contradiction between:

(a) A revised plan for the full-service grocery based upon changing market conditions of the past couple of years, and
(b) NOT revising the plan for the number and size of the residential units, by using more recent demographic and socio-economic trend data. The most recent data might well suggest a stronger demand for more condominiums, and for larger rentals than was originally planned.

ZONING COMMISSION
District of Columbia
CASE NO.16-23
EXHIBIT NO.147

A suggestion: Valor might sponsor such a study/survey, and perhaps hire an Urban Planning Prof. at American U.

The plan for the grocery store *had* to be *revised due to changing* business conditions. But the plan that motivated the number and size of the residences has yet to be updated, using most recent demographic & socioeconomic data.

From a business perspective, the return on investment from the proposed 220 units might be no larger than ROI from enlarged 180 units. The larger size would command a higher selling and leasing price. That would be in keeping with the decades old city plan for the A.U.- Spring Valley area.
Why then is there such intransigence from Valor to insist on 220 units, still relying upon the 2015 probably outdated data?

Such a 40-unit reduction would seem to be a fair, win-win compromise, reflecting "*vox populi.*" If the ANCs see otherwise, it would simply underscore the DC license plate slogan.

Fred Steinheiser, Jr

Frederick H. Steinheiser, Jr. (PhD)