

November 14, 2023

The Honorable Muriel Bowser, Mayor John A. Wilson Building 1350 Pennsylvania Avenue N.W. Suite 600 Washington, D.C. 20004

RE: Illegal use of residential properties to commercial uses in the residential zones

Mayor Bowser,

On November 14, 2023 at a regularly scheduled, duly noticed monthly meeting of ANC 6B held via teleconference, with a quorum of nine out of nine commissioners and the public present, our commission discussed the illegal use or conversion of residentially zoned buildings for commercial activities. The commissioners voted 8-1-0 to send you this letter.

The proximity of our neighborhood to the US Capitol and congressional offices makes the Capitol Hill neighborhood an attractive location for lobbyists, political campaigns and other companies and organizations seeking to influence Congress to establish offices and to host corporate events. These office and event uses are commercial occupancies as defined by the Zoning Regulations and are fundamentally incompatible with the designated uses in the RF and RA residential zones that make up the majority of our neighborhood.

Since at least 1985, residents of ANC 6B (as well as neighboring ANC 6C) have complained to the District government that residentially zoned properties in our ANC have been illegally converted to prohibited commercial uses¹. In ANC 6B, neighbors of Single Member Districts 6B01 and 6B02, those closest to the United States Capitol complex, have dealt with the brunt of these impacts. We again ask the Mayor to implement a coordinated, multi-agency approach to address existing illegal commercial uses and to develop systematic policies and procedures to prevent future conversions of residentially zoned properties to prohibited, non-residential uses.

Adverse impacts caused by commercial use of residentially zoned properties include:

- 1) increased traffic, trash, illegal parking and loading, and noise from both daily operations and special events that draw large numbers of attendees;
- 2) increased risk of casualty for both occupants and neighboring residents due to the inappropriate commercial use of buildings that were constructed for residential use (i.e. no fire sprinklers, no monitored fire alarm system, higher occupant load than that for which egress was designed, higher structural load than that for which structure was designed and electrical systems not designed for commercial electrical loads);
- 3) damage to neighborhood cohesiveness and community by replacing residential occupants with nonresidential, part-time users who don't engage in residential neighborhood life and community interaction; and
- 4) financial burden to the District and its taxpayers for providing trash and recycling pickup from commercial activities that are not eligible for District government provided residential waste collection; and



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- 5) deprivation of real estate tax revenue the District is entitled to receive due to misclassification of commercial uses as residential and the difference between the residential and commercial tax rates.
- 6) reduced housing availability and affordability caused by a reduction in the supply of buildings available for residential use and price escalation caused by commercial demand for residential buildings.

The Department of Buildings ("DOB") is the lead agency tasked with enforcing the Zoning Regulations and Construction Codes. While DOB has acknowledged the problem, the agency seems to lack the capacity to address it².

Following its own neighbor meetings and securing additional neighbor impact assessments during summer 2023, ANC 6B agrees with the assessment of the situation by ANC 6C, and it joins ANC 6C in its belief that the following immediate changes are necessary to address the non-residential use of residentially zoned properties and requests their immediate implementation, as parts of a comprehensive, multi-agency approach to resolve the problem:

1) Department of Buildings:

- 1) Investigate Capitol Hill properties, starting with those previously provided to DOB, for violations of the Zoning Regulations regarding allowable use. Revoke the certificate of occupancy for any unpermitted, non-residential use identified in a residential zone. Order the immediate closure of any non-residential use that lacks the required certificate of occupancy.
- 2) Evaluate properties being investigated for use violations, also for construction code deficiencies that could impact life safety both for users as well as for adjoining properties. Order premises operating in violation of the construction codes closed until deficiencies are permitted, inspected and corrected.
- 3) Prevent the future conversion of existing residentially-zoned properties to non-residential uses by consistently evaluating all building permit applications for appropriate occupancy classification and conformance with the allowable uses for the zone. Train plan review staff at DOB to review permit applications for work inconsistent with residential use in the residential zones and implement internal quality control procedures to ensure that illegal conversions of residential properties are not approved in error.

2) Office of Unified Communications ("OUC"):

- 1) Modify the <u>311.dc.gov</u> website and 311 mobile app to provide a trackable means for citizens to report zoning violations, including the illegal use of a residential property for a nonresidential use.
- 2) Forward reports of properties that are misclassified as residential uses to the Office of Tax and Revenue for re-classification.
- 3) Provide an online dashboard that allows citizens to search for zoning and tax classification complaints and to track their resolution.
- 3) Department of Licensing and Consumer Protection ("DLCP"):
 - 1) Verify all non-person permit applicants are entitled to do business in the District of Columbia by confirming possession of a current corporate registration and basic business



license.

2) Require that all real estate sales transactions involving residentially-zoned property in the Capitol Hill Historic District and Capitol Interest Overlay Zone include a disclosure at settlement highlighting the allowable uses in the appropriate residential zone.

4) Office of Tax and Revenue ("OTR"):

- 1) Coordinate with OUC and DOB to re-classify properties being used for non-residential purposes to reflect their actual tax classification and reassess those properties to reflect their actual value based on their commercial use.
- 2) Coordinate with DOB inspections to verify occupancy for residentially zoned properties. Reclassify any residential properties found to be unoccupied as vacant and tax at the vacant property tax rate.

We hope that after 38 years of inaction, this letter will prompt the District to finally address the long standing concerns of Capitol Hill residents regarding the illegal conversion of our residential neighborhood to a locus for lobbyists, non-profits and companies seeking to influence Congress.

Please acknowledge receipt of this letter and provide a response outlining concrete, measurable actions that the District will take to address the issue within the next 60 days. We look forward working with your office to address the community's valid concerns. The ANC will continue to track this issue and highlight progress, or lack thereof, at the upcoming agency oversight hearings in early 2024.

Sincerely,

Edward Ryder, 2023 Chair

ANC 6B

CC:

Ward 6 Councilmember Charles Allen

Ward 4 Councilmember Janeese Lewis George, Chair, Committee on Facilities and Family Services

Commissioner Frank Avery, ANC 6B01

Commissioner Gerald 'Jerry' Sroufe, ANC 6B02

Commissioner Mark Eckenwiler, Chair, ANC 6C

Commissioner Joel Kelty, ANC 6C05

Director Brian Hanlon, Department of Buildings

Director Tiffany Crowe, Department of Licensing & Consumer Protection

Director Sara Bardin, Office of Zoning

Administrator Kathleen Beeton, Department of Buildings Office of Zoning Administration

Glen Lee, Chief Financial Officer

Director Heather McGaffin, Office of Unified Communications



 $^{1}\,\underline{\text{https://rollcall.com/2019/10/02/there-goes-the-neighborhood-to-lobbyists-and-fundraisers/_and}$ https://capitolhillcorner.org/2023/09/27/se-residents-cite-22-corporate-residential-properties-near-u-s-capitol/ and https://capitolhillcorner.org/2023/07/11/illegal-use-of-residential-properties-for-commercial-purposes-continues-to-plaguecapitol hill/ and

https://www.washingtonpost.com/archive/realestate/1985/09/28/dc-businesses-renting-illegal-office-space-in residentialbuildings/aa03aa28-65be-430d-b28a-8690924b4381/

https://capitolhillcorner.org/2023/10/25/obnoxious-dob-acting-director-calls-out-commercial-use-of-

residential-property/