



November 13, 2020

Mr. Anthony Hood, Chairman
DC Zoning Commission
Submitted via www.dcoz.gov

RE: Support for Expanded Inclusionary Zoning, Zoning Case No. 20-02

Please accept this letter on behalf of the Coalition for Smarter Growth (CSG). The Coalition for Smarter Growth is the leading organization working in the Washington, D.C. metropolitan region dedicated to making the case for smart growth. Our mission is to promote walkable, inclusive, and transit-oriented communities, and the land use and transportation policies and investments needed to make those communities flourish.

Thank you to the Office of Planning and Zoning Commission for taking up this proposal. We want to express our enthusiastic support for this proposal. We have joined with our partners in the DC Housing Priorities Coalition to support an updated Comprehensive Plan that expands affordable housing opportunities, and their equitable distribution, and the increased housing capacity in the proposed Future Land Use Map. The increased housing capacity in the FLUM creates the potential for significant value for landowners and should be complemented by the Expanded IZ proposal.

By providing lower priced housing opportunities across the city, the existing IZ regulations and program have contributed toward addressing a legacy of redlining, racial segregation and other discriminatory practices that have led to today's disparities in wealth, health and housing security for so many Black and Latinx households.

Now is the time to pursue bold new measures to foster more affordable housing throughout the city. This is especially true for exclusive neighborhoods that are too expensive for many DC residents to afford. Given IZ's success and DC's great need, we welcome the expansion of IZ through the rezoning process.

We support the proposed text changes that in the case of a zoning map amendment that increases allowable FAR, an IZ+ set aside up to 20% FAR would be required. Further, we support:

- A set aside starting at 14% for IZ+ for buildings up to 85 feet in height for non-Type I construction
- The square footage of the IZ+ units can be reduced by 20% in return for:
 - Offering all IZ ownership units as affordable at 60% MFI
 - Offering all IZ units affordable at 50% MFI
 - Offering half of the IZ units as 3-bedroom units or larger
- Applicability of IZ+ to certain exempted zones (including downtown (D) zones)
- IZ+ for conversion of non-residential to residential use.

Page Two – CSG Support for Case No. 20-04

Economic feasibility: Like our partners, Enterprise Community Partners and Somerset Development Company, who develop housing, we believe that OP's feasibility assessment and increased FAR in exchange for more affordable units strikes the right balance. The goal should be to get as much affordability that we can without severely undermining the incentive to pursue a rezoning and build more housing. We know that the financing requirements of housing projects will be different depending on a variety of factors including the type of equity investor. We also know that not all housing project types and investors will fit the IZ+ model. However, we should move forward with this much-needed initiative and monitor how the requirement is received.

Value recapture: Expanded IZ is a public value recapture mechanism for the increased density and value that will be created by rezonings. Given that the District is considering creating new housing capacity in the Future Land Use Map (FLUM), it's good timing to ensure public value recapture, as more rezonings will be facilitated by the amended FLUM.

In addition to our support for pursuing Expanded IZ as a tool in rezonings, we wish to request assessment of another option to use zoning to spur more affordable housing construction. We request a new option that provides PUD-level density of a zone as a matter-of-right for a qualified affordable housing project. The affordability set side could be 20 percent or more of FAR serving households at or below 60 percent MFI. The affordability term should be the life of the development. A tool like this is needed to advantage affordable housing developers who cannot tolerate the risk in delay, costs, and litigation currently associated with PUDs, and to a lesser extent, rezonings.

We need every tool to address the affordable housing crisis and provide quality housing affordable to low-income DC residents. We need Expanded IZ, an additional matter-of-right affordable housing development tool. We also need greatly increased funding to subsidize critically important programs like Housing Production Trust Fund and Local Rent Supplement Program.

Thank you for your consideration.

Sincerely,



Cheryl Cort
Policy Director