



National Capital Area Chapter American Planning Association

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July 21, 2005
PO Box 508
Washington, DC 20044-0508

Chairman Carol Mitten
DC Zoning Commission
444 4th Street, NW
Suite 210 South
Washington, DC 2002

Dear Chairman Mitten:

Attached are 20 copies of the comments of the National Capital Area Chapter (NCAC) of the American Planning Commission concerning Case No. 04-33 (Text Amendments to Require the Provision of Affordable Housing-Inclusionary Zoning).

Our testimony will be presented by either Randy Gross who is an elected Member-at-Large on our NCAC Board, or by Lee Schoenecker who is the elected NCAC Board Vice-President for Legislation.

If you have any questions, please feel free to contact Mr. Schoenecker. His e-mail address is leeschoenecker@aol.com. His telephone number is: (202) 686-8864.

Sincerely,

Judy Daniel, President
National Capital Area Chapter
American Planning Association

~~ZONING COMMISSION~~
~~District of Columbia~~

~~CASE NO.~~ 04-33
~~EXHIBIT NO.~~ 32

ZONING COMMISSION
District of Columbia
CASE NO.04-33
EXHIBIT NO.32

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July 21, 2005

**COMMENTS OF THE
NATIONAL CAPITAL AREA CHAPTER
OF THE
AMERICAN PLANNING ASSOCIATION
REGARDING TEXT ADMENDMENTS TO REQUIRE
THE PROVISION OF AFFORDABLE HOUSING—
INCLUSIONARY ZONING**

CASE NO. 04-33

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July 21, 2005

**REVIEW OF PROPOSALS FOR MANDATORY INCLUSIONARY ZONING
BEFORE THE DC ZONING COMMISSION: COMMENTS OF THE NATIONAL
CAPITAL AREA CHAPTER OF THE AMERICAN PLANNING ASSOCIATION**

Madam Chair, Members of the Commission:

The American Planning Association (APA) consists of over 35,000 planners on a nationwide basis and it is geographically divided into 46 Chapters covering the entire country. The National Capital Area Chapter of the APA, which I represent here today, consists of some 600 members covering the District of Columbia as well as Montgomery and Prince Georges' counties in Maryland. Also, APA members in Northern Virginia who wish to join our Chapter can do so and about 100 of our members come from Northern Virginia.

There are two proposals before you for mandatory inclusionary zoning; one from the petitioner, The Campaign for Mandatory Inclusionary Zoning (CMIZ), and one from the District of Columbia's Office of Planning (OP). In many respects the two proposals are very similar, but there are differences. Our Board reviewed, in some detail, both draft proposals at our July 12 meeting. At that meeting, we voted to endorse the majority of the testimony below. Subsequent to our July 12 meeting, after we had secured the necessary information, we endorsed all of the testimony below by e-mail.

Mandatory Inclusionary Zoning: We strongly endorse the concept of mandatory inclusionary zoning starting at ten units as proposed by both the petitioner and the Office of Planning. The concept of inclusionary zoning started in the 1970's, including a well-known program in Montgomery County, Maryland. Since that time and per a 2004 publication of the Urban Land Institute, *Inclusionary Zoning for Affordable Housing*, some 350 to 400 communities across the country have adopted some type of inclusionary zoning provisions in new residential developments. And in recent years, as central cities such as Boston, Denver, and San Diego experienced increased market rate residential development, they too have adopted inclusionary zoning. One thing that has become quite clear over the last 15-20 years is that, with limited

exceptions, voluntary inclusionary zoning programs do not work. They either have failed or have been converted to mandatory programs.

Incentives Including Bonuses: Incentives typically are in the form of building bonuses to developers, and again this is the case with the proposals of both the CMIZ and the OP. And we certainly agree with the same. Nationwide, it is generally quite difficult to operate inclusionary programs, county-wide or city-wide, without financial bonuses. However, there are other incentives that have been used quite frequently across the country such as expedited review, impact fee reduction or waiver, tax abatement, and appropriate standards reduction. Once the overlay zones have been established, the Commission may want to visit these zones to determine if financial bonuses and other incentives may be used in possibly different ways to meet the varying needs of these overlay districts.

How to Calculate the Affordable Housing Set-Asides: The CMIZ basically calculates the building bonus as a straight-forward percentage of the building, including both the matter of right FAR and the square footage under the bonus space. The OP, on the other hand, recommends bonus calculations based on a proportion of affordable to market housing in the bonus space. In addition, however, to provide a minimum of affordable housing in low density residential and commercial zones where bonuses are provided, the OP requires that at least ten percent of the building's matter of right FAR be in affordable housing. For buildings in higher density residential zones and in commercial zones where bonuses are provided, the OP requires that at least eight percent of the building's matter of right FAR be in affordable housing.

Our discussions with those familiar with inclusionary zoning indicates the most standard way of determining affordable housing set asides is pretty much a straight-forward calculation, against both the matter of right and the bonus space. Our preference would be for the relative simplicity of this approach, provided it is economically feasible and can be administered in a flexible manner where unique circumstances arise. In this latter regard it may well be that in certain cases or geographic areas, a combination of the CMIZ and OP approaches may be needed.

Downtown Development District: We recognize the boundaries for geographic inclusionary zoning will be dealt with at a later date. However, we would simply point out that, if the established Downtown Development District does eventually become subject to inclusionary zoning and affordable housing, then the incentives and program requirements for this geographic

area may be somewhat different than for the other geographic areas subject to inclusionary zoning. Thus, before the Zoning Commission firms up inclusionary zoning incentives and requirements for overlay districts, including possibly that for the Downtown Development District, the Commission may well want to give particular program attention to unique character and needs of the Downtown Development District.

Organizational and Administrative Needs: We recognize that the particulars of organizational and administrative needs to make inclusionary zoning work are not part of this hearing. We are also aware that the Office of Planning has been working with the District Council in developing the necessary legislation for these matters. Again, the National Capital Area Chapter of the American Planning Association believes strongly in a mandatory inclusionary zoning program. Yet, at the same time, in our July 12 Board deliberations and in follow on e-mail exchanges we were also highly mindful that the key to making this program work was an adequately organized, well-staffed, flexible, and efficient program across several District of Columbia agencies.

This concludes our testimony. If you have any questions, I would be glad to answer them if possible, or if desired, we can attempt to provide further information which you might want.