

GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF PLANNING



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OFFICE OF THE DIRECTOR

MEMORANDUM

TO: DC Zoning Commission

FROM: *AS for*
Ellen McCarthy

DATE November 2, 2006

SUBJECT: Geographic Application of Inclusionary Zoning Supplemental Report *04-33A*

ZONING COMMISSION
District of Columbia

CASE NO.

04-33A

EXHIBIT NO.

81

I. INTRODUCTION

This memo responds to issues raised during testimony on where in the District of Columbia Inclusionary Zoning (IZ) should apply. Specifically the Zoning Commission asked the Office of Planning to investigate the following topics

- Possible application of IZ to the R-2 zone district
- Best Practices of IZ in historic districts
- Estimate of IZ production in historic districts
- Combined Lot allocation of density in the capitol gateway (CG)

A. Summary

- 1) OP believes expansion of IZ to the R-2 zone category is appropriate and OP will undertake to set down an expansion along with other modifications of the text
- 2) OP found that most jurisdictions do not give blanket exclusions to historic districts from IZ requirements and bonuses
- 3) OP estimates the production of affordable units in historic districts will range on average between 15 and 40 units per year
- 4) The combined lot provisions of the Capital Gateway (CG) requires further study

B. Background

On October 5, 2006 and October 19, 2006 the DC Zoning Commission held public hearings on where to apply Inclusionary Zoning requirements. The two hearings were divided into non-historic

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districts and historic districts respectively. Testimony was received from advocates, residents, architects, developers, and other development professionals.

II. EXPANSION TO THE R-Z ZONE CATEGORY

Per the request of the Zoning Commission this section discusses the possibilities of expanding IZ to the R-2 zoning category. This section discusses the relevant text in the Comprehensive Plan, the Zoning Regulations, provides examples from other IZ programs and introduces how it might be applied in the District.

A. Comprehensive Plan

The R-2 zoning category is characterized as a low density residential land-use. The Comprehensive Plan defines the low density residential land use as below:

1103.1 The low density residential land use category includes single-family detached and semidetached housing as the predominant uses.

Other relevant language found in the current Comprehensive Plan includes § 1104.1 (b):

1104.1 The policies established in support of the residential neighborhoods objectives are as follows:

(b) Conserve and maintain the District's sound, established neighborhoods through the strict application and enforcement of housing, building, and zoning codes and the maintenance of the general level of existing residential uses, densities, and heights,

This clearly suggests that if IZ is to be applied in the R-2 District, IZ must comply with § 1104.1 (b). As proof of this, OP analyzed how lots permitted under IZ might be similar to the "general level of existing residential uses, densities, and heights" permitted under current R-2 zoning (see Section II D of this report).

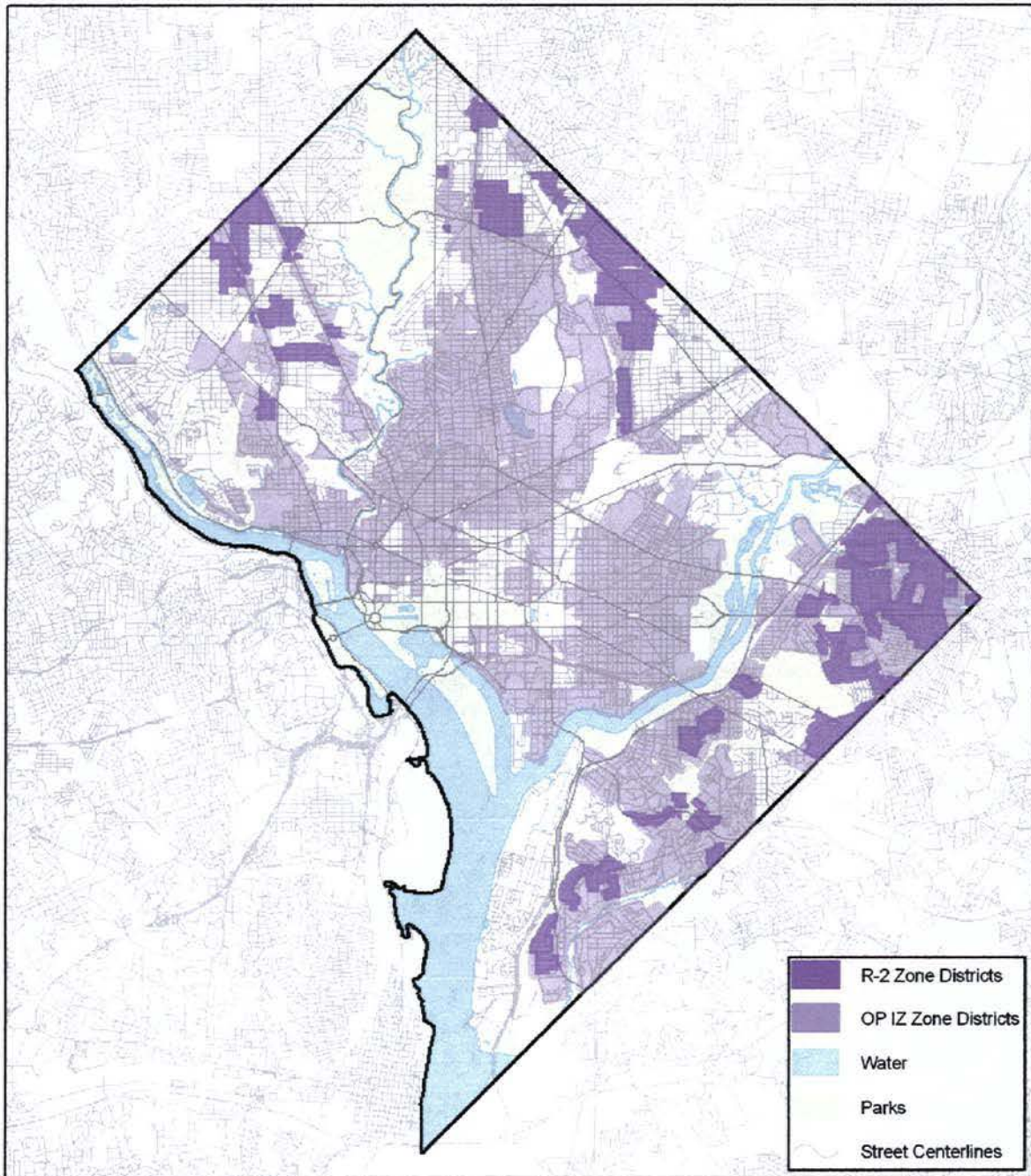
B. Zoning Regulations

The R-2 zone category permits matter-of-right development of single-family residential uses for detached and semi-detached structures, with a minimum lot width of 40 feet and lot area of 4,000 square feet for detached structures, and 30 feet and 3,000 square feet for semi-detached structures, a maximum lot occupancy of 60% for church and public school use and 40% for all other structures, and a maximum height of three (3) stories/forty (40) feet. It is mapped in a variety of outlying neighborhoods of the District (See Map 1). It equals 7.5% of the District, however the land use studies undertaken by OP for the Comprehensive Plan suggest it contains 5.4% of the District's developable land.

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Map 1. R-2 Zone Districts.

Specifically, the zoning regulations define the R-2 as follows:

- 301.1 The R-2 District consists of those areas that have been developed with one-family, semidetached dwellings, and is designed to protect them from invasion by denser types of residential development. It shall be expected that these areas will continue to contain some small one-family detached dwellings.

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The zoning regulations suggest that the long term prevalent form of the R-2 zone category is semi-detached or duplex type housing units.

C. IZ in Single-Family Detached & Semi-Detached Zones

Inclusionary Zoning often works best in a zoning category that permits both detached and semi-detached housing. A common example is a development of all single-family detached units where the affordable units are a duplex, designed from the outside to be virtually identical to the detached units. This way the affordable units are often indistinguishable from the market rate units and don't change the visual character of the neighborhood. The images below, while suburban in design, are examples of the affordable units can be designed to match the market rate units.



Image 1. IZ Duplexes in Fairfax, VA

Image 1 is in Fairfax, Virginia and shows of how suburban style duplexes can be designed to look similar to single family homes.



Image 2. IZ Duplexes in Potomac, MD
Source: Innovative Housing Institute.

Image 2 is an example of a duplex structure made to look like a single family home by shifting the entrance to the second unit around the side of the building.

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Image 3. Examples of Existing Lots Similar to IZ Lots (12th St, NE & Ingomar Place, NW).

D. IZ APPLICATION IN THE R-2 ZONE DISTRICT

The R-2 does pose some challenges in how to accommodate the bonus density. Unlike most other zoning categories, the R-2 has minimum lot sizes for two different building types. This will require more specific regulations to tailor IZ and accommodate the intent of the developer. A straight forward approach would be to adjust lot sizes to those below.

	Existing Zoning		Sample IZ Zoning		Minimum Project
	<u>Width</u>	<u>Lot Area</u>	<u>Width</u>	<u>Lot Area</u>	<u>Size</u>
SF Semi-Detached	30 feet	3,000 sf	25 feet	2,500 sf	30,000 sf
SF Detached	40 feet	4,000 sf	33 feet	3,300 sf	40,000 sf

OP has not yet developed illustrations of how these reductions in lot sizes would look, but did identify existing lots with similar lot sizes (Image 3). Examples of existing semi-detached lot sizes similar to those permitted by IZ are perhaps even more common than demonstrated for the R-3 and R-4 zone districts, but they are more geographically concentrated in certain parts of the District. While there are R-2 lot sizes similar to what IZ would permit west of Rock Creek Park, the majority are concentrated elsewhere in the City such as Brightwood Park and Queens Chapel neighborhoods.

Many of these neighborhoods were developed in International Style during the District's population boom in the 1950's. In fact many of the lots developed in those neighborhoods are smaller in area than what the basic IZ lot reductions would permit.

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Another direction IZ might follow in an R-2 development might be to require a developer who proposed to build ten or more single-family lots (each forty feet wide and 4,000 square feet in lot area) to use two of the ten lots for semi detached units with minimum lot sizes twenty feet wide and 2,000 square feet in area. Three of the four units would be affordable. In this case, because the market rate units would be single family detached and IZ units would semi-detached. The IZ units would have look like single family homes. This would result in eight market rate single family houses on 4,000 square feet lots, one market rate semi-detached house on a 2,000 square foot lot and 3 IZ semi-detached housing on 2,000 square foot lots. This would look something like the illustration in Image 4 below, which shows a duplex unit designed to look like a single-family home.



Image 4. Warren Place, NW (Note: Site Conforms with Existing R-2 Regulations).

It is important to note the R-2 zone district is intended to be a mixture of detached and semi-detached units, therefore the application of the IZ standards would be compatible with the zone and the Comprehensive Plan.

III. IZ INTERACTION WITH HISTORIC DISTRICTS

OP reaffirms the position that historic districts should not be automatically excluded from IZ requirements unless there is significant evidence that the bonus density could not be achieved due to incompatibility with historic neighborhood form. OP arrived at this conclusion for the reasons below.

- Equity across property owners and neighborhoods.
- Bonus is achievable through the standard design review process of working with the Historic Preservation staff and the Historic Preservation Review Board.
- Neighborhood diversity is a citywide goal and is just as important in historic districts as non-historic districts. The high land costs in many historic districts make affordable units through direct financial assistance unlikely.
- Several neighborhoods could see significant IZ production such as Shaw, Anacostia and others.

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- Exclusion of historic district from IZ requirements could potentially put greater development pressures on historic districts as developers might seek to avoid IZ
- Exclusion from IZ requirements could create the perception that of HD as exclusionary tool
- Right now historic districts represent a relatively small percentage of land and capacity, however several district expansions and new historic districts are currently under review. If historic districts are exempted those new historic neighborhoods could significantly reduce IZ development potential

A. Best Practices

Cambridge, Massachusetts was the only jurisdiction that OP was able to contact that had both significant historic districts and bonus density granted as part of IZ

1) Cambridge, MA

Cambridge has an IZ program similar to DC's. Their affordability requirements are half of a 30% bonus density with no automatic exclusion of historic districts. They have developed around 400 affordable units over the past six years of the program. While Cambridge has no exemption for historic districts, there is also no development capacity in the historic districts. So they have not had a case of the bonus density being incompatible with the historic neighborhood form. However, Cambridge's example also provides evidence that the IZ bonus will not cause the development community to purchase viable market rate homes in a built out neighborhood just to add 20% bonus density, of which 75% would have to be affordable.

B. IZ Production in Historic Districts

OP estimates that annual production of affordable IZ units in historic districts will average between 15 and 40 units per year. It is likely that production will center toward the lower edge of this range. OP used a range over the long term due to several factors including

- The continued strong demand for market rate housing in historic districts,
- Behavior patterns of developers in assembling land, and
- Overall probability of IZ development (10 or more unit projects) in historic districts

OP used the growth forecasts by Traffic Analysis Zones first presented in OP's report dated June 30, 2006 and reprinted in the September 25, 2006 report. Total growth in IZ applicable areas over the next 20 years totals just under 41,600 units, for an annual average of 2,080 units. OP then calculated how much of this forecasted growth will occur in historic districts. While historic districts represent 19% of IZ applicable zones development capacity, they are limited to about 7% of future growth. Table 1 shows how these percentages were used to calculate the possible range of IZ units.

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Total Potential Development Over 20 Years = 41,600 Units				
	Methodolgy A		Methodolgy B	
	%	Units	%	Units
Percent IZ Development Historic (A)	7.0%	2,912		
Percent IZ Land Area Historic (B)			19.0%	7,904
Average Percent Affordable		291	10.0%	790
Annual Production Affordable Units		15		40

Table 1. Estimate of Annual Affordable IZ Units in Historic Districts

OP expects total growth in historic districts to be limited for several reasons:

- General lack of vacant land relative to other areas of the city,
- A greater percentage of projects will be infill with fewer than 10 units.

Most of the growth in historic districts will be concentrated in a few neighborhoods including: Shaw, Eckington, LeDroit Park, and Anacostia. In these neighborhoods IZ could be very productive. In addition, new neighborhood sites such as St Elizabeth's and McMillan Reservoir that are historic as well, are other areas where IZ can apply with the proper zoning in concert with their historic assets.

IV. IZ & COMBINED LOT IN THE CAPITOL GATEWAY (CG)

Testimony during the hearings regarding the complexities of the combined lot provisions of the CG overlay and how they would interact with the IZ requirements and bonuses requires further study. The Office of Planning will provide the Zoning Commission with analysis on this issue in another supplemental report.