



December 9, 2013

Mr. Anthony Hood
Chair, DC Zoning Commission
441 4th Street, NW, Suite 200S
Washington DC 20001
Via: zcsubmissions@dc.gov

Regarding: Support for Zoning Commission Case No. 08-06A Subtitle C –
reforming parking requirements

Dear Chairman Hood:

I am writing to you to submit as testimony my strong support for eliminating or significantly reducing the requirement for parking for multifamily apartment communities in the District, particularly for affordable housing.

Through my company, Somerset Development Company, LLC based in DC, I have been involved in the development and operation of affordable housing in the District for over thirteen years; and I have been involved in the planning, development and financing of affordable housing for over thirty-five years. Somerset owns and operates nine affordable housing properties in the District with 960 units. We are currently undertaking a new construction affordable housing development in the District. Current zoning requirements for parking could have a severely negative impact on the viability of that affordable housing.

There are two compelling reasons for eliminating or significantly reducing the parking requirement. One, the cost to provide it in DC places a severe burden on the financing for affordable housing, making proposed projects either infeasible or driving up the amount of scarce public subsidy that is required to fill the financing gap. And two, the demand for parking by apartment renters is below current zoning requirements (forcing apartment developers to build at substantial expense more parking than they need). The demand for parking by affordable housing renters is substantially below current zoning requirements.

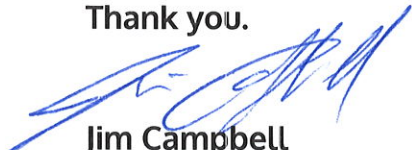
As I am sure you are aware, in most locations in DC the cost of land and or the limitations of the site require that new residential development place their parking in below-grade structures. The average hard construction cost for below grade parking ranges from \$40,000 per space to \$50,000 per space. The preliminary construction estimate by Clark Construction for the below-grade parking at our new affordable housing project currently under planning in Northwest DC is \$41,000. If any engineering or subsurface conditions require that we go more than one floor below grade the cost will go up. Adding in other related costs (design, engineering, financing, interest, etc.), the total cost of each parking space will approach \$50,000 per space. If the zoning requirement is one space per two units, that means that each affordable housing home has a \$25,000 cost imposed upon it before any actual residential construction.

Every affordable housing unit in the District already generates a funding gap before any parking costs – i.e. its total costs exceed the financing that can be obtained through supportable debt and equity from Low Income Housing Tax Credits. Therefore, adding this substantial additional cost only makes the project infeasible or requires the District to pay the additional subsidy necessary to build the parking. In essence, DC's scarce public resources for affordable housing must be used to pay for parking as opposed to paying for more shelter for more families in need.

Demand for parking at our current affordable housing properties in the District is well below current zoning standards and below the number of spaces actually available. At our three affordable, non-Section 8 properties in NW, only approximately 33% of the households register for a parking space, with additional spaces unused, despite the fact that the spaces are at no cost or low cost. At our four affordable, Section 8 properties in NW less than 25% of the residents register for a space, with additional spaces unused, despite zero cost. With no or little charge for the spaces, we still do not fully utilize spaces available

Accordingly, I strongly urge the Commission to eliminate or substantially reduce the requirement for parking for multifamily residential development in the District.

Thank you.



Jim Campbell
Principal