

Oppose Case 14-11

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I am opposed to down zoning R-4 neighborhoods in case 14-11 and will detail the reasoning for my opposition below

- 1 This regulation as a whole ignores the law of supply and demand If demand is rising and supply is not able to increase at the same rate, prices for housing will rise
- 2 This regulation targets small developers in such away that will put companies out of business Taking away matter of right conversions entirely takes thousands of properties out of the market for conversions The supply of properties available to convert to apartments will fall by such drastic measure that the remaining properties that can be converted will rise in price due to the demand by developers looking to build new apartments Many of the small companies will no longer be able to do business in DC
- 3 As the remaining properties available to convert falls and demand for apartments in DC continues to rise with influx of new residents wanting to live in the city, these apartments will cost more to rent Not to mention that the acquisition costs for these properties will rise and require a higher price tag for the developer to make any return on investment after risking hundreds of thousands of dollars and often one to two years' worth of time to deliver a quality product
4. If apartments being developed cannot meet the demand and rent prices continue to rise, young people will live in cheaper areas like NVA and Silver Spring to commute into work. They will eventually plant their roots most likely outside the city, and DC will never receive the income taxes they would have paid for not living inside city limits
- 5 Existing R-4 property owners will lose at minimum 100-200k dollars' worth of value to their property. When a developer can no longer convert a property to an apartment building or increase the livable square footage of a property, the revenue available on the transaction will drop and there will be less people willing to purchase the property Many individuals who are elderly and will eventually need to downsize for health reason financed by selling their home, are not aware of this issue They were not represented at the hearings and are a key demographic effected by this regulation
- 6 Many of those in favor of the new regulation are comfortably able to afford to live in their neighborhood That said they could not afford to purchase in their neighborhood today Although they claim they are for affordable housing, they are hypocritical in wanting it to be anywhere but their own neighborhood Some live in houses they bought for less than 100k that are now worth more than 1m
- 7 My partners and I purchased a R-4 property in 2008 and have held it through the turmoil of 2008 that hit the real estate market Despite the tightening of credit and substantial personal cost, we have maintained the property in hopes to convert it to an apartment building in the future This regulation would wipe out all the money and time we have invested over the past 6-7 years by not allowing us to recoup those costs through the conversion We have been looking to acquire other properties and have decided not to offer due to this pending legislation

ZONING COMMISSION
District of Columbia

CASE NO. 14-11
EXHIBIT NO. 156

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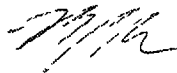
ZONING COMMISSION
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- 8 This regulation will reduce the ability for neighborhoods to be revitalized in many parts of the city. Areas that are often plagued with crime and lacking amenities will continue to lag behind without developers willing to take the substantial risk to invest in those communities. Logan circle is a prime example of a community that was dramatically improved by developers and turned into a prime part of the city. Without that investment by private individuals, it would likely still be plagued with prostitution and drug dealing today.
- 9 This regulation wants the 'look' or 'character' of a neighborhood to stay intact. This is completely subjective and will not allow for any innovation available through modern architecture. Often maintaining parts of a poorly built single family house to keep the character in tact makes the new property less energy efficient and more expensive to build. Not to mention there are some neighborhoods that are currently ugly by many people's standards. There are many classic brick row homes that most would say are beautiful and able to be maintained. There are also many that have fallen into such disrepair that they have huge cracks running up and down the building. There are other single family homes sided with asbestos and wrapped in outdated aluminum siding. Who determines if these should be maintained for character purposes or demolished and rebuilt as something new and innovative?
- 10 BZA and neighborhood input leads to years of delays in an already long process. Small developers stay within matter of right to avoid these costly and sometimes catastrophic delays. I've seen one such delay in my neighborhood that is going on 5 years of delays where nothing can be built. Many including myself would go bankrupt carrying the costs of often high interest loans used to obtain these properties.
- 11 Many of these rules essentially are trying to make R-4 historic. The proponents claim they want affordable housing, but ignore that historic parts of the city are not affordable. Capitol Hill and Georgetown are some of the most expensive places to live in the city. Call a spade a spade, they really want to control what they see in their neighborhood without having to spend the money to actually own the property and the associated property rights that come with it. They could care less about affordable housing or the fact that they are taking huge sums of money from their neighbors, potentially bankrupting small developers who own these buildings currently, taking work away from small contractors, and chasing tax revenue out of the District. All want change as long as they don't have to look at it.
- 12 This regulation limits pop ups except in the case of the new construction developments like those of EYA. It essentially says the big money developers are exempt, but small developers get caught under this rule. The family that owns an R-4 house that wants to raise the height of their home to add another bedroom or two for children or otherwise is also no longer allowed to do so. Essentially the proponents are saying 'Sorry you can no longer accommodate your family in your house, but rather than have me having to look at your addition you should just move.'
- 13 Zoning regulations are already confusing and cumbersome to deal with as they stand. Often requiring developers to pay a fee and schedule a meeting with zoning months in advance to determine what they are allowed to do. This often requires that they purchase a property one a guess of what they can actually turn it into, and then find out months later if they were right or wrong. This even requires engaging an architect to draw what you propose beforehand and then the outcome could be that everything has to be changed and go back to the drawing board. Then drawings, permit applications, back and forth with DCRA for 6-12 months, all while paying interest, then hiring contractors, dealing with delays and numerous issues that come up.

along the way This all to maybe make a profit in two years if they are lucky Allowing the city to come in at their leisure to change the rules at random will and should send chills down the spine of any likely investor in the city Without certainty that the rules will be enforced consistently, and the threat of having the rug ripped out from them in the middle of the process

- 14 Last and final note Property rights are fundamental to this country and with them come the rights of use and disposal This regulation is taking away those rights As a property owner I am directly affected by this and concerned when else it will be politically convenient for this city to sacrifice my rights for the appeasement of a group of disgruntled constituents

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Grace', with a stylized flourish at the end.

Matthew J Grace

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