

January 9, 2015

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VIA HAND DELIVERY

Chairman Anthony Hood
District of Columbia Zoning Commission
441 4th St NW, Suite 2105
Washington, DC 20001

Re: ZC case No 14 – 11 – Response to Proposed Text Amendment Application

Dear Chairman Hood and Members of the Commission:

This letter is in response to the Office of Planning's proposed amendments to the Zoning Regulations regarding development in the R-4 Zoning District and the four alternatives enumerated in a Public Hearing Notice for Zoning Commission Case Number 14 – 11. This letter is being submitted by Capital City Real Estate (CCRE). We are a local residential development company that has been operating in the District since 2008 and have participated in over 30 conversions of R-4 properties to multi-family buildings, both as a matter-of-right and through approval from the board of zoning adjustment.

While a lot of the focus recently has been on the visual impact of development in the R-4 Zoning District, our focus has been to always develop properties in a way such that they fit in well with the surrounding buildings and neighborhood from an architectural and design standpoint. We don't believe that the proposals will effectively address concerns of visual impact voiced by residents, many of which are not even in the R-4 Zoning District, but will instead have a negative impact on the positive results of conversions in R-4 Zoning Districts that we will outline below.

Office of Planning Proposal – Eliminate the Matter-of-Right Conversion of Buildings or Other Structures Existing Before May 12, 1958 to an Apartment House, Reduction in Permitted Matter-of-Right Building Height and Penthouse Height, amend Definition of Mezzanine

The majority of the 30+ development projects in the R-4 Zoning District that we have participated in have been converted into 4 units or less. The average size of these units has been 1,200 – 1,500 square feet, consisting of 2-3 bedroom units. The majority of our projects have been supported by the local ANC's and surrounding property owners.

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The current development potential in the R-4 Zoning District has given us the ability to renovate distressed row homes and properties that might not otherwise be improved. It has allowed us to be the catalyst on many streets and neighborhoods throughout the District to spark development and improvement of that area. It has allowed us to provide quality homes at a lower price point and thus keep the housing more affordable in these districts where the price of a row home is rising out of reach of much of the growing population.

We believe on a whole that the conversions that have occurred in the R-4 Zoning District have had a positive impact for the residential neighborhoods in which this zoning district applies and for the District in general. We believe that through responsible architecture and design, properties in the R-4 Zoning District can be converted within the current zoning guidelines that contribute in a positive way to the neighborhood and to the District as a whole. We believe that this proposal will have a negative impact on the ability to renovate distressed properties and adequately provide quality, affordable housing in the R-4 Zoning District.

Alternative 1 – Inclusionary Zoning

While we have participated in over 30+ development projects in R-4 Zoning Districts, we have also participated in numerous other projects in other zoning districts of greater than 10 units, where Inclusionary Zoning (IZ) has applied. We have experience with IZ units and sold some of the first IZ units in the District. We understand the importance of affordable housing and how they fit into a development project. Having experience with all types of development projects and all types of zoning districts, we believe that the burden proposed here would be much higher than other zones (approximately 25% of the project compared to 8-10% in other zones). For the most part, this requirement of a conversion project would make it financially infeasible. We believe that this alternative will have a negative impact on the ability to renovate distressed properties and adequately provide quality, affordable housing in the R-4 Zoning District.

Alternative 2 – Permit Conversions of Non-Residential Structures as Special Exception with No Limit on Number of Units

Alternative 3 – Matter-of-Right Conversions of All Structures to Apartment Houses Subject to 900 SF of Land Area Per Dwelling Unit and Special Exception Relief from the 900 SF Requirement with a Limit of 4 Units

Alternative 4 - Matter-of-Right Conversions of All Structures to Apartment Houses Subject to 900 SF of Land Area and Special Exception Relief from the 900 SF Requirement with No Limit on the Number of Units

For all the reasons stated above, CCRE believes that conversion projects in the R-4 Zoning District have had a positive impact on the residential neighborhoods in which the zoning district applies and on the District as a whole and that all structures which meet the 900 sf of land area per dwelling should be allowed as matter-of-right. Therefore, we are not in agreement with Alternatives 2 and 3 and believe they would have a negative impact on the positive development of the R-4 Zoning District.

We are in support of Alternative 4. We agree that the special exception standard, rather than the variance standard, is the more appropriate avenue and will still allow the BZA to fully review the impact of the request on the neighborhood and the District as a whole.

Capital City Real Estate looks forward to the Public Hearing on January 15, 2015, and we look forward to providing more insight on our experience developing in the R-4 Zoning District and thoughts into the proposed regulations on future development in the R-4 Zoning District.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Zimmerman", with a long horizontal line extending to the right.

Scott Zimmerman
President

Capital City Real Estate