# Holland & Knight

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November 16, 2017

#### **VIA IZIS**

Zoning Commission of the District of Columbia 441 4<sup>th</sup> Street, NW, Suite 210 Washington, DC 20001

Re: Z.C. Case No. 17-10 Application for Consolidated Review and Approval
of a Planned Unit Development And Zoning Map Amendment
(Square 5196, Lots 19, 37, 805 and 814) / Inclusionary Zoning Exemption and
Affordable Housing Chart

Dear Members of the Commission:

We respectfully submit this updated inclusionary zoning ("IZ") information in support of the above-referenced application.

## **Inclusionary Zoning Requirements**

Pursuant to Subtitle C, Section 1003 of the Zoning Regulations, the PUD is required to set aside the greater of 8% of the gross floor area dedicated to residential use, including penthouse habitable space or 50% of its achievable bonus density to inclusionary units, plus an area equal to 8% of the penthouse habitable space. The inclusionary units are to be reserved for households earning equal to or less than 60% of the median family income ("MFI").

#### **Inclusionary Zoning Exemption**

The PUD includes 86 multifamily units, all of which will be reserved for households with incomes not exceeding 60% of the median family incomes. Of the 86 units, 28 will be replacement units for Lincoln Heights and Richardson Dwellings. The development of the project will be funded by the District's New Communities Initiative, tax exempt bonds and tax credit financing administered and monitored by the Department of Housing and Community Development, the DC Housing Financing Agency, and/or the DC Housing Authority.

In light of the foregoing, the PUD qualifies for an exemption from the IZ regulations under Subtitle C, Section 1001.6(a). Specifically, that section states that the IZ regulations do not apply to projects funded, administered and monitored as described above, provided:

(1) The development shall set aside, for so long as the project exists, the affordable dwelling units (Exempt Affordable Units) in accordance with the minimum income standards of Subtitle C, Section 1001.6(a)(2) and equal to at least the gross square footage that would have been otherwise required pursuant to the set-aside requirements in Subtitle C, Section 1003 for the zone in which the development is located.

For rental units, the Exempt Affordable Units shall be reserved for households not exceeding 60% MFI.

## Affordable Housing Chart

In light of the foregoing, the Applicant agrees to provide affordable housing in the PUD in accordance with the chart below.

Residential Unit Type	Floor Area/ % of Total*	Units	Income Type	Affordable Control Period	Affordable Unit Type	Notes
Total	76,888 / 100%	86	Up to 60% of MFI	Life of the Project	Rental	
Affordable Non-IZ**	6,151 / 8%^	7	Up to 60% of MFI	Life of the Project	Rental	Pursuant to Sec. 1001.6
Affordable Non-IZ / Replacement Units	18,862 / 25%	28	Up to 60% of MFI		Rental	Subject to HAP Contract with DCHA***
Affordable Non-IZ	58,026 / 68%	58	Up to 60% of MFI	Life of the Project	Rental	

<sup>\*</sup> Refers to the residential gross floor area, but the floor area may be adjusted, subtracting the building core factor.

<sup>\*\*</sup> If the IZ exemption is denied, these units will be Inclusionary Zoning units instead of Affordable Non-IZ units.

<sup>\*\*\*</sup> The HAP contract will determine the actual number of replacement unit and the control period for those units.

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Thank you for your considerate attention to this matter.

Sincerely,

Lecia / nthu4
Leila M. Jackson Batties, Esq.

Enclosures

Cc: Mr. Joel Lawson, Office of Planning (via email)

Ms. Karen Thomas, Office of Planning (via email)

Jacob D. Ritting, Esq., Office of the Attorney General (via email)