

MEMORANDUM

TO: District of Columbia Zoning Commission

JLS Jennifer Steingasser, Deputy Director, Development Review & Historic Preservation FROM:

DATE: September 17, 2019

SUBJECT: ZC Case 18-18 – Supplemental Report for a Proposed Zoning Text Amendment

to Subtitle K to Create the Northern Howard Road Zone – DHCD Responses to IZ

Waiver of Rules

The following report is being submitted less than 10 days prior to the Zoning Commission's Public Meeting. The Office of Planning (OP) respectfully requests that the Commission waive its rule and accept this report into the record.

DHCD Comments on IZ, and Special Exception Language

OP contacted the Department of Housing and Community Development (DHCD) to obtain their input on the quantity of IZ units proposed in the text amendment and their depth of affordability, as well as the flexibility proposed by one of the property owners, described in Exhibit 24.

IZ MFI Mix

On July 8, 2019 the Commission took proposed action on the text amendment to create the Northern Howard Road zone. At that time, OP had recommended that 15% of the residential gross floor area be set aside for IZ units, with a mix of 80% and 60% MFI units. After deliberation the Commission took proposed action to require a 12% set aside for IZ with a mix of 60% and 50% MFI units. DHCD's has indicated they prefer the 12% set aside with the 60% and 50% MFI mix, because of the high demand for 50% MFI units. Please refer to the attached email from DHCD.

Flexibility in IZ Timing

DHCD also commented about the property owner's comments regarding potential future flexibility in the timing and location of IZ units when they develop their project. DHCD would be opposed to any request for relief on timing or for relief on the geographic distribution of units. They indicated that the administration and enforcement of the resulting unit mix would be problematic and that any "backloading" of the IZ units could result in the units not being produced.

Special Exception Relief Clarification

OP notes that it was never intended that § 1006 of the proposed text would allow special exception relief from the IZ requirements of the chapter. In order to clarify the scope of the special exception relief, OP recommends § 1006.1 be amended as follows:



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1006.1

The Zoning Commission may grant special exception relief from the development standards of § 1001 of this chapter and from the Designated Street use and design standards of § 1004 of this chapter, subject to the standards of Subtitle X, Chapter 9 and to the applicable conditions of this chapter and provided that the applicant demonstrates the special exception relief would result in a design that still complies with the purposes of this chapter....".

JLS/mrj

Attachment: DHCD Email

ATTACHMENT

From: Bulmash, Gene (DHCD) <gene.bulmash@dc.gov>

Sent: Monday, September 16, 2019 1:35 PM

To: Jesick, Matthew (OP) <matthew.jesick@dc.gov>; Lawson, Joel (OP)

<joel.lawson@dc.gov>

Cc: Pelletiere, Danilo (DHCD) <Danilo.pelletiere@dc.gov>; Rodgers, Art (OP) <Art.Rodgers@dc.gov>; Steingasser, Jennifer (OP) <jennifer.steingasser@dc.gov>

Subject: ZC #18-18, Northern Howard Road zoning

Matt and Joel,

Following up our call and after some internal discussion, given the 2 options (of 1. 12% set-aside with ½ of the units at 50% MFI & ½ of the units at 60% MFI or 2. 15% set-aside with ½ of the units at 60% MFI & ½ of the units at 80% MFI), DHCD's preference for this case would be 12% set-aside with ½ of the units at 50% MFI & ½ of the units at 60% MFI, due to the development being mixed-income with transit opportunities and based on the current market conditions of the area. The main reason for this preference is that currently there are more 80% MFI IZ units than any other income level, but there are more households registered for IZ at the 50% MFI level than any other level.

Regarding the applicant's request for flexibility, DHCD is not in favor of granting any such flexibility as it would be difficult to administer/enforce. If the requested flexibility were granted, it appears that DHCD and likely DCRA and/or OP would need to evaluate each building or phase in conjunction with previous buildings/phases to ensure compliance. This would add complexity and time to each building/phase review and because ultimate compliance would depend on future development, possibly result in the required IZ not being provided for reasons both within and outside the applicant's control. It also appears to DHCD that the applicant requested the zoning change and will immediately get the benefit, so the IZ units should be provided initially and for the life of the development. DHCD is of the opinion that the IZ set-aside requirement as proposed (12% set-aside with ½ of the units at 50% MFI & ½ of the units at 60% MFI) is appropriate with the change in zoning being granted.

Let us know if you have any questions and/or want to discuss this further. Thanks & cheers,

Gene Bulmash, Inclusionary Zoning Program Manager

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