

Summary of the Applicant’s Commitment to Regional Affordable Housing

The Applicant is an entity of JBG Smith, which is a real estate development company that owns, operates, invests in, and develops a dynamic portfolio of commercial, multi-family, and retail properties in the Washington, DC region. With an intense focus on place-making, JBG Smith aims to develop and cultivate vibrant, amenity-rich, walkable neighborhoods that complement existing communities.

JBG Smith is focused on all three key aspects of the District Mayor’s Housing Initiative including: (i) the production of 36,000 new market rate units; (ii) the production of 12,000 new affordable units; and (iii) the preservation of an estimated 4,700 existing dedicated affordable units whose affordability controls will expire by 2025. Development of the Subject Property at 5 M Street, SW targets the Mayor’s first initiative in delivering new market rate units in addition to the 20 affordable units that will be provided on site. This is an integral component of the Mayor’s Housing Initiative and has proven to provide rent relief across the District as evidenced by the January, 2020 study issued by District Office of the Chief Financial Officer, *The Impact of an Increasing Housing Supply on Housing Prices*.¹

In addition to development of the Project, JBG Smith’s “Washington Housing Initiative” (“WHI”) is a program designed to create long-term affordability in high-impact locations; invest at a scale and with speed, certainty, and flexibility; prevent displacement and address resident needs; and sustain and strengthen inclusive communities. The WHI is focused on the other two components of the Mayor’s Housing Initiative, including the production and preservation of affordable units separate and apart from the Project on the Subject Property. The WHI focuses on the delivery of affordable housing on sites that have access to the many tools identified in the *Housing Equity Report: Creating Goals for Areas of Our City*, prepared and published by the Department of Housing and Community Development (“DHCD”) in October, 2019, including tax credits/bond financing and land use incentives such as increased density, among others.²

Further, per the DHCD Housing Equity Report, the Near Southwest Neighborhood is on track to exceed its share of the District’s affordable housing production goals with its current pipeline of affordable units. The Mayor’s Housing Initiative is a well thought out comprehensive policy that contemplates equity across all planning areas within the District. By delivering a significant amount of new market rate units in a planning area that is on track to exceed its affordable housing goals, the subject Project is contributing to this important Initiative.

¹ The CFO’s Study is available here:

<https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/Housing%20Supply%20Bethel%20Cole%20Smith%20April%202020.pdf>

² The DHCD Housing Equity Report is available here:

https://housing.dc.gov/sites/default/files/dc/sites/housingdc/page_content/attachments/Housing%20Equity%20Report%2010-15-19.pdf