



March 30, 2022

Zoning Commission of the District of Columbia
441 4th Street, NW - Suite 210
Washington, DC 20001

VIA IZIS

Re: Z.C. Case No. 21-17 – Congress Park Community Partners

Dear Members of the Zoning Commission (the “**Commission**”):

The Office of the Attorney General (“**OAG**”) respectfully submits the following comments in opposition to the recommendation of the Office of Planning (“**OP**”) in Z.C. Case No. 21-17 that the Inclusionary Zoning Plus (“**IZ+**”) Program should not apply to the proposed map amendment from the RA-1 to the MU-8 Zone (the “**Proposed Map Amendment**”).

OAG opposes exempting the Proposed Map Amendment from the IZ+ requirements because this would be inconsistent with the housing and anti-displacement goals of the Comprehensive Plan (Title 10A DCMR, the “**CP**”) and fails to consider the long-term impacts that new development will have on the affordability of the affected planning area.

Loss of Naturally Occurring Affordable Housing

OAG strenuously disagrees with OP’s assertion that the Proposed Map Amendment should not be subject to the additional IZ requirements of the IZ+ program due to the “disproportionate amount of existing affordable housing already in existence” in ANC 8D and the Far Southeast/Southwest Planning Area. (OP’s Hearing Report at p. 16-17, Exhibit 7) OAG notes OP’s recommendation fails to recognize that much of this existing affordable housing is “naturally occurring” and therefore is not permanently affordable but inherently instable and subject to the market. (CP § 500.7e, 1803.2) In contrast, OAG strongly supports the imposition of IZ+ which would provide permanently affordable housing in the area. Permanently affordable housing is a crucial tool in protecting lower income families from displacement, thereby allowing generations of families to remain in their communities.

As noted in the CP this “naturally occurring” affordable housing is increasingly under threat from growing demand which is pushing development into lower cost areas of the District resulting in increased rents, the conversion of older units and the redevelopment of sites throughout the District with more high-cost market rate housing. (CP §§ 206.3, 206.5, 500.7e, 509.3, 510.3b) As noted in the CP:

Between 2006 and 2017, the supply of rental housing units expanded dramatically, while the supply of affordable units declined. Most of the new units were higher-cost, studio, one, and two-bedroom apartments affordable to households earning at and above median income. During this period, due to new construction and rising

rents of existing supply, the total supply of rental units affordable only to those households earning more than 60 percent of the Median Family Income (MFI) increased by almost 44,765. **In contrast, the total supply of rental units affordable to households earning less than 50 percent of the MFI declined by approximately 22,000 units, from 72,000 units in 2006 to 50,000 in 2017.** (CP § 206.5) (emphasis added)

As the CP notes, the decreasing supply of naturally occurring affordable housing results in the increasing displacement of low- and moderate-income households, as these residents sell or lose their homes due to rising costs. The CP notes that while the District’s higher income households increased by almost 37,000, low- and moderate-income households decreased by over 15,600. The CP goes on to note that in light of these trends, it is critically important to preserve and develop “housing affordable to low- and extremely low-income households.” (CP § 206.8)

These trends are particularly notable in the Far Southeast/Southwest Planning area in which 37% of the area’s population lives below the poverty level and the median household income is \$30,734, less than half of the District’s median income of \$86,420.¹ The CP also notes that Wards 7 and 8 have seen an increase in extremely low income households, many of which are paying more than 50% of their income on housing. (CP § 510.3c) Given the economic demographics, these are precisely the areas that the CP notes would be most vulnerable to displacement as naturally occurring affordable housing is lost and lower income residents are unable to keep pace with the rising housing costs resulting from increased new development. (CP § 206.4)

Increased development in the Far Southeast/Southwest Planning Area is already underway, as noted in and supported by the CP, which anticipates “significant growth” from the 2015 population of 26,616 households, to 36,774 households by 2045, an increase of approximately 38%. These growth projections presume the redevelopment of vacant and underused sites like that anticipated by the Proposed Map Amendment. (CP § 1806.1)

IZ+ As Long-Term Mitigation

The IZ+ program has been touted since its inception as a method of increasing affordable housing production in areas of the city that are currently more expensive and lagging behind on their production of affordable units per the Mayor’s Order on Housing. (See, OP’s Setdown and Hearing Reports in Z.C. Case No. 20-02 Exhibits 6 and 12) However, in addition to addressing current affordable housing needs in high-cost areas of the District, the IZ+ Program also serves to mitigate the *future* impacts of increased development, including preventing the displacement of current residents. By requiring greater IZ requirements, IZ+ seeks to balance the impact of the higher density development, and its ensuring impacts on area affordability, by providing more

¹ In 2019, the MFI for Black households was \$44,487 versus \$86,420 for the District as a whole and \$155,562 for White households ([The Racial Wealth Gap in Washington D.C.: Considerations for Policy and Planning \(mitre.org for the Council Office of Racial Equity, Council of the District of Columbia\)](https://sjp.mitre.org/resources/MITRE-DC-Racial-Wealth-Gap-Study.pdf), p 23; at <https://sjp.mitre.org/resources/MITRE-DC-Racial-Wealth-Gap-Study.pdf>, accessed February 25, 2022); the MFI for the District as a whole was \$86,420 ([U.S. Census Bureau QuickFacts: District of Columbia](https://www.census.gov/quickfacts/DC) at <https://www.census.gov/quickfacts/DC>; accessed February 25, 2022).

permanently affordable units for residents who need them today and potentially in the future to keep from being driven from their neighborhoods.

The CP specifically encourages these measures with regards to redevelopment of existing naturally occurring affordable housing to “ensure long-term affordability” and minimize displacement. (CP §§ 504.18, 504.19) A fact that not only reflects rational planning practice but also reflects the views of many in the communities most impacted by rising housing costs and displacement, many of which have appealed directly to the Commission to consider how increased development, without proper safeguards is uprooting their families and communities. (See, [Z.C. Case No. 18-10 Public Hearing Transcript of March 21, 2019](#) at 40-44).

Scope of Map Amendment Review

Finally, OAG notes that map amendments are by their very nature broader in scope and unless requested in connection with a Planned Unit Development totally unconnected to a specific project. As such, the fact that Congress Park Community Partners has indicated its intent to develop the site with an all-affordable development cannot be considered by either OP, or the Commission as part of their respective analyses. The proposed development, however admirable, may or may not come to pass, and the map amendment if approved, will endure long beyond the term of a single development. For this reason, it is even more crucial that the Commission consider the long-term impacts, and related mitigations provided by IZ+.

To prevent the future displacement of District residents, OAG believes that the long-term impacts of the map amendment on the affordability of the area need to be accounted for and mitigated by the imposition of the IZ+ program. Therefore, OAG respectfully requests that the Commission consider these comments in its deliberations and apply IZ+ to the Proposed Map Amendment.

Respectfully submitted,

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cc:
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