

The Committee of 100

on the Federal City



November 21, 2025

Mr. Anthony J. Hood, Chairman
DC Zoning Commission
One Judiciary Square
441 4th St. N.W., Second Floor
Washington, D.C. 20016

Re: Z.C. Case No. 23-08A
Wesley Seminary - Campus Plan Further Processing

Dear Chairman Hood and Members of the Commission:

The Committee of 100 on the Federal City (C100) offers these comments in response to the Further Processing application for Wesley Seminary's (Wesley's) 2022-2032 Campus Plan (the Plan). The principal feature of the Plan is a proposal by Wesley to enter into a 99-year ground lease with a for-profit developer (Landmark Properties) under which Landmark will construct, own, manage and profit from a seven-story, 659-bed, luxury apartment building on the Wesley campus. According to Wesley, approximately 570 of the 659 residents of the apartment building would be American University (AU) students, not Wesley students, faculty or staff. Wesley now comes before the Zoning Commission for approval of its application for Further Processing on the apartment building contemplated by the Campus Plan.

C100 has participated in proceedings on Wesley's proposed campus plan throughout the proposal's lengthy process. At this stage, C100 will focus our comments on Wesley's commitment to provide affordable housing in Ward 3 through the inclusionary zoning (IZ) program. Affordable housing and expansion of IZ are central to C100's mission. IZ is an issue in this case due to the fact that most of the tenants in the apartment building will be AU students rather than Wesley students. In fact, a plausible case can be made that almost all of the tenants will be AU undergraduates,¹ which means Wesley/Landmark will in effect be an innkeeper for AU students. As Wesley states, there is a clear exemption from the generally applicable IZ requirements for housing developed by or on behalf of a local college or university exclusively for its students. All parties seem to be in agreement that this exemption does not apply here.

¹ Based on information in the record, Wesley currently is not fully utilizing its current dormitory space, including the New Residence Hall built in 2014. We find it hard to believe that Wesley believes it will utilize 90 beds in the proposed apartment building for its students. In fact, that may be the reason why Wesley has not included any exemption for Wesley occupied units in its IZ calculation. See Exhibit 21, p. 13.

Wesley's IZ proposal has had a tortured history, which includes securing text amendments exempting it from two fundamental zoning rules applicable to campus plans.² As set forth below, C100 has three major concerns with Wesley's current IZ proposal.

The Financial Contribution for Off-Site IZ Is Grossly Insufficient

The IZ text amendment³ provides that Wesley may make a financial commitment, deemed sufficient by the Commission, to an organization that will facilitate the **construction of new affordable housing**, off the Wesley campus, reserved for households at or below 60% of median family income for rental units or at or below 80% of median family income for ownership units. The amount of off-site IZ shall be no less than the amount required under Subtitle C §1003.1 or §1003.2 as applicable, which Wesley admits is 10 percent in this case. Given the extraordinary relief granted to Wesley through the text amendments, Wesley should be required to produce more than the 10.97 percent IZ set forth in the proposal. However, as shown below, Wesley's IZ proffer falls far below what would be needed to satisfy even a ten percent requirement.

Wesley and OP Wesley claim that an \$8 million contribution would satisfy the 10% minimum IZ requirement and would result in 22,435 sq. ft. of IZ based on an IZ cost of \$325 per sq. ft.⁴ However, Wesley previously informed the community that this cost is based solely on the residence hall's construction costs. C100 has been advised that the construction (hard) costs for a typical apartment building are at least \$450 per sq. ft., not \$325 per sq. ft. as Wesley claims. In addition, what's missing are design and soft costs (approximately 15% of hard costs, or \$67 per sq. ft.), financing costs (approximately 21% of hard costs, or \$94 per sq. ft.), the cost of land (\$100 per sq. ft) and a development fee (3% of total costs, or approximately \$21 per sq. ft.) These costs come to a total of approximately \$732 per sq. ft. Based on 22,435 sq. ft. of IZ, **the financial contribution needed to meet even a 10% IZ requirement should be more than \$16 million.**

DHCD Should not Administer the IZ Program

Wesley originally outlined a process in which the money would be donated to Local Initiatives Support Corporation (LISC). C100 was surprised to hear, on November 14, that OP now recommends that the IZ program be administered by DHCD, which would invest the funds (the Fund) in affordable housing. As OP points out, DHCD has proposed that the money be donated to DHCD. To us, this seems to be a blatant money grab. C100 strongly recommends DHCD not be entrusted with administration of the IZ fund. Just a year ago, DC's Auditor, in a [report](#) entitled "Stronger DHCD Oversight Needed for Inclusionary Zoning Program to Reach Housing Goals," concluded that DHCD did not adhere to "D.C. Code, D.C. Municipal Regulations, or IZ development covenants to fill [IZ] units, recertify tenants' income, renew leases, and submit annual reports." Further, in two articles published just in the last

² Specifically, the text amendments would exempt Wesley from two fundamental zoning regulations – one requiring new residential developments to set aside a specific amount of affordable housing (as set forth in 11-C DCMR §1001 et seq) and another prohibiting other than incidental use of campus property for commercial purposes (as set forth in 11-X DCMR §101.3).

³ The text amendment is codified at 11C DCMR §1006.10.

⁴ We also note DHCD claims that the \$8 million will fund approximately thirty affordable units at approximately \$267,427 per unit. However, *The Washington Post* [reported](#) recently that an affordable development in DC cost \$1.2 million per unit. If the cost of the IZ funded by Wesley's contribution were the same, this means the \$8 million contribution would fund seven units, not thirty units.

month, the *Washington City Paper* reported that [DHCD failed to spend \\$1 million in First-Time Homeowner Funds](#) and that [DHCD forfeited \\$35 million in federal assistance for affordable housing](#). It should be obvious that the agency has enough problems conducting its normal responsibilities, much less taking on additional ones. In an acknowledgement of the problems this proposal presents, DHCD recommends against any similar approaches to off-site IZ in the future.⁵ C100 believes that DHCD should not be given responsibility to administer Wesley's off-site IZ Program either.

The Plan for Administering the Fund is Much Too Vague

Wesley, OP and DHCD have failed to show the principles that will be used in administering the Fund and the criteria that will be used in selecting projects for funding. More detail is needed to ensure that new affordable units will be produced in Ward 3, as required by the text amendment. Funds should not be used for conversions. Furthermore, among the questions that need to be addressed by Wesley are the following:

- Will the Wesley funds be used to supplant affordable housing requirements that already apply to a development?
- Will the Wesley funds be used for other than the direct cost of building new affordable units?
- Will the Wesley funds be spent on acquisition costs, the construction of affordable units, or indirect (administrative) costs?
- How will units be administered and preserved over time with income eligibility checks?
- Will funded units remain IZ units in perpetuity?

These are all questions that should be spelled out in a detailed plan, which is lacking here.

Conclusion.

For all of the reasons set forth above, we believe the Commission should reject the IZ component of the Plan.

Thank you for your consideration.

Shelly Repp
Chair, Committee of 100
chair@committeeof100.net; 202-494-0948

⁵ OP Report (Exhibit 21), p. 15.