



ADVISORY NEIGHBORHOOD COMMISSION 3E
TENLEYTOWN AMERICAN UNIVERSITY PARK FRIENDSHIP HEIGHTS
CHEVY CHASE WAKEFIELD FORT GAINES SPRING VALLEY
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ANC 3E RESPONSE TO APPLICANT'S POST-HEARING SUPPLEMENTAL SUBMISSION IN ZC 23-08A

ANC 3E has reached an understanding with Wesley and related parties that is detailed below. The ANC also responds herein to Applicant's Supplemental Submission.

Agreement between ANC 3E, Council Member Matt Frumin, DHCD, and Wesley regarding disposition of funds

On December 11, 2025, the Chair of ANC 3E met with Ward 3 Council Member Matt Frumin and the Director of the Department of Housing and Community Development ("DHCD") and members of their staffs. ANC 3E's Chair subsequently met with the President of Wesley Theological Seminary ("Wesley").

ANC 3E, CM Frumin, DHCD, and Wesley all agreed that the \$10 million fee Wesley is to provide in lieu of providing onsite Inclusionary Zoning units ("in-lieu fee") should be directed to the Department of Housing and Community Development ("DHCD") *with the specific understanding* that DHCD will use the funds, if possible, to support development of new affordable housing units in high cost areas within the boundaries of ANC 3E, with priority given to projects that can be started within 5 years. If DHCD cannot reasonably use the funds to support a project or projects within the boundaries of ANC 3E, it may use the funds to support new construction in high-cost areas in Ward 3 outside ANC 3E. Under no circumstances will the in-lieu fee be used to fund housing outside of Ward 3. ANC 3E, CM Frumin, DHCD, and Wesley agreed further that they support a request to the Zoning Commission to embody the foregoing understanding, to the extent possible, in the zoning order in ZC 23-08A.

Accordingly, ANC 3E respectfully asks the Zoning Commission to add the foregoing terms to its order in this matter. If such terms are included in the order, the ANC does not oppose Wesley's Further Processing Application.

Wesley / Landmark's Supplemental Filing Nonetheless Contains Errors and Misleading Statements That Bear Mentioning

Wesley / Landmark continues in its supplemental filing to specify the wrong gross floor area (GFA) for its construction cost calculation. DC law mandates that IZ calculations be based on what Wesley / Landmark calls "Proposed Total Gross Floor Area."¹ This is the total area devoted to residential *use*. Instead, Wesley / Landmark wrongly contends that it may use what it calls "Net Residential Gross Floor Area," which is the area devoted to residential *units* rather than residential *use*.

¹ See 11 DCMR Subtitle C Sec. 1003.1 and Sec. 1003.5(a). Per Sec. 1003.1, this is termed "residential gross floor area." That term is defined at Sec. 1003.5(a). Landmark's representative confirmed at the November hearing that Landmark understands what it calls "Proposed Total Gross Floor Area" to be what DC law calls "residential gross floor area." See Nov. 24, 2025 Tr. at 75-76.

DC law requires IZ to be based on *use* GFA rather than unit GFA because residential *units* cannot be built to float in space. The units must be served by things like hallways and stairways.

Per Wesley / Landmark, its Proposed Total Gross Floor Area, or use GFA (“residential gross floor area” under DC law), is 281,911 sf. Ten percent of this number is 28,191 sf. This is the amount of IZ that would be required under the Zoning Code.

Even if the ZC accepted Wesley / Landmark’s proposed construction cost estimate of \$325 sf, and it should not, that would yield a payment of \$9,162,075 (28,191 x \$325) for the minimum 10% IZ, or more than a million dollars above the figure Wesley / Landmark had offered until now. At the objective construction cost estimate provided by DHCD of \$358 sf, the value of the minimum 10% IZ requirement is \$10,092,378 (28,191 x \$358).

Wesley / Landmark has offered *no* evidence of actual construction costs in DC for similar projects. Instead, it relied on a Landmark employee’s unsupported and “admittedly rough” estimate.² Although not listed in pre-trial filings as a valuation witness, Landmark’s architect also jumped in at the hearing to claim that he had personal knowledge of construction costs in DC and they did not exceed \$325.

As part of its response to the ZC’s request to “show your work,” Wesley / Landmark include an unsworn letter from this architect. Yet, after claiming personal knowledge of construction costs *in DC*, the architect, Jack Boarman, supplied alleged construction costs only of affordable projects in *other* jurisdictions, ranging from Prince George’s County to North and South Carolina. Given his claim under oath about knowledge of construction costs *in DC*,³ the most reasonable inference to be drawn from his failure to supply *any* examples of DC costs is that those costs in fact exceed \$325 sf.⁴

By contrast, Kris Adhikari supplied an objective cost supplied by DC DHCD. The ZC should rely on DHCD’s construction cost figure of \$358, rather than self-interested speculation about DC costs and claims about alleged costs in other, often far-flung, jurisdictions.

Finally, Wesley / Landmark offers a calculation of Arlington County’s cash fee for affordable housing. What Wesley / Landmark fails to specify is that Arlington County would require no or nearly no onsite IZ if the Wesley student apartment building and site were in Arlington County. The county requires on-site IZ at 5% of GFA *only above 1.0 FAR*.⁵ Per Wesley / Landmark’s pre-hearing statement, the FAR of the student apartment building is 1.03. Thus, Arlington would require a miniscule onsite IZ contribution, probably less than a unit. More likely, if Wesley / Landmark wanted to do an identical project in Arlington County, they would have simply reconfigured the project to go from a 1.03 to 1.0 FAR and eliminated the

² Nov. 24, 2025 Hearing Tr. at 45. Landmark’s employee did not include any references to specific projects or reports for his estimate, but instead merely offered his conclusion.

³ See *id.* at 152-153.

⁴ Wesley / Landmark also included an unsworn letter from another individual, Stephen Karcha, who likewise fails to provide any examples of construction costs in DC. Instead, he lists examples of alleged construction costs only for projects in unspecified jurisdictions in Virginia. Given his failure even to specify where in VA the projects were, much less to identify *any* projects actually in DC, the most reasonable inference to draw from Wesley / Landmark including this letter is that, again, Wesley / Landmark could not locate DC construction cost figures that did not exceed the \$325 per sf figure it wanted to use for its in-lieu fee calculation.

⁵ Arlington, VA “Land Use Strategies for Housing Supply and Affordability,” at 6.

<https://www.mwcog.org/file.aspx?A=V4lvMxBjuSFJAGHqu3a5BUc%2bsMDkRkLsleftsUIguXY%3d>

obligation to provide *any* IZ.⁶ At best then, Arlington County would thus make for an apples to oranges comparison.

Conclusion

The Zoning Commission should use the “Residential Gross Floor Area” for specifying the area that must be built with Wesley’s in-lieu payment, as required by 11 DCMR Subtitle C Sec. 1003.1 and defined at Sec. 1003.5(a). That figure here is 28,191 sf.

Given the aforementioned agreement between ANC 3E, DHCD, CM Frumin, and Wesley, ANC 3E respectfully asks the ZC to order that Wesley’s in-lieu fee be directed to the Department of Housing and Community Development (“DHCD”) *with the specific understanding* that DHCD will use the funds, if possible, to support development of new affordable housing units in high cost areas within the boundaries of ANC 3E, with priority given to projects that can be started within 5 years. If DHCD cannot reasonably use the funds to support a project or projects within the boundaries of ANC 3E, it may use the funds to support new construction in high-cost areas in Ward 3 outside ANC 3E. Under no circumstances will the in-lieu fee be used to fund housing outside of Ward 3.

One possibility for embodying this understanding would be to direct Wesley, as a condition of its Further Processing approval, to make a “donation” to DHCD with these specific restrictions. DHCD has already said it would accept the restrictions.

ANC 3E⁷

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by Jonathan Bender
Chairperson

⁶ Wesley / Landmark claim, for reasons unclear, that the FAR in Arlington for an identical project there would be .74. Whatever the reason for this claim, it would mean that there would be no IZ requirement whatsoever for the project in Arlington County. Wesley / Landmark also include a calculation of 2.47 for what appears to be the student apartment building with 100% lot occupancy. That would seem to be at best irrelevant here and, at worst, a telling illustration of the extraordinary relief Wesley / Landmark is receiving relative to what it envisions the project’s FAR would be if built on a normal commercial lot in DC.

⁷ ANC 3E authorized by resolution the undersigned as well as Commissioners Quinn and Graff to represent it in all proceedings in this matter. ANC 3E approved that resolution at its public meeting on November 13, 2025, which was properly noticed and at which a quorum was present. The resolution was approved by a vote of 5-0-0. Commissioners Bender, Graff, Hall, Mitchell, and Quinn were present.