Mr. Anthony J. Hood, Chairman DC Zoning Commission 441 4th Street, NW, 2nd Floor Washington, DC 20001

Re: Zoning Commission Case No. 24-09: Wesley Seminary Text Amendments/Zoning Commission Authority

Dear Chairman Hood and Members of the Zoning Commission:

Milton Friedman, the late University of Chicago economist and Nobel laureate, argued that,

There is one and only one social responsibility of business, to use its resources and engage in activities designed to increase its profits so long as it ...engages in open and free competition without deception or fraud.

Friedman also professed,

One of the great mistakes is to judge policies and programs by their intentions rather than their results.

These quotes are especially poignant when considering ZC Case No. 24-09. Admittedly, zoning is not an exact science, in fact, it has become less and less exact in recent years. The regulations seem to say one thing but mean another. And to make the situation even worse, the Zoning Commission has adopted the mantra, "If a regulation doesn't fit the immediate need, change it until it does." This is evident in the definition change of "dormitory" to "University housing." Rather than admit an application, which does not come close to meeting the Standards of Review, regulations, terminology and definitions are changed during the hearing process.

If Milton Friedman were a member of the Zoning Commission ("ZC"), he would be shocked by the approach the ZC has allowed Wesley Theological Seminary ("Wesley") to put forward in conjunction with Landmark Properties. Actions in ZC 24-09 defy common sense and undermine and weaken regulations meant to provide predictability and stability in land use matters.

The "commercialization" of University housing is absolutely counter to what was intended in Subtitle X, Section 101.5. The Office of Planning ("OP") is a willing partner in this cabal which it feels is permissible "if approved by the Zoning Commission as part of a campus plan." The proposed University housing regulation suggests the ZC has some kind of magic wand that, when waived, will make everything about this chicanery appear right. Community protections are not included because University housing was NEVER intended to be commercialized; nor, was University housing intended to be subjected to IZ. There is nothing in the current regulations that references or reflects that either of these changes was anticipated or allowable. Herculean effort and multiple hearings have resulted in a carve out of the regulations that equate to spot zoning that only serves Wesley's need.

The public, especially those who courageously attend hearings and testify, are tired of being treated like idiots. They recognize the deception that is taking place at the Zoning Commission. When OP issues a report at the request of the ZC [Exhibit No. 60], which supports and supplies the needed justification for the regulation changes, there is one looser – the community. It is insufficient to posit all impacts have been addressed during the preliminary Campus Plan hearings, especially the hearings in ZC 24-09, because this case has continuously changed course; but be assured, the Wesley Campus Plan will be presented as meeting the needed changes to justify approval.

Indeed, the zoning changes proposed by OP in ZC 24-09 are necessarily extensive to ensure the upcoming Campus Plan approval is guaranteed. Does the ZC really believe this is how the zoning process should be used? It doesn't matter how issues of this kind are addressed in other jurisdictions, there are few examples in the District, and both examples -- GW and Howard Universities -- relate solely to their own students, thus removing the commercialization aspect of the University housing on those campuses and the need for IZ, which normally does not apply to universities.

Regarding the required off-site IZ, OP offers the ZC another opportunity to use its "magic wand." Based on construction type of the University housing on the Wesley Campus, the ZC may wave the requirements of Subtitle C, §§ 1006.1 – 1006.3 (a)-(g) for the off-site IZ.

There has been a "silent" unwilling player in ZC 24-09. American University ("AU") has been implicated in this zoning case by Wesley through its proposed University housing scheme and the need to fill its coffers with ill sought gains. This proposal is all about money and how Wesley can monetize its property at its neighbor's expense. Wesley has not been able to maintain a robust student body and could not begin to fill the number of beds proposed. Overall, *the ministry* is not in the top ten career choices for postgraduate students, which has made financial outcomes difficult for Wesley. Of course, this is hearsay since no proof of hardship has been furnished. In fact, Wesley has approached the ZC twice before citing financial hardship and the need for new University housing to improve its bottom line. This is a "fool me thrice" proposition as Wesley is back again seeking new housing *with a twist* as a solution to their financial needs. It doesn't appear Wesley learned any lessons from its two failed past attempts to achieve financial stability by building new student housing.

AU informed the neighborhood months ago that it was experiencing financial shortfalls and a decrease in student applications. Not long ago, the university successfully completed its 10-year campus plan, which includes approval for additional University housing intended to provide housing for all AU Freshmen and Sophomores and any upper classmen that want on-campus housing. University housing is critical to the bottom line of most universities as it is inexpensive to build and pays for itself over a brief period.

ZC 24-09 is not ripe for approval. Some areas have yet to be fully addressed within the planning context and will be unveiled during the further processing phase of the case. This is counter to the way zoning should be approved.

Returning to the opening quotes from Milton Friedman, who looked at finance from a community perspective, it is worth revisiting his sound advice in hope it sends a wakeup call to the Zoning Commission.

There is one and only one social responsibility of business, to use its resources and engage in activities designed to increase its profits so long as it ...engages in open and free competition without deception or fraud.

Friedman's statement can be compared to actions taken in ZC 24-09 as what is being proposed by Wesley is laced with deception and fraud:

• There doesn't appear to be any attempt to set the record straight. Instead, the ZC is kicking the can down the road to the campus plan approval process.

- There doesn't appear to be any concern on Wesley's part that its graduate students will not want to live with undergraduate students from another institution.
- There is no proof of hardship. In fact, the ZC has purposely avoided this subject lest they discover some inconvenient truth.
- There is no proof this proposal can succeed although the proposed University housing is significantly more than previous applications.

The fact Wesley failed twice is socially irresponsible when impacts to the community surrounding the Seminary are considered. Each time an institution decides to expand structures on its property or make changes to the site, the value of neighborhood properties is affected. This has not been a concern for the Commission, nor have environmental issues like stormwater impacts.

This case has occupied a tremendous amount of community volunteer time and effort. Over and over, the ZC has been made aware of issues of concern to the community. Over and over the ZC has ignored the community and pushed on and been willing to rewrite the regulations for Wesley Theological Seminary at the expense of the community.

How can the ZC approve an application which implicates the resources of another institution? This is exactly what is happening with American University. To date, AU has not agreed with Wesley on the siphoning-off of its residential students, nor has AU furnished the ZC with any proof it accepts what Wesley is proposing. Au contraire, AU has remained silent.

There have been so many opportunities for the ZC to say "NO" to the Wesley proposal.

The proposal does not meet the zoning requirements.

- Spot zoning carries many negative consequences in that it gives one property owner unfair advantage(s) over others by allowing incompatible uses and/or structures on a small parcel of land that is different than surrounding properties within a zone district.
- Nothing on Wesley's campus, which is the campus of concern, comes close to the size of the proposed University housing building.
- The proposed University housing building would occupy 72 percent of the buildout on the Wesley campus far in excess of what is permitted.
- Most occupants of the University housing would not be enrolled at Wesley.

- The proposal cannot be approved without rewriting sections of the Zoning Code to include a carve out for Wesley's University housing.
- A second carve out will be necessary for the off-site IZ requirements.
- The land on which Landmark Properties would build, manage, and lease the University housing is currently tax exempt, but will become taxable if it is commercialized.
- There are no guardrails in place to protect the community.

The Zoning Commission needs to assume its **social responsibility** and address important issues rather than finding ways to avoid the hard choices that it needs to make. This proposal has been wrong from the beginning and has gotten worse as the case has progressed. Currently, the Zoning Commission finds itself between a rock and a hard place because it did not take the appropriate steps at the appropriate time, but that should not be the justification for awarding Wesley Theological Center with University housing for another university's students or for changing the Zoning Regulations that were revised in 2016 to prevent proposals of this kind.

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