



GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



Submitted via IZIS

April 20, 2026

Anthony Hood, Chairman
District of Columbia Zoning Commission
One Judiciary Square
441 4th Street, NW
Washington DC 20001

RE: ZC 25-13 Text & Map Amendments to Create New Wisconsin Avenue Mixed Use Zones

Dear Chairman Hood and Members of the Commission,

The Department of Housing and Community Development (DHCD) supports the DC Office of Planning's (OP) proposed application of IZ Plus to the Wisconsin Avenue Corridor Rezoning Case Number 25-13 filed in accordance with the Wisconsin Avenue Development Framework (WADF). OP proposes that IZ Plus should apply as designed, requiring up to 18 to 20 percent of a project to be affordable depending on the type of construction and the density utilized above the original zone. The units would be set aside at 60 percent of the Median Family Income (MFI) for rental and 80 percent of the MFI for homeownership.

DHCD understands the concerns raised through public testimony that these map amendments should require a greater share of units and deeper affordability. However, land use and zoning should only address achievable levels of affordability. OP's IZ Plus was based on an economic feasibility analysis conducted in 2020 that demonstrated a balance at the adopted IZ Plus targets. DHCD provided OP guidance in 2020 on how the IZ Plus modeling should integrate the increased zoning capacity with affordable housing subsidies such as tax-exempt bonds and Low-Income Housing Tax Credits (LIHTC). The goal was to aid projects that could benefit from affordable housing financial subsidies and achieve deeper affordability.

Achieving more affordable units or deeper levels of affordability always requires more of a resource or integrating multiple resources. Some of the resources include:

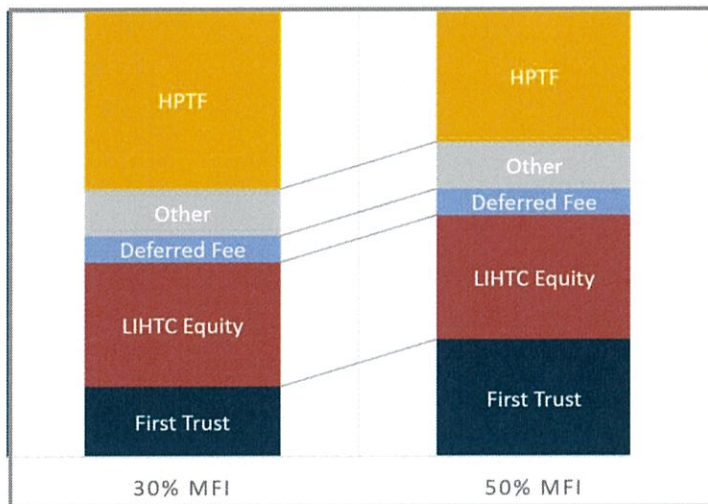
- Tax abatements such as the District's High Area Needs Tax Abatements (HANTA),
- Financial subsidies such as (LIHTC or the Housing Production Trust Fund (HPTF), and
- Operational support through the District's Local Rent Supplement Program (LRSP).

In general, individual affordable housing programs target a limited range of incomes. For example, LIHTC minimum targets are 20 percent of units at 50 percent of the MFI, or 40 percent of units at 60

percent MFI. Additional subsidies are often needed to achieve more units or to serve lower incomes. Housing Extremely Low-Income (ELI) households at 30 percent of the MFI often require significantly more capital subsidies or operational support such as project-based LRSP vouchers.

The figure below illustrates this challenge. Lower rent revenues from more deeply affordable units (30 percent MFI vs 50 percent) mean less debt can be raised from a private first trust lender. LIHTC equity is fixed based on the cost of construction. In order to fill the gap, more of the District's HPTF is needed to finance units at 30 percent MFI than 50 percent MFI.

Figure 1. Illustrative Example of Share of Subsidy Required per Unit by Target MFI



Unfortunately, these resources are limited in nature and often available only through competitive Request for Proposals (RFP). DHCD receives enough federal LHITC each year to finance only three developments. Mandating that all projects meet deeper income targets means that if the resources run out, projects in the pipeline would be substantially delayed, thereby causing harm to the District's overall housing production goals.

DHCD looks forward to working with OP on the new Comprehensive Plan DC2050 and OP's study of IZ Plus through the Metropolitan Washington Council of Governments (COG). Both efforts could lead to improving IZ's ability to fill market gaps in the District's affordable housing supply, including appropriate income targets.

As director of DHCD, I want to thank the Commission for your time and careful consideration and state that DHCD is committed to fulfilling the Mayor's housing equity goals.

Sincerely,


Colleen Green