

# Holland & Knight

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## **VIA IZIS**

Zoning Commission for the  
District of Columbia  
441 4th Street, N.W., Suite 210S  
Washington, D.C. 20001

**Re: Applicant's Proposed Proffers and Conditions  
Z.C. Case No. 15-27 - Consolidated PUD, First-Stage PUD, and Related Map  
Amendment @ Square 3587, Lots 805, 814, and 817**

Dear Members of the Commission:

On behalf of KF Morse, LLC (the "Applicant"), we hereby submit as Exhibit A the Applicant's proposed list of proffers and corresponding conditions, in compliance with the Zoning Commission's procedures of Subtitle X § 308.8 *et seq.*

Attached hereto as Exhibit B is a chart indicating the Applicant's commitment to provide 11% of the project's residential gross floor area as affordable housing. As shown on Exhibit B, the overall project will include approximately 1,091,201 square feet of residential gross floor area (1,103 units). Of that, a minimum of 120,032 square feet of gross floor area (126 units) will be devoted to affordable housing, with 60,016 square feet (63 units) reserved for households earning up to 50% of the area medium income ("AMI") and 60,016 square feet (63 units) reserved for households earning up to 80% of the AMI. The Applicant notes that 11% of each residential building within the project will devote 11% of its residential gross floor area to affordable housing in the same manner described above for the overall site.

The Applicant is seeking flexibility such that if Building A2 is developed as for-sale housing, then 8% of Building A2's residential gross floor area (19,946 square feet and 18 units) will be reserved for households earning up to 80% of the AMI within Building A2, and an area equal to 3% of Building A2's residential gross floor area (7,480 square feet) will be designated as additional affordable housing in Buildings A1 and B, with half reserved for households earning up to 50% of the AMI and half reserved for households earning up to 80% of the AMI.


As shown on the chart attached hereto as Exhibit C, if Building A2 is developed as for-sale housing as described above, the project would still include 1,091,201 square feet of

residential gross floor area (1,103 units) and a minimum of 120,032 square feet of gross floor area devoted to affordable housing. However, of that, a minimum of 50,043 square feet (56 units) would be reserved for households earning up to 50% of the AMI and 69,989 square feet (74 units) would be reserved for households earning up to 80% of the AMI. Thus, under the for-sale scenario for Building A2, the total square footage of affordable housing remains the same across the overall project site, but (i) more total affordable units will be provided for the entire project (130 units compared to 126 units); and (ii) more affordable units will be delivered in the Consolidated PUD (Phase I) and less in the Second-Stage PUD (Phase II).

The Zoning Commission has recognized the financing complexities associated with developing condominium projects with affordable units reserved for households earning less than 80% of the AMI. Recognizing these challenges, the recently approved amendments to the Inclusionary Zoning (“IZ”) regulations require condominium projects to devote all of the required IZ units to households earning up to 80% of the MFI. Other than IZ units generated as a result of penthouse habitable space, the amended IZ regulations only require IZ units to be at 60% of the MFI for rental units. Therefore, the Applicant believes that the requested flexibility will enable the Applicant to move forward with Building A2 as either a rental or for-sale building, while also providing the same overall amount of affordable housing under either structure.

Thank you for your attention to this matter.

Respectfully Submitted,

By: 

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cc: Advisory Neighborhood Commission 5D (with enclosure, via email)  
Peta-Gay Lewis, Single Member District 5D01 (with enclosure, via U.S. Mail)  
Matthew Jesick, D.C. Office of Planning (with enclosure, via Hand Delivery)  
Joel Lawson, D.C. Office of Planning (with enclosure, via Hand Delivery)  
Jonathan Rodgers, DDOT (with enclosure, via Hand Delivery)  
Jake Ritting & Alan Bergstein, Office of the Attorney General (w/enclosure, via email)