Zoning Commission for the District of ColumbiaChairman Anthony J. Hood

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In Support of High Street LLC's Petition for Map Amendment at Square 5799, Lot 976 [2352-2360 High Street, SE]

My name is Ronald Thompson, Jr. I am now twenty-one years old, celebrating my now over twenty years of living in the District of Columbia and Ward 8 just yesterday. Combining the ages of just my parents and I, I have over 100 years of experience living in the District, and adding in my brothers, sisters, and grandmother well over two centuries. I spent the early part of my life on the far end of Southeast and Southwest, spending the early part of my life in the neighborhood that my mother grew up — Washington Highlands — on First Street and Southern Avenue. My eldest brother and I spent a great deal of time in Congress Heights going to see our grandmother on Mississippi Avenue, and hearing the sounds of the Ballou Marching Knights practice in the afternoons and evenings down the hill. We would walk down to Bellevue, down to South Capitol Street to run errands for our grandmother. My brother attended Draper Elementary School, which is now closed. My mother attended Highland Elementary, now known as Ferebee Hope, also closed. She graduated from Hart Junior High — now Middle School — and Ballou Senior High. I have deep roots in Ward 8.

I have spent the better part of the last decade living in Anacostia. I've seen the good and the bad, the change and the stagnation, the growth and the contraction. I have seen it all, and so I come here today to be what at times has seemed like a lone dissenter in opposition to forces who do not understand. They do not understand what is like to hear stories of your grandmother and her family moving from one end of the District because of urban renewal. They do not understand what it is like to have a mother who grew up in the Highland Dwellings, worked since she was sixteen years of age, and still has struggled to own a home or maintain the cost of rising rent. They do not know what is like to have a brother who has lost friend after friend due to gun violence, almost always because they were trapped in situation of despair and deprivation. They do not know what a chance at quality housing means to a high school graduate who is away at college in his first year and is constantly worried about whether or not his parents are able to send money for laundry without dipping into rent money. I come here in support of High Street LLC's request for a map amendment at 2359 High Street because I support equitable development that brings homeownership opportunities to all who are able regardless of class, color, or creed. I know what this project will potentially mean for folks like my eldest brother and his young daughter, my sister and her wife who have a young school age daughter, or my mother and I who are looking for some degree of stability in terms of housing. I have many neighbors with young children and good paying jobs who would leap at the opportunity proposed by the developer. That opportunity requires High Point LLC to go forward with their project, which requires this map amendment petition to be granted.

I would like to say this – factionalism never ought to be the force in zoning policy. This is my first time ever attending a Zoning Commission hearing, but it will likely not be my last because of the level of vitriol, exclusion, and classism that went into an effort to derail this project. I live among a constituency that is majority tenant. Based upon my experience with this project, a minority of people are driving conversations. It is incumbent upon this body to do all that it can in conjunction with other agencies responsible for zoning, planning, and development. I will continue to advocate on behalf of the folks who helped raised me, those tenants who have been working and waiting their entire lives for the chance to own a home. We all must do more to create an inclusive District for everyone, but our governmental agencies and representatives must do more to ensure that the voices most likely to lose at out opportunity are included at the table. We are facing an uphill fight to ensure that we are delivered a piece of the pie. I thank you for the opportunity to testify today and hope that you all vote in favor of the map amendment petition.

A Bunch Of New Condos Are About To Hit The D.C. Market

Monna Kashfi



D.C. will see an influx of new construction condominiums this year, according to new analysis.

<u>Ted Evtan / Flickr</u>

Folks looking to become luxury home owners in the District this year will soon be spoiled for choice.

For the first time in a decade, D.C. is about to see an influx of new construction inventory—11 condominium developments with more than 50 units each will hit the market this year. That's nearly 1,750 new construction

condo units to choose from, according to forecasts released by development services firm Urban Pace earlier this week, first reported by BisNow.

In the District, homeownership rates have dropped from 47.2 percent in 2007 to 40.3 percent in 2018, according to the D.C. Chamber of Commerce, though homeownership rates in D.C. are lower among residents of color than they are among white Washingtonians. The Chamber attributes the decline in great part to the fact that the majority of new construction in the past decade was for rentals.

It shouldn't come as a surprise that an average new construction luxury condo unit isn't cheap. On the thriftier side, a 679 square foot one bedroom, one bath condo at The Lexicon in NoMa costs \$428,500, whereas a 1,466 square foot two bedroom unit at the new 1745N in Dupont Circle goes for \$1.6 million.

Apparently, a myriad of choices doesn't come cheap for developers in D.C., either. The lack of new construction inventory in the District has mainly been caused by developers not being willing to take a financial risk by constructing large scale condo buildings, especially as the rental market was growing, according to Clint Mann, president of Urban Pace.

"You have to deliver a building now with 50 percent of the units already sold to guarantee the financing," says Mann. "When you look at new construction projects in the city, most buildings are selling 4 to 6 units a month. Plus, buyers are only willing to commit a year in the advance, so that's a total of 60 advance sales and a 120-unit [building] is where most developers are comfortable."

Even with this new inventory, the supply for new condos still won't meet demand, says Mann. Local realtors have seen an uptick in the demand for new condos in the District in recent years as well, especially larger units.

Erich Cabe, principal at the Erich Cabe Team at Compass, says his team is "seeing a lot of interest from 'move-up buyers'—buyers who have an expanding family or who would have moved into a single family home or a rowhouse or would have moved further out from the city, but are actually preferring to stay in an urban environment."

It's not just growing families who want to live in D.C. proper. The allure of city living is also attracting empty nesters who are downsizing in the suburbs and those who crave the sense of community that living in an urban center can provide, says Cabe.

In a report released in October, the D.C. Chamber of Commerce noted that between 2009 and 2016, 10,000 families with incomes greater than \$200,000 arrived in the District, while approximately 4,300 families that made less than \$35,000 annually left. D.C.'s population is now at its largest since 1975.

The city having a higher percentage of wealthy residents means that more people may be willing to shell out the steep premium that buyers typically pay for a new construction compared to a similar older condo. The difference in price can be as much as 10-20 percent more, according to Cabe.

"You're paying a significant premium and you don't always recoup that premium when you sell," says Cabe.

"But some people are willing to take that on because the amenities and finishes are 'of-the-minute' and there is a certain allure of something that is brand new."

Of course, no real estate conversation in the D.C. area can be complete these days without mention of the "Amazon factor." So how will the arrival of HQ2 impact condo sales in D.C.?

"That kind of confidence in the region encourages investors at all levels," says Mann. "We've seen a slight uptick in individual investors buying condos and holding those as short or long-term investments to rent out."



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