

COUNCIL OF THE DISTRICT OF COLUMBIA THE JOHN A. WILSON BUILDING 1350 PENNSYLVANIA AVENUE, N.W. SUITE 102 WASHINGTON, D.C. 20004

ZACHARY PARKER COUNCILMEMBER, WARD 5

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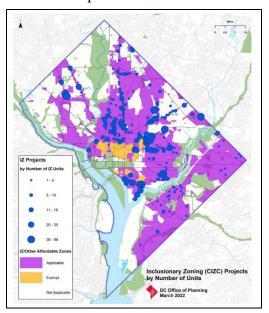
March 30, 2023

Zoning Commission of the District of Columbia 441 4<sup>th</sup> Street, N.W. Suite 210 Washington, D.C. 20001

Re: Z.C. Case No. 21-23 – Office of the Attorney General Text Amendment to Apply Inclusionary Zoning to Downtown Zones

Members of the Zoning Commission,

I am writing to urge the Zoning Commission to proceed with a public hearing on the Office of the Attorney General's petition to apply inclusionary zoning to the downtown area. The District's inclusionary zoning regulations require developers to set aside a share of units in new buildings in many parts of the District for low- or moderate-income households. Nonetheless, current zoning regulations exclude some of the fastest-growing parts of the District from inclusionary zoning, including parcels zoned D-1-R, D-3, D-4-R, D-5, D-5-R, D-6, D-6-R, and D-7. These parcels—identified in yellow in the map below—comprise significant portions of the District's "downtown,"<sup>1</sup> although many parts of the District that are almost identical in character and use are not exempt.



The District is experiencing an affordability crisis, which has been compounded by constraints brought on by the pandemic, as evidenced in the Mayor's proposed FY24 budget. It is unconscionable that we would limit our ability to create affordable housing at a time when rents are rising, inflation is at an all-time high, and many District residents are facing displacement. What's more, the Mayor is proposing to give upwards of \$40 million in tax abatements to downtown commercial-to-residential conversions across the Capital Improvement Plan (CIP). While many residents agree that we must support, we must also balance these significant investments with an expectation for sustainable affordable housing. Regardless of where one stands on commercial-toresidential conversions, there must be an opportunity

<sup>&</sup>lt;sup>1</sup> Source DHCH FY2021 IZ Annual Report, available at

https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/FY2021%20IZ%20A70014/2000510N District of Columbia %20Final%20221012a.pdf CASE NO.21-23 EXHIBIT NO.17

for residents to voice their perspectives before the Zoning Commission.

Inclusionary Zoning is one of the District's most important tools for creating affordable housing. In Fiscal Year 2021, the IZ program produced 372 affordable housing units, the most in a single year since the program's inception. Since 2009, approximately 1,600 IZ units have been produced. I recognize and appreciate the Office of Planning's concern that applying IZ to downtown may have a detrimental effect on the downtown's post-COVID recovery. At the same time, I know from experience that economic forecasts can be fraught with uncertainty and that, in any event, a public hearing offers an important opportunity to consider regulatory options such as more limited IZ applicability, IZ waiver opportunities, or conditional IZ based on the success or failure of other District tools for encouraging downtown affordability (e.g., tax abatements, Housing Production Trust Fund, etc.).

For these reasons, I implore the Zoning Commission to fully explore the merits of the IZ expansion proposed in Case No. 21-23 by holding a public hearing. Cutting short a conversation about this important path to increasing affordable housing in the District would be a grave disservice to the many district residents who are struggling to make ends meet.

Please contact my office at 202-724-8028 or zparker@dccouncil.gov with any questions or concerns. I look forward to hearing from you.

Respectfully yours,

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Councilmember Zachary Parker

CC: City Administrator, Kevin Donahue Attorney General, Brian Schwalb Members of the Council of the District of Columbia