



GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General




ATTORNEY GENERAL
Karl A. Racine

Z.C. Case No. 22-01

June 16, 2022

Table 3. Market Feasibility of Commercial to Residential Conversion

Conversion Potential	Planning Areas			
	Rock Creek West	Near Northwest	Central Washington	Upper Northeast
Widespread				
Site Specific				




 Likely  Somewhat Likely  Less Likely

Source: OP, analysis of CoStar data

Assessment of Commercial to Residential Conversions in the District of Columbia, DC Office of planning Analysis, Q2 2020.

Table 4. Conversion Likelihood by Geographic Scale in Office Submarkets

Conversion Likelihood		Office Submarkets			
		Uptown	Dupont Circle	West End	Northeast
Geographic Scale of Conversion Opportunity	Widespread Opportunity				
	Clusters of Opportunity				
	Site Specific Opportunities				

 Most Likely  Somewhat Likely  Less Likely

Source: OP analysis, of CoStar data

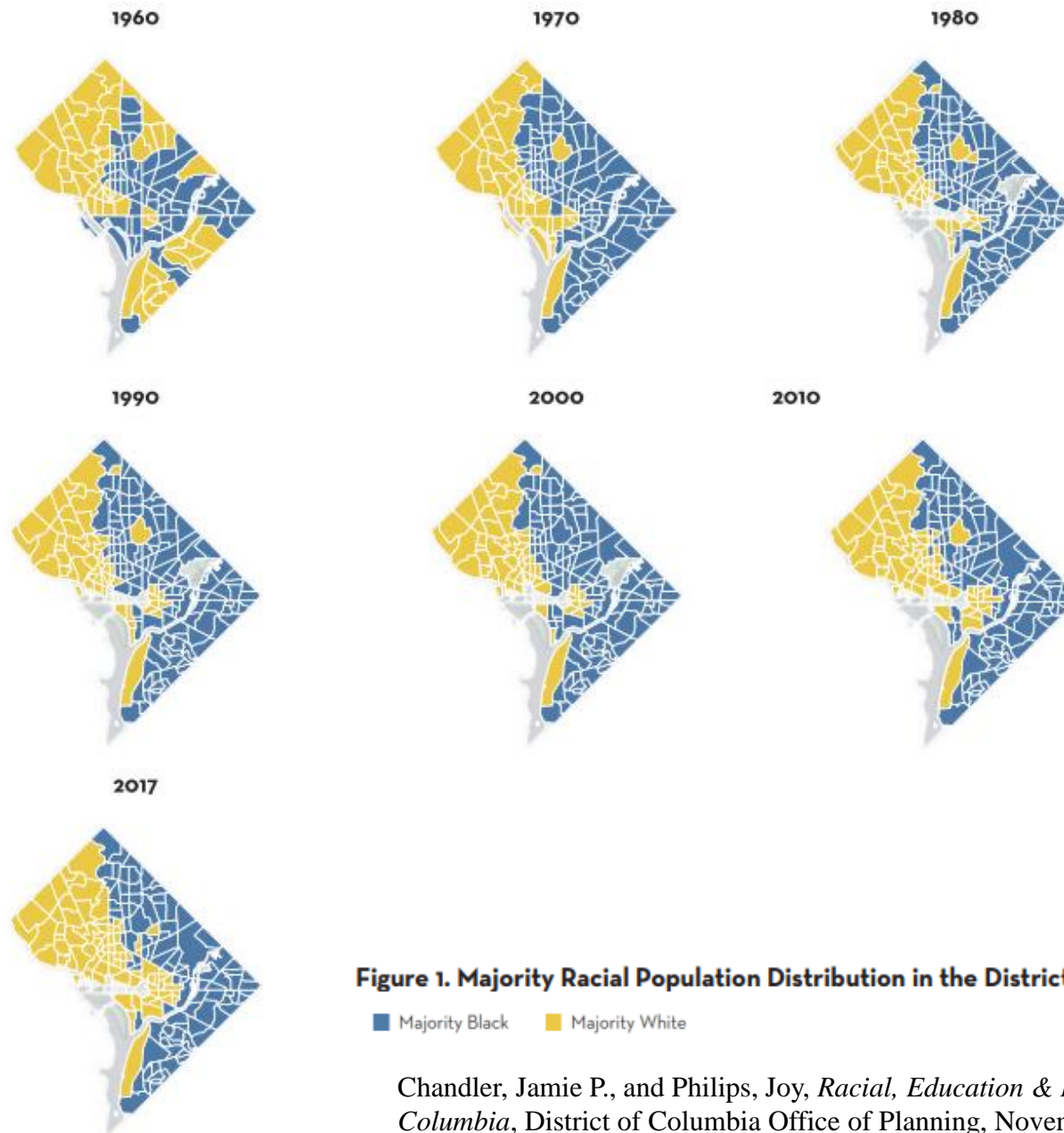
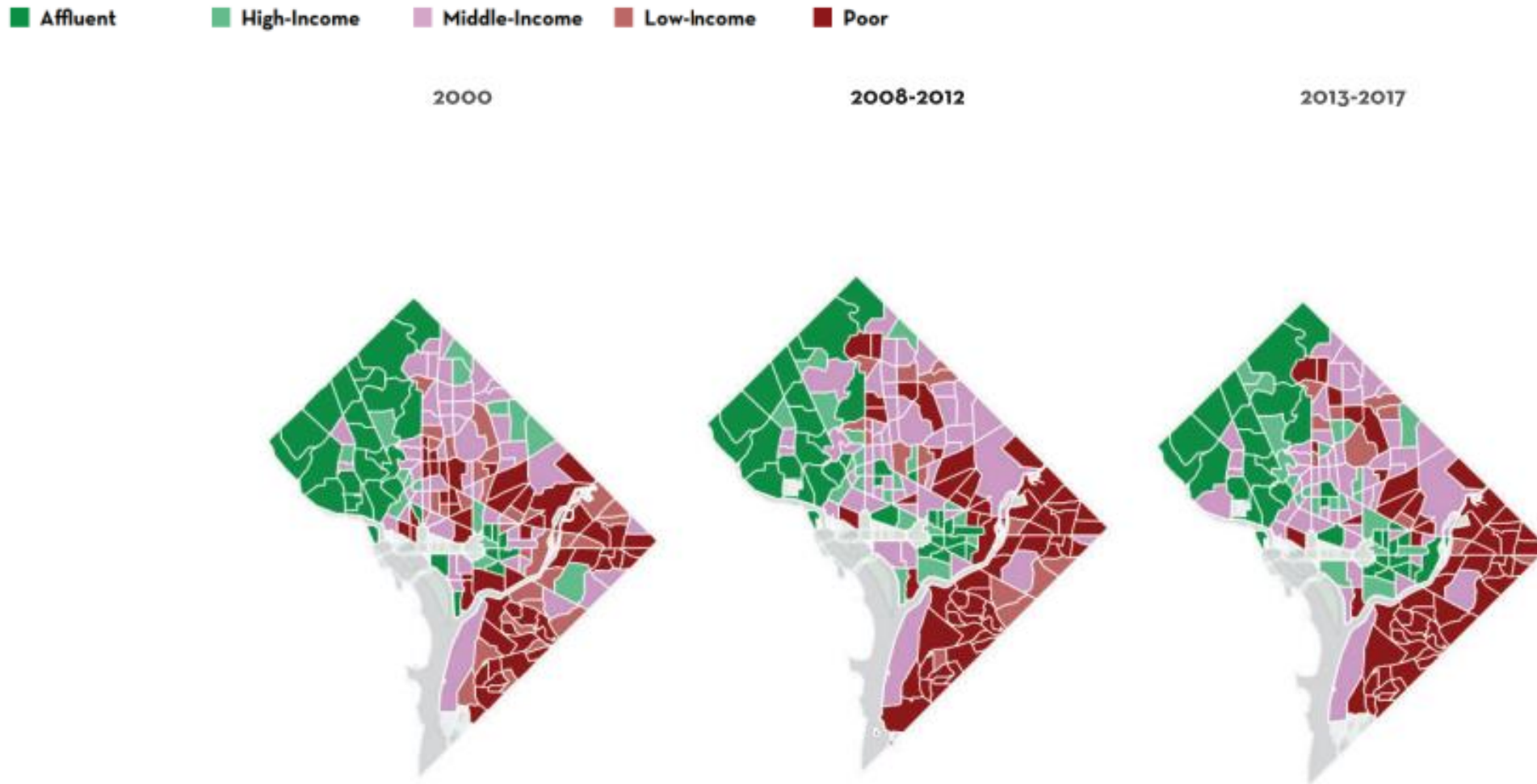


Figure 1. Majority Racial Population Distribution in the District of Columbia by Census Tract, 1930 to 2017

Chandler, Jamie P., and Philips, Joy, *Racial, Education & Income Segregation in the District of Columbia*, District of Columbia Office of Planning, November 2020

Figure 5. Income Distribution in the District of Columbia by Census Tract: 1950, 1980 to 2017



Source: US Census Bureau 1950, 1980, 1990, and 2000 decennial censuses, 2008-2012 and 2013-2017 American Community Survey (the detailed income data for 1960 and 1970 were not available)

The IZ Program, which requires most new residential buildings of 10 units or more to set aside between eight and 12.5 percent of the project toward affordable units, has now delivered almost 600 affordable units as of Fiscal Year (FY) 2017, with another 800 expected over the next several years, at a pace of close to 200 affordable units per year. The program is particularly beneficial for two reasons. **First, it retains the affordable units for the life of the project; second, it produces units in high-amenity, high-cost neighborhoods, where land prices make it very expensive to financially subsidize affordable housing.** An expanded IZ program that would encourage additional affordable housing and extend program applicability is under consideration – Comp Plan § 500.21

While some of this production is occurring in the very neighborhoods where such housing is already concentrated, changes in the way investment decisions are being made, such as preferences for projects in high-cost areas are shifting production to higher-cost neighborhoods, where there is less affordable housing. A housing needs assessment conducted by the Urban Institute for the District in 2015 suggests that **more affordable housing is needed Districtwide, especially in high-cost areas** and for those households earning less than 30 percent of the MFI. - Comp Plan § 500.25

Title 10A DCMR – Comprehensive Plan, Chapter 5 – Housing Element

Policy H-1.1.6: Housing in Central Washington - Absorb a substantial component of the demand for new high-density housing in the Central Washington Planning Area and along the Anacostia River. Through regulation and incentives, encourage affordable housing production. Absorbing the demand for higher-density housing within these areas is an effective way to meet housing demands, maximize infrastructure and proximity to jobs, create mixed-use areas, and minimize the cost pressure on existing residential neighborhoods throughout the District. Market rate and affordable mixed-income, higher-density downtown housing also provides the opportunity to create vibrant street life and to support the restaurants, retail, entertainment, and other amenities in the heart of Washington, DC. - Comp Plan § 503.8

Policy H-1.1.8: Production of Housing in High-Cost Areas - Encourage development of both market rate and affordable housing in high-cost areas of the District, making these areas more inclusive. Develop new, innovative tools and techniques that support affordable housing in these areas. Doing so increases costs per unit but provides greater benefits in terms of access to opportunity and outcomes. - Comp Plan § 503.10

Policy H-1.2.3: Affordable and Mixed-Income Housing - Focus investment strategies and affordable housing programs to distribute mixed-income housing more equitably across the entire District by developing goals and tools for affordable housing and establishing a minimum percent affordable by Planning Area to create housing options in high-cost areas, avoid further concentrations of affordable housing, and meet fair housing requirements. - Comp Plan § 504.10

Policy H-1.2.11 Inclusive Mixed-Income Neighborhoods - Support mixed-income housing by encouraging affordable housing in high-cost areas and market rate housing in low-income areas. Identify and implement measures that build in long-term affordability, preferably permanent or for the life of the project, to minimize displacement and achieve a balance of housing opportunities across the District. - Comp Plan § 504.19

Action H-1.2.E: Leveraging Inclusionary Zoning - Review and consider expansion of the Inclusionary Zoning program as needed to encourage additional affordable housing production throughout the District. **Examine and propose greater IZ requirements when zoning actions permit greater density or change in use.** Factors supporting a greater requirement may include high-cost areas, proximity to transit stations or high-capacity surface transit corridors, and when increases in density or use changes from production, distribution, and repair (PDR) to residential or mixed-use. Consider requirements that potentially leverage financial subsidies, such as tax-exempt bonds. - Comp Plan § 504.26

“The city’s distribution of affordable housing reflects a legacy of racially discriminatory policies enacted for more than a century. These policies displaced thousands of black residents and concentrated their communities in the eastern sections of the District, referred to as “East of the River.” These policies also deepened poverty and generated multiple barriers that have severely limited blacks’ access to socioeconomic opportunities and kept them out of certain neighborhoods.”

Chandler, Jamie P., and Philips, Joy, *Racial, Education & Income Segregation in the District of Columbia*, District of Columbia Office of Planning, November 2020