Mr. Anthony J. Hood, Chairman D.C. Zoning Commission One Judiciary Square 441 4th Street NW, 2nd Floor Washington, D.C. 20001

RE: Zoning Commission Case No. 22-13 – Application of the Wesley Theological Seminary for Approval for a Campus Plan – Pre-Hearing Joint Statement from Neighbors for a Livable Community (NLC) and Spring Valley – Wesley Heights Citizens Association (SVWHCA)

Dear Chairman Hood and Members of the Commission:

Following is a joint pre-hearing statement from Neighbors for a Livable Community (NLC) and the Spring Valley – Wesley Heights Citizens Association (SVWHCA) in the above referenced case. The groups' oral testimony before the Commission will be based on this pre-hearing statement.

In this pre-hearing statement, NLC and SVWHCA state the following:

- 1. The Wesley Theological Seminary (WTS) Campus Plan is not in harmony with the general purpose and intent of the Zoning Regulations; fails to comply with the regulations related to commercial activities or developments on a college campus; and will tend to affect adversely the use of neighboring property.
- 2. Approval of the WTS Campus Plan will set a harmful precedent for the city. (pp. 1-3)
- 3. WTS has alternatives other than commercializing its land use to address its financial challenges. (pp. 3-4)
- 4. The Wesley Campus Plan zoning case is about commercial residential housing on a college campus, not Wesley's revenue stream. (pp. 4-6)
- 5. NLC and SVWHCA value the Seminary's presence in Spring Valley. (pp. 6-9)
- 6. NLC and SVWHCA offer a detailed analysis of the zoning regulations to demonstrate the WTS Campus Plan is not in harmony with the 2016 Zoning Regulations. (pp. 9-23)
- 7. The 2016 Zoning Regulations do not support commercializing campus land use to fund university operations. (pp. 23-27)
- 8. The Wesley Seminary Campus Plan application does not address whether the proposed commercial use of its property is permitted under the 2016 Zoning Regulations. In fact,

ZONING COMMISSION District of Columbia CASE NO.22-13 EXHIBIT NO.26 the application skirts the commercial use issue completely – never even outlining why the Landmark commercial student apartment building complies with the commercial provisions in *Subtitle X, Section 101*. So, we can only speculate on their arguments before the Commission.

- 9. NLC and SVWHCA review the reports from the Office of Planning (OP), ANC 3D, and the District Department of Transportation (DDOT). (pp. 27-33)
- 10. We encourage the Zoning Commission to reject this application and direct Wesley to develop a new Campus Plan in harmony with the 2016 Zoning Regulations.

Thank you for the opportunity to file this information with the Commission prior to the June 13, 2022 hearing.

Sincerely,

Lever Acres

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Joint Pre-Hearing Statement from Neighbors for a Livable Community And the Spring Valley-Wesley Heights Citizens Association Z.C. Case No. 22-13 – Wesley Theological Seminary Campus Plan June 8, 2022

Neighbors for a Livable Community (NLC) and the Spring Valley-Wesley Heights Citizens Association (SVWHCA) submit this joint statement to the D.C. Zoning Commission in Zoning Case No. 22-13 in opposition to the application of the Wesley Theological Seminary (WTS) for special exception approval of a Campus Plan. <u>Although both of our organizations</u> <u>have consistently supported Wesley in cases before the Zoning Commission (five</u> <u>proceedings since 2006), NLC and SVWHCA believe the 2022 Campus Plan is (a) not in</u> <u>harmony with the general purpose and intent of the Zoning Regulations; (b) fails to comply</u> <u>with specific provisions of the Zoning Regulations related to commercial activities or</u> <u>developments on a college campus; and (c) will tend to affect adversely the use of</u> <u>neighboring property.</u>

A. Approval Of The WTS Campus Plan Will Set A Harmful Precedent

The centerpiece of the Campus Plan proposal is a new 659-bed student apartment building that Wesley indicates in its application will be developed, built, owned, leased, and operated on the WTS Campus by Landmark Properties, a commercial developer of student apartment housing. Our review of Landmark's student apartment housing portfolio indicates all of its properties are located on property "off-campus" or "near campus," but none on a college or university campus, as proposed in the Wesley Campus Plan application. The only Landmark student housing property in the Washington, D.C. metropolitan area is in College Park to serve University of Maryland students. That facility is not located on the University of Maryland campus. It appears that few of Landmark's projects are located in an urban market, let alone in a

low density residential neighborhood, such as the location in Washington, D.C. that is available through Wesley Seminary.

The new commercial real estate student apartment building will have a total gross floor area of 306,517 square feet – approximately 73 percent of the total build-out of campus facilities, and will house primarily American University (AU) students. <u>In fact, Wesley's declining</u> <u>enrollment makes it circumspect that even a nominal number of Wesley students will be</u> housed in the new apartment building.

If approved by the Zoning Commission, as proposed, the Wesley Seminary Campus Plan will set an egregiously adverse precedent that would grant tax exempt colleges and universities in the District of Columbia unlimited permission to commercialize residentially zoned land for profit to the detriment of the public interest – not just affecting residents in Spring Valley, but also impacting residents in neighborhoods adjacent to colleges and universities across the city as well as the public at large.

What makes this case particularly difficult is that the mission of the Seminary is a noble one – "to equip persons for Christian ministry and leadership in the church and the world" and "to model a prophetic voice in the public square." We recognize that Wesley has advised the Zoning Commission beginning in 2012 (and reiterated in the 2022 Campus Plan) that it has fallen victim to the trend of declining seminary enrollments resulting in a shortfall of revenue that, if not corrected, could force it over time to relocate.

That is why, as evidenced by the record in *Z.C. 05-40 (A-D)*, NLC and SVWCA have supported the modest, short-term temporary initiatives proposed previously by the Seminary to buttress its revenue by housing a limited number of AU graduate students on its campus. But, these efforts have consistently fallen short – with even the number of AU students housed at the

Seminary declining prior to the COVID pandemic – just as the demand among Wesley's students for on-campus housing also plunged sharply prior to the COVID-19 pandemic.

For the 2018-2019 academic year, for example, only 40 percent of Wesley's 165 oncampus beds – e.g. 66 beds – were occupied by Wesley students. With this new proposal, the combination of the 659 beds in Landmark-owned and operated housing and Wesley's 76 beds in Wesley-owned and operated housing will provide 735 student beds on the Wesley campus; yet, the Seminary enrollment continues to decline.

When NLC and SVWHCA supported Wesley's minor modifications in 2016 and 2017 to house a limited number of AU graduate students on its campus, we never anticipated then that Wesley would seek one day to monetize its land by leasing its land to a commercial residential real estate company to build, own, and operate housing on its campus for AU students. We might not have been as supportive of Wesley in those prior proceedings.

The Campus Plan proposal before us now goes too far in transforming and reshaping the Wesley Campus. Wesley's 2022 Campus Plan will transform its Campus from a tranquil graduate-level Seminary to a more bustling and more intensive extension of American University residential life.

B. <u>WTS Has Alternatives Other Than Commercializing Its Land Use To</u> Address Its Financial Challenges

Wesley has not shared details of its finances as part of this case, but we recognize without the details of a financial statement that United Methodist Seminary schools, like Wesley, are experiencing financial woes. Church-affiliated publications have reported that the United Methodist Church (UMC) is reducing its financial support for Seminaries in large part because church attendance and revenues have declined. This has been attributed in part to the conflict

within the Methodist Church over diversity issues related to prohibitions on performing same sex marriages and ordaining gay and lesbian clergy. As an example of a recent challenge confronting one Methodist Seminary, a California court ruled earlier this year that the Claremont School of Theology – also trying to deal with its financial woes – must sell its campus to a consortium of local colleges. The Claremont School of Theology had been pursuing a merger with a private university in Oregon that shared its Methodist mission as an alternative to selling its campus.

Many universities affiliated with the Methodist Church, such as Duke, Emory, and Boston University, offer Schools of Theology to train Methodist seminarians for religious life. Fewer are independent schools, like Wesley, that are not affiliated with another larger Methodist university. Based on reports in the UMC affiliated journals, seminaries affiliated with larger universities are surmounting financial challenges that Wesley indicates it is experiencing.

It is not lost on us that Wesley's immediate neighbor, American University, is a United Methodist-affiliated university and also played a major role in Wesley's acquisition of its current land. Exploring this connection may present another alternative for Wesley to address its financial needs separate from commercializing its land use in a residentially zoned neighborhood.

C. <u>The Wesley Campus Plan Zoning Case Is About Commercial</u> <u>Residential Housing On A University Campus, Not Wesley's Revenue</u> <u>Stream</u>

Unquestionably, the 2022 Campus Plan is being driven by Wesley's efforts to consider longer-term options for increasing its revenue. Some might say Wesley's Campus Plan reflects a "creative" approach to leverage its land – residentially zoned land – to boost its budget.

However, we conclude that Wesley is ceding its on-campus housing operations for this new 659bed student apartment building to a commercial provider of student housing who will then market primarily to an audience outside Wesley and compete <u>(albeit unfairly)</u> with other commercial residential real estate by using tax exempt university-owned land. This Landmark-Wesley project also will compete with American University for the revenue it earns from housing its own students in AU-owned and operated facilities. No wonder AU has been reluctant to fully engage with Wesley during the two institutions' campus planning processes.

Although Wesley likely will use this revenue to boost its operations, the Landmark student apartment building is still a commercial residential real estate enterprise operating on Wesley campus property for the financial benefit of Landmark and its investors and WTS. The end product or <u>use</u> regulated by the Zoning Regulations in this special exception campus plan case is housing, <u>not</u> Wesley's revenue stream. We believe the decision before the Commission on this special exception application should be decided on the basis of whether a commercially-owned and operated residential apartment building that primarily serves students from another university is permitted on Wesley's tax exempt campus land. This case is not about whether Wesley, as a tax exempt college, needs the revenue from the business deal or what it might do with the revenue it earns from this commercial venture. <u>Wesley's financial needs are not a relevant factor in determining the</u> outcome of this special exception land use case.

We believe the proposal before the Zoning Commission is a prickly commercial path for the city and would require the Commission to disregard its rules; stretch its rules (at best); or, in effect, alter the application of its rules without regard to the public's interest in transparent and

evenly applied zoning rules to rescue a struggling religious-affiliated college operation that is relying on a fading, if not anachronistic, financial model.

The proposal before the Zoning Commission is not akin to approving a food service contract for Wesley's cafeteria. Such contracts also are commercial in nature and are clearly an ancillary commercial use allowable under the Zoning Regulations; but transactions resulting from this type of ancillary commercial use are managed by Wesley in buildings owned by Wesley and intended to benefit primarily Wesley students, faculty, and staff. Landmark, a private developer, will own, operate, market, and lease a building on the Wesley campus that is sized and designed for AU students, not Wesley students.

If this is not a commercial enterprise, then the word "commercial" needs to be redefined.

Given the potential impacts for the city as a whole of turning a blind eye to the commercial enterprise that Wesley is proposing with Landmark Properties in its Campus Plan, NLC and SVWHCA cannot be partners in that effort; we encourage the Zoning Commission to reject the proposal or direct Wesley to modify its application so as not to conflict with the purpose and intent of the zoning regulations.

D. NLC And SVWHCA Value The Seminary's Presence In Spring Valley

NLC is a D.C. non-profit public interest group registered with the DC Department of Consumer and Regulatory Affairs (DCRA). It was established in 1987 by concerned neighbors of American University (AU) and Wesley Theological Seminary to protect the quiet, longestablished neighborhoods surrounding the two institutions, including Spring Valley, American University Park, Fort Gaines, the Palisades, and Wesley Heights. As specified in its Articles of Incorporation, NLC is organized and operated for the promotion of social welfare, particularly

(a) to promote the planning and use of the campuses of American University and Wesley Theological Seminary and other campuses within the District of Columbia to be consistent with the stability and serenity of the neighboring residences and residential communities in which they are located; and (b) to promote and preserve the campus of the Wesley Theological Seminary in such a manner that the Seminary is able to serve its function and fulfill its educational mission in a manner which is consistent with the residential communities that surround it with the recognition that the campus is located in a residentially zoned area and that the Seminary uses land subject to a special exception.

The precedent-setting nature of this case is consistent with NLC's mission to focus on campus planning for colleges and universities across the city.

SVWHCA was established as a neighborhood association in 1952 and incorporated in the District of Columbia with the Corporations Division of the DC Department of Consumer and Regulatory Affairs (DCRA). The SVWHCA represents residents of Spring Valley, including those who own properties adjacent to the borders of Wesley Theological Seminary. Members of the SVWHCA also will be directly affected by any adverse impacts of the proposed Campus Plan with respect to vehicular traffic, parking, noise, building height, environmental, and other impacts. The Association has continued throughout the years to be involved in a wide range of land use issues as advocates for neighborhood interests, including historic designation, campus planning, and other zoning issues.

The Wesley Theological Seminary is located within the Spring Valley neighborhood. Its buildings are sited on top of a hill or built into the hill that slopes steeply into the neighborhood. Stormwater run-off is a major issue for the Seminary and the homes at the bottom of the sloped hill. As the District Department of Energy and the Environment (DOEE) *(Exhibit 20)* states, the

area is subject to stormwater runoff that flows untreated into local bodies of water, including the Potomac River. For some residents, this stormwater flows into the basements of their homes.

We appreciate the Seminary's commitment to provide the neighborhood with a new playground for their exclusive use as part of the 2022 Campus Plan. This is a long-desired amenity; and in fact, the Seminary offered the same amenity as part of its current Campus Plan adopted by the Commission in 2012. The Seminary has not followed through with this commitment; but we are pleased the Seminary has renewed its offer in light of seeking neighborhood support for this Campus Plan proposal. The offer of a playground as a neighborhood amenity, however, would not (and did not) factor into our decision to support or oppose this application.

Over the years, both NLC and SVWHCA have worked in tandem with the Seminary to support its campus plans and modifications before the D.C. Zoning Commission. It has been a cooperative relationship – but not without an occasional hiccup.

Contrary to the comments from the Office of Planning (OP) *(Exhibit 20),* Wesley's 2022 *Thrive in Place* Campus Plan is the third campus plan application filed by the Seminary. The Zoning Commission approved a Campus Plan for Wesley in 2006 that was to expire in 2015 *(Z.C. 05-40)*; approved a modification in the form of a new Campus Plan in 2012 that would extend to 2025 *(Z.C. Case No. 05-40A)* – subsequent modifications resulted in the expiration date being moved up to December 31, 2019; and now after several delays approved by the Zoning Commission due to the COVID-19 pandemic and the Seminary requesting more time – WTS is proposing its *Thrive in Place* Campus Plan that was originally to be filed by the end of 2019.

There can be no doubt that Wesley Seminary and the Spring Valley neighborhood have enjoyed a warm and healthy connection over the years. Neighbors use the Seminary grounds almost as a neighborhood park where they let their dogs off-leash to run the grounds, enjoy a picnic lunch from time to time, and, in the winter months, enjoy sledding down the hill with children, grandchildren, and their friends. NLC and SVWHCA even offered to assist Wesley in 2012 with fundraising; but Wesley has never followed up on that offer.

E. <u>The 2022 Wesley Campus Plan Is Not In Harmony With The 2016</u> Zoning Regulations

The centerpiece of the 2022 Wesley Theological Seminary (WTS) Campus Plan (Z.C. *Case No 22-13)* is the construction of a 659-bed student apartment building that will be owned and operated by Landmark properties, a for-profit national commercial developer of student apartment housing, primarily to meet a market demand identified by the developer for housing from students of American University (AU), not the Wesley Theological Seminary. We believe this special use commercial real estate development is not permitted under the 2016 DC Zoning Regulations governing "commercial activities or developments" on college/university campuses.

Although the Wesley Plan proposes to demolish two existing dorms owned and operated by WTS to make way for the new commercial student apartment housing and build another small administrative building on the hillside, we believe it is the Landmark-owned commercial housing operation on the campus that largely makes the Plan inconsistent with the 2016 Zoning Regulations.

The agreement between Landmark and WTS that is the centerpiece of the WTS Campus Plan will result in ground lease income and the development of a commercial student apartment building. It is intended solely for the purpose of leveraging WTS's land resources to cross subsidize the Seminary's shortfall in income from other traditional and fundamental sources, including its students' tuition and housing fees. <u>Wesley is seeking to use a commercial means</u> to correct a problem in the fundamentals of its financial model. If Wesley wants to monetize its land, the most appropriate way may be for the Seminary to sell portions of the land, as it proposed in its approved 2006 Campus Plan.

As Wesley states in its Campus Plan application, it is choosing to leverage its "physical resources" – its land – to compensate for its financial shortfall (*(Z.C. Case No. 22-13, Exhibit 3, Page 7*). WTS does not need to build a large new 659-bed student apartment facility for its students – and would not do so absent the ground lease agreement with Landmark and the commercial activity/development stemming from the ground lease.

We do not believe that the city's campus plan zoning regulations were written to ensure profits for commercial developers or to secure the long-term financial well-being of struggling educational institutions by commercializing land on a campus that would otherwise be used for residential purposes. The Campus Plan zoning rules were established to regulate land use, allow educational use of residentially zoned property, and, in so doing, protect the land use interests of the residents of the District of Columbia.

F. Zoning Regulation Compliance: Detailed Analysis

- 1. The proposed 659-bed student apartment building is a special use commercial real estate development made possible through a ground lease agreement between WTS and Landmark Properties, a commercial developer of student apartment housing.
 - As part of a 99-year ground lease proposed by WTS, the 659-bed student apartment housing (dorm) building would be built, owned, operated, and marketed for profit by Landmark Properties, a commercial developer of off-campus student apartment

buildings, which in 2021 entered into a joint venture with Blackstone Real Estate Investment Trust, a publicly registered non-traded REIT sponsored by private equity giant The Blackstone Group (NYSE:BX).

- Although targeted and marketed primarily to students of American University, not WTS students, Landmark will fully own and operate this special use commercial real estate development for profit on land owned by WTS and is, therefore, subject to the zoning regulations related to campus plans.
- c. As outlined in the Campus Plan application (Exhibit 3), Landmark, the commercial developer, not WTS, will be the sole responsible party for all the components of this special use commercial real estate development from construction to market analysis to setting rental fees and leasing to building management and all other undertakings intended to maximize profit consistent with a commercial residential real estate use. Landmark will also set the rules of conduct and implement those from American University for students housed in its facility. In return, Wesley will receive upfront and recurrent payments from Landmark.
- d. As outlined in the Wesley Campus Plan application (Exhibit 3), the individual apartment lease agreements for the new student apartment housing will be between Landmark and individual tenants. Neither WTS nor AU will be involved in the apartment lease agreements. Landmark is assuming the market risk of renting/leasing the beds/rooms because it believes there is an underserved captive market demand among AU students. At this time, AU has not begun to build the 500 beds of new student housing approved in its 2021 Campus Plan. The Landmark building on the Wesley campus will actually house more AU students than all the new housing

facilities approved in the 2021 AU Campus Plan. WTS emphasizes in its Campus Plan proposal that the building is targeted to AU students. The WTS Campus Plan application even cites as the market competition for the new Landmark building the specific names of other nearby off-campus <u>commercial</u> residential rental apartment buildings (e.g. "The Berkshire" and "Avalon at Foxhall"). *(Z.C. Case No. 22-13, Exhibit 3, Page 32).*

- 2. DC Zoning Regulations Impose Limits for On-Campus "Commercial Activities or Developments."
- A dormitory is an allowable land use on campus (*Subtitle B, Chapter 2*), but the <u>commercial</u> student apartment building to be developed as part of the WTS Campus Plan is not permitted under the 2016 DC Zoning Regulations because it is a <u>commercial</u> venture.
- b. Subtitle B, Chapter 2 (Use Categories), Section 200 (j)(1) and Section 200 (j)(2) outline the allowed uses on land owned by colleges and universities. Primary uses include dormitories just as they include research facilities and classroom teaching. We acknowledge that housing is an appropriate use of land on a college campus.
- c. Subtitle B, Chapter 2, Section 200 (j)(2), however, includes descriptive and qualifying language that limits <u>commercial</u> uses on campus by specifying that only "ancillary commercial uses" are allowable. "Ancillary uses" are not defined in the Zoning Regulations. Webster's defines "ancillary" as a subordinate function, not a primary function. Ancillary uses might be equivalent to a coffee shop located on campus; a store that sells campus logo wear; or food service. These are the types of commercial uses anticipated in the language and the Zoning Regulations' legislative history; housing is not

one of them. If housing can be commercialized on a college campus, then all uses of the land can be commercialized. We do not believe this is the intent of the zoning regulations or in harmony with the regulations.

- d. This limit for on-campus commercial activity is reinforced in Subtitle X, Chapter 1 (Campus Plans, School Plans, and Medical Campus Plans), Section 101.3, which specifically includes descriptive language describing allowable on-campus commercial activity as being "customarily incidental to a university use." The Zoning Regulations recognize a "customary incidental use" (Subtitle B, Chapter 1, Section 100) as an "accessory use," which is also defined in the Zoning Regulations as being "subordinate" to the primary use. This definition is consistent with a precedent finding by the Connecticut Supreme Court in Lawrence v. Zoning Board of Appeals, 158 Conn 509.
- e. In effect, these provisions of the DC Zoning Regulations indicate that commercial activities or developments on a college campus, including the special use commercial real estate development proposed by WTS, are not permitted under the DC Zoning Regulations <u>if</u> they are anything other than an ancillary use of campus land. According to the regulations, this would exclude commercial student housing as being an allowable land use.

3. Other Applicable Zoning Limitations

a. Even if the Commission determines inexplicably that the DC Zoning regulations do <u>not</u> limit commercial uses, as suggested by *Subtitle B, Chapter 2, Section 200 (j)(2)* and *Subtitle X, Chapter 1, Section 101.3*, the commercial activity/development proposed by WTS <u>still</u> would not be allowable. *Subtitle X, Chapter 1, Section 101.3(b)* states:

"The total floor area of all commercial uses, including basement or cellar space, shall occupy no more than 10 percent of the gross floor area of the total campus plan floor area."

Wesley reports that the new Landmark commercial student apartment building will have a gross floor area of 306,157 square feet. The total build-out of gross floor area proposed in the 2022 Campus Plan is 417,203 square feet. The commercial Landmark building will comprise roughly 73 percent of the gross floor area of the total campus plan floor area – well above the 10 percent ceiling outlined in the 2016 Zoning Regulations.

b. Subtitle X, Chapter 1, Section 101.3(a) stipulates that there must be a "demonstrated and necessary relationship between the (customarily incidental commercial) use and the university functions." There is no relationship between the commercial use of this property and university functions – except for the revenue that Wesley will receive as part of this commercial transaction, which is neither a "function" (defined by Webster as a "purpose"), nor a use identified in Subtitle B, Chapter 2. But, this argument would only be relevant if the commercial use was determined to be "customarily incidental." At the end of the day, the Wesley Campus Plan case is a zoning case about land use and Wesley's desire to monetize its land, and the land's proximity to AU, which makes it attractive for and will result in a commercial enterprise and commercial profits. If located off-campus, the Landmark-Wesley commercial enterprise would be subject to property tax payments for the District of Columbia. We believe the proposal by Wesley and Landmark to operate this on-campus commercial student apartment building is an abuse of the Campus Plan Zoning Regulations.

c. <u>If we needed more evidence of Wesley students</u>' *de minimis* role in this commercial transaction, Wesley's own housing data proves convincing. The number of students

enrolled at WTS and living in existing WTS on-campus housing has declined and continues to decline since the 2006 WTS Campus Plan. This cannot be attributed to COVID-19 as the numbers made available by WTS are for academic years preceding the onset of the pandemic. Based on pre-COVID numbers provided by WTS (the most recent numbers available from WTS), WTS students used only 40 percent of WTS's existing 165 beds on campus – or a total of 66 beds in the 2018-2019 academic year. Based on these numbers, WTS could not even fill up its newest 76-bed dorm built in 2014 with its own students. Modifications of the current WTS Campus Plan in 2016 and 2017 show that WTS has had excess housing capacity since 2014 once it first opened the new 76-bed dorm.

According to WTS, the enrollment of students in Fall 2021 who used the Spring Valley Campus (both full-time and part-time) was only 258 Masters students. (The Spring semester was slightly lower.) If the improbable happened and every enrolled Wesley Masters student wanted housing on its campus, the 258-total number of Wesley's current Masters level enrollment for Fall 2021 would fill only 39 percent of the housing available in the Landmark building and 35 percent of the total number of on-campus beds. (Some of the 172 D.Min. students come to campus only for a two week session between semesters while others attend special tracks overseas, so they do not add to WTS's housing needs, according to Wesley.)

In fact, since 2011, the highest number of Masters students enrolled at Wesley Seminary was 425 in Spring 2013. The numbers have declined steadily since then.

d. WTS proposes in its 2022 Campus Plan to have a maximum of 735 beds on campus – nearly three times the number of enrolled students using the campus during the

traditional academic year. The size of the Landmark building has been determined on the basis of the **end-product revenue** needed to make this project financially viable and profitable for Landmark; **the size and scale of the building has not been determined on the basis of meeting WTS students' needs for housing.** Wesley students' needs are a *de minimis* factor in the planning for this building. In short, the building size and scale is nothing more than a case of the tail wagging the dog.

- e. We believe that *Subtitle X, Chapter 1, Section 101.4* states clearly that "the campus plan process shall not serve as a process to create general commercial activities or <u>developments</u> unrelated to the educational mission of the applicant." The authors of this "catch-all" provision must have anticipated the type of special use commercial real estate project proposed by WTS in its 2022 Campus Plan. The stated educational mission of WTS is "to equip persons for Christian ministry and leadership in the church and the world, to advance theological scholarship, and to model a prophetic voice in the public square." The 659-bed special use commercial real estate development proposed by WTS is being built and marketed primarily to house students from another institution American University as acknowledged in the WTS Campus Plan application (*Z.C. Case No. 22-13, Exhibit 3, Page 32*). Housing AU students as part of a special use commercial real estate development is not consistent with Wesley's mission.
- f. WTS states in its Campus Plan application that the ground lease and the resulting Landmark-owned and operated special use commercial real estate development project will enable it to "thrive in place financially." But, the Seminary also states that "the reason for this development is <u>not</u> for Wesley to survive."

- g. <u>Clearly, the size and scale of this project has been determined by WTS and</u> <u>Landmark so as to meet market demand from AU students, not WTS students;</u> <u>generate a desired level of profits and return on investment for commercial</u> <u>developer Landmark; and for WTS to leverage its land and monetize its proximity</u> <u>to AU as a means to create a new revenue stream from Landmark's commerciallytargeted market.</u>
- h. The only reason for the Seminary to house AU students is to make money and in the process, they have found a commercial developer who is in business also to make money and provide their investors with a return on their money. At the end of the day, this case is all about profits. The Seminary already has indicated it will survive without the Landmark transaction, but has hinted that it may need to relocate to a different location. Although this may be regrettable, it is not a standard for approval of a special exception Campus Plan zoning case.

4. Inclusionary Zoning

- a. We agree with the Office of Planning (OP) (Exhibit 20) that the proposed development by Landmark and WTS would appear to be subject to the city's Inclusionary Zoning (IZ) requirements, as outlined in Subtitle C, Chapter 10 of the 2016 Zoning Regulations. The WTS Campus Plan application is silent on how the proposed commercial student housing apartment development will meet IZ requirements or even if they would apply.
- b. Subtitle C, Chapter 10, Section 1001.6(c) of the 2016 Zoning regulations exempts the following from the city's IZ regulations: "Housing developed by or on behalf of a local college or university <u>exclusively for its</u> students, faculty, or staff."

c. For the Landmark-owned student apartment housing to be exempt from IZ regulations, it must be developed <u>exclusively and only</u> for WTS students, faculty, or staff. It is not; instead, the proposed building will be used primarily by students of AU.

5. Building Height

- a. The Wesley Campus Plan application does not address whether the building height proposed for the Landmark commercial student apartment building is in compliance with the 2016 Zoning Regulations. However, the report from the Office of Planning *(Exhibit 20)* highlights the inconsistencies in the Zoning regulations, the Future Land Use Map (FLUM) and the Generalized Policy Map, and the Land Use Elements of the Comprehensive Plan related to building heights.
- b. The proposed Landmark commercial student apartment building will be approximately 75 feet, 8 inches, according to the Wesley Plan. *Subtitle X, Chapter 1, Section 101.5* states the maximum building height of a campus building in an RA-1 zone is 50 feet, which is 10 feet higher than would otherwise be permitted in an RA-1 zone. (Landmark's building exceeds this 50-foot campus plan height standard.)
- c. As OP points out, the FLUM designates the campus plan area for "institutional uses."
 But, the Land Use Element of the Comprehensive Plan does not include a "college campus" within the scope of its examples of "institutional uses."
- d. Let us also note that the Zoning Regulations (Subtitle D, Section 207) specify that an "institutional" building or structure "may be erected to a height not exceeding 90 feet."
 But, Subtitle B, Chapter 2, Section 200(p) specifies that the "institutional use" category

does not apply to "education" use categories which are outlined separately in *Subtitle B*, *Chapter 2, Section 200(j).*

e. Upon reviewing these conflicts in DC land use policy embodied in the 2016 Zoning Regulations, the FLUM, and the Comprehensive Plan, we believe there is strong evidence to argue that the 75-foot height proposed for the Landmark Building is not in harmony with the general purpose and intent of the Zoning Regulations, especially given that the height will likely create objectionable conditions for neighboring property. The proposed 75-foot height measurement does not include the habitable 12-foot tall penthouse.

6. Other Objectionable Conditions

- a. The proposed WTS Campus Plan does not meet the requirements of the Zoning Regulations because uses identified in the Plan will be located so as to become objectionable for neighboring property. (Subtitle X, Chapter 1, Section 101.2).
- b. Location and Height: Because this new 75-foot Landmark commercial building will sit on the top of the hill overlooking Spring Valley homes, the impacts of the building height, including lighting, will have the most significant impact on those who live closest to the Seminary. The height of the new Landmark building also will distract from and obscure the overall aesthetics of the Wesley Campus. The Wesley Campus is just a few blocks away from the District boundary line with Maryland on Massachusetts Avenue. Wesley's Chapel and Bell Tower are some of the first images that people see entering the District. The new Landmark commercial building will be higher and tower over the Chapel and the Bell Tower altering the skyline and the very iconic neighborhood images that Wesley has offered over the years. There is simply no way to mask the effects of

one of the tallest buildings in the area (plus penthouse) when viewed from Massachusetts Avenue. The height of the building will draw attention away from the iconic view that currently exists at the front of the Wesley Campus.

- c. Weslev Campus Mission/Number of Students: The Wesley Seminary Campus Plan application would have the Commission believe that it is proposing "limited new development." (Exhibit 3, Page 55) In reality, the Seminary is proposing to develop more than 73 percent of the gross floor area of the campus. This will transform the Campus and lead to a greater intensity of use. The proposed location and use of the new student apartment building on the WTS Campus for students of AU is likely to become objectionable because of the number of students, including AU undergraduate students, and the increased intensity of campus use. The WTS Campus Plan significantly alters the purpose, use, and fundamental character of the WTS campus by transitioning it from a graduate-level training ground for seminarians into a commercial marketplace for housing targeted to students (ages 17 to mid-20s) from a neighboring university and competing with other commercial residential real estate properties in the neighborhood as well as housing at American University.
 - Under the terms of this Campus Plan, the overall number of students on the WTS Campus will increase three-fold.
 - The number of AU students living in on-campus Wesley housing will exceed by 9 times the number of Wesley students living in those buildings.
 - The total number of AU students residing on the WTS Campus will exceed the total number of students enrolled in the WTS Masters programs by nearly 3 times.

- Because of the number of AU students that will reside on the WTS Campus, the overall number of students on the WTS Campus will exceed the Seminary's population ceiling of 715 previously set by the Zoning Commission in the current Campus Plan.
- d. <u>Transportation</u>: The increased intensity of use resulting from the additional new student housing targeted to AU students may add to neighboring traffic and create added public safety risks tied to the use of Wesley's Massachusetts Avenue entrance and exit. In its report *(Exhibit 21)*, the District Department of Transportation (DDOT) makes reference to the complex nature of the Campus Plan and its implications for transportation issues.
 - DDOT recommends that Wesley continue to explore issues with the Massachusetts Avenue access. We believe that Wesley should develop a plan to address issues at Massachusetts Avenue as part of this Campus Plan application, not as part of a Further Processing. In fact, we encouraged Wesley to engage with DDOT on the potential for signalizing the Massachusetts Avenue entrance/exit; but Wesley consistently responded by saying that the anticipated traffic increase would not merit a signal.
 - Several years ago, DDOT recommended installing a pedestrian Hawk Signal within a short distance of Wesley's Massachusetts Avenue driveway. Warrants allowed that installation – it is unclear why the same warrants would not indicate the need for an on-demand signalized driveway at Wesley.
 - We believe that public safety demands the Massachusetts Avenue entrance and exit should be signalized to allow for left and right turns into and out of the driveway on

Massachusetts Avenue. Drivers will inevitably try to make a left turn from Wesley onto Massachusetts Avenue at all times of the day – whether permitted or not.

- This is a very dangerous downhill stretch of Massachusetts Avenue at all times of the day because of speeding traffic. A driver turning left would have to cross two lanes of traffic and immediately upon making the turn confront a mid-block pedestrian Hawk traffic signal. (The pedestrian signal was intended to make it easier and presumably safer for neighborhood children to cross four lanes of traffic on Massachusetts Avenue to access the city-owned Turtle Park Playground at the Friendship Recreation Center just a block from the Seminary entrance.) Safety is not just a factor of anticipated automobile trip numbers; it is a factor of bad decision-making and one bad decision that might cost a life, especially the life of a child, is one too many.
- A signal at this driveway might also have the effect of slowing traffic on Massachusetts Avenue.
- It would be our hope that Wesley also will prepare a strategy as part of Further
 Processing, if this Plan is approved as proposed, to mitigate neighborhood traffic
 impacts tied to the use of the University Avenue access driveway. We recommend
 limiting access for this driveway to all but emergency public safety and service
 vehicles during all times of the day.
- e. <u>Stormwater Impacts</u>: The WTS Campus Plan fails to offer any plan for how the addition of multiple new structures on the campus will address already serious stormwater issues that impact nearby residential homes and the neighborhood as a whole. *Subtitle Z, Section 302(f)(3)* requires WTS to file a plan for mitigating impacts tied to

stormwater flow. No such plan has been included in the application. In fact, the WTS Campus Plan does not even set any basic standards for how the Plan, as a whole, will mitigate stormwater impacts.

Additional proposed construction at the site, especially along the hillside, along with all
the additional pavement requested by DDOT as conditions of the Plan, will contribute
significantly to the stormwater runoff that will directly impact homes closest to the
Seminary. We believe that Wesley should develop stormwater mitigation strategies to
mitigate the objectionable impacts of its Campus Plan in this eco-fragile area. A
stormwater management plan is essentially an integral part of building design and even
more so when multiple buildings are planned. Just as the campus plan application
includes basic information on building design, the overall plan also should include
strategies on how the Seminary will manage the stormwater that runs off its property.
We have the experience of past construction at the site that serves as a harsh reminder.
The absence of such a plan in this stage of the process creates an objectionable condition
for neighboring property.

G. <u>The 2016 Zoning Regulations Do Not Support Commercializing</u> <u>Campus Land Use To Fund University Operations</u>

The Wesley Seminary Campus Plan application does not address whether the proposed commercial use of its property is permitted under the 2016 Zoning Regulations. In fact, the application skirts the commercial use issue completely – never even outlining why the Landmark commercial student apartment building complies with the commercial provisions in *Subtitle X, Section 101*. So, we can only speculate on their arguments before the Commission.

Wesley may cite *Subtitle X, Section 101.4* to argue that the commercial uses proposed in the Campus Plan are allowable because they are related to its educational mission on the basis that the Landmark commercial student apartment building will house Wesley students.

Subtitle X, Section 101.4 states that "general commercial activities or developments" are not permitted if they are "unrelated to the educational mission of the organization."

The 5-to-1 ratio of AU students to Wesley students living in the new commercial student apartment building is a significant disqualifying factor. Consequently, we do not believe the facts in this case justify a conclusion that the Campus Plan meets the standard outlined in

Subtitle X, Section 101.4.

Alternatively, Wesley may argue that the Commission should approve the Campus Plan application because the Landmark commercial student apartment building will generate revenue for Wesley to help fund its operations and is, therefore, related to its educational mission. We do not agree.

How the Seminary chooses to use the money from this commercial venture does not change the fact of how this revenue is being generated. The commercial activity will not enhance the educational mission of the Seminary – the money that results might, as Wesley may suggest – but the activity or development of leasing land and providing a new profit center for a commercial developer to house students from another university does not, itself, relate to the educational mission of the Seminary. And Wesley's suggestion that it might house a token number of its own students does not alter the primary use of this building to house AU students.

With or without this new commercial student apartment building, Wesley has indicated it will continue to educate its students and house those Wesley students who want on-campus housing. The type of revenue that would likely be generated from this commercial project is not

related to Wesley's ability to carry out its mission – although it might offer job relief to college administrators responsible for raising funds. The Seminary stresses in its application that it will survive without this project. Will the proposed commercial activity help its revenue? Probably, yes. But, that is not a standard for allowable land uses in the regulations.

On the other hand, Wesley may cite *Subtitle X, Section 101.3* to argue that the additional funds generated by the Landmark commercial student apartment building are related to the educational mission because they can fund programs, offer scholarships, etc. Wesley may even argue that its proposal should be approved because the building will facilitate the college's fundraising operation.

Subtitle X, Section 101.3 stipulates that a "customarily incidental" commercial use is allowable if there is a "demonstrated and necessary relationship between the use and the university functions." We believe the regulations suggest that student housing is not a "customarily incidental" or ancillary, accessory, or subordinate use. As stated earlier, housing is a primary use, as outlined in *Subtitle B, Section 200(j)*. Even if the housing was considered by the Commission to be "customarily incidental," it still would not be allowable under the regulations in this case because it exceeds the allowable build-out (*Subtitle X, Section 101.3(b).*)

Moreover, Wesley does not need to build a new 659-bad apartment building primarily for AU students in order to house the nominal number of its own students who choose to live on the Wesley campus.

We cannot and will not disagree that colleges and universities need to raise money to operate and stay in business. But, the Wesley proposal extends beyond the norm. Although some might call Wesley's proposal a "creative" way to finance its operations despite the land use

issues involved with commercializing its property, the proposal far exceeds the norms and best practices of college and university fundraising.

Much has been written by scholars in educational and philanthropic journals about the role of fundraising at a college or university. Much of this scholarship has focused on the critical role of philanthropy in filling the gap when tuition falls short. The consensus among scholars is probably best outlined by Samantha Betton from the University of Florida in

"Presidential Approaches to Fundraising at Selected Historical Black Colleges and

Universities" (2018), who writes about what has been called the "normative dimensions of fundraising" for post-secondary institutions. The "normative" fundraising strategies she (and others) outline in this scholarly work are:

- Building and growing endowments;
- Increasing alumni giving;
- Annual giving campaigns;
- Securing major gifts;
- Government funding; and
- Philanthropy both corporate charitable giving and foundation-giving.

Commercializing land use in a residential zone does not seem to fit the "normative dimensions" of fundraising that characterize the fundraising operations of most colleges and universities in the U.S. It is certainly not typical of the accepted best practices for post-secondary educational institutions, as suggested by Betton.

However, we can only speculate on Wesley's arguments because their application has provided no guidance to the Commission or hint to the parties or the public why this proposal meets the standards outlined in the regulations. We cannot speculate on the reasons why Wesley's application has not addressed the commercial use issues revolving around the proposed Landmark student apartment building. We can only wonder if Wesley will argue that it is not a commercial activity or development and that, therefore, the commercial provisions of *Subtitle X, Section 101* would not apply. We would find that confounding based on the evidence in this case.

H. OP, ANC 3D, and DDOT Reports

Office of Planning (OP) Report (Exhibit 20)

We are simply flabbergasted by OP's failure, like Wesley's, to address the "elephant in the room" – that the Campus Plan proposes a commercial enterprise on the WTS campus that is not in harmony with the 2016 Zoning Regulations. Ironically, OP's description of the Landmark-Wesley agreement is illustrative of a commercial venture and notes that the housing "would be rented primarily by non-Wesley students."

OP's description of the transaction reads as follows:

"The Seminary would lease the land now occupied by Straughn and Carroll dormitories and the parking lot between them to Landmark Properties, a private company with experience in developing apartment-type student dormitories. Landmark would make an initial lump sum payment to Wesley, demolish the existing dorms and parking lot, and construct a 305,157 square foot, seven-story-plus-occupied penthouse residence hall with 659 beds, organized into 210 studio to five-bedroom co-living residential units. The building would have many communal amenities and a 300-350space underground parking lot. Landmark would be responsible for developing and managing the new building. There is not an agreement between AU and the Seminary about the development or use of the proposed new dormitory, but the applicant has concluded that there is a sufficient market of AU students and their immediate families to fill the beds not occupied by Wesley students."

The only critical element that OP omits is that Landmark will **<u>own</u>** the building at least

for the next 99 years, according to Wesley and Landmark.

This is a commercial building operating on a college campus; the building will be owned

by a commercial developer and marketed primarily to a target audience beyond the boundaries of

the Wesley campus. Unlike other student apartment buildings owned by Landmark, Landmark, this case, is being given access by WTS, a tax exempt college, to the WTS property to operate a commercial venture; and Wesley is monetizing the tax benefits it receives by virtue of being an educational institution located at the back door of American University. In assessing site location for a commercial apartment building targeted to AU students, could Landmark find a better site?

We are deeply troubled that OP would not at least provide the Zoning Commission with a benefit of its analysis of the commercial aspects of this transaction.

Moreover, the OP report is stunning in that it omits any information on Wesley's enrollment numbers or enrollment trends. Instead, OP simply accepts Wesley's assertion that 109 beds in the new facility will be used by Wesley students along with 76 beds in the 2014 Residence Hall – meaning that 185 beds on campus will be used by Wesley students. <u>Less than</u> <u>100 students have been housed at the Wesley dorms annually since 2014 when the new</u> <u>Residence Hall was opened – and only 66 were housed on campus during the 2018-2019</u> <u>academic year – the last pre-COVID numbers made available by Wesley.</u> Wesley, itself, has often described itself as a "commuter" school. It is telling that Wesley has refused to accept suggestions we have made in community meetings to cap the number of AU students living in the new Landmark-owned student housing apartment building.

<u>In short, it is simply unrealistic – it is an exaggeration – to suggest that Wesley will</u> <u>house 185 of its students on campus, including 109 in the new commercial apartment</u> <u>building.</u>

The OP report includes another glaring error when considering the AU student market that would be served by the new Landmark building. OP acknowledges that it has no idea how

Wesley has calculated the market for its building even going so far as to say that the "AU Campus Plan requires that all undergraduates be housed on the AU Campus." This is incorrect.

The AU Campus Plan only requires that AU have housing <u>available</u> to accommodate 67 percent of its undergraduate population, including 100 percent of all freshmen and sophomores. <u>AU does not require – and its Campus Plan does not mandate – that AU students use this housing.</u>

We suggested to Wesley that it limit the Landmark housing on its campus to AU juniors, seniors, and graduate students given the language in the AU Campus Plan that requires AU to provide enough housing for 100 percent of its freshmen and sophomores. We view that language as encouraging AU freshmen and sophomores to live on AU's campus.

Wesley notes in its Campus Plan that it would "respect and complement the terms of the recently approved American University Campus Plan, including on-campus housing requirements." *(Proposed Condition No. 27)*. Although AU freshmen and sophomores are not required to live on campus, we believe that AU's commitment to provide housing to 100 percent of its freshmen and sophomore classes should be respected and that the Landmark-owned property should not compete with AU to house AU's freshmen and sophomore classes.

We were disappointed when Wesley rejected our recommendation; but then, it might reduce the market for the Landmark apartment building as well as the resulting revenue that will benefit both Landmark and WTS.

OP also has proposed a modification to the Wesley Campus Plan based on its incorrect assumption that the AU Campus Plan requires all AU undergraduates to live in on-campus housing. The modification does not merit any additional comments from NLC and SVWHCA.

ANC 3D Report (Exhibit 22)

We wish to commend ANC 3D for a thoughtful report in this case. We agree with ANC 3D that the size of the Landmark-owned property and the number of beds should be reduced for all the reasons we already have cited in this pre-hearing statement.

We also commend ANC 3D for acknowledging and examining the issue of the commercial use of the property – although we do not concur with its analysis. ANC 3D reported that it agrees with a legal memorandum provided by Wesley. That document has not been included as of this date in the formal record of this case.

Based on the contents of its report, ANC 3D seems to acknowledge that the Landmarkowned building is a commercial use, but the ANC does not say this directly. Based on the totality of the ANC report, we conclude that the ANC considers it a commercial use; the report includes an analysis of some of the commercial use provisions in *Subtitle X, Section 101* of the Campus Plan Zoning Regulations. In fact, the ANC concludes that Wesley's plan is in compliance with this commercial-related zoning regulation. But, the ANC only examined selective regulations related to commercial use. For example, the ANC failed to examine *Subtitle X, Section 101.3(b)*, which limits commercial uses to 10 percent of the gross floor area of the total campus plan floor area.

 ANC 3D concludes the Landmark commercial student apartment building is consistent with the commercial provisions of the campus plan zoning regulations because the building will house Wesley students in addition to AU students. The ANC does not seem to care that the primary audience for the building is AU students, not Wesley students; that it is being sized and located to appeal to the AU target market audience; and that only a nominal number of Wesley students are likely to reside in the building given the

declining enrollment and the even sharper declining number of Wesley students housed on-campus since Wesley's first Campus Plan in 2006. So, we disagree with the ANC's conclusion.

- 2. The ANC cites previous Zoning Commission decisions to argue that the Commission already has approved the use of Wesley housing for non-Wesley students. At first thought, the ANC may have a point; but in making this point, the ANC ignores the zoning history and the Zoning Commission's Orders in those cases.
 - a. In 2016, Wesley first sought permission from the Zoning Commission to house non-Wesley students on its campus (actually AU undergraduate students) after providing housing to AU students for two years (since 2014) without Zoning Commission approval. (Z.C. Case No. 05-40B). Wesley cited a need for temporary financial relief. In approving the request, with ANC 3D and community support, the Zoning Commission limited Wesley to housing 55 non-Wesley graduate students in space not filled by Wesley students, but only through 2019 when the Seminary was expected to submit a new Campus Plan. In approving the request, the Zoning Commission stated,

"The requested modifications are minor in scope and limited in duration." (Z.C. Order No. 05-40B)

- b. Just one year later, in 2017, Wesley asked to increase this number by 32 graduate students so that nearly half of its housing 87 of 172 beds would be available for use by non-Wesley students through 2019. (Z.C. Case No. 05-40C) Wesley cited the same temporary financial need stemming from declining enrollment and the overall decline in interest in Seminary study.
- c. We acknowledge that the Zoning Commission has previously approved use of the campus for a minimal number of non-Wesley students in Wesley-owned and

managed housing on its campus. But, there is a significant difference between 600plus AU students and 87 AU graduate students. There is also a significant difference when the Seminary proposes a new commercially-owned building that is purposed and designed primarily for non-Wesley students.

- d. Additionally, the Zoning Commission stressed that its decision to agree to housing a limited number of non-Wesley students on the Wesley campus was based on the "modest" numbers and that it was a short-term temporary action to help Wesley get its financial house in order and complete planning for a new Campus Plan that would be due by the end of 2019. Nobody could have anticipated the three-year delay stemming from COVID and other problems encountered by the Seminary in preparing its 2022 Campus Plan.
- 3. ANC 3D cites the Georgetown University ground lease with MedStar for construction of the new Georgetown University Hospital as a precedent for its support of the Wesley application. We believe that the GU-Medstar ground lease-hospital facility involves <u>no</u> legal ambiguity in sharp contrast with the Wesley Campus Plan; and it illustrates why the Wesley proposal is <u>not</u> in compliance with the commercial provisions of the 2016 Campus Plan regulations. The hospital is an ancillary use of the university's property. Clearly, the hospital has a "*demonstrated and necessary*" relationship between the use and the university functions, so it would be permitted under Subtitle X, Section 101.3(a). Georgetown University also operates a medical school and the hospital is used to train medical students enrolled in the medical school. So, the hospital also is clearly related "to the educational mission of the applicant," as required in Subtitle X. Section 101.4 of the Zoning Regulations. This type of direct and unambiguous connection to

"university function" and "educational mission" is missing in the Wesley Campus Plan proposal for the Landmark commercial student apartment building.

DDOT Report (Exhibit 21)

We applaud the pedestrian improvements recommended and required by DDOT as conditions for the campus plan. However, we encourage DDOT and DDOE to work together to require that permeable pavers be used for those pedestrian improvements. In addition to the comments we have made in this pre-hearing statement on transportation impacts, we encourage the Zoning Commission, if it chooses to approve this Plan as proposed, to require Wesley Seminary to use permeable paving systems to mitigate the impacts of stormwater flow.

I. Conclusion

For all the reasons cited in this statement, we do not believe that the 2022 Wesley Campus Plan is in harmony with the 2016 Zoning Regulations. Moreover, we think the proposal put forward by Wesley and Landmark to build a 659-bed student apartment building on Wesley's property to be marketed primarily to AU students **is** unquestionably a commercial venture.

We believe this proposal is an egregious misuse of college-owned land for commercial purposes driven by financial interests and that the Seminary has not shown a "necessary" relationship between the commercial use and its interest in providing housing for its students.

If approved as proposed, we anticipate the potential for several unintended consequences. Colleges and universities in the District of Columbia will be given the green light to monetize and commercialize their land located in residential neighborhoods.

The only justification provided by Wesley for approving this Campus Plan is that it needs more financial resources. As sympathetic as we may be to this goal, the end does not justify the means. Wesley's need for additional revenue sources is not the standard for the approval of a

special exception for a campus plan. We encourage the Zoning Commission to reject this application and direct Wesley to develop a new Campus Plan in harmony with the 2016 Zoning Regulations.