July 5, 2022

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

> RE: Zoning Commission Case No. 22-13 – Application of the Wesley Theological Seminary for Approval for a Campus Plan: Neighbors for a Livable Community (NLC) – Spring Valley-Wesley Heights Citizens Association (SVWHCA) Proposed Findings of Fact and Conclusions of Law

Dear Chairman Hood and Members of the Commission:

Neighbors for a Livable Community (NLC) and the Spring Valley-Wesley Heights Citizens Association (SVWHCA), a joint party in opposition in the above referenced case, submit its proposed Findings of Fact and Conclusions of Law.

Sincerely,

Jenn Aure

Dennis Paul, President Neighbors for a Livable Community

S/<u>William F. Krebs</u> DC Bar No. 960534 Interim President and Counsel Spring Valley-Wesley Heights Citizens Association Counsel, Neighbors for a Livable Community

## **Certificate Of Service**

We hereby certify that on July 5, 2022, this was delivered via electronic mail to the following:

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## ZONING COMMISSION FOR THE DISTRICT OF COLUMBIA ZONING COMMISSION ORDER NO. 22-13 Z.C. Case No. 22-13

### Application of the Wesley Theological Seminary for Special Exception Approval of a New Campus Plan (2022-2032)

This case is an application by the Wesley Theological Seminary (the "Seminary," "Applicant," "Wesley," or "WTS") requesting special exception approval under the campus plan provisions of the Zoning Commission Regulations for the Seminary's campus at 4500 Massachusetts Avenue NW, (Square 1600, Lots 6 (818, 819), 7, 8, and 9) for a new ten-year campus plan for years 2022 through 2032 (the "2022 Campus Plan"). Pursuant to notice, the Zoning Commission for the District of Columbia ("Commission") held a public hearing on June 13, 2022, in accordance with the provisions of 11-Z DCMR, Chapter 4. For the reasons stated below, the Commission DENIES the application.

### FINDINGS OF FACT

#### A. Site Description

- The Seminary is located in northwest Washington, just north and west of the intersection of Massachusetts and Nebraska Avenues at Wesley Circle. It is bounded by Massachusetts Avenue on the east; University Avenue on the west; and the American University Main Campus on the south and southwest. It currently occupies approximately 8.77 acres (381,787 sf), with most development being atop a hill that slopes down to single family homes across University Avenue in Spring Valley.
- 2. The principal part of the campus consists of two quadrangles. The northeastern quadrangle is devoted to classroom, administrative, dining, chapel, and library uses.
- 3. The southwestern quadrangle consists of three dormitories and a fence along the property boundary with American University. The middle of this quadrangle has little landscaping and is devoted almost entirely for automobile parking. The campus plan proposes to demolish two of the three dormitories and relocate parking to a new 305,157 sf commercial student apartment building that would occupy nearly all the southwestern quadrangle site with a height measurement of 75'8" plus a habitable penthouse.

- 4. The architecture on the campus is mid-20<sup>th</sup> century modern. Its principal materials are brick, aggregate, stone, and glass.
- 5. On the slope of the hill to the north of the dormitory quadrangle, nearest the residential neighborhood, there is a house that was formerly used as the Seminary's president's residence and is still used for campus purposes. Wesley's 2022 Campus Plan proposes to demolish the house and build another administrative building adjacent to the 76-bed New Dorm erected in 2014 the only existing dorm that will be retained on the campus.

## B. Campus Plan History

- 6. Wesley submitted its first Campus Plan in 2006 for the period 2006-2015. The approved plan proposed to build 72,500 square feet of new development, including new dorms, underground parking, a new President's House, and a library. The plan also proposed to subdivide the property into three residential lots along University Avenue (bordering American University) consisting of 25,000 square feet for possible sale and development.
- 7. In 2012, the Seminary filed for a modification of its 2006 Campus Plan saying that declining enrollment, the economic downturn, and changes in theological education forced WTS to reevaluate the campus plan. The Seminary said it would not build any of the new structures originally proposed and that it would instead build a new 3-story 76-bed dormitory and renovate two other existing dormitories. The Seminary said the new dormitory, which opened in 2014, would help relieve financial constraints by offering more modern suite-style student housing. The new plan also reversed course on subdividing the property into lots that could be sold and developed. The Commission approved the modification as a new Campus Plan through 2025. The plan included the construction of a playground that residents of the neighborhood could access for their use.
- 8. In 2016, the Seminary filed for a modification of its 2012-2025 Campus Plan. Citing continuing enrollment decline and economic pressures, the Seminary proposed to house 55 non-Wesley graduate students to occupy one of the Seminary's on-campus dormitories. Wesley acknowledged that it had been housing 45 AU graduate students on the campus since 2014 without first modifying its Campus Plan "in order to achieve some measure of revenue." The modification was prompted also by a request from American University to the Seminary to enter

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into a master lease to house AU students temporarily until AU's new East Campus dorms could be occupied. In agreeing to the modification, the Zoning Commission noted that the "modifications are minor in scope, limited in duration." The Commission also shortened the term of Wesley's Campus Plan and directed the Seminary to file a new campus plan by December 31, 2019.

- 9. In 2017, Wesley sought another modification of its campus plan asking that it be able to house as many as 87 non-Wesley graduate students in its dorms. Wesley again cited declining enrollment, changes in theological education, and a need for additional revenue.
- 10. Wesley informed the Community Liaison Committee (CLC) in 2017 that it had entered into discussions with a "commercial partner" to build a new student apartment building that would primarily house students from American University and possibly other local colleges and universities.
- 11. Wesley informed the CLC in 2019 that it would request a delay in filing a new Campus Plan because its initial "commercial partner" had withdrawn and WTS wanted to find a new business "partner" for the commercial student apartment deal. That extension was granted by the Commission for one year to December 31, 2020.
- 12. The onset of the COVID-19 pandemic forced additional delays for Wesley to submit a new Campus Plan.
- 13. The proposed 2022-2032 Wesley Theological Seminary Campus Plan, branded as "Thrive in Place," was filed with the Commission on March 17, 2022.

#### C. Wesley Campus Plan (2022-2032)

- 14. The centerpiece of the 2022 WTS Campus Plan is the construction of a 659-bed luxury commercial student apartment building, which Wesley states is intended to meet a market demand for housing from students of American University (AU). AU has disavowed interest in Wesley's plans to house AU students based on the record of Z.C. Case No. 20-31, the American University 2021 Campus Plan. The Seminary has acknowledged that it is not working in cooperation with AU on the proposed new student apartment building.
- 15. Wesley has partnered with Landmark Properties, a national commercial developer of student apartment buildings, which will enter into a 99-year ground lease with WTS and then construct

the proposed new luxury student apartment building. Landmark stresses the value of the luxury amenities, including a swimming pool, it plans to offer for residents of the building. Wesley describes the new commercial student apartment building as "first class student housing" (*Exhibit No. 12A7*). Landmark will own, operate, and market the commercial development. Lease arrangements will be between Landmark and individuals, with Landmark setting rental rates.

- 16. Landmark is a successful nationwide developer of luxury student apartment buildings with more than \$7 billion in assets; \$3 billion in properties under construction; a 50,000+ bed portfolio; and approximately 100 off-campus properties in 28 states. Landmark's template for success is to build upscale off-campus student housing, no more than 3 miles from a campus for premier schools with at least 10,000 students. In entering into the ground lease deal with Wesley, Landmark's target for the new commercial student apartment building is American University students, not Wesley Theological Seminary students. The proposed commercial student apartment building proposed by Wesley fulfills Landmark's criteria, except that while it will be built off-campus from AU, it will be built on-campus at WTS.
- 17. WTS will receive a payment from Landmark for the ground lease and recurrent payments from Landmark.
- Wesley's proposal to build a new commercial student apartment building primarily to house AU students on the Wesley campus is inconsistent with Campus Plan zoning regulations outlined in *Subtitle X, Section 101*.

#### D. Campus Plan Zoning Regulations

- 19. Subtitle X, Section 101.2 of the 2016 Campus Plan zoning regulations stipulates that campus plan uses shall be located "so as not to become objectionable to neighboring property." Several elements of the proposed Campus Plan are likely to create objectionable conditions as outlined in Section L of this document.
- 20. *Subtitle X, Section 101* also includes limits on commercial activities or developments permitted as part of a campus plan.
- 21. *Subtitle X, Section 101.3* limits commercial uses that are "customarily incidental" to a university use to no more than 10 percent of the total campus plan floor area. The new commercial

apartment building will have a total gross floor area of 306,517 square feet. The total build-out of gross floor area proposed in the 2022 Campus Plan is 417,203 square feet. Thus, 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 *Section 101.3* of the 2016 Zoning Regulations. Moreover, "customarily incidental" uses would commonly refer to commercial uses, such as a coffee shop, food service, or a campus store, not student housing.

22. *Subtitle X, Section 101.4* unambiguously states the following: "The campus plan process shall not serve as a process to create general commercial activities or developments unrelated to the educational mission of the applicant or that would be inconsistent with the Comprehensive Plan." The Wesley-Landmark proposed ground lease will trigger construction of a 659-bed commercial student apartment building to house primarily AU students and is unrelated to the mission of Wesley Seminary "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."

#### E. Commercial Activity/Development

- 23. The effect of Wesley entering into a ground lease agreement with Landmark, a commercial developer, is to monetize its land and transform the allowable student housing use into a commercial activity or development marketed and targeted to a population with no connection to the Seminary.
- 24. The 2016 Zoning Regulations do not include a definition of the word "commercial" in the definitions section (*Subtitle B, Chapter 1*). But, the proposed project is a commercial activity, consistent with Webster's and other definitions of commercial activity, including those outlined in *18 U.S. Code, Section 31 (a)(10)*; therefore, the project and the Campus Plan as a whole is subject to the commercial limits imposed in the Campus Plan Zoning Regulations outlined in *Subtitle X, Section 101*, including *Section 101.4*.
- 25. Investopedia, which is operated by IAC publishing and considered to be a leading source for financial content on the web, categorizes commercial real estate into four uses: office space; industrial use; multi-family rental; and retail. VTS, a New York City-based financial company that advises commercial real estate professionals across the country, defines commercial property in this way: "The simplest way to define commercial real estate is a property that has the

potential to generate profit through capital gain or rental income. Commercial property can be anything from an office building to a residential duplex, or even a restaurant or warehouse. If you can make money from leasing it out or holding it and reselling it, it's a commercial property."

- 26. Wesley argues that housing is an allowable use under *Subtitle B* of the Zoning Regulations and therefore it cannot be a "commercial activity or development" subject to the limits outlined in *Subtitle X, Section 101*. However, this argument is not supported by the regulations or by common sense. According to Wesley's rationale, the Zoning Commission would be required to approve a Campus Plan project as a special exception if a professional sports franchise entered into a ground lease with a college or university seeking a new revenue stream and built a new "sports facility" also an allowable use under **Subtitle B** and then rented the use of that facility to other universities or professional teams. Like the Wesley proposal, this example would represent a "commercial activity or development" and would not likely meet the threshold for approval set out in *Subtitle X, Section 101.4*. Moreover, such a proposal would not be in harmony with the zoning regulations.
- 27. Wesley sought to dismiss the "sports facility" analogy in its Rebuttal by saying that a "stadium" was not an allowable use for a campus plan. However, the analogy made in testimony (*Exhibit No. 41A*) at the hearing did not reference a "stadium," but rather a "sports facility," the language that is specifically referenced as an allowable use in the same *Subtitle B* provision that Wesley cites to argue that the proposed commercial student apartment building is consistent with the zoning regulations solely on the basis that it is considered an "allowable" use under *Subtitle B*. Wesley incorrectly argues that the Commission would be required to approve any project deemed "allowable" under *Subtitle B*, and therefore, not subject to the Campus Plan limits and standards for review specified in *Subtitle X, Section 101*.
- 28. As the Committee of 100 on the Federal City has indicated (*Exhibit No. 39*), Wesley is inappropriately relying on the general statement on allowable uses in *Subtitle B* to make the claim that its proposal to locate a commercial student apartment building on its campus is "allowable" under the zoning regulations (and therefore absolute) while ignoring the language in *Subtitle X, Chapter 1* which governs the campus planning process and <u>imposes limits on all uses deemed to be "allowable" under *Subtitle B*, including whether the uses are likely to be</u>

objectionable to neighboring property or fail to meet specific threshold limits for commercial activity.

29. That the proposed new student apartment building (and the ground lease) is a commercial activity was reinforced when Wesley offered an opinion in its submitted-written Closing Argument (*Exhibit No. 42*) that Landmark would be subject to some form of taxes upon recordation of the ground lease. Per WTS' opinion, the proposed apartment building and the land on which it is sited will be taxed by the District of Columbia unlike other properties/buildings on the WTS campus, which is primarily the result of the ground lease that commercializes the allowable land use on the Wesley campus.

#### F. Purpose Of The Proposed New Commercial Student Apartment Building

- 30. A 659-bed housing facility is not needed to meet the needs of Wesley's students.
- 31. The number of students enrolled at WTS and living in existing WTS on-campus housing has continued to decline since the 2006 WTS Campus Plan. Modifications of the current WTS Campus Plan in 2016 and 2017 show that WTS has had excess housing capacity since 2014 when it first opened a new 76-bed dorm, which was built, according to Wesley, to increase student demand for housing and to provide added housing-related revenue.
- 32. 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.
- 33. Together with the 76-bed dormitory built in 2014 and the proposed new 659-bed commercial student apartment building, WTS will have a maximum of 735 on-campus beds - nearly three times the number of enrolled Seminary students using the campus during the traditional academic year. Occupancy of the 2014 dorm will be limited to Seminary students.
- 34. WTS was able to fill only 40 percent of its existing 165 beds with Seminary students prior to the onset of the COVID-19 pandemic. Less than 100 students have been housed annually on the Wesley Campus since 2014 when the new Residence Hall was opened and only 66 were housed on the Wesley campus during the 2018-2019 academic year the last pre-COVID numbers made available by Wesley. The Seminary also was unable to fill the 87 beds for non-Seminary students on its campus prior to the onset of COVID-19.

- 35. Considering WTS's steadily declining enrollment, it is questionable that even a nominal number of WTS students will be housed in the new commercial luxury student apartment building to be owned, constructed, and managed by Landmark Properties.
- 36. The proposed new student apartment housing is not being developed or sized to meet a market demand from WTS students as WTS enrollment continues to decline along with the demand for on-campus housing. In fact, WTS is not proposing any growth in its student body as part of the 2022-2032 Campus Plan. Wesley's students are a *de minimis* factor in this proposal.
- 37. The WTS 2022 Campus Plan is being driven by Wesley's efforts to consider longer-term options for increasing its revenue and to "thrive in place." However, WTS has never disclosed its financials and, in any case, WTS has stated in its application that "the reason for this development is <u>not</u> for Wesley to survive" at its current location, but to "thrive" (*Exhibit No. 3*).
- 38. Wesley has provided no evidence of other possible options for increasing its revenue or to "thrive" at its current location. This is significant in that Wesley proposed in 2006 to sell some of its land for development; but there is no indication that Wesley is currently considering that option. Wesley also has not indicated as part of the record in this case that it has sought to affiliate with American University following the model of other Methodist Seminaries and their sister Methodist universities across the country.

#### G. Housing American University Students On Wesley's Campus

- 39. Given the Zoning Commission's approval last year (just finalized) of American University's new campus plan, which includes 500-700 new beds for AU students, it is questionable that there is a demand for more new beds for AU students on the Wesley campus. In fact, Wesley has provided no marketing analysis or other evidence for the record of a market for this new housing. In fact, Wesley has even been unable to fill vacant housing with non-Wesley graduate students despite Commission approval in 2016 and 2017 to offer housing to non-WTS graduate students.
- 40. AU's unwillingness to engage with Wesley in discussions about Wesley's proposed new building to house AU students suggests AU does not believe such housing is needed for its student body.
- 41. The current WTS Campus Plan does not permit the Seminary to sell or lease any part of its campus to AU. The Seminary is proposing to include identical language as a condition of the

2022-2032 Campus Plan despite proposing to house AU's students on its campus. *(Exhibit No. 12A7)* There appears to be a disconnect in that Wesley is allowing its campus to be marketed to AU students for a long term profit-generating deal with a commercial developer while simultaneously advocating for a condition that would inhibit its ability to enter into a financial arrangement directly with AU involving AU's students.

- 42. WTS now asks that it be allowed to house 600 or more non-WTS students on its campus for the next 99 years. This is more than six times the number of non-WTS students previously approved by the Commission in 2016-2017 on a temporary basis.
- 43. To attract students, the Landmark apartment building will need to provide "first class student housing" with luxury amenities, according to the Seminary (*Exhibit No. 12A7*) suggesting that the Seminary will have two classes of housing on campus: "first class housing" primarily for AU students in the Landmark Building and "less than first class housing" for its own 76-bed dorm that will be limited exclusively to Wesley students.

#### H. Wesley's Educational Mission

- 44. WTS' mission 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." Housing AU students as part of a special use commercial real estate development is not consistent with Wesley's educational mission.
- 45. DC Zoning regulations provide guidance on whether the proposed new student apartment building is related to Wesley's educational mission. Zoning rules regulate land use and *Subtitle B, Chapter 1* defines "use" as the "purpose or activity for which a building is occupied." The purpose or activity for which the commercial Landmark building is occupied is for housing students, but the housing is primarily for students enrolled at another institution, not Wesley.
- 46. Wesley argues that the money it will earn from its commercial leasing arrangement with Landmark will make this project compliant with *Subtitle X, Section 101.4*. But whether the Wesley-Landmark commercial agreement is in compliance with *Section 101.4* must be evaluated on the basis of the purpose or activity taking place in the building and that is housing primarily for students from another university, not Wesley.

- 47. Wesley's financial needs are not a relevant factor in determining the outcome of this special exception land use case, according to the 2016 Campus Plan zoning regulations.
- 48. As NLC-SVWHCA (*Exhibit No. 26*) and the Committee of 100 (*Exhibit No. 39*) have testified in this case, approval of the 2022-2032 Campus Plan will set a harmful precedent for all colleges and universities and the surrounding neighborhoods in the city.

#### I. <u>Precedent</u>

- 49. In 2016, WTS sought permission from the Zoning Commission to house non-Wesley students on its campus 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.
- 50. Just one year later, in 2017, WTS 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 December 2019. (*Z.C. Case No. 05-40C*). WTS cited the same temporary financial need stemming from declining enrollment and the overall decline in interest in Seminary study. The Zoning Commission stressed that its approval was based on the "modest" numbers and the short-term temporary request.
- 51. As stated by the Committee of 100 on the Federal City (*Exhibit No. 39*), the scale of the proposed use dedicated to AU students for the proposed new student apartment building "is substantially different from that in the earlier case. The earlier Zoning Order provides no precedent on which the Seminary may rely."
- 52. MedStar's new Georgetown University Hospital Medical Surgical Pavilion (Z.C. Case No. 16-18A), offered by the applicant as a precedent for a comparable commercial partnership, is being constructed under a lease with Georgetown University. However, Georgetown's partner in the lease arrangement is MedStar Georgetown Medical Center, a non-profit subsidiary of Medstar. Wesley's partner in its deal is a for-profit nationwide commercial developer of student apartment buildings. Additionally, as the Commission made clear in its Order in Z.C. Case No. 16-18A, the construction of the new medical facility responded to the public's interest in having access to

quality medical care and high-level updated medical care facilities. There is no such analogous public interest achieved through the Landmark-Wesley partnership that has been established to provide luxury student housing primarily for AU students.

53. The MedStar Georgetown University Hospital is used to train medical students enrolled at the Georgetown University Medical School and therefore the two are closely linked both in mission and land use. Unlike Wesley's proposed commercial student apartment building, the Georgetown-Medstar agreement clearly demonstrates compliance with the Campus Plan zoning regulations because the commercial activity and development at the site is unambiguously not "unrelated to the educational mission of the applicant." (*DC Zoning Regulations, Subtitle X, Section 101.4*).

#### J. Inclusionary Zoning

- 54. WTS states that it has never asserted that the proposed apartment project is exempt from the District's Inclusionary Zoning rules. Rather, WTS avoided mentioning the requirement in its application. The WTS Campus Plan fails to address how the apartment building will comply with the District's Inclusionary Zoning rules, instead pushing this off to Further Processing and following discussions with the Department of Housing and Community Development.
- 55. In its oral testimony before the Commission, the Seminary stated that nearly all its enrolled students would qualify for IZ housing under the city's Inclusionary Zoning rules. This may suggest how the Seminary is planning to comply with the IZ rules simply limit its students in the new apartment building to the IZ units. This hardly seems consistent with the goals of the IZ program.
- 56. That the on-campus Landmark commercial student apartment building proposed by Wesley, is subject to IZ rules suggests the very unique nature of what the Seminary is proposing as part of its 2022 Campus Plan and how it does not match the type of on-campus customary student housing anticipated in the 2016 Zoning Regulations for Campus Plans.
- 57. Wesley's failure to provide a roadmap for how it will comply with the IZ rules is an objectionable condition. Prior to final review in this case, Wesley should be given an opportunity to present its plan for complying with IZ requirements.

#### **Racial Equity and the Comprehensive Plan**

- 58. The Implementation Element of the Comprehensive Plan requires the Commission "to evaluate all actions through a racial equity lens as part of its Comprehensive Plan consistency analysis."
- 59. The Commission has developed a *Racial Equity Tool* to assess zoning-related issues.
- 60. In its application (*Exhibit No. 3*), Wesley addressed its compliance with the racial equity evaluation component of the Comprehensive Plan with a single sentence saying: "This Campus Plan and Wesley Seminary's educational and religious mission are committed to supporting racial equity and resiliency."
- 61. In its pre-hearing statement (*Exhibit No. 12A6*), Wesley supplemented this by outlining its local community engagement and programs; stressing its "deep and strong ties" with the community; and the racial, sexual, age, and religious diversity of its student body.
- 62. The proposal to build a new commercial student apartment building primarily housing students from another institution, which has a different mission from Wesley, seems unrelated and even disconnected from the commitments to racial equity and resiliency outlined by Wesley in its Campus Plan application. Wesley cannot make any commitment about the use of the Landmark commercial student apartment building as to whether it will represent the diversity of its own student body given that the occupants will primarily be students from AU, which reports a far less racially diverse (and below average) demographic. Moreover, Wesley cannot make any commitment on IZ because all matters of leasing to students is being delegated to Landmark as part of the ground lease contract.
- 63. Moreover, Wesley's failure to provide a plan to comply with IZ requirements or, based on oral testimony, Wesley's suggestion that it may use the IZ units for its own students while AU students are required to pay full market rates set by Landmark raises additional concerns that the new Landmark-operated housing on the Wesley campus may not meet Wesley's overall commitment to supporting racial equity and inclusion.
- 64. The use of the phrase by Wesley (*Exhibit No. 12A7*) that the Landmark building will feature "first class student housing" also raises questions about whether the Landmark-Wesley deal will create a "Tale of Two Cities" on the Wesley campus. While AU students will experience "first class student housing," the majority of Wesley's students will be consigned to live in older

housing without the luxury amenities available to the AU students living just a few feet away on the Wesley campus.

- 65. Using the Commission's *Racial Equity Tool* to assess the 2022 Wesley Campus Plan, there is nothing in the record in this case which suggests the proposed commercial student apartment building will advance the racial equity goals outlined in the Comprehensive Plan. And in fact, the terms of the deal raise questions that the proposal will lead at least to some perceived inequities whether based on race or the ability to pay or the school that the student is attending. It also raises the following question: is WTS making students from another institution more of a priority than its own students and why?
- 66. The Commission's *Racial Equity Tool* asks: Will the zoning action result in displacement of tenants or residents? The Wesley-Landmark ground lease proposal for a commercial student apartment building on the Wesley Campus will not displace tenants or residents and will have no impact on market rate housing in the area.
- 67. The Commission's *Racial Equity Tool* asks: Will the action result in changes to market rate housing, affordable housing, or replacement housing? Based on the determination that the proposed new student apartment building will be subject to IZ requirements, it is possible that the new commercial building will result in some minimal affordable housing, but most likely only if the housing is not limited solely to students. Assessing the plan through a racial equity lens requires an evaluation of Wesley's plan for IZ compliance a plan that is not part of the record in this case. Moreover, leasing to non-students would violate conditions proposed by Wesley in its application.
- 68. The Commission's *Racial Equity Tool* asks: Will the action result in changes to the physical environment, such as public space improvements, infrastructure improvements, arts and culture, environmental changes, or streetscape improvements? Although some elements of the proposed Campus Plan will include public space improvements, including a District Department of Transportation (DDOT)-required sidewalk along University Avenue, the massing and scale of the new commercial student apartment building along with other construction proposed as part of the Campus Plan could pose serious environmental harms for the metropolitan region, particularly as a consequence of stormwater run-off.
- 69. The Commission's *Racial Equity Tool* asks: Is there a change in access to opportunity, such as job training/creation, healthcare, or the addition of retail/access to new services? Wesley

has included nothing in the record to indicate that its Campus Plan will provide added access to opportunity whether in job creation and training; healthcare; or access to new services, including retail services. What it will do is to provide Landmark Properties, a commercial developer of student housing, access to the American University student housing market and the opportunity to compete on favorable terms with American University's on-campus housing program and other commercial rental buildings in the neighborhood. It will also provide the Seminary with the potential for an additional, but uncertain revenue stream – and there is nothing in the record to indicate that this revenue will be sufficient for Wesley to achieve its goal of "thriving in place."

- 70. OP argues that the proposal is consistent with the Education Element of the Comprehensive Plan because the additional on-campus student housing will decrease the pressure on existing available housing stock and because fewer students will need to seek market rate housing in the neighborhood. But, Landmark will be offering market rate "first class student housing" with luxury amenities; and in doing so, will unfairly compete with other commercial rental buildings in the neighborhood by virtue of being able to locate a building on-campus through a ground lease. Under the proposal put forward by Wesley, Landmark will be able to avoid the high cost of a land purchase near American University (given that AU students are Landmark's target audience). By using the campus plan process to site a student apartment building apartment near AU, Landmark also avoids any regulatory or other legal hurdles and costs that might be incurred if the commercial developer was entered the Washington, D.C. (and AU) student housing market independent of Wesley.
- 71. Wesley adds that fewer students will reside in the neighborhood but provides nothing in the record to substantiate such a claim.

#### K. Other Objectionable Impacts Of Landmark Student Apartment Building

72. The new commercial apartment building will have a total gross floor area of 306,517 square feet. The total build-out of gross floor area proposed in the 2022 Campus Plan is 417,203 square feet. Thus, the commercial Landmark building will comprise roughly 73 percent of the gross floor area of the total campus plan floor area.

- 73. The building height, measured at 75'8" plus a 12-foot tall habitable penthouse, will tower over all other structures on the campus. Given the topography of the site, the building will be highly visible to neighbors and intrusive. But, even more importantly, the height, massing, and siting of the building will significantly overwhelm the mid-century modern Seminary Chapel and the iconic view of the Chapel adorned with a statute of Jesus Christ overlooking Massachusetts Avenue NW. In short, the building is likely to compromise and conflict with the design integrity of the mid-century modern iconic Chapel.
- 74. While giving qualified support for WTS's proposal, ANC3D's resolution recommends that the size of the building and the number of beds be reduced (*Exhibit No. 22*). Even the party in support of Wesley's application has testified (*Exhibit No. 35*) in support of ANC 3D's position on the building height and massing.
- 75. The proposed apartment building also significantly alters the purpose and use of the WTS campus, transitioning it from a contemplative graduate-level training ground for graduate-level seminarians into a commercial marketplace for housing 17 to 25-year-old students from a neighboring university. The overall number of students on the WTS Campus will increase three-fold, with more than two-thirds being AU students.
- 76. The proposed apartment building will transform the WTS campus from a tranquil graduate-level Seminary into an intensive extension of American University residential life that has the potential to adversely impact the immediate neighbors.
- 77. The increased intensity of use resulting from the addition of new student housing not targeted to WTS students may add to neighboring traffic and create added public safety risks tied to the use of the Massachusetts Avenue entrance and exit.
- 78. The need for enhanced traffic mitigation measures is underscored by WTS's agreement to continue to work with DDOT on solutions for entry and exit to the campus from Massachusetts Avenue and restricting campus traffic exiting onto University Avenue.
- 79. The WTS Campus Plan fails to offer any plan for how the addition of new hilltop structures and other physical infrastructure on the campus will address already serious stormwater issues that impact nearby residential homes downhill from the Seminary. For some neighboring property residents, stormwater already flows into their basements under existing conditions.
- 80. The District Department of Energy and the Environment (DOEE) has indicated (*Exhibit No. 20*) that the applicant should exceed the minimum Green Area ratio and stormwater management

requirements because the project is located in an area of the District that has a municipal separated storm sewer system, which means that stormwater runoff is discharged, untreated, into local water bodies, including the Potomac River. The stormwater runoff also will have impacts on neighboring property, especially those residences downhill of the Seminary. Wesley's Campus Plan does not include a stormwater management plan, which is a critical issue given the amount of planned construction at the site. This should not be delayed until Further Processing; the objectionable impacts are such that the Seminary should be expected to show it can (and has the financial resources to) mitigate the harmful effects of the stormwater runoff in this area.

- 81. Immediate neighbors Robert R. Scholz (*Exhibit No. 27*) and Josefa Scholz (*Exhibit No. 28*), who reside closest to Wesley Seminary, testified at the June 13 hearing that the proposed new commercial student apartment building would have a "large negative impact on our residential property and those of other neighbors." They cited the mass and height of the building' lighting issues; parking and traffic; security; the increased number of students using the Wesley Campus on a daily basis; potential student conduct issues stemming from the transformation of the Wesley Campus from a graduate-level environment for seminary students to a campus housing mostly undergraduate level students from American University; the negative impact on AU's student housing program; and the inconsistency of the project with Wesley's mission.
- 82. Testimony (*Exhibits No. 26 and 35*) warns that the project holds many risks, particularly for Landmark Properties, but also for Wesley Seminary and the surrounding neighborhood. Wesley and Landmark have provided no information in the record to demonstrate the financial viability of the proposed commercial partnership for construction and operation of a 659-bed luxury student apartment building primarily for AU students on Wesley's campus. As proposed in the 2022 Wesley Campus Plan, the project carries heavy financial commitments that could prove burdensome over the 99-year term of the deal. No cash flow analysis has been provided and there is no information that would enable the Commission or parties in this case to assess the overall cash value of the deal. Landmark is already committed to covering significant costs that include but may not be limited to the ground lease, construction, marketing, security, and maintenance of the facility along with ensuring recurrent payments to Wesley for a 99-year term and a return on investment for Landmark to earn a profit.

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#### **CONCLUSIONS OF LAW**

- Based upon the record before the Commission in Z.C. Case No. 22-13, the Commission concludes that the Applicant has failed to satisfy (a) all standards set forth in Subtitle X, Section 101 for campus plans; (b) the general standard for granting a special exception in Subtitle X, Section 901.2a that the requested relief can be granted as being in harmony with the general purpose and intent of the Zoning Regulations and Map; and (c) the standard in Subtitle X, Section 901.2(b) that the requested relief will not tend to adversely affect the use of neighboring property.
- 2. Based on the findings of fact, the Commission concludes that the Applicant has failed to satisfy the requirements of *Subtitle X*, *Sections 101.3 and 101.4* regarding commercial uses and commercial activities or developments on campus. Wesley's ground lease with Landmark Properties, a national developer of commercial student apartment buildings, creates a commercial activity on the Wesley Campus (a student apartment building owned, managed, and operated by Landmark) that is targeted primarily to students from American University, not Wesley Theological Seminary.
- 3. Based on the findings of fact, the Commission concludes that the Applicant has failed to satisfy the burden of proving that the proposed use of WTS land, as described in the 2022 Campus Plan, will satisfy the *Subtitle X, Section 101.2* requirements of a university use that it is not likely to become objectionable to neighboring property because of the design, siting, and massing of the new student apartment building; the added traffic; the lack of a plan for complying with Inclusionary Zoning requirements and stormwater management; stormwater management; and the alteration of the purpose and use of the WTS campus.

# <u>The Wesley Campus Plan proposes a commercial use that is not in harmony with the zoning</u> <u>regulations.</u>

4. The effect of Wesley entering into a ground lease agreement with Landmark, a commercial developer, is to monetize and transform the allowable student housing use of its land into a commercial activity or development marketed and targeted to a population with <u>no</u> connection to the Seminary.

- 5. Based on findings of fact, Wesley does not need to build a 659-bed new luxury student apartment building to address the on-campus housing needs of Wesley students. The record demonstrates that Wesley's enrollment is continuing to decline and that the demand from Wesley students for on-campus housing has declined so much that a significant portion of the Seminary's on campus housing has been vacant since 2014.
- 6. The zoning regulations do not define the word "commercial" in the definitions section (Subtitle B, Section 100). But, the proposed project is a commercial activity, consistent with Webster's and other definitions of commercial activity, including those outlined in 18 U.S. Code, Section 31 (a)(10). 18 U.S. Code, Section 31 (a)(10) defines "used for commercial purposes" as the "carriage of persons or property for any fare, fee, rate, charge, or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit."
- 7. Because of the commercial activity proposed in the Wesley Campus Plan triggered by the ground lease with Landmark Properties, the proposed student apartment building housing primarily AU students and the Campus Plan as a whole are subject to the commercial limits imposed in the Campus Plan Zoning Regulations outlined in *Subtitle X, Section 101*, including *Sections 101.3 and 101.4*.
- 8. That the proposed new student apartment building (and the ground lease) is a commercial activity was reinforced when Wesley offered an opinion in its submitted-written Closing Argument (*Exhibit No. 42*) that Landmark would be subject to some form of taxes upon recordation of the ground lease. Per WTS' opinion, the proposed apartment building and the land on which it is sited will be taxed by the District of Columbia unlike other properties on the WTS campus, which is primarily the result of the ground lease that commercializes the land use on the Wesley campus.

# <u>The Wesley Campus Plan does not comply with Subtitle X, Section 101.3 of the Campus Plan</u> <u>zoning regulations.</u>

Subtitle B, Section 101.3 states that any commercial use "customarily incidental" to a university use shall be subject to three conditions: (a) there shall be a demonstrated and necessary relationship between the use and university functions; (b) the total floor area of all

commercial uses shall occupy no more than 10 percent of the gross floor area of the total campus plan floor area; and (c) the commercial use shall be located so that it will not become objectionable to non-university residential neighbors.

- 10. The proposed student apartment building does not comply with *Subtitle X, Section 101.3(a)* because there is no "demonstrated and necessary relationship" between the commercial use (e.g. housing AU students) and Wesley's functions. The student housing project is targeted primarily for the use of American University students, not Wesley students. Although Wesley will receive revenue as part of the commercial transaction, the standard for evaluating the project is whether or not the project will provide facilities for the education and training for Wesley students, not AU students.
- 11. Wesley's mission 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." Housing AU students as part of a special use commercial real estate development is not consistent with this educational mission.
- 12. Although fundraising is a fact of operational life for any private organization, including educational and religious organizations, the "function" of an institution of higher education or academic learning is to provide "facilities for teaching and research, offering courses of general or specialized study leading to a degree, and authorized to grant academic degrees." (*Subtitle B, Section 200.2(j).*)
- 13. The commercial activity/developments proposed by WTS (e.g. the 659-bed student apartment building housing primarily AU students) exceeds the 10 percent gross floor area limitation set forth in *Subtitle X, Section 101.3(b)*. The commercial apartment building (consisting of 306,517 sf of gross floor area) will comprise roughly 73 percent of the gross floor area of the total campus plan floor area well above the 10 percent ceiling set forth in the Regulations.
- 14. The building also does not conform with *Subtitle X*, *Section 101.3(c)* because the siting, massing, and height of the building (87 feet tall with the habitable penthouse) is likely to be objectionable to non-university residential neighbors.

# The Wesley Campus Plan does not comply with Subtitle X, Section 101.4 of the Campus Plan zoning regulations.

- 15. Subtitle X, Section 101.4 unambiguously states the following: <u>"The campus plan process</u> shall not serve as a process to create general commercial activities or developments unrelated to the educational mission of the applicant or that would be inconsistent with the <u>Comprehensive Plan.</u>" The proposed ground lease that triggers the construction of a 659-bed commercial student apartment building to house primarily AU students is unrelated to the educational mission of Wesley Seminary.
- 16. Although *Subtitle X, Section 101.4* allows on-campus commercial activities or developments, the language of the regulation is limiting because it conditions such use on requiring that it not be "unrelated to the educational mission" of the applicant.
- 17. Based on findings of fact, the vast majority (and potentially almost all) of the residents of the proposed new commercial student apartment building will be students (and their families) of American University (AU), an unrelated institution with a course of studies that differs dramatically from that of the WTS students.
- 18. Housing AU students as part of a special use commercial real estate development is not consistent with WTS's mission, which the Seminary states 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."
- 19. Based on the findings of fact, Wesley Theological Seminary does not need to build a 306,517 sf, 87-foot tall, 659-bed "first class student housing" facility with luxury amenities to meet the already reduced need for on-campus housing for its steadily declining enrollment of its own Seminary students. The proposed building has been sized and massed to meet commercial objectives to appeal to a luxury student housing market consisting of AU students that will be able to afford the costs of the housing that Landmark Properties is known nationally for offering.
- 20. Based on findings of fact, the needs of Wesley students play a *de minimis* role in the planning by WTS and Landmark and operation for this Landmark property that will be located on the Wesley campus, but that do address the housing needs of AU students.

21. As an educational institution with a religious mission, the Seminary has provided no evidence that the target market for the commercial student apartment building will be poor or distressed students or that the goal of housing AU's students on the campus of the Seminary is intended to promote the Methodist ministry.

# As proposed, the Wesley Campus Plan is likely to create objectionable conditions for neighboring property.

- 22. *Subtitle X, Section 101.2* states the following: "The uses (of a Campus Plan) shall be located so that they are not likely to become objectionable to neighboring property because of noise, traffic, parking, number of students, or other objectionable conditions."
- 23. Based on findings of fact, the proposed Campus Plan is objectionable on the basis of the height, scale, and massing of the proposed new commercial student apartment building. The new commercial apartment building will have a total gross floor area of 306,517 square feet and comprise roughly 73 percent of the gross floor area of the total campus plan floor area, and therefore, will dominate the WTS campus. The building height, measured at 75'8" plus a 12' habitable penthouse (roughly 87' in all) will tower over all other structures on the campus. Given the topography of the site, the building will be highly visible to neighbors and intrusive. But, even more importantly, the height, massing, and siting of the building will significantly overwhelm the Seminary Chapel and the iconic view of the Chapel adorned with a statute of Jesus Christ overlooking Massachusetts Avenue NW and, in effect, compromise the mid-century design integrity of the existing iconic Chapel.
- 24. Pursuant to Section 13(d) of the Advisory Neighborhood Commissions Act of 1975, effective March 26, 1976 (D.C. Law 1-21; D.C. Official Code 1-309.10(d)) and Subtitle Z, Section 406.2, the Commission must give "great weight" to the issues and concerns raised in the written report of the affected ANC. ANC 3D submitted a written report (Exhibit 22) recommending that the commercial student apartment building should be reduced in height and mass. The Commission finds persuasive ANC 3D's recommendation.
- 25. Based on findings of fact, the proposed Campus Plan is objectionable because the ground lease with Landmark Properties that will result in the construction of a 659-bed luxury commercial student apartment building housing primarily AU students will transform the

uses of the Campus and its fundamental mission as a training ground for Methodist seminarians, increase the overall number of students on the campus, and increase the overall intensity of use of the Seminary property. The WTS campus will be transitioned from a contemplative graduate-level training ground for graduate-level seminarians into a commercial marketplace for student housing for 17-25 year-olds and an extension of American University residential life that is likely to adversely impact residents of neighboring property.

- 26. Based on findings of fact, the proposed Campus Plan is objectionable because the increased intensity of use resulting from the addition of new student housing not targeted to WTS students, including the addition of 331-381 above- and below-ground parking spaces for a different student demographic, will add to neighboring traffic and create added public safety risks tied to the use of the Seminary's Massachusetts Avenue entrance and exit.
- 27. Based on findings of fact, the proposed WTS Campus Plan is objectionable because it fails to offer any plan for how the addition of new hilltop structures on the campus will address already serious stormwater issues identified in the case record by the District Department of Energy and the Environment (DOEE) that will impact local water bodies, including the Potomac River, and neighboring property downhill from the Seminary.
- 28. Based on findings of fact, the proposed WTS Campus Plan is objectionable because the Seminary has not provided any evidence demonstrating how the Plan will comply with the District Inclusionary Zoning regulations.
- 29. Based on findings of fact, the proposed WTS Campus Plan is objectionable because Landmark Properties, the developer of the new proposed commercial student apartment building, and Wesley Seminary have not provided any information to demonstrate that the proposed new 659-bed luxury student apartment building housing primarily AU students is financially viable. The proposed Landmark project carries a heavy financial commitment, which includes costs for a ground lease, construction, marketing, security, and maintenance of the facility along with ensuring recurrent payments to Wesley for a 99-year term and a return for Landmark to earn a profit. The record includes no cash flow analysis for the project and Landmark-Wesley have provided no information that would enable the Commission or parties in this case to assess the overall cash value of the deal raising questions that the deal may be so financially burdensome as to not be viable over the 99-year

term of the commercial partnership between Landmark and Wesley. Given that the new building will represent 73 percent of the Wesley campus build-out and that Wesley has indicated that the project is important for its ability to "thrive" at its current location, the Commission and the public share a critical interest in ensuring that the project is financially viable.

# <u>Wesley's plan to enter into a ground lease with Landmark Properties, a national commercial</u> <u>developer of student apartment buildings, to build a new luxury apartment building to offer "first</u> <u>class student housing" primarily to AU students has no precedent in zoning law or practice.</u>

- 30. Based on findings of fact, the Zoning Commission gave approval in 2016 for Wesley to house a limited number of non-Wesley students in its existing dorms "in order for Wesley to achieve some measure of revenue" from unused housing (stemming from declining enrollment and reduced housing demand among its students) on the condition that the modification of its Campus Plan was "minor in scope, limited in duration." Therefore, this does not constitute precedent as the proposal for the 99-year lease in the 2022 Campus Plan to build a 656-bed apartment building primarily for AU students and constituting 73 percent of the WTS campus build-out is neither "minor in scope," nor "limited in duration."
- 31. Based on findings of fact, the lease between Medstar Georgetown Medical Center, a non-profit subsidiary of Medstar, and Georgetown University (GU) for the construction of a new medical and surgical pavilion at the Georgetown University Hospital on the GU campus contrasts sharply with the ground lease proposal outlined in the 2022 "Thrive in Place" WTS Campus Plan. The WTS Campus Plan proposes to monetize its land use through a commercial venture with a for-profit national commercial developer to produce new revenue through a scheme involving another university (AU) that has consistently eschewed any interest in Wesley's proposal since the Seminary began formulating it in 2017. Unlike Wesley's proposed project with Landmark, the Medstar-GU project is linked both in mission and land use to the educational mission of GU to educate and train GU students enrolled in health care-related programs offered by the University and serves the public interest in

providing access to high-quality modern health care facilities for residents of the Washington, D.C. metropolitan area.

- 32. Wesley's proposal to enter into a ground lease with Landmark Properties to house AU students on Wesley's campus serves no public interest comparable to the lease agreement between Medstar Georgetown Medical Center and Georgetown University.
- 33. Approval of WTS 2022 Campus Plan, which includes the Landmark-Wesley ground lease for construction of a student apartment building primarily for AU students justified on the basis of establishing a new revenue stream for Wesley would set a precedent in which any revenue generating commercial use would be allowed as part of a campus plan and the tax-exempt status of that land for educational purposes could be set aside and "reclassified" for an extended period of time constituting most people's lifetimes anytime that the institution may determine it needs or wants additional revenue.
- 34. Based on findings of fact, approval of a Campus Plan that includes a ground lease for new luxury student housing primarily for AU students is not related to the educational mission of the Seminary, serves no public interest, constitutes a commercial use that is not in harmony with the District's Zoning Regulations or the Comprehensive Plan, and cannot be justified under the specific provisions for campus plans in the District's 2016 Zoning Regulations.

#### The proposed 2022 Campus Plan is not consistent with the Comprehensive Plan.

- 35. The 2022 WTS Campus Plan is not consistent with the Education Element of the Comprehensive Plan. The expectation in the Comprehensive Plan is that colleges and universities will use their tax exempt land to provide housing on campus predominantly for their own students, not students of another institution. Although Wesley and Landmark plan to tap the AU student market for profit, AU, itself, is not a partner in this arrangement and has refused to cooperate with Wesley on the project and, more recently, has indicated it has no plans to cooperate in the future with Wesley on the project.
- 36. By using its land to offer a special competitive advantage to a commercial developer of student apartment buildings, Wesley is competing with American University's on-campus housing program which was approved recently to add as many as 700 new beds on the AU Main Campus immediately adjacent to Wesley Seminary.

- 37. In order to compete or offer a competitive advantage, the Wesley-Landmark apartment building will offer housing superior to traditional student dormitory living and appeal to a market for "first class student housing" with luxury amenities not available at other on-campus housing facilities even at the Wesley-owned and operated dormitory located on its campus that will house Wesley students exclusively. In fact, the vast majority of Wesley students living on the Wesley campus will not have access to the amenities that the Landmark-Wesley building will provide for its residents, primarily AU students.
- 38. Based on the *Racial Equity Tool* analysis that is associated with the Comprehensive Plan's Implementation Element, the WTS Campus Plan falls short because Wesley and Landmark are unable to demonstrate that the students living in the new 659-bed commercial student apartment building will reflect the overall diversity of Wesley's own student body, especially since the building is targeted primarily to the AU student body, which has a significantly less racially diverse demographic, according to AU's own student demographic profile. There are also concerns that the new student apartment building because it will focus on providing "first class student housing" may be too costly for Wesley's students, especially given that the Seminary indicated that most of its student body would qualify for what is likely to be the highly limited number of IZ units available in the building.
- 39. Based on findings of fact, there is nothing in the record to indicate that the 2022 Campus Plan will advance the racial equity goals of the Comprehensive Plan. What it will do is to provide Landmark Properties, a commercial developer of student housing, access to the American University student housing market and the opportunity to compete on favorable terms with American University's on-campus housing program and other commercial rental buildings in the neighborhood.
- 40. Based on findings of fact, the new Landmark commercial student apartment building is meant to provide the Seminary with the potential for an additional revenue stream. Yet, there is nothing in the record to indicate that the anticipated revenue will be sufficient for Wesley to achieve its goal of "thriving in place" and there is no indication that such revenue would enable Wesley to increase its role or activities in the District of Columbia metropolitan region, including its community outreach.
- 41. Based on findings of fact, approval of the commercial student apartment building primarily for the use of students not enrolled in the Seminary will create a city-wide precedent that

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contradicts the purpose of the tax status educational institutions are afforded in the District of Columbia.

- 42. Based on findings of fact, the massing and scale of the new commercial student apartment building along with other construction proposed as part of the Campus Plan is inconsistent with the Comprehensive Plan because it is likely to pose serious environmental harms for the region, particularly the Potomac River, as a consequence of stormwater run-off.
- 43. Based on findings of fact, the visual impact of the new commercial student apartment on the University Avenue neighbors and the iconic Massachusetts Avenue view shed will be significant.

# CONDITIONS THAT WOULD BE NECESSARY FOR FUTURE APPROVAL OF ANY CAMPUS PLAN

The Commission DENIES the application as currently proposed but will consider a revised 2022 Campus Plan that includes the following additional conditions.

- The Applicant shall meet the letter and spirit of the Zoning Regulations found at *Subtitle X*, *Chapter 101* and the FLUM which classifies the WTS property as RA-1; the general standard for granting a special exception in *Subtitle X*, *Section 901* that the requested relief can be granted as being in harmony with the general purpose and intent of the Zoning Regulations and Map; and, the standard that the requested relief will not tend to adversely affect the use of neighboring property.
- 2. Any new student housing proposed by Wesley Theological Seminary shall be targeted solely and limited to meet the demand or need of its own students, not students from another institution. In addition to ensuring that Wesley's land use is tied directly to its educational mission, this is likely also to address concerns about building height, scale, and massing on Wesley's campus associated with the commercial student apartment building proposed in the 2022 Campus Plan.
- If Wesley alternatively chooses to propose a new student housing facility that will require compliance with the District's Inclusionary Zoning rules as part of a revised Campus Plan, Wesley shall submit a plan that indicates how it will comply with the IZ requirements as part of its Campus Plan application.

- 4. If a revised 2022 Campus Plan is to include any new construction, Wesley Seminary shall develop and include as part of its Campus Plan application a strategy and proposal to address stormwater concerns on the campus as identified by the District Department of Energy and the Environment (DOEE).
- Wesley's architectural designs shall respect the view shed and architectural integrity of the midcentury design that characterizes the Wesley campus, especially the iconic Chapel overlooking Massachusetts Avenue NW

## **DECISION**

In consideration of the record and the Findings of Fact and Conclusions of Law herein, the Zoning Commission concludes that the Applicant has not satisfied its burden of proof and therefore ORDERED that the application for the approval of the 2022-2032 Wesley Theological Seminary Campus Plan be **DENIED**.