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September 1, 2022

BY IZIS

Mr. Anthony J. Hood, Chairman D.C. Zoning Commission One Judiciary Square 441 4th Street, N.W. Second Floor Washington, D.C. 20001

Re: Zoning Commission Case No. 22-13

Application of The Wesley Theological Seminary of the United Methodist Church

for Approval for a Campus Plan to Thrive in Place (2022-2032)

4500 Massachusetts Avenue, N.W.

Square 1600, Lots 6 (818 and 819), 7, 8 and 9.

Dear Chairman Hood and Members of the Commission:

As requested by the Commission at its July 14, 2022 Public Meeting, the Applicant is submitting the following additional information:

1. Wesley Chapel and Bell Tower:

The proposed New Dormitory will have little or no impact on the Wesley Chapel which is the iconic and defining element of the Campus viewed from Massachusetts Avenue. In Exhibit A, attached, views of the Chapel and Bell Tower have been provided from four separate vantage points on the opposite side of Massachusetts Avenue facing the Wesley Campus. In the first view directly facing the Chapel, the proposed New Dormitory is barely visible (Sheet 1). The second view depicted in the winter from the Seminary's entrance driveway shows only a limited view of the New Dormitory largely overshadowed by the existing AU dormitories (Cassell Hall and Leonard Hall) (Sheet 2). Further north on Massachusetts Avenue, in the third view, the Chapel, Bell Tower and existing mature trees almost entirely obscure any visibility of the New Dormitory (Sheet 3). Finally, the fourth view from Massachusetts Avenue near the Wesley Circle prominently features the Chapel facade and Campus trees with virtually no visibility of the New Dormitory (Sheet 4). The next slide provides a building section showing the relationship from Massachusetts Avenue of the Chapel and existing Wesley buildings to the New Dormitory all of



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which are overshadowed by the existing AU buildings (Cassell Hall, Leonard Hall and McDowell Hall) (Sheet 5). The final slide provides an aerial view of the Wesley Campus in the context of the surrounding neighborhood (Sheet 6). The New Dormitory is located approximately 425 feet from the western curb on Massachusetts Avenue. On the opposite side of Massachusetts Avenue facing the Wesley Campus is open, landscaped space and a soccer field owned by AU. Beyond the AU open space along Massachusetts Avenue, the closest residential properties are located in the 4400 block of Sedgwick Street, N.W. The rear of these houses facing Massachusetts Avenue are approximately 660 feet (more than two football fields) from the New Dormitory.

2. Acceptance of OP and DDOT Revised Conditions:

As set forth below, the Seminary confirms its prior acceptance of the following revised conditions which are incorporated in the complete list of proposed conditions attached as <u>Exhibit</u> B.

Office of Planning:

OP filed its report in this case on June 3, 2022. (Ex. 20.) In its report, OP recommended approval of the 2022 Campus Plan, subject to the 46 conditions submitted by the Applicant and subject to the following additional or modified Conditions (deletions struck through, additions underlined):

- Proposed New Condition 47: The applicant shall be responsible for the construction of the University Avenue sidewalk and ADA-compliant pedestrian ramps recommended in the District Department of Transportation's (DDOT's) report on this application.
- Proposed New Condition 48: The Zoning Administrator having determined that Subtitle C § 1001.6 (c) does not exempt penthouse habitable space in the proposed New Dormitory from the requirements of Subtitle C § 1507, at Further Processing of the proposed New Dormitory the applicant shall demonstrate how these requirements will be met.

Proposed Modified Condition 14: The New Dormitory will be developed on Lot 819 after Further Processing, in substantial accordance with the plans attached as Exhibit 1. The New Dormitory will house only enrolled Wesley students (and their immediate families) and American University students not otherwise required by the American University Campus plan to be housed on the American University Campus (and those American University students' immediate families, if any),

¹ Exhibit reference not supplied in applicant's proposed Conditions.



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resident management personnel and student resident assistants/ambassadors. Seminary students will be given first priority for housing in the New Dormitory.

"Immediate families" are defined for this plan as the spouses or domestic partners, and dependent children under the age of 18 living in the same apartment unit as the enrolled Wesley students and American University students who are residing on the Campus.

The New Dormitory will be constructed in accordance with a long-term (99-year) ground lease between the Seminary and Landmark Properties. During the term of the ground lease, use of the site is strictly limited to "first-class student housing" (including small "Grab and Go" provided in Condition 16, below) and no other purpose. At the conclusion of the ground lease, ownership of the improvements will revert to the Seminary.

DDOT:

In response to the Applicant's proposed conditions in its draft Findings of Fact and Conclusions of Law (Exhibit 49), DDOT requested the following revisions (Exhibit 50).

- <u>Condition</u> 22 This condition references the TDM Plan (Exhibit 34 Gorove/Slade memo) which includes physical improvements. DDOT requests the physical improvements from Exhibit 34 be called out as their own standalone conditions in the Order for easier enforcement/confirmation by DCRA.
- <u>Condition</u> 23 add "in accordance with the performance monitoring plan in Exhibit __" (currently Exhibit 34 in the case record) after "will perform a traffic monitoring survey".
- <u>Condition</u> 24 any studies or changes to access, including installation of traffic signal equipment, will be supplied, designed, funded, and installed by the Applicant not DDOT.
- <u>Condition</u> 28 vehicle parking total should be a "maximum" of 381 spaces not a "minimum." Our review of the Campus plan was based on no more than these 381 spaces being provided (350 with new building + 31 on internal roads). Had a higher amount been proposed then that would have impacted our analysis and recommendations.

3. Further Response to ANC 3D:



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In its letter of qualified support (Ex. 22), ANC 3D specifically requested the Seminary to consider incorporating additional revisions to the Campus Plan during further processing. Wesley has carefully considered the ANC 3D recommendations and is agreeable to including the following additional elements in the Campus Plan for further processing, including:

- Evaluate options at Further Processing for reducing the design, size, massing and number of beds in the New Dormitory to further mitigate any potential objectionable conditions. The Seminary will explore feasible options with ANC3D prior to filing its further processing application for the New Dormitory.
- Further limit the use of University Avenue for exiting vehicles. In consultation with DDOT, the Seminary will request that use of the University Avenue driveway be closed for exiting vehicles 24/7 and that only limited service, delivery and emergency vehicles can enter and exit the Campus from University Avenue.
- In conjunction with the expanded limits on the use of University Avenue, the Seminary will encourage DDOT to allow left turns by vehicles leaving the Campus at Massachusetts Avenue during agreed upon time periods with appropriate signage.

Previously, Wesley agreed to several other recommendations from ANC 3D, including:

- Installation, at the Seminary's expense, of a sidewalk on University Avenue.
- Establishing and advertising an on-campus dedicated pick-up and drop-off location for a ride-sharing vehicles and an on-campus area for rental bike and scooter parking.
- Commitment to regular assessment and performance monitoring of the Campus Plan through the Community Liaison Committee process, ANC 3D, and traffic monitoring supervised by DDOT.
- Planning and implementation of the proposed Community Playground.
- The Seminary will re-double its ongoing efforts to engage with AU on issues of mutual and community interest, including coordination of Campus activities, pedestrian flow between the two campuses, campus life, security, off-campus parking and other issues impacting the surrounding neighborhood.



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4. Office of Tax and Revenue:

The Seminary has requested that the Office of Tax and Revenue ("OTR") confirm to the Commission that the proposed New Dormitory will be subject to real property taxation on the underlying ground leased land and improvements. It is the Seminary's understanding that OTR has responded to OP that the New Dormitory will be subject to taxation. It is noteworthy that this confirmation has no bearing on the commercial use issue raised by the opposition. Just as an apartment building is a residential use and not a commercial use no matter the form of ownership (i.e., whether the apartment building is owned by an LLC or corporation) the same is true here. The building and use are a dormitory consistent with the determination of the Zoning Administrator no matter the form of ownership.

5. New Dorm Limited to Wesley and AU Students:

The Seminary has committed to limiting occupancy of the New Dormitory to Wesley and AU students (and their immediate families) and has incorporated that specific limitation in its proposed conditions. This limitation has been endorsed by OP, including the recommendation for revised and clarifying language in Condition No. 14 discussed above and endorsed by the Seminary. This limitation is also incorporated in the ground lease between Wesley and Landmark Properties.

6. <u>Implementation of Inclusionary Zoning:</u>

The Seminary has requested the Department of Housing and Community Development to directly confirm that it can implement Inclusionary Zoning for the proposed New Dormitory.

7. **AU Shuttle Bus:**

All AU students living on the AU Campus, on the Wesley Campus, or off-campus in the neighborhood are entitled to ride the AU Shuttle Bus. For more than thirty years Wesley students, facility and staff have routinely used the AU Shuttle. The number of Wesley users of the AU Shuttle has always been limited. Prior to further processing, Wesley will work with AU to formalize this practice. If necessary, Wesley can investigate and explore establishing its own shuttle service to the Tenleytown Metro Station for the limited number of Wesley users.

8. <u>"Thrive in Place" Campus Plan Directly Supports Wesley's Educational Mission:</u>

"Thrive in Place" is meant literally. This is Wesley's opportunity to remain in Washington and continue to fulfill the mission which brought it here. Even those in opposition testified they wanted Wesley to remain both as a critical religious and educational local resource, but also as a physical buffer to the AU Campus. This Campus Plan will provide needed resources for Wesley to do so. Revenues generated by the New Dormitory will allow the Seminary to subsidize student



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costs, retain and attract faculty and maintain and expand programs and replace obsolete 1960s-era housing, especially for families.

Wesley was established 140 years ago as a small seminary in rural Maryland, but its identity, legacy, mission, continued growth, leadership and success are built upon and inexorably linked to and derived from its presence in Washington, D.C.

Seminarians require substantial economic subsidy to complete their education, which is at a level similar to the requirements for M.D.s, but with an average starting income of only \$40,000 per year. Either the education needs to be heavily subsidized or the seminarians graduate with massive student debt with no way to pay it back. Otherwise, the only type of person who could reasonably enter the seminary are those from wealthy families which is not healthy for society as a whole and would especially limit aspiring pastors and ministers of color. The Seminary's ability to address racial equity in upper northwest on this campus is unique and is in compliance with the Comprehensive Plan and the Campus Plan provisions of the regulations.

The Seminary has a long history of providing pastors, ministers, and those who wish to serve in the District of Columbia. Being in the District of Columbia is critical to that mission.

The programs offered at the Seminary that greatly depend on its location in Washington include: The Community Engagement Institute, the Center for Public Theology, the Center for Church Leadership, the African-American Church Studies Certificate, and the Heal the Sick Certificate. The Seminary also offers its "National Capital Experiences for Seminarians" ("NCES") program, which provides seminary students opportunities for immersion programs in the nation's capital.

A new dormitory with American University and Wesley students furthers the unique educational mission of WTS. The following are more specific points supporting the application:

- 1. This land has been an academic hilltop community for 120 years since it was bare ground and nothing around. The construction of this purpose-built student residence hall continues that academic mission of this property. And it frees a number of housing units in the neighborhood by relocating many more students within the campus precincts in accordance with Comprehensive Plan policies relating to housing and affordable housing and the desires of the neighborhood.
- 2. With respect to the institutions on this land, it was the vision of two Methodist Bishops to locate AU and Wesley to this spot. It was part of an even larger vision of a Methodist center that included the Metropolitan United Methodist Church and later, Sibley Hospital. The culmination of that vision was the establishment of the School of International Service at AU and relocation of Wesley at the same time by Bishop G. Bromley Oxnam who chaired the boards of



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both institutions and is buried in our chapel. The long vision was to foster the socially progressive aims of the denomination. For its part, this has meant Wesley has become a premier center for urban ministry and public theology (what is now called "community engagement"). And we have deliberately worked to become a robust "majority/minority" community. This "majority minority" community best serves the District of Columbia by being located in the District of Columbia. Wesley has a distinguished track record of providing pastors, ministers, and service-oriented graduates to the people of the District of Columbia. Thrive in Place retains Wesley as a wellspring of racial equity in Washington, an expressed goal of the District's Comprehensive Plan and incorporated into the Campus Plan process through 11-X DCMR Section 101.11.

3. As pointed out previously by one Commissioner, it has become a common and necessary practice in DC for churches to leverage the economic value of their properties to ensure their future in the City and further their missions.

While a number of Wesley graduates develop church property as senior housing or homes for the formerly homeless, our mission is to teach future pastors and non-profit leaders to have that kind of theological vision and provide the practical skills to make that possible. Wesley's mission is education. In the language of our faith, we teach people to fish. So, the economic return of this Campus Plan, which will be channeled into student scholarships, will enable more students, in particular those with modest means to prepare for a lifetime of ministry in this learning laboratory of DC. Almost by definition, graduate theological students are lower income and will remain so. Wesley will continue to heavily subsidize their housing. And, as testified by Rev. McAllister-Wilson, this Campus Plan will place the Seminary securely amongst the top institutions nationwide competing for the most talented and needed people.

4. AU students in the New Dormitory aligns with Wesley's mission objectives beyond the economic value. The Seminary's placement on this academic hill, having purchased the property for \$10 from AU is historically and practically significant. This was a token amount because Wesley and AU are sister institutions. For most of our history, we shared phone service and steam. For all of our history, we have had shared degree programs. We expect this dorm will draw us even closer to AU programmatically and it is natural some of those students will be in the joint programs mentioned earlier. And, there are always some AU undergraduates considering ministry who may simply move into our degree programs and stay in their rooms! In fact, this could become an element of student recruitment and retention for both schools. Wesley will welcome all residents to participate in the activities of the Seminary community. Not proselytizing in any way, but with the natural hospitality of a seminary. They would receive preferential consideration for enrollment in our programs. The proposed availability of this dorm for A.U. students is not a transactional master lease of space. All students in the building, Wesley and AU, will be held accountable to the same code of conduct. In significant ways, Wesley will benefit



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from the occupants of this building the way university-related divinity schools, like Duke and Candler, benefit from the connection to their host university.

In summary, all the resources that are derived from this unique opportunity are related to and will be dedicated to the educational mission of Wesley. The New Dormitory will provide modern housing for Wesley students for the foreseeable future; a means to subsidize the education of all its students so they are not left with crushing debt when they graduate from the Seminary; a means to give back to the community and the District; continue its joint programs with AU; and very significantly foster racial equity as a "majority/minority" community remaining in the District of Columbia.

The increasing economic pressures on higher education are not unique to Wesley, but shared by American University and many other colleges, universities and, perhaps most acutely, by seminaries. American University President, Sylvia Burwell, was quoted last week in the Washington Post:

With our deep dependence on tuition, we must be thoughtful stewards of our resources, Burwell said. If we want to continue our focus on affordability, further our commitment to research and learning, and invest in our people, we must carefully balance the best use of our available resources in each area. But it also means we can't do everything in every area.

Washington Post, August 22, 2022.

Like Wesley, most colleges, universities, and seminaries are operated as not-for-profit entities. However, this does not prevent the schools from having revenues that exceed expenses (e.g. profits). Unlike a for-profit entity, a non-profit college, university, or seminary retains or reinvests any "profits" to further support its educational mission. In 2018 and 2019, American University reported operating revenues that exceeded its operating expenses. 2019 IRS Form 990 (Return of Organization Exempt from Income Tax) for American University. Historically, student housing, law schools and compensated research have been "profit centers" that are used to support and subsidize the school's educational mission and programs, including scholarships and expanded educational programs.

More specifically, on-campus housing of non-students has yielded substantial additional revenue for local colleges and universities. All the major District universities rent on-campus housing to non-students during summer periods, including: American University provided summer 2022 – "intern lodging program available for any non-American University students" at Centenial Hall at per diem rates of \$50.00 - \$60.00 (www.american.edu/ocl/housing/summer-



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housing.cfm); George Washington University offered summer 2022 on-campus housing for non-student individual interns, long-stay groups and short stay groups,

(www.summerhousing.gwu.edu); Georgetown University provided summer 2022 on-campus housing for non-student local interns

(www.residentialhousing.georgetown.edu/summer/individual); Catholic University provided oncampus housing for non-student interns

(www.Pryzbla.catholicuniversity.edu/conferences/housing/summer-intern/noncuastudent); and Howard University offered summer 2022 on-campus housing for non-students (www.corvias.com/news/premier-summer-housing-accommodations-available-howard-university-washington-dc).

In every instance, the renting of on-campus housing to non-students and groups is not considered a commercial activity or use, but a natural extension and support for the school's educational mission.

Thank you for your consideration.

Sincerely,

GREENSTEIN DELORME & LUCHS, P.C.

John Patrick Brown, Jr

Lvle M. Blanchard

Enclosure

CERTIFICATE OF SERVICE

I hereby certify that on September 1, 2022, the foregoing letter and Applicant's Supplemental Submission was delivered via electronic mail to the following:

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