July 15, 2020

Testimony of the Committee of 100 at the Office of Planning's July 15, 2020 Roundtable on Case 20-02: Enhanced IZ (Virtual/WebEx)

I am Kirby Vining, Chair of The Committee of 100 on the Federal City. We appreciate the opportunity to share our views on the D.C. Office of Planning's recommendation to the Zoning Commission that it amend the Inclusionary Zoning Program regulations. We strongly oppose the limited scope of this proposal, and the affect it would have on piecemealing IZ Program policy.

First, the IZ Program was created in an atmosphere of caution and strong reservations that requiring private development to create even small amounts of affordable housing would kill momentum and send developers to other jurisdictions. That didn't happen, in fact, the reverse happened. The bonus densities awarded were an enticing carrot and the affordable housing requirements weren't much of a stick. By 2016, the Zoning Commission decided that offering lower cost housing to people earning up to 80% MFI was not fulfilling its intention to produce private market housing affordable to people who could not afford market rate housing.

That was the last time that the IZ Program was comprehensively assessed. It's time to do it again. OP clearly does not want to evaluate this program, but is anxious to keep making adjustments that resound favorably with developers, at the expense of providing needed low-cost housing. The current proposal attempts to make map amendment approvals automatic. Any application to increase the density on a residential development, whether it involves one lot or multiple lots, would have its IZ contribution pre-determined, and that contribution is based on the assumption that the current 8-10% set aside is still supportable. It's not.

The IZ Program has produced very little affordable housing while tens of thousands of market rate units have been built. The majority of affordable units created are still going to people earning up to 80% MFI according to the most recent IZ Annual Report. While the private housing market is not going to solve the District's affordable housing deficit, it can do much more based on the bonuses it is receiving. We find it ironic that the proposed Expanded IZ Program would not apply to PUDs. One would think that these large developments would be the first place to expect more Inclusionary Zoning. Also, we can do more to avoid rampant gentrification and displacement, frequently at the expense of developments that are out of character with established neighborhoods, that has been documented in the areas of the city where housing development has flourished. But the IZ Program won't accomplish its intended goals without direction and guidance from the Zoning Commission through IZ Program regulation and PUD deliberations.

The second part of the OP proposal concerns rezoning PDR designated land to residential zone use. This proposal is terribly shortsighted. The District relies on PDR land – in fact, OP states in its amendments to the Land Use Element of the Comprehensive Plan that PDR land cannot be decreased and that it is providing badly needed jobs that pay better than retail and that hold promise of positive mobility. Yet this proposal rests on transforming these parcels into residential use. While there is surely an important discussion to be had on making PDR uses and land safe and compatible with surrounding land uses, the Zoning Commission should not be encouraging the transformation of this land use until the D.C. Council decides during its Comprehensive Plan debate how it wants this land used and regulated. The fact that these proposed changes are for map amendments also precludes a contested case where the community could argue the specific benefits or harms of a particular proposal.

It is time for the Zoning Commission to take a hard look at the IZ Program and not be dissuaded from making significant changes as it was persuaded by DMPED, the Director of DHCD, and OP in 2016. Continuing the exemption of most of Central Washington from IZ requirements resulted in a significant lost opportunity to create affordable housing. The requirement that IZ units not exceed the proportion of comparable market rate

units resulted in no affordable family housing being created and the inventory of affordable units limited to studios and one-bedrooms because that is what higher income people wanted. We know more than we did in 2016, and 2009 when the IZ Program was adopted, about the effects of the affordable housing crisis and how the IZ Program has interfaced with the city's housing needs. The Expanded IZ Program is being thrust upon the City by the Office of Planning with insufficient development and justification. OP has released no material on the Program since its release on January 3, and the promised financial and economic impact assessments and analysis have not been seen. Other than C100, no organization or individual has submitted comments to the ZC case file.

In summary, this proposal should be shelved, but the discussion should be expanded to make fundamental changes to the IZ program.

Chair

Committee of 100 on the Federal City