

PUBLIC HEARING ON

Bill 22-663, "Comprehensive Plan Amendment Act of 2018"

Before the Committee of the Whole

Councilmember Phil Mendelson, Chairman

March 20, 2018 2:00 PM

John A. Wilson Building

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Good morning, Chairman Mendelson and members of the Committee of the Whole. My name is Yesim Sayin Taylor and I am the Executive Director of the D.C. Policy Center, an independent, non-partisan think tank committed to advancing policies for a strong and vibrant economy in the District of Columbia. I thank you for the opportunity to testify on the "Comprehensive Plan Amendment Act of 2018."

The Framework Element of the Comprehensive Plan is a fascinating document—it is both retrospective, summarizing how the city has changed over the last twelve years, and forward-looking, setting a vision for growth for the next 20 years. The parts that look back reiterate the well-known and remarkable story of the city's recent history: tremendous population growth, rising personal incomes, and a generally prospering city, but also the loss of many low and middle-income families, older adults, and black residents to the suburbs, the further concentration of poverty in some neighborhoods, and increasing economic segregation across the city. The forward-looking parts of the Framework Element provide a vision for growth premised on the District capturing the larger share of the region's population, household and jobs compared to what had been previously projected.¹

All these various elements will come together under a set of <u>guiding</u> <u>principles</u> (covering things like growth, human capital development,

¹ The projections expect the city to add 21,000 to 22,000 households every five years and grow to 842,000 residents by 2030 (Section 215.7). The Framework Element provides projections of where these residents will likely settle and where new jobs will be located based on current development pipeline, and land that can be developed under current zoning.

transportation, and the environment), a <u>generalized policy map</u> that shows how different parts of the District could change given the growth projections, and the elements of zoning depicted on a <u>Future Land Use Map</u>. The Framework Element also offers the path to changes to zoning if the current planning envisioned in the Comprehensive Plan does not match the future needs.

The draft Framework Element is positive in very important ways but falls short in two areas: housing affordability and a stronger vision for inclusivity.

On the positive side, the Framework Element seeks to resolve some of the legal issues facing Planned Unit Developments by clarifying that the Zoning Commission has the authority to permit greater density through the PUD process.² In recent years, too many new housing units planned under PUDs have been stuck in court³ and developers have passed on other projects that would have required a PUD to avoid potential litigation. The PUD process itself needs streamlining but the clarification that the Zoning Commission is the ultimate authority for making zoning decisions, is a crucial step.

Again, on the positive side, the amendments support more development near transit. The Comprehensive Plan has been weaponized in the past to prevent building of new housing, especially along the Red Line. The new Plan offers higher density along transit corridors, which will allow the benefit of investments in infrastructure to be shared by many more residents.

² Through revisions to section 226 and an entirely new section 227.

³ One report puts this number of 6,500. See, for details: https://www.bisnow.com/washington-dc/news/construction-development/court-dismisses-appeal-of-dittos-union-market-project-after-16-months-81960

The Framework Element, however, falls short of identifying important housing and affordability pressures in the District of Columbia, especially for low and middle-income families. The D.C. Policy Center is preparing to publish a study on the District's housing stock, looking at the types, capacity, and potential affordability of all housing units in the District's current housing stock. This examination of the District's hosing stock points to four types of pressures on the housing market:

- First, competition from affluent singles and couples is an important but often overlooked factor in the undersupply of affordable housing for low and middle-income families. We find that the District's housing stock has plenty of family-sized units (we counted 93,000 such units compared to only 42,000 homes occupied by households of four or more) but these units are occupied by affluent singles and couples, or by seniors who cannot or will not downsize (see the appended chart that compares the capacity of housing units with the occupancy of housing units).
- Second, land use policies play a role, as they have produced a housing stock largely composed of single family homes, especially in neighborhoods with abundant public and private amenities such as good schools, safe public spaces, and proximity to transportation and retail. The District's single-family units account for 30 percent of all its housing units and 80 percent of all residential buildings. Even small changes to allowable density in neighborhoods with very low-density development can make a significant impact on how many people can live in these desirable neighborhoods without significantly changing the number of buildings.

- Third, public and private investments families need in order to thrive are
 lacking in many communities in the east of the Anacostia River. This is illserving the residents who live there. Furthermore, affordable homes in
 these neighborhoods are not attracting or keeping low or middleincome families.
- Finally, the District's many housing policies have not prevented today's
 increasingly segregated housing market, where the lowest and highest
 valued homes are completely separated, and the residents of these
 homes live their lives apart.

Considering these findings, the vision developed in the Framework Element can be strengthened in three ways:

First, the Framework Element should articulate paths for increasing affordability for low- and middle-income families. ⁴ Some highly-resourced neighborhoods in the Northwest quadrant of the city have tremendous amenities but lack the mix of housing that would make these neighborhoods inclusive and accessible to a wider range of incomes. The draft Framework Element has a somewhat chilling effect on future development in what it calls "stable neighborhoods" by using phrases like "protecting the character of the neighborhood." These types of qualifications will continue policies that help wealthier, desirable neighborhoods fend off new development that could increase affordability. These terms should be removed from the Framework Element.

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⁴ Section 203.6 of the Framework Element does refer to the need for more family-sized housing.

Second, the Framework Element of the Comprehensive Plan should articulate the investments needed in neighborhoods where there is family-friendly housing stock, but not the investments families need to thrive. Some neighborhoods in the Northeast and Southeast quadrants of the city have significant housing stock affordable to families but lack the resources and amenities that these families would need to truly thrive. Lack of public and private investment in good schools, safe streets, and access to transportation, quality retail, and job centers—reduces the opportunities available to families who live in those neighborhoods and worsens the racial and socioeconomic divides in our city. The Framework Element commits to increased public investments but does not acknowledge the marked gaps in public and private amenities across different neighborhoods.

Finally, the Framework Element of the Comprehensive plan should have a much clearer vision of what inclusivity means. Inclusivity can mean many things: mixing incomes, mixing households of all sizes, or having residents of all ages and all races and ethnicities, or a combination of these. The term remains underdefined in the Element, which does not do enough to push back on existing patterns of segregation and exclusion (See the map of the least and most affordable housing units in the District). The Element pushes all new development into what it calls "emerging" or "distressed neighborhoods" without opening up new room for future residents in the parts of the city that are desirable.

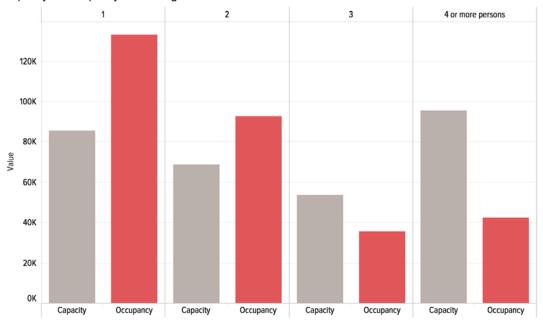
While the Framework Element sets a vision for the future, it is market forces that will deliver new development. Many factors need to come together to

produce or enable market forces to produce, affordable and desirable housing with access to public and private amenities. The findings of our forthcoming D.C. Policy Center study suggest that constructing more housing is necessary to relieve the pressures on the housing market. It also suggests rethinking how we repurpose the existing stock and how we use the District's land and public resources to create more inclusive communities. This can be done with higher density where appropriate and investments in better schools, better transportation networks, and improved amenities in all parts of the city. We hope to see a fuller articulation of this vision in the Framework Element of the Comprehensive Plan and we are happy to work with the Committee of the Whole to give specific recommendations.

Thank you very much for the opportunity to testify on Bill 22-663, "Comprehensive Plan Amendment Act of 2018." I am happy to answer any questions you might have.

Chart 1 – Distribution of Housing Units by Their Capacity and by The Number of People Who Occupy Them

Capacity v. Occupancy of Housing Units in the District of Columbia

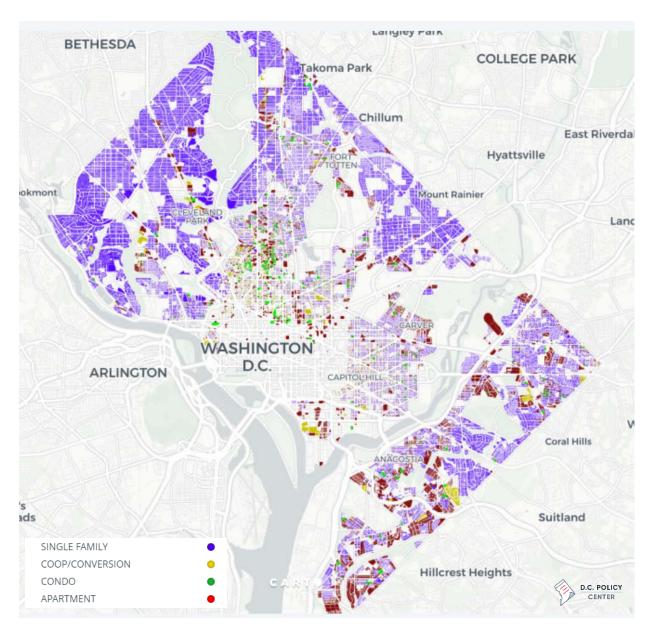


Source: Data from the housing stock database compiled by the D.C. Policy Center. Occupancy data are estimates based on the share of units occuped by households of various sizes, applied to the full housing stock.

Note: The estimated capacity assumes that units can hold comfortably 1.5 persons per bedroom, rounded down to the next intiger. When bedroom number information is not available, the estimate uses 365 sq. ft. as the space necessary to accomodate each occupant of the housing unit, again rounded down to the next intiger.



Chart 2- Map of Housing Units in The District of Columbia by The Type of Building Structure



Source: Data compiled by the D.C. Policy Center, charts from the forthcoming D.C. Policy Center Study: "Taking Stock of District's Housing Market: Capacity, Affordability, and Pressures on Family Housing."

Chart 3-The Least and Most Affordable Housing Units in The District

Family Units Affordable at 2.5 times AMI

Family Units Affordable at 50% of AMI



Source: Housing dataset compiled by the D.C Policy Center. The map shows units that can hold 4 or more persons.

