

Action Plan

Grantee: Washington, DC

Grant: B-11-MN-11-0001

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 5,000,000.00

Funding Sources

Funding Source	Funding Type
CDBG Takeback Mortgage	Other Federal Funds
Private Funds	Financial Institution Money
Private Financing	Other Private Funds
Low Income Housing Tax Credits	City Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

No tiered approach is being utilized to determine the distribution of funding. However, DHCD plans to concentrate the distribution and use of NSP3 funds to those high priority neighborhoods shown in Appendix A of this amendment that have been identified as the areas of greatest need within the District. DHCD plans to allocate 90% of the total NSP3 grant to acquisition, multi-family rehab, and home purchase assistance activities to achieve the goal of making an impact in the target areas.

How Fund Use Addresses Market Conditions:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.
Focusing on high priority neighborhoods within the wards allows NSP3 funds to be directed to areas with the highest percentage of existing foreclosures, areas with the highest percentage of homes financed by subprime mortgage related loans, and the areas identified by DHCD as likely to face a significant rise in the rate of home foreclosures. The high priority neighborhoods in Wards 5, 7, and 8 are being targeted in order to make a notable impact in the community.
Through DHCD's collaborative efforts with the businesses and non-profits in the target area, DHCD plans to arrest the decline of home values and eliminate vacant and abandoned residential property in the targeted and surrounding communities. The expected outcome will be an increase in sales and median market values of real estate property in the targeted areas. DHCD's primary objective is to use the NSP3 funds to develop viable urban communities providing decent, affordable housing options, and spurring economic opportunity for persons



of low- and moderate-income

Ensuring Continued Affordability:

The District has adopted the HOME Program affordability standards to meet the continued affordability standards of the Neighborhood Stabilization Program. Utilizing these standards, the District will ensure that all NSP assisted housing remains affordable to individuals or families whose incomes do not exceed 120 percent of area median income.

These standards require that rental and homeownership housing must remain affordable for 15 to 20 years, depending on the amount of NSP3 funds invested in the housing unit. Long-term affordability will be enforced through rental and deed restrictions, including resale/recapture provisions.

DHCD will also ensure continued affordability for NSP3 assisted housing by long-term monitoring. Desk reviews and on-site monitoring will provide an on-going assessment to assure the rental units assisted with NSP3 funds are being utilized in accordance with all laws, regulations, and policies that govern the program. DHCD staff will be responsible for reviewing information from property owners/managers as it relates to laws, regulations, and policies.

Throughout the compliance period, property owners/managers must complete and submit an Annual Compliance Report. The report will update staff on the status of the NSP3 assisted units and property. Staff will schedule on-site monitoring visits annually.

DHCD shall ensure, to the maximum extent practicable and for the longest feasible term, that the redevelopment of abandoned and foreclosed upon residential properties remain affordable

Definition of Blighted Structure:

A structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

Definition of Affordable Rents:

HOME program rents will be used by DHCD for projects funded by NSP3. These are updated annually by the U.S. Department of Housing and Urban Development

Housing Rehabilitation/New Construction Standards:

DHCD's Single Family Rehabilitation Program Standards will apply to NSP3 assisted existing housing activities. These rehabilitation standards require that properties meet all applicable local codes and laws and that the properties be decent and safe. The rehabilitation standards currently require the use of Energy Star rated components in these projects.

All new construction will adhere to the District's Uniform Building Code, which incorporates the Energy Standard. Developers of new housing are required to incorporate green building and energy efficiency into their projects. DHCD may also partner with DDOE to provide incentives for installing energy efficient improvements to units.

Vicinity Hiring:

DHCD certify that as a jurisdiction receiving NSP3 funds, we will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

DHCD hope to ensure vicinity hiring for NSP3 projects thru monitoring. Desk reviews and on-site monitoring will provide an on-going assessment to assure the projects assisted with NSP3 funds are being utilized in accordance with all laws, regulations, and policies that govern the program. DHCD staff will be responsible for reviewing information from property owners/managers as it relates to laws, regulations, and policies.

Procedures for Preferences for Affordable Rental Dev.:

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Grantee Contact Information:

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1800 Martin Luther King Jr. Avenue, SE
Washington, DC 20020

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
11-NSP3-DHCD	NSPIII Housing Project	2011-NSP3-ADMIN	NSP3 Administration
		2011-NSP3-RCS	Home Purchase Assistance
12-NSP3-AP-12	Altamont Place	2013-NSP3-AP-N	Altamont Place
13-NSP3-MP	Menkiti Project	2013-NSP3-MP-N	907 47TH PL NE
13-NSP3-TSS	Trinidad Scattered Sites LLC	2013-NSP3-TSS-N	Trinidad Scattered Sites LLC
2012-NSP2-ICT-N	Ivy City/Trinidad	2012-NSP2-ICT-N	Ivy City/Trinidad
9999	Restricted Balance		<i>No activities in this project</i>

Activities



Grantee Activity Number: 2011-NSP3-ADMIN
Activity Title: NSP3 Administration

Activity Type:

Administration

Project Number:

11-NSP3-DHCD

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Environmental Assessment:

EXEMPT

Benefit Report Type:

NA

Activity Status:

Planned

Project Title:

NSPIII Housing Project

Projected End Date:

05/01/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 500,000.00

Other Funds Total: \$ 0.00

Total Funds Amount: \$ 500,000.00

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

DHCD

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
DHCD	Local Government	\$ 500,000.00

Location Description:

DHCD will administer all aspects of the NSP3 funded programs and activities including all property acquisition, rehabilitation, performance monitoring, maintenance of program progress, record keeping and accounting, and disbursements of NSP3 funds, NSP3 program modifications, as appropriate, and reporting tasks as required by HUD as conditions of the NSP3 grant.

Activity Description:

District of Columbia
 Department of Housing and Community Development
 1800 Martin Luther King Jr. Avenue
 Washington, DC 20020



Grantee Activity Number: 2011-NSP3-RCS
Activity Title: Home Purchase Assistance

Activity Type:
 Homeownership Assistance to low- and moderate-income

Activity Status:
 Under Way

Project Number:
 11-NSP3-DHCD

Project Title:
 NSPIII Housing Project

Projected Start Date:
 05/01/2011

Projected End Date:
 05/01/2014

Project Draw Block by HUD:
 Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:
 Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:
 Not Blocked

Total Budget: \$ 1,401,753.00

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Other Funds Total: \$ 0.00

Environmental Assessment:
 UNDERWAY

Total Funds Amount: \$ 1,401,753.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	24	8	16	100.00
# of Households	24	8	16	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	24
# of Housing Units	24

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 DHCD

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
DHCD	Local Government	\$ 1,700,000.00

Location Description:

DHCD will prioritize the expenditure of NSP3 funds in its identified Areas of Greatest Need, described in Appendix A, and we will place emphasis on identifying projects in high priority neighborhoods within these Wards. Our goal will be to expend all NSP dollars within these identified areas. Within the target area, we will seek to identify "clusters of opportunity" in which a targeted investment of NSP3 funds in a grouping of foreclosed, abandoned or blighted properties can become the catalyst for reversal of neighborhood decline.

Funds utilized under this activity will be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a sub-prime mortgage related loans, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.

Activity Description:

This activity will use NSP3 funds to enhance the Home Purchase Assistance Program (HPAP) in the targeted areas. DHCD proposes two primary enhancements to the existing HPAP program. First, to encourage households to purchase vacant and foreclosed properties in the targeted neighborhoods, DHCD will add up to \$30,000 for households up to 110% of AMI on top of the existing HPAP benefit, resulting in up to \$70,000 in direct homeownership assistance.

Additionally, understanding that rehabilitation is often a barrier in purchasing foreclosed homes, homebuyers in these communities will only be allowed to combine HPAP with a HUD 203K loan for repairs to these homes.

Through HPAP, the Department will build on the existing housing market and encourage the purchase by new residents of foreclosed and vacant units. Further, this will create the pipeline of buyers for the units developed through the multi-family development and single family redevelopment of vacant and foreclosed units.

In order to meet the Low Income Set Aside target, DHCD plans to allocate at least 25% of the funds for this activity to achieve the goal to provide housing for individuals or families within the target areas whose incomes do not exceed 50% of area median income. While it is believed that this amount will help to accomplish this goal, DHCD reserves the right to amend this Action Plan to make certain that this highest-priority goal is achieved.

Grantee Activity Number: 2012-NSP2-ICT-N
Activity Title: Ivy City/Trinidad

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 2012-NSP2-ICT-N

Project Title:
 Ivy City/Trinidad

Projected Start Date:
 10/30/2012

Projected End Date:
 03/15/2013

Project Draw Block by HUD:
 Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:
 Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:
 Not Blocked

Total Budget: \$ 455,000.00

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Other Funds Total: \$ 67,011.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 522,011.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	8	8		100.00
# of Households	8	8		100.00

Proposed Accomplishments	Total
# of Multifamily Units	8
# of Housing Units	8
# of Properties	1

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 Bundy Development Corporation I, LLC

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Bundy Development Corporation I, LLC	Non-Profit	\$ 455,000.00

Funding Source Name	Matching Funds	Funding Amount
Private Financing	No	\$ 67,011.00

Location Description:

1913 Galludet Street NE is a 4 unit multi-family apartment building that is located
> in Census Tract 88.03 in the Brentwood/Trinidad neighborhood. The property is a
>two level building consisting of four 1 bedroom apartments, each containing 1
>bathroom. The property is vacant, and is in need of substantial renovation.
>The neighborhood is bounded North by New York Avenue, West by Brentwood and West Virginia Avenue, South by H Street
NE and East by a Golf Course.
The neighborhood has typical amenities expected of an urban section in the District of Columbia. Mix of housing is common in
this area and is without adverse effect on value as subject and comps area similarly influenced. Easy access to major
employment and
>commercial.

Activity Description:

Bundy Development Corporation has requested \$455,000 in NSP2 funds to acquire and
>rehabilitate two 4 unit properties. One is located in the Brentwood/Trinidad NSP2
>Target Area, and one is located in the Anacostia NSP2 Target Area. The units are
>to be affordable to and exclusively reserved for &ldquoLow and Moderate Income Households.



Grantee Activity Number: 2013-NSP3-AP-N
Activity Title: Altamont Place

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 12-NSP3-AP-12

Project Title:
 Altamont Place

Projected Start Date:
 03/05/2012

Projected End Date:
 12/31/2013

Project Draw Block by HUD:
 Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:
 Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:
 Not Blocked

Total Budget: \$ 1,468,761.00

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Other Funds Total: \$ 394,279.00

Environmental Assessment:
 UNDERWAY

Total Funds Amount: \$ 1,863,040.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	32	32		100.00
# of Households	32	32		100.00

Proposed Accomplishments	Total
# of Multifamily Units	32
# of Housing Units	32
# of Properties	1

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 So Others May Eat (SOME)

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
So Others May Eat (SOME)	Non-Profit	\$ 1,345,000.00

Funding Source Name	Matching Funds	Funding Amount
Low Income Housing Tax Credits	No	\$ 394,279.00

Location Description:



The property is located in Ward 8 in the Garfield Heights neighborhood in the Southeast >quadrant of DC. The property is located in census tract 75.02. The property is >1.5 miles from the Naylor Road Metro Station, which provides regional access from >the Green Line. The nearest Metro Bus stop is nearby the front of the property. >Stanton, Garfield and Beers Elementary, Moten Middle, Johnson Junior High and >Choice Academy Senior High School are all within one mile of the property. >THEARC, Boys and Girls Club of America and the Fort Stanton Recreation Center >are less than a mile away.

There is also a Safeway, CVS Pharmacy, three banks (Capitol One, SunTrust, M&T) >and various eating places within half a mile. The property is located at >2335 Altamont Place SE. It consists of 14,052 square feet and previously >included one-bedroom apartments. The building is currently vacant. The building >was built around 1955. The site is not located in a flood plain. SOME would >convert the property into 32 efficiency units, including one for on-site staff. >The layout of the property lends itself to a fairly easy conversion to that model.

Activity Description:

SOME, Inc. (So Others Might Eat) is requesting an annual Low Income Housing >Tax Credit (LIHTC) allocation of \$394,279, which will generate approximately >\$3,903,358 of tax credit equity and \$1,350,000 in NSP III dollars for its >Altamont Place Project. These funds will cover the costs to acquire and >renovate this building, converting the property to 32 efficiency units. >This building will provide long-term supportive housing for single adults, >all with initial incomes at or below 30% of the Area Median Income. SOME >will also provide through its resources the on-site supportive service staff >to address mental health problems, substance abuse recovery issues, money >management and credit repair.



Grantee Activity Number: 2013-NSP3-MP-N
Activity Title: 907 47TH PL NE

Activity Type:
 Acquisition - general

Activity Status:
 Under Way

Project Number:
 13-NSP3-MP

Project Title:
 Menkiti Project

Projected Start Date:
 02/01/2014

Projected End Date:
 03/01/2014

Project Draw Block by HUD:
 Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:
 Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:
 Not Blocked

Total Budget: \$ 180,106.00

Other Funds Total: \$ 67,011.00

Total Funds Amount: \$ 247,117.00

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	2	2		100.00
# of Households	2	2		100.00

Proposed Accomplishments	Total
# of Singlefamily Units	2
# of Housing Units	2
# of Properties	2

Activity is being carried out by Grantee: No **Activity is being carried out through:**

Organization carrying out Activity:
 Menkiti Group

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Menkiti Group	Non-Profit	\$ 180,106.00

Funding Source Name	Matching Funds	Funding Amount
Private Financing	No	\$ 67,011.00

Location Description:



The neighborhood is an urban area comprised of average to good
>quality attached single family dwellings, and 2-4 unit, small
>residential income properties. The area has average market
>appeal, and has good convenience to schools and local services
>which are located within one half mile. Freeway access to
>Interstate 295 is located approximately 1 mile west.

Activity Description:

Acquisition and rehabilitation of a 2 unit condo building located at
>907 47th Place, NE. after rehabilitation the units will be sold to
>buyers whose incomes are at or below 50% AMI.



Grantee Activity Number: 2013-NSP3-TSS-N
Activity Title: Trinidad Scattered Sites LLC

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 13-NSP3-TSS

Projected Start Date:
 09/02/2013

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Environmental Assessment:
 UNDERWAY

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 Trinidad Scattered Sites LLC

Projected End Date:
 09/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 994,380.00

Other Funds Total: \$ 1,400,000.00

Total Funds Amount: \$ 2,394,380.00

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	9		9	100.00
# of Households	9		9	100.00

Proposed Accomplishments	Total
# of Multifamily Units	9
# of Housing Units	9
# of Properties	5

Activity is being carried out by Grantee: No **Activity is being carried out through:**

Organization carrying out Activity:
 Horizon Hill Ventures, LLC

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Horizon Hill Ventures, LLC	Non-Profit	\$ 994,380.00

Funding Source Name	Matching Funds	Funding Amount
Private Financing	No	\$ 1,400,000.00

Location Description:



1214 Staples Street NE: A 2 story apartment building located on a single tax parcel in the northeast quadrant of WDC. The building contains 4 units and was constructed in 1920. The subject parcel contains approximately 2,805 square feet of land and is zoned R-4, which permits multi-family uses. The improvements feature a unit mix of 4 two bedroom, one bathroom apartments in complete shell condition.

1612 Montello Avenue NE; 1663 Montello Avenue NE; 1214 Montello Avenue NE; 1259 Holbrook Terrace NE: The single family homes on the four vacant lots are still in the design phase. There will be a total of 5 townhomes built with one of the vacant sites (1259 Holbrook Terrace NE) containing two homes. Each home is expected to range from 1,600 to 1,800 square feet and contain 4 bedrooms and either 2 or 3 bathrooms.

Activity Description:

Loan proceeds will be used to rehabilitate 5 properties into 9 affordable housing units all of which shall be reserved for and remain affordable to households with incomes at or below 80% AMI. The housing units shall remain affordable to households at or below 80% AMI for the period ending no later than fifteen (15) years.

Action Plan Comments:

Reviewer - Grantee has requested that HUD reject the Action Plan to provide updated information.

Reviewer - The City states that its Action Plan is consistent with the approved NSP 3 application. Based upon a review of the information provided in the Action Plan, the Field Office approves the Action Plan.

Reviewer - 1/31/14: Reviewer: Vanessa Barnard: It appears the grantee submitted a revision to its Action Plan, but it is unclear what the grantee has amended from the original Action Plan. FO is requesting clear understanding of what the grantee is amending in the Action Plan.

Action Plan History

Version	Date
B-11-MN-11-0001 AP#1	08/08/2011
B-11-MN-11-0001 AP#2	11/09/2012
B-11-MN-11-0001 AP#3	02/04/2014
B-11-MN-11-0001 AP#4	02/07/2013

