



NEIGHBORHOOD INVESTMENT FUND
GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF THE DEPUTY MAYOR
PLANNING AND ECONOMIC DEVELOPMENT

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*** Columbia Heights
Investment Plan**

Mayor Adrian Fenty

**Office of Planning
April 2008**

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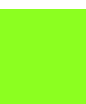
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introduction



A Vision for Targeted Community Investment

The Neighborhood Investment Fund (NIF) is an annual non-lapsing, revolving fund to finance economic development and neighborhood revitalization in 12 target neighborhoods. Created by the District of Columbia Council in 2004, the Fund was designed to provide a pool of resources to support investment and revitalization in emerging and distressed neighborhoods. Moreover, the Council envisioned NIF as contributing to a broader economic development tool kit to achieve a critical mass of investment needed to make a significant and visible impact in its target neighborhoods.

To that end, the District of Columbia Office of Planning in partnership with the NIF Program's implementing agency, the Office of the Deputy Mayor for Planning and Economic Development, worked with community stakeholders in each target area to develop an investment plan. The target area investment plan is designed to identify community priorities for NIF investments and to set an investment agenda for NIF resources over a five year period.

The following Columbia Heights Target Area Investment Plan presents an overview of the NIF program, a background of the target area, description of the planning process, and the resulting investment goals and strategies. Significant community engagement through grass roots community organizing lead by the Washington Interfaith Network (WIN) was integral to the development of the plan and ensuring broad stakeholder support for its recommendations. These partnerships, fostered through the planning process, are integral to the implementation of the investment plan, as many strategies can only be realized through community driven projects.

Creating the Fund

The District's economic boom, which began in earnest in 2000, brought significant public and private investment to Downtown Washington. According to the Washington DC Economic Partnership, over \$13 billion dollars has been invested in projects completed since 2001 in Wards 2 & 6 (primary Downtown DC area) with another \$29 billion invested in projects

under construction, planned or proposed. This investment has spurred a renaissance in the physical development of the city and also a transformation of the District's reputation in the region, across the country, and throughout the world.

Despite rapid changes downtown and in the adjacent neighborhoods of Penn Quarter, Gallery Place, and Logan Circle, the majority of the District's neighborhoods, especially those East of the River, have been largely untouched by this growth. This well documented period of uneven growth created a multitude of consequences from rapid escalation of housing costs, loss of affordable housing stock, and further concentration of poverty in distressed neighborhoods of the District. The Neighborhood Investment Act was created in this context of raising the profile and importance of investing in District neighborhoods - its people, places, and assets.



The Neighborhood Investment Act of 2004 (NIA), which established the NIF program, was created out of several pieces of similar legislation proposed in 2003 to provide resources for targeted neighborhood investment. The initial thrust for creating a targeted investment program grew from community organizing around making neighborhoods a top city priority and paralleled similar efforts such as the Strategy Neighborhood Investment Program developed by the Williams administration. The Washington Interfaith Network was integral in advocating that the Council and the Williams administration place "Neighborhoods First."

The NIA legislation created a non-lapsing, revolving

fund outside of the General Fund, called the Neighborhood Investment Fund (NIF). The NIF is funded through an annual appropriation of 15% of a personal property tax, not to exceed \$10 million. The NIA mandates that the Mayor prepare and submit to the Council an annual spending plan for how the NIF will be utilized in the 12 neighborhood target areas designated in the NIA. The District of Columbia's Office of the Deputy Mayor for Planning and Economic Development is charged with implementing the Neighborhood Investment Fund program and the requirements of the NIA.

The target areas defined in the NIA legislation were selected by the Council because of their status as emerging or distressed neighborhoods where targeted investment would have maximum impact. There are NIF target areas in every Ward, except Ward 3. They include: Anacostia, Bellevue, Congress Heights, and Washington Highlands in Ward 8, Deanwood/Deanwood Heights in Ward 7, H Street in Ward 6, Brookland/Edgewood and Bloomingdale/Eckington in Ward 5, Brightwood/Upper Georgia Avenue in Ward 4, Logan Circle and Shaw in Ward 2, and Columbia Heights in Ward 1. Subsequent amendments to the NIA in 2007 have expanded the Columbia Heights and Deanwood Heights target areas. A map of the NIF target areas can be found in the Appendix of this plan.

One of the requirements of the NIA legislation is for the Mayor to develop NIF Investment Plans for each of the target area using input from community stakeholders including the Advisory Neighborhood Commissioners, residents, business owners, faith community, not for profit organizations, among other groups. The purpose of the Investment Plan is to set community priorities for how the NIF funds should be utilized in the target area over a five year period. The Investment Plan, which is the subject of this report, fulfills the legislative requirement for the Columbia Heights target area.

Operating the Fund

Each year the Mayor submits a spending plan to Council outlining how the annual appropriation of NIF funds will be utilized in the 12 target areas. The funds are intended to be used on projects that realize the goals of economic development and revitalization in the target areas. The spending plan can feature a diverse range of

projects that will make significant investments in the areas of economic development, community facilities, housing, education, job training and development. NIF also facilitates creative partnerships among District agencies, the non-profit sector and the private sector. Currently, there are five funding programs supported by the NIF that provide grant and loan assistance for a range of projects. They include: Neighborhood Grants Program, Target Area Project Grant, Predevelopment Grant Fund (PDG), Land Acquisition Predevelopment Loan Fund, and NIF Government Projects. Future fiscal year spending plans may include these programs or replace them with other initiatives that meet the goals of the NIF program.

Typically, the Office of the Deputy Mayor for Planning and Economic Development releases a Notice of Funding Availability or Request for Proposals when funding for the program becomes available. Projects are selected based on the eligibility requirements of the program, the project's public benefit, ability to leverage resources, and catalytic effects. With this investment plan, projects in the Columbia Heights target area must be supported by the community investment goals and priorities identified in this investment plan. Future investments from the NIF will ensure the expenditures are compatible with the goals of this plan and that all NIF funds are being utilized to implement its objectives.

NIF was established largely due to community organizing and its implementation relies on target area stakeholders becoming instigators of change within their own communities. The structure of the fund empowers community stakeholder groups to apply for funding to accomplish the goals of the plan. By utilizing the funding opportunities described above, these groups truly will become partners with the District in realizing change at the neighborhood level.

Defining an Investment Agenda

Clearly not all of the goals identified in this investment plan can be or should be addressed solely by the Neighborhood Investment Fund. Many of the issues raised through the planning process are long standing structural issues that have impacted this target area for many years.



The Fenty Administration is dedicated to using the broadest range of District resources to address the problems of affordable housing, local retail development, public safety, education, among other issues. Therefore, the investment plan also includes recommendations where other District resources, such as the District’s capital budget, Housing Production Trust Fund, and Community Development Block Grants, could be utilized to achieve the goals of this plan. Moreover, NIF will be used to fill gaps in funding availability and applicability of existing government programs. In this context, the Fenty Administration envisions NIF as a critical tool within a comprehensive strategy to improve neighborhoods in the District.

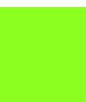
The following section provides an overview of the target area, including a demographic portrait and current revitalization initiatives.





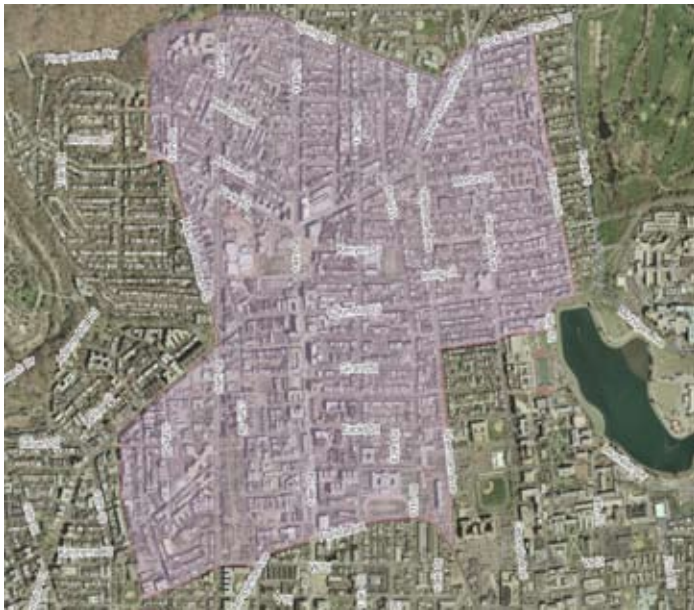


target area background



Neighborhood Context

The Columbia Heights Neighborhood Investment Fund (NIF) area encompasses 1.02 square miles within Ward 1, and includes parts of the Columbia Heights, Mt. Pleasant, Parkview, Adams Morgan and Pleasant Plains communities. The NIF area is bounded by Spring Rd / Rock Creek Church Rd to the north, and Florida Ave to the south. The area is bounded by Warder St (from Rock Creek Church Rd to Gresham Pl) / Georgia Ave (Gresham Pl to Euclid St) / Sherman Ave (Euclid St to Florida Ave) to the east and Mt Pleasant St / Columbia Rd / Champlain St to the west.



Once a collection of farmland, the area to be known as Columbia Heights was part of the District, but outside the borders of the city of Washington. The area had its beginning as a horse track, which was located on what is today 14th and Irving Streets. The construction of Columbia College (renamed George Washington University in 1884) began in the area in 1822. The horse track was closed around 1840 and after the Civil War the area started its transformation into a suburb of Washington, within which horse-drawn streetcars delivered residents of the neighborhood into downtown. In 1878, Congress passed the DC Organic Act which extended the boundaries of Washington City to be contiguous with those of the District of Columbia. Shortly afterward, Senator John Sherman purchased the land north of Boundary Street (now Florida Ave.) between 16th Street and 10th Street, developing it as a subdivision of the city called Columbia Heights, named for the college within its center. The neighborhood's

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original eastern boundary Sherman Avenue, is named after the senator. With the introduction of the electric street car line running north-south on 14th Street in the early 1900's, Columbia Heights was soon densely packed with rowhouses and small apartment buildings. By the turn of the century, Columbia Heights was the preferred area for some of Washington's wealthiest and most influential people.

At the turn of the century, the popularity of the neighborhood resulted in the construction of several large apartment buildings that changed the suburban character of the area into a more urban and densely populated district. The neighborhood was also adjacent to the LeDroit Park and Pleasant Plains neighborhoods, home to two of Washington's thriving middle class black communities and soon Columbia Heights came to be home to some of its most notable African-American citizens. By the 1960's Columbia Heights was a vibrant and busy retail district and it was known as the "City within a City."

Today, the Columbia Heights NIF area consists primarily of the Columbia Heights, Parkview and Pleasant Plains neighborhoods, and includes parts of the Mount Pleasant and Adams Morgan communities. It is well served by mass transit with two Metro stations within its borders. Both the Columbia Heights metro stop (located at 14th St and Irving Pl) and the Georgia Ave-Petworth station (located at the corner of Georgia Ave and New Hampshire Ave) are on the Green and Yellow Lines, which connect the area to points as far north as Greenbelt, MD and as far south as Springfield, Va. The area is also well served by Metrobus with over 20 Bus routes crossing the area. These routes run along every major commercial north-south corridor and a number of them cross east-west across the NIF district.

Demographic and Housing Market Profile

According to the 2000 census data, the NIF area has approximately 46,000 residents or about 8% of the District's population. It is considered one of the most ethnically diverse areas in the District with a racial make-up of 52% African American, 30% Latino, 21% White and about 3.5% Asian. The percentage of Latino residents is the highest concentration in the city at 30% as compared to 8% city-wide. The area's median household income at \$29,905 is 30% lower than the

District's average of \$43,000. In addition, 22% of the areas population consisted of residents under the age of 18, which is higher than the District's average at 20%.

This area has seen a great deal of housing development activity over the last 10 years, bringing a greater number of housing opportunities to the area. Despite the increase of new housing units, the area remains largely a rental community. According to the 2000 census, of the over 17,000 housing units in the area, only 26% were owner-occupied as compared to 41% city-wide. Due to the high rental population, changes over time in the rental market have had a serious impact on this NIF area. At the time of the 2000 census, Fair Market rent (FMR) for a 2 bedroom apartment in the Washington, DC M.S.A. was \$915.00. By 2005 that price had risen to \$1,187.00, and by 2007 it had risen to \$1,286.00, creating a 40.5% increase in rental rate between 2000 and 2007.

This area has also seen fluctuations in the homeownership market as well. Between 2001 and 2006 the median sales price for a single family home in the NIF area rose 19.7%, which was 4% above the District's (15.7%). During that same period, the median sales price for a condominium unit rose 15.1%, which was 2.5% above the District (12.6%).

In addition, during that same period, this area saw an influx of 2,543 condominium units being developed which represents the 2nd highest increase in the number of new units in the city.



Land Use

The Columbia Heights NIF section is a predominately medium to moderate density residential area, with active commercial corridors. This area does include a large number of apartment buildings along and around 16th and 14th streets, and number of proposed multi-family developments along Georgia Ave. The cross streets from Mt. Pleasant to Park View and down through Pleasant Plains are generally blocks of row-houses with different architectural styles, sizes and building materials. The present condition of houses in this area varies widely from scattered vacant buildings to long standing fully utilized family homes to newly refurbished units.



The NIF area has three main commercial corridors: 14th Street, Georgia Ave and Mt Pleasant Street, and a number of smaller retail strips such as 11th St, Park Rd and Columbia Rd. These smaller corridors are characterized by small-scale, neighborhood-orientated businesses, many of which are locally owned. The area has seen a recent influx of new retail business over the last few years with the bulk of it coming along 14th Street near the DC USA development project. The revitalization and reuse of the Tivoli Theater and the relocation and expansion of the Giant have been accompanied by a number of new restaurants and service businesses. The effect of new investment is also being seen in spots along Georgia Ave as new retail and restaurants are popping up along the strip.



Community Assets

The Columbia Heights NIF district is a strong residential neighborhood that contains major community assets such as:

The redevelopment of the Tivoli Theater and the entertainment venues it provides to the community



Cultural assets such as The Dance Institute of Washington, the Mexican Cultural Institute, the Emergence Community Arts Collective, GALA Hispanic Theater and others.

Proximity to recreational activities in Rock Creek Park, Meridian Hill Park and the Washington Zoo.

The Georgia Ave-Petworth and Columbia Heights Metro stations which allow residents quick access throughout the city.



Annual events such as the Washington Caribbean Carnival Parade, Columbia Heights Day, Mt. Pleasant Day, Adams-Morgan Day, etc.

Proximity to Howard University and the cultural, educational, and sporting events that occur there.

The Mt Pleasant Heritage Trail, the Adams-Morgan Heritage Trail and the upcoming Pleasant Plains Heritage Trail.

The Miners Teachers College Building, which was the principal school to train black teachers in the city for more than 70 years.

Numerous neighborhood recreational centers, including the Park View and Banneker centers, plus a number of small community parks and playgrounds



Current Public Activities

Columbia Heights Public Realm Plan

The Columbia Heights Public Realm Plan established the framework for a unified approach to the public spaces in the mid-14th St section of Columbia Heights. The plan recommends improvements to public streets, spaces and amenities along 14th St. from Monroe Street to Irving Street, with streetscape improvements reaching as far south as Fairmount Street and as far north as Oak Street. The objective is to use this plan to strengthen the identity of the neighborhood and as a framework to integrate new development. The anchor of this plan is the civic plaza located in the triangular shaped parcel at the intersection of Kenyon St, Park Road, and 14th St. It is about 12,000 square feet and the design theme is based on a multi-colored geometric paving pattern which symbolizes the rich diversity of the community. This Plan was completed November of 2003, project design is completed and implementation is scheduled to begin Summer/Fall 2008.



Georgia Avenue Great Streets Initiative

The Great Streets Initiative is a multi-year, multiple-agency effort to transform under-invested corridors into thriving and inviting neighborhood centers using public actions and tools as needed to leverage private investment. These efforts include items such as; new sidewalks, lighting, paving, public art and street trees, with the hopes to improve the physical setting and thereby reduce crime, neglect and attract new investment. The whole of Georgia Ave within the NIF target area is a part of this initiative.

Georgia Ave – Petworth Metro Station Area and Corridor Plan

The Georgia Avenue-Petworth Metro Station & Corridor Plan provides a framework to guide growth and development on Georgia Avenue while preserving and enhancing the quality of life in the community. The plan is designed to:

- a) Leverage the public investment of the Georgia Avenue-Petworth Metro Station and employ Transit-Oriented Development (TOD) principles;
- b) Balance growth and development by identifying and guiding opportunities for redevelopment;
- c) Identify strategies to encourage a better mix of uses, including quality neighborhood-serving retail and housing;
- d) Maintain and enhance neighborhood character; and
- e) Prioritize when and where public investment should occur.

Since the adoption of this plan by DC Council in June of 2006, Georgia Ave has seen an upsurge in new retail and residential development. Projects such as the Lamont Lofts, Temperance Hall and the E.L. Haynes Public Charter School, as well as planned developments like the Park Morton Redevelopment Initiative are revitalizing Georgia Avenue. Although this Plan extends beyond the borders of the NIF area the whole of Georgia Ave within the NIF area is a part of this plan.

Comprehensive Plan

This document serves as the city's policy and planning guide for physical development and revitalization; specifically, land use, economic development, housing, zoning, transportation, public facilities, environmental issues, historic preservation and urban design. The Columbia Heights NIF area was addressed in the "Mid-City Area Element", which focused on protecting the distinct and affordable character of the neighborhood while also addressing issues around small business commercial development, parking and pedestrian safety, community parkland and the need for more public recreational facilities. The DC Comprehensive Plan was adopted by the DC Council in December 2006.

18th Street Adams Morgan Transportation and Parking Study

This study is a multi-modal analysis attempting to address issues of pedestrian flows and environment, on-street and off-street parking management, traffic safety, transit, bicycle activity, and general traffic operations and capacity. The purpose of the study is to investigate appropriate transportation and streetscape improvements to address the above concerns. Although this Plan extends beyond the borders of the NIF area, a large portion of the plan’s study area consists of the NIF area’s southwestern corner.

Recent Development Activity

Since 2001, the Columbia Heights NIF area has added over 3.3 million square feet of new development. Most of this development has been in the form of new residential units, with over 2,600 new housing units being added to the market. The area has also seen over 170,000 square feet of office and retail space developed during that same period. Developments such as the following and others have infused a total value of nearly \$650 million of investment capitol into this area within the last ten years.

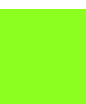
Projects such as:

The Roosevelt	180,000 s.f.	\$50 million	10/2002
Park Triangle	173,000 s.f.	\$27 million	02/2006
The Thurgood Marshall Center	35,000 s.f.	\$6.2 million	09/2002
Kenyon Square	243,000 s.f.	\$60 million	06/2007
DC USA	500,000 s.f.	\$140 million	03/2008





creating the plan



In determining which community issues that the investment plan should address over the next five years, the Office of Planning (OP) used a two step strategy of reviewing existing neighborhood plans and directly gathering community input. This method allowed OP to develop a profile of community needs and issues for the Columbia Heights Neighborhood Investment Fund (NIF) area from a variety of sources. By gathering information from recently completed plans and identifying current community priorities, this plan presents the investment goals and strategies that should drive NIF spending in the target area.

Office of Planning Review of Existing Plans

The first step OP took was to extensively review recent planning activities within the Columbia Heights NIF area. The purpose of the evaluation was to ascertain what issues the community had identified in each plan that may indicate a need for investment and look for any issues that consistently appear in the plans. The recent plans include:

1. *The DC Comprehensive Plan* – the Comprehensive Plan is a general land use and policy document that provides overall guidance for future planning and development of the city. The Office of Planning recently completed a two year process of revising the Comprehensive Plan. Community input for this process included open public meetings, briefings with Advisory Neighborhood Commissions, a Mayor's Hearing and two Council Hearings. The Columbia Heights NIF area lies within the Mid-City Area Element portion of the plan.

2. *The Georgia Avenue – Petworth Metro Station Area and Corridor Plan* – this plan which extends from Decatur Street in Ward 4 to Euclid Street in Ward 1 along Georgia Avenue, provides a strategic development plan and revitalization strategy for the corridor with special emphasis on Transit Oriented Development principles to guide growth and enhance the viability of the avenue.

3. *The Cluster 2 Strategic Neighborhood Action Plan (SNAP)* - The Cluster 2 SNAP detailed the top priority issues in neighborhood cluster, as identified by residents working with the Ward 1 neighborhood planning coordinator. The DC government used the SNAPs to inform and guide decisions on prioritizing city services and capital investment. The cluster 2 SNAP includes the neighborhoods of Columbia Heights, Park View, Pleasant Plains and Mt Pleasant. (completed 10/2002)

4. *The Columbia Heights Public Realm Plan* - The Columbia Heights Public Realm Framework Plan is the result of a community planning process in collaboration with community residents, stakeholders, and District agencies that focused on coordinating high-quality civic space and public streetscape improvements. This plan was developed to define, protect, and strengthen public places and integrate them with private and public development along 14th Street and the surrounding Columbia Heights neighborhood.

5. *The Great Streets Initiatives Plan for 7th Street-Georgia Avenue* - The Great Streets Initiative is a multi-year, multiple-agency effort to transform under-invested corridors into thriving and inviting neighborhood centers using public actions. Through the Great Streets Initiative, the District will seek private and not-for-profit developers for key public and quasi-public owned parcels that could serve as significant catalysts in transforming the District's major corridors.

Various land use policy, development goals and community concerns are outlined and addressed within these plans, and even though the focus of these plans vary from very broad land use strategies to developing individual parcels, a number of common issues appeared. The three main concerns of emphasis were:

1. Youth Services and Recreation
2. Commercial Corridor Revitalization / Small Business Retention
3. Affordable Housing

Community Input

In addition to reviewing the existing community plans, OP staff also held two public NIF investment strategy workshops to hear the community's perspective on what investments are needed in the target area. The first of two NIF investment strategy workshops were held on December 12th, 2007 at the Harriet Tubman Elementary School, 3101 13th Street NW. The second meeting was held at the same location on January 8th, 2008. The main purpose of the meetings was to present the information from OP's plan review, to receive input on the public's investment ideas and to have the participants prioritize these ideas. During these meetings OP presented a number of investment goals based upon the four primary concerns (see above), and a few broad strategies and asked the community to comment on them. OP sought to determine not only if these four goals and the strategies developed with them, were on the right track, but also to get the community members to express to us which one of these goals or strategies they felt took precedence over the others. The public was also given the opportunity to offer new goals or strategies they felt needed to be addressed, that may not have been extracted from the initial plan review.

Assisted by OP staff, the over 80 participants in two meetings worked in groups where they discussed the investment goals and strategies in detail. Each goal and strategy was analyzed and cosigned by the group before moving on to the next item. Every member of the community was given colored dots and told to place one dot next to whichever item they felt deserved the highest priority. Between the two meetings the goals or strategies that received to highest number of dots were:

1. Expand the services and capacity of local community recreation centers, job training facilities, and after-school programs.
2. Retain and improve neighborhood-oriented retail business
3. Preserve existing affordable and subsidized rental housing units

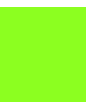
OP conducted outreach for these meetings through repeated postings on community listservs, announcements in area churches, advertising in the city paper, direct e-mails to political and civic community leaders and the Ward 1 planner attended ANC 1A, 1B & 1C monthly meetings to directly invite the ANC commissioners and the public at large.

In the next section the investment goals and strategies developed through this research process are outlined in detail.





investment goals & strategies



NIF Investment Goals and Strategies

Based upon the information gathered from the plan review and the community input, the following 8 major investment goals were developed.

- 1. IMPROVE OPPORTUNITIES FOR YOUTH AFTER-SCHOOL EDUCATION, RECREATION AND ENGAGEMENT**

- 2. INCREASE YOUTH EMPLOYMENT OPTIONS THROUGH JOB READINESS PROGRAMS AND JOB PLACEMENT ASSISTANCE**

- 3. RETAIN AND IMPROVE NEIGHBORHOOD-ORIENTED RETAIL BUSINESS**

- 4. IMPROVE NEIGHBORHOOD BUSINESS DISTRICT DEVELOPMENT THROUGH STREETScape AND PUBLIC SPACE IMPROVEMENTS**

- 5. PRESERVE EXISTING AFFORDABLE AND SUBSIDIZED RENTAL HOUSING UNITS**

- 6. INCREASE TRANSITION INTO HOMEOWNERSHIP AMONG AREA FIRST TIME HOMEBUYERS AND CURRENT RESIDENTS LIVING IN SUBSIDIZED RENTAL UNITS**

- 7. INCREASE THE NUMBER OF AVAILABLE AFFORDABLE HOUSING UNITS**

- 8. EXPAND SPECIAL NEEDS AND SENIOR HOUSING OPPORTUNITIES**



Youth Services and Employment

Throughout the community input process, the issue of neighborhood youth engagement became one of paramount importance. There is a sense that the number opportunities for youth recreation and engagement are very small and the resources are scarce. As a result many young people are turning to negative activities which are having an adverse affect on the community at large. The residents feel there are organizations and community groups in the neighborhood who have a positive impact on the youth and change the direction of their lives; expansion of these programs and the creation of new programs, where necessary, will enhance these efforts to provide positive alternatives for youth. A particular area of focus is to provide opportunities for these young residents to obtain better employment opportunities through job training activities. The following investment goals are designed to provide community agents the means to utilize NIF funding to accomplish these goals.

Investment Goal #1

Improve opportunities for youth after-school education, recreation and engagement

The main strategy to improve community youth recreational and engagement opportunities include:

- a) *Expand the services and capacity of local community recreation centers and after-school programs.*

It has been directly expressed that there are existing community resources to address the issues of providing programs for the youth; however, many programs are under funded and can not serve a growing youth population. This investment strategy would utilize NIF funds to provide assistance to both programs and facilities working in the area of youth development through the arts, education, sports, small business, etc. This strategy is intended to prioritize funding to increase the number of youth served in established programs that have demonstrated success. Funding for new programs in this area should also be considered where there is an identified need and gap in existing programming. These funds can also support the activities of the DC Department of Parks and Recreation, and items like

the Department of Youth Rehabilitation Services' After-School Enrichment and Mentoring programs; however, NIF Funds cannot be used to replace capital funding for similar recreational activities or facilities.

Investment Goal #2

Increase community employment opportunities through job readiness programs and job placement assistance.

Strategies to improve community employment opportunities include:

- a) *Expand the services and capacity of local job training facilities, and job placement centers and programs.*

As stated previously, the issue of employment for young people has been targeted as one of high importance by the community. The community has expressed those younger residents in the area, especially young men between the ages of 18-22, need employment services and job placement assistance. This strategy is targeted to support community based initiatives that help transition these residents into the workplace. Applications for NIF funding should not replace or duplicate resources or programs offered through the DC Workforce Investment Council and the Dept. of Employment Services' Out of School program, which serves young adults ages 16 to 24. Both agencies have job training and placement centers and the DC Summer Youth Program which provides jobs for teens in the summer. NIF funding should be considered where there may be a gap in providing assistance or training programs.

- b) *Support English as a Second Language (ESL) programs and literacy training for residents in need to overcome barriers to employment*

The basis for this strategy is use NIF funding to work with established neighborhood institutions to support education options for non-English speaking residents. With increased proficiency in speaking and reading English, many immigrant youth in the community may significantly enhance their employment options. The DC Office of Latino Affairs and DHCD both work

closely with the immigrant community in the NIF area and with a neighborhood organization utilizing NIF funds to augment these community based efforts a significant impact can be made in this community.



Commercial Corridor Revitalization / Small Business Retention

The Columbia Heights NIF area consists of four main commercial corridors: Georgia Avenue, 14th Street, Mt Pleasant Street, and Columbia Road. The area also has a few secondary commercial strips such as Park Road and 11th Street. The area has seen significant retail growth over the last few years and a major retail project will open this spring in the DC-USA project. As a result the community has identified the need for the NIF investment plan to address the development of the corridors that have not yet benefited from the increased area development and may need a capital boost to keep pace. The following are two investment strategies were developed to focus on the needs of the over 400 small businesses in the Columbia Heights NIF area.



Investment Goal #3 **Retain and improve neighborhood-oriented retail business**

Strategies to address business retention and improvement include the following:

- a) *Improve the physical conditions of retail stores in commercial areas.*

One of the first issues quickly identified by the community was a desire to upgrade the physical condition of stores in commercial corridors. With the new

developments and the influx of higher income residents, the appearance of many of the existing retail stores needs to be enhanced in order to attract new customers and retain existing clients. This strategy proposes to use local organizations to acquire NIF funds to apply techniques such as façade improvements, building infrastructure improvements, improvements to store interiors and improving merchandise displays, overall store cleanliness, and security. This funding should augment small business improvement activities currently funded through DHCD's Storefront Façade program or other District programs. Funds can also be used to expand services to those areas not eligible for funding under current programs.



- b) *Support and expand business financial assistance and technical training for local area entrepreneurs.*

Many of the Columbia Heights business owners are hard-working entrepreneurs, who provide a good product or service, yet lack the technical expertise to fulfill the potential of their small business. Increasing the capacity of these local retailers with training in marketing, accounting, obtaining credit and private investment, business management, working with the District, complying with District laws, and other useful business practices may allow for growth and stabilize their enterprise. This strategy is designed to channel NIF funds towards expanding existing government and non-profit programs that provide business education for these retailers. Government initiated programs that expand the Business Resource Center and other services provided by the DC Department of Small and Local Business Development (DSLBD) should be prioritized.

Investment Goal #4

Improve Neighborhood Business District development through streetscape and public space improvements

Strategies to improve the appearance of neighborhood business districts include the following:

- a) *Support streetscape and public space maintenance programs within the commercial districts to improve cleanliness, safety, and beautification*

A key element of a successful commercial corridor is providing the customer base with a clean and safe environment within which to shop. This strategy will focus NIF funding for activities that are geared toward street cleaning, street greening activities (flower pots, hanging plants, Tree maintenance) or safety improvements (extra lighting for the retail shops, security cameras, Business Association Block Watch, etc). These activities should work complement and expand DSLBD reStore DC programs or the Office of the Deputy Mayor for Planning and Economic Development (DMPED) Great Streets Program for Georgia Avenue, among others.

- b) *Provide for commercial district marketing assistance, promotional materials and community events*

A major concern of the community with the opening of the DC-USA project is that its major retail offering will overshadow the nearby commercial corridors and draw away most of the customer base. A need to promote the retail opportunities of these corridors is the basis for this strategy. The objective is to provide funding through NIF grants for corridor promotional materials and activities such as business district newsletters, light pole banners, directories, etc. The activities can assist with promoting offerings among current residents and attracting new customers to these areas. Activities should not duplicate services and funding already offered through other District initiatives, such as the DSLBD reStore DC or Main Streets divisions, or DHCD's Columbia Heights Initiative who specializes in promoting DC's business neighborhood districts.



Affordable Housing

The Columbia Heights NIF area has been a long standing mixed-income community with both single family homes and multi-family apartment buildings throughout the neighborhood. Recent residential and retail development over the last 10 years has made this community more attractive to higher-income residents. This influx of new development has put pressure on the market leading to increases in rental rates and housing prices; combination of increasing demand for housing in the area and increasing prices are threatening the affordable housing stock in Columbia Heights. This can be seen in the loss of federally subsidized affordable housing. For example, since 2000 Ward 1 has lost 84 Section 8 rental units. In 2007 contracts protecting an additional 350 units were set to expire. During that same period, according to the Urban Land Institute, the fair market rent for a two-bedroom apartment in the DC metro area rose to 40.5%.



The affordable homeownership situation in the target area is equally challenging. In the year 2000, of the over 17,000 housing units in the in Columbia Heights NIF area, only 26% were owner-occupied. With the current median price of a single family home in Columbia Heights in excess of \$490,000, transitioning existing residents into homeownership is difficult because the median household income for this area was 30% below the District's average, at \$29,800. Moreover, approximately 53% of the households had incomes less than \$30,000, which would make

purchasing a market rate home in this area extremely challenging. These and other contributing factors make the need for a healthy supply of affordable rental and homeownership units a high priority in this community. NIF funding alone can not address this need. There are a number of existing housing resources and programs offered by the DC Government that, when strategically focused on Columbia Heights, can contribute significantly to the problem; this plan points out where those resources should be targeted and supplemented using NIF funds.

Investment Goal #5:

Preserve existing affordable and subsidized rental housing units

Strategies to address the preservation of affordable units include the following:

- a) *Improve promotion of existing government programs and support new non-governmental programs that aid in rental housing preservation.*

There are a number of existing District programs which are designed to assist in keeping rental properties affordable by providing financing and assistance such as the First Right Purchase Assistance Program and the Tenant Purchase Technical Assistance Program. NIF funding would help to support these ongoing activities by a) getting information out to the public about these programs and b) creating new programs offered by non-profits to fill gaps in existing program availability or applicability. Neighborhood groups and organizations can apply for NIF funding for these activities by accessing NIF grants and loans and by partnering with DHCD on these efforts.

- b) *Identify rental units with expiring use restrictions and monitor these projects to assure the continuation of the subsidy contracts or the purchase of the properties by the District or a new owner willing to permanently preserve the properties.*

Every year throughout the District there are rental housing buildings with attached federal subsidies (ex. Section 8) that have expiring contracts and whose owners are opting not to renew. It is important that these units are identified well in advance of the contract expiration in order to intervene to preserve the federal subsidy and the affordability of the units. With adequate notice, there may be opportunities to negotiate with the owner and provide incentives to renew or find a new buyer who will renew the contracts. DHCD has the Multi-Family Housing Rehabilitation program and the Tenant Purchase Technical Assistance Program which are used to rehabilitate and preserve the affordability of the building or help transition to tenant ownership. Significant investment in housing preservation is needed to address this issue in the Columbia Heights Target Area. NIF funding can be used to complement these tools and specifically assist preservation projects seeking acquisition and predevelopment assistance.



Investment Goal #6:

Increase transition into homeownership among area first-time homebuyers and current residents living in subsidized rental units

Strategies to address transitioning residents into homeownership include the following:

- a) *Improve the promotion of and support for programs that increase homeownership opportunities for first time homebuyers and low-income residents.*

In addition to preserving affordable rental units, the community has also expressed a desire to increase homeownership levels amongst current neighborhood residents. Homeownership is a key step in building long term wealth and sustaining communities. This strategy will provide funding to increase community awareness of, and increase access to programs which will provide training and education in credit and financial management, home maintenance, finding a home, accessing District programs, property taxation, etc. These are the things a first-time homebuyer will need to know in order to successfully buy and maintain a home in the neighborhood. NIF Grants can be used to develop neighborhood based programs to educate community members in the above, as well as working with District programs such as Home Purchase Assistance Program and others sponsored by DHCD.



Investment Goal #7:

Increase the number of available affordable housing units

Strategies to address increasing the number of available affordable housing units include the following:

- a) *Fund the acquisition and rehabilitation of vacant and underutilized sites to develop new affordable housing units. These units can take the form of either rental or homeownership units.*



Part of the overall effort to provide an adequate number of affordable housing units must be to create new units within the community at suitable locations. Although the District, through DHCD programs such as New Construction Assistance, Site Acquisition Funding Initiative and the Homestead Housing Preservation Program are able to develop units of affordable housing, NIF provides community organizations in this area the opportunity enhance these activities. This strategy states that NIF funding can be used by eligible developers to assist in the acquisition of vacant or underutilized properties to build either

affordable rental or for-sale units. As of December 2006, there are 195 vacant buildings within the Columbia Heights Target Area, for a total of 30,665 square feet of vacant building space. By funding items such as predevelopment fees or acquisition costs affordable housing developers will have the opportunity to keep pace with the market rate development community and provide alternative housing choices to area residents.

- b) *Add Columbia Heights as a target area for the Department of Housing and Community Development's Notice Of Funding Availability (NOFA)*

This strategy is to target investment in new affordable and mixed income housing developments into this NIF area by having DHCD set this community as a priority area in its bi-annual Notice of Funding Availability (NOFA). Projects that propose to redevelop vacant, abandoned and underutilized properties in the Columbia Heights NIF area should be prioritized.

Investment Goal #8 **Expand special needs and senior housing opportunities**

Strategies to expand special needs and senior housing opportunities include the following:

- a) *Identify underutilized parcels or buildings located on or near major commercial corridors that could be acquired and redeveloped as senior or special needs housing facilities.*

In the 2007 Housing in the Nation's Capital Report, the Fannie Mae Foundation identified the urgent need to address the housing needs of the over 500,000 persons with special needs in the region. In the Columbia Heights NIF area, a need for senior housing facilities to serve the 10,000 persons over the age of 50 (census 2000), has been identified and the community has expressed a desire to see these facilities located along the active commercial corridors such as: 14th Street, Georgia Ave, or Mt Pleasant Street. Locations such as these would give the senior and special needs

population access to their basic retail needs and easier access to transportation. Directing funds toward the development of senior housing through NIF loans and grants can compliment the DC Department of Health's Health Care Facilities Division's activities and leverage DHCD funds to enable local organizations to provide the type of housing these residents need.

- b) *Improve the promotion of and support for programs that assist senior citizen and special needs homeowners maintain their homes.*

To help ensure that the long tenured homeowners of this area are able to remain in the community and in their homes, there is a need to fund programs that assist with various homeowner duties. As of the 2000 census, there were an estimated 1050 homeowners over the age of 60 within the target area. These activities may include home weatherization, housing infrastructure maintenance, or providing meals and medical services. There are a number of existing programs through the DC Office on Aging which are there to help special needs populations in need of these services such as the Home Care Partners program or Heavy Housekeeping Services. NIF funds can be used to further promote existing programs to seniors in the area and augment them through initiatives offered by the local non-profit sector.

Other DC Government Initiatives & Investments

District Resources to support NIF funded programs

NIF funding is a great opportunity for community organizations to become empowered to make a difference for their residence. However, NIF resources are limited and should not be considered the only means to accomplish the investment goals outlined above. The District has a number of programs and resources available to enhance programs that are NIF funded. The following list provides brief descriptions of the types of resources available for District developers, residents and merchants.

Housing Programs & Financing Opportunities

1) Housing Production Trust Fund (HPTF): The Housing Production Trust Fund is a local source of money for affordable housing development. Capital for the HPTF is supplied from the legislated share of DC deed recordation taxes and real estate transfer taxes, currently 15%. The Fund is designed to direct assistance toward the housing needs of the most vulnerable District residents-very low- and extremely low-income residents. This funding source is managed by the Department of Housing & Community Development.

2) Multi-Family Housing Rehabilitation: The Department provides low-cost gap financing for the rehabilitation of residential properties containing five (5) or more units. The principal objective of this program is to stimulate and leverage private investment and financing in the rehabilitation of multi-family housing that is affordable to lower-income residents. Units for rental and home ownership are financed through this program. This program is managed by the Department of Housing & Community Development.

3) New Construction Assistance: DHCD provides assistance for a variety of construction and site development activities that support affordable residential housing or community facilities. The Department's financing is used to leverage private investment in the development of new, affordable units. New development can be for rental or home ownership. This program is managed by the Department of Housing & Community Development.

4) Community Development Block Grant (CDBG): Provides grants funds to local and county governments to be used to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low-and-moderate-income residents. This funding source is managed by the Department of Housing & Community Development.

5) HOME Investment Partnership (HOME): used to expand the supply of decent and affordable rental and ownership housing; also used to increase the homeownership rate of minority and low-income person by providing funding for downpayment, closing costs, and rehabilitation associated with home purchase. This funding source is managed by the Department of Housing & Community Development.

6) Emergency Shelter Grant Program (ESG): designed to help improve the quality of existing emergency shelters for the homeless, to make available additional shelters, to meet the costs of operating shelters, to provide essential social services to homeless individuals, and to help prevent homelessness. This program is managed by the Department of Housing & Community Development.

7) Housing Opportunities for Persons with AIDS (HOPWA): Provides housing assistance and supportive services for low-income People with HIV/AIDS and their families. This funding source is managed by the Department of Housing & Community Development.

8) Tenant Opportunity to Purchase Program: The Tenant Opportunity to Purchase Assistance Program enables low-to-moderate income District residents who are threatened with displacement because of the sale of their building to exercise their "first right" to purchase the apartment building. The program offers low-interest loans to income-qualified persons and tenant groups in the District. These affordable loans can be used for down payment; purchase; earnest money deposits; and legal, architectural and engineering costs. This program is managed by the Department of Housing & Community Development.

9) Tenant Purchase Technical Assistance Program:

The Tenant Purchase Technical Assistance Program provides free, specialized organizational and development services for tenant groups who are pursuing the purchase of their apartment buildings with the intention to convert them to cooperatives or condominiums. Services can include assistance with structuring the tenant association, preparation of legal documents, and help with loan applications. This program also provides below market rate management and education services to tenant groups that have purchased their buildings and operate them as cooperatives or condominiums. This program is managed by the Department of Housing & Community Development.

10) Home Again: Home Again helps stabilize neighborhoods by decreasing the number of vacant and abandoned residential properties in the District. Home Again encourages property owners to rehabilitate and/or occupy vacant and abandoned properties. The program acquires/rehabilitates properties when owners fail to maintain them. Home Again's goal is that 30% of all properties are sold to homebuyers who earn less than 60% of the area median income. The Columbia Heights and Park View neighborhoods are Home Again target areas. This program is managed by the Department of Housing & Community Development.

11) Site Acquisition Funding Initiative: The Site Acquisition Funding Initiative (SAFI) is designed to provide quickly accessible, revolving loan funds for acquisition and predevelopment costs to nonprofit developers committed to the production, rehabilitation, and preservation of affordable housing. SAFI leverages DHCD funds with private monies for the preservation of affordable housing. This program is managed by the Department of Housing & Community Development.

Housing Programs for Individuals

1) Home Purchase Assistance Program: The Home Purchase Assistance Program (HPAP) provides financial assistance in the form of an interest-free loan to qualified low-to-moderate income persons for home

purchase. The amount of the loan is based on income and household size. Currently, low-income persons
DC Office of Planning 2008

can receive up to \$77,000 in down payment and closing cost assistance. This program is managed by the Department of Housing & Community Development.

2) Employer Assisted Housing Program: The Employer Assisted Housing Program (EAHP) provides assistance to employees of the District of Columbia Government who are first-time homebuyers in the District. Employees of the Metropolitan Police Department, teachers in DC Public Schools, and other DC government employees may be eligible for matching down payment funds up to \$1,500 and a deferred loan of up to \$10,000. Applicants can receive funding from both HPAP and EAHP as long as the eligibility requirements for both programs are met. This program is managed by the Department of Housing & Community Development.

3) Single Family Residential Rehabilitation Program: The Department's Single Family Residential Rehabilitation Program is designed to help households finance home repairs that will address DC housing code violations. Funding may be used for activities that include repairing walls and floors; replacing windows; and repairing plumbing; electrical, and heating systems. Up to \$75,000 in loan financing is available for each project. The program also offers a separate grant of up to \$15,000 for roof replacement. This program is managed by the Department of Housing & Community Development.

4) Handicapped Accessibility Improvement Program: The Handicapped Accessibility Improvement Program (HAIP) provides a grant of up to \$30,000 for improvement needed to remove physical barriers within a home for persons with mobility or other physical impairments. Additional funding may be available under the Single Family Rehab program. This program is managed by the Department of Housing & Community Development

Economic Development Programs

1) DC Enterprise Zone: On August 5, 1997, the President of the United States signed into law two new legislative initiatives designed to stimulate economic growth and job development in the nation's capital.

The Balanced Budget Act of 1997 includes amendments to the District of Columbia Home Rule Charter
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that grant the District government broad authority to issue taxable and tax-exempt revenue bonds to finance the acquisition, construction, and renovation of a wide array of capital projects owned by private enterprises and non-profit institutions. Provisions of the Taxpayer Relief Act of 1997 (TRA) complement these expanded financing powers by establishing the District of Columbia "Enterprise Zone" (EZ). Federal incentives designed to tap the investment and employment potential of the EZ include three types of wage credits, an additional expensing allowance, a zero federal capital gains tax rate on certain investments, and tax-exempt bond financing. This program is managed by the Office of the Deputy Mayor for Planning & Economic Development.

2) The District of Columbia Revenue Bond Program:

The District of Columbia Revenue Bond Program provides below market interest rate loans to qualified private enterprises that are located in the Enterprise Zone as well as non-profit and manufacturing organizations citywide. Bonds can be issued to assist in financing a broad variety of capital projects, including commercial development, infrastructure improvements, and equipment and machinery used in business and other endeavors such as the retail trades, health care, education, housing, recreation, and solid waste recycling. This program is managed by the Office of the Deputy Mayor for Planning & Economic Development. Program funds are generated through the issuance and sale of tax-exempt and taxable municipal revenue bonds, notes, or other obligations. Proceeds from the sale of these securities are loaned to borrowers and may be used to finance, refinance and reimburse costs of acquiring, constructing, restoring, rehabilitating, expanding, improving, equipping and furnishing real property, and related and subordinate facilities. The Revenue Bond Program has helped attract to the District approximately \$4 billion of private investment capital on behalf of dozens of small and large institutions located throughout the District.

3) Tax Increment Financing District: TIF is a program in which government pledges a portion of the anticipated increase in tax revenue from a new development as repayment for bonds used in financing the project. TIF promotes revitalization by financing improve

ments to infrastructure or utilities that will serve the

new private development; directs grants or loans to a company or provides the local match for federal or state economic development programs. TIF projects must occur within high priority development areas, such as downtown, retail corridors, federally-designated Enterprise Zones, low-wealth districts, or other targeted neighborhoods. Currently there are two TIF Districts within the NIF area. One has been established to cover the DC-USA area, between 14th Street and Hiatt Place and Irving Street to Kenyon Street; and the other extends down Georgia Avenue from New Hampshire Avenue to Kenyon Street, and is bounded by Warder Street to the east and Sherman to the west. This program is managed by the Office of the Deputy Mayor for Planning & Economic Development.

The Council envisioned NIF as contributing to a broader economic development tool kit to achieve a critical mass of investment needed to make a significant and visible impact in its target neighborhoods. Raising the profile and importance of investing in District neighborhoods - its people, places, and assets is the prime objective behind the creation of the program and the subsequent investment plans that arise from it. The economic boon experienced in the central part of the city had a great impact on the financial and economic health of the District by creating new jobs, increasing the population and stimulation an unheralded level of public and private investment. It also created a challenging situation as many neighborhoods experienced escalating housing costs, the loss of affordable housing stock, and further concentration of poverty.

The Neighborhood Investment Act was created in the context of creating new opportunities to leverage citizen action with public investment. This Investment Plan gives citizens more direct input into addressing systemic issues that impact neighborhood quality of life. Through both solid analytical research and a grassroots approach in prioritizing needs, this plan will empower citizens to leverage NIF resources and produce noticeable changes on their blocks and neighborhoods. Through increased dialogue with residents, business owners, church and civic leaders, a new neighborhood agenda can be created that will bring a true vision of targeted community investment.

With the completion of this plan and its approval by the Council of the District of Columbia, the Office of

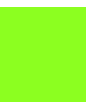
the Deputy Mayor for Planning and Economic Development has a road map for making future NIF investment decisions. Future investments from the NIF in this target area shall be guided by this plan. The plan is a tool for non profit organizations to craft NIF project proposals that will meet the community identified needs; and also a tool for the community to ensure that the programs, services, and physical improvements funded by NIF, clearly implement the investment priorities articulated in the plan. As NIF investments begin to positively impact this community, the Office of the Deputy Mayor for Planning and Economic Development in partnership with the Office of Planning and the community will update and refine the recommendations as needed.

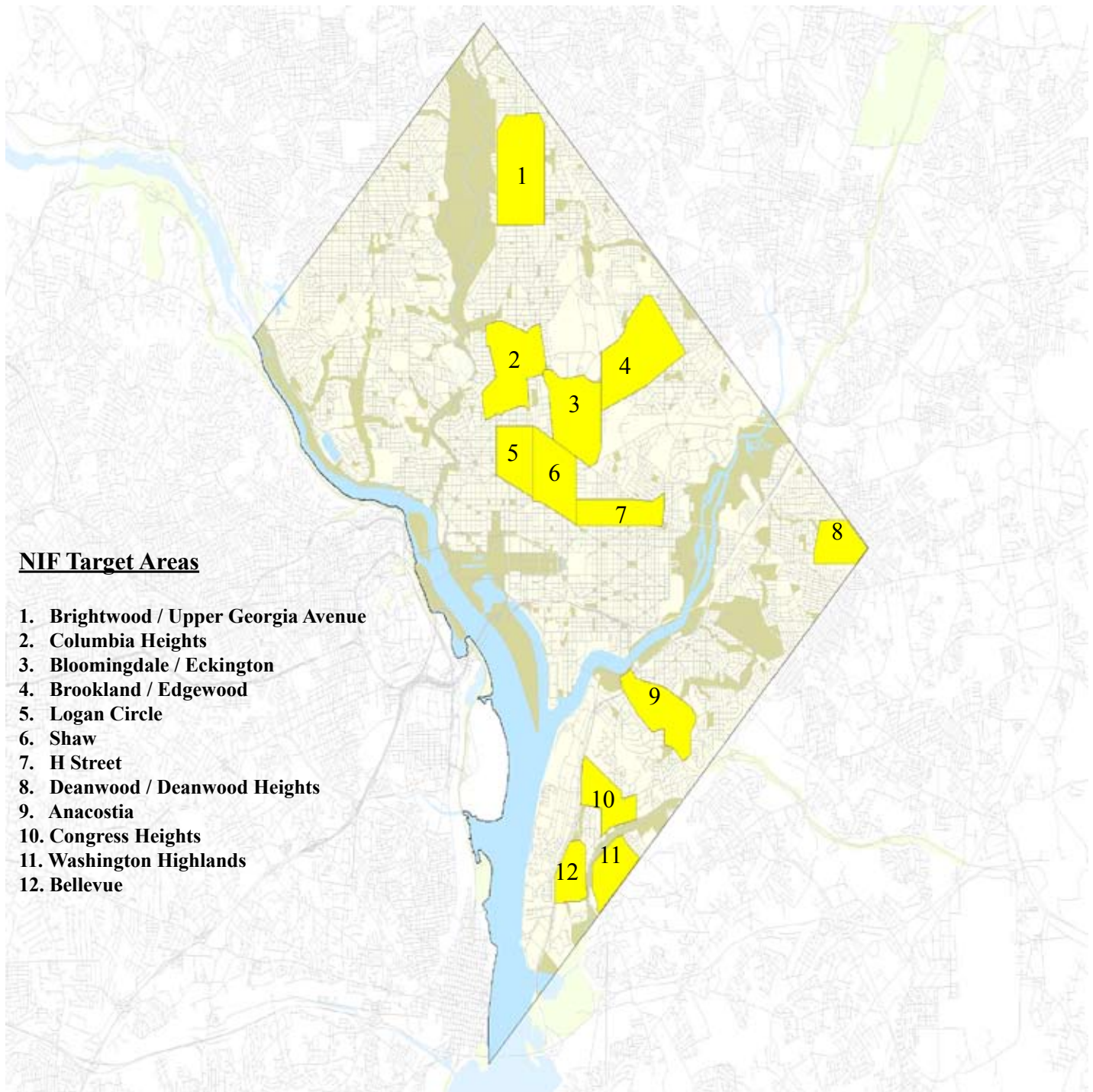




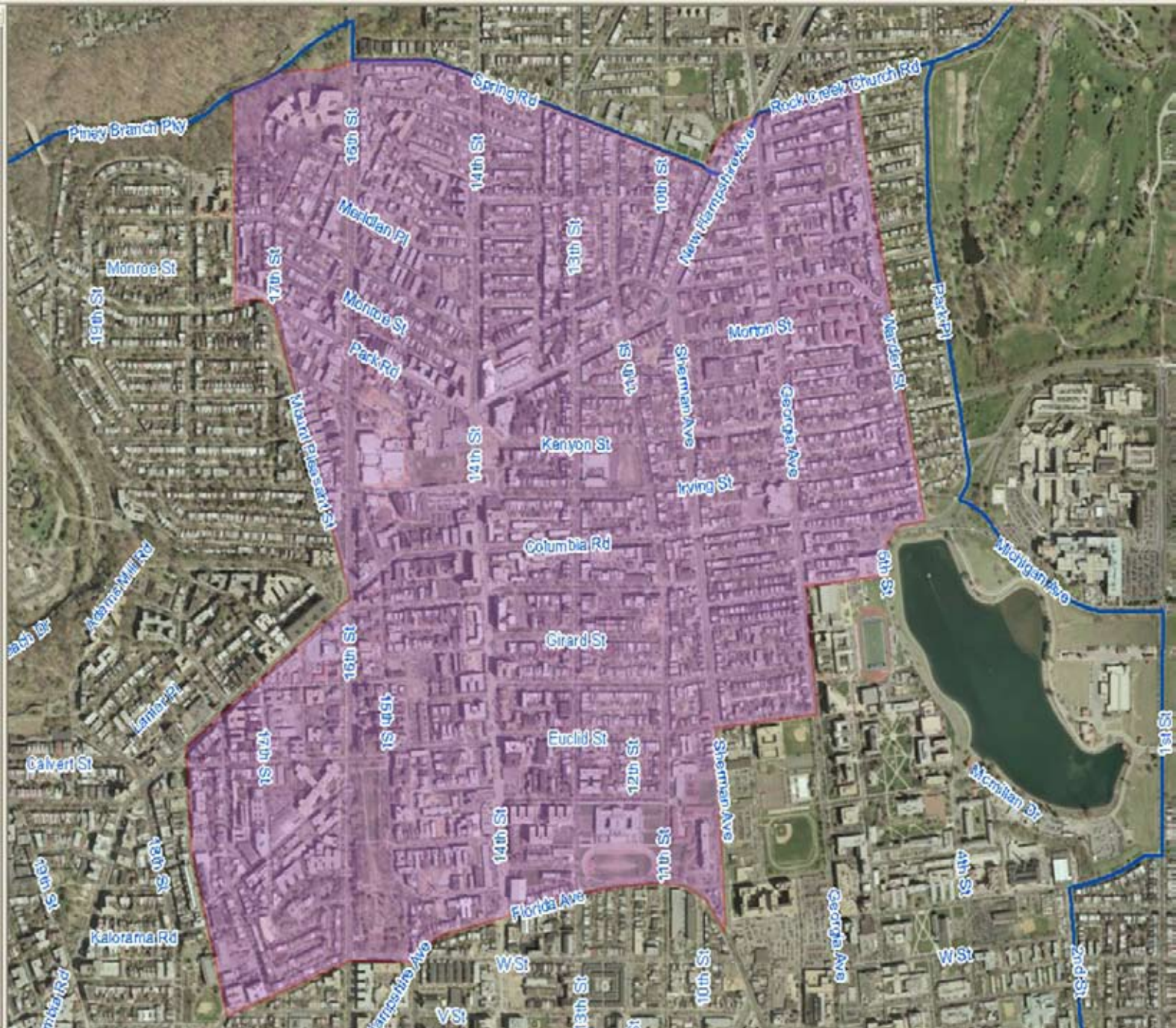
appendix

target area maps



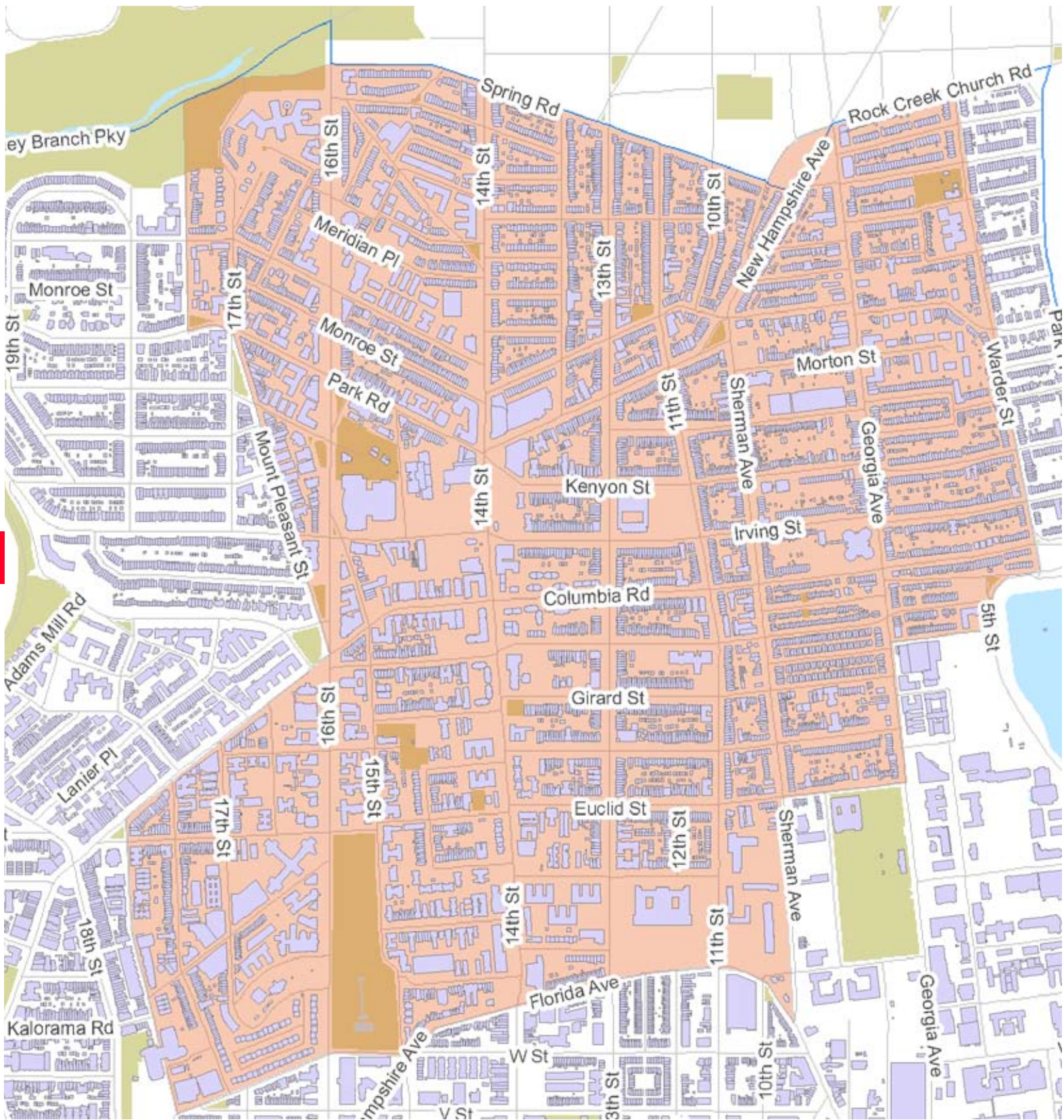


Neighborhood Investment Fund Target Areas Map

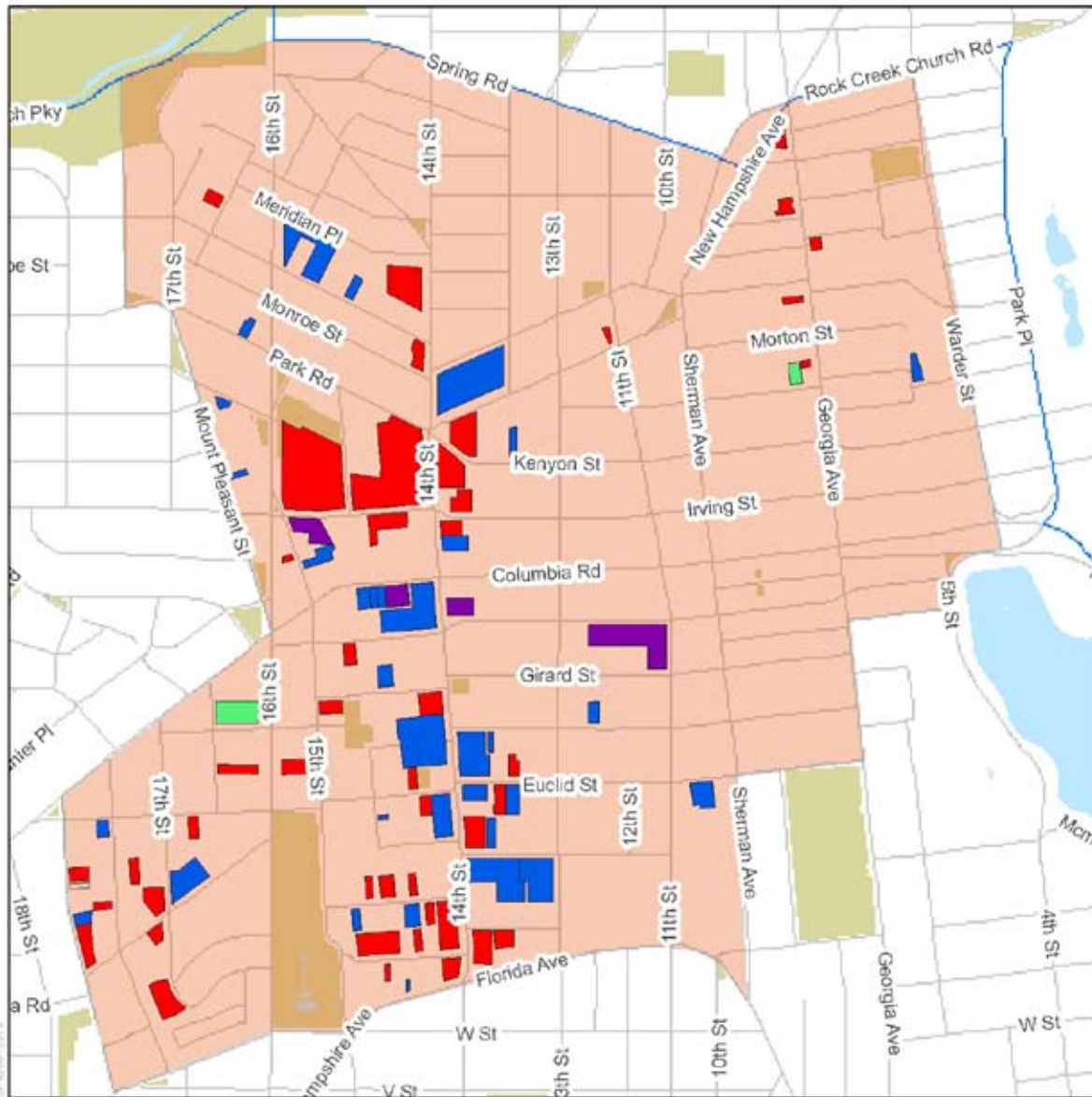


Columbia Heights Neighborhood Investment Fund Area





Neighborhood Investment Area with Buildings



Ward 1 NIF Area

NIF Area Development Activity

Type

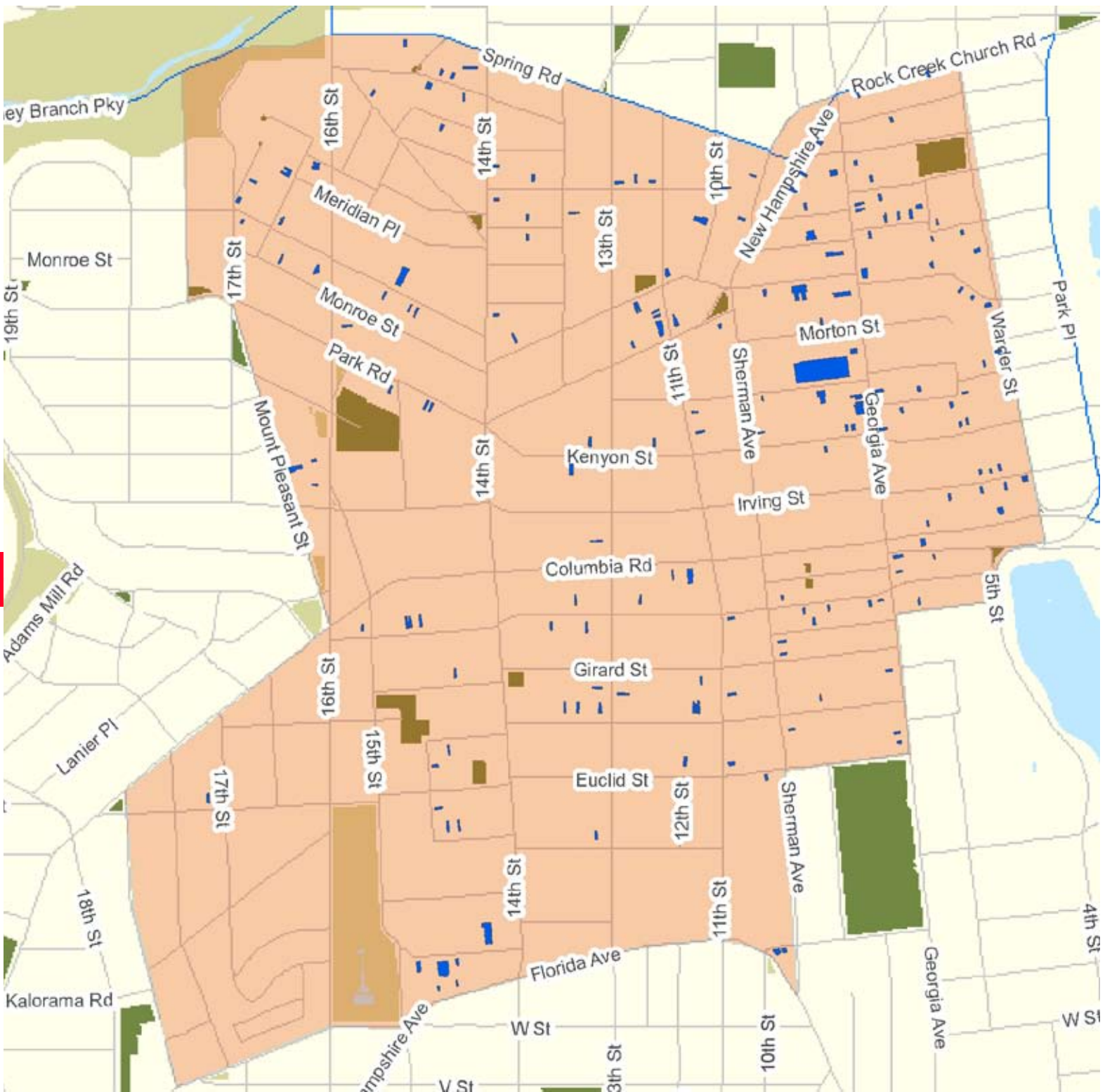
- Change of Use
- New Construction
- Rehab
- Renovation

This map was created for planning purposes from a variety of sources. It is neither a survey nor a legal document. Information provided by other agencies should be verified with them where appropriate.



Neighborhood Investment Area Recent Development Activity





NIF Area Vacant Buildings

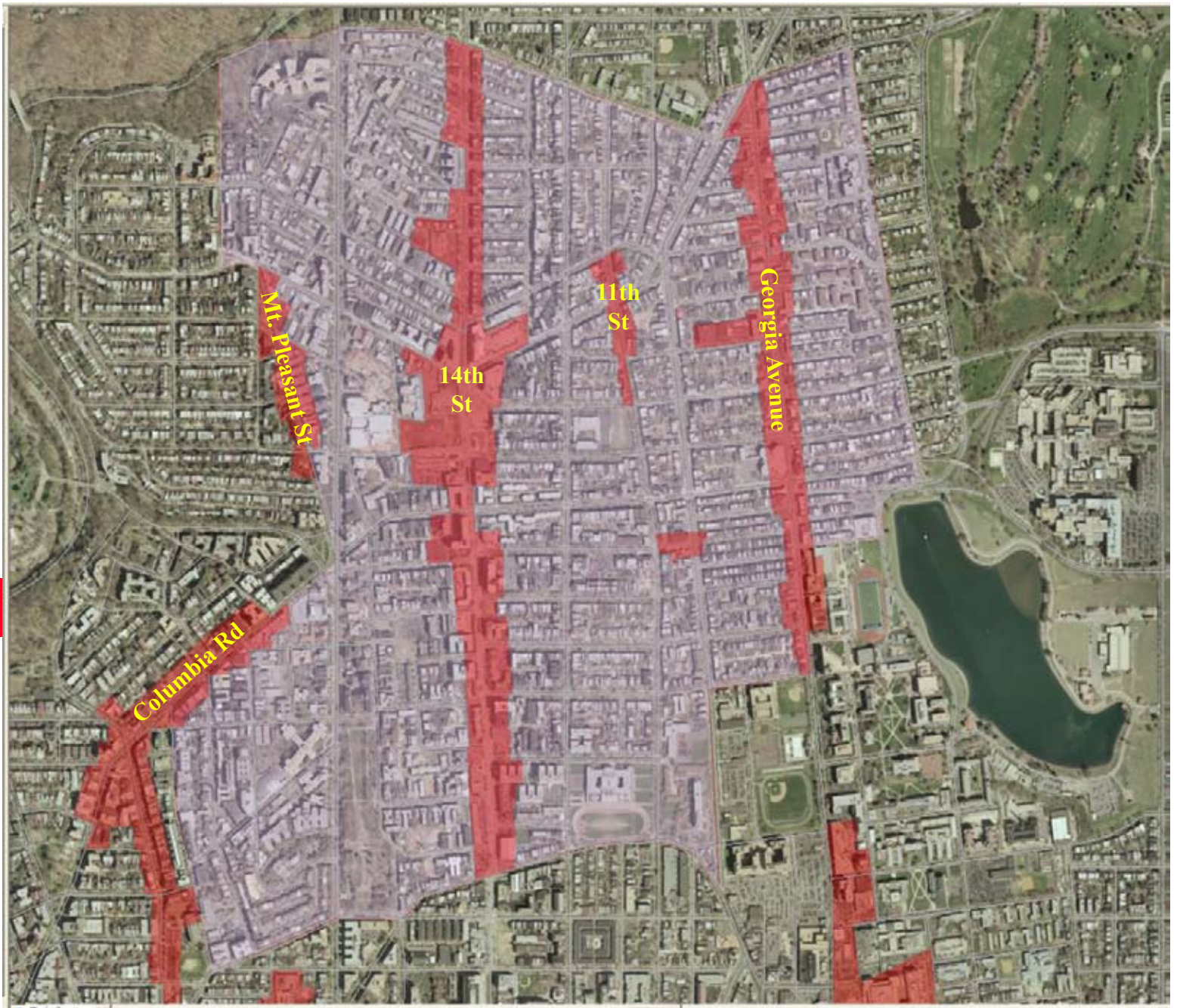


Tax Increment Financing areas within NIF Boundaries



Home Again Area Within NIF Boundary



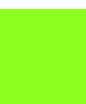


NIF Area Commercial Corridors





acknowledgments





Prepared by:

DC Office of Planning

Harriet Tregoning, Director
Rosalynn Hughley, Deputy Director of Long Range Planning
Geraldine Gardner, Associate Director of Neighborhood Planning
Tarek Bolden, Ward 1 Planner

In Partnership with:

Government of the District of Columbia

Adrian M. Fenty, Mayor
Neil O. Albert, Deputy Mayor for Planning and Economic Development
Eric Scott, Deputy Director of Operations, ODMPED
Latrena Owens, Project Manager, ODMPED

Council of the District of Columbia

Jim Graham, Council Member Ward 1

Community Leadership

Washington Interfaith Network
Martin Trimble, Lead Organizer
Representatives from ANC 1A, 1B, 1C, 1D
Nancy Shia 1C Nate Matthews 1B Anne Teisen 1A
Bryan Weaver 1C Jack McKay 1D

