



NEIGHBORHOOD INVESTMENT FUND
GOVERNMENT OF THE DISTRICT OF COLUMBIA

OFFICE OF THE DEPUTY MAYOR
PLANNING AND ECONOMIC DEVELOPMENT

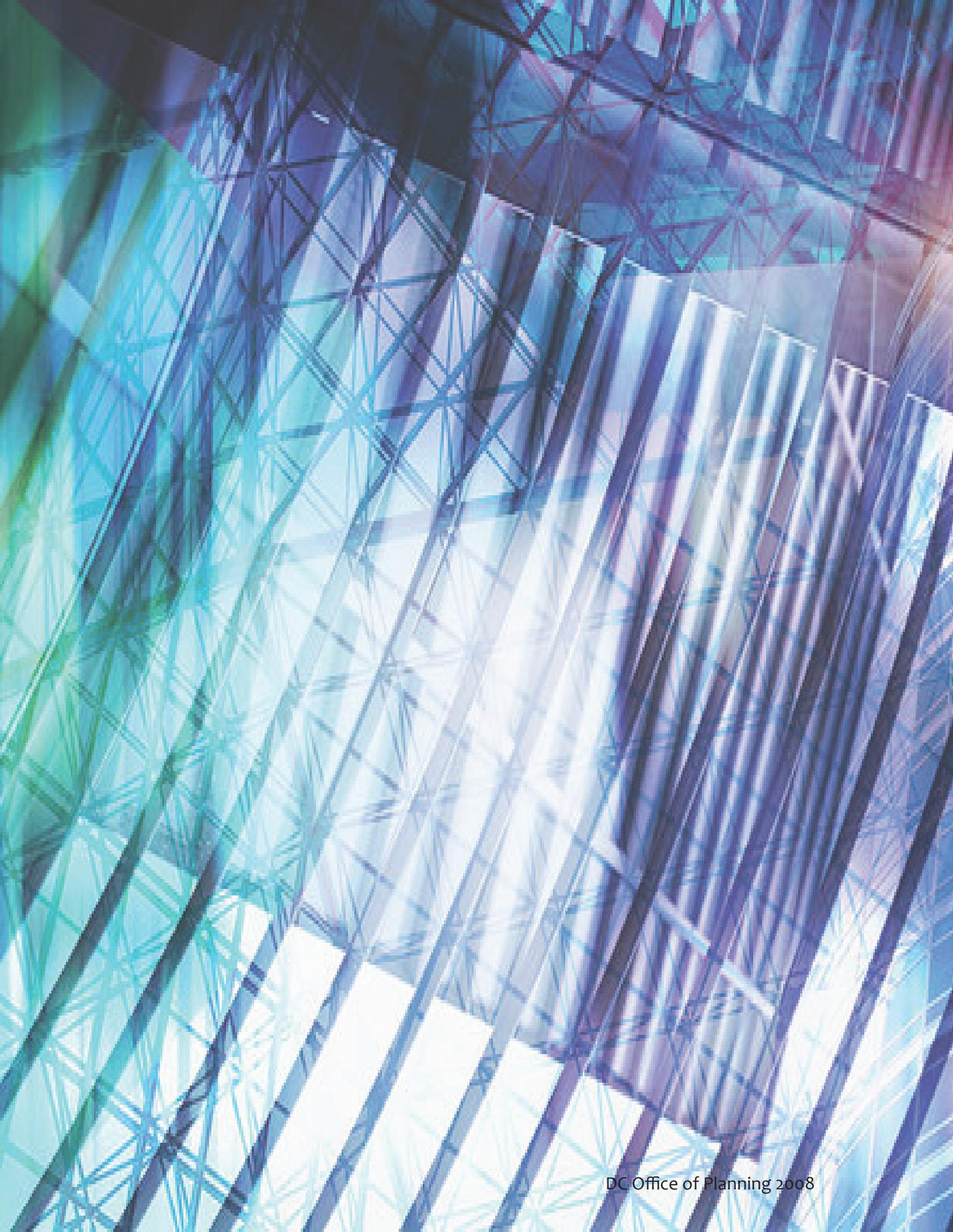
Mayor Adrian Fenty

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*** Congress Heights
Investment Plan**



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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 Congress 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 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 Congress 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. Proposed projects in the Congress 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 is 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



Target area Context

Congress Heights is a progressive Ward 8 neighborhood, rich in community character and historic significance. Located on the hilltops which overlook the Anacostia River, Congress Heights takes its name from its undulating topography that offers exceptional views of the U.S. Capitol and beyond. The neighborhood is a predominantly residential middle class community developed primarily with a cohesive grouping of late nineteenth century through mid-twentieth century residential, commercial and institutional buildings. Congress Heights has recently and is currently experiencing some of the most exciting [re]development activity east of the Anacostia River. The combination of unique geographical assets along with surging levels of recent community involvement positions Congress Heights as a neighborhood poised for excellence.

Early General History

Historically, the development patterns of neighborhoods generally mimic the pace and magnitude of its transportation improvements. For this area, the first sign of development on the horizon came early in the post-Civil War period with the arrival of the railroad line. In 1873, the Baltimore and Ohio Railroad laid track for its Washington and Potomac Branch that connected the neighborhood to downtown Washington. As decades passed, speculators and developers platted subdivision throughout the Washington area. Despite its access to the railroad, the Congress Heights area remained primarily farmland. Development east of the Anacostia River was mainly concentrated north of St. Elizabeth's Hospital. The nearest major employer, besides the hospital, was located across the Anacostia or Eastern Branch of the Potomac.

The Washington Navy Yard enjoyed a consistent reputation as one the most reliable employers in the nation's Capital. By the mid-1890s, the Navy Yard had become the world's largest ordnance production/engineering-research center, which attracted skilled employees as well as blue collar craftsmen. The housing options surrounding the Navy Yard, however, tended to be old, small and populated by lower-income and often minority or immigrant families. The Navy Yard's abundance of blue collar craftsmen offered a ready market for housing on the nearest undeveloped

land. Some of these workers had already moved into Anacostia but many, including white-collar workers, eventually ventured to find housing in the Congress Heights area.

Throughout its early decades of existence, Congress Heights appears to have been populated almost exclusively by middle-class Caucasians of northern European ancestry. Slowly, by the 1930s, members of other ethnic and racial groups began to make an impact in the area.

In the 1920s, streetcars became a major mode of transportation linking "streetcar suburbs" across various neighborhoods to downtown Washington. With the rise of streetcars, workers were able to travel far greater distances more efficiently. Such travel arrangements enabled Congress Heights to draw increasing numbers of government and other workers from Washington. Since the 1950s, however, Congress Heights has experienced decline. The Navy Yard's armaments factory became obsolete, which significantly changed the make up of the area's work force. When the Navy Yard switched to a primary white-collar focus, many of its skilled workers in Congress Heights retired or found jobs elsewhere resulting from the loss of a primary employer. As a result, the population of Congress Heights changed. After World War II, the U.S. Army built a military reserve facility in the central part of Congress Heights. The campus of St. Elizabeth's Hospital already stood immediately northwest of the neighborhood. Many early residents worked at the U.S. Naval Gun Factory, which stopped production about 1960, or at the U.S. Naval Research Laboratory.

* Some information for the Early General History section was obtained from the Congress Heights "Its Historical Context 1608-1953" prepared by the Historical and Archeological Resources Team

Congress Heights Today

Today, Congress Heights is an active community comprised of many educational and faith institutions. The neighborhood boundaries are generally defined by Mississippi Avenue SE to the southeast, Wheeler Road SE to the east, Alabama Avenue SE to the north, and Martin Luther King Jr. Avenue and South Capitol Street to the northwest. The housing stock

consists mainly of garden apartments, but numerous single-family dwellings are scattered throughout the neighborhood. The community is served by Frank W. Ballou High School, Hart Middle School, and SE Tennis and Learning Center. The neighborhood's present population is 96.1% African American, compared to 92.4% for Ward 8 and 60% for a city total. The Congress Heights Neighborhood Investment Fund target area is defined more specifically and includes additional neighborhoods to the northwest. In the enabling legislation, the target area is identified by the following boundaries: starting at Mississippi Avenue, SE, and 13th Street, SE, running north along 13th Street, SE, to Alabama Avenue, SE, to the west along Alabama Avenue, SE, to the southwestern boundary of St. Elizabeth's campus, then northwest along the southwest boundary of St. Elizabeth's campus, then on a line parallel to Lebaum Street, SE, to Interstate 295, then southwest along Interstate 295 to a line parallel to 4th Street, SE, then along a line parallel to 4th Street, SE to 4th Street, SE, then along 4th Street, SE, to Mississippi Avenue, SE, then along Mississippi Avenue, SE, to the starting point (Map 1).

single-family dwellings are scattered throughout the neighborhood. The community is served by Frank W. Ballou High School, Hart Middle School, and SE Tennis and Learning Center. In addition to these assets, there are many opportunities within the target area to improve the choices and amenities for residents in terms of housing, retail, recreation, education, and social service programming. This section presents a discussion of the target area's key assets and opportunities that serve as the basis for making key recommendations in the investment plan.

In order to get an accurate account of the Congress Heights neighborhood, it was necessary to analyze current demographic trends. Data sources were sought that contained accurate, relevant measures that were comparable across the City and Ward 8 as a whole. The illustration of these trends is likely to be among the key factors influencing the goals and strategies developed as part of this investment plan. Statistics used in this chapter were obtained from the Office of Planning State Data Center unless otherwise noted.

As shown below, Chart 1 illustrates specific age groups that make up the population of Ward 8 and Congress Heights. The largest number of individuals within Ward 8 and Congress Heights fall within the 5-17 age group with 23.4% and 25.7% respectively. This is different from the District as a whole, with 14.4% of its population falling within this same category. Senior residents (65 years and older) make up the lowest number of the population of Congress Heights and Ward 8; however, for the District the population with the fewest numbers falls within the 5-17 age range with 5.7%. The information presented here is helpful in confirming the fact that resources related to childhood development are needed within the Congress Heights neighborhood, particularly those associated with education, job-training, and recreation.



Map 1: Congress Heights Neighborhood Investment Fund boundary

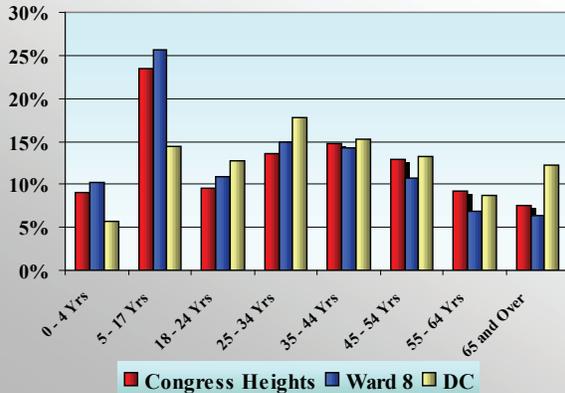
Area Strengths and Opportunities

While it is a largely residential neighborhood, Congress Heights is economically diverse and has a number of assets including a Metro Station and commercial district along Martin Luther King Jr. and Malcolm X Avenues. The housing stock consists mainly of garden apartments, but numerous

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Chart 1

Age Population

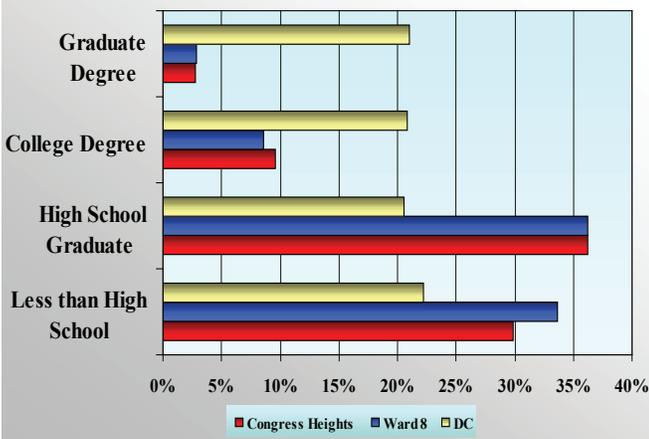


*Source of Data: Census 2000 Summary File 3

Education is an important issue in today’s society; there is a correlation between higher levels of education and higher earnings for individuals regardless of race or gender. Chart 2 below illustrates the educational attainment of residents within Congress Heights and the need for more educational services with Congress Heights; only 9.6% of this neighborhood has a college degree compared to the 8.6% in Ward 8. This number is almost three times less than the City’s overall percentage of 20.8%.

Chart 2

Education Attainment (Pop. over 25)



*Source of Data: Census 2000 Summary File 3

In 2000, the median income for the target area was approximately \$27,000. By increasing the educational and employment training opportunities for the community residents, the ability to acquire a job in the ever-changing workforce is more likely. Moreover, there is a strong link between higher education levels, higher salaries, and the future

opportunity to purchase a home to build family stability and wealth.

Although the Congress Heights NIF area experienced the largest growth in population and households compared to the other Ward 8 NIF areas from 2000 - 2007, it is still a largely rental community. During this time frame, the neighborhood’s household tenure conditions are improved modestly- renter figures decreasing from 66.9% to 65.6% and homeownership figures increasing from 33.1% 34.5. Significantly increasing homeownership rate among existing residents in the target area continues to be a challenge despite this increase in production.

Like most growing communities, issues related to housing quality are very important to the residents of Congress Heights. Beyond the challenges associated with homeownership, preserving access to high quality and affordable rental units is also highly important in the target area. Housing vacancy rates were fairly low in Congress Heights according to the 2000 census, at 5.5% and 6.4% in Ward 8. A normal vacancy rate in a healthy community should not exceed 4 to 5%, depending on the type of housing stock. Basic provisions of safe and durable housings conditions can stabilize property values, and prevent eventual vacancies. Table 1 indicates housing occupancy in Congress Heights with a comparison to Ward 8 and DC.

Table 1	Congress Heights	Ward 8	DC
	Number- %	Number- %	Number-%
Owners	947- 33.1%	5,382- 21.5%	101,216- 40.8%
Renters	1911- 66.9%	19,682- 78.5%	147,122- 59.2%
Vacant Units	640	4,607	26,507

* Data: Census 2000 Summary File 3

A large portion of the housing stock in Congress Heights target area consists of single family residences built between 1950 and 1970; multi-family developments are prevalent between Alabama Avenue and Mississippi Avenue. Since 2000 there have been a significant number of new housing units built in the target area, which has further supported the community’s growth and expansion.

The housing stock in Ward 8 totaled 27,966 units in 2000–10.2 percent of the District’s total. In 2000, multifamily structures of 10 or more units composed

the largest single grouping of housing types in Ward 8 at 37.0 percent. Single-family structures (detached and attached) comprised 27.7 percent of total units in 2000, of which the majority was attached single-family dwelling units at 21.4 percent. All NIF areas represented about the same percentage for this housing type, though Congress Heights was more evenly split among its detached and attached options.

Potential neighborhood improvements would positively impact the target area, but such benefits could also affect areas beyond. While the Congress Heights Target Area is bisected by Martin Luther King Jr. Ave, it also serves as the area's central spine and commercial corridor. The corridor is one of the District's *Great Streets*, which signifies focused transportation and economic development investment and coordination amongst several District agencies. Forthcoming investments in transportation infrastructure and streetscape improvements will help to change the safety and appearance of the corridor. With these investments, the avenue could emerge as active and thriving main street retail district anchored at the intersection of Malcolm X and Martin Luther Kind Jr. Avenue.

The target area also features excellent access to transit; the Congress Heights metro station is located on the eastern side of the study area and bus routes serve MLK Jr. Ave and on all the collectors as well as numerous other streets within the community. With easy access to various modes of transportation, community is able to access mass transit to shop and work.

The linkage between transit, housing, and commercial development can be maximize at the Congress Heights metro station where there is a significant opportunity to redevelop underutilized land; the District encourages the Washington Metropolitan Transit Authority (WMATA) to explore the possibility of transit oriented development at the Metro station in order to further catalyze investment in the target area.

Development Activity

Recently, Congress Heights has received a great deal of attention and investment from the District and the private sector. Three development projects within the NIF Target Area are currently in the pipeline, including two residential and one mixed-use. Additionally there are numerous development
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projects occurring nearby within Ward 8. Among these are a redevelopment of St.Elizabeth's West Campus for federal use, a request for proposals from the Washington Metropolitan Area Transit Authority for the area around the Congress Heights metro station, and a redevelopment of Camp Simms as a mixed-use project, including a new Giant Store, enhancement to an existing shopping center, and 75 residential units. The following development projects, either recently finished, under construction or planned, are further examples of the economic development investments being made in Congress Heights:

The Shops at Park Village (Camp Simms)

William C. Smith and East of the River CDC, formed a joint partnership, (CHR LLC) to develop the long vacant Camp Simms Military site along Alabama Avenue in Southeast Washington. Anchored by a 65,000 square foot Giant grocery store that opened in December 2,007, the Shops at Park Village bring the only grocery store and sit-down restaurant to Ward 8. It also brings over 40,000 square feet of renovated and new retail.

Garfield Hills Apartments

Acquisition and renovation of Garfield Hills Apartments, a 94 unit federally subsidized apartment complex at 2301 Hartford St. S.E. The property is a fully occupied, 100% project-based Section 8 property where residents pay no more than 30% of their income towards rent. The property will be preserved as long term affordable housing.

Hope Apartments

Renovation of a 4-story, dilapidated and vacant property at 3715 2nd Street, SE into housing with supportive services for families whose heads of households are in recovery from drug or alcohol addiction. The apartments opened in April 2006.

Town Hall Education, Arts and Recreation Campus (THE ARC)

New construction of a 110,000 square foot education, arts, and recreation facility at the corner of Mississippi Ave., SE between Southern Avenue and Stanton Road. A variety of organizations provide fine arts, educational and sports programming and services to the community. A pediatric health clinic is also on-site. The facility opened in October 2005.

Plaza 8

Construction of a 9,800 square foot office building at Martin Luther King Jr. Avenue and Raleigh Place, owned and occupied by East of the River CDC. Children's Hospital operates a Pediatric Center on the first and second floor.

Metropolitan Police Boys and Girls Club Football Field

Substantial renovation and conversion (including scoreboard) of a vacant lot into a regulation football field adjacent to the Congress Heights Club House at Milwaukee Place and Martin Luther King Jr. Avenue.

The next section discusses the previous community input found in neighborhood plans as well as issues that are prevalent throughout the community that can help direct the use of the Neighborhood Investment Fund in Congress Heights.

creating the plan



The Office of Planning Assessment

The Office of Planning used a two step process to formulate the Congress Heights Target Area Investment Plan. First, OP determined community priorities by reviewing all recent plans and policies that affect the Congress Heights NIF area. These documents included the 2006 DC Comprehensive Plan Far Southeast/ Southwest Area Element, the Strategic Neighborhood Action Plan (SNAP) for Cluster 39, and the East of the River Project. The planning process for each of the above referenced plans included significant public outreach and involvement. The plan review provided important insight on what the community felt were its most important concerns and how the NIF Funds might be directed to be best address them.

- *The 2006 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 Congress Heights NIF area lies within the portion of the Far Southeast/ Southwest Area Element (Completed and adopted by DC Council 12/2006).
 - *The Cluster 39 Strategic Neighborhood Action Plan (SNAP)*- the Cluster 39 SNAP detailed the top priority issues in the neighborhood cluster, as identified by Ward 8 residents. The DC government used the SNAPs to inform and guide decisions on prioritizing city services and capital investment during the William Administration. The Cluster 39 SNAP includes the neighborhoods of: Bellevue, Washington Highlands and Congress Heights (Completed 10/2002).
 - *East of the River Project*: The Office of Planning, in conjunction with the Department of Housing and Community Development, commissioned an East of the
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River Redevelopment Planning, Marketing, and Implementation Development Strategy. The primary goal of this initiative was to provide guidelines for the future development of the area, with specific emphasis on expanding job opportunities, commercial and retail services, new and rehabilitating housing, and improved infrastructure (Completed 12/2002).

A variety of development goals and concerns are outlined and addressed within these plans, and while they all vary, some common themes arose that are relevant to the revitalization goals of the NIF program:

- *Small and Local Business Development*- The community surrounding the commercial core in Congress Heights has tremendous spending abilities with the average annual consumer expenditure per household around \$16,500, more than half of the average median income for the area (Source: ESRI, 2007 Estimates and Projections). Residents can continue to support new retail while helping to support the already established neighborhood retail.
- *Access to Affordable Housing* - As housing prices continue to rise within the target area, low and moderate income households may have difficulty finding and maintaining affordable housing. Using NIF resources to complement existing District housing programs that assist in preservation as well as acquisition and development of affordable housing.
- *Access to Community Programs* – The community noted that the target area is in need of programs that provide mentoring, education opportunities and physical and emotional support, such as counseling. NIF resources can be used to support vocational opportunities for residents in this target area.
- *Educational Opportunities* – The community also noted a distinct need for creation of new, and support of already existing, training programs that would prepare young adults and others for the workforce. NIF Funds can be used to support vocational opportunities for residents in this target area.

Additionally, the NIF legislation identifies specific goals that are of importance to each target area. Among the goals for this target area are economic

development, increasing homeownership opportunities, and improving the condition of housing stock in the area. These goals were considered and factored into the formulation of the investment plan strategies.

While it was important to build upon what the community had already expressed through recent planning processes, OP also provided opportunities for new input on emerging priorities. The Office of Planning in addition to the plan review, held two public NIF investment strategy workshops to hear the community's perspective on which issues would be best addressed using NIF resources. Both meetings were held at the Petey Green Center located at 2907 Martin Luther King, Jr. Avenue SE on May 28 and June 10, 2008. The objective of each meeting was to present the information from the Office of Planning's plan reviews, to receive input on the investment goals and to have participant prioritize areas that would be the focus of NIF investments.

During these meetings the Office of Planning presented the results of the plan review. Each workshop provided community stakeholders the opportunity to discuss and determine if these goals and strategies were representative of issues still relevant in the community and to also build a consensus on which areas should be prioritized in this investment plan. The public also provided new ideas on new strategies and goals that may not have been extracted from the initial plan review that they felt needed to still be addressed.

Outreach was conducted for these meetings through repeated postings on community listservs, advertisements in the CityPaper and East of the River newspaper, direct e-mails to political and civic community leaders, and ANC mailings. In addition to attending civic and community meetings, the Office of Planning also distributed notices and meeting information to various merchants and property owners within the target area, in addition to help from ANC Commissioner Cardell Shelton and ANC Commissioner Mary Cuthberth in helping to hand out additional flyers to the community.

The next section discusses the final goals and strategies that are intended to drive investments from the Neighborhood Investment Fund in Congress Heights.



investment goals & strategies



This section contains an investment plan for the Congress Heights NIF Target Area. Certainly there are similarities among each of the 12 target areas relative to aspirations and goals; however, each area is ultimately unique with its own stage set of strategies associated with accomplishment of the goals identified for that community. Because funding is relatively limited, it is critical to target NIF funds towards specific needs and projects that will have the greatest impact. This investment plan is a direct outcome of the review of existing plans and demographic data, ideas received from area stakeholders as described in the prior sections of this report, and professional analysis by the Office of Planning and District staff.

The goals and strategies outlined below are designed to guide NIF investment in the Congress Heights Target Area over the next five years. As such, they include broad, inspirational goals and the specific strategies by which NIF funds can be used to achieve them in the short term. As NIF is just one of many sources of financial assistance from the DC government, this plan also lists complimentary funding sources that may be leveraged to address the issues reflected in the investment goals and strategies. It should be noted that not all of the ideas and concerns raised by the public during the planning process are appropriate for NIF funding. Where possible, these ideas are listed and tied to other potential funding sources.

NIF Investment Goals and Strategies

Goal 1: Promote new and retain existing neighborhood-oriented retail businesses

Strategy 1: Offer technical assistance to existing small businesses to improve the range of goods and services available to the community

Strategy 2: Provide incentives for façade improvements and acquisition of vacant commercial buildings for creation of additional retail opportunities

Goal 2: Preserve the existing subsidized affordable rental housing stock, while assisting resident to transition into homeownership opportunities.

Strategy 1: Support promotion or expansion of

programs that aid in rental housing preservation.

Strategy 2: Target homeownership assistance and support programs to increase the rate of homeownership in the target area.

Goal 3: Expand the number of community-based services for all ages with particular focus on those targeting youth and discouraging truancy

Strategy 1: Expand existing or create new education and life skills programs focusing on literacy, GED development, and mentoring.

Strategy 2: Support programs that enhance art-based opportunities, including music, dance, theater, etc.

Goal 4: Encourage job creation and vocational training to expand employment opportunities within the Congress Heights neighborhood

Strategy 1: Create new or support an existing job training facility for the community with programs that assist with job placement and retention

Strategy 2: Fund vocational training for youth and adults, focusing on trade development (electrician, construction, etc.)

Investment Goal #1

Promote new and retain existing neighborhood-oriented retail businesses



Quality affordable housing opportunities, access to the Congress Heights and Anacostia metro stations, and the largest supermarket in DC are some of the appealing features of the Congress Heights

neighborhood. Public and private investments are flowing into the area, with Martin Luther King Jr. Avenue and South Capitol Street part of the District's Great Streets Initiative and significant District investment in housing. There is also the potential for new development at the Congress Heights metro station and Saint Elizabeth's Campus. Consequently, attraction and retention of neighborhood serving retail is an important issue for Congress Heights in order to serve existing and new residents.

Through the NIF planning process, neighborhood residents expressed the desire and need for more convenience and neighborhood-serving uses. The current establishments tend to meet the basic needs of the community but the overwhelming sentiment is for a greater mix of retail businesses. Further, residents expressed the desire to retain existing businesses within Congress Heights, particularly those employing local residents. The creation of new retail uses will help facilitate the need for more employment opportunities for area residents.

A major commercial node within this NIF study area includes the intersection of Malcolm X and Martin Luther King Jr. Avenues. Beautification of this node, consisting of public realm and façade improvements, is a key component for attracting new retail establishments and enhancing community character.

Strategy 1: Offer technical assistance to existing small businesses to improve the range of goods and services available to the community

Small businesses tend to have difficulty thriving in a market where they are co-located with larger-scale retailers. One of the benefits of the Congress Heights neighborhood is that small businesses have the opportunity to thrive in an area that is frequented by area residents to provide their day-to-day shopping needs; however, their needs are not being fully met due to limited retail offerings within the community. Eligible non profit organizations can utilize NIF funding to provide technical assistance for improving merchandising, business management and services such as the creation of a needs assessment of preferred retail uses within the neighborhood that will guide business owners in providing more desirable merchandise.

Strategy 2: Provide incentives for façade improvements and acquisition of vacant commercial buildings for creation of additional retail opportunities

* Many commercial buildings in Congress Heights are in need of physical updates and improvements. In order to provide maximum impact, façade improvements should be concentrated within the Malcolm X and Martin Luther King Jr. Avenue retail node and provide a visual consistency throughout the area. This endeavor needs to be carried forth by non-profit entities. This endeavor should be supported by non-profit entities.

Other DC Programs, Initiatives and Tools

The District of Columbia Small Business Development Center Network (DC SBDC) is dedicated to promoting the growth, expansion, innovation and increased productivity of small business owners in Washington D.C. Opportunities for small business owners include training and counseling services and the maintenance of strategic alliances with organizations and noteworthy individuals in the field of entrepreneurship. NIF funds should not be used to duplicate these services offered by the District, rather expand and target them to Congress Heights.

Another program offered through a District agency is the Department of Housing and Community Development's storefront façade development program. Community development organizations based in commercial corridors that have experienced significant decline and whose businesses need assistance to participate in the overall economic rebirth of the District will be targeted.

Investment Goal #2

Preserve the existing subsidized affordable rental housing stock, while assisting resident to transition into homeownership opportunities



In addition to preservation and production, direct homebuyer assistance and training are important tools. Given the financial burdens of homeownership beyond the mortgage itself (e.g., routine maintenance and major capital repairs, such as roof or furnace replacement), the homeownership resources should be focused on those households who can reasonably afford to own and maintain their home. NIF funding can be used by non profits to provide training for homeownership and foreclosure prevention as well as intensive counseling services for home purchases and maintenance.

Other DC Programs, Initiatives and Tools

Finding and maintaining affordable rental and homeownership units within the target area has been challenging for many. Residents find that the lack of information relative to the availability of programs to assist them further hinders their potential for securing affordable housing. There are a range of programs offered by both the DC government and not for profit organizations. Government programs include: tenant opportunity to purchase, tenant association technical assistance, single family rehabilitation loan program, energy efficiency retrofit grants, homestead housing tax credit, and various tax abatements. Not for profit programs include: senior citizen age-in-place services, tenant/co-op/condo organization technical assistance, housing rights training, and foreclosure education.

The District currently has several incentives for qualified households to buy homes within the city. Programs such as Home Purchase Assistance Program (HPAP), the D.C. Bond Program, D.C. Homestead Tax Credit, and the Employer Assisted Housing Program (EPAP) among others offer below-market interest rates on home mortgages, closing cost and down payment assistance, and other savings for interested and eligible homebuyers. Though many require homeownership counseling and assisted financial preparation, these programs are consistently utilized and promoted through nonprofits as a valuable gateway into homeownership.

Strategy 1: Support promotion or expansion of programs that aid in rental housing preservation

On an annual basis within the District, there are rental housing buildings with attached federal subsidies (ex. Section 8) with expiring contracts whose owners are choosing not to renew. In order to intervene and preserve the federal subsidy and the affordability of these units, it is necessary that these units are identified well in advance of the contract expiration. 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. NIF funding can be used to assist preservation projects seeking acquisition and predevelopment assistance.

The Department of Housing and Community Development's (DHCD) Property Acquisition and Disposition Division (PADD) manage all acquisition and disposition of property for DHCD. PADD is comprised of two programs, the Home Again Program and the Homestead Program. These programs acquire vacant and abandoned properties, with the goal of rehabilitating these properties and putting them back on the market.

Strategy 2: Target homeownership assistance and support programs to increase the rate of homeownership in the target area

New construction assistance is offered through DHCD. This program 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.

NIF funding should be used to leverage the above resources and initiatives and not replace funding; in addition technical services and programming can be



expanded or targeted specifically to the target area in order to further leverage District resources.

Investment Goal #3

Expand the number of community-based services for all ages with particular focus on those targeting youth and discouraging truancy



During the planning process, participants expressed the desire for more or expanded community-based services within the neighborhood. During the public planning meetings, several people noted the frustration with having to travel to areas outside of their neighborhood for desired social services such as classes related to the prevention of homelessness, increased financial self sufficiency, and mentoring programs for the youth.

Successful community-based development projects help foster economic development by integrating and promoting viable projects that enhance a community's vision for its future well-being and quality of life.

Strategy 1: Expand existing or create new education and life skills programs focusing on literacy, GED development, and mentoring.

This strategy is another example of the desired needs of Congress Heights residents of all ages. As noted in Section 2 of this report, only 9.6% of residents within the neighborhood have a college degree. By providing programs related to educational development for all ages, area residents can benefit from the skills developed and stand a greater chance of competing in

an ever-changing workforce. NIF funds can be used to create or expand programs that link residents with local educational institutions that provide assistance with literacy training and mentoring assistance.

Strategy 2: Support programs that enhance art-based opportunities including music, dance, theater, etc.

Residents of Congress Heights have expressed the desire for area youth to participate in activities related to the arts. By positively engaging youth in these activities, they will strengthen their interest of the arts and develop an added skill set that can assist with supplementing traditional learning activities. Meeting participants indicated that youth in Congress Heights do not have activities to participate in on a day-to-day basis and as a result, they spend most of their time getting into trouble after school. To accomplish this strategy, eligible community organizations can apply for NIF funding to initiate or expand art-based programs within the community.

Other DC Programs, Initiatives and Tools

Policy ACC-1.1.3 of the District of Columbia's Comprehensive Plan calls for the promotion of improved geographic distribution of arts and cultural facilities, including the development of arts facilities and venues east of the Anacostia River and in other parts of the city where they are in short supply. The Arts Education Project Grant, offered by the DC Commission on the Arts and Humanities, offers funding to individuals and organizations for projects that provide students training and exposure in a number of artistic disciplines. The projects should reinforce the importance of the arts as part of quality education, be consistent with current DC Public Schools content standards, and address the needs of the targeted community.

Investment Goal #4

Encourage job creation and vocational training to expand employment opportunities within the Congress Heights neighborhood



The focus of this goal is to create additional vocational training opportunities in both formal and informal settings for youth and young adults. There are a large number of non-profit entities within Congress Heights that offer a variety of programs and services related to job-training. NIF funds can be used to implement the development of these programs and services that improve efficiency and effectiveness of needed community programs within Congress Heights. The predevelopment and acquisition assistance could also be used by non-profit, faith-based entities who currently have land available for the development of desired community uses.

Strategy 1: Create new or support an existing job training facility for the community with programs that assist with job placement and retention

Congress Heights residents express the need for the creation of vocational schools, job training facilities, and workforce development centers. The unemployment rate for Congress Heights is 19.3% compared to a city average of 10.8%. Although not extremely high (unemployment), many felt that the creation of new training centers would assist in increased employment opportunities for local residents. NIF funds can be used to develop an assessment of services provided to improve efficiency and effectiveness of needed community programs within Congress Heights. The predevelopment fund could also be used by non-profit or faith-based entities who currently have land available for the development of desired community uses.

Strategy 2: Fund vocational training for youth and adults, focusing on trade development (electrician, construction, etc.)

Residents of Congress Heights communicated their desire for more vocational training for both youth and adults. Recognizing that not all residents of this neighborhood will complete high school or go on to college, the need for trade development is evident within this community. With the boom of development occurring within the construction industry within the District, developers are in need of qualified individuals to fulfill these employment opportunities. Many contracts require DC resident participation on contracts and construction jobs for major sites. NIF funding can aid in the development of programs that assist with vocational training and provide the necessary skills for those entering the workforce.

Other DC Programs, Initiatives and Tools

Policy FSS-1.1.11 of the District of Columbia's Comprehensive Plan identifies the need for development of additional vocational schools, job training facilities, and workforce development centers. The retention of existing job training centers and the development of new centers will help spur employment opportunities for local residents.

The Green Collar Jobs Initiative is a cooperative effort among the District of Columbia government, for-profit entities, non-profit organizations, and academic institutions to help prepare District residents and businesses to take advantage of the growing green sector of the economy. With the leadership of Mayor Adrian M. Fenty, the Department of Employment Services, Department of the Environment, Department of Small and Local Business Development, and Office of Planning are the agencies in charge of the effort, working with partner organizations to help residents and local businesses fill the increasing demand for more environmentally sustainable construction and development.

Prioritization

Even within this rather targeted list of goals, it was important to provide guidance in the investment plan on the top priorities from the community's perspective. While any project that serves any of the

goals and strategies above will be eligible for NIF grant consideration, particular priority will be given to the following five strategies. These priorities were determined by the results of a community preference exercise, and consideration as to which strategies had fewer opportunities for other public funding.

Goal 3, Strategy 1: Expand existing or create new education and life skills programs focusing on literacy, GED development, and mentoring

Goal 2, Strategy 2: Target homeownership assistance and support programs to increase the rate of homeownership in the target area

Goal 2, Strategy 1: Support promotion or expansion of programs that aid in rental housing preservation

Goal 4, Strategy 1: Create new or support an existing job training facility for the community with programs that assist with job placement and retention

Goal 3, Strategy 2: Support programs that enhance art-based opportunities including music, dance, theater, etc

Conclusion

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 boom 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 stimulated 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 concentrations of poverty.

The Neighborhood Investment Act was created in the context of establishing 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 within their 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 neighborhood investment.

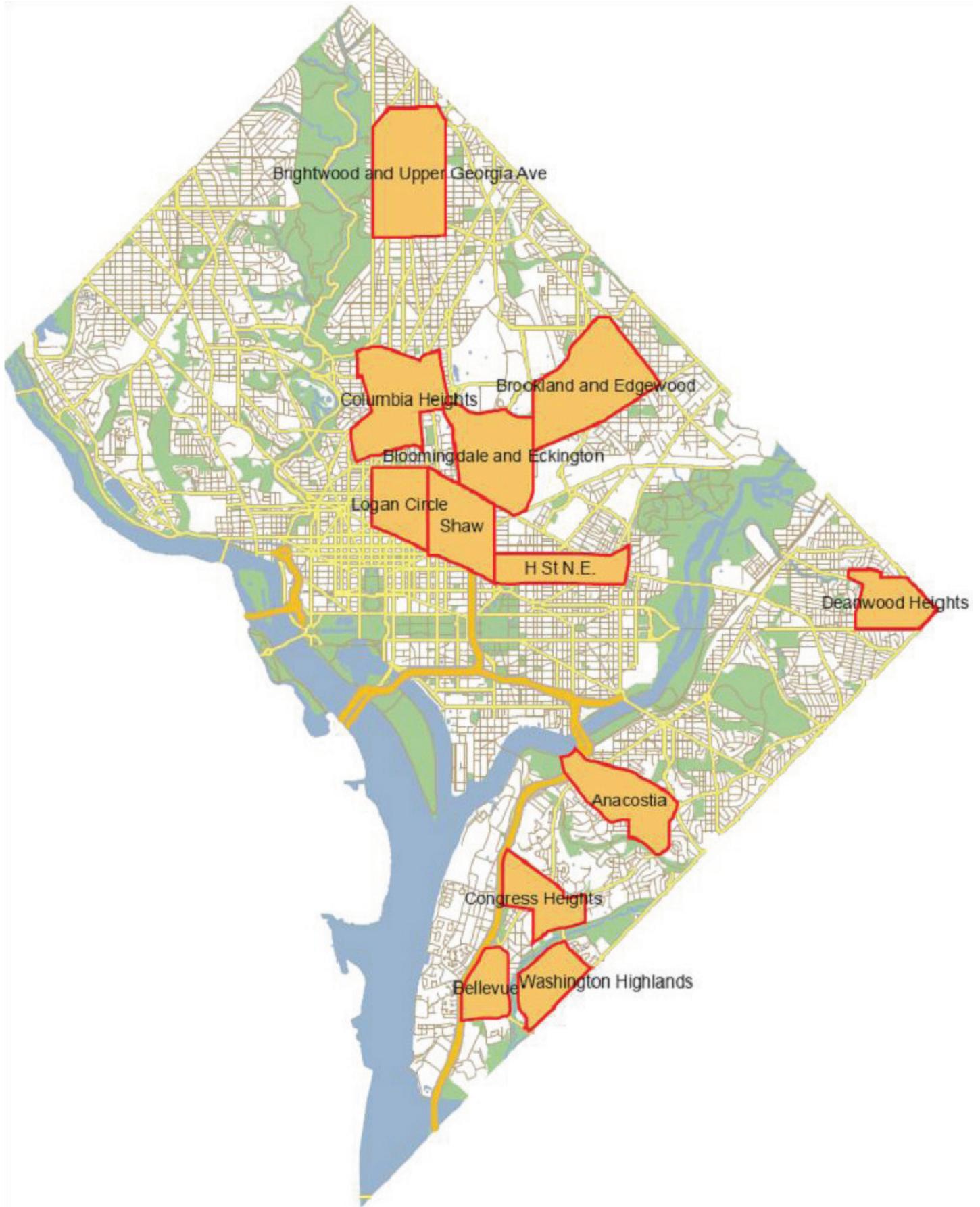
With the completion of this plan and its approval by the Council of the District of Columbia, the Office of the Deputy Mayor for Planning and Economic Development has a road map for making future NIF investment decisions. Future investments from the NIF in this target area shall be guided by this plan. The plan is a tool for non profit organizations to craft NIF project proposals that will meet community identified needs. It is 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 also determine the necessity and frequency of plan updates based on implementation activities or changes in neighborhood priorities.

appendix

Maps

District- Owned Properties in the Congress Heights NIF Area



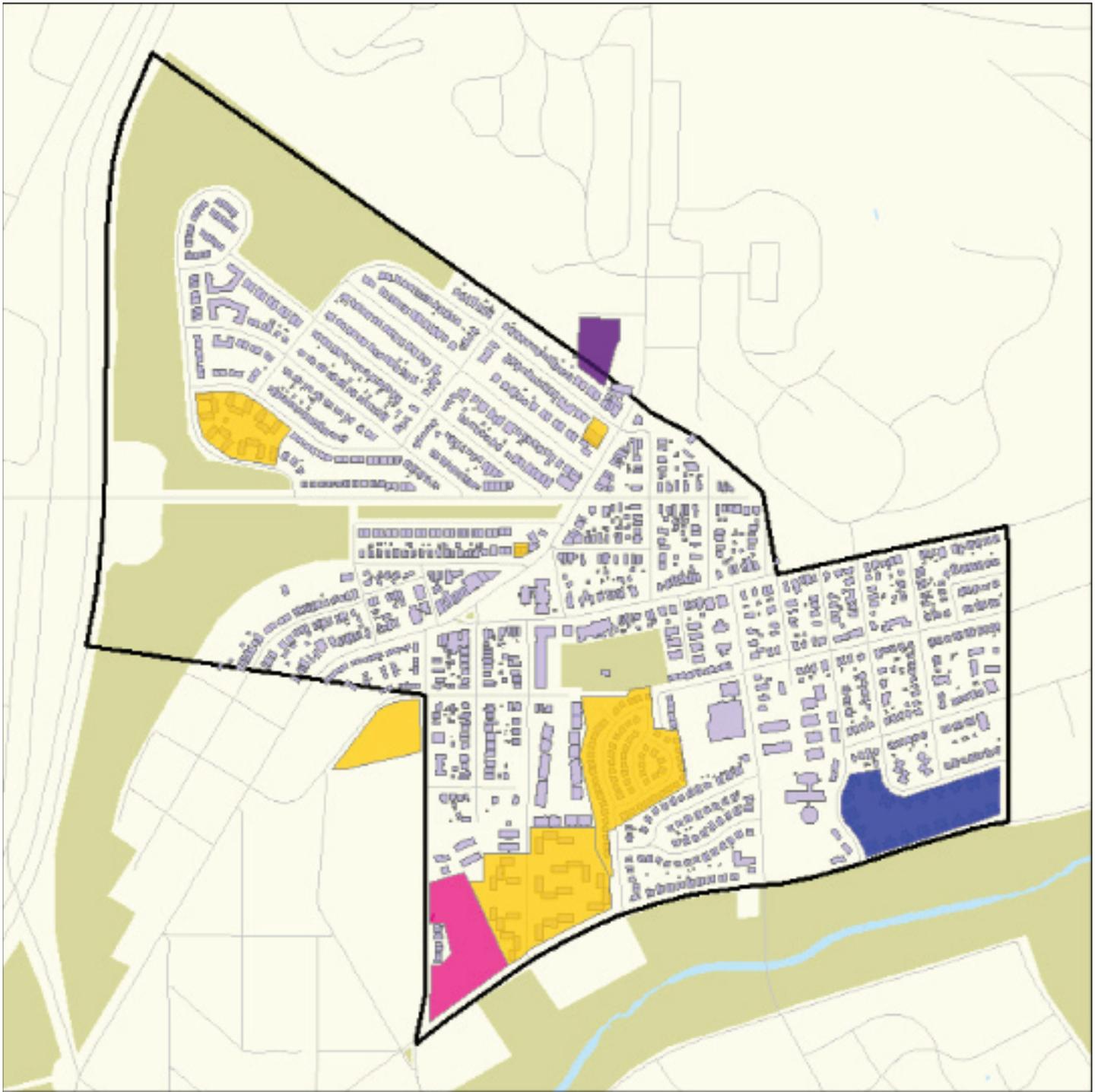


Neighborhood Investment Fund (NIF) Target Areas



Congress Heights Neighborhood Investment Fund Area





Congress Heights Development Activity





Congress Heights Comprehensive Plan Future Land Use Map

District Owned Properties

Congress Heights

Department	Property Address	Lot and Square
DEPARTMENT OF PARKS & RECREATION HOME AGAIN	0650 SAVANNAH ST SE (100 RANDLE PL SE)	5955 0803
	1201 ALABAMA AV SE	5946 0805
DC HOUSING AUTHORITY	1223 SAVANNAH ST SE	5937 0041
DC PUBLIC SCHOOLS	3200 6TH ST SE	5975 0806
FIRE & EMERGENCY SERVICES DEPARTMENT	3203 MARTIN LUTHER KING JR AV SE	5990 0803
FIRE & EMERGENCY SERVICES DEPARTMENT	3205 MARTIN LUTHER KING JR AVE SE	5990 0003
FIRE & EMERGENCY SERVICES DEPARTMENT	3207 MARTIN LUTHER KING JR AV SE	5990 0004
DC PUBLIC SCHOOLS	3321 WHEELER RD SE	PAR 02350075
DC PUBLIC SCHOOLS	3400 WHEELER RD SE	5934 0802
DEPARTMENT OF MENTAL HEALTH	3401 13TH ST SE	5936 0802
OFFICE OF PROPERTY MANAGEMENT	600 ALABAMA AVE SE	PAR 02350006
DEPARTMENT OF TRANSPORTATION	7TH ST SE	PAR 02360085
DEPARTMENT OF PARKS & RECREATION	ALABAMA AV SE (100 RANDLE PL SE)	PAR 02350074



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Nate Howard, Congress Heights Civic Association
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Commissioner Cardell Shelton, Advisory Neighborhood Commission 8C07
James Bunn, Ward 8 Business Council
Robert James, Ward 8 Business Council