

PARK MORTON REDEVELOPMENT INITIATIVE PLAN



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EXECUTIVE SUMMARY

INTRODUCTION

The Park Morton community is located in Ward 1 proximate to the Georgia Avenue corridor, Petworth and Park View neighborhoods. The community sits within one of the most diverse neighborhoods in the District with a legacy of being a center of African American commerce and activity throughout the City. Ward 1 has been impacted by significant increases in residential development and an influx of new households into the community. Between 2000 and 2005, over 2,000 housing units were built in the Ward and additional 1,500 units under construction or in the pipeline. Despite this rapid growth there remain several pockets of concentrated poverty where residents lack quality, affordable housing, supportive services, and access to quality open space, healthcare, and recreation.

In an effort to meet the District's goals of creating new opportunities for high quality affordable housing within mixed-income settings, Park Morton (the 'Neighborhood') was identified as potential a site for the New Communities Initiative. The Park Morton Redevelopment Initiative is a comprehensive partnership between the District of Columbia's Office of the Deputy Mayor for Planning and Economic Development and District of Columbia Housing Authority. As part of the New Communities Initiative, the District intends to address the physical and human challenges of neighborhoods troubled by concentrations of violent crime and poverty. This redevelopment plan seeks to create a healthy, mixed-income community with integrated services that offer families better housing, employment and educational opportunities.

THE REDEVELOPMENT INITIATIVE DOES THE FOLLOWING:

- Protects affordable housing
- Improves economic integration
- Engages residents in community decision making
- Decreases crime through proven crime reduction strategies, and
- Creates opportunity through better jobs, education, training, human services and other programs

A key principle of the Redevelopment Initiative is the one-for-one replacement of existing publicly subsidized housing. The Initiative reduces economic segregation by protecting existing affordable housing and building more units at workforce and market-rates

A second hallmark of the Initiative is a focus on the redevelopment of human capital through linkages to job training, asset building training and other support services.

The Redevelopment Initiative Plan for Park Morton consists of three elements — a Physical Plan, a Human Capital Plan, and a Development and Finance Strategy. Founded on the principles of

the creating vibrant mixed-income neighborhoods, the redevelopment of this important Petworth/ Parkview community shall include the human assets along with the physical architecture. Current families living within Park Morton shall be supported and have the tools necessary to prosper and flourish as their neighborhood is transformed.

BACKGROUND

In June of 2007, the District of Columbia, in conjunction with the Park Morton Advisory Committee, and the Park Morton Resident Council initiated a public planning process to create a revitalization plan for their northwest community. The goal of the plan was to create a healthy and sustainable mixed-income neighborhood where residents have quality housing options, real economic opportunities and access to appropriate human services for children and adults.

GOALS

The goal for the Redevelopment Plan is to improve the residents' quality of life by addressing both the physical and human components of the community. Shaped by the residents, community stakeholders, city agencies, and public officials, this vision for the future aims to protect affordable housing, empower families with the tools to become self-sufficient, and enhance community assets. The Neighborhood is at the heart of a series of planned developments which will transform Georgia Avenue back to its long-standing position as a focal point of economic and residential vitality. Eliminating the neighborhood's current isolation and becoming an integral part of Georgia Avenue's transformation are important goals identified by both the District and the Park Morton Advisory Committee.

The Redevelopment Plan serves as a road map for the creation of a socially and economically integrated community with new housing, roads and community amenities including a park and community center. The vision and development principles were developed through a process that involved residents and community stakeholders, city agencies and public leaders.

VISION AND COMMITMENT

The vision for the Park Morton New Community includes a vibrant mixed-income, community where residents have quality housing options, real economic opportunity and access to human services. It is a community where all families have the tools and skills to sustain themselves and prosper in their new environment.

The District's Commitment developed in partnership with the District of Columbia Housing Authority, the Park Morton Resident Council, the Park Morton Advisory Committee and the surrounding community includes:

- Replacement of all 174 public housing units matched by additional units to create a mixed-income community;
- Identify off site opportunities for replacement public housing units as identified in the plan;
- Opportunity for all 159 Park Morton public housing families currently living at the development to return to the revitalized neighborhood;
- Secure units of housing affordable for working families;
- Provide human services to all Park Morton residents with the implementation of a comprehensive supportive services plan; and
- Work to ensure the neighborhood is safe and vibrant for all residents

PHYSICAL REVITALIZATION PLAN AND CONCEPTS

The Physical Plan makes detailed recommendations for improving the area's housing, neighborhood design, open space, transportation and parking needs.

KEY ELEMENTS OF THE PHYSICAL PLAN FOR THE NEIGHBORHOOD INCLUDE:

- Creating a moderate density mixed-income community of apartments, townhouses and duplexes on the site which includes approximately 152 replacement units, 7 homeownership units for current Park Morton residents and 317 market/workforce units for an approximate total of 477 homes at the Park Morton site
- Partnering with neighborhood developers to secure approximately 46 additional replacement units in mixed-income projects already identified, under construction and/or planned within the community
- Supporting a vibrant mix of uses, consistent with the Georgia Avenue-Petworth Metro Station Area Plan to encourage new retail and commercial development along Georgia Avenue that capitalizes on Metro accessibility and provides new neighborhood retail
- Creating a new east-west connection through the redeveloped community that eliminates the isolation of the existing neighborhood and provides increased safety and security
- Creating a new passive park and community open space surrounded by new family-style duplexes and flats for children to play safely
- Utilizing sustainable practices to preserve the site's existing natural features and minimize the development's impact on the environment

HUMAN CAPITAL PLAN

The Park Morton Human Capital Plan describes and formalizes priorities essential for residents to achieve self sufficiency and success in the newly revitalized mixed-income community. The Plan was developed in the context of current revitalization efforts taking place throughout the District. It responds directly to residents' needs identified through a household survey, targeted focus groups, stakeholder interviews, and additional data from the District of Columbia's public agencies.

The Plan addresses four priority areas: Adult Education and Employment, Child and Youth Development, Physical and Mental Health, and Public Safety.

It is tailored to maximize the community's strengths, address current family challenges, and build upon existing community assets and public resources currently supporting the neighborhood. The estimated costs to implement the Human Capital Plan is \$3.2 million over a five year period.

REDEVELOPMENT AND FINANCE STRATEGIES

The Development and Finance Strategy outlines the new residential units to be constructed and the phasing of construction, tests the project's financial feasibility, and quantifies the need for "gap" financing to fund costs that the project's revenue and private investment will not support. The gap results from the high cost of construction, the need for legitimate parking solutions (e.g., below-grade and/or structured parking garages, shared parking incentives, etc.), the gap between the rents that low-income households can pay as compared with the rents required to fund new construction, and the added cost of subsidizing replacement units off-site on properties not owned by the District. As a result, the Redevelopment Plan requires both public and private investment in each of the project's proposed three redevelopment phases.

The redevelopment strategy recommends leveraging several public sector financing tools including, the Housing Authority's contribution of a portion of its land value and Low-Income Housing Tax Credits (LIHTC). The inclusion of these revenue sources reduces the unmet financial gap for project construction to approximately \$54 million (in 2007 dollars). Potential sources to fund the gap include the Housing Production Trust Fund (HPTF), Community Development Block Grant (CDBG) and the District Low-Rent Assistance Program.

A critical component to the development and financial strategy is to ensure that the plan can move expeditiously toward implementation. Careful consideration has been taken to the development of a plan that maximizes the value of public assets to leverage private investment.

EXISTING CONDITIONS & MARKET ANALYSIS

INTRODUCTION

The Park Morton community (The 'Neighborhood') is located adjacent to the dynamic Georgia Avenue corridor in Ward 1. The community is situated amongst a diverse mosaic of neighborhoods with strong identities and rich historic fabric. Ward 1 is one of the most rapidly changing areas of the city with over 2,000 housing units built between 2000 and 2005 and over 1,500 units under construction. Still, amongst this development there are pockets of concentrated poverty where residents lack quality, affordable housing, supportive services, and access to quality open space, healthcare, and recreation.

As part of the District's housing policy to promote mixed-income communities, the District identified Park Morton as a candidate site for the New Communities Initiative. The Park Morton Redevelopment Initiative is a comprehensive partnership between the District of Columbia's Office of the Deputy Mayor for Planning and Economic Development and District of Columbia Housing Authority. As part of the New Communities Initiative, the District intends to address the physical and human challenges of neighborhoods troubled by concentrations of violent crime and poverty. This redevelopment plan seeks to create a healthy, mixed-income community with integrated services that offer families better housing, employment and educational opportunities.

AS MENTIONED ABOVE THE REDEVELOPMENT INITIATIVE DOES THE FOLLOWING:

- Protects affordable housing
- Improves economic integration
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A key principle of the Redevelopment Initiative is the one-for-one replacement of existing publicly subsidized housing. The Initiative reduces economic segregation by protecting existing affordable housing and building more units at workforce and market-rates.

A second hallmark of the Initiative is a focus on the redevelopment of human capital through linkages to job training, asset building training and other support services.

The New Communities Initiative strives to improve the quality of life for families and individuals living in distressed neighborhoods. Candidate sites are selected based on the following criteria:

- A neighborhood affected by concentrations of violent crime and poverty
- Community recognition of an immediate need for affordable housing
- Potential to protect and expand affordable housing on a large scale
- A neighborhood faced with many social challenges, such as lack of education, insufficient job training, high unemployment rates, and an inability to support businesses and institutions needed to sustain the community

Other factors that make the New Communities Initiative successful include favorable development conditions, availability of public financing, and strategic targeted public investments (Home Again, Great Streets, Tax Increment Financing, PILOT Financing, etc.).

WHY PARK MORTON?



Figure 1: Park Morton garden-style apartments

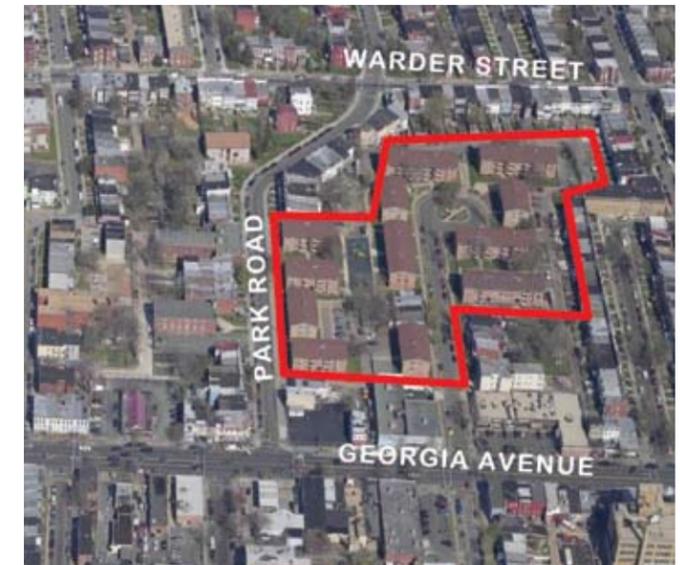


Figure 2: Neighborhood Context

The Park Morton community was identified by the City Council and community members as a critical site for reinvestment and redevelopment. In addition, the neighborhood was highlighted in the District's Comprehensive Plan and as an opportunity to replace the existing public housing development with an equivalent number of new public housing units, plus new market-rate and "workforce" housing units, to create a new mixed-income community. For many years both the DC Metropolitan Police Department, Park Morton residents and surrounding neighbors have indi-

cated the need to address substantial public safety concerns, including crime, loitering and other unsafe activities in and around the Park Morton neighborhood.

Given the substantial increase in costs for new residential development occurring in Ward 1, among others parts of the City; the Georgia Avenue corridor and Park Morton specifically are critical to ensuring affordable housing for all DC residents amidst these increasing housing costs. Finally, the Park Morton Redevelopment Initiative provides an opportunity for stakeholders to examine and recommend enhancements to the economic revitalization, retail, community services and neighborhood amenities desired to improve the quality of life for all of the neighborhood's residents.

UNDERSTANDING THE NEIGHBORHOOD

PARK MORTON

The Park Morton apartment property is a public housing complex located in the Park View neighborhood of Ward 1 just south of the Petworth Metro Station. Park Morton is geographically bounded by 3100 to 3500 blocks of Georgia Avenue on the west, Warder Street on the east, Lamont Streets on the south and Park Road on the north. For the purposes of this Plan, the primary study area includes all of the property owned by the DC Housing Authority and surrounding private property within the boundaries described above.

The Park Morton property was built in 1960 and is made up of 17 garden-style apartment buildings with 174 walk-up units, all of which are two-bedroom units. Park Morton is approximately 165,000 square feet or 2.72 acres. Residents and surrounding neighbors have expressed concerns about the amount of crime and drug activity on and surrounding the Park Morton apartment complex. The District's Housing Authority (DCHA) owns and manages the apartment complex. Park Morton is challenged with a poor physical layout and design. The site consists of suburban style apartment buildings and incorporates design elements that have the tendency to foster criminal activity. Such elements include odd street patterns that dead end in the middle of the development and central spaces that are invisible from the street and are absent defensible and well-defined private space.

NEIGHBORHOOD CONTEXT

As part of the District's Great Street Initiative, the vision for Georgia Avenue corridor is a revitalized, pedestrian friendly corridor anchored by mixed use development at key sites. This vision for Georgia Avenue was conceived through the Georgia Avenue-Petworth Metro Station

Area Plan, which was completed in 2004. A number of planned and under construction private developments are leading to the revitalization of the broader neighborhood. In addition, several public investments are being made on the Georgia Avenue corridor.

This Initiative will also capitalize on the opportunities created by these and other private and public projects including:

- Great Street Initiative streetscape improvements
- Park Place, bringing 160 new condominium units and over 10,000 square feet of retail space at the Petworth Metro station by a major local developer
- Lamont Street Lofts, directly across Georgia Avenue from Park Morton which delivered 38 loft-style residences
- Georgia Commons, new multifamily rental along the 3900 block of Georgia Avenue with 20,000 square feet of neighborhood serving retail
- E.L. Haynes Charter School is under construction at 3600 Georgia Avenue, the new 46,000 square foot building will serve 468 students in grades Pre-K to 8.

MARKET ANALYSIS

As a part of the Park Morton New Community Initiative's master planning process, a site-specific market analysis for commercial and residential market was completed. The market analysis reviews economic and demographic trends, existing conditions for the area's housing and commercial development, the extent and nature of competitive development, the demand for new residential commercial development and the supportable sales prices or rents for new development.

The study looks at the demographic information for the Immediate Area neighborhood (including census tracts 31 and 32), as well as the primary market area. The Primary Market Area (PMA) is the area where the majority of demand for specific products will emanate; the PMA is defined as the area bounded by 14th Street NW to the west, Eastern Avenue to the north and east and Florida Avenue/Rhode Island Avenue to the south/southeast. To determine the PMA, the Plan examined proximate neighborhoods in terms of access, similarity of characteristics, current buyer profiles and general neighborhood amenities; interviewed brokers, sales agents, and other real estate professionals actively marketing comparable projects to understand where their demand is generated from; and analyzed overall District market and growth trends.

EXISTING CONDITIONS & MARKET ANALYSIS



Figure 3: Immediate Area

IMMEDIATE AREA DEMOGRAPHICS

- Immediate Area Households is 2,501 in 2006
- Roughly 60% of Households are renters
- Median household income is \$42,000 in 2006

Source: Claritas and The Metropolitan Council of Governments

RESIDENTIAL MARKET

FOR-SALE MARKET

The majority of for-sale residential activity within the Primary Market Area has been dominated by condominium conversions and the substantial rehabilitation of vacant and blighted buildings, with limited “new” development. The most significant, in scale and applicable to the performance of residential products at the subject property is the Park Place development located above the Petworth Metro Station. This project will include 156 units of which five are reserved

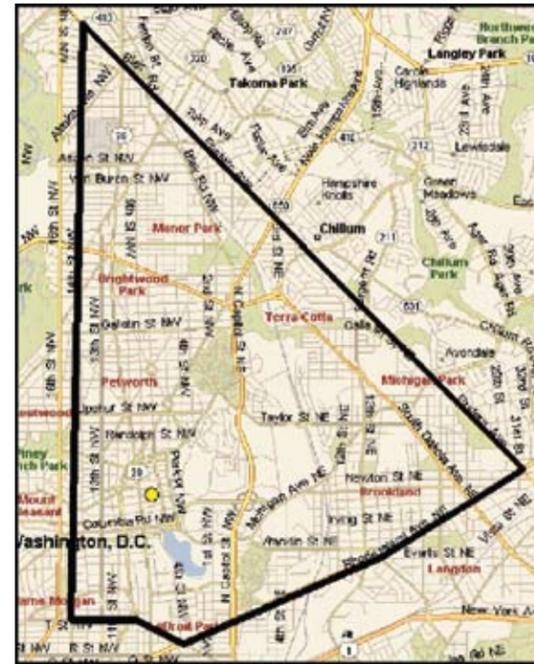


Figure 4: Primary Market Area

PRIMARY MARKET AREA DEMOGRAPHICS

- Market Area Households is 60,433 in 2006
- More than 65% are renters
- Median household income is \$45,052 in 2006
- PMA growth is anticipated to be approximately 1% through 2012

each month. This project is testing the upper pricing limits of the Petworth market and, if pricing is achieved, will set a new standard for achievable dollar per square foot in the area. On average, the neighborhood’s competitive projects are selling at about \$450 dollars per square foot and are achieving an absorption pace of 3 units per month. Standard unit features include granite counter tops, hardwood floors, stainless steel appliances, and internet and cable access.

Based upon the demographics, purchasing patterns and development pipeline within the Primary Market Area, this Plan projects a total annual demand of 42 condominiums and 20 single-family attached products, or a total of 5.2 units per month at the Park Morton Redevelopment Site.

RENTAL MARKET

A stabilized rental residential market vacancy rate is 5 percent. The Petworth submarket currently has a 3.5 percent vacancy rate which is anticipated to continue even as new product is absorbed in the community. As vacancies are projected to continue to remain tight, effective rents will rise due to the pressure on the rental market. Average rents in the submarket are just under \$1,000 per unit per month for older rental buildings. These rents are anticipated to rise to \$1,100 per unit per month between now and 2011.

Research indicates that most demand for rental product at the Park Morton site will emanate from within the District, as illustrated by the PMA diagram above. Renters will likely be motivated by one of two factors: the desire to live close to work and access to employment by way of Metro coupled with the relative value (as compared to other new rental projects in and around the PMA) of the new proposed development.

As an example, the new rental community located at the Fort Totten Metro Station provides some insight on achievable rents for new Metro accessible apartments. The project’s initial leasing is at \$1.90 per square foot but is expected to rise above \$2 per square foot upon stabilization.



Figure 5: Park Place under construction

Based on projected demand and achievable rents, the Park Morton site can support units renting at approximately \$1.75 – \$1.95 per square foot (2007 dollars) or absolute rents ranging from approximately \$1,000 to 1,850 for one-, two-, and three-bedroom units sized between 500 to 975 square feet. Approximately 100 – 125 market rate rental units can be absorbed on the site annually.

RETAIL MARKET



Figure 6: Georgia Avenue Retail

The potential for new retail development within any neighborhood depends on a number of factors including current and projected consumer expenditures, the number of retail stores and the quantifiable retail demand by store type.

The vacancy rate within both a 1-mile and .5-mile radius of the Park Morton site is relatively high at 8 to 10 percent. However, many of the retail buildings along the Georgia Avenue corridor suffer from a lack of investment and may not be suitable for today's

retailers. Many property owners are long-term stakeholders who, for a variety of reasons, have been resistant to upgrading their retail spaces. There are indications of new retail investment, like Temperance Hall, located proximate to the subject property, as well as, long-term retailers who maintain healthy businesses despite minor building upgrades. A number of new retail, primarily as a ground floor component of new residential development, is anticipated along the Georgia Avenue corridor. In total there is roughly 53,000 square feet of planned new retail development along the corridor in mixed use projects in the Petworth and Brightwood neighborhoods. Known tenants include Yes! Organic grocery store, Results gym and Meridian restaurant. Based on current unmet retail demand, households already living in the trade area could support an additional 40,000 square feet of neighborhood retail space in the 1-mile radius around Park Morton. In addition, over the next six years an additional 2,000 square feet of retail can be supported based upon anticipated household growth.

The Park Morton site itself is not in a position to capture any of this retail demand, primarily because it lacks Georgia Avenue frontage. Any new retail development within the neighborhood should be focused on Georgia Avenue and/or at the intersection of Georgia and New Hampshire Avenues, NW.

OFFICE MARKET

The surrounding community is best poised to attract small businesses and office users that specifically benefit from being located within neighborhoods, and not the Downtown core or other established office cores in the District. Rental office space that is under 10,000 square feet and near Park Morton has a 10 percent vacancy rate. This figure is not unreasonable for neighborhood based office outside of the traditional office market.

Office space within a 1-mile radius of Park Morton is demanding \$25 to \$30 triple net rents. This info was confirmed by both secondary data, as well as by broker interviews. There is a fair amount of activity along the corridor for small office space leased by medical users and small office condominiums. Based upon this analysis there is pent up demand for approximately 25,000 square feet of high quality office space and an additional 2,000 to 2,500 square feet that will be demanded over the next six years.

Similar to the retail analysis above, the Park Morton site itself cannot support any of this office demand primarily because it lacks Georgia Avenue frontage. Any new retail development within the neighborhood should be focused on Georgia Avenue and/or at the intersection of Georgia and New Hampshire Avenues, NW.

MARKET ANALYSIS CONCLUSIONS

The Market Analysis findings support the reuse of the Park Morton New Community as a mixed-income residential development. There is sufficient demand for market rate for-sale and rental housing to complement the replacement units identified in this Plan. A number of different residential products types including, mid- to high-rise buildings and low-rise residential units (i.e. townhouses) are supportable at the site. While there is demand for moderate amounts of retail and office space within the larger community, the site itself is not suitable for these commercial uses.

EXISTING CONDITIONS & MARKET ANALYSIS

EXISTING CONDITIONS

COMMUNITY CHARACTER, LAND USE

The neighborhood, with the exception of buildings fronting on Georgia Avenue, is identified in the Comprehensive Plan as moderate density residential. This category is intended to allow the development of row homes and low-rise apartment buildings. The existing land use pattern contains buildings ranging from one-story retail shops to small shopping centers. Many area row houses have historic townhouse facades that were converted into retail buildings. The current zoning classification within the study area is split between R-4, which allows for one- or two-family row dwellings and C2A, which allows for low to moderate density commercial and residential uses. The height limit in the existing R-4 district is 3 stories or 40' and 50' within the C2A district.

Through this small area plan the District acknowledges the need to meet its housing policy and New Communities Initiative objectives through the increase of residential density at appropriate locations within the study area. The Physical Plan and design guidelines described below will provide further guidance on this subject.



Figure 7: Zoning Map

HOUSING

The existing housing stock within the broader Park Morton/Park View neighborhood includes a range of building and tenure types.

Park Morton, owned and managed by the District of Columbia Housing Authority (DCHA), contains 174 two-bedroom units of publicly subsidized housing. All of these units are walk-up garden-style apartments arranged in 17 buildings of ten to eleven units. The one-for-one replacement of units includes all of the public housing units at Park Morton. There are a total of 174; however, 159 are currently occupied. All 159 households will be replaced on-site. Additionally, 7 units will be built for households that may qualify for home ownership. A total of 46 replacement units will be identified within the surrounding community as part of mixed-income projects. Twenty two (22) of these units will replace the balance of the replacement units that will not be built on the Park Morton site.

Within the study area, there are approximately 10 privately owned row homes along Morton Street that are intermingled among the Park Morton buildings. In addition, there is one privately owned mid-rise apartment building on Morton Street. Surrounding the public housing property on Park Road, there is a mix of row homes, single family homes and mid-rise apartment buildings.

RETAIL AND SHOPPING

This portion of the Georgia Avenue corridor contains a mix of low scale commercial properties, vacant storefronts, and community facilities. Planned development at the Metro station will add additional retail to the neighborhood. Murray's grocery store at Georgia Avenue and Park Road is the closest neighborhood grocer just a block away from Park Morton. A full service grocer, Safeway, is located about 6 blocks north of the site. There are a number of 'corner-stores' currently utilized by many of the Park Morton residents, as well as a few identified carry-outs and fast food operators. There is a Bank of America branch a block from Park Morton. New businesses are also opening along Georgia Avenue including the yoga studio and the Temperance Hall. Finally, there is a neighborhood Laundromat just 1 1/2 blocks from Park Morton which residents see as an asset.



Figure 8: Georgia Avenue Retail

CONCERNS OF THE NEIGHBORHOOD RESIDENTS INCLUDED:

- Improve customer service
- Improve cleanliness and atmosphere within Georgia Avenue stores
- Improve marketing and reputation of Georgia Avenue to support retail
- Improve safety and cleanliness along the corridor addressing issues like loitering, trash and vagrancy

RECREATION, PARKS, AND OPEN SPACE

The closest community recreation center — Parkview Community Center — is located 4 blocks from Park Morton. The community center includes a computer lab, basketball court, athletic field, multi-purpose rooms and pool. In addition, the playgrounds of several neighboring schools are seen by residents as open space assets. There is little passive green space, however, in the neighborhood and surrounding area. A particular concern of the neighborhood was the lack of immediate and safe play/open space for the many families of the Park Morton community. There is a small existing playground at Park Morton, however community residents note that it is not safe, well lit, or properly patrolled by police.

TRANSPORTATION

Park Morton is located proximate to Georgia Avenue which is extremely well served by public transportation (both Metro and bus lines). The area offers easy access to downtown Washington DC and downtown Silver Spring as well as to the community assets these districts provide — a strong concentration of jobs, business, government agencies, retail uses, services and entertainment venues.

Primary vehicular access to the Park Morton development is provided by way of Georgia Avenue, Warbler Street, Park Place, and Park Road. Georgia Avenue is a principal arterial roadway serving as a primary commuter route connecting the Maryland suburbs to the District's central business district. Roughly 13,000 to 32,000 vehicles travel this route each day. Georgia Avenue also provides direct access to the residential, retail and institutional uses located along the corridor. Specific to the Park Morton community, a traffic signal is located at the intersection of Georgia Avenue and Park Road.

Warbler Street and Park Place are collector streets that function as a one-way pair. Warbler Street i



Figure 9: Roadway Functional Classification

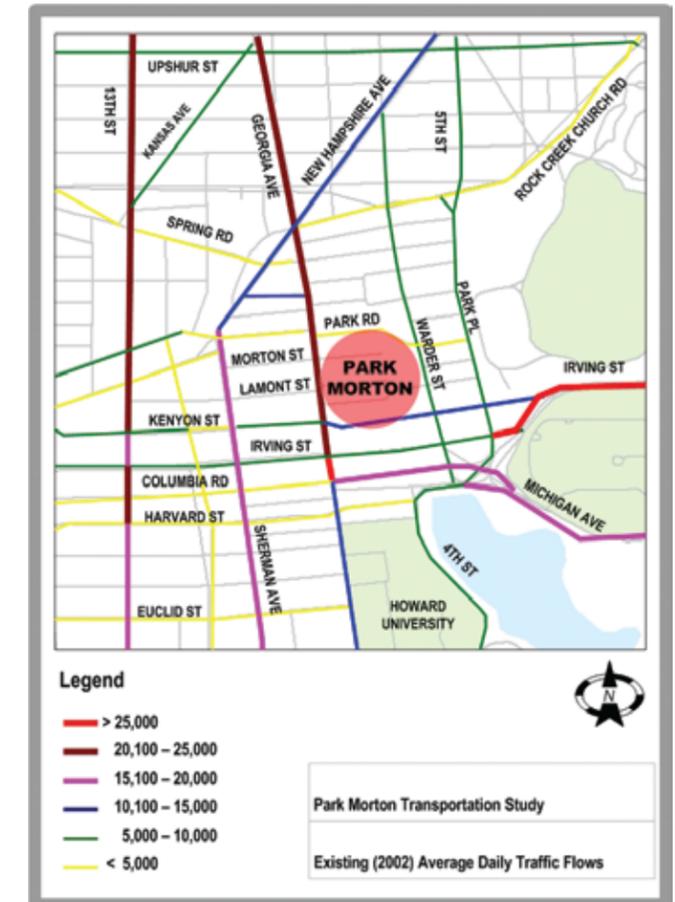


Figure 10: Roadway Traffic Volumes

one-way northbound and Park Place is one-way outbound. Roughly 5,000 to 10,000 vehicles travel these streets daily. The Park Road/Warbler Street intersection is currently controlled by a four-way stop sign.

Park Road is an east-west street that extends from Park Place to the east to New Hampshire Avenue to the west. Roughly 5,000 vehicles travel along Park Road each day.

The Georgia Avenue/7th Street corridor is one of the District's Great Streets which is programmed to be upgraded with significant amenities and features affecting its urban design character and its vehicular and pedestrian service function. A key component of the Great Streets Initiative is providing the necessary infrastructure to facilitate public transit services and amenities.

EXISTING CONDITIONS & MARKET ANALYSIS

Enhanced transit facilities, such as express bus or streetcar services, will improve accessibility to and from the corridor and between Silver Spring and Washington, DC. Washington Metropolitan Area Transit Authority (WMATA) and District Department of Transportation (DDOT) have developed a new Bus Rapid Transit (BRT) service for Georgia Avenue/7th Street NW with limited stops and unique buses. This new service compliments the 70/71 Metro bus service adjacent to the Park Morton site. The site is also in close proximity to the Georgia Avenue — Petworth Metrorail Station.

Pedestrian access to Park Morton is provided by way of sidewalks located along Georgia Avenue and other roadways providing access to the site. In many locations along Georgia Avenue, sidewalks are relatively narrow. Pedestrian crosswalks and signs are located at intersections along the corridor. The corridor does not have pedestrian safety features such as medians. Although pedestrian crossing warning signs are located at intersections along Georgia Avenue, pedestrian conditions crossing Georgia Avenue at unsignalized intersections are still poor.



Figure 11: Roadway Network and Traffic Control Measures

PARKING

During the Community Kick-Off meeting residents said the following in evaluation of the neighborhood's transportation issues:

- Excellent access to bus lines and Metro
- Park Morton's cul-de-sac is called "the hole"
- Number of dangerous crosswalks along Georgia Avenue
- Intersection of Georgia and New Hampshire Avenues is dangerous
- 11th Street has a good north/south bike lane, but needs an east/west bike lane
- Georgia Avenue lacks sufficient parking if you want to shop along the corridor

Metered parking is permitted along most of the length of Georgia Avenue. Parking within the Park Morton community is predominately on-street, supplemented by a number of small internal lots. The internal parking lots are signed for private use by permitted residents only. Based upon the Redevelopment Initiative's proposed program, the combination of the increase of units with minimal on-site parking available precipitates the need for the development of parking structures, recommended to be below-grade, at the site. Due to the relative expense of structured parking, and the likely cost associated with renting or purchasing parking at the redeveloped site, there will be a need to create additional dedicated residential street parking (through a residential parking permit sub zone) at the site to accommodate Park Morton and other new residents in the neighborhood. Finally, opportunities to encourage and support shared-car services in the neighborhood should be encouraged.



Figure 12: Intersection of Georgia and New Hampshire Avenues

PHYSICAL PLAN

PLAN DEVELOPMENT PROCESS

PLANNING PROCESS

The process for the transformation of the Neighborhood began in earnest in June 2007. An Advisory Committee was created to work with the District to develop the Redevelopment Plan. The Advisory Committee is comprised of 15 members and includes residents of Park Morton, community stakeholders, ANC representatives and other community residents. The District has held monthly meetings with the Advisory Committee throughout the planning process.

In addition to the Advisory Committee meetings, one-on-one meetings, focus groups and bus tours have also been conducted to establish a working knowledge of the neighborhood and to inform the Advisory Committee and Park Morton residents of other similar redevelopment projects.

KICK-OFF MEETING AND DESIGN WORKSHOP

An official project kick-off occurred in mid-September 2007 with an evening meeting to introduce the Initiative to the broader community. This event was held at the Bruce Monroe Elementary School on Georgia Avenue and allowed residents to meet with the consultant team, learn about the Redevelopment Initiative and the upcoming Design Workshop. During this meeting residents and attendees also participated in a visioning session for their community.



VISIONING SESSION

For the exercise, participants broke out into small groups and used key words, phrases and photos to create a collage that represented their vision for Park Morton. High quality housing in the neighborhood was strongly desired, in addition to the following:

- Scale relate to existing buildings
- Architecture that inspires people to care about their building
- Porches, yards, balconies
- Homeownership units
- Quality features, safety features (ex. fire escapes)
- Architecture that respects historic style
- Build first
- Soundproof construction
- Assigned parking

The vision for appropriate open space and mobility in the neighborhood included:

- Parks and recreation facilities for children of all ages
- Community garden
- Tree lined streets, green walkways
- Lighting, public art, outdoor theater
- Alleys as bike paths
- Parking underground to preserve green space
- Improvement of safety at recreation centers, playgrounds after dark/closing



PHYSICAL PLAN

WORKSHOP

A full-day Design Workshop was held the following day at Bruce Monroe Elementary School. This intensive workshop was open to the public from morning until early evening, allowing residents to provide input into the development of the Neighborhood's Physical and Human Capital plans. The planners, architects, development advisors and District representatives were present throughout the day to facilitate the discussion. Human Capital focus groups also occurred throughout day.

During the workshop participants had the opportunity to discuss the assets and challenges of their neighborhood in small focus groups around the following issues: Retail, Transportation, Health and Safety, Housing and Open Space.

Using the vision collages and subject matter small group discussions, participants were then asked to engage in a building block exercise. Workshop participants used legos of various shapes and sizes to "build" the community from the ground up. They had the opportunity to think about what types of homes they wanted to see built, where new roads should be placed, how tall buildings should be, and where open space should be placed.

Based upon three schemes developed by the attendees in the morning, the consultant team took those plans and created conceptual urban design schemes that were presented to the workshop attendees later that evening.



Public input throughout the planning process has been critical in shaping the vision for the Park Morton Redevelopment Initiative. The input helped to create the District's Commitment, identify priority issues and establish the essential components of the Physical and Human Capital plans. The partnership between the Advisory Committee, the Resident Council and the District will continue during the implementation and development phases to ensure the same high level of coordinated input and decision making.

In late September, the District and Consultants came back to the community during a public meeting with three initial land planning and design schemes for the redevelopment of Park Morton and elicited further input based upon the public comment to arrive at the preferred scheme presented in the Plan.

INITIAL DEVELOPMENT SCHEMES

Based on the District's Commitment, input from the Resident Advisory Group meetings and focus groups, two urban design schemes were developed in order to arrive at a preferred plan.

The two schemes have the following design concepts in common:

1. Creating safe and usable open space;
2. Creating a community center near the park;
3. Creating density within the site and along Park Road to establish a renewed neighborhood; and
4. Creating residentially scaled blocks with a street grid pattern and of new, mixed income housing units in a variety of configurations.

SCHEME A:

Scheme A also explored the following ideas:

1. Introducing a North-South street grid connection at Sixth Street;
2. Creating a jog in the street grid at the park to reduce vehicular speeds;
3. Creating multifamily buildings adjacent to existing row houses along Morton Street that compliment the existing architectural scale and context; and
4. Creating a residentially scaled block of "two over two" row house style dwelling units surrounding open green space.

SCHEME B:

Scheme B also explored the following ideas:

1. Introducing a East-West street grid connection at Morton Street;
2. Creating open green space that is framed by several multifamily buildings maximizing the number of “eyes” on the park;
3. Creating traffic calming measures at the park to control vehicular speeds and increase pedestrian safety; and
4. Creating multifamily buildings adjacent to existing row houses along Morton Street that compliment the existing architectural scale and context.

THE MASTER PLAN VISION

The Park Morton New Community Redevelopment Plan seeks to transform the Neighborhood into a vibrant, mixed-income community.

The key development principals for the Master Plan include:

1. Developing approximately 477 new housing units on the Park Morton site, including 159 replacement units for current Park Morton families;
2. Partnering with local property owners and developers, to provide approximately 46 additional replacement units within planned or proposed mixed-income developments in the community.
3. Creating an east/west street connection and access to the community by linking Morton Street to Georgia Avenue and Warder Street;
4. Reinforcing sustainable design principles and architectural design guidelines that are compatible with the existing neighborhood character;
5. Creating a new active neighborhood park and community facility within the redevelopment;
6. Meeting parking demand with new underground or structured parking, shared vehicle services, and on street residential parking permit opportunities; and
7. Recommending the development of new retail and office space along Georgia Avenue.

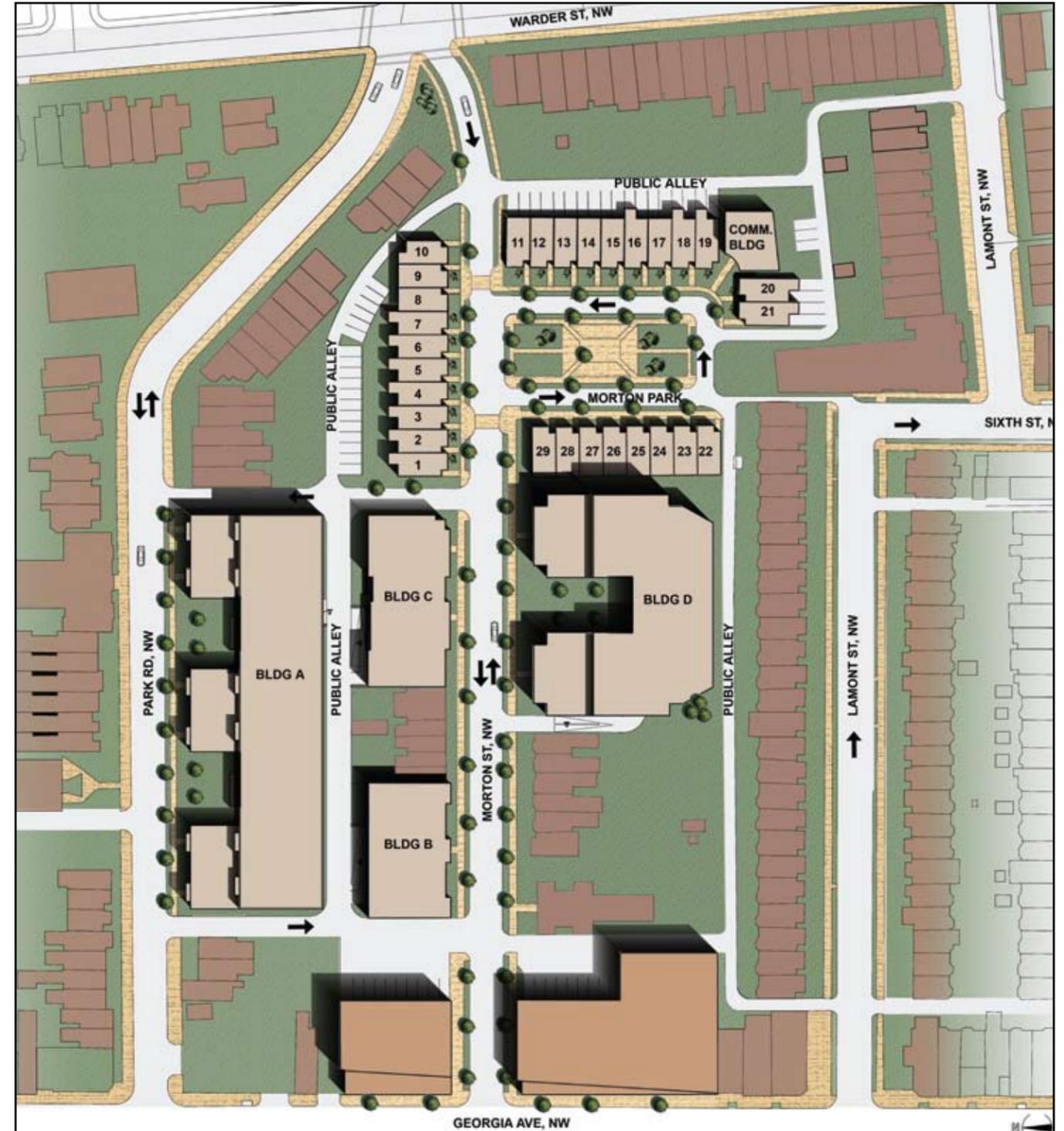
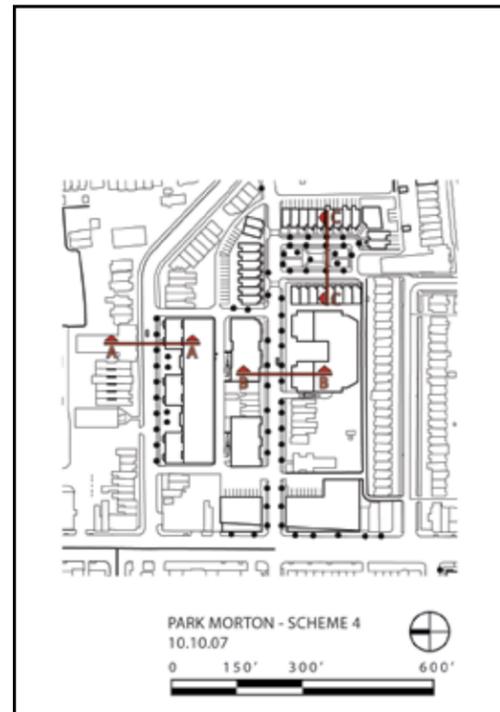
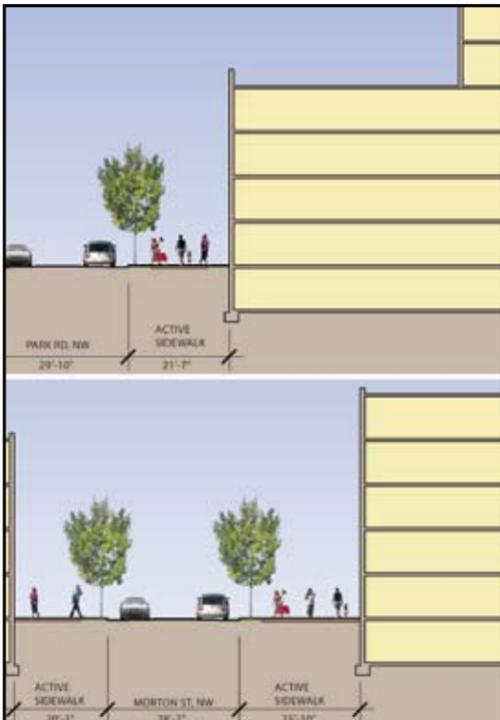
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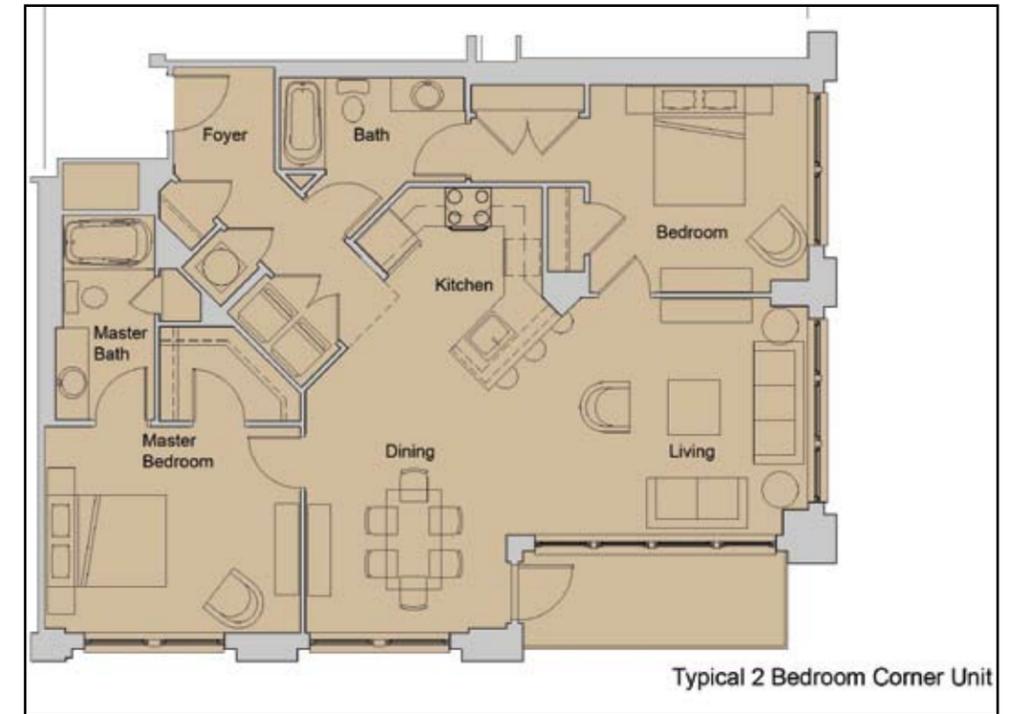
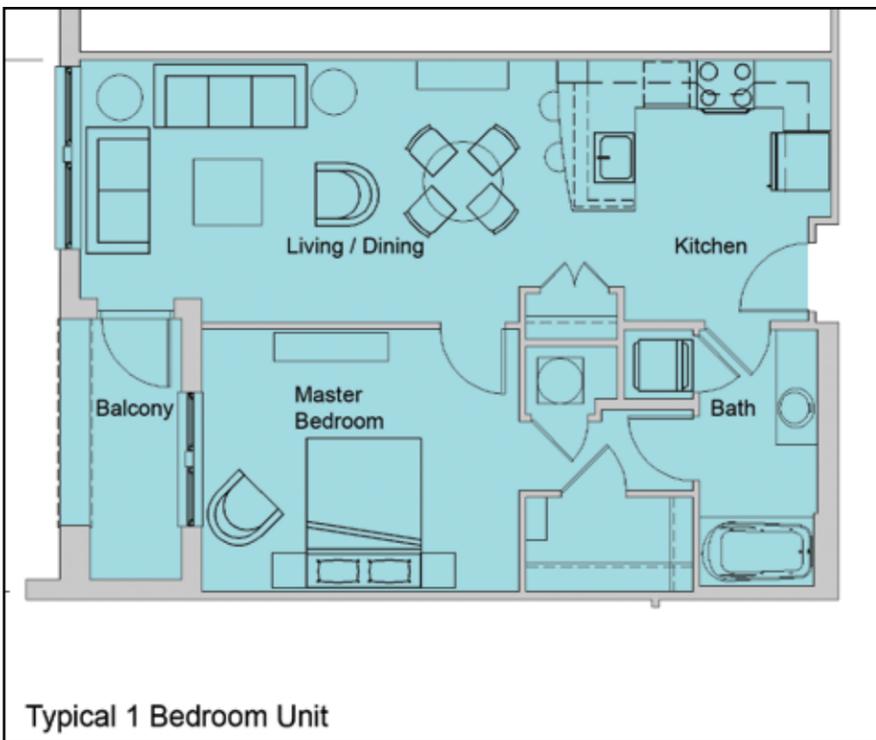
The Preferred Scheme was developed as a response to input from the community and District agencies. The desired elements of each scheme were combined into a cohesive master plan that balances the objectives of the District’s Commitment with principled urban design and architectural style. The Preferred Scheme addresses these key development program criteria; while ensuring that the master plan can be implemented in partnership with the private development community.

The Preferred Scheme incorporates the following design concepts:

1. Introducing an East-West street grid connection at Morton Street; the new street should accommodate vehicular and pedestrian traffic safely while minimizing cut through traffic on Morton Street by use of traffic calming techniques
2. Creating residentially scaled blocks of multi family buildings and three-family rowhouse style units that compliment the existing architectural scale and context
3. Developing a neighborhood green space that is fronted by residential structures, creating “eyes” on the park; incorporating additional open space for both private and common use within individual buildings
4. Creating streetscapes welcoming to pedestrians with sidewalks, tree boxes, lighting and appropriate street furniture that comply with District requirements

PHYSICAL PLAN





PHYSICAL PLAN



CHALLENGES

Potential challenges to the Preferred Scheme include the acquisition of two privately owned properties to facilitate the new road construction, the ability for the District to identify and negotiate the required off-site replacement units and the ability of the District to secure required development gap financing to effectuate this Scheme.

HOUSING TYPES AND PROGRAM

The Park Morton New Community Redevelopment Plan includes a full complement of housing units including the one-for-one replacement of existing publicly subsidized units and provision of workforce/market-rate units.

The new development's apartment and condominium buildings will range between four and six stories in height with one, two and some three bedroom apartments. Below grade parking will be provided for each of the buildings. The low-rise units will be a combination of duplexes and flats and will stand three and a half stories tall. All units will have doors fronting onto the street and new park, as well as off-street parking spaces and private decks or yards in the rear. Diversity of architectural styles and materials, and the inclusion of features such as front porches will link these units to communities typical of the Park View/Petworth neighborhoods.

All of Park Morton's currently occupied units (159) will be replaced on-site. An additional 15 units that are currently vacant will be replaced in off-site locations within the community for a total of 174 housing authority units.

ZONING

Development of the master plan will require modification of the existing zoning on the site. It is anticipated that the changes to the existing height and density limits will be pursued through the Planned Unit Development process and reviewed by the Zoning Commission.

This Plan recommends moderate density residential development in the interior of the study area, notably those properties facing the proposed extended Morton Street. Development along Park Road and Georgia Avenue should be moderate to medium density residential and commercial. Commercial uses are preferred along Georgia Avenue; day care, after school care or adult education space may be included within the site along Park Road.

MASTER PLAN DESIGN GUIDELINES

Proposed development is expected to follow the general design guidelines below to ensure that height, massing, and architectural style is compatible to the surrounding community:

1. Developing residentially scaled blocks through a street grid pattern
2. Establishing new mixed income housing units in a variety of configurations
3. Creating density within the site and along Park Road to establish a renewed neighborhood
4. Allowing massing along Park Road up to four stories; with up to six stories at the rear of the property set back a minimum of forty feet from Park Road



5. Allowing massing along Morton Street up to four stories, with up to five stories at the rear of the property set back a minimum of 40 feet from Morton Street
6. Encouraging new architecture that is appropriately scaled to match existing rowhouse style character using design techniques such as residentially scaled bays, cornice lines, multiple entrances to multifamily buildings and set backs to compliment the neighborhood context
7. Creating porches, balconies and terraces to promote neighbor interaction
8. Utilizing building materials and colors that are appropriate to the surrounding neighborhood; preferred materials include brick and glass
9. Incorporating structured or underground parking within multi-family buildings and rear yard parking for row-house style units; parking should be accessed through the alley network in order to minimize new curb cuts
10. Developing private and publicly accessible open spaces within multi-family buildings that are green, adequately lit, and easily surveyed

SUSTAINABILITY

Creating and reinforcing interconnectivity between the social, economic, and natural environments is essential to building sustainable communities. Through both the neighborhood planning and architectural design, the plan promotes sustainability in a variety of ways. The plan promotes development that meets the requirements of the DC Green Building Act of 2006 using the Green Communities Criteria as a guide for sustainable design.

The design of the site opens the existing neighborhood to the surrounding community and allows the site to maintain a safe environment by providing the following:

1. Increased pedestrian access through the neighborhood and to public transportation, decreasing dependence upon the automobile, and providing for greater opportunities for positive social interaction and exercise
2. Maximized green space, vegetative “green” roofs and pervious paving on parking pads help to reduce the demand on municipal storm water systems

The design of the buildings reinforces the commitment to sustainability, creating bright and healthy indoor environments by providing the following:

1. Energy-efficient appliances, daylighting and programmable thermostats help reduce energy usage
2. Use of locally produced materials reduces the “embodied energy” of building materials: the fuel, resources, and pollution associated with transporting products over long distances
3. Use of low volatile organic compounds materials promotes cleaner indoor air quality
4. Low volume fixtures and appliances help municipal water supplies last longer and help lower water bills
5. Rain barrels reduce demand on potable water for irrigation and extend the ability of the ground to absorb storm water
6. Installing cutoff lights in the public areas will reduce energy cost

OPEN SPACE



The Master Plan envisions the creation of a new privately owned and maintained park that is managed by a neighborhood association or property owner(s). Open space should be well-lit and accessible and free from fencing around the whole park; fences should be restricted to specific features like a playground or other similar functions. The park should be in a location that has adequate visibility that maximizes the “eyes on the park” to ensure safety. The integration of porches, balconies and terraces are encouraged to be consistent with the surrounding community and should provide opportunities for neighbors to gather and monitor their community.

PHYSICAL PLAN

TRANSPORTATION AND PARKING

FUTURE TRANSPORTATION CONSIDERATIONS

The Georgia Avenue — Petworth Metrorail Station on the WMATA regional system and the new Bus Rapid Transit (BRT) service for the Georgia/7th Street corridor is programmed to be upgraded with significant amenities. The improved infrastructure would facilitate public transit services and amenities.

TRIP GENERATION

The Park Morton redevelopment project will be located within a half a mile radius from the Georgia Avenue-Petworth Metrorail Station. A 70% transit/walking reduction was used to reduce vehicular trips. The transit reduction factor is based on percentage calculations presented in the Washington Metropolitan Area Transit Authority's (WMATA) Development Related Ridership Survey II for residential developments. Table 13 shows the number of trips expected to be generated by the proposed Park Morton developments

| SCHEME 4 – TRIP GENERATION | AM PEAK | | | PM PEAK | | |
|--------------------------------------|---------|-----|-------|---------|-----|-------|
| | IN | OUT | TOTAL | IN | OUT | TOTAL |
| 477 Residential Dwelling Units | 44 | 125 | 170 | 139 | 91 | 230 |
| Deduct 70% Transit/Walking Reduction | 31 | 88 | 119 | 97 | 63 | 161 |
| Net Total w/reduction | 13 | 38 | 51 | 42 | 27 | 69 |

Figure 13: Vehicular Trip Generation

As Table 13, indicates, the Preferred Scheme, would generate 51 AM peak hour trips and 69 PM peak hour trips. These trips will be distributed throughout the Plan's proposed roadway network. The current Park Morton development generates approximately 14 AM and 17 PM trips.

SITE ACCESS AND CIRCULATION

The Park Morton Redevelopment Plan provides improved site access and circulation by extending two north-south alleys from Morton Street to Park Road and by replacing the Morton Street cul-

de-sac as a through street from Warder Street to Georgia Avenue. The proposed Morton Street extension to Warder Street would create a new five-legged intersection with Park Road. Morton Street would operate as a one-way westbound street from Warder Street to the public alley and would be two-way from the public alley to Georgia Avenue.

The new Morton Street intersection would be controlled by an all-way stop sign as it is today. In the future, the District Department of Transportation may consider signaling the intersection to allow for improved traffic flow on Warder Street and Park Place and to allow for improved pedestrian safety. If the intersection becomes signalized in the future then a three-cycle phase could be considered to allow for full two-way access from Warder Street to Morton Street. The Plan's proposed Morton Street connection would be designed wide enough to allow for flexibility in future traffic operations.

WARDER STREET, PARK ROAD AND MORTON STREET INTERSECTION ANALYSIS

Turning movement counts and field observations were conducted at the Warder Street and Park Road intersection to obtain existing traffic conditions.

Future traffic conditions were projected by applying a one percent (1%) annual growth rate to existing traffic volumes and adding proposed Park Morton site traffic to the intersection. Based on existing traffic data, 30% of Park Morton traffic would access the site using the new Morton Street intersection. Thirty percent of the site traffic summarized in Table 13 was used to project future conditions at the proposed intersection. Future traffic volumes are summarized in Figure 14.



Figure 14: Future Traffic Volumes

HUMAN CAPITAL PLAN

MASTER PLANNING PROCESS

COMMUNITY BASED PLANNING PROCESS

Active participation by neighborhood residents, community leaders and stakeholders has been central to the human capital planning process. Key channels for this participation were the Park Morton Advisory Committee and the Park Morton Resident Council.

Other opportunities for community participation and input also included:

- Household survey conducted with Park Morton residents during September and October 2007;
- Focus groups conducted with heads of household and youth to gather qualitative information on the community's desires and needs; and
- Resident and stakeholder engagement through community-wide events and the community design workshop.

COMPREHENSIVE AND INTEGRATED APPROACHES

The New Communities Initiative guarantees the one-for-one replacement of the existing number of publicly subsidized housing units in a newly revitalized mixed-income community. The early integration of the Human Capital Plan and Physical Plan is necessary to ensure that residents can take advantage of the full range of opportunities associated with this revitalization effort.

SURVEYING PROCESS

Between September and October of 2007, a household survey was conducted with 67% (106 out of the 159 occupied units) of Park Morton heads of household. The surveying process was conducted through a partnership between residents of Park Morton and Howard University. Resident and undergraduate student surveyors completed an intensive training conducted by the University's Center for Urban Progress. Residents were encouraged to participate in the survey through presentations at resident and community meetings and through two mass flyer mailings.

Surveyors successfully interviewed residents from each of the site's 12 buildings, collecting information from residents of various ages, family size, and educational and economic levels. Similar studies have included a minimum of 20% of residents. The diversity and completeness of this sample enables us to comfortably interpret findings and apply them to the larger population of Park Morton.

TABLE 1: PARK MORTON SURVEY COMPLETION RATE

| | |
|-------------------------------------|-----|
| Total number of occupied households | 159 |
| Total surveys completed | 106 |
| Percent of surveys completed | 67% |

Note: data as of October 2007

HOUSEHOLD CHARACTERISTICS

Demographics:

Heads of household are predominately female (94%), single (77%), and middle-aged, with the largest percentage of heads of household (32%) between the ages of 40 and 49. Over half of households (53%) have school-aged children. Households tend to be small; nearly 70% of households have one to two family members. Park Morton has a mixture of newer and long-term residents; 35% have lived in the neighborhood for three years or less, and 32% have lived in the neighborhood for 10 years or more.

| Household Size | Number/Percent | Marital Status of HOH | Marital Status of HOH | Age of HOH | Number/Percent |
|----------------|----------------|-----------------------|-----------------------|------------|----------------|
| 1 | 16 (15%) | Single | 78 (77%) | 23-29 | 20% |
| 2 | 53 (51%) | Married | 6 (6%) | 30-39 | 13% |
| 3 | 26 (25%) | Divorced | 7 (7%) | 40-49 | 32% |
| 4 | 6 (6%) | Widowed | 11 (11%) | 50-59 | 21% |
| 5 | 1 (1%) | | | 60-69 | 7% |
| 7 | 2 (2%) | | | 70-77 | 6% |

Table 2: Household Demographics

Note: HOH means heads of household

HUMAN CAPITAL PLAN

HOUSEHOLD INCOME

Nearly one third of employed residents make less than \$5,000 per year. Approximately 30% of those employed make between \$20,000 and \$29,999 per year, and nearly 25% of residents make between \$10,000 and \$19,999 per year. The median income of residents is \$10,000 to \$19,000, far below the median income of \$36,902 for Ward 1 residents and \$46,211 for the city (as reported in the 2000 Census). In fact, income/financial data from the District Housing Authority show that the majority (78%) of families in Park Morton are at or below the Federal Poverty Guidelines (i.e., a family of two making less than \$13,610). In addition, a large proportion of residents receive Food Stamps (72%) and/or TANF benefits (60%). The average monthly payment amount is \$324; and, on average, residents have received benefits for four years.

TABLE 3: HOUSEHOLD'S OTHER INCOME

| OTHER INCOME | NUMBER/ PERCENT | AVERAGE AMOUNT |
|-----------------------|-----------------|----------------|
| TANF | 38 (60%) | \$324 |
| SSI | 9 (14%) | \$565 |
| Social Security | 8 (13%) | \$802 |
| SSD | 4 (6%) | \$703 |
| Child Support | 2 (3%) | \$309 |
| Unemployment Benefits | 1 (2%) | \$718 |
| Pension/Annuity | 1 (2%) | \$1,000 |

FINANCIAL AND CREDIT STATUS

A small but significant proportion of residents report positive financial standings with 36% having a checking account, 32% having a savings account, and 62% having no outstanding financial/credit issues. The large number who report no outstanding financial/credit issues may include residents with little or no credit history, which could be a barrier to homeownership. In addition, 24% have received their credit report within the last 12 months, and 71% indicate interest in buying a home.

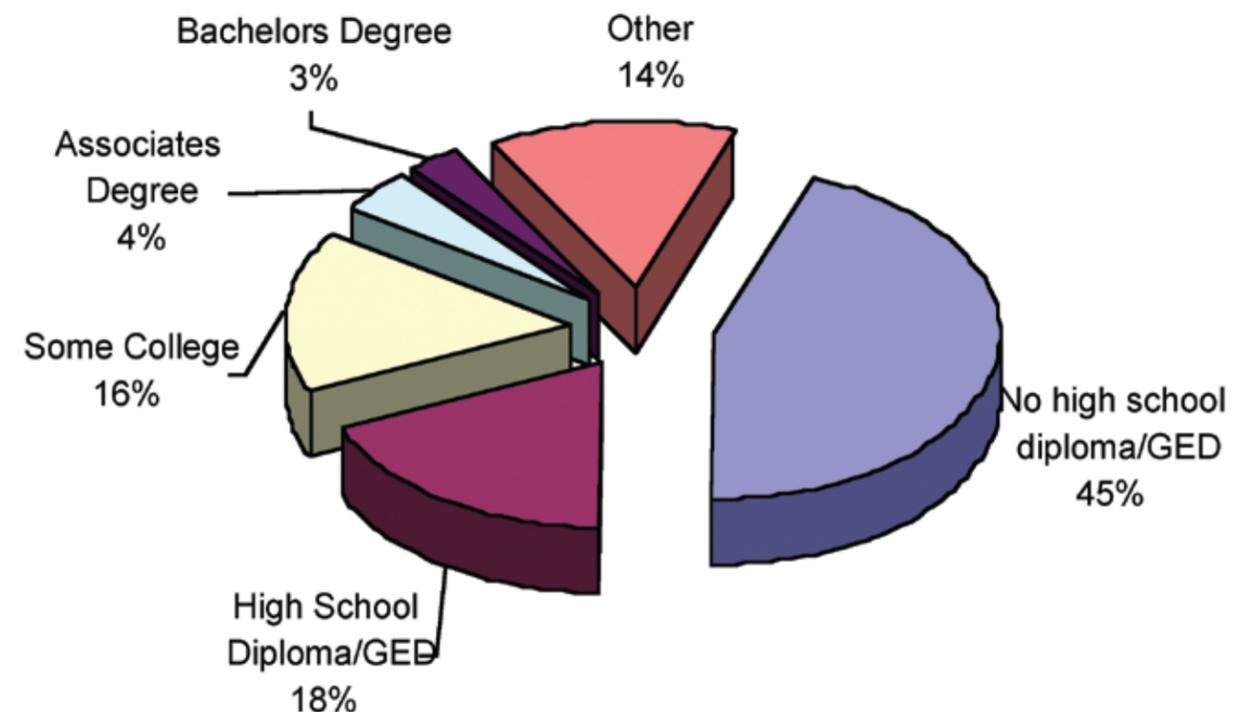
HUMAN CAPITAL NEEDS AND PRIORITY AREAS

Four service priority areas emerged from the formal (survey data) and informal (focus groups and resident meetings) data gathered from the community. The four priority areas identified are adult education and employment, child and youth development, community health and mental health, and public safety and security.

ADULT EDUCATION AND EMPLOYMENT

More than half (55%) of residents have a high school diploma/GED, and, of these, 23% (24 of the heads of households surveyed) have some college experience or have received a degree. Similarly, residents report low employment rates with 24% of heads of household employed and 76% unemployed (approximately 5% of the unemployed reported that they are retired). Of those employed, 16% have a full time job and 9% are employed part-time. Over half (55% or about 14 residents) of those employed have been in their jobs 1 to 2 years, while 33% (approximately 8 residents) have been in their jobs for 5 or more years.

Figure 2: Education Level of Heads of Household



The most frequently identified barriers to securing employment included: mental/physical disability or health of self or family member (39%), lack of jobs (17%), lack of transportation (13%), and limited skills (13%). Of heads of household that are unemployed (approximately 78), 62% have been looking for employment for less than one year, and the remaining 38% have been looking for 12 months or more. Residents reported looking for employment for an average of 19 months. While residents seem burdened by limited skills and lack of jobs, the fact that many residents (55%) have a high school diploma/GED greatly increases their ability to participate in job training and opportunities that lead to livable wages. Focused efforts to strengthen literacy and numeracy skills are also an important part of workforce preparation.

EMPLOYMENT INTERESTS AND SERVICE NEEDS

Residents report that they are interested in jobs in the health services (16%), computer (11%), and education, human services, and self-employment (10% each) industries. A small proportion of residents (8%) reported currently using or having used some adult education and training programs (e.g., Ballou High School, and the University of the District of Columbia). While less than a quarter (24%) of residents reported having computer access/training, more than half (58%) reported that they used the Park Morton Computer Lab as their resource. Focus group participants report that there are not enough job readiness and training programs, particularly training programs that have existing relationships with employers.

CHILD AND YOUTH DEVELOPMENT

The community's school-aged children attend 32 different schools: 15 different elementary schools, 11 different high schools, 1 middle school, and 5 other schools throughout the District, but mainly in the northwest quadrant of the city. However, of elementary school-aged children, the larger proportion (44%) attends Park View Elementary School, (the neighborhood primary elementary school); and of high school students, 29% attend Cardozo High School, the designated neighborhood high school.

Enrichment Programs:

A significant number of youth are involved in tutoring (54%), sports/athletics activities (41%), and youth clubs/organizations (31%). Additionally, 14% of youth in households surveyed attend a college preparatory program. An overwhelming majority (over 70%) of parents would like to see more tutoring, mentoring, and sports activities for neighborhood youth — especially young children. Across the board, parents feel that children and youth of Park Morton need more educational, recreational, and emotionally supportive resources. Of special concern was the lack of activities for young children.

Interestingly, the topic of enrichment programs for children sparked the interest of many parents, with some reporting that the adults need as much support as their children. One resident stated, "Parents and adults need tutoring to help them read and write." The need for educational enrichment of young children and parents may be met by a family literacy program that supports effective learning for the entire family.

Parent Engagement:

A significant proportion of parents are active in their children's education. More than 80% have met with a teacher at least once, while 49% of parents have met with a teacher 3-5 times. Almost half of parents have attended a school event, and 40% of parents have volunteered at a child's school. Information from focus groups shows that parents want better programming for their children across the board; there is significant interest in programs that would help young children obtain school readiness skills and programs that assist older children in transitioning to adulthood. Comments from the focus groups include the following:

- "The kids need lots of help, they need daycare, and people who are certified to run programs. The playground needs to be maintained, because the older kids take it over, and they need some role models/men to teach them what's going on."
- "The neighborhood needs more developmental resources. I have someone in the area keeping my son while I go to work, but there is nothing for him to do outside or even a public library with reading and phonics lessons."

Some participants expressed a willingness to volunteer their time to help provide activities for youth, and also spoke of complementary services that would enhance the quality of life for families.

- "I think it would be a great idea if professionals from around the area would come out and help with some of the programs we're having."
- "I'm very interested in starting language, arts, and culture programs for the children of the neighborhood. Also we have to do our part as parents too; the only education is the education we can offer."

Future School Changes:

The future of Park View and Bruce Monroe will have a significant impact on the overall human capital plan. A strong elementary school with a high level of neighborhood retention in enrollment can serve as the centerpiece of a strategy to ensure the academic success of young children in this community. The school can also serve as an anchor for additional educational and social services for families.

HUMAN CAPITAL PLAN

COMMUNITY PHYSICAL AND MENTAL HEALTH

The vast majority of adults have medical insurance (94%), and 96% of children identified through the survey have health insurance. There is an extensive network of neighborhood health facilities. The majority (91%) of residents report having no barriers to accessing services within the last six months. Nearly 50% report that they visit their private doctor at Washington Hospital Center while approximately 25% go to Children's Hospital and Washington Hospital Center for specialty care — both institutions are within walking distance of Park Morton.

The most significant health issues include: arthritis (35%), hypertension (31%), adult asthma (20%), adult obesity (13%), diabetes (15%), and pediatric asthma (13%). Focus group participants complained of vermin infestation (i.e., rodents, roaches), falling plaster, and problems with heating units. All are potential triggers/contributors to asthma, one resident states, "The heating system has not been changed in the ten years I have been here. At one time, the whole building had the same cough."

Generally, the number of residents seeking treatment for serious health issues is lower than the incidence of the problem. This implies that some residents have been diagnosed with serious health conditions but are not receiving treatment despite almost universal access to health insurance. The gaps were most significant between residents reporting arthritis and asthma; over 15% of residents with arthritis and asthma are not under a treatment plan.

Case management services available through the human capital plan should include a comprehensive health assessment and ensure that residents with serious illnesses are under treatment. Mental health issues are also a concern for many residents. Approximately 40% of the residents have felt sad/downhearted (39%), worried/anxious (42%), and/or depressed (40%) within the past six months. A very small number of residents reported current engagement with a family counselor (6%) or case management provider (14%). Reasons for low use of counseling programs in the area are explained by a focus group participant who states that residents are cautious of sharing personal business with neighbors for fear that the information will be spread in the neighborhood. However, many of the women think that support groups and recreational activities would be helpful for mental health and to alleviate stress.

COMMUNITY ASSETS AND SAFETY

The major community strengths reported by residents include: public transportation (74%), neighborhood retail (55%), schools (38%), friendliness of neighbors (32%), and places of worship (32%).

Sense of Safety:

Public safety is a major concern in Park Morton and the surrounding community. Sixty-eight percent of residents perceive Park Morton as somewhat or very unsafe after dark; 62% feel somewhat or very unsafe after dark in the neighborhood/area; and 52% feel somewhat or very unsafe walking alone. While some residents report that Park Morton residents contribute to crime in the area, residents and police also report that outsiders contribute most significantly to crime in the neighborhood.

When asked about successful community initiatives, one participant was very vocal about the success of a DC Housing Authority and community effort known as Operation Reclaim, stating that this initiative allowed residents to "take our neighborhood back" and "bring people together." This effort included a unit by unit inspection for lease compliance and illegal activity as well as social service providers to connect residents to services. This level of effort should be sustained during the pre-development phase to increase neighborhood safety.

Youth participating in the focus group expressed concerns about open air drug use, litter in the interior and the exterior of the property, street fights and shootings, and the need for seniors to have a building for themselves so they don't have to walk through the "mess" of drugs and litter. Youth commented that there was a need for enhanced security, as well as "gates and an intercom system in each building." Adults echoed these concerns during the community design workshop.

The broad experience of Park Morton as an unsafe place where drugs and violence are routine part of residents' day to day experience may be a contributing factor to the community's high incidence of mental health issues. Public safety efforts are critical to improving the community's quality of life in the predevelopment phase and trauma and anxiety resulting from these concerns must be addressed through direct services to residents.

Perception of Police:

While a large proportion of residents feel unsafe in the community, few (19%) have called the police emergency/non-emergency number to report a crime/disturbance. General police response satisfaction rates varied with 26% rating it excellent, 41% rating it good/somewhat good, and 33% rating it poor. However, residents report being more satisfied with the patrols and helpfulness of the Metropolitan Police Department than that of the District's Housing Authority Police. Almost 50% of respondents report being not at all or only a little satisfied with the patrols and helpfulness of DCHA Police.

TABLE 4: EXTENT TO WHICH RESIDENTS ARE SATISFIED WITH POLICE PATROLS AND HELPFULNESS

| POLICE PATROLS CONDUCTED BY: | NOT AT ALL — A LITTLE | SOMEWHAT — SOME | CONSIDERABLY — GREAT |
|------------------------------|-----------------------|-----------------|----------------------|
| Metropolitan Police | 27 (28%) | 46 (47%) | 25 (25%) |
| Housing Authority Police | 47 (47%) | 32 (32%) | 20 (20%) |
| POLICE PATROLS CONDUCTED BY: | NOT AT ALL — A LITTLE | SOMEWHAT — SOME | CONSIDERABLY — GREAT |
| Metropolitan Police | 29 (30%) | 43 (42%) | 29 (28%) |
| Housing Authority Police | 49 (48%) | 40 (39%) | 13 (13%) |

Residents suggested that police-resident relationships could be improved if police:

- Were more visible, increased foot patrols, and conducted more patrols after hours
- Had better attitudes towards residents, showed them respect, and were less judgmental
- Increased communication with the residents, approached and spoke to residents, and attended meetings on the premises

HUMAN CAPITAL RECOMMENDATIONS, STRATEGIES, AND OUTCOMES

The following Human Capital recommendations are a critical part of the overall strategy for residents to benefit from the New Communities Initiative. The recommendations are presented by the individual priority areas described above. The recommended investments are organized into short (6 months to a year), mid (1 to 3 years) and long term (3 to 5 years) strategies. The Human Capital plan includes better coordination of existing city resources, expansion of existing programs, development of new programs and public/private partnerships to fill critical gaps, and the development of community facilities that can support residents over the long term.

In addition to the area specific strategies, the city will work with community partners to identify providers and conduct individualized household assessments and case management. This service will be designed to help residents establish and implement a self-sufficiency plan that can help them meet their personal goals. Lastly, the District government will continue to fully partner

with the Park Morton Advisory Committee and the Park Morton Resident Council to solicit feedback on future human capital planning and all aspects of implementation, including the case management process.

PRIORITY 1: ADULT EDUCATION, EMPLOYMENT, AND FINANCIAL LITERACY

Adult education and employment is best achieved through an innovative adult community-based job education and training model that assesses the individual's skills and interests, and integrates appropriate hard (e.g., computer training, construction training) and soft (e.g., life skills, communication skills) career skills. The city proposes to use the Building Bridges concept to ensure that residents can gain the educational and training skills needed for entry-level high paying jobs that can lead to a true career path (e.g., computer technology, health services, building engineers). These programs will be connected to employers that can provide individuals with on-the-job training and/or a guaranteed position once they complete the program. For example, a building engineer's program may partner with a building services company that guarantees program graduates positions after training.

Finally, the city will require that any funded program also provide wrap around services to address training and employment barriers, thus maximizing participants' chances for success. Wrap around services will include linkages to the case management services described above, as well as to on site or affiliated child care, transportation assistance, individualized tutoring, and crisis supports.

INVESTMENT STRATEGIES

Short-term:

Partner with the existing adult education programs, other schools, churches, and/or organizations to provide contextualized learning opportunities. Support resident enrollment in existing adult education programs that integrates education, training, job opportunities, linkages to higher education, and support services to meet resident's needs. Work with case managers to address immediate resource needs to minimize barriers before entering training or an educational program. Utilize existing on-site computer lab to provide structured training and education on technology, GED completion, and literacy.

Incorporate financial literacy and homeownership education into adult training and work readiness programs to strengthen the family's overall wealth as heads of households gain employment.

HUMAN CAPITAL PLAN

Mid-term:

Develop Individual Development Accounts (IDA) that match the family's savings and provide a base for families to make large purchases or pursue educational opportunities.

OUTCOME GOALS

- Train and place 50% of the formerly unemployed adults in full-time entry level positions with livable wage options
- Move 50% of the formerly underemployed residents into full-time jobs with livable wages
- Increase average wages and salaries by a minimum of 25% for presently full time employed residents
- 50% of the adults without a high school diploma/GED to receive their GED
- 50% of heads of household achieve money management goals and/or save for large purchases such as education, an automobile or a new home

PRIORITY 2: CHILD AND YOUTH PROGRAMMING

Meaningful child and youth programming is a concern for parents. As more parents enter the workforce or benefit from training programs, the city will work to ensure that the community has enough high-quality, standards-based early childhood development opportunities that prepare young children for school and contribute to their future educational success. Activities for school-aged youth will be expanded and reprogrammed to promote school achievement with the assistance of tutoring, mentoring, and technology learning opportunities that will effectively use the site's computer lab. Parent-child programs will be developed at Park View Elementary School to encourage family literacy.

Program opportunities for older youth will be expanded to include a deeper focus on education and employment preparation. The city will partner with the Children Youth Investment Trust to support educational services, workforce experience programs, and mentoring, to assist young people in reaching their educational/career goals.

INVESTMENT STRATEGIES

Short and Mid-term:

Use existing human services and recreation resources and/or partner with area community organizations and churches, to increase access to standards-based early childhood development, pre-K, and family literacy programs. Use the neighborhood schools and the on-site computer lab to provide meaningful after school programs that increase youth school achievement.

OUTCOME GOALS

- Increase the number of parents participating in family literacy and educational programming by 50%
- Prepare and place 75% of graduating youth into college or job training programs
- Increase the number of youth that perform at grade level, as shown by standardized tests by a minimum of 15%

PRIORITY 3: COMMUNITY HEALTH

Health insurance and provider access is not a major concern in this community, but a significant number of residents reported health concerns related to anxiety and depression, arthritis, hypertension, asthma, adult obesity, and diabetes. The city will work with residents and existing providers to develop an adult wellness program that integrates culturally appropriate disease prevention, exercise, and health education opportunities. The community wellness program will provide individual counseling, structured support groups, and activities. This effort will increase health awareness, increased treatment of health issues, and decreased stress and anxiety.

Case managers conducting household assessments will evaluate different household environmental conditions such as mold, rodents, insects, general housekeeping to address specific and overall health conditions. Case managers and substance abuse outreach workers will also assess any substance abuse issues, and provide appropriate referrals for adults and young people. This assistance will be followed by ongoing monitoring and services to support recovery.

INVESTMENT STRATEGIES

Short and Mid-term:

Work with case managers to assess household health conditions, and refer/connect residents to appropriate services and treatment. Develop an adult wellness program that integrates health education, mental health, and fitness programs during school hours. Identify and coordinate the provision of existing government programs offered by the District's health, mental health, human services and recreation agencies. Work with the Addiction Prevention and Recovery Administration (APRA) to identify substance abuse resources within and outside of the community to better meet the needs of those trying to seek treatment or stay clean. Track health and wellness plans through case management.

Long-term:

Ensure that resources and infrastructure are available to meet residents' health needs.

OUTCOME GOALS

- 25% of adults enroll in adult wellness programs
- 75% of enrolled adults report improved health status after one year in wellness programs
- 50% of households with adult and/or pediatric asthma report reduction in acute asthma attacks

PRIORITY 4: SAFETY AND SECURITY

Long term safety and security will be improved through the implementation of the overall New Communities Initiative. However, immediate safety and security needs must also be addressed. This is best achieved through a community policing program where the Metropolitan Police Department (MPD) and DHCA Office of Public Safety partner to resolve many of the community's ongoing safety issues of drug sales, prostitution, and criminal activity conducted as a result of these two factors by outsiders. Increased foot patrols by both MPD and DCHA are needed on the site and around the larger community. Patrols are also needed at random times and hours because perpetrators grow accustomed to scheduled policing. Increased police-community communication is needed to improve relations and trust with the community.

INVESTMENT STRATEGIES

Short and Mid-term:

Work with MPD to increase police and other visible law enforcement resources to the area. Secure onsite building level security in coordination with Operation Reclaim. Include resident representation on existing public safety initiatives such as Weed and Seed and the community's own Orange Hat Patrols.

OUTCOME GOALS

- Increased police resources on-site and within the area
- Explore possibility of building security by March 2008
- Increased lease compliance
- Reduce the number of drug-related offenses by 30%

HUMAN CAPITAL BUDGET (ESTIMATED OVER FIVE YEARS)

Financing human capital investments will require approximately \$3,125,000 over a five year period in programs and services including:

- \$875,000 for comprehensive case management and supportive services including health screening, assessment and linkages to treatment
- \$750,000 to build on high level of parent engagement, support stronger school linkages, tutoring and positive out of school time supports for youth
- \$750,000 to support adult education and employment training programming
- \$750,000 for substance abuse outreach, mental health supports, community health education programming and expansion of adult recreational/wellness opportunities
- Additional funding for enhancing public safety efforts including building level security.

DEVELOPMENT PLAN, SITE CONTROL AND PHASING

The Park Morton New Community Redevelopment Plan includes replacement of 174 existing public housing residences. Approximately 152 replacement units and 7 homeownership units for qualified Park Morton residents will be built on-site with 46 additional replacement units built off-site on other properties within the planning area. The Redevelopment Plan augments the housing mix with the addition of approximately 317 workforce/market-rate housing units.

HOUSING MIX

The redeveloped site's new housing units will include a variety of for-sale and rental options. Homeowners will be able to choose from a variety of unit types. Market rate apartments in the redeveloped community will vary based on the incomes of target market segments, ranging from \$1,060/month to \$1,700/month. Market rate for-sale condominiums range in price from \$260,000 to \$470,000 and duplex and duplex-flats range in price from \$375,000 to \$520,000 for market-rate buyers (in 2007 dollars). Homeownership opportunities for current income-qualified Park Morton residents range from \$79,000 for a 1-bedroom unit to \$113,000 for a 3-bedroom duplex.

The rental housing alternatives include mid-rise apartments (four to six stories) with family style duplexes offered for larger households.

The Redevelopment Plan envisions providing improved community facilities including a community center and a new 10,000 square foot park.

DEVELOPMENT AND FINANCE STRATEGY

| PARK MORTON RESIDENTIAL DEVELOPMENT SUMMARY | | | | | | |
|---|-----|------|-----------------------|------|--|-------------------------|
| FOR-SALE | % | | PARK MORTON RESIDENTS | % | | MARKET/WORK-FORCE UNITS |
| 2-Story Duplex | 21 | 10% | 2 | 90% | | 19 |
| Duplex-Flats | 41 | 0% | 0 | 100% | | 41 |
| Bldg C - 4 story | 29 | 18% | 5 | 82% | | 24 |
| Subtotals | 91 | | 7 | | | 84 |
| | | | | | | |
| On-Site Park Morton Homeownership Units | 7 | | 8% | | | |
| Market For Sale Units | 84 | | 92% | | | |
| | | | | | | |
| RENTAL | % | | REPLACEMENT UNITS | % | | MARKET/WORK-FORCE UNITS |
| 2-story duplex | 8 | 100% | 8 | 0% | | 0 |
| Duplex-flats | 17 | 100% | 17 | 0% | | 0 |
| Bldg C - 4 story | 11 | 100% | 11 | 0% | | 0 |
| Bldg B - 4 story | 40 | 33% | 13 | 67% | | 27 |
| Building A Park Rd | 168 | 33% | 56 | 67% | | 112 |
| Building D - U-shape | 142 | 33% | 47 | 67% | | 95 |
| Subtotals | 386 | | 153 | | | 233 |
| | | | | | | |
| On-site Rental Replacement Units | 153 | 40% | | | | |
| Market Rental Units | 233 | 60% | | | | |
| | | | | | | |
| PLAN TOTALS | | | | | | |
| On-Site Replacement Units | 153 | | | | | 31% |
| On-Site Homeownership for PM Families | 7 | | | | | 1% |
| Off-Site Replacement Units | 46 | | | | | 4% |
| Market/Workforce Units | 317 | | | | | 64% |
| TOTAL | 523 | | | | | 100% |

SITE CONTROL

The Park Morton redevelopment site currently owned by DCHA will accommodate approximately 477 units including 152 replacement rental units and 7 homeownership units. During the planning process, off-site locations identified within the planning area included privately held property and city-owned land. Efforts to negotiate with private developers of new projects within the community have proved fruitful. As a result, approximately 46 off-site replacement units will be provided in private developments within the planning area.

DEVELOPMENT PHASING & RELOCATION

The Park Morton Redevelopment Plan calls for the redevelopment of a public housing site into a mixed-income community with an improved quality of life for families. Through this Initiative, the District will replace each existing low-income unit with a new unit (one-for-one replacement) and add workforce/market-rate housing units, creating a mixed-income community. The overall goals of the program include improving educational opportunities, job training and human service programs sufficient to improve the economic conditions of the area's current residents.

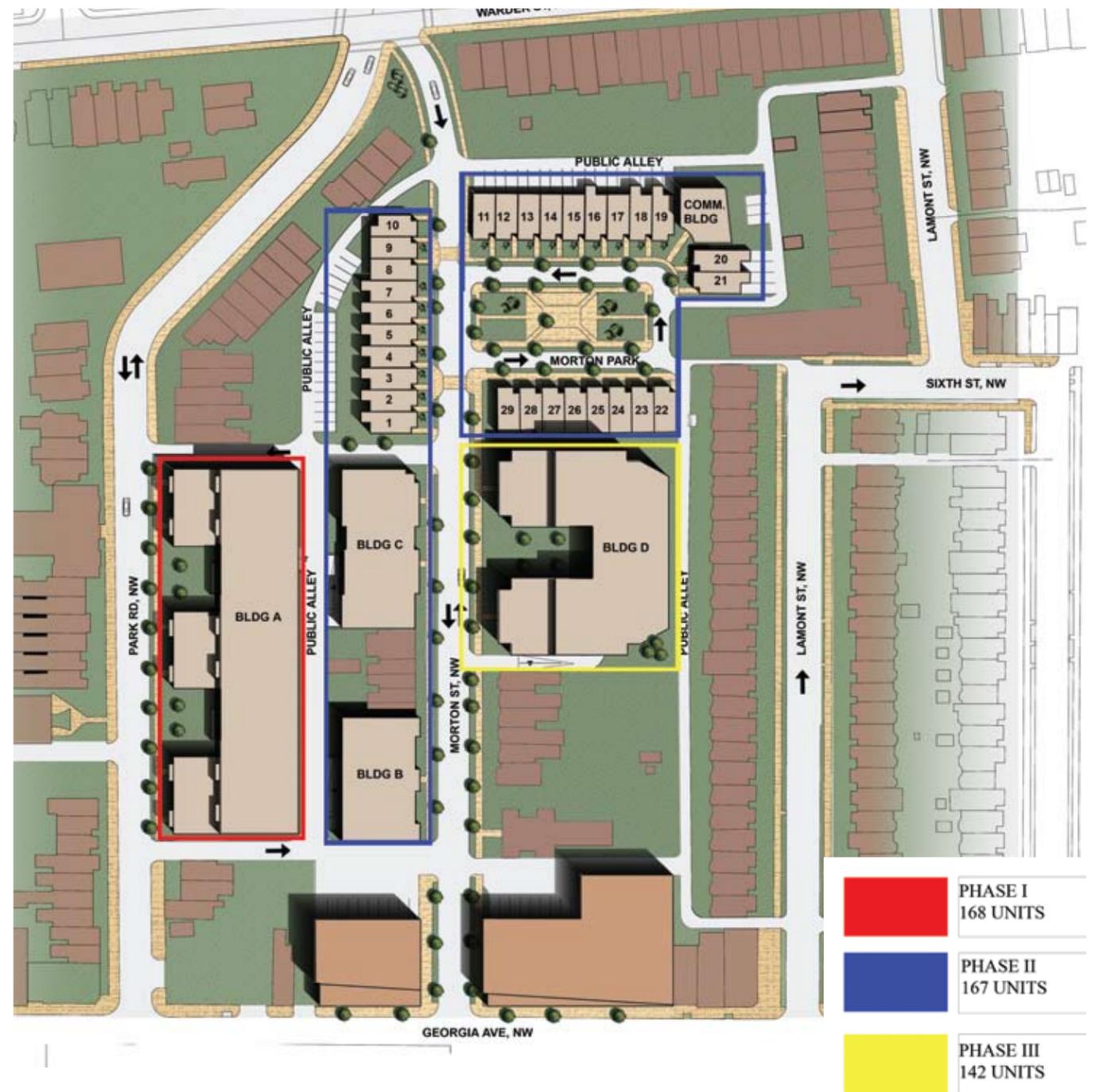
The Neighborhood redevelopment requires a phased approach. Through the Redevelopment Initiative, the District proposes to minimize the number of moves for existing residents, thus minimizing temporary relocation. Understanding the need to limit the number of times existing residents move greatly influenced the phasing decisions. In an effort to minimize the number of times individual households move, the initial phase of new development focuses on the development of buildings that will be able to house a large number of current residents, and takes advantage of the number of vacant units on-site. In addition, 46 off-site units will be delivered and those families who choose to relocate permanently off-site will be able to do so.

Phasing occurs over a 9-year period of time, beginning with planning and design of the off-site units and final negotiations with private developers that own the relocation properties. Subsequent phases require two to four years each to allow construction of new units on a staggered schedule to reduce temporary relocation.

PROPOSED SCHEDULE AND PHASING
EXISTING



PLANNED



DEVELOPMENT AND FINANCE STRATEGY

| DEVELOPMENT PHASING | | | | | | |
|--|------------|-----------|-----------------------------|---|---------------------|------------------|
| | RENTAL | FOR-SALE | REPLACEMENT/ PM FAMILIES | PARK MORTON OCCUPIED UNITS IMPACTED | % OF PM FAMILIES | TIMELINE |
| Phase I | | | | | | |
| Off-Site Replacement Units | 22 | 0 | 46 | | | |
| Building A Park Rd | 168 | 0 | 56 | | | |
| SUBTOTAL | 190 | 0 | 102 | 46 | 35% | 2008-2011 |
| Phase II | | | | | | |
| Bldg B - 4 story | 40 | 0 | 13 | | | |
| Duplex-flats | 17 | 41 | 17 | | | |
| 2-story duplex | 8 | 21 | 10 | | | |
| Bldg C - 4 story | 11 | 29 | 16 | | | |
| SUBTOTAL | 76 | 91 | 57 | 80 | 36% | 2011-2015 |
| Phase III | | | | | | |
| Building D - U-shape | 142 | | 47 | | | |
| SUBTOTAL | 142 | 0 | 47 | 33 | 30% | 2015-2017 |
| Total Replacement/ PM Families* | | | 206 | | | |
| Total Market Units | | | 317 | | | |
| TOTAL UNITS (including on and off-site units) | | | 523 | | | |

* includes homeownership opportunities for Park Morton families in addition to 174 replacement units

Phase I Note: an additional 24 units will be redeveloped to accommodate the 46 existing families in Phase I.

FUNDING STRATEGY

FINANCIAL ANALYSIS

The financial feasibility of the development program was reviewed using detailed pro forma analysis by product type. The financial analysis outlined the cost to develop, potential revenue inflows and necessary public and private sector investment, resulting in the estimated gap or project return. The total project value reflects the total sales proceeds and potential private investment in rental housing and commercial/retail space (based on the capitalized value of future income). It assumes that the replacement units will be financed and held for a 40-year period with ownership of improvements transferred to the District's housing authority at the end of the 15 year tax credit compliance period or the 30-year mortgage period. This strategy allows either the District or a private developer to finance (utilizing debt/tax exempt bonds) the replacement units (prohibited for units owned by the Housing Authority) reducing the overall upfront cash subsidy to the project, while maintaining affordability in perpetuity. The financial analysis assumes a substantial contribution of land value by the DC Housing Authority, as well as, the maximization of 4% Low Income Housing Tax Credits (LIHTC) to fund the project. Should either or both of these assumptions not be realized in the actual project financing the total project gap will substantially increase.

This financial analysis indicates a need for additional funding sources to be applied to the project to ensure viability. The unmet financial gap associated with the development program is estimated at \$54 million in 2007 dollars. The costs include subsidy for the capital costs of building new low-income replacement units on- and off-site, in addition to relocation assistance payments for 159 households, demolition costs and infrastructure costs.

FUNDING ALTERNATIVES

The Redevelopment Plan requires both public and private investment in each of the three phases of development. The development strategy recommends leveraging several public sector financing tools including, the contribution of public assets, Low-Income Housing Tax Credits (LIHTC), Community Development Block Grant (CDBG), Housing Production Trust Fund and the District's Low Rent Subsidy Program. Additionally, the cross-subsidy provided by the market-rate residential and commercial development located on-site is another funding source. The following discussion of public sources includes those most likely to be obtained.

DEVELOPMENT AND FINANCE STRATEGY

CONTRIBUTION OF PUBLIC LAND

The Housing Authority will apply the land value of the Park Morton site toward public housing replacement and to reduce the associated development costs.

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING

The U.S. Department of Housing and Urban Development (HUD) provides annual Community Development Block Grant (CDBG) funding to support housing and programs that benefit low- and moderate-income residents. Uncommitted CDBG funds may be used for the Park Morton redevelopment through direct funding or such programs as the Section 108 Loan Guarantee program. Section 108 is the loan guarantee provision that provides a source of financing for housing rehabilitation, public facilities and large-scale physical development projects. These funds may be used for the acquisition of real property; rehabilitation of publicly owned real property; housing rehabilitation eligible under CDBG; related relocation, clearance, and site improvements; payment of interest on the guaranteed loan issuance costs of public offerings and as debt service reserves. The maximum term of these loans is limited to 20 years. Assuming the CDBG funds have not already been committed to other projects, this type of commitment represents a reasonable source of additional public assistance to complete the Park Morton New Community.

Specifically, CDBG funds should be applied to tenant relocation expenses, infrastructure costs and the development of community facilities.

HOUSING PRODUCTION TRUST FUND

The Housing Act of 2002 enabled the Housing Production Trust Fund, created in 1988, to receive dedicated revenue. The District government sets aside 15 percent of the recordation and transfer taxes collected annually to produce and preserve affordable housing through a competitive application process. Housing Production Trust Fund monies may be used as grants or loans to fund pre-construction, demolition, construction and land acquisition costs associated with new affordable housing construction. Furthermore, in 2005 the District of Columbia government authorized the use of \$16 million of Housing Production Trust Fund to support bond financing issued by the District in support of the New Communities Initiative. It is anticipated that securitizing \$16M of the HPTF funds for the next 30 years will yield a net present value of \$200 to aid in supporting the New Communities Initiative.

Specifically, HPTF should be applied to residential development cost gaps, the acquisition of off-site replacement units and private property acquisitions related to the execution of the redevelopment plan.

LOW-INCOME HOUSING TAX CREDITS

The Low-Income Housing Tax Credits (LIHTC) is based on section 42 of the Internal Revenue Code. The LIHTC provides a credit against tax liability or a dollar-for-dollar reduction in the amount of taxes paid by tax credit equity investors as an incentive for investment in the construction or rehabilitation of affordable housing. Projects financed with the issuance of tax-exempt bonds qualify for an automatic four-percent tax credit allocation.

All rental product recommended in this plan assume the utilization of LIHTC under the 50/20 funding guidelines. These guidelines restrict the overall rental building to no less than 20% of the units remaining affordable to households earning no more than 50% of the area median income (or \$47,250 for a family of four).

DEVELOPMENT AND FINANCE STRATEGY

DEVELOPMENT GAP ANALYSIS

| TOTAL DISTRICT PROJECT SUBSIDY \$(54,420,000) | | | |
|--|-----------------|-------------------|--------------|
| PHASE I | | | |
| EXPENSE | AMOUNT | REPLACEMENT UNITS | MARKET UNITS |
| Building A | \$ 9,501,000 | | |
| Temporary Relocation | \$ 672,000 | | |
| Temporary Rental Assistance | \$ 2,193,000 | | |
| Off-site Replacement Units (46) | \$ 12,592,380 | | |
| Infrastructure Costs | \$ 1,600,000 | | |
| Estimated District Subsidy Phase I | \$ (26,558,000) | 102 | 112 |
| PHASE II | | | |
| Building B | \$ 1,541,000 | | |
| Building C | \$ 1,000,000 | | |
| Temporary Relocation | \$ 1,169,000 | | |
| Temporary Rental Assistance | \$ 3,813,000 | | |
| Private Acquisitions | \$ 1,100,000 | | |
| Park Morton On-site Unit Purchase for PM Rental Pool | \$ 3,435,000 | | |
| Infrastructure Costs | \$ 5,599,000 | | |
| Estimated District Subsidy Phase II | \$ (17,657,000) | 57 | 110 |
| PHASE III | | | |
| Building D | \$ 7,350,000 | | |
| Temporary Relocation | \$ 482,000 | | |
| Temporary Rental Assistance | \$ 1,573,000 | | |
| Infrastructure Costs | \$ 800,000 | | |
| Estimated District Subsidy Phase III | \$ (10,205,000) | 47 | 95 |

assumes separate financing for market and replacement units within same building. Replacement funded with LIHTC
 assumes PM families pay \$255/mos on average (based upon Human Capital results for average income)
 actual annual subsidy increases will be tied to LIHTC rent limit increases to be determined by HUD
 assumes units sold to DC at prices affordable at 30% of AMI
 assumes no taxes due during project predevelopment and construction
 assumes all project financing through DCHFA; 4% 480 amort 1.2 DSC

SOURCES AND USES

| DEVELOPMENT SOURCES AND USES — TOTAL PROJECT | | | |
|--|-----------------------|--|------------------------|
| SOURCES | | USES | |
| Private Equity | \$ 21,664,000 | Acquisition Costs | \$ 10,885,000 |
| Tax Credits | \$ 11,387,000 | Infrastructure/Facilities Construction | \$ 5,401,000 |
| Tax-Exempt Bonds | \$ 57,568,000 | Infrastructure/Facilities Soft Costs | \$ 2,597,000 |
| Traditional Debt | \$ 25,888,000 | Multifamily Rental Hard Costs | \$ 67,310,000 |
| | | Multifamily Rental Soft Costs | \$ 26,219,000 |
| | | For-Sale Hard Costs | \$ 22,869,000 |
| | | For-Sale Soft Costs | \$ 8,623,000 |
| | | Off-Site Replacement & Private Acquisitions | \$ 13,692,000 |
| | | Park Morton On-Site Unit Purchase for PM Rentals | \$ 3,435,000 |
| | | Temporary Relocation Costs | \$ 2,323,000 |
| | | Temporary Rental Assistance | \$ 7,579,000 |
| Total Sources | \$ 116,510,000 | Total Uses | \$ 170,930,000 |
| Project Development Gap | | | \$ (54,420,000) |
| Subtotal Development Project Subsidy Required | | | \$ (54,420,000) |
| Subtotal Human Capital Funding Required | | | \$ (3,125,000) |
| Total Park Morton Public Funding Required | | | \$ (57,545,000) |

Potential Gap Sources

CDBG (relocation, infrastructure/community facilities)
 DC Low Rent Subsidy Program (ongoing rental subsidy)
 HPTF (construction development gap, off-site replacement units, private acquisitions)

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