



## 1330 ADDS A TOUCH OF AFFORDABILITY IN SHAW

by Mafara L. Spurlock  
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The District's Housing Production Trust Fund (HPTF) is one of the top publicly financed trust funds in the nation. To date, \$92 million has been authorized for the fund to preserve and produce affordable housing in the city. Under the Housing Act of 2002, the District is required to put 15 percent of its annual real estate and recordation taxes into the fund. Each year, hundreds of residents and activists advocate to ensure the Trust Fund, DC's most useful affordable housing tool, is fully funded.

Want to see the HPTF at work? Then take a drive down the 1300 block of 7th Street, NW. When you get to 1330 7th, take a look at the 136-unit apartment on the west side of the street. 1330, formerly the Immaculate Conception Apartments, has provided affordable housing to very low-, low- and moderate-income families for more than 30 years. Only steps away from the new DC Convention Center, the building's affordability was severely threatened three years ago, when development pressures put the property at risk for market-rate housing conversion. But, thanks to the 1330 residents and Community Preservation and Development Corporation (CPDC), a member of the Coalition for Nonprofit Housing & Economic Development, this property will now remain affordable for years to come.



CHILDREN OF THE NEWLY RENOVATED 1330 ENJOY SPENDING TIME WITH SANTA DURING THEIR HOLIDAY PARTY IN THE BUILDING'S NEW COMMUNITY ROOM.

"I saw it coming," confessed Arnetta Longus, president of the 1330 Tenant Association, Inc. "Seventeen months earlier, I'd spoken to the owner about the building's future, and he assured me that he wouldn't sell. For some reason, I just didn't believe him," she said with a slight chuckle.

When the tenants learned of the owner's intention to sell, they, led by Longus, quickly exercised their Right of First Refusal to purchase the property.

"It was something that had to be done," stated Longus. "I knocked on all 136 doors of this building and collected 86 signatures, more than 51 percent participation required to move forward with the purchasing of the property." And that's what got the ball rolling for the residents of 1330.

The tenant association chose CPDC as its development partner, and later assigned their right to the property to a new ownership entity in which the association and CPDC have ownership roles, with CPDC serving as the managing partner.

Working with the residents, CPDC assembled a finance package that achieved long-term affordability and funded the required substantial renovations. The financing structure includes \$13.2 million in tax-exempt bonds issued by the DC Housing Finance Agency (HFA), \$6 million in low-income housing tax credit equity, and \$2.1 million in HPTF money from the DC Department of Housing and Community Development (DHCD). As part of the acquisition and renovation, HUD approved continued federal subsidy under the Section 8 and Section 236 programs. The Section 8 program provides rental assistance payments to ensure tenants do not pay more than 30 percent of their income toward rent. The Section 236 program provides an interest subsidy to support the debt on the property.

The new partnership acquired the building in January of 2004. Renovations were substantially completed by the end of 2004. CPDC, in conjunction with the residents, will continue to manage the operations of the project. Under the ownership structure, the tenant association has the option to acquire full ownership of the building in 15 years. "The residents of 1330 were proactive in seeking the best solution to preserving this affordable housing community and CPDC was extremely pleased and honored to further fulfill its mission in accomplishing this goal," according to Katie Groen, CPDC project manager. "The financial, physical and human investment in this property will payoff for generations to come. This property is, and will continue to be, dynamic, healthy and critical affordable housing in this neighborhood."

The substantial renovation was completed with over 90 percent of the residents remaining in place. Major building systems such as the roof, HVAC, plumbing, elevators, fire alarm, telephone, cable access control and security systems were replaced or upgraded. Individual units received new appliances, bathrooms, flooring, carpeting, and individual HVAC units.

"While the renovation was certainly uncomfortable at times for the residents, the physical transformation is amazing," said Groen.

1330 also has substantial community space dedicated for the residents use. Partnering with them, CPDC staff will be providing on-site community development programs for youth geared toward building leadership, civic responsibility, life skills, and improving academic performance utilizing state-of-the-art technology and interactive projects.

"Affordability in Shaw is just about unheard of these days," explained Longus. "And we're proud to announce it will be affordable to all persons who need affordable housing."

CPDC's mission is to create and preserve financially sound, socially responsible affordable housing for low and moderate income individuals and families through acquisition, development and ownership; and further, to develop community service programs, with the participation of the residents, which strengthen their communities and increase opportunities for growth.

CPDC owns 23 properties totaling 3,465 units in the DC metro area, including the Edgewood Terrace complex in Ward 5 and Wardman Court Apartments (formerly known as Clifton Terrace) in Ward 1. The Coalition for Nonprofit Housing & Economic Development is dedicated to advocating for full funding of the Housing Production Trust Fund. The work on 1330 is one example of how CNHED nonprofits build strong neighborhoods together with the District of Columbia.

CNHED is located at 1432 U St., NW, 1 St Floor Annex, Washington, DC 20009. Visit [www.cnhed.org](http://www.cnhed.org).