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July 28, 2003

MEMORANDUM

To: D.C. Zoning Commission

From: Holland & Knight LLP WSG

Subject: Waiver of Hearing Fee for Zoning Commission Cases 03-12 and 03-13
Capper/Carrollsburg HOPE VI Redevelopment

The Zoning Commission requested further information in support of the applicant's request for a waiver of the hearing fee applicable to the above-referenced cases. The fee based on the schedule set forth in §3041 of 11 DCMR would be as follows:

PUD Fee	
Gross floor area for residential	2,074,081
Gross floor area for non-residential	771,000
Residential fee = $0.05/square foot	$103,704
Maximum residential fee	$50,000
Nonresidential fee = $0.10/square foot	
offices and retail	$75,300
community center	$1,800
Total	$77,100
Total fee	$127,100
Map Amendment Fee	
Land area to be rezoned from R-5-B to CR	285,947
Fee based on $2,000 for each 20,000 square feet of land	$28,595
Applicable fee	
Greater of fees computed separately, per Section 3041.5	$127,100

ZONING COMMISSION
District of Columbia
CASE NO.03-13
EXHIBIT NO.54A1

As set forth in the applicant's letter of May 27, 2003, and the letter, dated May 30, 2003, from the Director of the Department of Housing and Community Development, the subject project is a low and moderate income subsidized project, for which the Zoning Commission may waive the normal fees. The project will include the construction of 695 on-site public housing units and fifty units receiving Section 8 funding, spread throughout the project in the low, mid and high rise buildings, as well as in the two senior buildings. There will be no public housing precinct per se, and the goal of the design is to make the market and low and moderate income units appear as a single complex.

HOPE VI projects are designed to mix both market and below-market rate housing units, as well as other uses which create a positive environment replacing distressed public housing. See the Fact Sheet from the website of the U.S. Department of Housing and Urban Development, attached. The Capper/Carrollsburg project received a grant of c. $35 million from HUD for the overall project, including both physical and program expenditures. The Capper/Carrollsburg project includes an 18,000 square foot community center which will contain support programs aimed to assist the low and moderate income families resident in the project. The 51,000 square feet of retail uses are an important component of the mix, to provide services to all residents and occupants. The 702,000 square feet of office space is an important economic component of the mix.

The proceeds from the sale of the land are needed to pay for the costs of the public housing. The D.C. Housing Authority needs to realize approximately $33 million from that sale, which can only be accomplished based on approval of the rezoning and the PUD. The project before the Commission thus forms an interrelated whole, for which a fee waiver in full is appropriate.

If the Commission were to determine that the applicants should bear the costs associated with processing the applications, the applicants are prepared to reimburse the District for the actual costs incurred associated with the zoning process (e.g., advertising of the notice of hearing, court reporters' fees for the transcripts of the hearing, the stipends for Commission members, any overtime costs for staff, etc.). The District will then not have borne any extra costs and the applicants will have paid a reasonable fee for the process.

Attachment

This page is located on the U.S. Department of Housing and Urban Development's Homes and Communities Web site at http://www.hud.gov:80/offices/pih/programs/ph/hope6/about/.

Homes & Communities
U.S. Department of Housing and Urban Development

About HOPE VI

Overview

The HOPE VI program serves a vital role in the Department of Housing and Urban Development's efforts to transform Public Housing.

The specific elements of public housing transformation that have proven key to HOPE VI include:

- Changing the physical shape of public housing
- Establishing positive incentives for resident self-sufficiency and comprehensive services that empower residents
- Lessening concentrations of poverty by placing public housing in nonpoverty neighborhoods and promoting mixed-income communities
- Forging partnerships with other agencies, local governments, nonprofit organizations, and private businesses to leverage support and resources

Eligible Applicants

Any Public Housing Authority that has severely distressed public housing units in its inventory is eligible to apply. Indian Housing Authorities and Public Housing Authorities that only administer the Housing Choice Vouchers (Section 8) Program are NOT eligible to apply. Individuals are also NOT eligible to apply.

Funding Opportunities

HOPE VI Revitalization grants fund:

- Capital costs of major rehabilitation, new construction and other physical improvements
- Demolition of severely distressed public housing
- Acquisition of sites for off-site construction
- Community and supportive service programs for residents, including those relocated as a result of revitalization efforts

HOPE VI Demolition grants fund the demolition of severely distressed public housing, relocation, and supportive services for relocated residents.

History and Background

National Commission on Severely Distressed Public Housing
The HOPE VI Program, originally known as the Urban Revitalization Demonstration (URD), was developed as a result of recommendations by the National Commission on Severely Distressed Public Housing, which was charged with proposing a National Action Plan to eradicate severely distressed public housing. The Commission recommended revitalization in three general areas:

- physical improvements,

- management improvements, and
- social and community services to address resident needs.

As a result, HOPE VI was created by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993 (Pub.L. 102-389), approved on October 6, 1992.

HOPE VI Appropriations and Funding History

- HOPE VI Appropriations (Adobe PDF, 13 pages) UPDATED
- Program Authority and Funding History

Innovations in Government Award



In October of 2000, HOPE VI was honored with national recognition as a recipient of an Innovations in American Government Award. HOPE VI was among ten winners chosen by the Innovations in American Government Program, one of the nation's most prestigious public service awards programs. HOPE VI was recognized for its Mixed-Finance Public Housing program, "an innovative approach that is transforming some of the nation's most severely distressed public housing from sources of urban blight to engines of neighborhood renewal."

Program Authority

HOPE VI has operated solely by congressional appropriation from FY 1993 - 1999. For the first time, the FY 1999 appropriation included the congressional authorization of HOPE VI as Section 24 of the U.S. Housing Act of 1937. Section 24 was implemented in the FY 2000 NOFA, and sunsets after FY 2002. Grants are governed by each Fiscal Year's Notice of Funding Availability (NOFA), as published in the Federal Register, and the Grant Agreement executed between each recipient and HUD.

- Section 24 of the U.S. Housing Act of 1937 (Adobe PDF, 7 pages)

Grants Awarded

Since the inception of the program, funds have been awarded to a total of 146 Housing Authorities in 37 states, the District of Columbia, Puerto Rico, and the Virgin Islands.

Grants Awarded

Awards	Grant FY Totals	Funding
35	Planning Grants 1993-1995 (Adobe PDF, 6 pages)	$ 14,752,081
165	Revitalization Grants 1993-2001 (Adobe PDF, 18 pages)	$ 4,546,775,473
177	Demolition Grants 1996-2001 (Adobe PDF, 15 pages)	$ 293,309,086
377	**Total**	**$**

4,854,836,640

The awards for FYs 1993-2001 will fund demolition of over 115,000 severely distressed public housing units, and will produce almost 66,000 revitalized dwellings.

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