

### GOVERNMENT OF THE DISTRICT OF COLUMBIA

## Executive Office of the Mayor





December 4, 2017

ATTN: Sharon Schellin Zoning Commission for the District of Columbia c/o District of Columbia Office of Zoning 441 4<sup>th</sup> Street NW, Suite 200-S Washington, DC 20001

Re: Supporting Information for the Strand Theatre Planned Unit Development Application and Zoning Map Amendment

Dear Members of the Zoning Commission:

This letter responds to questions posed during the hearing on Case No. 17-10 Consolidated PUD & Related Map Amendment for Strand Theatre (Square 5196, Lots 19, 37, 805 and 814), and provides additional information regarding public housing replacement units. Further, this letter provides explanation on how the Strand Theatre will help to meet the core principles of the District's New Communities Initiative (NCI) in the redevelopment of the Lincoln Heights and Richardson Dwellings (LH/RD) public housing properties. The proposed development of the Strand Theatre is an important part of plans for the redevelopment of Lincoln Heights and Richardson Dwellings. The Strand Theatre, along with other offsite developments, will enable DMPED to fulfill all four NCI "Guiding Principles," which include:

- One-for-One Replacement ensures there is no net loss of affordable housing units. NCI will rebuild a replacement unit for every one of the 630 LH/RD public housing units that get demolished. Those replacement units will be rebuilt across the entire redevelopment plan area, which includes the onsite LH/RD parcels, as well as offsite "build first" parcels such as the Strand Theatre. Newly built replacement units, whether in onsite or offsite "build first" developments, are meant to be permanent homes for the people who move into them.
- Right to Return/Stay ensures that residents of the existing public housing property under redevelopment have priority for moving into new replacement units. In 2016 the DC Housing Authority Board of Commissioners passed Resolution 16-06 to support this principle and to set some clarifying policy for how it should be implemented. Resolution 16-06 set the right to return for all residents living at the NCI properties (which include LH/RD) on or after the date of selection of the master developer(s) or demolition of any portion of the onsite. The right to return lasts until you move into a new NCI unit, or all phases are built/filled, whichever comes first. The criteria to return to a new unit have to be the same or less than DCHA's current rules, so: no work requirements; 8 hrs/mo service unless exempt; no felonies in the last 5 years, meth conviction or sex offender

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registry; no minimum credit score; and no drug screenings. Once a household moves into a new replacement unit, NCI considers their right to return to be satisfied. This does not mean that residents cannot move again (or even into another new unit), but they cannot have priority for those new units over other residents who have a right to return and may not have gotten to move into a new unit yet. For example, if a household moved from LH/RD to a replacement unit at Strand Theatre, NCI considers this to be their permanent home and their right to return to be satisfied. If another new replacement unit became available in another development (Deanwood Hills, Strand, etc.) NCI would give another LH/RD resident who is still living in an old LH/RD unit that next chance to move, thereby giving everyone the opportunity to move to a new unit. From a policy perspective, NCI is committed to providing amenity-rich, high quality replacement housing to all affected families. Multiple moves for families could unreasonably delay and complicate matters for families awaiting their first relocation opportunity.

- Mixed-Income Housing aims to end the concentration of low-income housing and poverty. This means that all new developments (both onsite and offsite "build first" developments) will have a mix of replacement public housing and other housing (affordable and/or market rate). In order to replace one-for-one public housing and also mix in housing at other income/price points, NCI often seeks to increase the number of units in the total redevelopment plan by 2 3 times the number of original replacement units. To increase the number of units by this much, NCI often seeks to do 2 things 1) broaden the footprint of the total redevelopment plan by adding nearby offsite parcels (like Strand Theatre); and/or 2) increase the density of units on parcels in the plan often moving from strictly town-house style structures to a mix of multi-family and townhouses.
- Build First calls for the development of new housing to begin prior to the demolition of existing housing in order to minimize displacement from the neighborhood and disruption of existing residents. The Strand Theatre is part of NCI's plan (along with several other developments) to fulfill the "Build-First," principle.

To meet all of these four principles in one redevelopment plan, NCI needs to add parcels, broadening the redevelopment plan area, and often add density. This is where the Strand Theatre and other offsite developments become important. The onsite public housing parcel plus the offsite "build first" parcels make up our entire redevelopment plan area.

Not only is the Strand Theatre essential to NCI fulfilling the Guiding Principle of "Build First." it is also essential to the principle of "Mixed Income" development, which seeks to deconcentrate poverty and alleviate the concentration of low-income housing. To achieve sustainable new mixed-income developments on the LH/RD sites, NCI is promoting increased density of housing units onsite and offsite. This "Mixed Income" approach enables DMPED to integrate various housing types and price points so that relocated families are provided a variety of choices for replacement housing. Furthermore, the newly developed community area will integrate public housing, other affordable and market rate residents. In this way, NCI leverages considerable industry data and learnings to create a program that will sustainably provide ladders of opportunity for former residents of public housing, deconcentrate poverty, and preserve affordable housing opportunities in a rapidly changing neighborhood. These redevelopment

efforts will also simultaneously bolster economic opportunities and community wealth building throughout the Deanwood Hills community.

## **Build First & Phasing Explained**

"Build First" and phasing work together to help NCI accomplish its goal of redeveloping LH/RD without any involuntary displacement of existing public housing residents from the neighborhood. Beginning in spring 2018 and continuing through 2021, DMPED expects to deliver 4 "Build First" projects in the LH/RD community area. As Attachment A - "NCI Progress to Date," illustrates, roughly 624 units of "Build First" housing (including 215 replacement units) are expected to be completed by the end of 2021. To date, 41 replacement housing units have been completed, 50 are under construction and 124 are included in the applications currently before the Zoning Commission. Once the 215 offsite units are completed, we anticipate that the remaining 415 will be completed on site.

The delivery of these housing units is essential to our efforts to undertake phased redevelopment of LH/RD while advancing the NCI Guiding Principles. Attachment B – "Proposed Phasing of LH/RD Redevelopment reflects the proposed five (5) phases on onsite redevelopment of LH/RD. Here's how it is anticipated to work:

- Phase 1 would occur along 51<sup>st</sup> Street NE, The footprint has an existing 54 units.
- 54 units must be vacated in Phase 1 to allow development to start onsite.
- Typical options for those 54 HH will include:
  - Move to a unit at a Build First site in the neighborhood 5201 Hayes, Strand, Providence Place, etc. (Right to return satisfied).
  - o Move to vacant LH unit in another phase, pending availability (Right to return <u>not</u> satisfied).
  - o Move to another DCHA property, pending availability (Right to return <u>not</u> satisfied).
  - O Voucher (if eligible) (Household still has a right to return to a replacement unit, unless they choose to give it up).
- Once those 54 units in Phase 1 are vacated, development can begin onsite in that phase.
- When Phase 1 is rebuilt, it will contain a mix of replacement units and other units.
- At this point, HH in Phase 2 would get priority to move into the new, redeveloped Phase 1 (and any other build first units that might be delivering), in order to fully vacate Phase 2 and make way for redevelopment there.
- Attachment B reflects Richardson Dwellings as Phase 5, but note that DMPED and DCHA are currently exploring options to begin development at Richardson Dwellings on a timeline similar to the start of development at Lincoln Heights. The proposed Deanwood Town Center Development (currently the subject of another application before the Commission) could potentially give first priority replacement opportunities to Richardson Dwellings residents, which would allow development to begin sooner on that site.

We do build first sites to avoid temporary displacement of residents out of the neighborhood in order to begin developing onsite. Without build first, residents would need to move out of the neighborhood temporarily in order to begin developing on the existing property, which is

typically what happens in public housing redevelopments. Build First sites are very important, and are part of the overall development plan; these are permanent replacements for the public housing units. Moving to a new, build first unit is a permanent move, and a resident's right to return is satisfied with a move to these new NCI units in the neighborhood. Residents set priority for who gets first choice for both onsite and build first developments, with some guidance from DCHA and NCI.

## Right to Return

In addition to the four "Guiding Principles," DCHA and NCI will ensure adherence to DCHA Resolution 16-06 throughout the NCI development process. Passed in March 2016, DCHA Resolution 16-06 provides a bundle of rights to residents that are intended to minimize displacement and maximize the return and retention of public housing residents in their neighborhood.

The policy sought to clarify questions about who has a right to return, and establish guidance ensuring that residents who are eligible to live in public housing will also be eligible for units in the new developments without additional barriers to entry. The following explains 16-06, and the actual language can be found <u>here</u>.

## WHO HAS A RIGHT TO RETURN?

- Residents have a right to return to a new NCI unit:
  - o At Barry Farm if they lived there at any time on or after October 12, 2012.
  - o At Park Morton if they lived there at any time on or after November 1, 2014.
  - o At Northwest One if they lived at Temple Courts or Golden Rule when they were demolished.
  - (The right to return date has yet to be determined for Lincoln Heights/Richardson Dwellings since the master developer has not been selected and no portion of the onsite has been demolished.)
- Residents have a right to return to a unit that fits their family size, which will be determined by who is on your lease at the time of return.
- Residents and other community stakeholders decide through community processes in each neighborhood which households will be offered units first, second, and so on in the new developments.

#### HOW LONG DOES THE RIGHT TO RETURN LAST?

- Resident's right to return lasts until they move into a new NCI unit. After that, any moves would be treated like any other transfer within public housing and subject to availability.
- All projects will be redeveloped in phases, and residents do not lose their right to return if they are offered a unit in an early phase and they do not take it.
- Residents keep their right to return until all units in all phases are built.

#### WHAT IS THE CRITERIA FOR RETURNING?

Criteria to return to a new unit has to be the same or less than DCHA's current rules for the following:

- Work Requirements DCHA has no work requirements.
- Service Requirements DCHA requires 8 hours per month of community service or 8 hours participation in an economic self-sufficiency program. Residents who are elderly, disabled, caretaker of an elderly/disabled resident, or working are exempt.
- Criminal Background DCHA does not accept applicants with 1) a felony conviction within the last 5 years; 2) a conviction for manufacturing methamphetamines; and/or 3) current requirement to register on the National Sex Offender Registry. DCHA may make exceptions for felony convictions on a case by case basis.
- Credit Screening DCHA has no minimum credit score to meet, but does review applicants' past rental history.
- Drug Screening DCHA has no drug screening requirements.

The new property manager of the redeveloped units must also follow these guidelines.

### WHEN WILL DCHA NOTIFY RESIDENTS ABOUT MOVING?

DCHA will provide proper notices for any temporary and permanent moves, including but not limited to:

- 1) A General Information Notice (GIN) to inform you when the redevelopment will require you to move from your unit.
- 2) A **Notice of Relocation Eligibility**, which will inform you what relocation assistance you will receive; and
- 3) A **90-Day Notice to Move**, which will tell you the earliest date you have to move from your current unit.

Although households may be offered the opportunity to move to "Build First" units coming online in their neighborhood, no one will be required to move (as a result of a redevelopment effort) until their property receives official HUD approvals for redevelopment of the onsite parcel. The HUD application process requires resident notice and involvement, and happens in conjunction with the property's resident council.

## **COMMUNITY ENGAGEMENT**

The NCI and DCHA teams have engaged in extensive community efforts to inform community members of plans for redevelopment and to solicit input on what community members desire in their new community. Community engagement efforts include monthly participation in meetings held by ANC 7C, Deanwood Civic Association, and more recently the Capitol View Civic Association. Additionally, DMPED provides support for the monthly NCI Advisory Committee meeting chaired by Ms. Patricia Malloy (who also serves as an ANC 7C commissioner and was recently elected as resident council president at Lincoln Heights.) That support includes meeting promotion by the DMPED-funded service provider, attendance and updates by NCI staff, coordination as needed for attendance by various DC government agencies and officials, and meeting minutes prepared and disseminated. Finally, DMPED and DCHA have also convened

several meetings exclusively for LH/RD residents about both offsite developments in the pipeline and the proposed redevelopment of the onsite.

NCI also set a goal in 2017 to increase engagement, and as a result we have hosted a number of "pop-up" events to foster on-going communication. A table listing some of the most recent community engagement efforts is attached for your reference (Attachment C).

Thank you for this opportunity to provide this supplemental information regarding the Strand Theatre. As discussed above, this project is an essential component of the overall NCI plan for the redevelopment of the LH/RD community area. The Strand Theatre not only supports the "Build First" NCI Guiding principle, it also bolsters our ability to achieve One-for-One Replacement, Mixed-Income Housing, and the Right to Return/Stay. Moreover, advancement of the Strand Theatre will allow completion of the LH/RD onsite redevelopment without involuntarily displacing residents from their neighborhood.

Sincerely,

Angie Rodgers

Director, New Communities Initiative

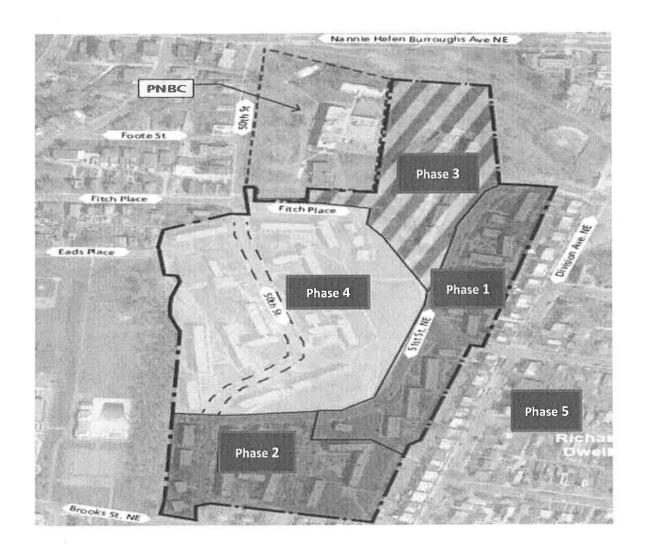
CC: Brian T. Kenner

Sarosh Olpadwala

# Attachment A – Ward 7 NCI Progress to Date

Build First Housing			
	Total Units	Replacement Units	Anticipated Lease Up
4800 NHB	77	23	Completed
4427 Hayes	26	9	Completed
C Street	9	9	Completed
5201 Hayes	150	50	2018
Strand Theatre	86	28	2019
PNBC	93	35	2020
Deanwood Town Center	183	61	2021
TOTAL	624	215	

# Attachment B – Proposed Phasing of LH/RD Onsite Redevelopment



## Attachment C – Key Community Engagement

DATE	COMMUNITY ENGAGEMENT MEETING	
January 2, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy	
January 12, 2017	ANC 7C	
February 6, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy	
February 22, 2017	Joint meeting with DCHA to engage Lincoln Heights Residents mon the status of development activiti4es.	
March 6, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy	
March 9, 2017	ANC 7C	
March 27, 2017	Deanwood Civic Association	
March 30, 2017	Meeting with ANC 7C Executive Board to provide a detailed discussion of NCI Guiding Principles and how DMPED can better support the ANC	
April 3, 2017	Meeting with various community service providers to discuss NCI Guiding Principles and development status	
April 10, 2017	Deanwood Civic Association	
May 1, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy	
July 6, 13, 20, and 27 <sup>th</sup>	Juice Bar Thursdays at the Riverside Center to engage community members of plans for redevelopment	
August, 2017	Lincoln Heights & Richardson Dwellings Pop Up Meetings to further engage community members	

September 11, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy
September 12, 2017	Community Meeting with Faith Based Leaders to discuss NCI development progress and Guiding Principles
September 14, 2017`	ANC 7C
September 25, 2017	Capital View Civic Association
October 2, 2017	NCI Steering Committee Meeting – Chaired by Commissioner Malloy
October 12, 2017	ANC 7C Meeting
October 15, 2017	Coffee & Conversation at the Riverside Center to solicit feedback on community members' desires for the redeveloped neighborhood
November 6, 2017	NCI Steering Committee Meeting with specific focus on relocation of residents to 5201 Hayes.