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HOUSING PRESERVATION AND REHABILITATION
IN OLD ANACOSTIA

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CHAPTER I. INTRODUCTION

Old Anacostia is a section of Washington, D.C. which lies across the Anacostia River in the Far Southeast. Partly because of this physical barrier its development has differed from other sections of the city. The community was originally developed in the 1850's to provide housing for employees of the Navy Yard. As such, it has been called one of the City's first suburbs and to the current day it has retained this small town character of an earlier age. It was here in this lovely area, with its greenery, rolling terrain, and spectacular view of the City that Frederick Douglass chose to live in his later years.

One of the most distinctive characteristics of Old Anacostia is its housing stock. In keeping with its suburban character, the typical unit is a single family home which is either detached, semi-detached or part of a row of homes; none are more than two stories in height. Both the type and size of these units creates a desirable, low density housing environment in the community.

More importantly, however, many of the units are typical of the architectural styles which have developed since the mid-19th century. Within the neighborhood, examples of the Cottage, Italianate, Washington Row and Queen Anne styles abound. In addition, certain architectural details such as the front porches, Eastlake woodwork, and elaborate cornice lines contribute to the uniqueness of the housing stock. The overall effect of the housing type and style is to create a physical environment or human scale which has variety yet rhythm and continuity.

Despite this important asset, the area is experiencing problems common to older urban neighborhoods. The house stock is deteriorating and the

overall upkeep of the area is in decline. There is a high proportion of low income families and a high level of absenteeism among property owners.

Increasing crime rates, trash collection problems, and inadequate municipal services also plague the community.

Because of the unique assets of Old Anacostia, considerable interest in the community's future has been generated. The Joint Landmarks Committee of the National Capital Planning Commission has been interested in the historic district potential of the neighborhood because of the character of the housing and the example it presents of a working class community in the late 1800's. The committee has recommended that the area be nominated to the National Register of Historic Places and has designated it a Category III historic district in Washington, D.C. Recently, a study was completed by the University of Maryland in which the architectural resources of the area were documented and recommendations were made for housing preservation. This documentation will be helpful in providing justification for the National Register nomination.

The National Parks Service has also expressed interest in the community and has restored the Frederick Douglass home, opening it to the public in 1972. Along with local economic development organizations, consideration has been given to expanding the Douglass site to include a tourist center for Black history and arts. In this regard, a study was conducted by the students of the Department of Urban and Regional Planning at The George Washington University in which the impact of certain design alternatives on both residents and tourists in the area were assessed.

Another agency in the Federal government, the Federal Home Loan Bank Board has also become involved in the community by recommending, through its Urban Reinvestment Task Force, that Old Anacostia be the target of a

Neighborhood Housing Services program in which financing and technical assistance would be made available to improve the housing stock in the area.

Lastly, it should be noted that much of the attention to the area has been generated by the Anacostia Neighborhood Museum. The purpose of this organization has been to recreate a community identity through oral history projects, exhibits depicting the community's past and other neighborhood improvement projects. By widespread participation in community activities, museum staff have drawn attention to the community and mobilized interest and resources that might not have coalesced otherwise.

In spite of all this attention, Old Anacostia, with the exception of the restored Frederick Douglass home, some private rehabilitation, and the demolition of a few abandoned houses, looks much the way it did before it became the focus of this attention. One reason for this lack of visible progress is that many studies and plans have focused on a descriptive or long range plan rather than a more operational approach which could be implemented, given an assessment of the resources and problems of the community. Another is that researchers and planners have had different clients and goals in mind, not all of which have been easily compatible. Historic preservation, in spite of its importance to our national heritage, has not developed a broad constituency and too often has resulted in the disruption of a working class residential neighborhood.

The GW '76 study, Housing Preservation and Rehabilitation in Old Anacostia, was conceived and designed to fill in some of the gaps left by previous work. The purpose was to develop a realistic strategy for revitalizing the housing stock, based on the nature and condition of the housing, the costs of repair, and the individual and collective resources which presently exist within Old Anacostia. Project research was to result in a

"nuts and bolts" plan for addressing the housing problem in the community.

Based on these criteria, the thrust of the project was to determine the economic feasibility of preserving and rehabilitating houses in the Old Anacostia area.

Essential to this thrust was the question of whether or not the preservation resources of a low income neighborhood could be effectively harnessed to the task of improving the quality of life for its residents. Or, in other words, could the reinvestment catalyst of historic preservation be controlled so that its benefits can be shared by both new residents and old? These questions were translated into the following project goal:

To utilize Old Anacostia's preservation resources to reverse the community's cycle of economic decline with a minimal displacement of low income people.

The project objectives are included below:

1. Develop appropriate zoning, development, and design criteria to protect the architectural and historic character of Old Anacostia;
2. Promote property ownership by community residents through the sale of absentee residential and commercial properties;
3. Bring all housing units up to at least housing code standards without altering their architectural character;
4. Promote financial sector reinvestment in Old Anacostia real estate;
5. Provide mortgage and rehabilitation financing for low and moderate income families in Old Anacostia;
6. Involve community residents in the planning and implementation process;
7. Attract moderate to middle income families to Old Anacostia through the development of new housing and the rehabilitation of older units.

In designing the project, it became clear that the major challenge was to create a balance between the need to revitalize the neighborhood

through rehabilitation and attraction of higher income people and the goal of minimizing displacement of existing community residents. In trying to establish this balance, the following assumptions served as a guide:

1. That the cycle of neighborhood recovery is triggered by the creation of new housing opportunities which are attractive to people of several incomes;
2. That displacement should and can be minimized in this process by community control over its own housing market.

It is clear that sound housing is only one of the many elements needed to reverse the economic decline of a neighborhood. In the first stage of the project design, considerable discussion ensued over the need for control and rerouting of traffic, street improvements, open space, a viable commercial sector, improved municipal services and other elements found in healthy communities. However, in the interests of time it was decided to forego a comprehensive assessment of the community's problems in favor of a more detailed, short range functional housing plan. It is suggested that future efforts address the issues to which less priority was assigned. The decision to develop a functional plan was based on three factors. The first two are easily explained on the basis of the time available to study the area and the individual interests of the students. However, the third reason was far more important. Old Anacostia is in a vulnerable position with regard to its housing stock. Throughout the city of Washington, Georgetown, Capital Hill and more recently in Adams-Morgan and the Logan and Thomas Circle areas, private rehabilitation activities have changed the character of the neighborhoods from lower to middle and upper income areas in a matter of years. While Old Anacostia is not in immediate threat because of its limited physical accessibility, this characteristic will change dramatically with the coming of METRO. It was

felt that this potential threat called for the development of a housing preservation and rehabilitation plan, one which could be used by the community to better control the future of Old Anacostia.

To accomplish the goals of the project, a three phase methodology was developed - information gathering, rehabilitation analysis, and strategy development. The work took place over a four month period and was conducted by four students and a fifth who joined the project during the last two months. During the first phase, information gathering, research was planned for community characteristics such as property ownership, demographics, community organizations and community attitudes. All these factors except for the latter, were researched and the information provided necessary background for later decisions. It is recommended that attitudinal research be conducted as a follow-up study.

The economic characteristics of Old Anacostia was a second element of the information gathering phase and included research on redlining, mortgage financing, and tax policies effecting rehabilitation. Inquiries were made of public agencies such as the IRS, the D.C. tax assessor and the National Trust for Historic Preservation as well as private institutions such as commercial banks and savings and loan companies. The purpose of the research was to determine the extent to which rehabilitation financing was available to residents of Old Anacostia and the financial benefits and burdens to landlords, speculators and individuals who rehabilitated their properties.

Another component of the information gathering dealt with the physical condition of buildings in Old Anacostia. A survey of both exterior and interior conditions of the buildings in the area was conducted. From these two surveys the physical condition of the entire neighborhood was

analyzed and estimates were developed on the costs of improving the housing.

The last component of the information gathering process was to conduct a review of the literature pertinent to the project. Literature which either explained the experiences of other cities or provided the Federal perspective on rehabilitation and neighborhood conservation was identified and analyzed. The purpose of the research was to identify ways in which other communities had dealt with problems similar to the ones in Old Anacostia and from this, to select approaches which might be replicable in Washington, D.C.

After completing the information gathering, the next phase, Rehabilitation Analysis was started. The study area was analyzed on a block by block basis for ownership patterns which included tenure, parcelization and patterns of building conditions. As a follow-up to the building condition survey work in phase 1, cost estimates were determined for three different levels of housing improvement: code standard, rehabilitation and historic preservation. The process moved the project one step further toward determining the financial feasibility of housing preservation and rehabilitation in the neighborhood. In the final aspect of the rehabilitation analysis, financing techniques were analyzed to determine which ones had the most potential for providing funds for housing improvement.

As originally designed, the project included a three part historic preservation component; the development of a physical design concept for the area, design of new construction compatible with existing housing, and the determination of costs necessary to restore a house to its original condition. As the project progressed, it became increasingly evident that more resources had to be assigned to the tasks of determining the

nature of the housing stock and developing programs to provide decent housing for residents. Therefore, emphasis on the historic preservation tasks shifted away from the physical design issues. However, it is felt strongly, that these two elements should be covered in subsequent research efforts.

The project culminated in a final phase wherein all information and analysis conducted in earlier phases was brought to bear on the development of a package of housing strategies and programs. The result of this phase appears in the project summary and in more depth in the last section of this report.

CHAPTER II. COMMUNITY SETTING

Through information gathered in the first phase of the project, a clear picture emerged of the problems and opportunities present in Old Anacostia. Discussion of these factors appears below.

A. Problems

Absentee Owners: Over two thirds (68%) of the residential dwelling units in Anacostia is owned by absentee landlords; 32% of the units are owner-occupied. Of the single family housing stock, 50% is owned by absentee landlords and 50% is owner occupied.

Map 1/Slide 34 indicates the ownership patterns and incidence of absenteeism. As will be noted, absenteeism is concentrated on the periphery of the study area, along Martin Luther King Avenue and Good Hope Road. This area is coincidentally zoned C-3A and it appears that land is being assembled in this area for purposes of business speculation. The area with the largest concentration of owner-occupants is the Griswold subdivision located south of Pleasant Street.

Because of the high rate of absenteeism, it was clear to the project members that no housing strategy could be implemented for the area unless more control could be exerted over the absentee landlords or, at least, that more could be known about these individuals. As a result, further research was conducted by surveying the membership records of the Anacostia Methodist Church and by interviewing a long-time community resident, Mrs. Virginia Hool, and Father Carl Dianda of St. Theresa's Roman Catholic Church. This research, along with a previous analysis of the D.C. tax rolls, produced a profile of the absentee owner as a small time investor with one or two lots in the community. In addition, it

appears that most investors have no ties to the community. There it is doubtful that these individuals will be responsive to pressure exerted in the name of community pride, nostalgia or betterment. Further, these people are not looking forward to moving back into the area at some future date. It seems clear, then, that these absentee owners do not represent any resource the community could draw on to implement a housing improvement strategy.

Although much smaller in number, another class of absentee owner is the major investor, most of whom are assembling land in the C-3A zone. This pattern is illustrated on Map 2/Slide 36. Unlike the small investors, most of these individuals have previous ties to the community, either as a former resident or businessman. As such they may be more interested in participating in plans and programs to improve the community.

Inadequate Family Income: The boundaries of the Old Anacostia study area are coterminous with Census Tract 75.01. Analysis of census data indicates that median family income in the area is \$8,755 which is approximately \$3,500 less than the city-wide median. However, there are indications that area incomes are increasing at the same pace as the city-wide rate of growth and that the income growth rate in Old Anacostia far exceeds the growth of incomes in the Far Southeast as a whole.

This growth conceals the fact that many poor people reside in Old Anacostia. In a 1972 study conducted by the now-defunct D.C. Office of Housing Programs entitled Revitalization of Old Anacostia, A Neighborhood Analysis, it is indicated that over 20% of the population was receiving some form of public assistance and that most of these were AFDC cases. It is important to note that this concentration is somewhat overstated for the purposes of this report since the D.C. study included

Barry Farms and the Sheridan Terrace public housing projects which fall outside the study area boundaries of this project.

Inappropriate zoning: The zoning in the Old Anacostia neighborhood has the potential to destroy what remains of a pleasing physical environment. As the zoning Map 3 /Slide 35 indicates, zoning is split between R-5A and commercial uses. The R-5A classification permits the development of garden apartments which are out of character with existing single family development. Furthermore, in some cases, apartments built under this ordinance have been squeezed onto small parcels which do not permit a pleasing green space around the building. Currently, a moratorium exists on development under the R-5A ordinance which is operating to preserve the character of the neighborhood. A more permanent solution will be needed to maintain the architectural integrity of the community.

Commercial zoning lines the major arteries in the community, Martin Luther King Jr. Avenue and Good Hope Road, and has permitted the conventional strip commercial development. However, the commercial zoning also intrudes into the residential area almost to 13th Street. Commercial development in this residential area could create further decay and destroy the character of the community.

Lack of Home Financing: Research conducted on the mortgage and home improvement financing of D.C. commercial banks and savings and loan associations revealed the following about the availability of mortgage capital in Old Anacostia:

- That fewer mortgage and home improvement loans are made in this area in relation to the percentage of the City's population which resides in Old Anacostia;
- That the number of loans made in the area has decreased;
- That the size of the loans to residents or potential residents of the area has decreased.

Two sources were used to document these findings, a report entitled Redlining: Mortgage Disinvestment in the District of Columbia produced by the G.W.'s Public Interest Research Group and financial information developed by the D.C. Commission on Residential Mortgage Investment.

The redlining study dealt with the practices of savings and loans associations in the District. The report analyzes lending practices by zip code. In the Old Anacostia area, which is included in zip code 20020, fewer and smaller loans were lent than in the Northwest zip codes such as 20007, 20009, and 20016.

During the period between 1972 and 1974, 171 mortgage loans were made in zip code 20020 which were equal to 2.2% of all loans made in the District. The area contains 87,273 people, or 11% of the total D.C. population and, therefore, 11% of the people were getting only 2.2% of all loans. In addition, the average loan for the area was \$24,700, which was smaller than loans made in other areas. The size of the loan is reflective of the low median income of the 20020 residents (\$9,240). However, as subsequent research indicated, rehabilitated housing cannot be purchased for less than \$34,000 and new construction will cost over \$41,000. Clearly, unless savings and loans are willing to increase the size of mortgage loans for eligible persons, private funds will not be available to finance the cost of improved housing in Old Anacostia.

The D.C. Commission on Residential Mortgage Investment found similar patterns in its study of the lending practices of both savings and loan associations and commercial banks. The portfolios of these institutions were studied for two periods of time; prior to 1972 and 1972 through June of 1975. The following table indicates the change in practices:

Table I.
Availability of Home Improvement Financing

	Commercial Banks			Savings & Loan Associations		
	# of loans	average value	% of \$ lent	# of loans	average value	% of \$ lent
Pre 1972	67	\$848	5.3	825	\$12,685	5.3
1972-1975	31	\$575	5.1	238	\$ 4,971	5.1
Net Change	-34	-\$273	-.2	-587	-\$ 7,714	-.2

It is difficult to determine from the data whether these net losses reflect lack of investor confidence in the area or the tightness of the mortgage market. Nevertheless, the end result is that less money is available for housing improvement in Old Anacostia. Subsequent research in this report indicates that costs for rehabilitation range from \$200.00 to a high of \$22,160. Therefore, unless private financing practices change or private funds are supplemented by public funds, little capital will be available for improving the housing stock in Old Anacostia either through new construction or substantial rehabilitation.

Housing Conditions: Based on windshield and other cursory surveys of the homes in Old Anacostia, it is generally presumed that housing conditions in that area are very bad. However, it became evident during the early days of the project that little information was available to identify the extent and kind of deterioration. For the purposes of the project, specific information of this nature was necessary to permit cost estimation of repairs.

Traditional sources of housing condition information were not helpful. For example, after 1960, the Bureau of the Census eliminated the designation of substandard, deteriorating and dilapidated from its housing classification

because enumerators were inadequately trained to determine housing conditions.

The District of Columbia government also could provide little information on the subject of housing conditions in Old Anacostia. The local government had contracted with the R.L. Polk Company to conduct an interim census, but this survey did not include any direct assessment of housing condition. In another study conducted by the city in preparation for the allocation of community development block grant funds, an assessment was made by the housing inspection division on the number of housing code violations per unit in several neighborhoods in the city; Old Anacostia was one of the neighborhoods studied. While this did give an indication of condition, it did not meet another survey need which was to know the kind of violation rather than the number per unit so that rehabilitation costs could be determined for each unit. Even the recent conditions survey conducted by University of Maryland students for their study of the architecture in Anacostia was not sufficient for our needs since it was designed to highlight general condition rather than the extent of deterioration and needed repairs.

As a result of the mismatch which existed between the project needs and existing information, it was decided to develop an information base particularly suited to the research issues of the project. Subsequently, the exterior and interior of homes in Old Anacostia were surveyed and analyzed. This research will be addressed in the chapter on rehabilitation. However, in general, as can be seen on Map 4/Slide 41, housing on the periphery of the area appears to be in less satisfactory condition than houses within the core of the area (between 13-15th and U-W Streets). This pattern seems to coincide with speculation and assembly of land in the C-3A area. Furthermore, it will be noted that poor housing, designated by the darker colors (orange, red, and brown) is not only concentrated in the C-3A

area but is scattered throughout the community, sometimes located in a block of well preserved houses. These scattered units represent a threat to the extent that their presence will discourage other owners who are trying to maintain their properties. As will be noted, 13 abandoned properties, also scattered, have been identified which could have a similar contagious effects.

B. Opportunities

Vacant Land: Vacant lots represent an asset or opportunity for the community. Since the focus of the project is to improve the housing stock, these vacant parcels were seen as potentials for new construction in the area, new construction that would provide homes for existing residents and for people from outside the community. However, it is recognized that in an overall assessment of the community's problems, it might be decided that these parcels could be better used to meet another need such as open space, off street parking and so on.

Based on a review of the D.C. tax roll, conversations with D.C. Housing and Community Development staff, officials at the Metropolitan Washington Planning and Housing Association, and student footwork, it was determined that there are approximately 40 buildable vacant lots in the area. There is also the large parcel, owned by the District of Columbia, where a health service facility is now located. Indications are that this temporary structure will probably be torn down because of its inadequacies. It has been declared excess by DHR but the future of this District owned land is uncertain.

Generally, these lots are long and narrow, with average dimensions of 20 feet by 100 feet. Of these forty lots, 11 are single lots. Because of the shape and size of the lots, it would appear that development would

be limited to infill. Because of this potential for infill, a prototype compatible with existing housing was developed. Six parcels are comprised of two adjacent lots. Four parcels are larger than 7,000 square feet and contain three or more parcels. If homes were built on all vacant lots, it is estimated that the land could support 50 to 55 new homes. For location of parcels see Map 2/Slide 56.

Three sites from the largest parcels of land were chosen in order to prepare a variety of plans for possible new construction. The larger parcels were chosen because they offered the most leeway for design, the most impact in the area, and the most possibility for creating economies of scale in production. The squares where the parcels are located are:

1. 5781 (V and W Streets between 13th and 14th; owned by D.C. government).
2. 5782 (V and W Streets between MLK and 13th).
3. 5791 (W and Pleasant Streets between MLK and 13th).

Site plans and design criteria for those parcels will be discussed later in the report along with the design and costs of a prototype unit for infill.

Community Resources: Research indicates that together with assistance from city agencies, substantial community resources are now on hand to plan and implement a neighborhood revitalization effort.

First, the most important asset, funds, are available to help finance revitalization. The Neighborhood Housing Services (NHS), which has operated in Old Anacostia since 1972, has a pool of funds which can be used to finance rehabilitation for families who cannot secure financing from commercial lenders. As indicated in an earlier section, lack of home financing is a serious problem in Old Anacostia. The Anacostia Economic Development

Commission (AEDC), another community organization, has recently received \$1.5 million to plan and implement an economic growth strategy for the area. It is expected that part of these funds will be used to rehabilitate housing in Old Anacostia. The city government also has a source of funds in Community Development Block Grant Programs. During the first year of operation, funds were targeted for rehabilitation in Old Anacostia through the Neighborhood Improvement Program. However, this program was retargeted for the Fairlawn area instead. Second year funds will soon be available and community organizations will be able to pressure the Department of Housing and Community Development (DHCD) for a rightful share of these funds. Lastly, area banks and savings and loan associations are a potential source of funds for those families who are creditworthy and will become more important sources as judicial efforts continue to strike down the process of redlining.

The community also has its share of professional resources that could be mobilized to develop and implement a housing rehabilitation plan. Both NHS and AEDC have on staff, professional planners, managers, financial and rehabilitation experts. The Municipal Planning Office (MPO) and the Department of Housing and Community Development have each assigned staff specifically to work on projects for the Old Anacostia area. Furthermore, the Anacostia Neighborhood Museum, mentioned earlier in this report has the expertise in education and multimedia communication arts to assist in the process of neighborhood revitalization.

Citizen organizations, a vital ingredient in any plan to deal with a community's problems, are active in Old Anacostia. The Frederick Douglass Community Improvement Council (FDCIC) is an association of residents of the Old Anacostia area. It is already actively involved in many projects

including a Bicentennial program sponsored by the Washington Metropolitan Planning and Housing Association to make physical improvements in the neighborhood. The FDCIC has been involved in the development of this study and could be helpful in implementing the recommendations of this study. The Fairlawn Civic Association, which is the organization of neighbors to the north of Anacostia, is interested in involvement because so much of what happens to Old Anacostia affects them. This group could be an important ally to the FDCIC. Lastly, the Anacostia Community Development Consortium (ACDC) is an umbrella organization which represents many of the service providers in the community. It assists community groups by providing both technical and financial assistance for problem-solving. In keeping with its mission, ACDC has provided funding for this study.

The community also has an abundance of physical resources which are an asset in a community revitalization program. These include vacant land, pleasing architecture, the Frederick Douglass home, and the area's status as an historic district. These resources are dealt with in other sections of the report.

Housing Sales: It appears that a market for rehabilitated units is beginning to grow in Old Anacostia. Based on surveys conducted during the study, three rehabilitated housing units were for sale. This is evidence that realtors and developers believe that people are still attracted to Old Anacostia despite the problems which now exist there. However, unless residents exert more control over the rehabilitation process, it could have a negative impact on the community. First, it is evident from sidewalk observations that many of the units have been rehabilitated in a manner which is not compatible with the architectural style of surrounding buildings.

If this trend is left to continue, the charm and architectural integrity of the community could be lost. Second, unless the community monitors resale, speculators could help create a rapid change in Old Anacostia similar to that occurring in Adams-Morgan and the Thomas and Logan Circle areas.

It is interesting to note that there does not appear to be a market for new construction in Old Anacostia. At the same time, new houses have been sold in bordering neighborhoods for approximately \$40,000. While vacant land does exist in the area, developers feel that Old Anacostia does not have an image which will permit the profitable marketing of new housing. However, it is felt that this condition could change if it becomes clear that a profitable rehabilitation market exists. Development of a rehab market would have a significant psychological effect on both builders and buyers alike.

Ambiance: Last but not least, considerable opportunity exists because of the atmosphere in Old Anacostia. The kinds of houses, the architecture and the scale are all pleasing as they exist now and offer a glimpse of what the community could become with some assistance. The history of the community and the interest in the historic district nomination have the potential to create a more attractive and unique image for the community. Lastly, the Metro, while having the power to negatively affect the community, can also bring benefits if these effects are carefully managed. New development can revitalize the commercial area along Martin Luther King Jr. Avenue and Good Hope Rd. thereby creating more shopping opportunities, jobs and a healthier economic climate. Greater attention paid to Anacostia because of its improved economy and improved accessibility to downtown may also create pressure for improved municipal services.

*City change
C3 if
this statement
is accurate*

CHAPTER III. THE REHABILITATION SURVEY

As stated earlier in this report, it was decided that a data base specifically related to the needs of the project had to be created. The foundation of this data base was to be an exterior survey of all houses in Old Anacostia to determine housing condition. It was decided that visible housing code violations would be the measure of exterior conditions. From a second survey, using a sample of buildings, repair needs for both the exterior and interior of the selected buildings would be identified. Thereafter, costs would be estimated and some general conclusions reached about the rehabilitation needs of the entire housing stock.

A. Exterior Survey

Before proceeding with the survey considerable preparation took place. First, students became familiar with the D.C. housing code and were briefed by housing inspection officials on the nature of housing code violations. Thereafter, a form, modified from that used by the Buildings Inspection Division of the Department of Housing and Community Development, was developed to serve as a convenient checklist while the survey was being conducted. (See Appendix A) Lastly, flyers were passed out in the neighborhood informing residents that graduate students would be making sidewalk observations of their homes for the study. (See Appendix B)

A total of 285 units were surveyed which required the time of four students for three weekends and additional individual efforts during the week. While it was originally the intent of the group to survey all units within the boundaries of the historic district, [only those houses between Martin Luther King, Jr. Avenue, Good Hope Road, Pleasant Street, Valley Place, and Sixteenth Street were actually] surveyed. The houses in

the lower portion of Old Anacostia, the Griswold tract could not be done due to a lack of time and manpower.

The student surveyors also collected data on structure type, style, height and construction type. It was determined that homes were fairly evenly divided between detached, semi-detached and row dwellings (39%, 33%, 28% respectively). Ninety-seven percent of the houses were two stories. Italianate was the predominant architectural style (44%) while the rest were divided among the following styles: Cottage (Type A-14%); Cottage (Type B-5%); Washington Row (5%); Mansard (10%); Queen Anne (1%); and other (21%). It was significant to note that 76% of the structures were of frame construction (20% - brick; 3% - brick and cinderblock). In general, the wooden structures were significantly more deteriorated than those constructed of brick. Since frame units dominate the housing stock, this finding has important implications for the overall rehabilitation needs of the community.

An attempt was made to individually date every residential structure by researching building permits at the National Archives. However, it was found that for much of Anacostia's history, city records do not differentiate between permits for minor improvements and permits for new construction. It was decided that the data in the University of Maryland report would be used which estimated that 20% of the existing structures were built before 1887, 45% between 1887-1903 and 35% between 1903-1936. This data was collected by reviewing and analyzing old City maps of the Anacostia area.

With the completion of the field work, recorded violations were categorized as major, moderate or minor according to relative repair cost. (This categorization appears in Appendix C.) The number and severity of violations were recorded for each housing determining a dwelling's placement in one of five condition categories, from Category I denoting no visible exterior housing code violations to Category V signifying the worst and most extensive violations.

The exterior building conditions survey revealed that 35% of the houses surveyed fell into Category I; 25% in Category II, 21% in Category III; 10% in Category IV and 6% in Category V. Houses in Category I had no visible exterior housing code violations and those in Category II had only minor violations. Together these two categories which comprise approximately 60% of the housing stock in the area indicate that good housing predominates in the Old Anacostia area. Category III homes, those with moderate violations, were units showing signs of neglect. Homes in Categories IV and V were those with major violations and in serious state of disrepair and deterioration. These two categories include 13 single family units which were vacant, boarded and/or vandalized. In general it was noted that brick stock was more consistently in good condition than the frame houses. It was noted that while highly deteriorated conditions were usually associated with investor owners, there were numerous examples of well-maintained rental units and poorly maintained owner-occupied homes.

As indicated in Chapter II, housing with the fewest exterior violations is centrally located in the four interior blocks of the Uniontown tract. Units on the periphery had more violations and were, therefore, presumably in less satisfactory condition. In addition, as is noted in Chapter II, Category IV or V houses appear next to houses in much better condition,

thereby creating the possibility that the deterioration will spread to other units.

B. Interior Survey

In earlier phases of the study, it became apparent that it would have been impossible to determine the costs of improving each housing unit in the study area. Therefore, it was decided that these estimates would have to be developed for a sample of houses. To prepare for sample selection, the five exterior condition categories were devised. It was assumed that a relationship existed between visible exterior code violations and interior code violations and that as the severity of exterior violations increased, the cost of improving the entire house would increase.

Considerable discussion ensued on methods of sample selection. A sample large enough to be statistically valid could not be surveyed because of inadequate resources. Therefore, it was decided that a sample of ten houses should be selected to be representative of the units in each of the five condition categories. As a result, the full range of rehabilitation needs in each category and within the housing stock as a whole would be identified. A final adjustment was made in weighting the sample in Category IV and V houses because it was anticipated that a greater variety of rehabilitation needs would be evident among this group and that these were the houses that would be likely candidates for rehabilitation in the final analysis. The following table indicates the sample spread.

Table II

<u>Category</u>	<u>Sample Size</u>
I	2
II	2
III	2
IV	3
V	1

In addition to condition, the sample also reflected other characteristics of the housing stock. It was representative of construction type (three brick, seven frame), age (two pre 1887, five 1887-1903, three post-1903) and occupancy (five renters, five owner-occupied).

With the assistance of two professional housing rehabilitation specialists, an interior and exterior survey was conducted of each house, followed by an assessment of costs for the repair needs documented. Because of the limited time of the rehabilitation specialists, only nine houses were surveyed; one Category I house was eliminated. Students accompanied the specialists, drew up floor plans for the units and copied remarks about both exterior and interior housing needs onto a form specially designed for the study. (See Appendix D) Rehabilitation specialists were instructed to give room-by-room estimates of the housing repair needs based on three carefully defined levels: housing code, rehabilitation and historic preservation.

Once again, the D.C. housing code was used as the basis for the first level of housing repair. Repairs to bring a unit up to code are fairly evident and include basic improvements such as installation of a sufficient number of electrical outlets, removal and repair of falling plaster, securing of stairs and railings and so on.

The rehabilitation level was defined with guidance from the housing staff at the National Association of Housing and Redevelopment Officials to include the following:

1. Kitchen and bath modernization and redecoration
2. Redecorate all rooms, sand and refinish all hardwood floors
3. Electrical heavy up (and rewiring if necessary)
4. New roof if necessary

5. New boiler, other heating system repairs or replacement if necessary
6. Door and window replacement as necessary
7. Porch replacement if necessary
8. New siding as necessary

While it was one of the goals of the project to bring all housing units up to code standards, the attitude of the project toward rehabilitation was different. It was anticipated that rehabilitation, which implied substantial modernization and improvement, would increase housing costs beyond the means of many families living in Old Anacostia. Therefore, rehabilitation was to be recommended selectively for those families who could afford the costs, whether they lived within or outside of the community.

A third level of housing repair, historic preservation, was narrowly defined to include restoration of the building facade, only that portion of the building which faces the street. Therefore, preservation was limited to restoration of porch, lintel, cornice detailing, and siding restoration on the street facade as well as sympathetic treatment for all exterior openings.

C. Cost Estimates

Cost estimates were conducted using a unit cost guidebook developed by the Baltimore Department of Housing and Community Development and under the close supervision of Mr. Leslie Bransom, NHS housing rehabilitation specialist. The results are summarized in Table 3.

Table III
HOUSING IMPROVEMENT COST ESTIMATES

<u>Category</u>	<u>#</u>	<u>% Stock</u>	<u>Costs</u>				<u>Total</u>
			<u>Code</u>	<u>Code + Rehab</u>	<u>Hist Pres</u>		
I	100	35%	\$ 650	\$ 650	\$1,420		\$ 2,070
II	71	25	50 3,060	200 10,000	950 1,750		1,150 11,750
III	66	23	4,505 4,630	12,685 13,720	450 600		13,135 14,320
IV	29	10	3,655 5,030 11,120	11,820 11,430 23,640	800 750 650		12,620 12,180 24,290
V	17	6	7,230	22,160	1,385		23,545

The results of this cost-out reveal that, in general, costs increase from Category I to Category V, which supports the project hypothesis that there is a correlation between visible exterior code violations and the costs of both exterior and interior housing repair. As a result of this relationship a wide range of costs exists within the three housing repair levels as the condition of the unit changes. For example, only \$50.00 was required to bring the Category I house up to code while \$11,120 was estimated to make code repairs in a Category IV house. Likewise, rehabilitation of a unit which fell into Category II required only \$200 while the same treatment for a Category V house was \$22,160.

Rehabilitation: It is clear from this table that an enormous investment is required for rehabilitation, the second level of housing repair. A comparison of the costs of the three levels is instructive. Housing code repairs comprise 30% of the total costs, that figure which appears in the last column in Table III and historic preservation treatment requires anywhere from 6-19% of repair costs. By contrast over 50% of the total costs are absorbed by rehabilitation. In addition, by studying the rehabilitation estimates more

closely, it appears that two levels of rehabilitation investment are required depending upon the original condition of the house - roughly \$12,000 and \$20,000.

Table IV illustrates a typical rehabilitation estimate.

Table IV

REHABILITATION ESTIMATE

Frame Row House - Cost Summary

Code	\$ 4,505
Rehab	12,685
Historic	14,785

Cost Breakdown for Rehabilitation

Exterior

Roofing	\$ 360
Gutters and Downspouts	120
Painting (openings)	125
Siding (aluminum front & rear)	1,500
Porch repairs (front & rear)	<u>550</u>
	\$ 2,655

Interior

Kitchen (modernization & redec.)	2,500
Bath (")	1,800
Electrical (heavy up to 125 amps and rewire)	1,800
Plaster & redec all rooms	1,645
Sand & refinish floors	600
Door & window repairs	500
Plumbing repairs (under floor)	400
Miscellaneous	<u>785</u>

Total \$10,030 \$12,685

Historic Preservation: The data also shows that the investment for historic preservation treatment is not significant in relation to overall housing repair costs. Estimates average between \$1,000 - 1,500 in additional costs and generally reflect the costs of restoring original clapboarding and wooden porches. The prevalence of porches is one of the attractive architectural features of Old Anacostia. Originally, porches were constructed of wood

and included turned balusters and porch columns and elaborately carved brackets. In some cases, original detailing is intact but more often than not, original balusters, balustrades and columns have been replaced by more durable and less expensive modern substitutes, most notably cement slab floors and brick columns. Generally, original porches are in need of reflooring and foundation repairs. The costs for porch restoration vary according to how much of the original porch detailing is intact..

The second major element to historic facade treatment is the restoration of the original clapboarding on the street face. Only about 10% of Old Anacostia's frame houses retain their original wood clapboard facade. The rest have been resided with aluminum siding, asphalt, or asbestos shingles.

In terms of priority, it would appear that restoration of clapboarding under recently installed aluminum siding deserves less attention.

In other historic areas, design policies have been developed which permit aluminum siding if it is compatible with existing clapboarding. This becomes a very realistic alternative for Old Anacostia, particularly because of the limited family resources available for restoration work.

The firm of Hunter and Associates of Alexandria, Virginia prepared cost estimates on the restoration of the street facade of several Old Anacostia residences. Table V illustrates a cost estimate for both restoring clapboarding and wooden porch details. (See Slide 48 for before and after elevations of house and Appendix E for other estimates.)

Table V

HISTORIC PRESERVATION ESTIMATE

Facade Treatment - Two-story frame

Remove Brick Columns to Porch Floor Level	\$ 75.00	Labor
Replace with Wood Columns (4)	300.00	Material
Replace Wrought Iron With Wood Balisters - Typical Design	96.00	Material
Railing - Top and Bottom	60.00	Material
Remove Aluminum and Asphalt Siding	100.00	Labor
Patch Wood Siding and Prepare for Paint	200.00	Labor
Lattice Panels Below Porch	150.00	Material
Replace Front Door	200.00	Material
Face Concrete Slab with Fascia Brd.	25.00	Material
Labor to Install Above Materials	<u>400.00</u>	Labor
	\$ 1,600.00	
Paint	<u>150.00</u>	
Total	\$ 1,750.00	

It is the feeling of the project members that all costs for historic preservation are minor in comparison to the visual enhancement of the streetscape which results. However, as indicated above, substantial personal resources are generally needed for restoration or preservation work, resources which are not readily available in Old Anacostia. In order to promote historic treatment of building facades in the area, it is likely that assistance will be needed by those families involved. In Pittsburgh, Pennsylvania, the Urban Redevelopment Authority has begun to promote preservation in lower income areas by purchasing facade easements. Under this easement program, a quid pro quo is created whereby the owner agrees to make interior housing repairs.

and in return the URA purchases a facade easement for 10% of the "after rehab" assessed value of the property. The agency also bears the costs and is responsible for restoring the facade for the owner. Based on existing knowledge of the rehabilitation market in Old Anacostia, the easement would probably cost the local government anywhere from \$2,500 - 3,500 per unit. If the historic preservation cost estimates are added, the full cost to the city, per property would be roughly \$4,000 - 6,000 per house. While this would be a costly program, it could be applied selectively to those homes which are pivotal from the historic viewpoint. For example, only those houses which face the Frederick Douglass Home and the Old Market on 14th Street might be considered for historic facade treatment. In addition, to insure adequate return on the investment, the City might require that the facade payment be used for interior repairs. Costs to the homeowner can be further reduced by sweat equity efforts.

D. Total Cost Implications for Housing Stock Improvement

One of the purposes of the cost estimation work was to project the total investment, both public and private, needed to improve the housing stock in Old Anacostia. However, projection for all three levels -- code, rehabilitation, historic preservation -- became difficult since we made no attempt to develop a method to select housing units for the preferential rehabilitation and preservation treatment. Therefore, projection was limited to the costs of bringing all units in Old Anacostia up to at least housing code standard. Table VI gives the range of code compliance costs for single and combined condition categories, the mean code compliance cost by category, and the estimated total investment needs in terms of

what might be a combination of public and private funds through loans, grants, and out-of-pocket funds.

Table VI

CODE COMPLIANCE FOR OLD ANACOSTIA

<u>Condition Category</u>	<u>I</u>	<u>II - III</u>	<u>IV - V</u>
Code Compliance Cost Range	\$0-999	\$1,000-4,999	\$5,000-12,000
Code Compliance Cost	500	2,500	8,500
% Universe	35%	48%	17%
Number	100	137	46
Total Required Investment by Category	\$50,000	\$ 342,500	\$391,000
Total Public and Private Investment Requirements		\$785,000 (rounded figures)	

The overall mean code compliance cost per unit derived from this table is \$2,800 (rounded figure). To verify this average cost, it was compared with loans made by the Neighborhood Housing Service since 1972. The average NHS loan is approximately \$3,600 which usually covers a percentage of non-code items after all code deficiencies have been abated. Therefore, the two average figures of \$2,800 and \$3,600 appear to be roughly comparable. In drawing from the figures in the table, 83% of the housing stock could be brought up to code for less than \$5,000 and most of the remaining could be done for \$5,000-\$12,000.*

* Vacant or abandoned units would be the exception

Although estimates were not developed for rehabilitating the housing stock, it would appear that costs of rehabilitation would be double or triple the costs of bringing the units up to housing code standard. This rough estimate is based on the relationship between costs for code and rehabilitation which emerged in the cost estimation phase. In most cases, rehabilitation estimates were twice or three times as high as the estimates for code related improvements.

E. The Rehabilitation Market

There is a private single-family home rehabilitation market in Old Anacostia but the profits are thin and not every house can be profitably rehabilitated. The principle variables that must be successfully manipulated are acquisition costs, overhead, construction costs, profit margins and marketing.

As indicated by the rehabilitation cost-outs most units in Old Anacostia can be rehabilitated for \$12,000 or less. However, there are highly deteriorated units, abandoned structures among them, which may cost as much as \$20-25,000 to completely rehabilitate. Resale values on rehabilitated single family units in Old Anacostia average between \$30,000 and \$34,000. Acquisition costs have ranged from \$5,000-10,000 on dilapidated structures to \$15-17,000 ** on substandard but habitable units.

In Table VII financial estimates for four hypothetical rehabilitation cases are illustrated. As will be noted, the costs of acquisition vary according to the condition of the building but overhead, (estimated at 20% for the Old Anacostia area by developers and real estate agents) and a 12% profit remain fixed. Rehabilitation costs have been estimated on the basis of the two typical levels of rehabilitation costs which emerged from the housing sample.

** Source: Jack Spicer Realty

Table VII

REHABILITATION MARKET

	<u>Unit 1</u> \$ 5,000	<u>Unit 2</u> \$ 10,000	<u>Unit 3</u> \$ 15,000	<u>Unit 4</u> \$ 17,000
<u>Acquisition Costs</u>				
Rehabilitation Costs	<u>20,000</u>	<u>20,000</u>	<u>12,000</u>	<u>12,000</u>
Subtotal	25,000	30,000	27,000	29,000
Overhead (20%)	<u>5,000</u>	<u>6,000</u>	<u>5,400</u>	<u>5,800</u>
Subtotal	30,000	36,000	32,400	34,800
Profit (12%)	<u>3,600</u>	<u>4,320</u>	<u>3,888</u>	<u>4,176</u>
Total	\$ 33,600	\$ 40,320	\$ 36,288	\$ 38,976
Marketable Units \$30-34,000				

The table reveals the possibilities of the rehabilitation amrket.. Only one unit falls within the market price and another is close. Given the low ceiling on resale, a house requiring \$20,000 in rehabilitation will have to be acquired at well below \$10,000 to turn a small profit. A house requiring \$12,000 in rehabilitation will have to be acquired at \$13-14,000 in order to leave room for profits.

Given landlord attitudes, not every unit will meet the low acquisition and rehabilitation requirements imposed by the resale market. To help make these units marketable, some of the fixed costs illustrated above could be manipulated. For example, one realtor in Old Anacostia markets and makes a profit on rehabilitated units by obtaining discounts on materials through volume purchasing, using his own capital for acquisition, and doing a minimal rehabilitation job (\$5,000). Other methods could be used to bring down costs

in this market and increase the number of units that can be rehabilitated. They include:

1. Rehabilitation by limited dividend corporations so that profit requirements could be lowered;
2. Receipt of below market interest rate construction loans from the city;
3. Pre-sale of units so that interest payments on construction loans would be minimized;
4. Pre-sale of units through community organizations so that the broker's fee would be eliminated;
5. Permit a non-profit corporation, like NHS, to act as general contractor thereby eliminating some of the overhead costs of rehabilitation;
6. Employ one contractor to rehabilitate several units so that economies of scale can be realized.

*still swell
R-3 houses to
marketable*

CHAPTER IV. OPPORTUNITIES FOR CONSTRUCTION OF NEW HOUSING

Throughout the project new housing construction has been seen as an opportunity to improve the physical condition of the Old Anacostia area and to attract moderate income families into the community. Together with efforts to rehabilitate existing units, new construction creates the potential for stabilizing and upgrading the area.

Like the research on rehabilitation, emphasis was placed on the costs of new construction and the marketability of units once constructed. Because of the need to preserve the architectural character of the neighborhood, emphasis was also given to the design of new construction which would be compatible with existing housing.

A. Zoning: Constraints and Opportunities

Existing zoning places several constraints on the development of new housing in Old Anacostia. First, commercial zoning intrudes into the residential area. The area between Martin Luther King, Jr. Avenue, 13th, V and Pleasant Streets is zoned C-3-A and the commercial strip along Good Hope Road is zoned C-3A, both of which classifications permit varying intensities of commercial development. This intrusion of permissible commercial activity has the potential to destroy the residential character of the neighborhood. Furthermore, the empty land in these commercial zones would be, in all likelihood, far more expensive than residentially zoned land, thereby excluding new housing construction on the basis of economic feasibility. Lastly, new housing no doubt would be more difficult to market in Old Anacostia because of uncertainty among potential homebuyers as to the future use and effect of the commercial zoning on home values.

The remainder of the community is zoned R5-A. Originally, this zoning was conceived as a creative approach which would allow developers considerable flexibility in terms of design and density. However, certain restrictions have been written into the ordinance which preclude the potential advantages of the zoning classification. Construction of single family detached and semi-detached units are permitted without special site plan approval. However, this benefit is limited; many available lots are too narrow to permit this kind of development. On the other hand, construction of row houses, which is suitable to available lot dimensions requires site plan approval. It has been suggested that the extra time, money and effort needed to comply with these procedures has discouraged townhouse development. This situation is unfortunate since the townhouse building type is not only prevalent in the area but is compatible with the pleasant atmosphere in Old Anacostia.

As a result of the limitations in the R5-A zoning ordinance, many developers have taken the path of least resistance and have built garden apartments which permit a higher yield on the land than townhouse development. Unfortunately, garden apartments are incompatible with the single family character of Old Anacostia. In those that have been developed, no apparent attempt was made to create a design more in keeping with the 19th century architecture and detailing. In addition, to make matters worse, some apartments have been poorly sited on the land. For example, one development has been squeezed lengthwise onto a long narrow lot typical of the area between two single family houses. There are virtually no setbacks and landscaping; only a cyclone fence separates the building from the sidewalk. Not only is this building an architectural eyesore in the community but also creates greater demand for on-street parking, municipal services, recreation space

and other amenities. Currently, a moratorium exists on approval of R5-A projects. However, a more permanent solution is needed to protect the architectural character of Old Anacostia.

The project team investigated several alternatives for the community to consider as a more permanent solution to the zoning problem. They are discussed below.

Rezoning: Existing zoning classifications were reviewed to identify those which would not require site plan approval for townhouses, the construction type judged most suitable for Old Anacostia. Both R-3 and R-4 met this requirement permitting a row house of a minimum of 20 feet and 18 feet in width respectively. Because of many factors, most notably the rising cost of construction and the narrow width of the lots in Old Anacostia, it is recommended that the most inclusive zoning classification, R-4, be used in a conventional rezoning request. In this way, townhouses of 18 and 20 feet in width and detached and semi-detached units would be permitted as a matter of right. To secure approval for a garden apartment project, a long review process would be included to dampen developer interest in such a venture.

Sectional Development Plan: A sectional development plan (SDP) is a tool by which an entire area can be comprehensively rezoned. The D.C. Zoning Commission has just revised the guidelines and qualifying conditions for SDP and Old Anacostia qualifies as a target area because it meets the following conditions laid down by the Commission.

- 1) It is the site of a future Metro stop.
- 2) A change from existing conditions would be in "the public interest."
- 3) A coordination of many facets of site planning and development is necessary in this area.

- 4) The area is effected by tourists because of the Frederick Douglass home.

The SDP process is a long and complex one. Strong citizen participation, embodied in a Community Advisory Group (CAG), is required and agreement on future development of a community is often difficult to achieve. Detailed analyses of community characteristics have to be conducted including existing and future socio-economic characteristics, land and building uses, traffic and circulation, proposed capital improvements, environmental assessments of proposed and existing development. Provision also has to be made for the protection and enhancement of "buildings, structures or places of historic, architectural or cultural merit." This last provision would be especially useful as a complement to the historic preservation objectives of this project.

Unfortunately, the Municipal Planning Office (MPO), the agency responsible for SDPs, is not very enthusiastic about developing a plan for Old Anacostia. They have just or are close to completing several others, all located in the METRO corridors of the Northwest, and they apparently have insufficient resources to begin another. It may be that political pressure could be applied to MPO to begin a SDP in the study. The benefits of this plan could be substantial; a comprehensive approach to all the needs of the community could be addressed instead of limiting efforts to residential rezoning. However, it is important to note that this approach may take time -- up to as much as four years, as experience in other SDP areas has shown -- and the Old Anacostia community may not be able to afford this kind of delay.

Community Rezoning: The third approach, community rezoning, permits community groups to petition the Zoning Commission to comprehensively rezone

entire areas. The interested group is responsible for developing a well-researched argument for rezoning along with applicable boundaries and sending this information to the Zoning Commission. The Commission, in turn, asks MPO to conduct the necessary planning studies to confirm or deny the rezoning request.

This approach appears to offer many of the benefits of the first two rezoning alternatives without the disadvantages. First, it does not require the time that would be necessary for an SDP. Yet it is more comprehensive than the more traditional rezoning request on specific parcels of land. The Dupont Citizens Association has advised that this approach has been used successfully to deal with its zoning problems and that it has proved to be a more time-efficient tool than SDP. Consequently, it is recommended that community organizations and professional resources within the community be directed toward further investigation and employment of comprehensive rezoning as a means of protecting the community from additional incompatible land uses.

B. Site Development

As stated in earlier sections of this report, many vacant parcels exist in Old Anacostia. These parcels are identified on Map 5 /Slide 51. Referring to the Investor Owner Map (Map 2 /Slide 36) it becomes clear that these parcels have been assembled for speculative purposes and may continue to stand idle until it becomes profitable to sell or develop the property.

Housing development alternatives were considered to be the most useful use to which this property could be put. New housing would both stabilize the community and revitalize it by attracting new residents into the neighborhood. As can be seen on the vacant parcel map (Map 5) many small sites are scattered throughout the community offering opportunity for infill. For

these parcels, a prototype unit was designed. However, research was concentrated on the larger vacant parcels because of the likelihood of economies of scale in production and the belief that the marketability of new construction would be enhanced by the development of a critical mass of units in a cluster or mini-neighborhood setting.

Three sites were selected for study (two are included on the following pages and on slides 53-55). Two of the sites selected for study are situated in residential settings in blocks zoned C-3 for commercial development. The third site selected is located in the vital interior core of the neighborhood and owned by the D.C. government. Developers interviewed believed that this last site is the one most viable for new construction. Unfortunately, at this time it is unclear what the future plans are for this land.

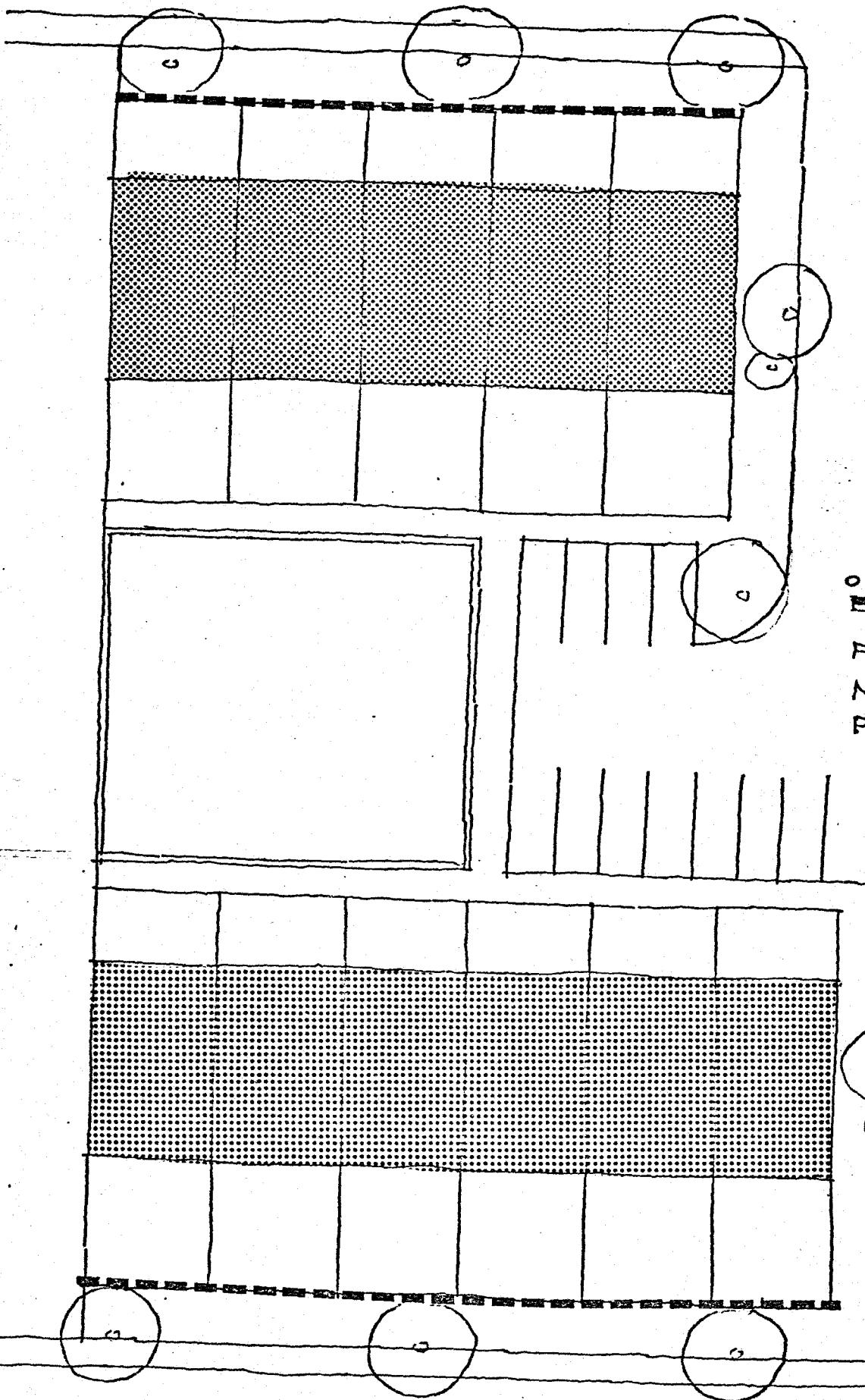
For each site, several development plans were designed. With the goal of encouraging in-migration of moderate income families to the community, design criteria for the site plan emphasized qualities which these families might desire. They included:

- 1) common, off-street parking with easy access and good visibility;
- 2) open spaces within the complex for pedestrian circulation;
- 3) play areas for children, where possible; and
- 4) limited exterior access to house and yard visible to adjacent neighbors.

A basic assumption underlying these criteria is that new homeowners would be particularly interested in housing designed with good security in mind. This concern for crime prevention is reflected in criteria one and four.

The site plan studies on the following pages illustrate possible development alternatives. The total area surveyed (Site I) is approximately 1.6 acres with

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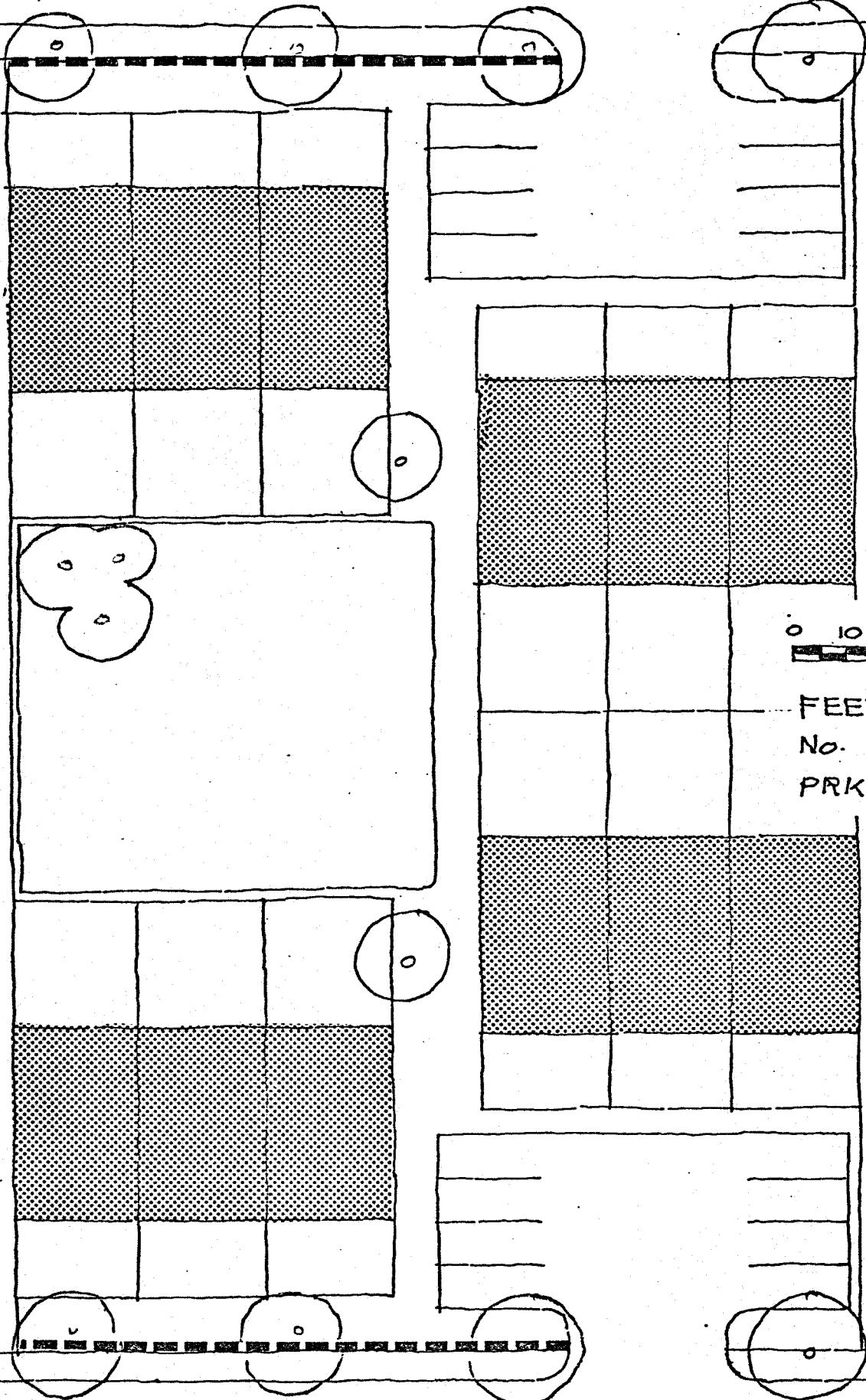


SITE PLAN IA

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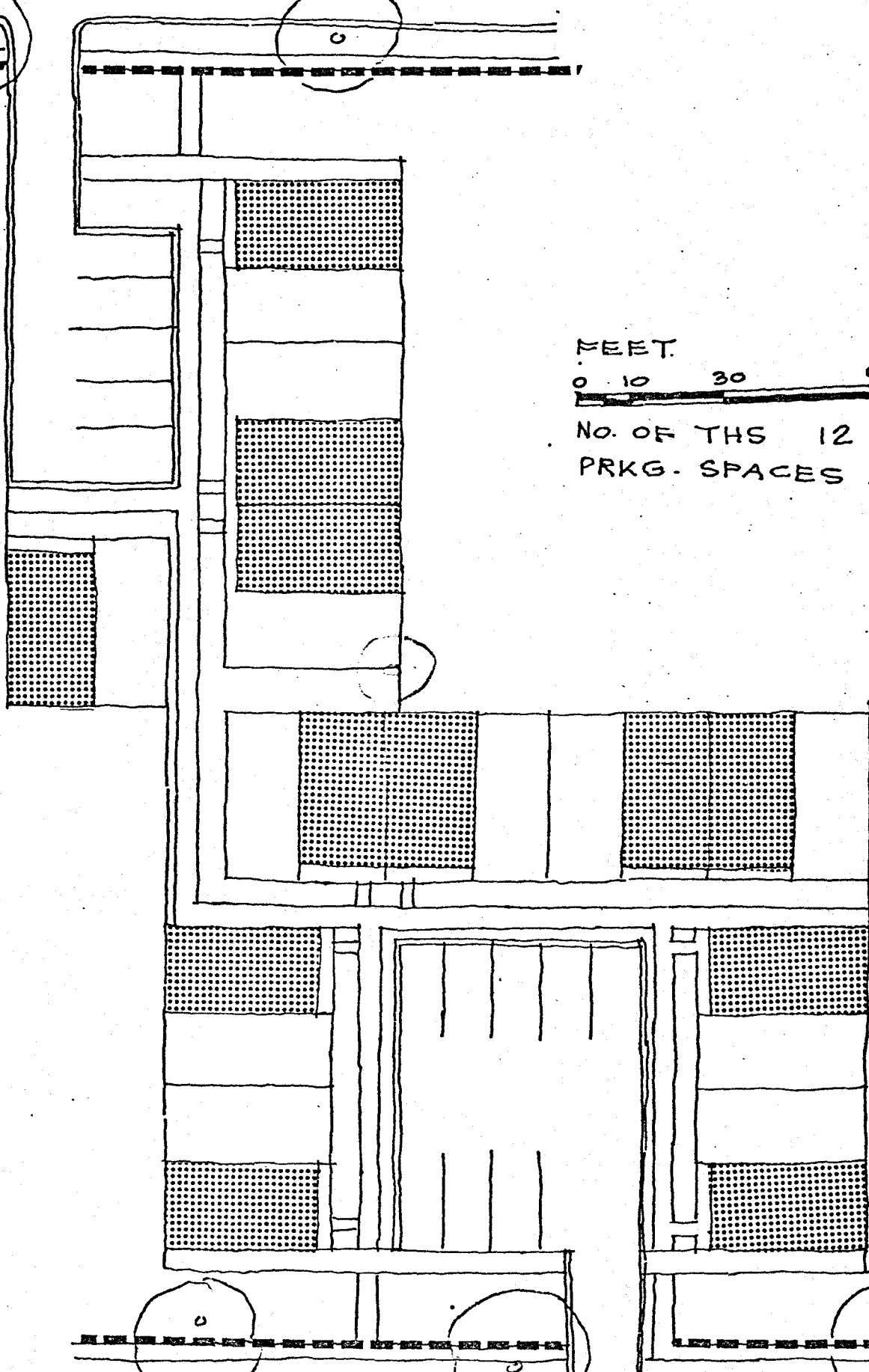
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W STREET

SITE PLAN IB

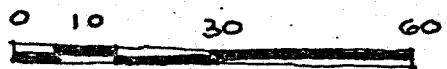
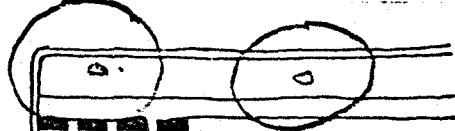
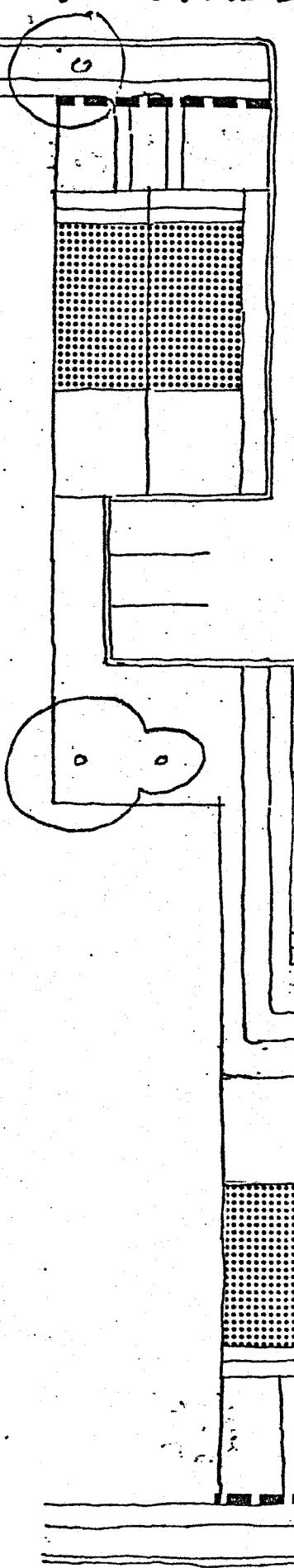
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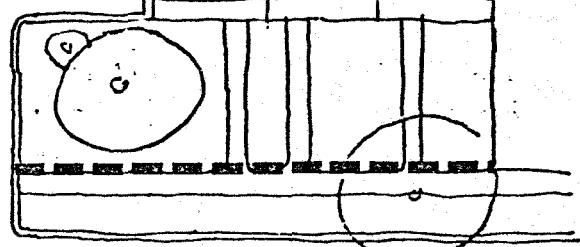
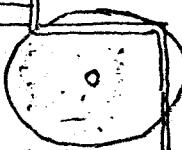
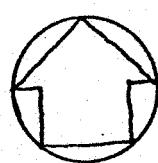
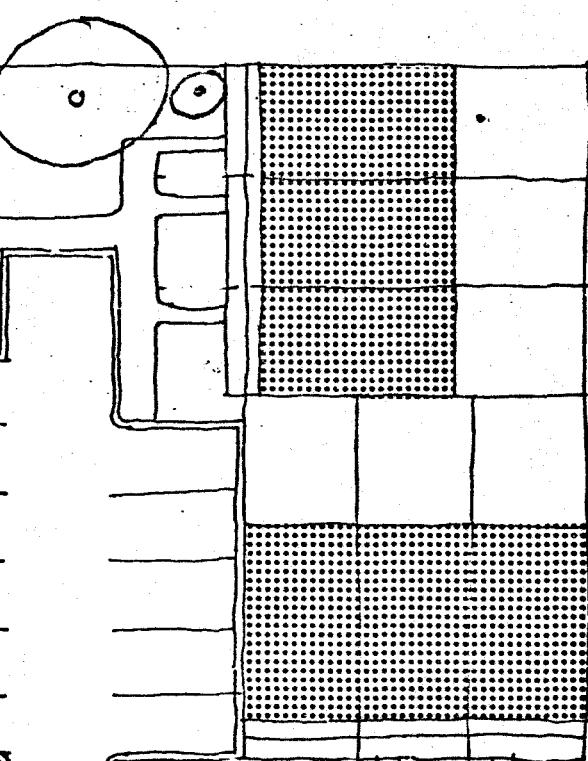
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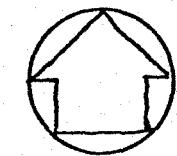
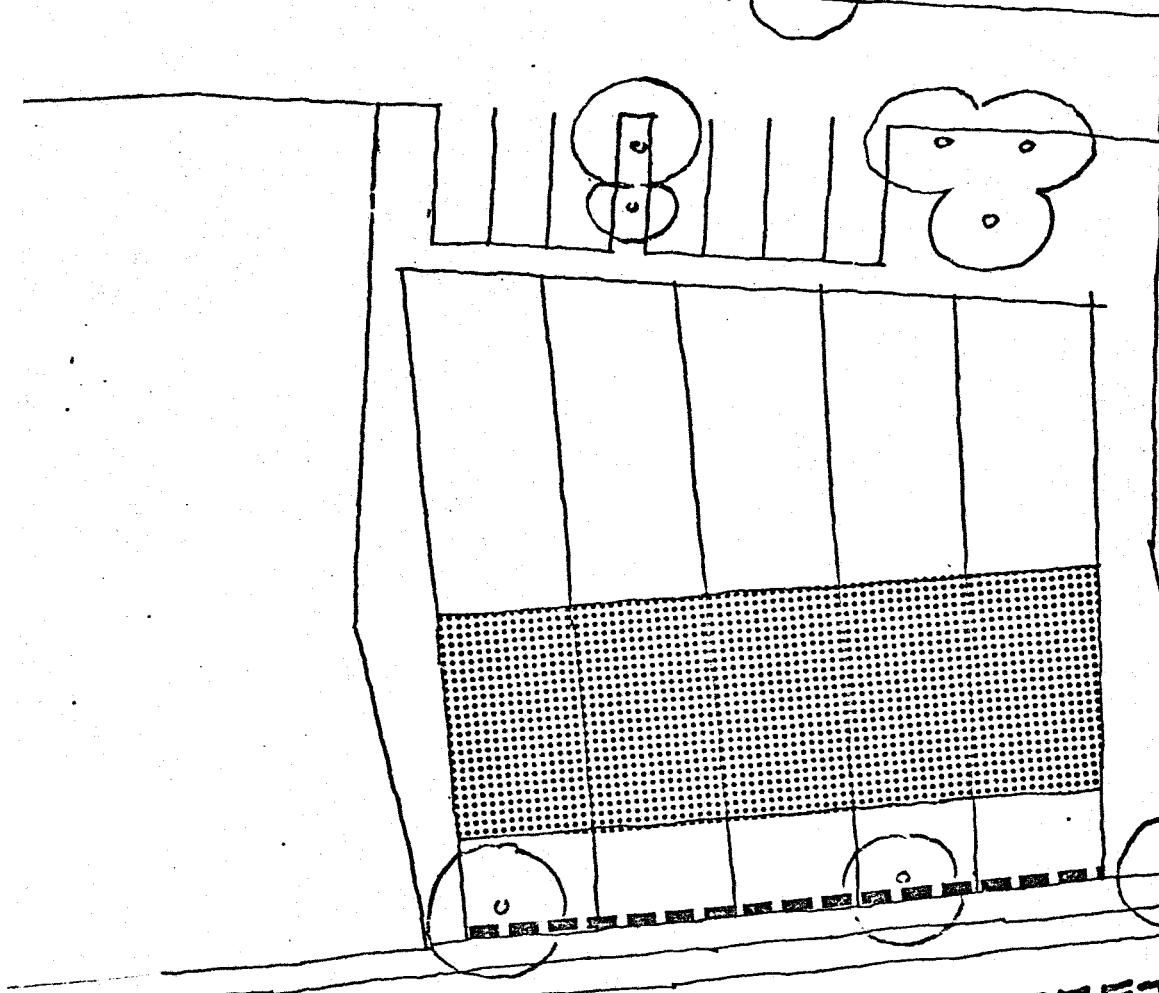
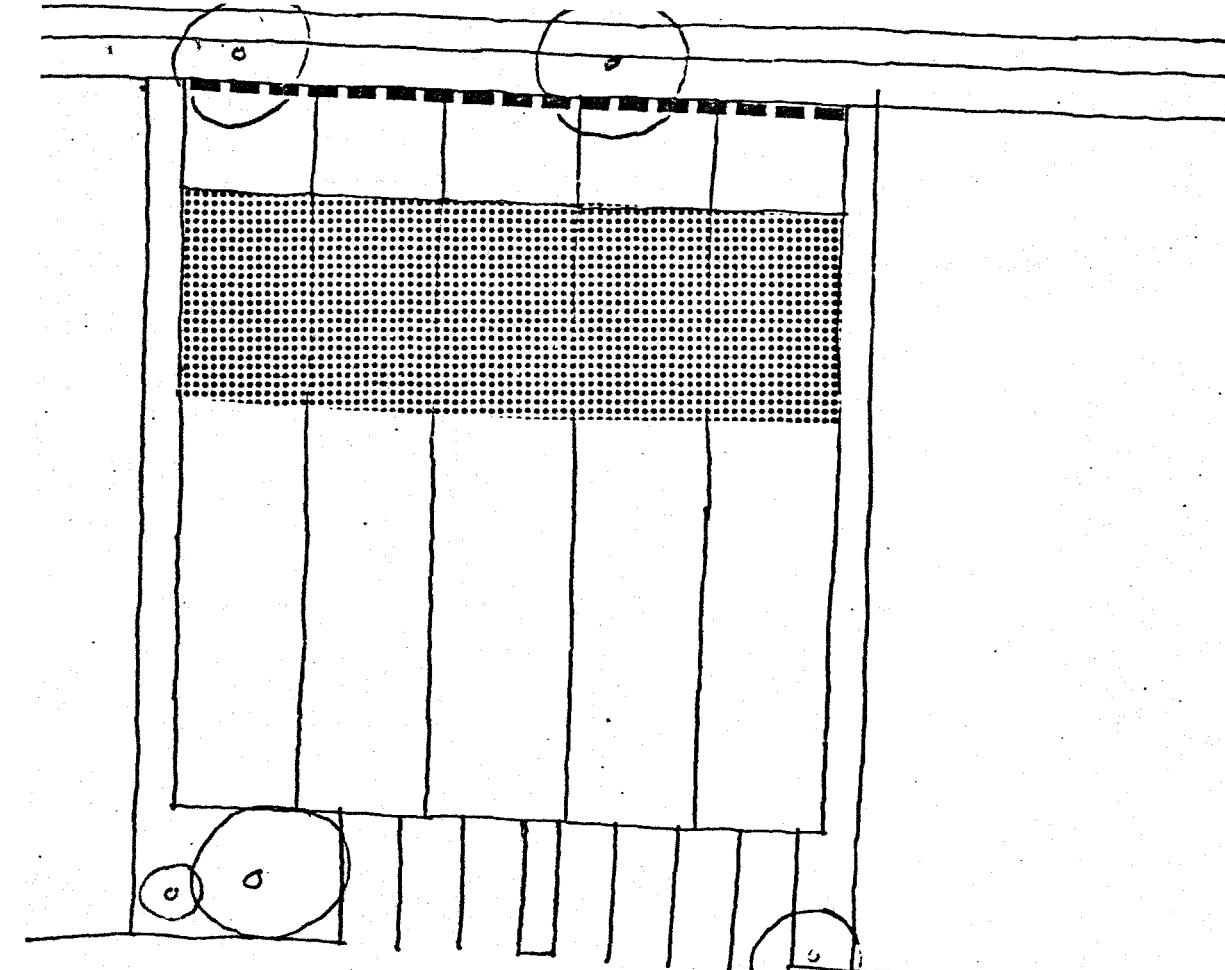
NO. OF THS 13

PRKG SPACES 17



W STREET

SITE PLAN ID



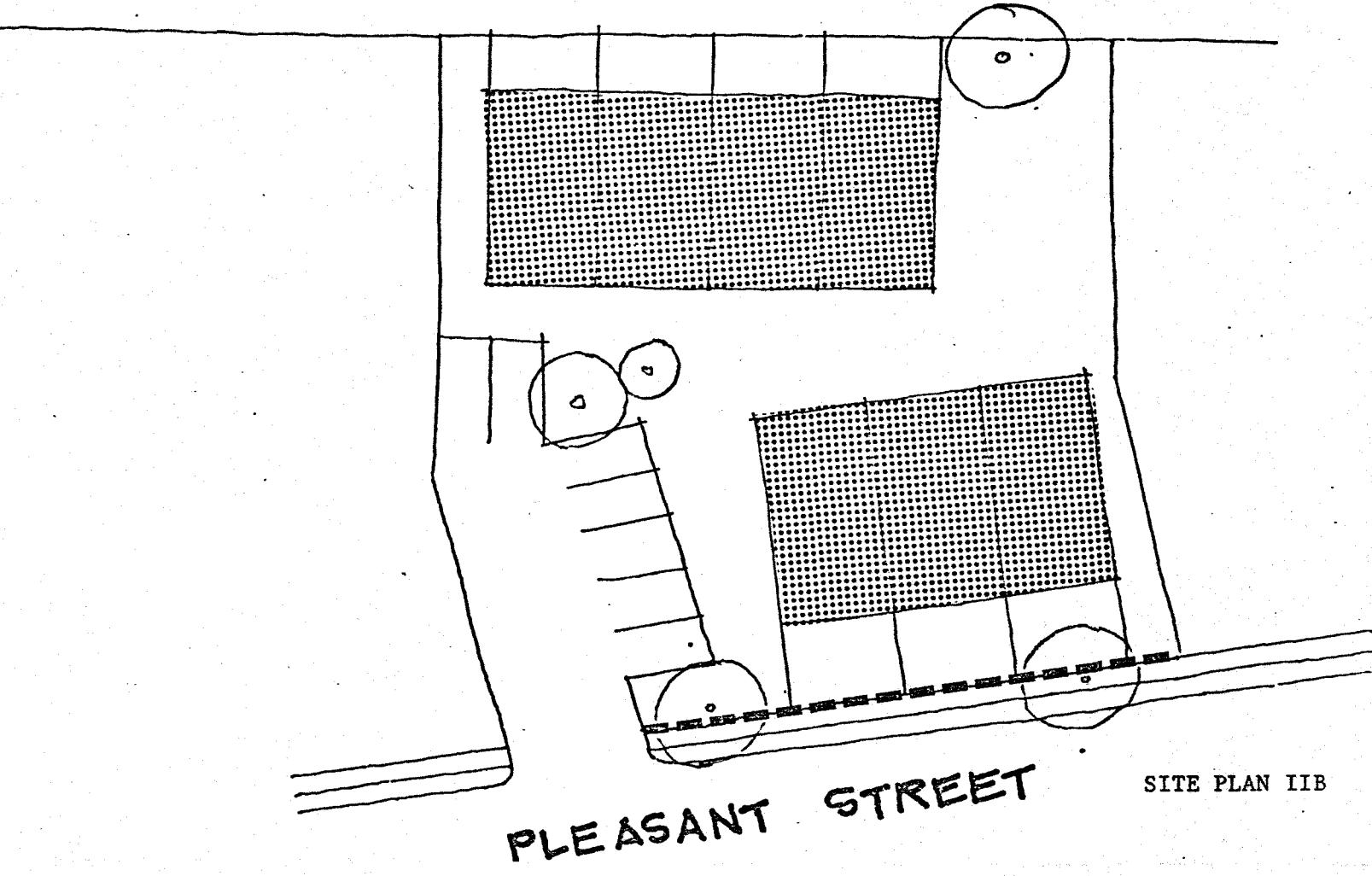
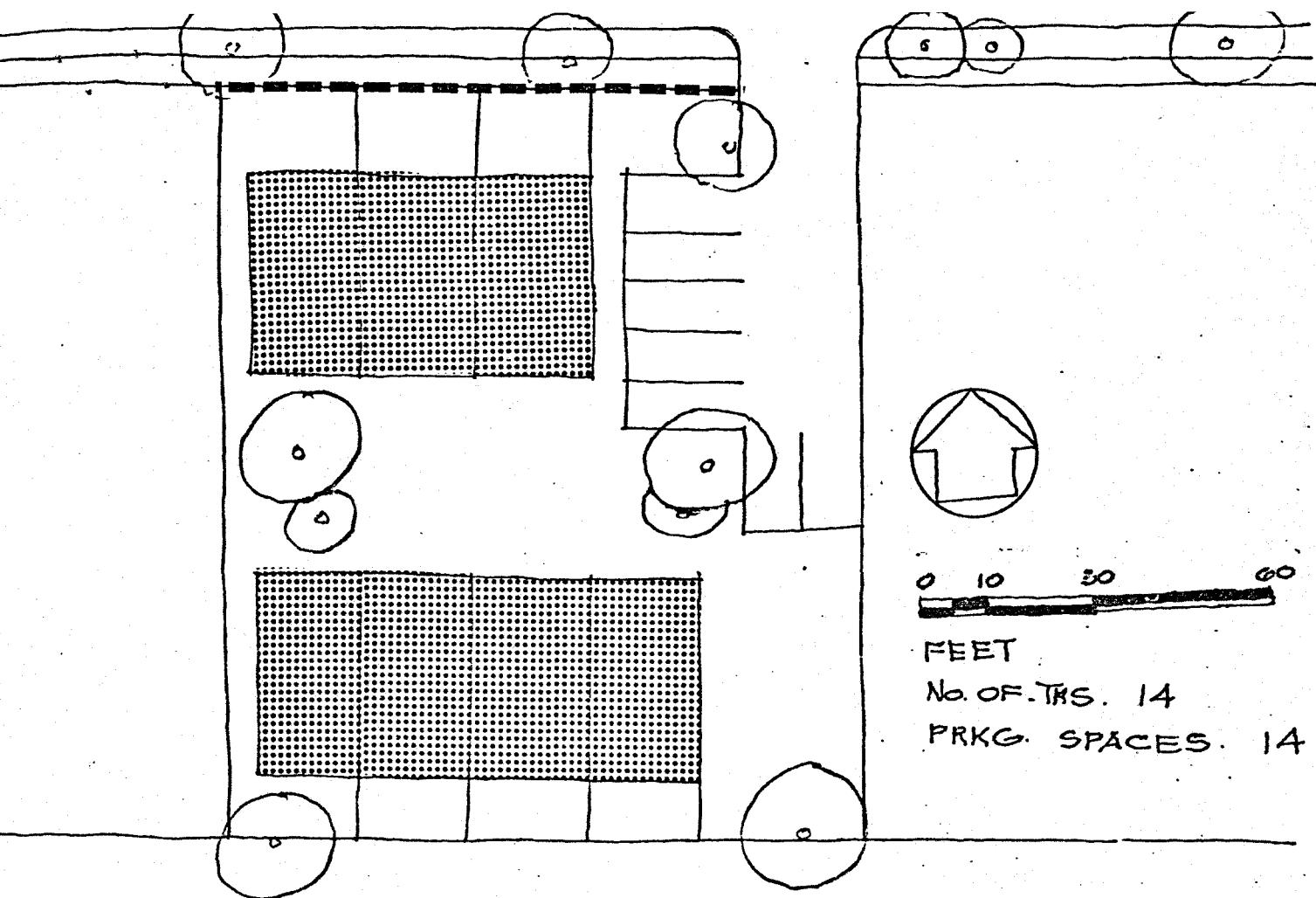
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FEET

NO. OF THS 10
PRKG. SPACES 14

PLEASANT STREET

SITE PLAN IIA



varying densities of 11 dwelling units with conventional zoning to 13 dwelling units per acre with zoning variances. In several of the site plans, the existing street face of flat fronts, porches and the rhythm of rowhouses has been replicated. As an alternative, two site plan studies explore the design feasibility of altering this pattern. Housing is cloistered, in interior courts and its design details altered to today's tastes and living patterns. One plan calls for side yards to allow for more favorable lot orientation. The successful integration of this concept in an architecturally historic neighborhood bears further study.

C. Prototype Unit

Once having designed site plans, attention was given to the development of a prototype unit which could be used in infill lots or replicated in number on a larger site. In this effort consideration was given to both architectural design and construction costs.

Architectural Design: To meet minimal market demands, it was determined that the basic housing unit include three to four bedrooms, self-contained laundry facilities and off-street parking. Because of both design and cost considerations, the selected building types were attached or semi-detached units of approximately 900 square feet. With the goal of creating new housing compatible with the historic elements of the existing neighborhood, the design parameters identified by the University of Maryland Study, "Design Guide for the Exterior Rehabilitation of Old Anacostia," were used as a guide for new construction. These criteria, as modified by the project team, follow:

1) Maintenance of Scale

- new construction not to exceed 2 to 2-1/2 stories

2) Maintenance of Street Facade

- new construction to match existing building line with architectural emphasis on porch line

3) Maintenance of Roof Line

- new construction to follow established roof pitch and cornice lines.
- integrity of materials
- new construction to be brick, frame of narrow slat aluminum siding
- integrity of details
- new construction to follow fenestration and entrance details.

The porch detail was selected for its simplicity of design and construction. Developers indicated that the costs of this detailing would not significantly affect construction costs, but might affect salability with the burgeoning trend in the Metropolitan area of eliminating front porches to create a federal look. The real function of the front porch in contemporary city life styles creates further conflict in new construction design. Existing porches face parked cars, traffic and a rather undistinguished streetscape in a city where air-conditioning is a necessity during humid summer weather and frequent smog alerts.

Current fire code regulations call for joined housing units to be protected by a fire wall which extends beyond the facade of the building and above the top story. This may significantly hinder aesthetic options for valid interpretation of historic street facades. New construction design for

higher-income levels often conceal this construction requirement in a false facade at a loss of economy.

In order to meet the goals and established criteria all proposals for new construction must be thoroughly studied prior to their implementation. An architectural review board must be established to insure compliance with historic elements and community direction.

Construction Costs: Costs of new construction represent a serious constraint on the development process. Research on these costs was conducted by interviewing several developers either involved in or informed about construction in Old Anacostia. These developers were remarkably consistent in offering the following cost information:

TABLE VIII

Construction Costs

Per square foot costs by construction type

Frame	\$20-24/sq ft
Masonry	\$24-28/sq ft
Half Basement	\$8-12/ sq ft
Site Improvement	
Includes sewage and drainage, paving, curbing, plantings	\$2500 - 3500/per unit
Appliance Package	
Includes washer/dryer	\$1,400
Central Air Conditioning	3,000
Overhead	15 - 20%
Profit	12 - 15%

The following table illustrates the costs for the minimum two-story frame house discussed in the previous section.

TABLE IX

Two-Story Frame Prototype: Costs

Cost/Square Foot/900	\$ 20,250
Site Improvements	3,000
Appliances	1,400
Air Conditioning	3,000
Profit/12%	3,318
Overhead/20%	<u>5,530</u>
 TOTAL (Exclusive of Land Costs)	 36,498

As noted, construction costs for this unit would exceed \$36,000. Land costs are not included because of the great disparity in information received about land value. These costs ranged anywhere from \$1,500 to \$6,000 per lot. As with rehabilitation efforts, overhead costs and profits for new construction are high because of the risk involved in developing in a deteriorating neighborhood. It is possible that both could be manipulated by several techniques including federal or city subsidized construction loans or use of non-profit sponsors. Housing costs might be reduced in installation of less expensive heating and cooling systems or, possibly the utilization of pre-fabricated housing modules. (The pre-fab concept requires extensive study for its ability to meld with the existing architectural details of the neighborhood).

The costs of developing a house which is architecturally compatible with existing housing does not adversely affect construction costs. The cost of

wood clapboard siding is comparable to aluminum in construction costs, however, less desirable for homeowner maintenance. Brick construction was not seriously considered in this study since costs for masonry are considerably higher and 75% of the existing housing stock is frame.

D. Marketability of New Housing

Housing in areas bordering on this neighborhood have a proven market value of \$42-47,000. However, according to developers familiar with the local market, new housing within the area of this study should not exceed \$35-36,000. In fact, they report that it would be better priced in the lower \$30's based on the neighborhood condition. In addition to the neighborhood problems already cited earlier in this report, developers feel that existing traffic conditions further detract from the market value of any residential property in the area. Traffic studies are required to test possible rerouting of rush hour traffic around the residential neighborhood core.

Since the estimates for the housing designed in this study exceed \$36,000 exclusive of lot costs, it does not appear that new housing units would be marketable at this time. In addition to costs, however, there appear to be several other constraints which might further hinder the development process. First, there is indication that the prototype house is too minimal in terms of amenities and square footage and, as a result, may not be competitive with other new housing. To more adequately meet housing demand, size and other elements of the unit may have to be improved, thereby increasing costs and further driving the total housing price out of the range of marketability. Secondly, developers felt strongly that the development and sale of any new

construction is contingent upon a visible rehabilitation effort. Apparently, this kind of renewed commitment to the neighborhood would reduce the perceived risks to both builder and potential homeowner alike for investing in Old Anacostia and would, therefore, stimulate new construction. As a result, it is recommended that construction of new housing be delayed until rehabilitation and other revitalization efforts take hold.

CHAPTER V. REHABILITATION FINANCING TECHNIQUES

In conducting the literature review, much information was gathered and analyzed about techniques for financing rehabilitation. In this chapter, the results of that review are highlighted. In the first section techniques used by cities and government agencies to finance residential rehabilitation will be discussed. The second section will review the various tax incentives developed to encourage privately financed rehabilitation. In the last section, elements of programs in other cities which deal with problems similar to those in Old Anacostia will be reviewed.

A. Public Financing Techniques

In a community like Old Anacostia, public financing of rehabilitation will be necessary to implement a housing improvement plan. First, private lenders have forsaken the area because of the fear that any investment in the community will depreciate. Even those with sufficient income have difficulty securing a home improvement loan. Secondly, for those with less income, the terms of the loans regarding interest rate and repayment schedule put private assistance beyond their reach. And finally, many families of the lowest income simply cannot afford any kind of loan even with the most favorable terms. To implement a housing rehabilitation strategy, therefore, public funds have to be available to assume the risks that the private sector has refused to take.

Direct Loans and Grants: The Federal government has long sponsored private residential rehabilitation through its Section 312 loan and Section 115 grant program. When the programs were consolidated into the Community Development Block Grant (CDBG) program, many cities including

the District of Columbia chose to set up rehab programs modeled after these Federal efforts.

Revolving loan funds have been established and from these, long term, low interest loans are made available to persons who are not able to get financing from private lenders. Grants are awarded to persons of lower income who could not afford to repay a loan or for emergency repairs. Some housing experts have criticized the 312 model and have suggested that cities seek other ways of financing rehabilitation. It deteriorated areas. In the latter, repairs are too extensive, absentee ownership is high and the income of some owner-occupants is too low to support loan repayments. These are the very characteristics which describe the housing condition and economic characteristics of Old Anacostia. Therefore, a housing solution for the target area will need to include but go beyond the 312 approach.

Another major criticism of these direct loan and grant programs is that no role for the private sector is developed. Instead, the public sector controls the program and it is felt that as long as it does, minimal preservation of existing housing will result. One of the major reasons for this conclusion is that public funds are limited and unreliable. Secondly, public agencies have not typically been in the banking business and as a consequence, do not have the expertise to administer loan programs effectively. Rather than using public funds as direct loans, it has been suggested that these funds be used to leverage private funds for rehabilitation. Private financial institutions can service loans more effectively, more funds will ultimately become available, and the long-term commitment of financial institutions in the rehabilitation pro-

cess will effectively curb redlining. Public funds can then be freed up for those complementary services which are more in the province and experience of government such as pavement and curb repair, street lighting, parks and improved municipal services. In order to leverage private funds the risk attendant to lending in declining areas must be reduced.

Based on these conclusions, it is recommended that the Department of Housing and Urban Development in the District of Columbia seek ways of leveraging rehabilitation funds rather than initiating a direct loan program. Different leveraging techniques are discussed below. It must be noted that most of the techniques are aimed at reducing the risk associated with lending in declining areas. Only by making these transactions profitable, will private lenders be encouraged to resume such financial activity.

Interest Subsidy: Subsidizing the interest on loans made by private lenders is one way local government can leverage rehabilitation funds. In most cases the interest subsidy grant is paid directly to the lending institution for the loan. Borrowers are rewarded with below market interest rates and the lending institutions do not forfeit any profit because of the reduced interest rate. In addition the interest subsidy grant also acts as a form of collateral so that any risk in lending is reduced.

Loan Guarantees/Insurance: Another leveraging approach is to guarantee rehabilitation loans, thereby, reducing the risk which prevented financial institutions from initially lending. Several different methods are used to implement this approach. A sizable certificate of deposit can be deposited by the city in return for the bank's agreement to loan a multiple

a result, it can also offer the NRHA a lower rate of interest. With the proceeds, NRHA loans at an interest rate which is 1% higher than it pays to the bank. As a result of this arrangement, the agency uses little of its own money since the additional 1% it charges can cover many of the administrative costs.

A second fund for low income, high risk persons has also been established between NRHA and the local banks. However, the banks require a deposit of \$245,000 to be used as a reserve fund against defaults. Community development block grant funds are used for this purpose and interest is credited to the agency.

Neighboring Portsmouth, Virginia has used a similar approach with an additional step of securing funds from its bonding authority. The Portsmouth Redevelopment and Housing Authority (PRHA) sold \$500,000 in 2-year revenue bonds at 6% interest to local banks. The Authority chose not to go to the public bond market because interest rates had risen to a high of 8%. Loans of between 4.5 - 5.5% interest are approved for eligible property owners, the PRHA absorbing between .5 - 1.5% interest. The agency drew down \$200,000 from its CDBG entitlement and deposited it in the bank to give the local lending institutions assurance that funds would be available to retire the bonds. At the end of two years, the mortgages held will be sold and the cash from the sale of the mortgage paper, the loan repayments and the interest on the \$200,000 account will be used to retire the bonds.

Other Techniques: In this last section, activities are discussed which put local government agencies more completely into the role of mortgage bankers.

In Portland, Oregon a program entitled Public Interest Lender (PIL) has been created by the Portland Development Commission (PDC). Under the PIL, local banks provide an annual line of credit to PDC which is in turn used to fund low interest rate loans. During the past year, PDC received \$538,000 and made 58 loans. This line of credit is secured by \$150,000 which is drawn down from CDBG funds.

In San Antonio, Texas city funds are leveraged by the creation of a private secondary mortgage market. The city loans at a low interest rate and after the loan has been repaid for one year, the loan paper is sold to a lending institution at a 10% discounted rate. The proceeds of the transaction are then used to fund other loans, grants or combination of loans and grants. To reduce risk for the local lenders, 10% of the discounted loan price is placed in escrow as a guarantee against default. If any default occurs, the banks collect their investment and return the paper to the San Antonio Development Administration for foreclosure.

While many of these public financing techniques are quite sophisticated, they are presented in the hope that the D.C. DHCD will review them and select an innovative leveraging approach which will increase the funds available for rehabilitation, not only in Old Anacostia but city-wide.

B. Taxing Policies Regarding Rehabilitation

In many fundamental ways, taxing policies discourage rehabilitation. They either do this by promoting new construction at the expense of existing structures or by creating the fear of reassessment because of property improvements. Changes in the taxing policies to encourage preservation

and rehabilitation of the existing housing stock have been considered at the Federal, State and local levels. Since these bear on preservation of the existing housing stock in Old Anacostia, they are discussed below.

Federal Taxing Policies: There appears to be agreement that Federal taxing policies do not create parity between preservation and new construction. The most obvious disincentive to preservation is the accelerated depreciation for investment in new buildings. Under the IRS code, depreciation of a used building is achieved by the straight line approach which provides that the owner can deduct an equal portion of the mortgage costs spread over the remaining years of the building's useful life. By contrast, with a new building, the declining balance approach is used. The owner depreciates at a rate of 150% greater than the straight line and the depreciation is accelerated over the first few years. This taxing policy does, of course, favor new construction instead of the preservation of existing structures.

Certain tax breaks do exist for rehabilitation. An owner is allowed a 5-year write-off on rehabilitation expenses for those who own and rent properties to low income families. While these provisions limit assistance to owner-occupants, they may provide a stimulus for investment by absentee owners in properties which have become deteriorated and threaten the success of neighborhood preservation activities.

Some proposals have been introduced to increase incentives for preservation through federal taxing policies. The most notable is the Historic Structures Tax Act which was introduced in 1975. In general, its major provisions seek to extend the accelerated depreciation approach to

rehabilitation, eliminate the permissible deduction of demolition costs if the demolished structure was considered historic, and institute the straight line depreciation method for new construction built on the site of the demolished historic structure. While these provisions do equalize the protection of existing buildings with new ones, they are still aimed at investor-owners. In addition, buildings have to be "certified" to be eligible which presumably means they have to be listed on the National Register of Historic Places. If this bill should pass, efforts to nominate Old Anacostia to the National Register should be accelerated. Even so, the provisions regarding accelerated depreciation may not apply since it is not clear if all properties in a historic district qualify as an "historic structure." Other proposals have been made which emphasize housing rehabilitation rather than historic preservation. To this end, they may be more relevant to our neighborhood preservation efforts in Old Anacostia. These proposals, along with the Historic Structures Tax Act are included in Appendix F.

State/Local Taxing Policies: A long range goal of this plan might well be to encourage changes in Federal tax law which create incentives for preservation or housing rehabilitation. To meet shorter range objectives, however, it is advisable to concentrate efforts on tax policies at the state/local level. Unlike Federal taxing mechanisms, local policies to encourage preservation or rehabilitation of existing housing also effect owner-occupants. The major method for achieving this objective lies in the manipulation of the property tax.

One of the major reasons given by homeowners for deferring rehabilitation is the fear that the property will be reassessed and property taxes will be increased. In a study conducted by Arthur D. Little, Inc. it was found that this fear is highly exaggerated. First, reassessment systems have their own

inertia and, as a result, reassessments do not occur with great frequency.

Second, most communities have policies which exempt from reassessment improvements related to housing code compliance. Third, because of the lag time in reassessment practices, the improvements may not result in reassessment because the depreciation they addressed had not been previously recognized in the assessment. Nevertheless, the public does remain concerned about the possibility of reassessment. It is vital to the rehabilitation plans for Old Anacostia that homeowners be willing to make repairs to their homes, whether or not these improvements are financed by public funds or private capital. Therefore, it is recommended that methods be developed whereby the fears aroused by reassessment can be neutralized.

Currently, the District of Columbia is in the process of developing a comprehensive package of tax policies to encourage rehabilitation. In the Fall of 1975, regulations were promulgated which provide tax incentives for the rehabilitation and maintenance of historic buildings. Abatement of increased taxes caused by improvements is permitted and historic properties are assessed on the basis of current use if current use is less than full market value or "highest and best" use. In return, the owners must assure continued maintenance for twenty years. At present, these provisions apply only to historic structures and not those included in an historic district. Therefore, even if Old Anacostia was nominated to the National Register of Historic Places, these tax benefits would not apply to properties in the historic area.

It is anticipated, however, that a similar proposal to encourage rehabilitation in all buildings, regardless of their historic value, will be developed sometime this fall. As a part of this plan, it is recommended that community groups work with the District government to develop the most

favorable plan possible. One element now under consideration is the procedure whereby differential tax rates are established for land and improvements. The theory is that the location of the parcel in relation to the range of urban services and activities creates its value. As a result, full market value of the site would be the basis for assessment whereas all improvements would be exempt. A compromise to this approach, graded taxation, has been suggested wherein the property tax rate is less than the tax rate on the land. This differential rate would neutralize some of the fear regarding reassessment and higher property taxes. However, if it is not accompanied by zoning and protection against demolition, it could encourage more intense uses of the land.

Other attempts have been made by cities and states to encourage rehabilitation by manipulating the property tax. Examples are included below so that these approaches can be brought to the attention of tax officials in the District of Columbia.

Boston, Massachusetts: To encourage property owners to participate in the Mayor's Housing Improvement Program (HIP), assurance is given that repairs made under the program will not be eligible for reassessment. This assurance is more of a community education effort rather than a real tax break since repairs related to housing code compliance are already exempt from reassessment. The element is designed to reinforce existing laws and create confidence among homeowners. Such a public relations campaign might be included in the District's tax package.

Wilmington, Delaware: Other communities have dealt with the problem more directly by passing laws which curtail assessment of identified improvements. In Wilmington, city officials are also experimenting with tax relief or exemptions with regard to improvements to existing structures. Under the

tax code, all improvements are exempt from real estate taxation up to a ceiling of 150% increase in assessed valuation. If the property is to be reassessed, valuation is measured in terms of cost of materials and value of the labor in making repairs rather than the market value of the property.

The following improvements qualify for exemption:

- 1) addition of a den or rumpus room
- 2) new rooms finished in the attic
- 3) any change resulting in a larger building
- 4) complete modernization
- 5) extra bedroom, bathroom, fireplace or porches where none had existed
- 6) addition of a garage
- 7) change of basement to livable quarters
- 8) replacing plumbing and lighting fixtures
- 9) wiring modernization, including electrical outlets
- 10) outdoor electric cable, electric lights
- 11) repair and replacement of porches and steps
- 12) new kitchen cabinets, built-in vent fans, cupboards and counters.

It appears that this kind of statute where the exempt improvements are specified is likely to inspire confidence and encourage rehabilitation more than the Boston approach where the city is silent on the specific kind of improvements that are exempt.

State of Maryland: Another method used to encourage rehabilitation is to defer reassessment. In the State of Maryland, legislation has been enacted which provides for deferments for historically and architecturally significant structures in Allegany and Washington Counties. Tax exemptions are permitted accordingly: 100% of the increase in assessed valuation is exempt for the first two years; 80% for the third year; 60% for the fourth year; and 40%

for the fifth year.

In other counties in the State, a local property tax credit of up to 10% of the owner's restoration or preservation expenses for designated properties is permitted. This credit can be carried forward for five years. A similiar program in the City of Boston was terminated because it was found that the credit stimulated only "fix-up" activities rather than rehabilitation. The utility of these tax credits may therefore be limited in promoting large scale preservation but may be helpful, once a community, like Anacostia, is revitalized.

State of New Mexico: A law passed in New Mexico may be more helpful in promoting rehabilitation. It permits deduction of approved restoration and preservation expenses from property taxes. These expenses may be carried forward and credited for up to ten years. At present, this incentive is limited to properties listed on the official register and those available for educational purposes. It appears that this kind of credit plus abatement or deferred assessment might be an optimal combination for encouraging private rehabilitation.

State of Ohio: A bill has been passed by the State legislature which provides for the ultimate in incentives for private rehabilitation. Within certain cities, mini-urban renewal agencies known as Community Urban Redevelopment Corporations (CURC) can be set up for specific project areas. A community development plan has to be developed for the area and approved by the Mayor and City Council. The CURC is permitted to rollback property taxes on improvements for up to twenty years for commercial and industrial uses and for up to thirty years for 1-3 family residential uses. If the amount of property taxes paid in the area drops below the amount received by the government prior to redevelopment, the CURC must subsidize the

difference. It is expected that this rebate will be applied selectively to encourage improvements where they are desirable. This procedure may also be helpful in persuading absentee landlords to improve their properties.

C. Housing Improvement Programs

To be effective in Old Anacostia any housing improvement program must respond to the following problems and needs:

- 1) displacement of existing residents,
- 2) housing abandonment,
- 3) absentee ownership,
- 4) continued home maintenance,
- 5) refinancing
- 6) high costs of rehabilitation, and
- 7) public improvements.

In reviewing the efforts of other cities, emphasis was placed on methods they had developed to meet these issues. Many of the most promising have been included in the recommendations presented in the next chapter.

Displacement: Throughout the project, members of the class have been highly sensitive to the need to keep displacement of existing Old Anacostia residents to a minimum. This objective is difficult to achieve since the economics of rehabilitation create higher housing values and therefore, create new housing opportunities for higher income families. In Old Anacostia, the potential for displacement is intensified by the high rate of absenteeism among landlords.

Among the methods reviewed, most communities chose to control this phenomenon by tying it into a rehabilitation loan. For example, in St. Paul, Minnesota, an individual who borrows for rehabilitation cannot transfer the property in question while indebted. In Louisiana, while the individual is

indebted to the government for a rehabilitation loan, low and moderate income families must occupy the premises. In San Francisco, a property owner who borrows for rehabilitation is subject to a rent control law which allows increases based on the cost of living and actual increases in costs for the loan, property taxes, insurance and maintenance. In addition, to cushion the blow, residents who become dislocated must be paid moving expenses of \$300.00. These controls presume that the financial assistance available to property owners is substantial enough to warrant further control over their actions with regards to tenants and their profits. Any feature to forestall displacement, therefore, must be balanced carefully with the property owners interest. A too restrictive approach could promote further disinvestment by the property owner.

Another way of preventing displacement is to encourage economic integration so that housing units for low and moderate income families will be available over the long haul. In Pittsburgh, the History and Landmarks Foundation has been able to control displacement in the Mexican War Streets area by issuing public statements that the community is expected to remain economically integrated. Arthur Ziegler, Jr., director of the PHLF believes that this approach has kept a lid on speculation.

In another community in California, Berkeley, economic integration has been formalized through the zoning process.

A neighborhood preservation ordinance has been developed which requires that use permits be issued before new development begins. To secure a use permit, several requirements have to be met, one of which is that in housing units of four or more, 25% have to be reserved for low income families. This approach might be useful in Old Anacostia with regard to new construction and in conjunction with comprehensive rezoning of the area.

Housing Abandonment: As stated earlier, thirteen properties were identified as abandoned in the field survey work. The high rate of absentee ownership is an indication that abandonment could increase.

Most housing improvement programs exclude absentee owners from any form of financial assistance for rehabilitation. Presumably, the theory for this exclusion is that these owners should not be rewarded for their investment. However, studies, most notably The Tenement Landlord by George Sternlieb have shown that absentee owners generally do not make a profit on their properties. In addition, they are also subject to the same constraints from redlining as individual property owners. Offering them no financial incentive to improve their properties promotes further deterioration and abandonment, even among those owners who still may have interest in the property.

In Seattle, Washington investor-owners are eligible for rehabilitation loans from the city. Interest rates are reduced to 1% below market rate and funds are lent over an extended period of time. Other cities, such as Boston, Massachusetts, are considering expanding home improvement programs to include small investor-owners, individuals with one or two properties on a block. As discussed in the previous section, favorable financial assistance can be used to leverage a commitment to house low and moderate income families. In addition, it can also forestall housing abandonment.

In dealing with properties that are already abandoned, the City of Philadelphia has adopted a procedure which short circuits the usually lengthy tax foreclosure procedure. In lieu of taxes, the city receives the property as a gift and incurs costs for bringing the parcel up to the health code. Thereafter the parcel is sold for back-taxes. When absentee-owners can be found readily, this approach might be used in D.C. to begin to recycle the abandoned property.

Absentee-Owners: As stated in earlier sections of this report, over two-thirds of the dwelling units in Anacostia are absentee-owned. Unless the community can exert some control over these owners, there will be little opportunity to implement a housing improvement strategy.

By providing the financial assistance discussed above, the community may be able to encourage some to rehabilitate their properties. However, if a streamlined process is developed for recycling abandoned buildings, a concentrated code enforcement program might convince property owners to turn over their properties as a gift to the city. These units could then be made available to area residents. As a third alternative, the absentee owners could be bought out. In Butchertown, an historic section of Louisville, Kentucky, which is 75% renter-occupied, a neighborhood corporation has been set up for this and other purposes. Stock is sold in the neighborhood with a limit of 10% of the corporation's assets and profits are shared in the community.

Housing Maintenance: Continued home maintenance is a problem in communities like Old Anacostia where family incomes are not high. In Pittsburgh the Neighborhood Housing Service has attempted to deal with this problem by setting up a revolving fund for home repair. Persons financed by NHS make payment into the fund and are entitled to two maintenance visits per year. In order to create economies of scale, this program has recently been expanded city-wide.

In Madison, Wisconsin, the Department of Housing and Community Development has a Home Maintenance Organizer on staff. This person assists individual homeowners with repair needs and instructs on maintenance techniques. In other communities time swaps have been arranged where neighbors skilled in certain maintenance/repair jobs donate their time in return for other

services.

As the residents of Old Anacostia begin to coalesce around a housing improvement plan, many one of the three alternatives might be appropriate.

Refinancing: Many homeowners in low income areas cannot afford mortgage payments as well as payments for a home improvement loan. Refinancing the existing mortgage provides a means of spreading the repayments over a longer term. Lenders are reluctant to refinance in a deteriorated neighborhood for fear that the value of the house as collateral will decrease.

In some communities, the homeowner is protected from financial over-extension. In Seattle, the city government refuses to make a rehabilitation loan if housing costs (mortgage and loan payments) exceed 25% of family income. In Winston-Salem, North Carolina, greater assistance is given to the homeowner if dual payments exceed 25% of income. At that point, \$8,000 of the individual's debt is refinanced at 3% thereby reducing monthly housing costs.

Other communities have taken this direct refinancing approach. In California, state law permits refinancing if rehabilitation costs amount to 20% of the total indebtedness. In New York City, the Real Estate Mortgage Investment Corporation (REMIC) not only refinances but insures the new loan for anywhere between 20-33%. In Dayton, Ohio, the City Wide Development Corporation carries a second mortgage for rehabilitation or restoration costs once the individual gets a first mortgage from a lending institution.

It is important to note that this kind of refinancing requires considerable capital unless another institution agrees to buy the mortgage paper at the

outset. One way to avoid all kinds of refinancing is for the owner to sell an unrehabilitated house to a non-profit agency and let them restore the unit. The owner, then buys back the property and the costs of restoring are financed through the new mortgage. A variation of this approach is being used by the Historic Foundation in Galveston, Texas and appears to be working well.

High Costs of Rehabilitation: In many cases, the high cost of both labor and materials have made rehabilitation efforts financially infeasible. One way that has been developed to bring down costs is to have a non-profit agency act as general contractor, thereby eliminating a layer of profit from the final rehabilitation cost. This approach has been used successfully by the NHS in Pittsburgh. Middleman costs can also be eliminated by having the non-profit organization also act as the real estate agent.

Lastly, costs have also been held down by controlling production factors. The costs for materials bought in bulk can be discounted. Recyclable materials can also be collected and resold. Further, apprentices or trainers, some of whom can be community residents, are used on a job thereby reducing labor costs. This latter approach has been used in many communities, most notably Oakland, California, as an outgrowth of a Model Cities on-the-job training program developed in cooperation with the building trades unions.

Lastly, in Pittsburgh, a most direct approach has been employed. The city adjusts the sales price of a rehabilitated house to reflect a normal market value and absorbs the difference. Eligible families are those with incomes below the upper one-third.

Public Improvements: Revitalization generated by rehabilitation will not be sustained without public commitment in the form of improved municipal services. In many communities, mini-master plans are developed for the areas in question in which public improvements are staged along with both private and public rehabilitation efforts. Elements of public improvement include focused public services, (trash collection, street cleaning, curb repair) landscaping staging for code enforcement efforts, rezoning, traffic control and so on.

* * * * *

Research indicates that no one element will satisfactorily meet the complex problems that exist in Old Anacostia. Rather, a comprehensive approach is needed and recommendations are set forth in the following chapter.

CHAPTER VI. HOUSING REHABILITATION AND PRESERVATION STRATEGY FOR OLD ANACOSTIA

It is apparent that complex and interdependent problems have created the deteriorated housing environment which now exists in Old Anacostia. In order to improve this environment not one but many remedies are needed. In the first half of this chapter, a comprehensive strategy is set forth to address housing problems in Old Anacostia. It is clear that the cooperation and involvement of community organizations, citizens groups, interested individuals and the city government will be needed to implement these recommendations. The second half of the chapter is devoted to a discussion of methods by which this plan can be implemented.

A. Program Elements

During this study research has been conducted on building conditions, land ownership and land assembly, zoning, vacant properties, construction costs, marketability of new and rehabilitated housing, historic preservation design, financing techniques and the experiences of other cities. This effort has created a base of data from which a housing strategy could be designed. Many programs or elements combine to make up the housing strategy. Each addresses one of the problems identified in the research phase of the project. An explanation of each of the elements follows.

Property Acquisition and Rehabilitation: Many deteriorated and abandoned buildings exist in Old Anacostia. No effort to stabilize the community will be successful unless these properties can be improved. To do this, an active program of property acquisition and rehabilitation must be developed. It is recommended that the housing rehabilitation and preservation program begin with

the acquisition and rehabilitation of the thirteen abandoned properties identified in this study. Such an effort could provide the psychological boost that is needed to spur additional rehabilitation.

Because of the substantial risks involved, it is recommended that the AEDC and/or DHCD undertake this responsibility. Both agencies have made commitments to become involved in rehabilitation of housing units. With this kind of sponsorship, savings in overhead costs can be accrued through low interest construction loans, and lower profit requirements.

In undertaking rehabilitation, these agencies should restore the structures in a manner that is compatible with the architectural style of the community. By so doing, they can help set quality rehabilitation standards for the whole neighborhood.

Community Real Estate Office: With the high rate of absenteeism, it is clear that the community can exercise little control over the condition or disposition of property. Control is a vital ingredient in the implementation of the rehabilitation and preservation strategy.

To gain some measure of control over property, it is recommended that a community real estate office be established. This office would have several important planning functions. First, it would conduct a user needs study in Old Anacostia to identify prospective homeowners and sellers. With this information matches between the two could be arranged. In the user needs study, homeowners interested in rehabilitation or remodeling could be identified for future action or assistance. The office could also be used to identify and work with speculators, those that are assembling land and those that wish to sell it. Lastly, the community real estate office along with other organizations could also be responsible for educating the community and others to the housing strategy and developing a marketing plan to attract new people into Old Anacostia.

In addition to its planning function direct assistance can be given by office staff to finance the costs of housing. First, it could perform free brokerage services for those organizations rehabilitating or building new units, thereby reducing the total cost of housing. Staff could also presell these same units and create the possibility that lenders will reduce interest on construction loans because of the reduced risk. At the very least, pre-sales will better enable these agencies or individuals to secure the loans. Lastly, the office staff could act as an agent for prospective homeowners with lending institutions to help secure permanent financing for home mortgages.

A community organization like NHS with both professional housing expertise and personal knowledge of Old Anacosta would be the most likely candidate to assume the responsibilities outlined for the real estate office.

Code Enforcement: It is recommended that code enforcement procedures be used as a positive force to improve the housing environment in Old Anacostia. However, in utilizing this tool, two conditions have to be met. First, code enforcement activities must be coordinated with community groups and organizations, such as NHS and the Frederick Douglass Community Improvement Council, so grass roots support can be generated. Second, these activities should be applied selectively on a block-by-block basis so that there will be a visual result of the enforcement and so that homeowners can be mutually supportive. It is recommended that blocks with newly rehabilitated units be selected initially with the belief that the improvement will have a ripple effect on surrounding units. It is also recommended that absentee landlords be the particular focus of code enforcement. If the pressure forces them to further disinvest they could be encouraged to sell to renters identified in the user needs study as prospective homeowners.

Revolving Loans: Low interest loans from a revolving fund should be made available for housing rehabilitation. Funds for this purpose could continue to be made available by NHS. In addition, the DHCD city-wide rehabilitation loan program will also be a source of funds. However, instead of making direct loans, it is recommended that DHCD officials explore the potential for leveraging these public funds for increased private lender investment in rehabilitation. The advantages of this approach are outlined in Chapter V, Section A.

In making rehabilitation loans no funds should be allowed if facades are to be altered in a manner inconsistent with the architectural style of the area. Further, in order to concentrate efforts and maximize results, priority should be given to homeowners on those blocks which have been designated for rehabilitation and code enforcement efforts.

Low Interest Loans to Landlords: As stated in other sections of this report, investor-owners are usually excluded from any kind of financial assistance program. It is the feeling of the study team, based on discussions with several housing officials, that this exclusion causes further deterioration. Therefore, it is recommended that these owners be eligible for low interest rehabilitation loans, perhaps 1 - 3% below the market rate and that these funds be made available from the DHCD rehabilitation loan fund. Two stipulations might be included. First, only small investor-owners should be eligible. Second, in order to protect existing residents, the borrower might be required to rent to low and moderate income tenants for the term of the loan. Other approaches to avoid displacement are discussed in Chapter V, Section C.

Low Interest Construction Loans: DHCD has the authority to make low interest construction loans available to non-profit developers. Therefore, it is recommended that the City agency commit a loan to AEDC and any other such

developer interested in Old Anacostia. These construction loans should be made available for both substantial rehabilitation and new construction.

Covenants and Easements: In order to preserve the facades of buildings in Old Anacostia, it is recommended that they be protected by two legal mechanisms, covenants and easements. Any private organization or individual who sensitively restores or rehabilitates the facade should place a covenant on the property which prohibits any future owner from altering it. The city government, through DHCD, can offer a similar protection by purchasing the property rights to the facade of a house for a negotiated price. While the covenants can be attached to any property in the community, it is recommended for the purposes of implementing the easement program that houses located on blocks already selected for rehabilitation and code enforcement be given priority. Priority might also be given to houses judged to be significant from the historic viewpoint.

Home Ownership: Another element in the strategy is to increase home-ownership in Old Anacostia. Increased home ownership is an important component of the strategy since it has the capability to stabilize property values and increase community interest in neighborhood improvement. Unfortunately, it will be difficult to accomplish this task since Federal housing assistance programs have all but dried up. Where possible bankable renters who are interested in becoming home owners could receive technical and financial assistance from community organizations such as NHS on the responsibilities of home ownership. In order to increase homeownership, permanent financing has to be made available through conventional lenders.

New Construction: The construction of new housing units is an important element of the housing strategy. However, research indicates that the current market cannot support compatible units at this time. Therefore, it is recommended that this activity be delayed for several years. In the meantime, rehabilitation efforts should be undertaken to improve the condition of both housing and neighborhood and, hence, improve the future marketability of new housing.

Relocation Opportunities: Many of the elements discussed above will help prevent displacement of existing residents. However, some displacement may be unavoidable. Some homeowners will want to sell their homes, especially the poor and elderly, who cannot afford repairs or maintenance. Rather than be caught off guard by this development, it is recommended that the community be prepared for it, thereby minimizing the impact.

Relocation housing should be made available in Old Anacostia to serve those who are displaced and wish to remain in the neighborhood. It is recommended that the multi-family apartment complex, Cedar Gardens, be considered as a community relocation facility. This development is in the throes of HUD foreclosure and needs rehabilitation. A non-profit developer, such as AEDC, may wish to purchase the property and improve it. Thereafter, units could be rented with a certain percentage set aside for relocated Old Anacostia residents.

Equal Housing Opportunity: Another means of preparing for displacement is to prevent it altogether. Some communities have successfully accomplished this by fostering an image of a neighborhood in which families of all incomes are welcome. Public statements to this effect have apparently kept some control over the housing market and have made speculators wary of investing in the community. It is recommended that this policy be included in any marketing strategy developed for Old Anacostia.

Architectural Review Board: The architecture and ambiance in Old Anacostia is a scarce resource that must be protected. To do this, it is recommended that an architectural review board be created to regulate the design of new construction and alteration of existing buildings. The board could be composed of community professionals and lay persons as well as architects and planners from throughout the city. This element might be implemented speedily so that some control can be exerted over initial rehabilitation efforts.

Tax Abatement Program: In response to Federal legislation passed last year, the D.C. government is responsible for developing a taxing program which will encourage rather than inhibit rehabilitation. It is recommended that community agencies and citizen groups encourage the D.C. government to carry out its responsibilities. A several year moratorium on tax reassessments caused by restoration and rehabilitation work should be considered.

Historic District Nomination: It is recommended that the community, National Capital Planning Commission and DHCD proceed with efforts to nominate Old Anacostia to the National Register of Historic Places. Nomination to the Register will make homeowners eligible for 50% matching funds from the National Park Service for restoration work. In addition by being named to the National Register, buildings in Old Anacostia will become protected by the D.C. delay of demolition ordinance.

Rezoning: Much attention has been given in this report to the incompatible zoning in Old Anacostia, which it encourages speculation and threatens the existing architectural character. In Chapter IV, Section A zoning alternatives are discussed. It is recommended that the community rezoning approach be investigated and utilized in Old Anacostia. ✓

Neighborhood Rehabilitation Workshop: To reduce costs of restoring homes in Old Anacostia, community organizations could stockpile porch detailings, doors, window sashes, wrought iron fences, and so on from demolished units for use in neighborhood houses. These supplies could be sold at a discount to residents who wish to do restoration work. Funding for a tool lending library has recently been secured by the Metropolitan Washington Planning and Housing Association through the National Endowment for the Arts. Funds might be used to conduct classes, prepare plans and cost estimates for interested homeowners.

Future Studies: As stated in this report, in addition to housing, other needs have to be addressed to revitalize the community of Old Anacostia. Studies have to be conducted on many issues to make the plan complete including the following:

* traffic conditions	* public improvements
* recreation needs	* street furnishings
* METRO impact	* commercial services needed

B. Implementation

As stated earlier there are many community resources available to implement the housing rehabilitation and preservation strategy. These resources were identified in Chapter II. Many are already interested in becoming involved in the implementation of the strategy. It is clear that successful implementation will require cooperation and coordination of these many actors.

Suggested Roles for Community Actors: On the following chart, the program elements are divided into four functional areas: housing opportunities, financial assistance, historic preservation and planning. Some attempt was also made to prioritize these elements according to the problems identified. Based on the team's understanding of the capabilities of the possible participants in the process, suggestions have been made as to the division of responsibility

for each program element. Where several actors are involved, cooperation will be needed at this time. No effort has been made to precisely identify lead agencies in these cooperative efforts.

**Strategy Implementation:
Suggested Phasing and Responsibility**

Strategy Element	COMMUNITY ACTORS							Private Lenders
	AEDC ¹	NHS ²	ANM ³	FDCIC ⁴	DHCD ⁵	MPO ⁶	Budget	
<u>Financial Assistance</u>								
(1) Revolving Loans	▲				▲			▲
(2) BMIR Loans to Landlords					▲			▲
(3) BMIR Loans for Construction	▲				▲			▲
(4) Tax Abatement		○		○	○		○	
<u>New Housing Opportunities</u>								
(1) Property Acquisition and Rehab.	▲				▲			▲
(2) Home Ownership		▲			▲			
(3) New Construction	○	○			○			
(4) Multi-family relocation opportunities		▲	▲		▲			
(5) Code Enforcement		▲		▲	▲			
<u>Historic Preservation</u>								
(1) Covenants and Easements	▲				▲			
(2) National Register Nomination			○	○	○			
(3) Arch. Review Board		▲	▲	▲		▲		
<u>Planning/Technical Assistance</u>								
(1) Economic Integration		▲	▲	▲				
(2) Rezoning		▲		▲		▲		
(3) Community Real Estate Office		▲	▲					
(4) Neighborhood Rehab. Workshop	▲	▲	▲	▲	▲			

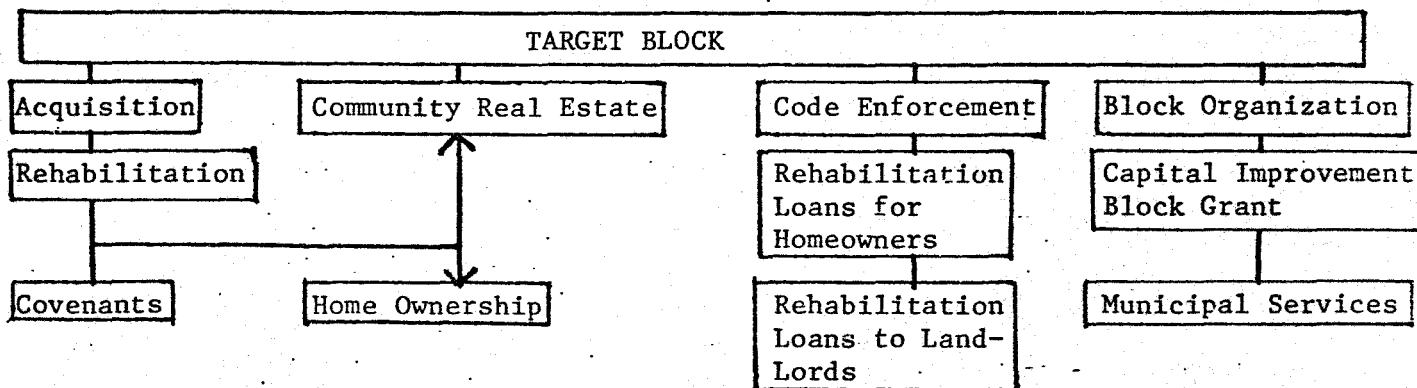
KEY**▲ - First Phase****▲ - Second Phase****○ - Third Phase**

NOTES

- 1: Anacostia Economic Development Corporation
- 2: Neighborhood Housing Services
- 3: Anacostia Neighborhood Museum
- 4: Frederick Douglass Community Improvement Council
- 5: Department of Housing and Community Development
- 6: Municipal Planning Office

Housing Rehabilitation Model: The housing rehabilitation model indicates dynamically how some of actors might interrelate to implement the strategy.

MODEL



The focus of the model is a target block with abandoned units. AEDC or DHCD would purchase and rehabilitate the abandoned structure(s) with special attention to exterior facade restoration. During the construction period NHS would pre-sell the unit and arrange permanent financing. Selective, sensitive code enforcement would be conducted by the city's housing inspectors in conjunction with NHS on other units in the block. Where possible, renters would be assisted in home purchase. NHS and FDCIC would organize a block association and identify needed capital improvements, uses for city community development funds, and municipal services. Covenants and easements would be placed on selected units and NHS and DHCD would make home improvement loans where necessary. NHS organizers, FDCIC members and ANM staff would use block associations as a means of disseminating information on the rehabilitation workshop, real estate services and housing opportunities.

* * * *

The community of Old Anacostia is at a critical juncture in its history and development. To do nothing is not a viable alternative. Speculators may continue to invade the area bringing with them the threat of "Georgetownization." If this development does not occur, houses will continue to deteriorate and demolition will be the only answer. Already 25 units have crumbled before the bulldozer since 1965.

The strategy that has been developed represents one way the community can begin to control its destiny. Old Anacostia can either be saved or left to die; it is the community's decision to make.

APPENDIX A**EXTERIOR BUILDING CONDITIONS SURVEY FORM
(INITIAL SURVEY)**

2/14/7 U&RP 204 G.W.U.

Date of Construction

Form No. _____

EXTERIOR BUILDING CONDITIONS SURVEY

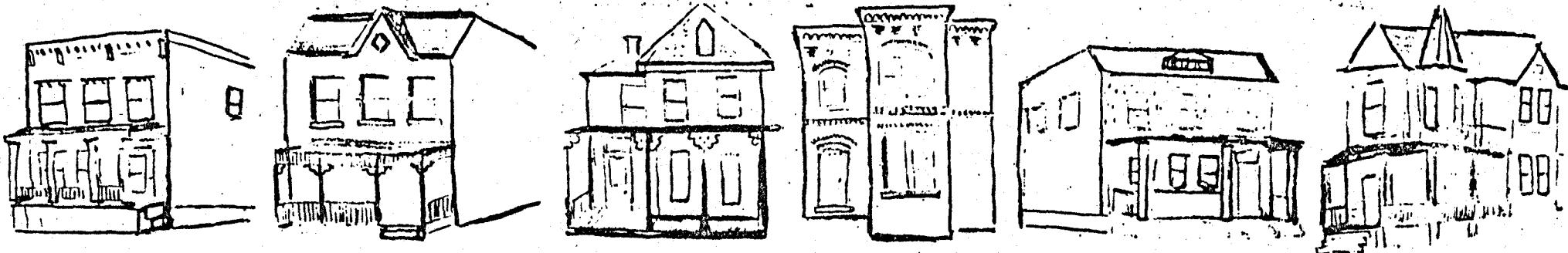
Block No. _____

Square _____ Lot _____

1. Address _____ No visible address 2. Type of structure detached flat conversion
 semi-detached elevator apt.
 row other(specify) _____

3. Stories 4. Vacant? no 5. Recent renovations detached flat conversion
 one boarded major ongoing
 two unboarded minor completed 6. For Sale?
 three vandalized (Realtor) (phone no.)
 basement

7. Style A. Italianate B. Cottage(type 1) C. Cottage(type 2) D. Wash. Row E. Mansard F. Queen Ann



8. Detailing and Special Features _____

9. Type of Construction 10. Street facade material 11. Roof material

<input type="checkbox"/> brick	<input type="checkbox"/> brick	<input type="checkbox"/> masonry
<input type="checkbox"/> frame	<input type="checkbox"/> asphalt siding	<input type="checkbox"/> alum. siding
<input type="checkbox"/> brick & frame	<input type="checkbox"/> formstone	<input type="checkbox"/> wood clapboard
<input type="checkbox"/> other (specify) _____	<input type="checkbox"/> stucco	<input type="checkbox"/> asbestos shingle
<input type="checkbox"/> unsure	<input type="checkbox"/> other(specify) _____	<input type="checkbox"/> shingle
		<input type="checkbox"/> metal
		<input type="checkbox"/> not visible

12. Exterior Color. _____ 13. Roof color. _____
 (street facade) (trim)

14. General Comments _____

 Other (sketch or request photo)

	Sound	
	Parts missing	
15. FOUNDATIONS	Loose	
	Cracked	
	Pointed	
	Sound	
16. STRUCTURAL MEMBERS	Disintegrated	
	Rotted	
	Loose	
	Disengaged	
	Sound	
17. ROOF	Disintegrated	
	Leaky	
	Sagged	
	Sound	
	Lintel	
	Arch	
18. WALLS (Brick)	Cracks	
	Holes	
	Pointed	
	Loose surface	
	Painting	
	Sound	
WALLS (Frame)	Sagging	
	Loose	
	Rotted	
	Sections Missing	
	Painting	
	Sound	
	Supported	
19. CHIMNEYS	Missing bricks	
	Plumb	
	Leaky	
	Cracked	
	Flue crocks	
	Sound	
20. DOORS AND FRAMES *	Glass missing	
	Parts missing	
	Ill-fitting	
	Weatherproof	
	Hatchway-entrance to cellar	
21. STAIRWAYS & STEPS *	Sound	
	Smooth	
	Treads level	
	Risers level	

* Indicate number

Initial: _____ Time: _____

Weather Condition: _____

	Rails loose	
	Rails missing	
	Rails parts missing	
	Sound	
22. WINDOWS*	Glass missing	
	Parts missing	
	Good condition	
	Ill-fitting	
23. WINDOW FRAMES*	Sound	
	Parts missing	
	Good condition	
	Ill-fitting	
	Weatherproof	
	Fr	Rr
24. PORCHES	Sound	
	Smooth	
	Rails loose	
	Rails missing	
	Rails-parts msg	
	Structural members	
	roof	
	columns	
	foundation	
25. BUILDING RATPROOF	Properly connected	
	Holes	
26. DOWNSPOUTS	Obstructions	
	GUTTERS	Splashblock
		Missing
27. DRAINAGE	Erosion	
	PATTERN	Away fromhouse Yes
28. SIDEWALKS/ WALKWAYS	Holes	no
	Safe (cracked/uneven)	
	Other	
	Type-wood	
	metal	
29. FENCES	Sound	
	Parts missing	
	Holes	
	Sagging	
	Loose	
	Painting	
30. GARAGE	Sound	
	Doors	
	Wall	
	Roof	
	None	

APPENDIX B
SURVEY ANNOUNCEMENT FLYER

attention!

RESIDENTS OF THE OLD ANACOSTIA HISTORIC DISTRICT

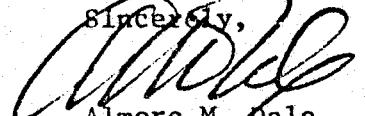
NEIGHBORHOOD HOUSING SERVICES, INC., a community corporation located at 1308 "V" Street, S.E.

is conducting an exterior building conditions survey in the neighborhood this Saturday and Sunday, February 14 and 15.

Graduate students from George Washington University will be assisting us in this survey. The purpose of this study is to help NHS estimate the housing rehabilitation needs of our community. With this information we hope to plan more effectively and ultimately serve you better.

Thank you for your cooperation on this vital community project.

Sincerely,



Almore M. Dale
Executive Director



Violation CategoriesMinor

Paint doors, frames, porches, fences
Repair downspouts and gutters
Replace glass in doors and windows
Repair/replace railings on steps and porches
Weatherproofing windows
Repair/Replace splashblocks
Chimney, cracks, bricks missing, repointing
Repair tread/risers
Walls (siding), loose, section missing, repointing -- 10% or less of surface

Moderate

Replace staircase
Replace downspots and gutters
Fences - parts missing, holes, sagging loose
Repair sidewalks
Porches - structural members problems
Foundations - cracks
Door replacement
Erosion
Walls -- same as above -- 10-30% of wall surface

Major

Walls - rotted - 30% plus of entire surface
Painting - whole house
Chimney -- unplumb
Garage replacement
Sagging roofs and walls
Fire damage
Structural member problems
Window frames and sashes - rotting/illfitting
Roof problems

APPENDIX D**REHABILITATION SURVEY FORMS
(INTERIOR AND EXTERIOR)**

INTERIOR CONDITION SURVEY

Owner/Occupant _____ Address _____ Block/Lot No. _____ Date _____

Room	Entry		Living Room		Corridor		Dining Room	
	Code	Rehab	Code	Rehab	Code	Rehab	Code	Rehab
<u>Room Dimensions</u>								
<u>Ceiling</u>	Type							
	Height							
	Patch Plaster							
	Install Pl Bd.							
<u>Walls</u>	Type/Covering							
	Patch Plaster							
	Repaper							
	Paint 1/2 coats							
	Base Trim							
	.Other							
<u>Windows</u>	Glass Size & #							
	Reglaze							
	New Ropes							
	New Sash							
	New Frames							
	Trim							
	Hardware							
	Weatherstriping							
	Rainting							
<u>Doors</u>	Reglaze							
	Jamb							
	Casing							
	Stops							
	Door							
	Hardware							
	Other							
<u>Floors</u>	Replace Floor Bds							
	Sand and Finish							
	Patch Hardwood							
	Patch Fir/Pine							
	Patch Tile/Type							
	New Linoleum							
	Plywood/Carpet							
	Other							
<u>Closets</u> - # & Size								
<u>Electrical</u>	Ceiling							
	Switch							
	Outlets exist/need							
	Other							

		Kitchen		Bath 1		Bath 2		Comments	
		Code	Rehab	Code	R-hab	Code	R-hab		
Floors	Replace fl. bds.								
	Patch tile/type								
	New Linoleum								
	Other								
Ceiling	Type								
	Height								
	Patch Plaster								
	Install Pl. Bd.								
Walls	Type/covering								
	Patch plaster								
	Install H. Bd.								
	Repaper								
	Paint (1-2 coats)								
	Base Trim								
	Other								
Electrical	Ceiling								
	Switch								
	Outlets exist/need								
	Other								
Vents									
Running water									
Plumbing									
Appliances	Stove			Sink					
	refrig			Tub/shower					
	Sink			W.C.					
	dishwasher			under sink					
	disposal			toilet + floor					
	cabinets								
HEATING									
Stairway/Steps	Type	Construction	Code	Rehab					
Replace									
Sand & finish									
Repair risers/									
treads (#)									
Replace R&T (#)									
Repair guards									
Replace guards									
Basement	Lavatory Tray								
	W.C. Sink								
	Tub/shower								
	water piping								
	gas piping								
	Floor, ceiling								
	Pl. to ground level								

HEATING

Type	Construction	Code	Rehab						
H.W. or Steam	- Boiler								
	- Valves, Red.								
	- Valves, Relief								
	- Piping								
Room Heaters	- Units								
	- Fuel Piping								
	- Flue								

If heating system is other than above, check type:

ROOM	Bedroom 1		Bedroom 2		Bedroom 3		Other	
	Code	Rehab	Code	Rehab	Code	Rehab	Code	Rehab
<u>Room Dimensions</u>								
<u>Ceiling</u>	Type							
	Height							
	Patch Plaster							
	Install Pl Bd							
<u>Walls</u>	Type/Covering							
	Patch Plaster							
	Install Plaster Bd							
	Repaper							
	Paint (1/2 coats)							
	Base Trim							
	Other							
<u>Windows</u>	Glass Size & #							
	Reglaze							
	New Ropes							
	New Sash							
	New Frames							
	Trim							
	Hardware							
	Weatherstriping							
	Painting							
<u>Doors</u>	Reglaze							
	Jamb							
	Casing							
	Stops							
	New Door							
	Hardware							
	Other							
<u>Floors</u>	Replace Floor Bds							
	Sand & Finish							
	Patch Hardwood							
	Patch Fir/Pine							
	Patch Tile/Type							
	New Linoleum							
	Plywood/Carpet							
	Other							
<u>Closets - #/Size</u>								
<u>Electrical</u>	Ceiling							
	Switch							
	Outlets							
	Other							

EXTERIOR CONDITION SURVEY

	I. Code Enforcement		II. Rehabilitation		III. Historic Preservation	
	Repair	Replace	Repair	Replace	Repair	Replace
<u>Walks</u>	Public					
	Private					
<u>Fence</u>						
<u>Porch</u>						
	<u>Front</u>	<u>Roof</u>				
		<u>Floor</u>				
		<u>Columns</u>				
		<u>Foundation</u>				
	<u>Rear</u>	<u>Roof</u>				
		<u>Floor</u>				
		<u>Columns</u>				
		<u>Foundation</u>				
<u>Gutters & Downspouts</u>						
	<u>Repair/Connect</u>					
	<u>Replace</u>					
<u>TuckPointing Solid</u>						
	as necessary					
<u>Roofing</u>	<u>Type</u>					
	<u>Repair</u>					
	<u>Replace</u>					
<u>Siding</u>	<u>Repair</u>					
	<u>Paint</u>					
	<u>Replace</u>					
<u>Secondary Stairs/Type</u>						
	<u>Repair</u>					
	<u>Replace</u>					
<u>Garage</u>	<u>Repair</u>					
	<u>Replace</u>					
<u>Chimneys</u>	<u>Repair</u>					
	<u>Replace</u>					

APPENDIX E
HISTORIC PRESERVATION ESTIMATES

HISTORIC PRESERVATION ESTIMATES

Rose's Row

Replace Porch Flooring (64 sq.)	\$ 200.00
Replace Front Door	200.00
Jack Up Porch and Point-up Piers	60.00
Replace Lattice Panels Under Porch (2 approx. 6' x 2' diagonal w/border)	150.00
Replace Wooden Treads and Risers	100.00
Replace Concealed Gutter	225.00
Replace One Picket-type Balister	25.00
Replace Corner Column 9' x 12' dia. (now partially boxed-in assume damage)	75.00
Repaint Entire Front, includes caulking, scraping, etc.)	350.00
Labor for Entire Job	500.00
	<hr/>
	\$ 1,885.00

HISTORIC PRESERVATION ESTIMATES

----- U Street

Remove 2 layers siding (Aluminum, Asphalt)	\$ 100.00	Labor
Patch, Fill Wood Siding (Prepare for paint)	200.00	Labor
Remill Cut-out Balusters (25)	150.00	Materials Only
Remill Columns (4) (One cut in half for pilasters)	340.00	"
Remill Brackets	320.00	"
Remill Spindles	300.00	"
Cornice Boards - Porch	200.00	"
Cornice Boards - Roof	200.00	"
Window Cornices - Millwork	375.00	"
Door Cornice - Millwork	125.00	"
Cornice of Facade - Millwork	400.00	"
Replace Roof of Porch (including ceiling underneath)	300.00	"
Replace Lattice Under Porch	150.00	"
Replace Front Door (original design unknown)	200.00	"
Labor for all Installation - Porch, Cornices, Door	1,500.00	
Painting Entire Porch and Facade (Note preparation above)	300.00	
TOTAL	\$5,200.00	

APPENDIX F

**PROVISIONS OF HISTORIC STRUCTURES
TAX ACT OF 1975**

**Provisions of Historic Structures
Tax Act of 1975**

1) Acceleration depreciation of rehabilitation expenses:

Rehabilitation expenses on a certified historic structure may be amortized over a 5-year period rather than over the longer useful life;

2) Accelerated depreciation of improvements:

Owners of buildings improved by substantial rehabilitation can use accelerated depreciation methods to calculate deductions for both the building and improvements;

3) Change in demolition deduction:

Owners of certified historic structures or structures in historic districts are no longer permitted to deduct demolition costs of the unamortized cost of a demolished historic building;

4) Straight line depreciation for new construction:

New building constructed on the site of a demolished building can be depreciated only by the straight line method;

5) Scenic Easements:

Scenic easements of 30 years or longer or of a remainder interest for conservation purposes can be considered a charitable contribution. Currently remainder interests are only deductible if they relate to a personal residence or farm.