

RESOLUTION 19-17

TO APPROVE THE ALLOCATION OF LOCAL SUBSIDIES TO SUPPORT THE CREATION OF AFFORDABLE HOUSING IN THE DISTRICT OF COLUMBIA FOR THE STRAND NEW COMMUNITIES INITIATIVE PROJECT

WHEREAS, the District of Columbia Housing Authority (DCHA) seeks to increase the supply of affordable housing in the District of Columbia;

WHEREAS, on July 2, 2018, District of Columbia Council approved the Office of the Deputy Mayor for Planning and Economic Development (DMPED) to enter into a Development Loan Agreement for \$15.6 million (increased from \$9.9 million) to fund the development of the Strand residential development located in the Deanwood neighborhood of Northeast, Washington, DC;

WHEREAS, the Strand project is proposed to include one new construction six-story 86-unit building with one and two bedroom units for residents making 60 percent of the area median income; there will be 28 replacement units set aside for Lincoln Heights/Richardson Dwellings residents with incomes up to 30% of area median income in accordance with the Local Rent Supplement Program (LRSP) requirements;;

WHEREAS, the 2019 Budget adopted by the Council of the District of Columbia and approved by the Congress authorized up to \$1,875,000 of project-based LRSP funds specifically for New Communities Initiative (NCI) projects;

WHEREAS, DMPED and the developer have advised that they wish to pursue NCI LRSP project-based operating subsidy for the Strand project; DCHA seeks to allocate LRSP operating subsidy in the initial annual amount of \$456, 456 in order to support the NCI replacement units at the Strand project;

WHEREAS, DCHA has performed the initial underwriting of the Strand project, and based on this review, and operating in collaboration with DMPED and the lender, CitiBank, and other entities, DCHA seeks to pursue approval of the allocation of LRSP NCI operating funds for this project. The bond and tax credit financial closing is currently anticipated for July, 2019;

WHEREAS, based on its review, DCHA has recommended an allocation of DCHA operating subsidies from the NCI designated LRSP for 28 replacement units at the Strand project;

WHEREAS, the award of DCHA LRSP operating subsidy pursuant to this Resolution is subject to final underwriting and review by DCHA and the satisfaction by the developer of the LRSP program requirements; and

**RESOLUTION 19-17
TO APPROVE THE USE OF LOCAL AND FEDERAL
SUBSIDIES TO SUPPORT THE CREATION OF AFFORDABLE
HOUSING IN THE DISTRICT OF COLUMBIA FOR
THE STRAND PLACE NEW COMMUNITIES INITIATIVE PROJECT**

WHEREAS, DCHA also seeks to authorize any required submissions to the Council of the District of Columbia and to obtain any required regulatory approvals as necessary;

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of DCHA hereby authorizes the use of Local Rent Supplement Program Project/Sponsor-Based assistance operating subsidies for up to 28 Lincoln Heights/Richardson Dwellings replacement units at the Strand project; such amount shall be provided pursuant to the funds specifically allocated by the Council of the District of Columbia for NCI projects in accordance with program requirements.

BE IT FURTHER RESOLVED, the Board of Commissioners hereby authorizes the Executive Director of DCHA to take all such action, to execute all such required documents, and to make any required submissions to the Council of the District of Columbia and any other required submissions.

BE IT FURTHER RESOLVED, such award is subject to final underwriting and review by DCHA and the satisfaction by the developer of the program requirements.

ADOPTED, by the Board of Commissioners and signed in authentication of its passage the 8th day of May 2019.

ATTEST:

APPROVED:



Tyrone Garrett
Executive Director/Secretary



Neil Albert
Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:



Kenneth Slaughter
General Counsel

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