

DC Housing Finance Agency Press Release

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DCHFA commits to preserving affordable housing at the Villages of East River

Washington, D.C. – The District of Columbia Housing Finance Agency (DCHFA) has financed the rehabilitation of 202 affordable apartments at scattered sites across Wards 7 and 8. DCHFA issued \$43.1 million in tax exempt bonds for the acquisition and rehabilitation of this 16-building community formerly known as WDC 1 which spans Anacostia, Marshall Heights and Fort Dupont on February 27, 2023. The Agency also underwrote \$33.4 million in federal Low Income Housing Tax Credit (LIHTC) equity and \$6.4 million in D.C. LIHTC equity to finance this redevelopment.

“Preservation of existing affordable housing assets is an essential component of affordability,” stated Christopher E. Donald, Executive Director/CEO, DCHFA. “The residents at the Villages of East River will have their community renovated and modernized, while their rents remain affordable and allow them to remain in their neighborhoods.”

The residents of the Villages of East River formed the Positive Change Tenants Association and exercised their rights under the D.C. Tenant Opportunity to Purchase Act. They selected National Housing Trust Communities and IBF Development as the teams to rehabilitate their homes. The project will consist of restoring 16 buildings originally built between 1952 and 1967, and the total development cost of the project is \$95.9 million. Additional funding came in the form of a \$37.6 million Housing Production Trust Fund loan from the D.C. Department of Housing and Community Development.

“Projects like this one are key to preserving affordable units, as we continue to make strides in the overall number of affordable housing units available to District residents, and continue to work towards the goal of 12,000 new affordable units by 2025” said Department of Housing and Community Development Acting Director Colleen Green. “In that vein, we are thrilled to be part of the preservation of more than 200 homes.”

The unit mix will remain the same in the existing buildings, to include 74 one-bedrooms and 128 two-bedrooms. Eighty-one units will be reserved for residents earning 60 percent or less of the area median income (AMI), and 80 units will be reserved for those earning up to 50 percent AMI. Forty-one units will be designated Permanent Supportive Housing (PSH) reserved for residents earning 30 percent or less AMI, and they will receive Local Rent Subsidy Program operating subsidy through the DC Housing Authority.

Renovations will take place in four phases with four buildings in each phase. Updates will include fully renovated kitchens, new roofs, repaired flooring, replacement windows, new hot water heaters, renovated bathrooms, new HVAC units, electrical upgrades, and the creation of accessible pathways. Once completed, there will be two new community centers among the Villages of East River (at 301 37th Street, SE and 450 1st Street, SE). There will also be three new PSH offices within the community.

Through its Multifamily Lending and Neighborhood Investment and Capital Markets divisions, DCHFA issues tax-exempt mortgage revenue bonds to lower the developers’ costs of acquiring, constructing and rehabilitating

rental housing. The Agency offers private for-profit and non-profit developers low-cost predevelopment, construction and permanent financing that supports the new construction, acquisition, and rehabilitation of affordable rental housing in the District.

The District of Columbia Housing Finance Agency is an S&P A + rated issuer, serving Washington, D.C.'s residents for more than 40 years. The Agency's mission is to advance the District of Columbia's housing priorities; the Agency invests in affordable housing and neighborhood development, which provides pathways for D.C. residents to transform their lives. We accomplish our mission by delivering the most efficient and effective sources of capital available in the market to finance rental housing and to create homeownership opportunities. The Agency operates from a core set of values: Leadership*Excellence*Community Focus*Integrity*Collaboration *Innovation