



District of Columbia Housing Authority

1133 North Capitol Street, NE Washington, DC 20002-7599

202-535-1000
2019 OCT 30 PM 2:51

Tyrone Garrett, Executive Director
OFFICE OF THE
SECRETARY

October 30, 2019

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue NW, Suite 504
Washington, DC 20004-3003

Dear Chairman Mendelson:

I have enclosed for your consideration and approval by the Council of the District of Columbia proposed emergency legislation, the "Local Rent Supplement Program Contract No. 2018-LRSP-05A Approval and Payment Authorization Emergency Act of 2019" and the accompanying declaration resolution to approve the Agreement to Enter Into a Long Term Subsidy Contract ("ALTSC") between the District of Columbia Housing Authority ("DCHA") and Hill East Parcel F, LLC ("Owner") and approve payment of rental subsidy payments from DCHA under the ALTSC for services to be received.

Council action is necessary to approve the ALTSC, which commits DCHA to provide rental subsidy payments for one hundred (100) affordable housing units in the initial amount of \$3,177,600 annually commencing once the construction of the building is complete and units are ready for occupancy. The affordable units will be occupied by eligible extremely low-income households with incomes at 30% or less of the area median income. The operating subsidy will be provided to the Owner for a multi-year term of fifteen (15) years, subject to annual appropriations from the District, in support of the District's Local Rent Supplement Program ("LRSP") to provide affordable housing units at Hill East Parcel F-1 located at 1900 C Street SE.

DCHA's Chief Financial Officer has certified that funding is available for FY2020 at the time of the contract execution.

As always, I am available to discuss any questions you may have regarding the proposed ALTSC. In order to facilitate a response to any questions concerning this ALTSC, please have your staff contact me at (202) 535-1513.

I look forward to your favorable consideration of this proposed ALTSC agreement.

Sincerely,

Tyrone Garrett
Executive Director, District of Columbia Housing Authority

TG/hg

cc: Nyasha Smith, Secretary to the Council



Chairman Phil Mendelson
at the request of District of
Columbia Housing Authority

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9 A PROPOSED RESOLUTION

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12 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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17 To declare the existence of an emergency with respect to the need to approve an
18 agreement to enter into a long term subsidy contract for 15 years in support of the
19 District's Local Rent Supplement Program to fund housing costs associated with
20 affordable housing units for Contract No. 2018-LRSP-05A with Hill East Parcel
21 F, LLC for program units at Hill East Parcel F-1, located at 1900 C Street, SE.
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23 RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this
24 resolution may be cited as the "Local Rent Supplement Program Contract No. 2018-LRSP-05A
25 Approval and Payment Authorization Emergency Declaration Resolution of 2019".

26 Sec. 2. (a) In 2007, the District passed Title II of the Fiscal Year 2007 Budget Support
27 Act of 2006 ("BSA") to provide funding for affordable housing for extremely low-income
28 households in the District. The passage of the BSA created the Local Rent Supplement Program
29 ("LRSP"), a program designed to provide affordable housing and supportive services to
30 extremely low-income District residents, including those who are homeless or in need of
31 supportive services, such as elderly individuals or those with disabilities, through project-based,
32 tenant-based, and sponsored-based LRSP affordable housing units. The BSA provided for the
33 District of Columbia Housing Authority ("DCHA") to administer the LRSP on behalf of the
34 District.

1 (b) The District’s Department of Human Services (“DHS”) receives specific allocations
2 of tenant-based assistance under the LRSP. DHS seeks to use its specific DHS tenant based
3 LRSP allocation to support project-based assistance for the Hill East (formerly known as
4 Reservation 13) project on Parcel F-1. The District’s Office of the Deputy Mayor for Planning
5 and Economic Development (“DMPED”) previously issued a solicitation for development of the
6 Hill East Parcel F-1. On September 23, 2013, DMPED selected a joint venture comprised of
7 Donatelli Development and Blue Skye Development as the developer for the project, and
8 conveyed Hill East Parcel F-1 to an affiliate of Donatelli Development/Blue Skye Development.
9 DHS, with the support of DMPED is seeking to work with the developer of the Hill East
10 development on Parcel F-1. DHS seeks to have a one hundred (100)-unit project developed for
11 permanent supportive housing with referrals to be received directly from DHS. DCHA will
12 convert one-hundred (100) units of DHS’s LRSP tenant-based assistance to LRSP
13 project/sponsor based assistance in support of the development on Hill East Parcel F-1. Upon
14 approval of the contract by the Council, DCHA will enter into an agreement to enter into a long-
15 term subsidy contract (“ALTSC”) with the selected housing providers under the LRSP for
16 housing services.

17 (c) There exists an immediate need to approve the long term subsidy contract with Hill
18 East Parcel F, LLC under the LRSP in order to provide long-term affordable housing units for
19 extremely low-income households and/or residents experiencing homelessness for units located
20 at 1900 C Street, SE.

21 (d) The emergency legislation to approve the contract will authorize an ALTSC between
22 the District of Columbia Housing Authority and Hill East Parcel F, LLC with respect to the
23 payment of a rental subsidy and allows the owner to lease the newly constructed units at Hill

1 East Parcel F-1 and house extremely low-income households with incomes at 30% or less of the
2 area median income and/or residents experiencing homelessness.

3 Sec. 3. The Council of the District of Columbia determines that the circumstances
4 enumerated in section 2 constitute emergency circumstances making it necessary that the Local
5 Rent Supplement Program Contract No. 2018-LRSP-05A Approval and Payment Authorization
6 Emergency Declaration Resolution of 2019 be adopted after a single reading.

7 Sec. 4. Pursuant to section 451 of the District of Columbia Home Rule Act, approved
8 December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), and section 202 of the
9 Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C.
10 Official Code § 2-352.02), the Council approves the ALTSC with Hill East Parcel F, LLC to
11 provide an operating subsidy in support of one hundred (100) affordable housing units in an
12 initial amount not to exceed \$3,177,600 annually.

13 Sec. 5. Transmittal.

14 The Council shall transmit a copy of this resolution, upon its adoption, to the District of
15 Columbia Housing Authority and the Mayor.

16 Sec. 6. Fiscal impact statement.

17 The Council adopts the fiscal impact statement of the Chief Financial Officer as the
18 fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975,
19 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

20 Sec. 7. Effective date.

21 This resolution shall take effect immediately.