

# **Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community Development Block Grant – Recovery (CDBG-R) Program**

## **ACTIVITY 1**

---

### **I. Description and Funding**

Activity: Commercial Corridor/Small Business Development

Priority Need: Economic Development

Description: DHCD targets intensive revitalization efforts in commercial corridors and neighborhoods that have experienced economic decline and physical decay. Through community-based, nonprofit organizations, funded projects help to support and strengthen existing businesses, broaden the commercial mix of stores, restaurants, and services; provide technical assistance to small businesses, and provide greater access to capital for small, neighborhood-based businesses. A wide range of assistance is provided. All costs are for the direct delivery of services or projects.

Other Recovery Act funding: This activity is not receiving any additional ARRA funds.

Total activity budget: \$1,369,922

**CDBG:** \$969,922

**CDBG-R:** \$400,000

### **II. Immediate Impact**

Per the requirements of Title XII of Division A and Section 1602 of the Recovery Act, this investment of CDBG-R funds on this shovel-ready project will have an immediate impact on the District's economy. The eight community-based organizations that were competitively awarded grants to provide small business development services this fiscal year by DHCD are currently without funding and operating under no-cost extensions pending the availability of funding. Since these grants are still active, this activity can be immediately started upon approval of DHCD's CDBG-R substantial amendment by HUD.

### **III. Job Creation and Economic Benefit**

Collectively these organizations can add at least ten new employees back onto their rolls either permanently or on a contractual basis for the remainder of the fiscal year. However, the economic benefit and ripple effect of employing this number of business support people can potentially create much more economic development. Each of the commercial corridors served by these organizations is on the verge of economic recovery. The program itself assisted over 2,000 businesses in FY 2008 and over 750 businesses

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

through March 31, 2009. If even a small fraction of these businesses produced some form of job creation, the economic benefit (taxes generated, new employment) would be substantial.

**IV. Job Creation and Retention**

DHCD estimates that the eight community-based organizations that were competitively awarded grants to provide small business development services this fiscal year will be able to retain 10 full-time jobs as a result of this CDBG-R funding.

**V. Energy Conservation**

There is unlimited potential for energy conservation and environmentally conscious activity through this funding. This being funding for business support, all of our non-profit grantees are beginning to market green and energy efficient opportunities as a new and growing form of business. Our grantees are researching the use of solar panels, energy efficient materials, grants from foundations, and all other forms of such activity for use in business.]

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

**ACTIVITY 2**

---

**I. Description and Funding**

Activity: Storefront Façade Improvement

Priority Need: Economic Development

Description: The purpose of this activity is to enhance the image and overall economic viability of neighborhood business districts by improving the function and appearance of individual commercial façades. The Department will provide grants, through non-profit partners, to retail and commercial property owners for the enhancement of retail and commercial façades in targeted areas of the District. DHCD will provide a grant of up to 80% of construction costs for façade improvements. An additional 20% is provided to the non-profit for administrative and management costs including outreach efforts, design fees, project management, and construction administration. All costs are for the direct delivery of services or completion of projects.

Other Recovery Act funding: This activity is not receiving any additional ARRA funds.

Total activity budget: \$2,541,708

**CDBG:** \$1,841,708

**CDBG-R:** \$700,000

**II. Immediate Impact**

Per the requirements of Title XII of Division A and Section 1602 of the Recovery Act, this investment of CDBG-R funds on this shovel-ready project will have an immediate impact on the District's economy. The Department has identified four storefront improvement projects which are at or near the construction (final) phase. They include two projects by the Latino Economic Development Corporation (LEDC) in Columbia Heights/Mt. Pleasant and on lower Georgia Avenue, NW, one project by Emory Beacon of Light on upper Georgia Avenue, NW, and one by Barracks Row Main Streets, Inc., on 8<sup>th</sup> Street, SE. Each of these projects previously experienced some form of budget cut in FY 2008-09 which either compromised the intended impact of the project or caused them to slow down. One project will maintain its intended completion date of June 30, and the three others will now have projected completion dates of September 30. Each of these projects has a wait list of grantees participants that it can now go to in order to increase the physical impact of each of these projects.

**III. Job Creation and Economic Benefit**

Collectively these four projects will create approximately fifty (50) temporary and permanent jobs primarily in the construction industry. However, the economic benefit and ripple effect of this project can potentially create much more economic development.

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

Each of the commercial corridors is on the verge of economic recovery. In total these projects will create more than 70 newly refurbished storefronts in previously declining retail corridors of the District. We expect each of these restored properties to become more attractive for new and existing businesses as well as customers. The potential exists for the creation of one or more jobs either in each storefronts itself or in the effected surrounding area.

**IV. Job Creation and Retention**

Create 50 temporary and permanent jobs through the project; up to 70 jobs created or retained through economic development in the long run.]

**V. Energy Conservation**

The projects themselves are not currently being designed to conform to LEED standards. However, in general, materials used (such as glass, paint, signage and lighting) are environmentally friendly and conserve energy more than the previously applied materials and functions. In addition, non-profit grantees seek energy-saving opportunities for these projects. One grantee was able to help business owners to pay part of their equity contribution if they agreed to use energy efficient light bulbs in signage. Green buildings standards are currently being drafted to apply to the program

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

### **ACTIVITY 3**

---

#### **I. Description and Funding**

Activity: Barbara Chambers Children's Center (BCCC)

Description: The Barbara Chambers Children's Center originally requested \$2.5 million from DHCD to assist in the renovation of its building at 1470 Irving Street, NW, in Columbia Heights. The BCCC currently serves over 120 low-income children as a child care facility.

Other Recovery Act funding: This activity is not receiving any additional ARRA funds.

Total activity budget: \$8,000,000 (Total Development Costs)

**DHCD Funds/Source Type:** \$350,000

**Eligible DHCD Funding Sources:** CDBG/CDBG-R

**Other non-DHCD Funds:** NMTC equity, Bank loan

#### **II. Immediate Impact**

Per the requirements of Title XII of Division A and Section 1602 of the Recovery Act, this investment of CDBG-R funds on this shovel-ready project will have an immediate impact on the District's economy. DHCD recently assisted BCCC to apply for New Market Tax Credits (NMTC) and to find an investment bank and a Community Development Entity (CDE) with NMTC credits available. As a result, BCCC will close soon on NMTC financing with United Bank and Sun Trust Bank. DHCD funds will pay for the project's NMTC closing costs.

#### **III. Job Creation and Economic Benefit**

By facilitating the rehabilitation of BCCC, DHCD will assure the retention and expansion of this much needed affordable child care facility for the low- and moderate-income families of the Columbia Heights neighborhood. The rehabilitation will retain and create permanent child care center and construction jobs. The retention of this affordable child care facility will also help assure continuance of this vital child care service function that allows low- and moderate- income households of Columbia Heights to hold the jobs necessary to support their households and remain residents of the nation's capital.

#### **IV. Job Creation and Retention**

The rehabilitation will retain an estimated 20 jobs, create an estimated 10 new permanent jobs in the day care center, and create an estimated 40 construction jobs during the rehabilitation. BCCC will make use of District approved affirmative action plans to assure that low-income District residents contacted and considered first for the permanent new and construction jobs created by this project.

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

**V. Energy Conservation**

The rehabilitated Barbara Chamber Children’s Center (BCCC) facility will meet the requirements of the recently enacted District of Columbia Green Building Law. All District funded non-housing projects must the green environmental design requirements of the LEED Silver requirements established by the US Green Building Council.

DRAFT

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

## **ACTIVITY 4**

---

### **I. Description and Funding**

Activity: Capital Area Food Bank (CAFB)

Description: DHCD's funding will support the demolition of the CAFB's warehouse at 4900 6th Street, NE, construction of the new warehouse (including a commercial kitchen and rehab of the existing office portion of warehouse), and related design and construction costs.

Other Recovery Act funding: This activity is not receiving any additional ARRA funds.

Total activity budget: \$34,100,000 (Total Development Costs)

**DHCD Funds:** \$8,000,000

**CDBG-R:** \$2,956,510

**CDBG:** \$5,034,490

**Other non-DHCD Funds:** NMTC equity, Bank Loan

### **II. Immediate Impact**

Per the requirements of Title XII of Division A and Section 1602 of the Recovery Act, this investment of CDBG-R funds on this shovel-ready project will have an immediate impact on the District's economy. CAFB is ready to start demolition of existing warehouse and start ordering "long lead" special order building systems in order to facilitate new warehouse construction on site.

### **III. Job Creation and Economic Benefit**

The new expanded CAFB warehouse/office facility will preserve and transfer 61 permanent jobs from the present inadequate warehouse/office facility. The new warehouse will increase the CAFB efficiency and capacity by permitting an immediate 25% increase in the volume of food collected and distributed with very little immediate increase in the number of permanent jobs at the facility. The increase in capacity will help in meeting the increased demand of food by DC area low-income families caused by the current recession.

### **IV. Job Creation and Retention**

The 176 construction jobs created by this new construction project will help retain and create greatly needed construction jobs. Additionally, the 15 permanent new jobs that the new facility will create at its full hiring capacity will provide good employment for District low-income residents while at the same time further expanding CAFB's ability to serve more low-income families with distribution of food in times of need. CAFB is making use of approved affirmation action plans, Section 3 plans, and District First

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

Source Hiring plans to assure that District low-income residents know and get first consideration for the hiring for 15 permanent jobs created and the 176 construction jobs created.

**V. Energy Conservation**

The new CAFB warehouse/office facility will meet the requirements of the recently enacted District of Columbia Green Building Law. All District funded non-housing projects must the green environmental design requirements of the LEED Silver requirements established by the US Green Building Council. The new CAFB facility will meet the LEED Silver requirements.

DRAFT



**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

**ACTIVITY 5**

---

**I. Description and Funding**

Activity: Administrative Costs

Description: DHCD will allocate 10% of the District's share of CDBG-R funds to eligible administration activities.

Other Recovery Act funding: N/A

Total activity budget: \$489,612

DRAFT

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Community  
Development Block Grant – Recovery (CDBG-R) Program**

**VI. Contact Information**

<b>CDBG-R Contact Person</b> (person to answer questions about this amendment and CDBG-R)	Michelle Y. Christopher
<b>Title</b>	Housing Compliance Officer
<b>Address Line 1</b>	1800 Martin Luther King Jr. Avenue, SE
<b>Address Line 2</b>	
<b>City, State, Zip Code</b>	Washington, DC 20020
<b>Telephone</b>	(202) 442-7241
<b>Fax</b>	
<b>Email Address</b>	Michelle.christopher@dc.gov

**VII. Certifications**

[A signed standard federal form SF-424, and signed certifications as specified in the notice will be included in the final submission.]