# Abandoned Hotel to

# A Proposal to Carmel Partners & DMPED

Affordable Homes

Ву

NW Opportunity Partners CDC Wardman Hotel Strategy Team Ward 3 Housing Justice

## **OUR TEAM**

## **Team**

NW Opportunity Partners CDC
Wardman Strategy Team
Ward 3 Housing Justice

Philip Esocoff, FAIA

Architectural & Urban Design Adviser

Jacob Esocoff, AIA & Henry Ng, AIA

Ideas of Order Architecture Studio

# We have sought advice from

- Douglass Community Land Trust
- Coalition for Nonprofit Housing and Economic Development (CNHED)
- Housing experts
- A tax attorney
- A non-profit housing developer

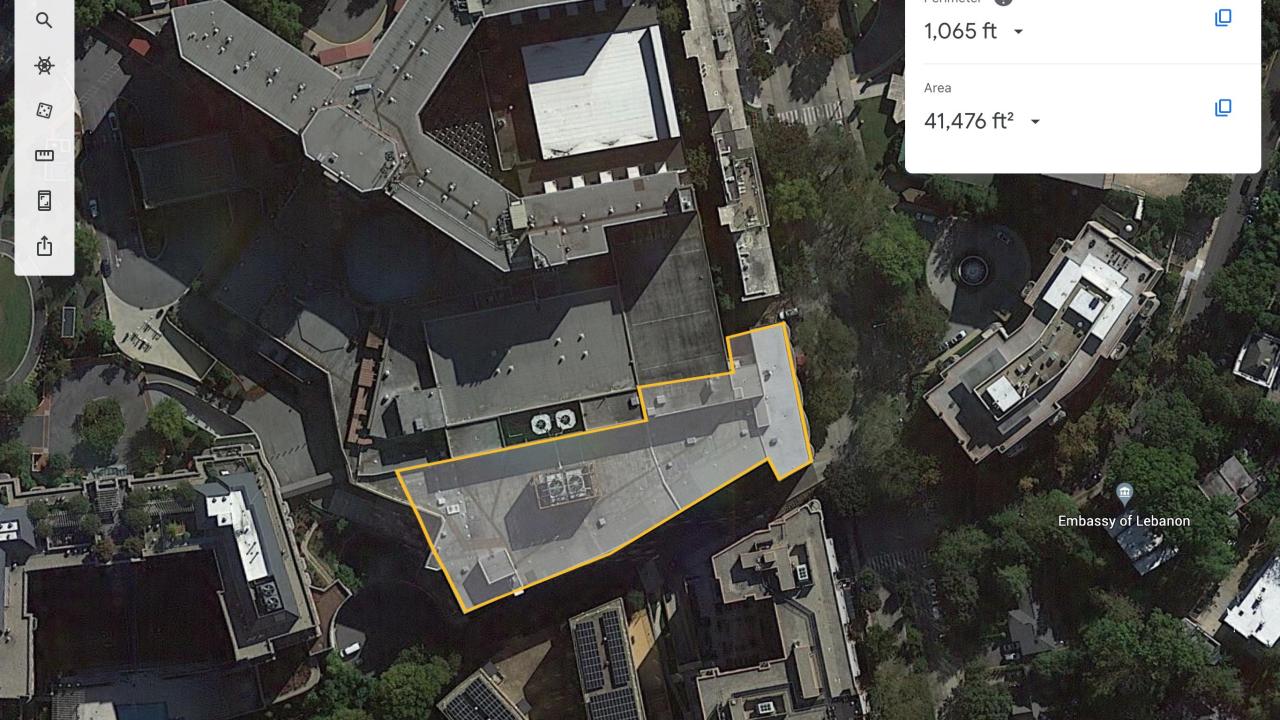












# BUILDING...

## **Description**

- Wardman Hotel annex building fronting on Calvert St.
- 41,476 square ft. = 75% lot coverage. Approximately 1/10 of total Wardman property
- Since most of the windows are on the alley, site is less likely to offer top market appeal
- Premier location near Metro, shops, Rock Creek Park, Oyster School
- Parking already provided for tenants who would require a car for regional or off-hour jobs not well served by public transportation (construction, health care, delivery services, etc.).

## **Potential**

- Structural condition to be determined: If sound, building will be renovated; if not, rebuild. (The 2016 JBG PUD, Building 5, proposed a new building similar in size and shape to the existing one.)
- Create 100+ housing units for families + significant space for community needs including classrooms for Oyster School, arts, recreation, wellness.

## **PROPOSAL**

Contribute substantially to the Mayor's goal of 1990 new affordable units in Ward 3 by 2025.

Create 100+ new units of housing plus community facilities.

Create a 3-Way Partnership

#### **CARMEL PARTNERS**

 Donate this building and all development rights to the Douglass Community Land Trust to ensure permanent affordability. Take a tax write off.

#### **DC GOVERNMENT:**

- Provides funds/benefits to make up the gap between the value of the tax write off and the remaining land value.
- Provides technical assistance and support to the nonprofit development team to package financing.

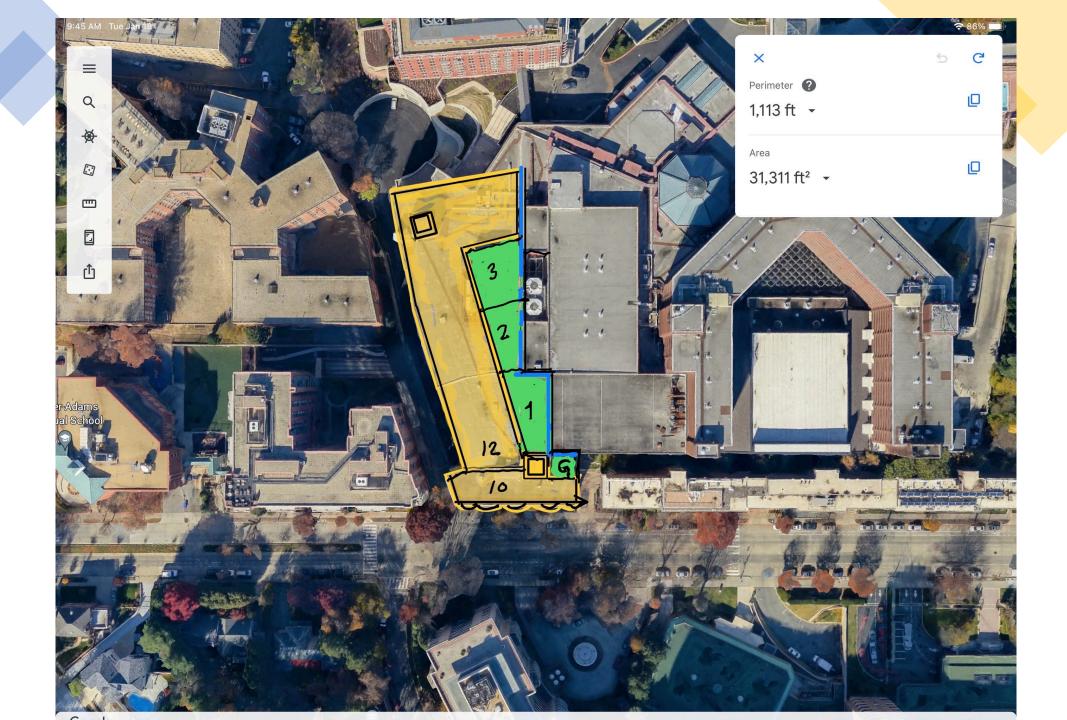
# HOUSING PROVIDERS & COMMUNITY PARTNERS:

 Work with Carmel and DC Government to bring project to fruition: NW Opportunity Partners, CDC; Douglass Community Land Trust; non-profit developer; and community groups & institutions.

# 3 KEY BENEFITS

# 1. HOUSING: Create 100+ new units of affordable housing.

- Study 2 potential models: Rental & Limited Equity Coop (LEC)
- Douglass CLT deeds the property to a non-profit housing developer who, along with the NW Opportunity Partners CDC, will give priority to:
  - Low and moderate income families up to 80% MFI (\$103,200)
  - Residents who have lived in DC for at least 10 years or been displaced during the past 10 years
  - Hotel workers whose jobs were terminated when the hotel was sold
  - Families needing larger-sized units



# 3 KEY BENEFITS

# 2. COMMUNITY FACILITIES:

 Identify/assess civic needs including supplemental classrooms for Oyster, senior wellness center, indoor arts space, etc. to serve broader community.

# 3. BUSINESS OPPORTUNITIES:

- Work with Woodley
   Park Main St. to
   cultivate new
   businesses to serve
   expanded
   population.
- Create space for new businesses within the building to serve residents and surrounding community.

# PROJECT COSTS & FINANCING

#### ASSUMING MINIMAL LAND COSTS

## **Costs**

- Legal fees to transfer property to Douglass CLT + holding costs for CLT
- Feasibility studies of physical structure & 2 models (rental or ownership)
- Analysis of long-term operating costs + revenue streams for rental & LEC
- Project planning and developer selection
- Design & construction
  - Reconfigure eastern wall demarcating the ballroom
  - Create a green space on east side of building for light/air

## **Financing**

(Depends on model chosen – rental or LEC)

- City programs: HPTF;
   LIHTC; project-sponsored vouchers; individual vouchers; special Council bill for this site; tax abatement
- Private capital: Bank loan; private investors; grants

# VALUES IMPORTANT to US

## **Green space**

Respecting the community's strong desire to maintain the green space

## IZ

Exceeding IZ requirements for affordable housing in the remaining development.

## Wardman Hotel kitchen

Maximizing training and employment opportunities in a renovated or new building in partnership with the food and hospitality industries.

## **Demolition**

Minimizing the environmental and other adverse impacts of the project, especially during demolition or deconstruction of the building.

# **EVERYONE BENEFITS!**

### **Carmel**

- Contributes to Mayor's goal of 1990 new units of housing in Ward 3 by 2025
- Promotes environmental sustainability
- Gains recognition for donating land with a charitable giving tax benefit for affordable housing & community needs

## **Woodley Park**

- Welcomes long-term neighbors
- Gains community facilities
- Benefits from new residents who will patronize local businesses
- Provides opportunities for people who work in Ward 3 to live in Ward 3:

grocery workers

teachers' aides

construction workers

hospitality workers

health workers

....and many more

# **EVERYONE BENEFITS!**

## **New Residents**

- Safe, comfortable, affordable homes near transit and community amenities
- Proximity to work
- Investment in community life

## Washington, DC

- Introduces a new model of partnership/stewardship for affordable housing
- Brings Ward 3 100 units closer to meeting the Mayor's goals!

# **Discussion/Questions**

**NEXT STEPS** 

## POSSIBLE NEXT STEPS

## **NEIGHBORHOOD**

Before demolition, Carmel and the City hold public meetings with neighborhood associations, ANC, Woodley Park Main St. to share their plans and to understand local needs & concerns.

NWOP CDC promotes meeting participation and raises awareness of our plan.

## **CARMEL**

Asks business lawyers, business representative, and tax attorney to lay out specific steps for an agreement.

#### **CITY**

Arranges a meeting with Housing Finance to better calculate costs and financing options.

Explores a funding mix with executive and legislative branches.

Allocates funds from FY'22 budget to underwrite portions of the project.

Engages DHCD, HPTF, and relevant agencies to budget for the proposal.

Explores ways to bring multiple financing and planning tools to the table.

# POSSIBLE NEXT STEPS

## **NW Opportunity Partners CDC**

(in consultation with development partners)

- Arranges a technical follow-up meeting with Phil Esocoff and Carmel's architectural team to review building analysis, site planning; and to recommend next steps.
- Arranges follow-up meeting between Carmel business representative and Douglass CLT.
- Works with city and the community to assess community needs for civic spaces, and then begins meeting possible civic partners such as Oyster School/DCPS to discuss classrooms.

- Continues to refine the plan in light of emerging information and possibilities.
- Chooses the development team.
- Works with Woodley Park Main St. to cultivate businesses at and near the site.
- Serves as a non-profit recipient of grants and other funds to make the project a reality (non-profit status pending).