

2020 NALHFA Awards of Excellence

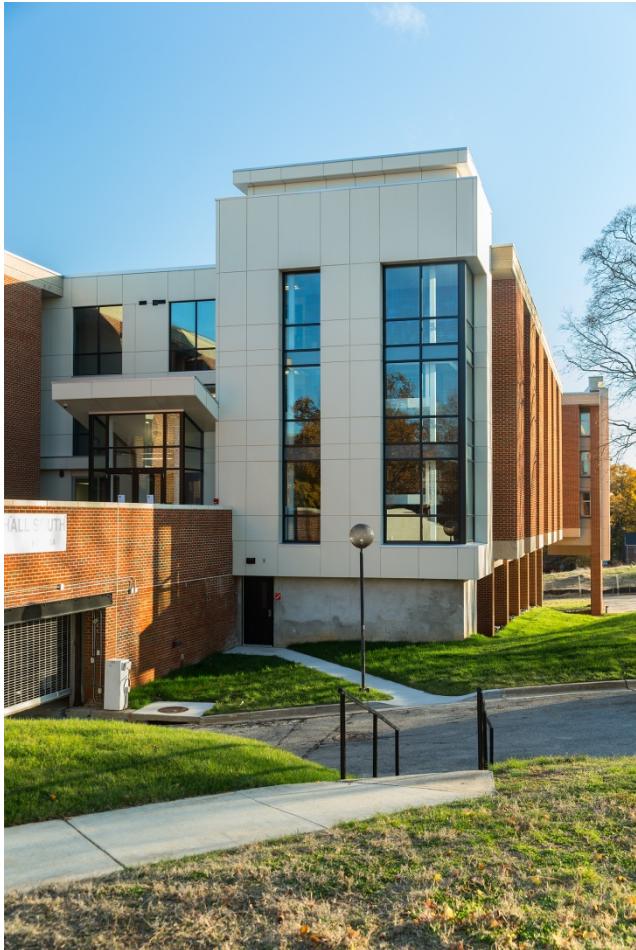
Category: Multifamily Excellence

DC Housing Finance Agency

HELP USA Walter Reed  
Apartments

# HELP USA Walter Reed Apartments

District of Columbia Housing Finance Agency



## Shepherd Park, Ward 4

- 77 affordable apartment homes for formerly homeless veterans
- 75 permanent supportive housing units whose residents receive social services
- 75 units at 30% or less AMI / 2 units at 50% or less AMI
  
- \$18.3M total development costs
- \$9.5M tax exempt bonds (DCHFA)
- \$5.4M low income housing tax credit equity (DCHFA)
- \$10.1M Community Development Block Grant loan (DC Dept. of Housing & Community Development)

Creating affordable housing for veterans is a fitting adaptive reuse of a building on the campus of the former Walter Reed Army Medical Center campus. In October 2019, the DC Housing Finance Agency (DCHFA) joined Washington, D.C. leaders to cut the ribbon and welcome residents home to HELP USA Walter Reed, an affordable housing community for veterans that have experienced chronic homelessness. Through this project, DCHFA funded the transformation of the former Abrams Hall (Building 14S) into 77 units of affordable housing at the site where thousands of servicemen and women received care.

Abrams Hall was originally constructed in 1976 as barrack housing for soldiers receiving long-term medical care who were able to live semi-independently and did not require a hospital bed. Located on the Walter Reed campus' southern and western wings, Abrams Hall needed substantial rehabilitation and construction to ensure the community would be safe as well as modernized. Some of the necessary repairs included new stairs, retaining walls, sidewalks and landscaping to the exterior; new walls, flooring, kitchen cabinets and appliances, showers, ventilation and drywall in the interior units. Additional analysis of the property revealed the community also needed updates to elevators, insulation, roof exhausts, furnace control systems, HVAC venting, sprinkler systems and trash chutes. Despite the abundance of updates that were critically necessary, the Walter Reed property had promising space to preserve and construct affordable housing under the right guidance.

**Project Description:**

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**Background on Walter Reed Project**

In October 2016, the U.S. Army and Washington, D.C.'s Mayor Muriel Bowser held a ceremonial signing ceremony recognizing the official transfer of the land to the District. This followed the signing of the Walter Reed Development Omnibus Act of 2016, which authorized the District to acquire 66 acres of the former Walter Reed campus from the Army and begin development of a vibrant new mixed-use community.

The Parks at Walter Reed redevelopment will bring 3.1 million square feet of residential, office, and retail to Ward 4 - 5,000 jobs and 2,100 units of housing, 432 of which will be affordable, and nearly \$1 Billion in tax generated revenue over 30 years.

**Extraordinary benefit to the community**

HELP USA Walter Reed is the first affordable housing development constructed on the Walter Reed site and the first residential structure since the property began redeveloping for civilian use. As the property transforms from the hospital campus to a new community, The Parks at Walter Reed, it is important to retain the presence of veterans and affordability particularly in Washington, D.C. which is experiencing a shortage of affordable housing.

A key component of HELP USA's work is a focus on veterans' homelessness. This project's goal is to provide safe housing with supportive services for our nation's veterans. Having veterans living on the campus contributes to the diversity of the new neighborhood.

At Walter Reed, the veterans can access services and amenities and be part of the core of the new community of residents, businesses and opportunity we are building on upper Georgia Ave.

The DC Department of Human Services contracts with a social services provider to offer on-site case management assistance for tenants at HELP USA Walter Reed.

The opening of this development addresses Mayor Bowser's HomewardDC, comprehensive plan to make homelessness rare, brief and non-recurring. Ending homelessness among veterans is a key focus of the HomewardDC plan.

### **Affordability**

One hundred percent of the apartments at HELP USA Walter Reed are affordable, 75 of which are designated permanent supportive housing (PSH) units and reserved for residents earning up to 30 percent of the area median income (AMI) and the remaining two units for residents earning 50 percent or less AMI. The PSH units receive permanent supportive housing vouchers to house chronically homeless veterans or other homeless individuals.

### **Innovation**

DCHFA financed the redevelopment by H.E.L.P. Development Corporation, a non-profit housing development firm of HELP USA, Inc. This company has more than 28 years of experience in the financing, development, new construction, rehabilitation and management of housing in low-income communities. In addition to providing quality affordable housing at HELP USA Walter Reed, the redevelopment of the rest of the former Walter Reed campus will bring 25,000 square feet of retail space to the Shepherd Park neighborhood in Washington, D.C. Also in proposing this project, DCHFA had to consider the residents' reliability on public transportation. The community's close proximity to the metro made it an ideal place to construct affordable housing that would allow residents to move throughout the city.

DCHFA issued \$9.5 million in May 2018 for the acquisition and rehabilitation of HELP Walter Reed Apartments. The \$18.3 million redevelopment rehabilitated Abrams Hall (Building 14) of the campus, which consisted of 77 apartment homes. Updates to the property included new exterior stairs and sidewalks, new interior flooring, walls, common areas, cooktops, refrigerators, cabinets and bathroom fixtures. In addition to physical updates, the community also has tenant services through Community Connections, which are funded by the DC Department of Human Services.

**Serving needs of special groups**

All residents are eligible to participate in Community Connections' programs. Residents go through an evaluation with Community Connections to determine a service and treatment plan. Service plans can cover residents' vocational and educational needs, psychiatric and behavioral, substance abuse, physical health, family and social relations, and legal concerns. On-site there are four full-time case managers and a support staff member hired by the DC Department of Human Services.

**Transferability**

In October 2019, DCHFA joined DC's Mayor Muriel Bowser at the ribbon cutting celebration that welcomed home residents to Building 14. HELP Walter Reed Apartments are an extension of the Mayor's Roots to Roof DC initiative that highlights programs, tools and resources the Administration is using to make Washington, D.C. more affordable in all eight wards and serve the housing needs of all residents. Through DCHFA's partnership with the mayor as well as the additional financing that came from the DC Department of Housing and Community Development, the agency was able to provide apartments for formerly homeless veterans. DCHFA continues to finance affordable housing communities that target the District's most vulnerable populations who are affected most by rising house costs in the Washington, D.C. In 2015, DCHFA financed the Conway Residence for homeless veterans and more recently Livingston Place at Southern, the first assisted living community in Washington, D.C.'s Ward 8. DCHFA continues to partner with both the public and private sector to provide solutions and more affordable housing across all eight wards.

**Project Details:**

**Project Initiated:** 2017

**Financial Resources**

DCHFA issued \$9.5 million in tax exempt bonds and underwrote \$5.4 million in low income housing tax credit (LIHTC) equity. National Equity Fund Assignment Corporation is the LIHTC equity investor. Additional funding was provided in the form of a \$10.1 million Community Development Block Grant loan from the DC Department of Housing and Community Development.

**Resident Demographics**

All 77 units have been leased by veterans.

**Long-term benefits**

HELP Walter Reed Apartments provide on-site education and vocational assistance through its partnership with Community Connections DC. By giving these formerly homeless individuals a stable environment to live, they are able to focus on these other aspects of personal growth and wealth and begin to reap the benefits that come along with them like a stable income. Depending on their individual service plans, residents will also be able to establish treatment plans for medical conditions they did not have access to before. Community Connections will

provide four full-time case managers and one support staff member to be available to residents of HELP Walter Reed from 8 a.m. to 8 p.m. Monday through Friday.

### **Indication that these things have been working**

Since Mayor Bowser took office in 2015, over 2,100 veterans have exited the street or shelter to permanent housing – resulting in a 27 percent reduction in homelessness among veterans. All of the units at HELP Walter Reed are occupied by veterans.

### **Industry Partners**

H.E.L.P. Development Corporation developed the new apartments. Since completion, HELP USA manages the Walter Reed complex and also operates the support services on the campus. Ellisdale Construction was the general contractor, Weincek + Associates was the architect of record.

### **Public Reaction**

When DCHFA closed on the financing of HELP Walter Reed Apartments, the deal received notable coverage in the [Washington Post](#), [Street Sense Media](#) and [Affordable Housing Finance](#) magazine. After completion, the project was highlighted in [Stars and Stripes](#), a U.S. military community-focused publication, and it also received Honorable Mention on Bisnow's [list](#) of "10 Major D.C.-Area Developments That Delivered in 2019."

"There can be no higher or better use of this historic site than to continue serving the men and women of the Armed services," stated Tom Hameline, President and CEO of HELP USA, Inc. in a [release](#). "Because of the vision of the District government, the generosity of our private sector partners and the hard work of my team, we can today move seventy-seven veterans off the street and offer them what they always deserved, a place to call home."

### **Additional Information:**

The table below illustrates the **in-place rents** at the property:

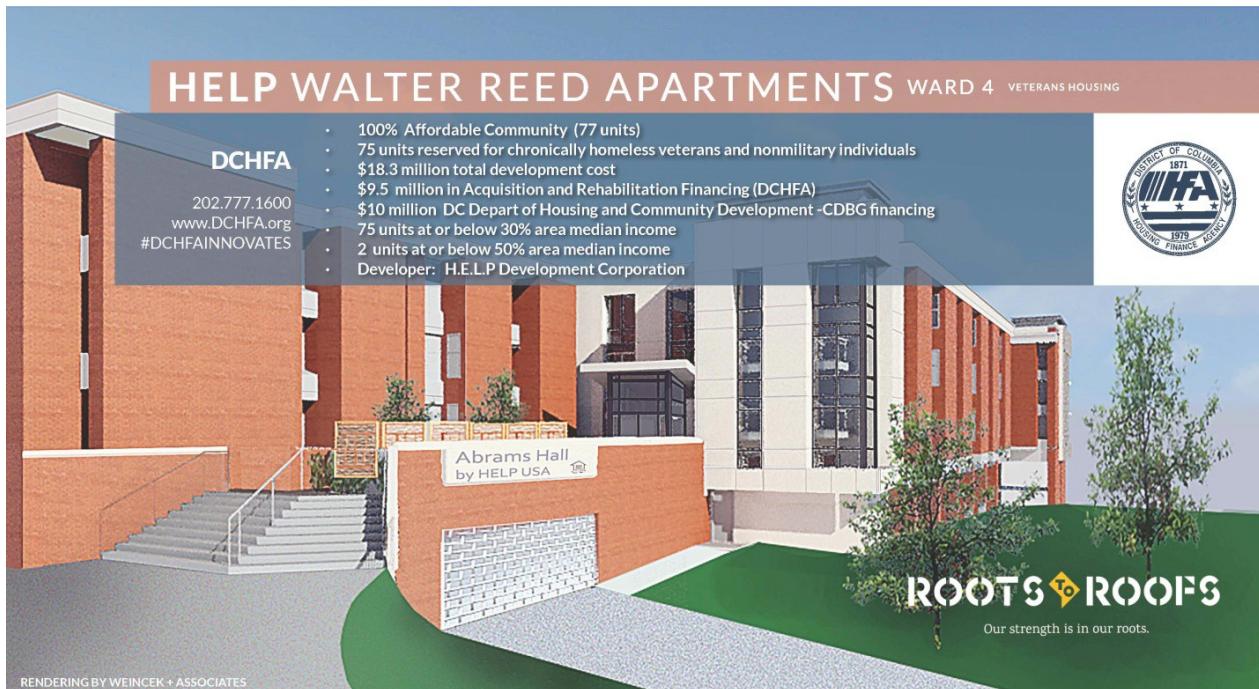
Unit Type	% AMI	Market/Affordable	Subsidy Assumption	# of Units	Unit Size (Sq. Ft.)	Rent/Wtd. Avg	Utility Allowance	Net Underwriting Rents/ Wtd. Avg.
Efficiency	30	Affordable	Yes	75	353	1,163	0	1,163
Efficiency	50	Affordable	No	2	338	956	0	956
								0
<b>Total Units</b>				<b>77</b>	<b>353</b>	<b>1,158</b>		<b>2,119</b>

The sponsor received a letter of commitment from the DC Housing Authority for Local Rent Supplement Program ("LRSP") in 2014 for subsidy for 75 of the 77 units. The terms of letter state the first year contract rent for the Project will be \$1,163.

**Project Operating Budget**

\$10,800 per unit / \$831,565 per year

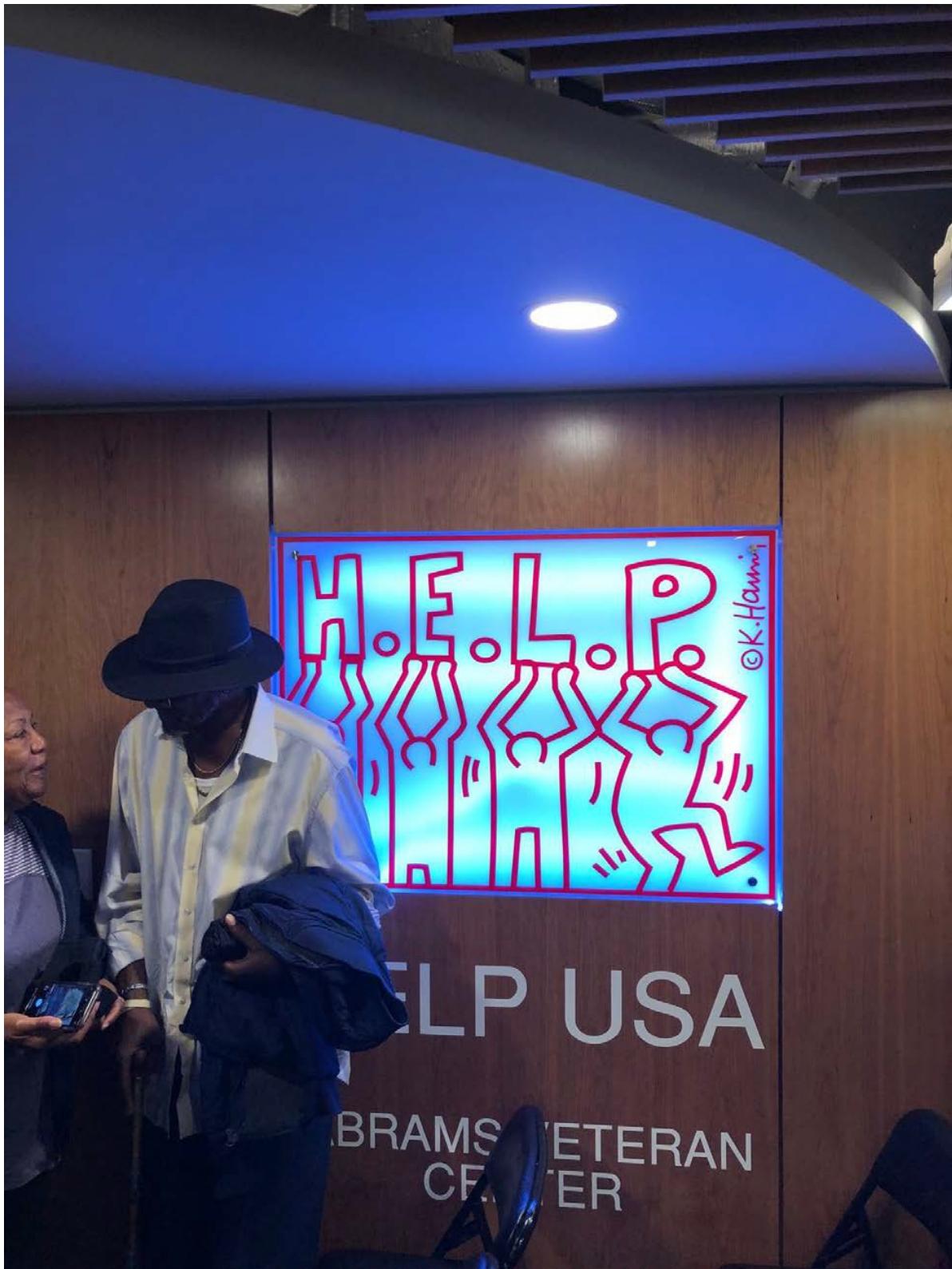
**Visual Aids**













## Looking Back to Move Forward: Progress and Lessons Learned During the First Four Years of [Homeward DC](#)

September 2019



GOVERNMENT OF THE  
DISTRICT OF COLUMBIA  
**MURIEL BOWSER, MAYOR**

**Press releases**

<https://mayor.dc.gov/release/mayor-bowser-makes-veterans-first-residents-reimagined-walter-reed>

<https://www.globenewswire.com/news-release/2018/05/01/1494185/0/en/DCHFA-Finances-Affordable-Housing-for-Veterans-at-Walter-Reed.html>

**Media stories**

[Affordable Housing Project for Veterans Breaks Ground in DC](#) – MULTI-HOUSING NEWS May 29

[Veterans Housing Breaks Ground in D.C.](#) – Affordable Housing Finance, June 1

[D.C. Agency Closes Another Deal for Affordable Housing for Veterans](#) - Construction Equipment Guide, June 8