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Enterprise Community Partners and its subsidiary, Enterprise Community Loan Fund, work to increase the supply of high-quality affordable housing across the country. Enterprise has created or preserved nearly 300,000 affordable homes for more than 1 million people. While these numbers give some indication of how Enterprise has made an impact, there is a compelling story behind every loan, partner and community. Enterprise believes these stories are worth telling, one project at a time.

This report offers an impact analysis of the development of a multifamily building in Washington, D.C., to house and provide support services to formerly homeless individuals. Located on Texas Avenue in the Randle Highlands neighborhood, Gasner House, the property we will focus on, offers much needed support to a growing segment of the population in the District of Columbia. Enterprise provided financing in the form of an acquisition loan as well as capacity building assistance to the project’s developer, So Others Might Eat, Inc. (SOME).

This impact report includes the following highlights:

1) Census analysis of the neighborhood and its changing demographics, housing market and economy

2) An examination of the need for homeless supportive housing in Washington, D.C.

3) A description of Enterprise’s partner, SOME

4) A narrative of one Texas Avenue resident’s life in his new home

5) An identification of impacts that the development of the Texas Avenue property had on the neighborhood and on the residents who live there.

In the context of this paper, supportive housing services refers to permanent or semi-permanent housing units with associated case management and services provided to residents to support them in leading productive lives. Although this report will go into further detail regarding the specific services provided to SOME residents (see “Services Provided by SOME for the Texas Avenue Project”), supportive services can range from rent and utility bill assistance to health care provision to job placement assistance.

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Background on the Texas Avenue Property

Enterprise provides critical financing to partner organizations to develop affordable homes and provide support to people across the country. This impact report highlights one such partnership between Enterprise and a nonprofit organization in Washington, D.C., that provides supportive housing to formerly homeless adults. Some residents in the Texas Avenue property were not only formerly homeless but also formerly incarcerated or U.S. military veterans. These populations are all in need of support, particularly in the District of Columbia where there is a lack of affordable housing.

To help provide support for the homeless, Enterprise disbursed a $1,597,500 site acquisition loan to its partner, So Others Might Eat, Inc. (SOME), an organization that supports homeless individuals and families through job training, housing and health treatment. This loan was used to purchase two contiguous buildings between 2810 and 2872 Texas Avenue in the Randle Highlands neighborhood east of the Anacostia River.

A portion of the capital provided in the loan was sourced through the D.C. Department of Housing and Community Development (DHCD) Site Acquisition Funding Initiative (SAFI). SAFI is designed to provide quickly accessible, revolving loan capital for acquisition and predevelopment costs to affordable housing nonprofit developers. As one of four SAFI lenders, Enterprise Community Loan Fund had access to a total of $654,944 worth of uncommitted SAFI funds for the Texas Avenue loan.

Enterprise’s loan to SOME was a critical component of SOME’s rehabilitation of the project site. Without the flexible acquisition capital provided by Enterprise, SOME would have struggled to acquire the property before it was sold to a different developer.

The maturity date for the loan was originally set for early May, 2009, two years after the loan closing. This maturity date was subsequently extended a total of six times over the course of the loan. These extensions were necessary for a variety of reasons, including site rezoning to a lower density and complications in structuring a $1.89 million D.C. Department of Mental Health grant into SOME’s permanent financing loan application. These types of difficulties can be typical, particularly when a nonprofit organization is working to structure a complicated deal dependent on government financing. Throughout this process, Enterprise worked with SOME’s staff to structure a reasonable maturity date for the loan. Sharing a mission and Enterprise’s access to the necessary capital gave SOME the flexible financing needed to weather these challenges and ultimately serve the formerly homeless in the District of Columbia.

Following receipt of permanent financing for the project, SOME repaid the outstanding acquisition loan in August 2010.

The purchased property has a lot size of 11,187 square feet with a gross building area of 24,060 square feet. When purchased, the property was vacant and in disrepair.

SOME renovated the site, now called Gasner House, and opened its doors in April of 2012. The project site features 49 single occupancy rooms with new wood flooring, remodeled kitchens with all-new appliances, bathrooms with showers and vanities, large closets and air conditioning units.
Location and Amenities

The Randle Highlands neighborhood is located in the southeast corner of the District of Columbia (see Figure 1) east of the Anacostia River. The area was first developed as a suburb of downtown and features vast tracts of single family detached housing with large, old-growth trees and expansive lawns.

![Figure 1. Texas Avenue Project Location](image)

The Texas Avenue property is located near a number of notable recreational, cultural and retail points of interest.

Fort Dupont Park is located to the north and east of the Texas Avenue property. Maintained by the National Park Service (NPS), Fort Dupont Park is named after a fort constructed on the site in 1861. Although it never saw action, the fort served as a resting point for escaped slaves during the Civil War.1 It is approximately 400 acres, one of the largest in the city, and includes recreational facilities, a hiking trail, a long-running summer concert series, community gardens, picnic areas, tennis and basketball courts and the Fort Dupont Ice Arena.

The Hillcrest Recreation Center is less than 1.5 miles away and was constructed in 2004. The center includes a computer lab, game room, gym, tennis courts and even a kitchen for events. The site is operated by the D.C. Department of Parks and Recreation, which offers a full suite of classes including aerobics, weight loss and guided strength training. These courses have a nominal cost associated with them to support the center’s operations. Access to community resources such as this recreation center is a benefit to the residents of the Texas Avenue property.

Just south of the project site, is Alabama Avenue, a major commercial corridor that features a Safeway supermarket, a U.S. post office and other retail opportunities. A second commercial corridor running along Pennsylvania Avenue to the north of the project site features a CVS pharmacy, numerous churches and the Penn Branch Shopping Center. The Penn Branch Shopping Center has been targeted by the D.C. Office of Planning as a prime redevelopment opportunity along the Pennsylvania Avenue corridor.2 The planning office document states that redevelopment of the shopping center would attract higher quality tenants to the shopping center and unlock latent retail demand in the area.

Although a positive development for the residents of Randle Highlands, redevelopment of the Penn Branch Shopping Center may result in rising real estate prices if buyers are attracted to the area as a result. Given such pending economic development projects in the neighborhood, it is fortunate SOME was able to acquire the Texas Avenue property before the plans are executed.

Accessibility and Public Transportation

In order to obtain an objective assessment of transit access in the neighborhood, this report relied on a web-based tool, Walk Score. It assesses neighborhood transit based on the number of transit stops located near a particular address, service frequency per week, the type of transit (bus, rail, etc.) and distance from one stop to another. A transit score given by Walk Score is a general indicator of the quality of any given area’s public transit network. The transit score for the neighborhood surrounding the Texas Avenue site is 64 (“Good Transit”). The District of Columbia overall is given a 69, indicating residents at the Texas Avenue property may experience greater challenges in transportation as compared to locations in other parts of the city. Indeed, SOME staff expressed some frustration with the site’s location given the lack of public transportation immediately adjacent to the Texas Avenue building. It is worth noting that the District of Columbia is ranked the fourth highest transit city in the nation, after New York City, San Francisco and Boston.

Despite its lower score compared to the city overall, the Randle Highlands neighborhood is well-served by the city’s local bus network. Nearby bus stops offer direct access to the city’s central business district, a 10-minute bus ride away, as well as delivery to local Metro stations.

The project site is located near public bus route numbers 32/36 and 34 as well as within a mile of a Metro station. The number 34 bus route follows a general diagonal path across the city as it travels from the Archives Navy Memorial Metro subway station through the city’s central business district, across the Anacostia and into Maryland, terminating at the Naylor Road Metro station (see Figure 3).

The number 32/36 originates in Maryland, northwest of the city, then travels south through some of the District of Columbia’s wealthiest neighborhoods, including Georgetown and Capitol Hill, before turning south and east across the Anacostia, running along Pennsylvania Avenue then providing access to Metro stations at Naylor Road and Southern Avenue in southeast D.C. and Maryland. The 32/36 bus route provides excellent access to the central business district and jobs throughout the city (see Figure 4).
Washington, D.C.’s homeless population is a persistent and difficult issue for policymakers and resource providers to tackle. The first explanation for this persistent difficulty is that the definition of homelessness varies in subtle but critical ways, depending on the agency defining the term and the ever-evolving consideration of what constitutes homelessness.

How a jurisdiction defines homelessness affects the way individuals are counted and tabulated in regional homeless counts and complicates comparisons of homelessness among jurisdictions. For reference, the Department of Housing and Urban Development’s (HUD) definition of homelessness is: “People who reside in some form of emergency or transitional shelters, domestic violence shelters, runaway youth shelters, and places not meant for human habitation, which include streets, parks, alleys, abandoned buildings, and stairways.”

HUD’s definition does not count the “shadow” homeless, those living on a friend’s couch or in a sister’s guest bedroom, shelter that is temporary and unsustainable in the long-term. Taking those people into account adds considerably to the actual number of individuals living without proper housing. In fact, many of the residents of SOME’s Texas Avenue building were among those shadow homeless.

The second explanation for the intractability of the homelessness problem in urban areas is that the homeless population is inherently difficult to count. There are a range of methods used to estimate the number of homeless individuals in a given area, including sampling the population and direct counts of individuals identified as homeless on any given night. This second method, called “point-in-time” counts is the primary way the District of Columbia’s homeless population is counted. The Metropolitan Washington Council of Governments (MWCOG) conducts an annual point-in-time count of the homeless. This count is then used to inform public policy decision-making related to funding of homelessness support services and housing units.

On January 25, 2012, MWCOG completed a point-in-time count, providing a recent snapshot of the region’s homeless population for the year. That count identified a total of 6,954 homeless individuals in the District of Columbia. This count far outstrips neighboring jurisdictions (see Figure 5).

5. Lewis, Homeless in Washington, Table 1.
Not only does the District of Columbia have the highest total number of homeless individuals in the surrounding metropolitan region, but it also has the highest increase in the number of homeless people since 2008 (see Figure 6). Due to this rapid increase, policymakers and city departments are facing increasing pressure to provide a permanent solution. As part of this effort, the city has emphasized increasing the number of permanent supportive housing units.6

As of 2012, permanent supportive housing units make up approximately 45 percent of the city’s total housing and shelter resources.7 This percentage is expected to grow as the city continues to finance and emphasize the development of permanent supportive housing units through programs like the Permanent Supportive Housing Program (PSHP) and the HUD-Veterans Administration Supportive Housing program. Programs like these highlight the importance of permanent supportive housing in breaking the cycle of chronic homelessness.

Indeed, it is not only government-supported programs that have found a positive relationship between permanent supportive housing programs and homelessness outcomes. In an article examining the impact of housing on substance abuse, researchers found participants in a Housing First program were able to obtain and maintain independent living without relapsing into drug use or losing psychological stability after exiting supportive housing.9 Other researchers have found evidence of permanent supportive housing programs reducing the use of hospital emergency rooms and inpatient services by homeless individuals.10 In another study that examined participants of permanent supportive housing programs and their housing stability over a 12-month period, researchers found that Housing First programs may help the most difficult to serve, chronically homeless populations.11

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8. Lewis, Homeless in Washington, Table 2.
Programs modeled on Housing First emphasize providing permanent housing to formerly homeless individuals as the first step in a wide system of support. Once permanent housing is established for an individual, other support services are then offered, including: substance abuse counseling, life skills training, health care, mental health services and job training. All of these “wrap-around” support services have been found to be critical components to reducing the chronically homeless population.12

As the MWCOG study explains, since 2008, there has been a 97 percent increase in the number of individuals living in permanent supportive housing units (see Figure 7), an increase directly attributable to the implementation of Housing First programs and their emphasis on permanent housing for homeless people.

Another significant segment of the homeless population in the District of Columbia – and nationwide – are formerly incarcerated individuals who face extended periods of homelessness following release from prison. The Urban Institute estimates that at least 10 percent of persons released from prison will be homeless for at least a short time.14 One report examining prisoner reentry in the District of Columbia found that 46 percent of previously incarcerated individuals were unemployed and 77 percent reported having received no job search assistance from the prison or the city.15

Returning prisoners face a long list of barriers to accessing housing in the private marketplace. These barriers include: insufficient personal documentation (driver’s licenses or state identification), stigma of criminal history, community objection due to issues with public safety and affordability of housing.16 These barriers make finding a decent, affordable home a significant challenge for many formerly incarcerated people.

While touring the Texas Avenue site, Enterprise staff met a formerly incarcerated veteran of the Vietnam War who had been one of the shadow homeless. Prior to moving into his apartment, he struggled to find housing due to his low income and history with drug use. Lacking the stability and comfort of a home made dealing with these challenges even more difficult.

12. Lewis, Homeless in Washington, 16.
Enterprise works nationally to protect families and individuals from facing unmanageable housing cost burdens, this problem is most urgent in urban centers where housing costs are rising. Extreme housing cost burdens are on the rise nationwide, particularly since the economic recession has led to stagnant wages and increased pressure on the nation’s rental market. Between 2007 and 2010, the number of U.S. households spending more than half of their incomes on housing rose by 2.3 million to a total of 20.2 million. Of the many metropolitan regions across the country, the District of Columbia is one of the most competitive housing markets today.

HUD defines housing affordability as a household paying no more than 30 percent of its annual income on housing. It also calculates and publishes annual reports on area median income (AMI) for all 50 states and the District of Columbia. The AMI for a family of four in D.C in 2010 is presented in Table 1. The median household income for a family of four is $103,500, which means the family could afford a maximum of $31,500 for rent for the year or approximately $2,600 per month, according to HUD’s housing affordability definition.

Median household income for the District of Columbia, however, is a poor measure of the degree to which low-income families struggle to pay for high-quality affordable housing in the city. Figure 8 illuminates the struggle to pay for housing that many households face. By 2010, nearly 25 percent of households in the city were spending half or more of their income on gross rent (defined as the cost of both rent and utilities).

<table>
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<th>AMI Percentage</th>
<th>Median Income for Family of Four, 2010</th>
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<td>30% AMI</td>
<td>$31,050</td>
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<tr>
<td>50% AMI</td>
<td>$57,570</td>
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<tr>
<td>80% AMI</td>
<td>$82,800</td>
</tr>
<tr>
<td>100% AMI</td>
<td>$103,500</td>
</tr>
<tr>
<td>120% AMI</td>
<td>$124,200</td>
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Table 1. D.C. Area Median Income (AMI) for a Family of Four, 2010

![Gross Rent as Percent of Household Income, Washington, D.C.](image)

Figure 8. Gross Rent Burden in Washington, D.C., 2000 to 2010


In comparison, consider Figure 9, which shows the same data but on a census tract level for the region surrounding the Texas Avenue project. Since 2000, the census tract experienced rapid growth in the percentage of households spending 35 percent or more of income on gross rent to an even greater degree than the trend seen in the District of Columbia overall. In addition to a rise in households spending 50 percent or more of income on gross rent, households spending between 35 to 49 percent of income on gross rent also expanded at a faster rate than the city.

The trend in Figures 8 and 9 shows an increasing percentage of households in the District of Columbia and in the Texas Avenue project’s census tract are spending more of their income on gross rent. However, even these figures disguise some of the housing burden faced by families in the city. The rent burden percentages seen in Figure 8 do not capture the rent burdens faced by the city’s poorest families. Figure 10 displays the degree to which families living on 50 percent or less of the District of Columbia’s AMI have experienced excessive housing cost burdens in the city. Those families making between 30 and 50 percent of AMI saw an incredible 416 percent change, from 6 percent to 30 percent, in their share of excessive rent burden. As a result, thousands of working class families are struggling to pay for housing. It should be emphasized that this second category of income is not even the poorest segment of the population – and yet the rental market in the District of Columbia has driven almost a third of this income category into a state of excessive housing cost burden.

![Gross Rent as Percent of Household Income, Census Tract](image)

Figure 9. Gross Rent Burden, Tract 76.0420

![Rent Burden, Washington, D.C., 2000 and 2010](image)

Figure 10. Rent Burden, Washington, D.C., 2000 and 2010

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The data presented illustrate the severe housing cost burden borne by a growing share of the D.C. population. In the District of Columbia, this burden is the result of rapid inflation in housing costs and influx in high earning household. As Figure 11 shows, median rent for a 1-bedroom apartment in the District of Columbia has risen 50 percent since 2000, a considerable increase in the cost of a small (and typical) rental unit in the city.

The rising cost of rent in the District of Columbia is driving long-term low-income households to more affordable areas of the city, which, in turn, concentrates poverty in those areas. As will be discussed in more detail later, SOME’s Texas Avenue project has helped establish affordable housing in a city neighborhood that is in need of preserving affordability.

For median rent to rise by 50 percent over a decade, as it has for 1-bedroom apartments in the District of Columbia, one might expect incomes to increase in parallel to housing cost increase. Income data from the U.S. Census seems to lend weight to this assumption. Figure 12 shows various median income categories, ranging from those households making $10,000 or less to those making over $200,000 per year. Between 2000 and 2010, there was a definite increase in the number of households earning higher incomes. For instance, the share of households making $100,000 or more per year rose from 16 percent of total households in 2000 to 31 percent in 2010. At the same time, the share of households making $30,000 or less dropped from 38 percent in 2000 to 27 percent by the end of the decade. The District of Columbia is becoming an increasingly wealthy city, with high-income earning households applying inflationary pressure on the housing market. Indeed, a task force assigned to examine the city’s housing found vast sections of the city were experiencing rapid housing cost inflation due to an influx of wealthy new residents who were generating more demand for housing than supply could satisfy.

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23. Reed. Disappearing Act, adapted from figure 5.

In addition to rent, other segments of the D.C. housing market have experienced rapidly rising costs. According to a dataset maintained by Metropolitan Regional Information Systems (MRIS), which facilitates more than $100 million a day in real estate transactions in the Mid-Atlantic region, median home sale prices in the city have increased 172 percent since 2000 (see Figure 13). For the Mid-Atlantic region overall, the median home sales price rose by 86 percent over the same period. The D.C. housing market has even outperformed surrounding areas from 2010 to 2012, with a 14 percent increase in median home sales price compared to a 7.6 percent increase in the wider market. As these median home prices continue to increase at a faster rate compared to the region, the District of Columbia’s poorest families will face continued challenges in purchasing a home. Additionally, those who do own their homes or hold mortgages struggle to keep up with rising tax bills caused by increasing area home values. Increased real estate values affect not just the single-family market but also the multifamily market.

Beyond applying pressure to low-income households across the city, rising rent and home sale prices have an impact on the D.C. homeless population. As these rents become increasingly unaffordable for the poorest segments of the city population, individuals may be unable to afford suitable homes and seek transitional housing or homeless shelters for support. Researchers have examined this theory, with some finding a positive correlation between homelessness and local housing market dynamics. Considering the increased housing cost burden experienced in the District of Columbia overall, the area is a prime target for permanent supportive housing programs focused on the homeless. The D.C. government has indeed recognized the importance of developing a larger supply of permanent housing units in its 2010 strategic plan for ending homelessness. In this document, the agency called for a total supply of 2,500 permanent supportive housing units by 2014. Enterprise has assisted the D.C. government in its mission to meet this goal by investing in the Texas Avenue project and many other sites across the city.

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The housing affordability picture in the District of Columbia is not entirely bleak. As with any city, some areas are more affordable than others. Some of the most affordable sections of the city are located east of the Anacostia River. Figure 14, generated by The Reinvestment Fund’s (TRF) PolicyMap, displays census tracts in the broader D.C. metropolitan region and the median gross rent for all housing units as of 2009. Those areas shaded in dark purple have $1,000 or higher median gross monthly rent. Areas shaded in lighter colors represent census tracts with more affordable housing costs. The Texas Avenue supportive housing site is marked by an orange triangle.

Figure 13. MRIS Median Home Sales Price, 2000 to 2012

Figure 14. Median Gross Rent, D.C. Metropolitan Region

The project site, and those areas east of the Anacostia, have comparatively low rent costs compared to other areas of the wider metropolitan region. These lower rents have attracted some of the region’s poorest households. Consider Figure 15, which shows median household income by census tract across the D.C. area. Median household income east of the river is typically lower than in other areas of the metropolitan D.C. region. It is clear from comparing Figure 14 and Figure 15 that the Texas Avenue project site is located in an area of the city featuring some of the region’s lowest housing costs and household incomes.

![Figure 15. Median Household Income, D.C. Metropolitan Region in 2009](image)

This analysis is relevant to Enterprise’s decision to provide acquisition financing to SOME. Enterprise is aware that neighborhoods east of the Anacostia River are critical to the region’s workforce. Additionally, given the current housing market in other areas of the city, this affordability is in danger of being lost to further gentrification and a fresh wave of wealth to the neighborhood. Affordable housing units secured east of the river are well-targeted to the city’s poorest populations and will enable low-income communities to exist comfortably for years in the future.

By developing affordable housing units east of the river, Enterprise is helping to ensure the region enjoys the benefits of a diverse, mixed-income community for years to come. In the specific case of the Texas Avenue project, Enterprise secured affordable housing units during a period when the neighborhood is still one of the region’s most affordable local housing markets. Without this financing, the property might have remained vacant at a time when affordable units are in high demand and unsecured for long-term affordability.

ANC boundaries provide another way to identify the relative affordability of the area surrounding the Texas Avenue project. ANC boundaries are more representative of neighborhoods, as opposed to smaller zip code or census tract geographic boundaries.

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31. The Reinvestment Fund, TRF PolicyMap.
ANCs are quasi-political structures that "consider a wide range of policies and programs affecting neighborhoods, including traffic, parking, recreation, street improvement, liquor licenses, zoning, economic development, police protection, sanitation and trash collection, and the District’s annual budget." ANCs were first created in 1974 through a city-wide referendum and each ANC has jurisdiction over a geographic region of the city. Figure 16 shows ANC areas and wards across the city. The Texas Avenue project site, marked by a yellow star, is located in ANC 7B and Ward 7.

Figure 17 shows that both ANC 7B (red line) and the city overall (blue line) have experienced a decline in median home sale prices since 2006, most likely due to the recent housing market turmoil. Of particular note to the discussion regarding affordability, ANC 7B median home sale prices in 2010 are 58 percent lower than the D.C. median home sale price ($342,000 versus $589,000). This difference in home sale prices further demonstrates the relative affordability of the neighborhood compared to the rest of the city.

The ANC 7B geographic area also experienced a rapid increase in the number of individuals receiving food stamps (see Figure 18). Between 2000 and 2007, ANC 7B lagged behind the D.C. average for food stamp recipients. Starting in 2008, however, total food stamp recipients in ANC 7B increased rapidly with the area experiencing a 58 percent jump in the number of food stamp recipients by 2010. This represents 1,172 new individuals living in ANC 7B receiving food stamps from the government.

At the same time ANC 7B was experiencing a rapid increase in the number of food stamp recipients, possibly driven from the rest of the city by rising rents, the area also saw a 3 percent decline in total population, increasing the concentration of low-income people.

Finally, it is valuable to examine demographic and neighborhood trends on a census tract level to assess housing affordability and the composition of the population living in the immediate vicinity of the Texas Avenue project site. The Texas Avenue project site is located in census tract 76.04, a neighborhood with high rates of poverty and gross rent burden and lower rates of household income growth than seen in the city overall.

The first indicator of a community's health is whether the neighborhood's population increased or declined. Census tract 76.04 experienced a 3.9 percent decrease in population from 2000 to 2010. Of this population decrease, a significant portion was in the black population (a drop of 4 percent since 2000), moderated by an increase in the white and Hispanic population. For more detail, see Figure 19.

![Persons Receiving Food Stamps, ANC7B and D.C. Average](image)

**Figure 18. ANC 7B and D.C. Average Persons Receiving Food Stamps, 2000 to 2010**

![Tract Population Composition and Change](image)

**Figure 19. Population Composition and Change, Tract 76.04**

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35. NeighborhoodInfoDC, "DC ANC Profile."
36. 2000 U.S. Census SF1, Table QT-P3. 2010 U.S. Census SF1 QT-P3.
In addition to losing overall population, the number of individuals living in poverty in the project census tract simultaneously increased (see Figure 20). Of the 3,644 individuals living in the census tract in 2010, 717 of them (19.7 percent of total population) were at or below the poverty level. This represents an increase of 27 percent in the poverty population since 2000. These figures demonstrate that the census tract’s population is becoming increasingly poor. This may be due to the economic recession or perhaps further evidence of a general migration of the city’s poor to areas east of the Anacostia.

![Tract Poverty Population](image)

**Figure 20. Poverty Population and Change, Tract 76.0437**

To provide perspective on poverty dynamics in the Texas Avenue neighborhood, Figure 21 shows poverty population change dynamics city-wide. The city lost 10,885 individuals in poverty since 2000, in contrast to the project census tract’s increase in poverty. The number of white people in poverty also increased over the decade, increasing by 2,512 individuals. As hypothesized earlier, some of these poor whites may be locating in areas with affordable housing options, including the project census tract. Finally, in contrast to the project’s census tract where the number of black people in poverty increased from 549 in 2000 to 659 in 2010, the number of black individuals in poverty dropped by a total of 2,074 citywide.

![D.C. Poverty Population](image)

**Figure 21. Poverty Population and Change, District of Columbia**

37. 2000 U.S. Census SF3, Table P159A, P159B, P159C, P159D, P159H. 2006 – 2010 ACS Table S1701.
38. 2000 U.S. Census SF3, Table P159A, P159B, P159C, P159D, P159H. 2006 – 2010 ACS Table S1701.
The opposing poverty trends seen in the District of Columbia and in the census tract lend weight to the argument that, as low-income individuals struggle to afford housing in the wider metropolitan region, they look to the Randall Highlands neighborhood and areas east of the Anacostia for affordable housing options.

While the census tract’s racial diversity has moderately improved since 2000, it is encouraging to note the black share of the subject area’s population under the poverty line has decreased. Specifically, in 2000, 97.34 percent of the subject area’s poverty population was black (see Figure 22). By 2010, the percentage of black individuals in poverty within the census tract had dropped to 91.91 percent of the total poverty population. It should also be noted there was a definite influx of poor whites to the subject area over the decade. In 2000, there were no whites under the poverty line. By 2010, the white share of the poverty population reached 8 percent.

![Figure 22. Racial Poverty Share, Census Tract 76.0439](image)

The increase in the white population in poverty in the census tract may be indicative of an overall reduction in affordable housing availability in the city overall. As low-cost housing neighborhoods with higher white populations experience median income growth and housing cost increases, poor whites may be seeking areas in Wards 7 and 8 to live, including the Texas Avenue project census tract. If true, the neighborhood surrounding the Texas Avenue project is increasingly critical to the city’s ability to house its low-income population.

When assessing a neighborhood, it is important to examine trends in the rental market, particularly in the Texas Avenue census tract where 57 percent of the population rents. According to the census data displayed in Figure 23, the number of rent-burdened households in the subject area has increased since 2000. In 2000, 29.74 percent of households in the subject area spent 30 percent or more of their income on gross rent. By the end of the following decade, that number had risen to 52.51 percent.

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39. 2000 U.S. Census SF3, Table P159A, P159B, P159C, P159D, P159H. 2006 – 2010 ACS Table S1701.
It is worthwhile to compare the District of Columbia’s gross rent burden with the Texas Avenue project census tract. The city experienced an increase in the percentage of households spending 30 percent or more of income on gross rent over the decade (35.17 percent to 46.35 percent of households). While certainly a troubling trend, D.C. growth in rent burden rates is less than half of the increase seen in the census tract (see Figure 23). This data further demonstrates the critical importance of establishing affordable housing in the Texas Avenue neighborhood. As the region's poor turn to areas east of the Anacostia, they are still faced with a lack of affordable housing units.

![Figure 23. Households Spending 30%+ on Gross Rent, Tract 76.04 and District of Columbia](image)

SOME ensures individuals are able to afford rent by setting the maximum rent residents must pay at 30 percent of income. By capping rent at 30 percent of income, SOME allows residents to save for the future with the hope that all individuals will achieve self-sufficiency and independence. The Texas Avenue project is now helping contribute to affordability in the Randle Highlands neighborhood.

Finally, it is important to compare the Texas Avenue project neighborhood’s growth in income, rent and house values with the District of Columbia overall (see Figure 24). Since 2000, the project neighborhood has experienced a 23 percent increase in median household income as compared to a 46 percent increase in the city overall. From this evidence, it seems reasonable to conclude that the population largely consists of individuals with low-income growth potential as compared to the city overall. It is reasonable to conclude that, as lower-income households across the region move to areas east of the Anacostia, the area will continue to host households with lower median incomes than the region overall. SOME is addressing this concern, to a degree, by providing its residents with access to a SOME-sponsored workforce training program called the Center for Employment Training (CET).

40. 2000 U.S. Census SF3, Table H069. 2006-2010 ACS SF3 B25070.
Second, median gross rent increased for both the subject area (54 percent) and the city overall (72 percent). This trend reflects the growing housing affordability crisis in the city. By securing 49 units of affordable housing in the Texas Avenue site, Enterprise and its partners are taking the first of many steps necessary to preserve affordability into the future.
Services Provided by SOME for the Texas Avenue Property

So Others Might Eat (SOME) was founded in 1970 to provide meals to the needy in the District of Columbia. This original mission continues today, although the organization has expanded its programming to include permanent supportive housing, a medical and dental clinic for the homeless, and the job training program mentioned above. SOME’s website states that, in 2011, the organization served 389,420 hot meals, provided an average of 28 individuals per day at its medical clinic and created 346 housing units for single adults and families.42

The Texas Avenue site is one of five supportive housing sites managed by SOME in the District of Columbia. Other sites managed by SOME provide supportive housing for families and single adults and transitional housing services on a more limited basis.

The suite of supportive services offered by SOME includes drug and alcohol relapse prevention counseling, individualized support plans, workforce training, technology training, transportation assistance and convenient access to social workers who live on site in most programs. In the case of the Gasner House, residents spoke fondly of “Mr. Taylor” who was on site to organize events, coordinate individualized goal plans with residents and develop risk assessments for each new resident. SOME regularly tests residents for sobriety and health, and reported that 94 percent of single adults and families living in SOME housing “maintained their health, sobriety and income in 2011.”43 A second metric of success is the degree to which residents pay rent on time. Gasner House staff report that 96 percent of residents pay rent on time.

Enterprise staff interviewed the program manager for the Texas Avenue program, Emily Button. She described an extensive list of steps and qualifications all applicants to the Gasner House must meet prior to renting an available unit. Part of this process is an assessment of each applicant’s needs. This assessment includes the degree to which an applicant may be able to live independently of direct supervision and care by SOME staff. Button emphasized the need for identifying appropriate staffing requirements for all residents especially at the Gasner House where an “independent” level of care is provided to residents.

After the initial needs assessment, residents develop an individualized goals plan with specific benchmarks of success. These benchmarks can range dramatically, from obtaining a driver’s license or a job, to attending CET classes. SOME staff discusses these benchmarks with all clients and updates the benchmarks as needed in the months and years that a resident remains in SOME programming.

Button emphasized that SOME does not place time limits on the residents living in Gasner House apartments. Indeed, some residents may live in the building for the rest of their lives, depending on their age. Younger individuals, in their twenties or thirties, generally stay in the property for two to five years. For older residents, those in their fifties or sixties, there is a lower

chance that they will raise their income to the point where they are self-sufficient and able to afford a home outside the Gasner House. This does not mean that all older residents of Gasner will remain unproductive or fail to become self-sufficient. One older resident interviewed by Enterprise stated he was pursuing his driver's license and wanted to purchase a vehicle so he could work at his church without relying too much on the local bus system.

SOME encourages residents at all of its sites to engage with neighborhood civic associations and other community groups. The Gasner House is no exception to this. Button said during the initial lease-up period at Gasner House, a local neighborhood association was hostile to the prospect of formerly homeless individuals moving into the project site. Some members of the organization felt crime would increase and property values would drop, and the permanent supportive housing program would ultimately be a negative influence on the neighborhood.

Since Button and Gasner House residents have started regularly attending monthly neighborhood meetings, local residents have become enthusiastic supporters of the program. Indeed, residents have volunteered their services for the SOME programming at the Gasner House. One individual even teaches a weekly computer skills course held in the community room of the Gasner House.

Finally, SOME encourages resident interaction by hosting weekly game and movie nights in the community room of Gasner House. When Enterprise visited the Gasner House, residents were cooking fried chicken to bring that evening for game night. This active engagement between SOME staff and residents is intended to develop a welcoming and comfortable environment for residents.

From interviews with Button and after touring the project site, it becomes immediately clear that residents of the Texas Avenue site are given a range of supportive services that encourage housing stability and active engagement in the broader community. These “wrap-around” services are those identified by experts as critical to breaking the cycle of chronic homelessness. Beyond simply providing beds, the range of support services at Gasner House ensures residents live a stable and rewarding life.

SOME’s hard work and interaction with the broader D.C. charitable community has earned the organization much-deserved recognition. In 2012, a local radio station, WTOP, named SOME the number one charitable organization in the D.C. area. The ranking cites SOME’s provision of food, shelter, volunteers and health services to the city’s homeless population as reasons for the top ranking. The decision was based on internet polling on the radio station’s Facebook and website, demonstrating SOME’s wider community appeal.

Gregory Boyd: ‘A Piece of Heaven’

Gregory Boyd, 59, was one of the first residents to move into the Texas Avenue site when it opened in April, 2012. A veteran of the Vietnam War, prior to moving into the Texas Avenue site Mr. Boyd was one of the District’s shadow homeless, sleeping on his brother’s couch for approximately five months. He sought assistance from the Department of Veteran’s Affairs in the District of Columbia where homeless counseling and housing placement assistance is provided to veterans. It was through this program that Boyd was first introduced to SOME and Button.

When Enterprise sat down and spoke with Boyd, he was full of enthusiasm and excitement for his new apartment, the support provided by SOME and finally having a home to call his own. A man of faith, Boyd said that he had found “God, peace and serenity” since living at the Texas Avenue site. Indeed, part of the satisfaction of living in his new apartment came from the many hurdles he had to overcome to qualify for acceptance into SOME and Gasner. He had to meet income restrictions, sobriety testing and had to demonstrate homelessness for six months prior to entrance into the Gasner House. Boyd laughs when he talks about the number of documents he needed to demonstrate eligibility: “You could have called me a walking library. I had everything!”

“For anything good, you have to put some work into it,” says Boyd. And indeed he did. Boyd met all of the eligibility criteria for living at Gasner House. He is now working to acquire his driver’s license and volunteers at a nearby food pantry and soup kitchen for the homeless.

Since entering the program, Boyd keeps his apartment clean, almost immaculate. The floors shine, at least a dozen pairs of shoes are neatly lined in a row in his spacious closet, and the drying rack next to his sink contains freshly washed bowls and silverware. He is effusive with his praise for SOME staff and for the apartment he now calls home. “To me, this is a piece of heaven,” he said as Enterprise staff left his apartment.

It is through stories like Boyd’s that Enterprise’s true impact on communities and people comes to life. This is the ultimate story of Enterprise financing – giving a home and a system of support to the District of Columbia’s homeless community, one individual at a time.
Impact

This report has discussed a number of critical themes related to the impact the Texas Avenue property has had on the city and its neighborhood, particularly the city's housing affordability crisis and the challenges this poses to low-income families. This crisis has exacerbated the homelessness problem, which is growing. With its investment in the Texas Avenue property, Enterprise has helped to address these issues. Specifically, the Texas Avenue project:

1) Contributed to making the Randle Highlands neighborhood a diverse, vibrant and mixed income neighborhood into the future
2) Developed community awareness and built relationships in the community and between organizations
3) Helped raise the city's capacity for addressing chronic homelessness

**Ensured affordability**

Through its financing of the Texas Avenue property, Enterprise contributed to making the Randle Highlands neighborhood a diverse, vibrant and mixed income community into the future.

Enterprise believes mixed-income, diverse neighborhoods offer people the best opportunity for good and promising lives. The Randle Highlands neighborhood offers residents a wealth of attractive recreational, retail, transportation and affordable housing options. Indeed, the neighborhood has been targeted for significant commercial strip redevelopment along Pennsylvania Avenue, which will only improve the area's retail opportunities.

As the rest of the D.C. housing market becomes increasingly expensive, it is likely that amenity-rich neighborhoods like Randle Highlands will experience rapidly rising rents and home prices. The Texas Avenue project ensures that there will be housing available in the Randle Highlands neighborhood for one of the city's most underprivileged populations into the future. Randle Highlands will be better for it.

**Relationship-building**

In a city facing the challenge of housing a growing number of homeless people, Enterprise encouraged long-lasting and productive relationships among partner organizations and people who were formerly homeless.

In 2009, 2810 Texas Avenue was a vacant, dilapidated building with boarded-up windows and crumbling walls. Today, the Texas Avenue site bustles with life and activity. Residents share produce for cooking, prepare meals for community night and place welcome mats in front of their doors. This is a supportive housing program built on relationships among residents, case managers, community and partner organizations.

Neighborhood residents are actively involved in SOME programming at Texas Avenue. SOME was ranked as the District of Columbia's top charity organization in 2012, a reflection of the organization's success in providing food, support and housing for the city's homeless population. And Enterprise continues to finance SOME supportive housing projects in the District of Columbia, most recently closing a $1.3 million acquisition loan in July 2012.
Expanded Housing Capacity for Homeless People

In a city where the number of homeless has increased by 16 percent since 2008, Enterprise loaned capital to create 49 new permanent supportive housing units for persons who were formerly homeless.

The recent housing market crash and the city’s affordability crisis have combined to raise the number of people in the District of Columbia who are homeless to an unprecedented level: in 2012, 6,954 individuals were homeless, an increase of 15 percent since 2008. With its investment in the Texas Avenue property, Enterprise assisted in the development of 49 new units of permanent supportive housing targeted for this rising homeless population, giving formerly homeless residents like those at Gasner House the chance to rebuild their lives in affordable and comfortable homes supported by case managers and healthy relationships.
Conclusion

The District of Columbia has a robust housing market, evidenced by an increase of 188 percent in median home values since 2000 compared to a 60 percent increase in the United States. This strong housing market carries with it a range of benefits, including higher property taxes, improved public services, increased economic development and an urban vibrancy many cities envy. At the same time, this housing market strength poses challenges to many low-income and working class families who find it increasingly difficult to afford a home. As rates of rent burden and home values increase, those displaced families are seeking new areas of the city with attractive amenities and affordable housing options.

One such affordable neighborhood is Randle Highlands in southeast District of Columbia. This neighborhood has a wealth of recreation, cultural and retail opportunities within walking or short driving distance. In terms of transportation, the area offers bus lines running directly to the nation's capitol building in less than 10 minutes. Despite this range of attractive amenities, area housing prices remain well below the rest of the District of Columbia and still offer working class families with an ideal location to live.

Beyond simple housing affordability concerns, the District of Columbia also faces a rising population of homeless. Impacted by the economic recession and rising housing costs in the D.C. metropolitan region, the number of persons who are homeless has risen 15 percent since 2008 and reached nearly 7,000 individuals in 2012. These individuals include veterans, the formerly incarcerated and individuals living with multiple disabilities. Supporting this population with the attention and care it deserves is a considerable challenge to any municipality.

To help combat this dynamic of rising housing costs and homelessness in the District of Columbia, Enterprise partnered with SOME and financed the development of 49 units of supportive housing in the Texas Avenue property, giving 49 formerly homeless individuals a place to call home. The Texas Avenue property will add to the diversity of the Randle Highlands neighborhood and help the District of Columbia to provide homes for its homeless population.