



## **Affordable Housing in the District—Where Are We Now?**

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## **Abstract**

As the District of Columbia becomes an increasingly attractive place to work and play, finding affordable housing has become more difficult for many residents. In 2006, the Comprehensive Housing Task Force (CHSTF) made 50 recommendations to the D.C. Council about how to provide housing for the District's increasing population, with a particular focus on affordable housing. This report looks at the local impact of the national housing crisis and recession, and attempts to track the District's progress against the CHSTF recommendations. While the District has not implemented many of the specific Task Force recommendations, it did make some progress along several important dimensions. However, the recession has delayed many programs and changed the way policymakers and analysts think about the housing market. Given the new economic environment, the District should use this report as a springboard to evaluating its overall housing policy.

## **I. Introduction**

In 2006, the Comprehensive Housing Strategy Task Force (the Task Force, or CHSTF), co-chaired by Alice M. Rivlin and Adrian Washington, recommended a detailed set of policies to the Mayor and City Council of Washington, D.C. The report, "Homes for an Inclusive City: A Comprehensive Housing Strategy for Washington, D.C." outlined a 15-year plan to preserve and develop housing in support of a growing, inclusive city of mixed-income neighborhoods.<sup>1</sup>

The Task Force, created in 2003, conducted its research and outreach in 2004 and 2005. Amid a booming housing market, its concerns centered on preserving affordable housing for low-income residents, channeling market forces to create affordable and workforce housing in addition to high-end housing, supporting the development of mixed-income neighborhoods, and reducing the concentration of poverty. Based on the city's strong housing market and healthy revenue picture at the time, the report recommended doubling annual expenditures on housing, drawing in large part on revenue generated by sales of residential and commercial property.

Since then, the global, national, and local economic picture has dramatically changed. Although the Washington region weathered the housing collapse and recession better

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<sup>1</sup> A list of the 50 CHSTF recommendations is included as Appendix A. The full 2006 CHSTF report is available from [www.brookings.edu/reports/2006/04cities.aspx](http://www.brookings.edu/reports/2006/04cities.aspx)

than other areas across the country, the economic downturn caused serious distress throughout the city and contributed to Depression-era unemployment rates in some neighborhoods. Property values were relatively stable, yet sales fell dramatically. Tax revenues have plummeted and the city is facing years of budget austerity even as the need for city services increases.

The legislation creating the 2006 Task Force called for the Mayor to provide annual updates on the implementation of the recommendations and for the Council to hold public roundtables to review the reports. In 2007, the Brookings Institution provided the first annual report.<sup>2</sup> There have been no subsequent updates.

This paper is the first comprehensive accounting of the District's progress toward the CHSTF goals since 2007. It reviews recent housing and economic trends, provides an update on the implementation of the Task Force's recommendations, offers recommendations for continuing to support affordable housing in a budget-constrained environment, and raises issues for city officials and stakeholders to consider as they continue to grapple with growing an inclusive city.

## **II. Recent Housing and Economic Trends**

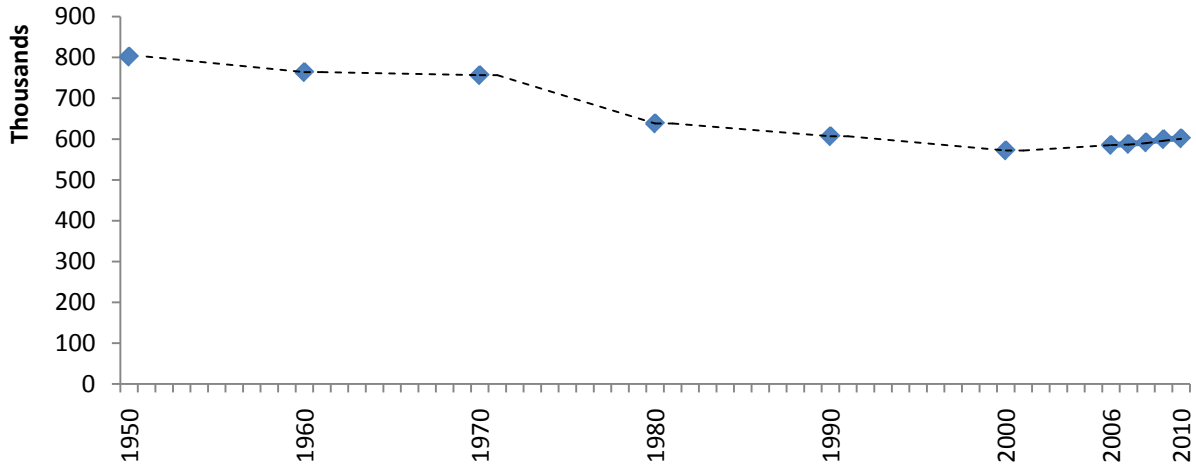
### *After decades of decline, a growing population*

The Task Force adopted then-Mayor Anthony Williams' goal of reaching 672,000 residents by 2020, through a combination of in-migration and retention. Peaking in 1950 at 802,178 residents, the city's population fell 28.7 percent over the next half century to 572,059 in 2000 (figure 1). The District rebounded 5.2 percent over the next 10 years, reaching 601,723 residents in 2010. If the District continues to grow at the same rate over the next decade, its population will increase by another 31,940 residents to 633,663. The District is in danger of falling 38 percent short of its 100,000-person growth target (from 2000 to 2020). However, given the five decades of population decline prior to 2000 a growing population of any size is good news.

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<sup>2</sup> The 2007 update is available from [www.brookings.edu/reports/2007/03cities\\_rivlin.aspx](http://www.brookings.edu/reports/2007/03cities_rivlin.aspx)

**Figure 1. Population of the District of Columbia, 1950-2010**

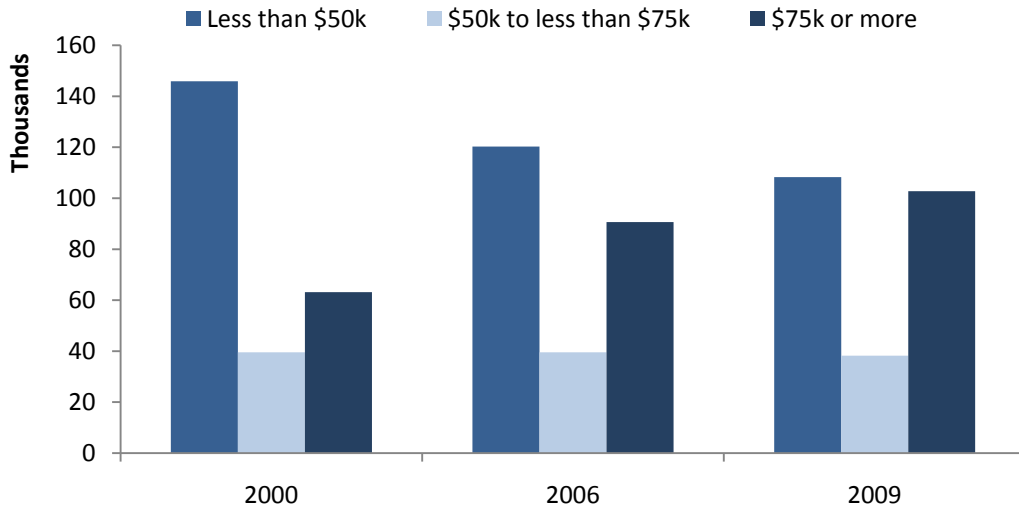


Source: Decennial Census and American Community Survey

*Between 2000 and 2009 high-income households made up an increasing share of the city's population, among both owners and renters*

The total number of households in the District was essentially unchanged from 2000 to 2009, even as the population grew. However, the distribution by income of those households changed dramatically. In 2000, there were only 63,158 households with annual income over \$75,000 (figure 2). By 2009, there were 102,790 such households, an increase of 39,632 (63 percent) since 2000. In fact, the number of households making more than \$150,000 (not shown in figure 2) more than doubled. This increase was offset by a 26 percent decrease in the number of households making less than \$50,000, from 145,879 in 2000 to just 108,278 in 2009. The number of households making between \$50,000 and \$75,000 was unchanged.

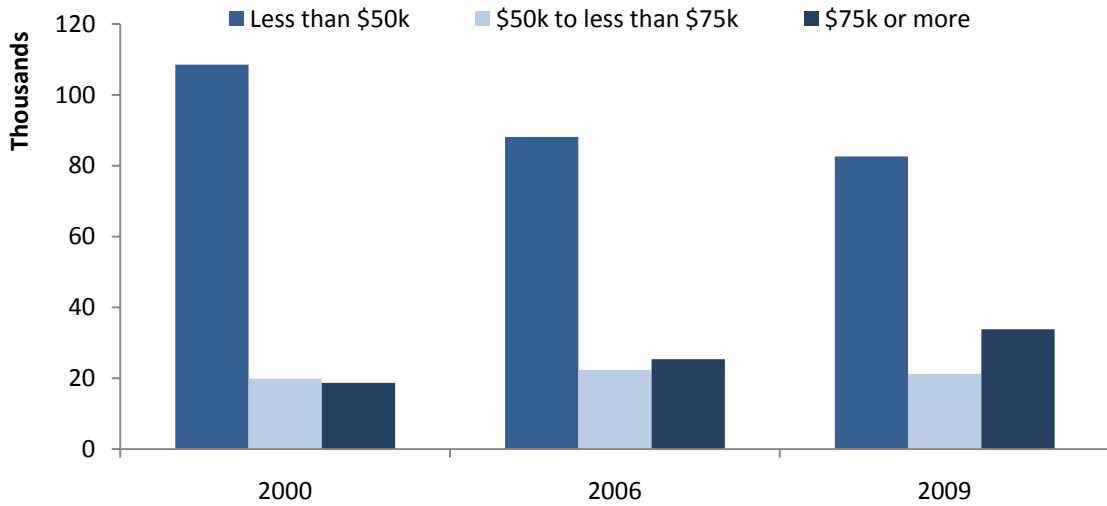
**Figure 2. District Households by Income, 2000-2009**



*Source: Brookings analysis of Decennial Census, American Community Survey*

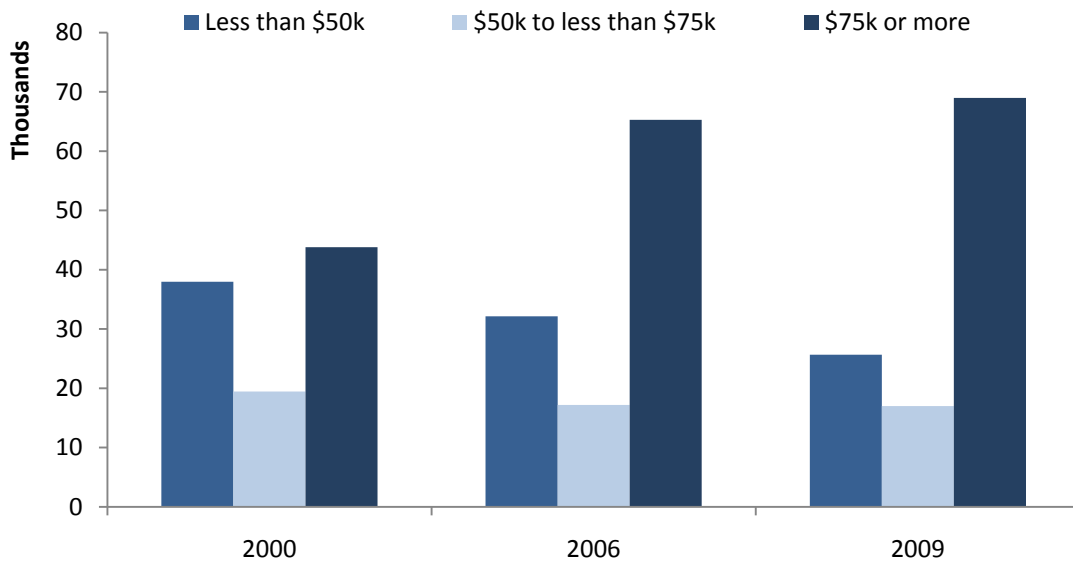
The trend among renter households in the District mirrored the overall income trend. Households with annual income below \$50,000 fell 24 percent between 2000 and 2009, from 108,511 to 82,621 (figure 3). The number of households making between \$50,000 and \$75,000 were relatively stable. Those making more than \$75,000 grew 81 percent, from 18,727 to 33,821. Homeowner households also showed similar trends: those making \$75,000 or more increased by 25,180 households (58 percent) from 2000 to 2009, while households with less than \$50,000 in annual income were reduced by 12,309 (32 percent) (figure 4).

**Figure 3. Rental Households by Income, 2000-2009**



Source: Brookings analysis of Decennial Census, American Community Survey

**Figure 4. Homeowner Households by Income, 2000-2009**

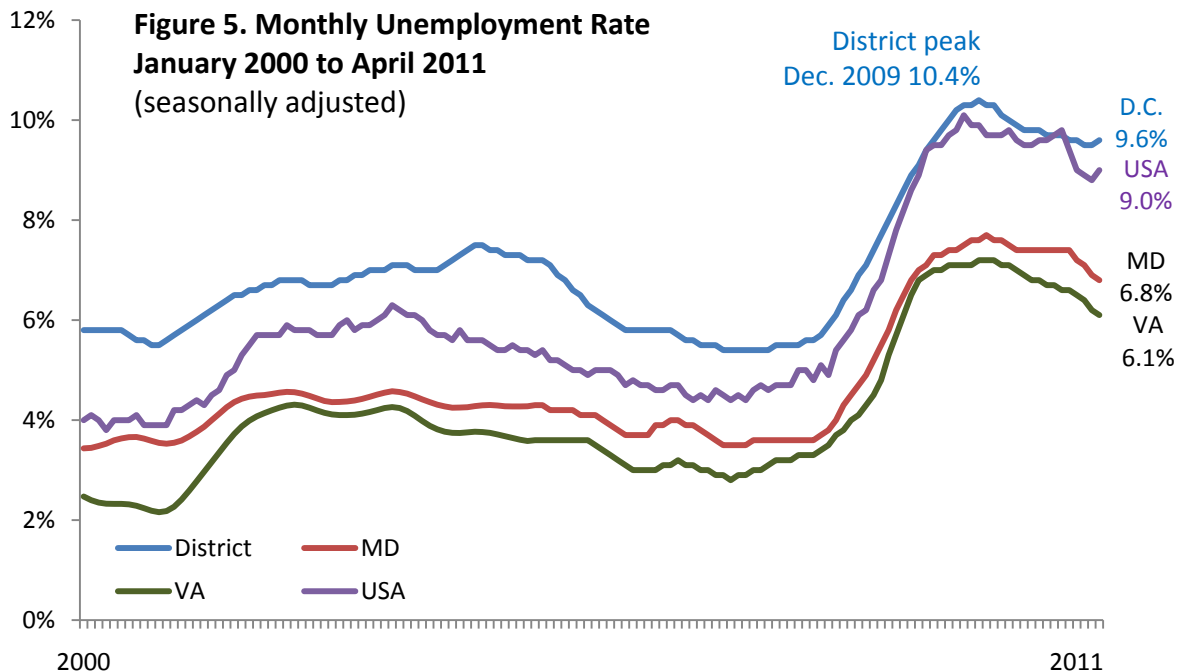


Source: Brookings analysis of Decennial Census, American Community Survey

*Unemployment of District residents peaked during the recession*

While the labor market in the outlying Maryland and Virginia suburbs weathered the 2007-2009 recession better than most, the District of Columbia fared much worse. Unemployment in the District peaked at 10.4 percent, compared to 7 percent in the region as a whole (including the District) and 10.1 percent in the nation (figure 5). More

importantly, unemployment varied across the District, exceeding 20 percent in wards east of the Anacostia River.<sup>3</sup>



Source: Bureau of Labor Statistics, Current Population Survey and Local Area Unemployment Statistics

*Low-Income households continue to struggle with housing costs*

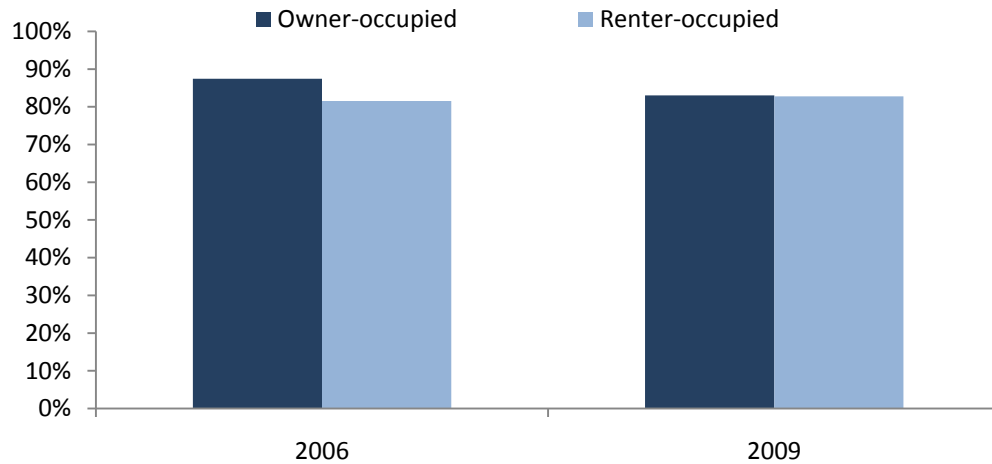
Housing costs continue to impose a burden on the city’s poorest residents (figure 6). Housing is generally considered to be affordable when less than 30 percent of household income goes toward housing costs.<sup>4</sup> In 2006, when the CHSTF report was released, 87 percent of homeowner households making less than \$20,000 annually paid more than 30 percent of their household income on housing while 82 percent of renter households with the same income paid more than 30 percent of their household income on housing. Homeowner households improved slightly by 2009, when 83 percent spent more than 30 percent of their income on housing. However, low-income renter households saw no improvement—83 percent spent more than 30 percent of their income on housing costs in 2009. In 2009, 24.8 percent of District renter households

<sup>3</sup> Ward-level unemployment rates are based on analysis of data from the Bureau of Labor Statistics and the Census Bureau. For more information on ward-level unemployment rates see <http://www.dcfpi.org/unemployment-in-ward-8-is-high-but-not-worst-in-the-nation-or-even-the-district>

<sup>4</sup> The Census Bureau defines housing costs for owner-occupied units as mortgages, taxes, hazard insurance, utilities, and homeowners association or condominium fees; while renters’ housing costs (gross rent) are defined as rent and utilities. Unfortunately, these variables are not comparable between the Decennial Census and the American Community Survey. Therefore data for 2000 is not shown in figure 5 or 6.

(34,140 households) had severe housing costs (spending 50 percent or more of their income on housing), compared to 13.1 percent of homeowner households (14,672 households).

**Figure 6. Share of Households making less than \$20,000 whose Housing Costs are more than 30 percent of Income**

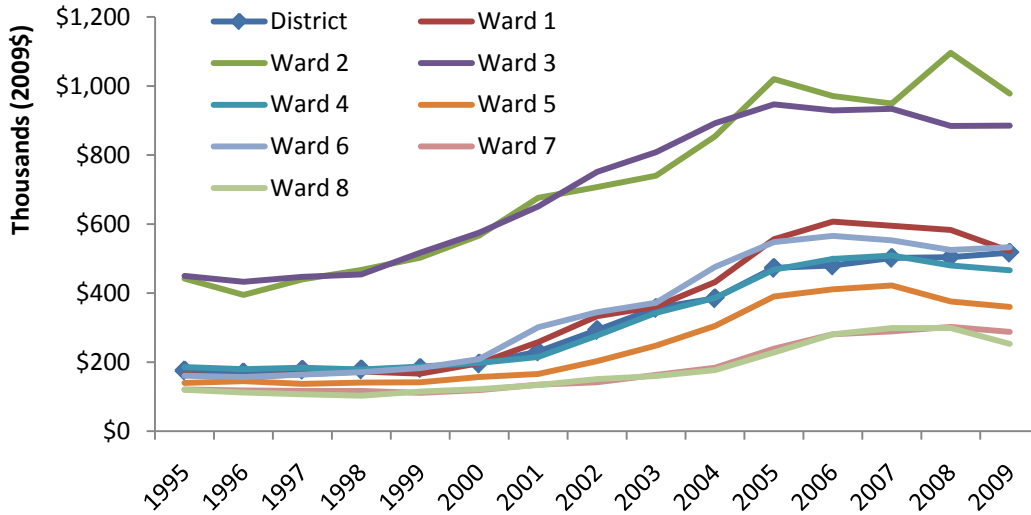


Source: Brookings analysis of American Community Survey

*Rapidly rising housing prices flattened out in 2006, but did not decline substantially*  
Figure 7 displays the trend in sales prices for single-family homes since 1995. The data for the city show constant values just under \$200,000 from 1995 to 2000, a dramatic increase in prices from \$197,000 in 2000 to \$508,000 in 2008, and a drop to \$477,000 in 2009. However, since the publication of the CHSTF recommendations in 2006, median home prices in the District have fallen in all wards except Ward 3. Most wards saw sales prices peak in 2007 and then drop in 2009 to the lowest prices since 2006.



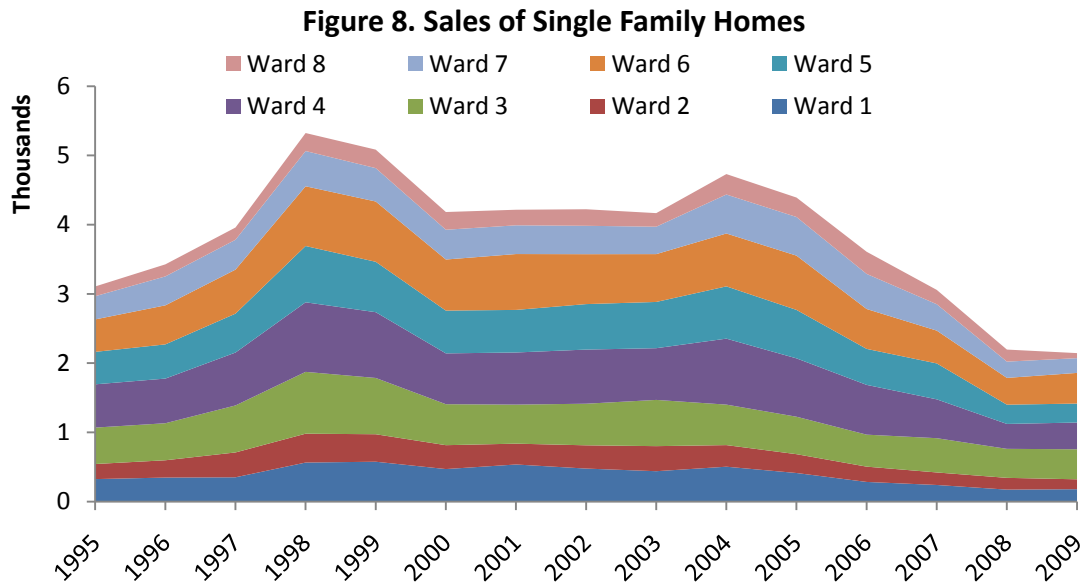
**Figure 7. Median Sales Price for Single-Family Homes**



Source: NeighborhoodInfoDC

*Housing sales plummeted, with a modest recovery in 2009.*

Figure 8 displays the number of single-family home sales by ward from 1995 to 2009. Sales volume in most wards peaked around 1998 and again around 2004. The volume of sales decreased sharply from 2004 to 2008 in all wards, followed by minor recovery in some wards in 2009 (perhaps due to the homebuyer's tax credit). By shrinking the amount paid to the city in deed and recordation taxes, the decline in housing sales (combined with the decline in commercial property sales) has limited the District government's ability to provide additional resources for affordable housing through the Housing Production Trust Fund.



Source: NeighborhoodInfoDC

*The cost of renting continued to rise through 2009*

Median contract rent—the cash rent paid or the listed price (in the case of vacant units)—rose between 2006 and 2009 (figure 9). From \$875 in 2006, the median contract rent reached \$961 in 2009.<sup>5</sup> This represented an increase of 9.9 percent. Breaking the rental market into quartiles, the price for the most-expensive and least-expensive units in the District also increased. The minimum price of the 25 percent of most-expensive units increased from \$1,268 in 2006 to \$1,453 in 2009 (a 14.5 percent increase), while the maximum price for the least-expensive quarter of units rose from just \$576 to \$645 (12 percent).

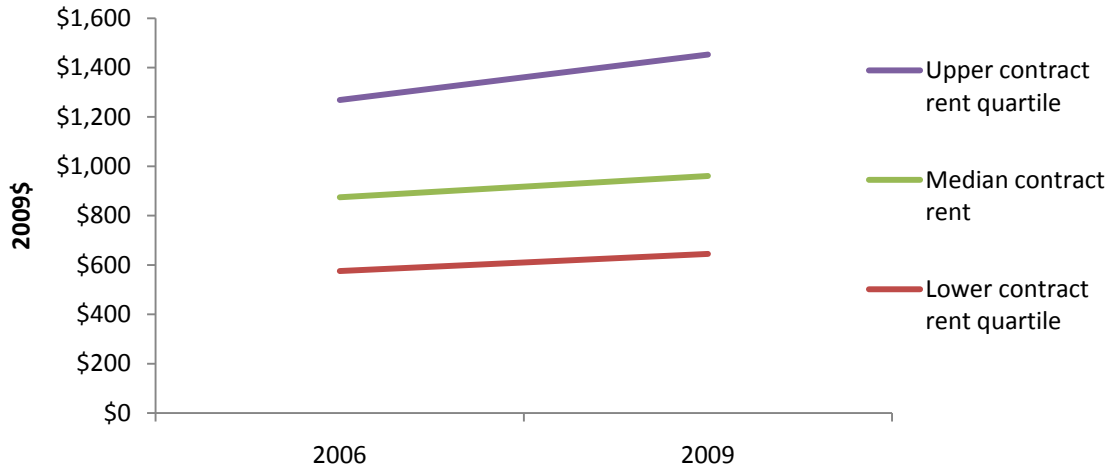
This reality, combined with elevated levels of unemployment and continuing fiscal constraints on District agencies that provide rent supplements, suggests that low-income households will continue to struggle to pay for basic housing costs in the near term.<sup>6</sup> Indeed, the number of households unable to afford utility bills rose during the

<sup>5</sup> All contract rent figures are in 2009\$. Unfortunately, contract rent is not comparable between the Decennial Census and the American Community Survey. Therefore data for 2000 is not shown in Figure 8.

<sup>6</sup> The D.C. government did not allot any increases in the budget for the Local Rent Supplement Program (LRSP), the primary medium through which low-income families can obtain funds for rent assistance, in FY 2009 or FY 2010. Currently, there is a waitlist of 27,000 households that has not seen movement since 2008. The budget for FY 2011 adds \$1 million to the program, which will help 75-80 families obtain assistance. However, funding for the Emergency Rent Assistance Fund will see a \$1.3 million cut in the FY 2011 budget.

recession: electricity shutoffs increased by 44 percent from 2007 to 2009 while natural gas shutoffs increased by 29 percent.<sup>7</sup>

**Figure 9. Lower Quartile, Median, and Upper Quartile Contract Rent**



Source: American Community Survey

### *Subprime loans did not dominate D.C. housing finance in recent boom*

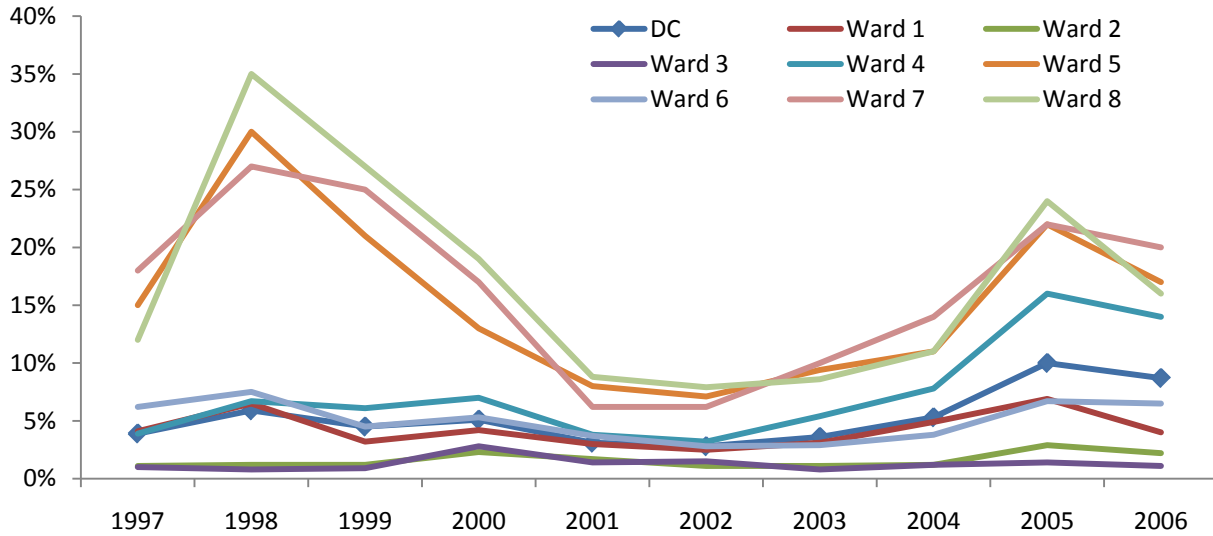
The geography of subprime loans in the District has shifted since 1997, as residents of Wards 5, 7, and 8 assumed far higher percentages of subprime loans than in any other part of the city (figure 10).<sup>8</sup> The percent of subprime loans sharply increased in those three wards in 1998 at between 25 and 35 percent of total loans. The year 1998 represented a peak in subprime loans as well as volume of sales in the District, and especially for Ward 5. Wards 5, 7, and 8 continued to lead the city in percent of subprime loans throughout the period 1997 to 2006, but Ward 4 began increasing its share of subprime loans in 2001. Subprime loans as a percent of all loans in the District peaked again in 2005, but declined in 2006. However, subprime loans do make up a significant portion (33 percent in September 2010) of the District's foreclosure inventory.

<sup>7</sup> Lazere, Ed. 2010. "The Recession Hits Home: Hardship is on the Rise in DC." *East of the River Magazine*. June, pp. 18-19.

([http://capitalcommunitynews.com/CCN\\_Website09/images/papers/HR/Jun/0610/pdfs/46-47\\_RAG\\_0610.pdf](http://capitalcommunitynews.com/CCN_Website09/images/papers/HR/Jun/0610/pdfs/46-47_RAG_0610.pdf) [March 22, 2011]).

<sup>8</sup> NeighborhoodInfoDC defines subprime loans as "all loans made by mortgage lenders determined by the U.S. Department of Housing and Urban Development (HUD) to be subprime specialists. Subprime loans are those that have higher costs (such as higher interest rates) than prime loans...HUD classifies mortgage lenders as subprime specialists if subprime loans account for at least half of their conventional (i.e., not government-backed or insured) business. HUD also uses feedback from lenders, policy analysts, and housing advocacy groups to update the list of subprime lenders."

**Figure 10. Subprime Loans as a Percentage of Total Loans**



Source: NeighborhoodInfoDC

*District foreclosure rates have increased recently, but are not high relative to the region*

The inventory of single-family homes and condominiums in foreclosure almost quadrupled in the District in the past four years. Foreclosures peaked in the second quarter of 2010 at 3,372 units from a low of 706 units in the first quarter of 2006 (figure 11).

The number of foreclosure sales and distressed sales each month is significantly lower than the total number of units in foreclosure. This is mostly due to the long delay between notice of foreclosure and resolution. Uncertainty in the marketplace due to forthcoming District regulations and documentation problems faced by the mortgage industry nationally also contribute to the delay between notice and sale. Foreclosure sales spiked in the third quarter of 2010 when 707 units were sold, more than two and a half times the number sold in the previous quarter.

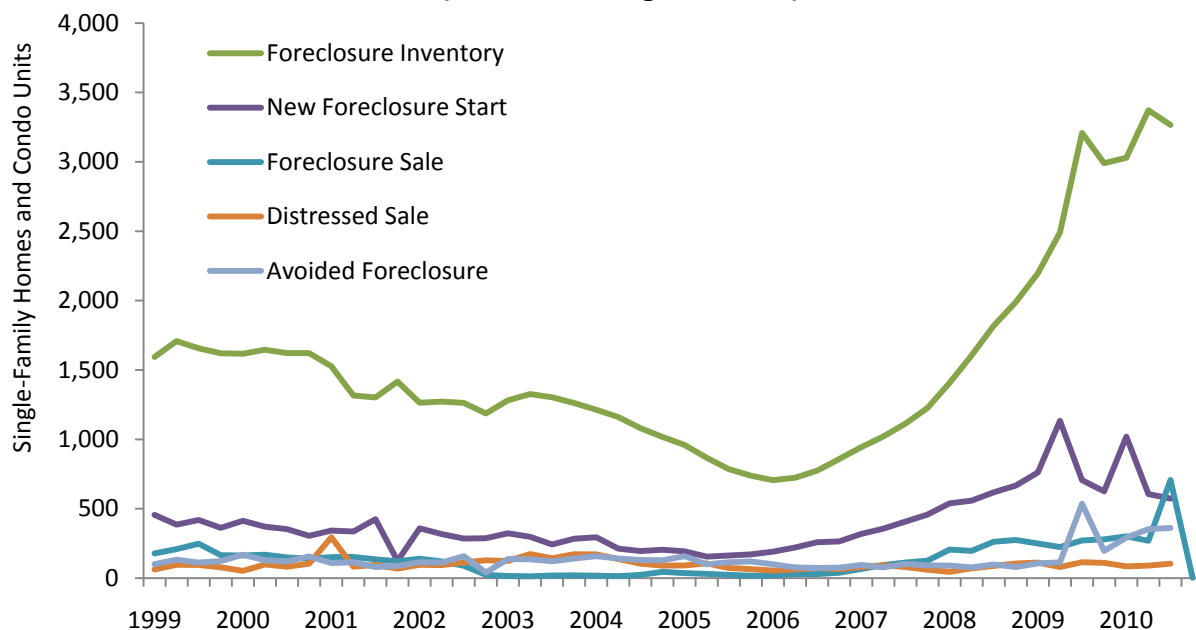
In the District, there are several steps in the foreclosure process:

1. Under new legislation, the lien holder must provide notice to the homeowner that they are at risk of foreclosure. At the same time, the lien holder must inform the owner of the options available to them, including the right to mediation.
2. If the homeowner fails to apply for mediation within 30 days, or if mediation fails, the lien holder can serve the owner with a notice of foreclosure.

There are several ways to resolve a notice of foreclosure:

3. The homeowner can pay the amount necessary to return the loan to good standing. This may include legal and other fees incurred by the lien holder.
4. The homeowner can negotiate a forbearance or loan modification with the lender.
5. The mortgage can be refinanced, through the lien holder or another institution.
6. The homeowner can attempt to sell the property. In figure 10, sales of property within one year of the last notice of foreclosure are called distressed sales. A distressed sale often results in a short sale, a sale for less than the price of the mortgage. In the event of a short sale, the lender may accept the lower amount in return for absolving the borrower of the debt. In other cases, the borrower may still owe some portion of it to the lender.
7. Similarly, the homeowner may choose to relinquish the deed to the property in exchange for the lender forgiving some or all of the debt. The distressed sales category in figure 10 also includes these deed-in-lieu of foreclosure transactions.
8. Finally, the lender may sell the property in a foreclosure sale, called a trustee's deed sale in the District. If the lien holder is unable sell the property at an acceptable price, it may revert to the lender and is then known as a real estate owned property (REO).

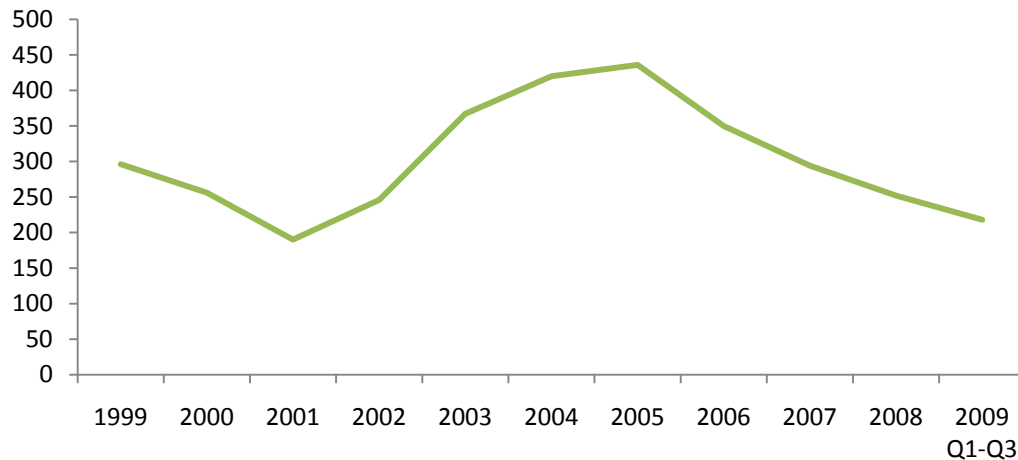
**Figure 11. Quarterly Residential Foreclosure Trends in the District (1999 Q1 through 2010 Q3)**



Source: D.C. Recorder of Deeds and Office of Tax and Revenue data tabulated by NeighborhoodInfo DC. Note: Foreclosure starts and the foreclosure inventory spiked in the second quarter of 2009 and the first quarter of 2010 as a result of two large condominium developments entering foreclosure. The first development was quickly resolved without a trustee's deed sale, as reflected in the subsequent drop in the next quarter and the corresponding spikes in the number of foreclosures avoided in the 3rd quarter.

Of course, not every property in foreclosure completes the process. Some homeowners are able to pay the amount required to cure their loan default, sell their property, or renegotiate the terms of their mortgage. The foreclosure process also takes a significant amount of time. While the average time from foreclosure start to sale has been falling since 2005, it was still at 218 days in the first three quarters of 2009 (figure 12).

**Figure 12. Average Number of Days from Foreclosure Start to Sale**



SOURCE: D.C. Recorder of Deeds and Office of Tax and Revenue data tabulated by NeighborhoodInfo DC.

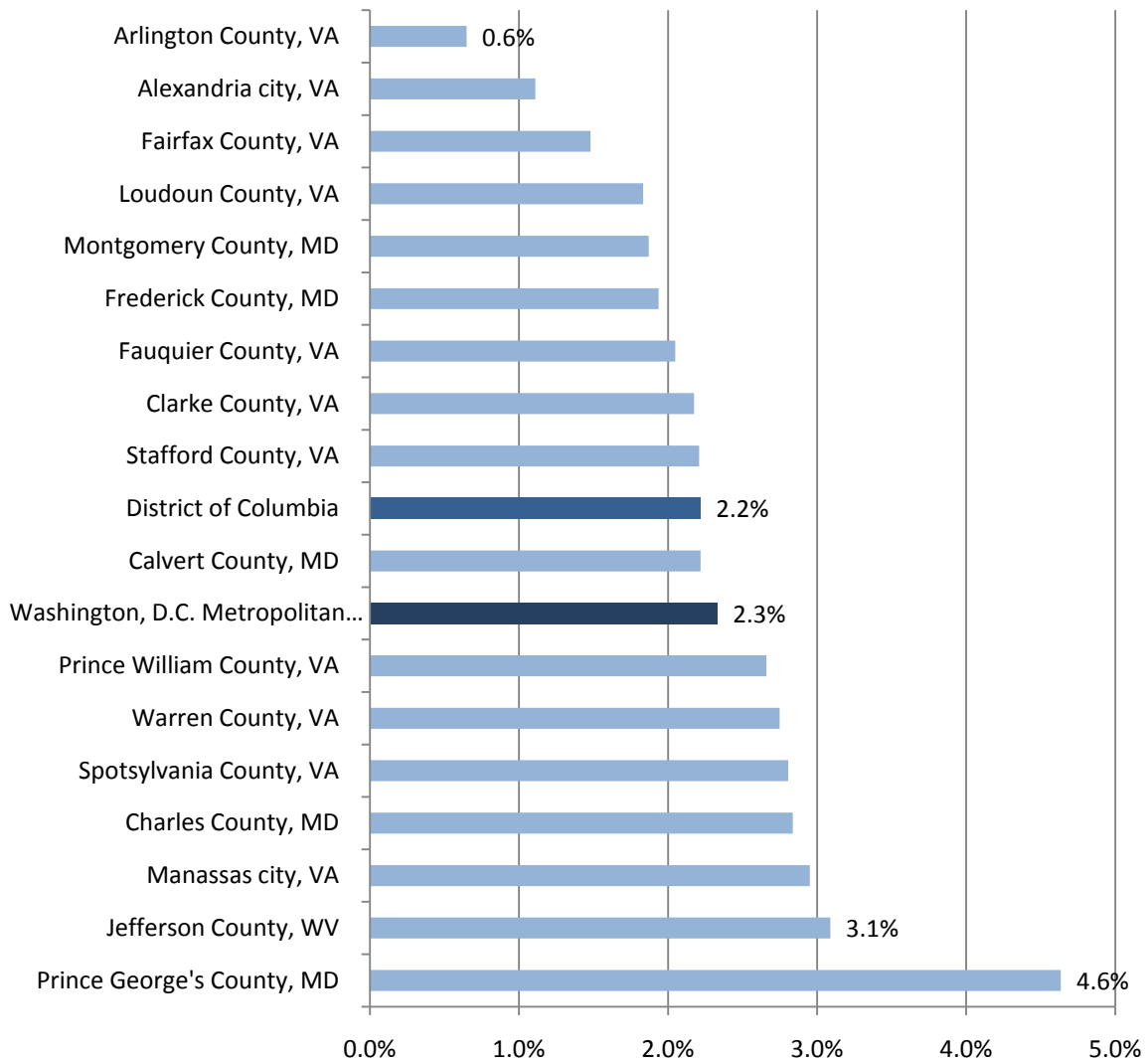
The foreclosure process in the District is also changing. In mid-November 2010, then-Mayor Adrian Fenty signed into law the "Saving D.C. Homes from Foreclosure Emergency Act of 2010."<sup>9</sup> In response lenders temporarily stopped foreclosing on homes in the District while they waited for the final rules, which were published May 20th, 2011.<sup>10</sup> Mortgage lenders are now required to offer mediation to delinquent homeowners prior to foreclosing on their home. Only after the homeowner fails to take advantage of mediation, or mediation fails, can the lien holder move forward. This is expected to reduce the number of new foreclosure starts in the last quarter of 2010 and the first two quarters of 2011. It may also reduce the number of foreclosures longer term if more delinquent mortgages are actually resolved through mediation.

District homeowners are faring better than those in the rest of the region (figure 13). Only 2.2 percent of all first-lien mortgages are in foreclosure, compared to 2.3 percent in the region as a whole. Prince George's County in particular is worse off than the District; 4.6 percent of first-lien mortgages are in foreclosure there.

<sup>9</sup> "Saving D.C. Homes From Foreclosure Amendment Act of 2010." Section 539 (D.C. Official Code § 42-815)([www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf](http://www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf) [March 23, 2011]).

<sup>10</sup> ElBoghdady, Dina. 2011. "Rules in place for D.C. foreclosure-prevention program." *Washington Post*. May 20. ([http://www.washingtonpost.com/business/economy/rules-in-place-for-dc-foreclosure-prevention-program/2011/05/20/AFT3i27G\\_story.html](http://www.washingtonpost.com/business/economy/rules-in-place-for-dc-foreclosure-prevention-program/2011/05/20/AFT3i27G_story.html) [June 2, 2011]).

**Figure 13. Percent of First-Lien Mortgages in the Foreclosure Inventory by County, September 2010**



Source: Urban Institute analysis of data from LPS Applied Analytics

### **Summary**

The housing and economic trends paint a mixed picture on the Task Force’s vision of the District as a vibrant, growing, inclusive city. The city’s population growth, after decades of decline, is a major achievement and shows that urban living is an attractive option. The District has rebounded into a strong market city. A growing population is critical for the city’s tax base, helping to finance education and other critical public services. The District has also avoided the worst consequences of the housing bust. Although housing sales and prices have declined and foreclosures have increased, the city’s foreclosure rates are not nearly as high as in other jurisdictions. Neighborhoods



are thus not suffering the destabilization of multiple abandoned or foreclosed properties in a given area.

While the growth of high-income households is good news for those households and the city's tax base, without a comparable growth in moderate-income categories, the goal of a growing middle class remains unrealized. With 43 percent of households at incomes below \$50,000, many struggle with the District's relatively high cost of living. And, the vast majority of households with incomes below \$20,000 report are paying more than 30 percent of their income on housing. The drop in housing sales means a direct drop in tax revenues that fuel affordable housing, and the drop in home sales prices has not been large enough to make homeownership more affordable to those with lower incomes. Meanwhile, median rents have continued to increase.

In sum, affordable housing remains a serious problem in the District.

### **III. Progress Report on the Goals of the Comprehensive Housing Strategy Task Force**

The Task Force's recommendations from its 2006 report fall into ten major categories, listed below. Appendix A is a list of all 50 recommendations.

1. Doubling the Effort: The city should implement its "Vision for Growing an Inclusive City" and do so by doubling *current annual expenditures on housing*
2. Preserving Existing Affordable Housing and Producing New Housing: *The city must give priority to preserving at least 30,000 existing affordable units including all federally assisted housing. The city should produce an additional 55,000 units by 2020 and ensure that at least one-third or about 19,000 units are affordable on a long-term basis. The District should support a balanced growth policy that allows for increased population densities and mixed income, mixed-use development along major corridors and at transit stops and approve a mandatory inclusionary zoning requirement for all new housing.*
3. Increasing Homeownership: *The city should increase its homeownership rate from 41 percent to 44 percent and provide more assistance to tenants seeking to purchase their units.*
4. Supporting Extremely Low-Income Renters: *The city should directly assist an additional 14,600 extremely low-income renter households by adopting a local rent supplement program.*
5. Supporting Neighborhoods: *The city should target existing neighborhoods with the potential for sustained improvement and coordinate its investments in them. The city should continue its efforts to transform distressed public and assisted housing projects into viable mixed-income neighborhoods. The city should pursue its efforts to convert the numerous large parcels of land into new neighborhoods with housing affordable to all income levels.*
6. Housing for persons with special needs: *The city should integrate housing for persons with special needs into all types of housing in neighborhoods throughout the city. Permanent housing solutions should be favored over short-term fixes. Housing and support services for special needs populations should be closely coordinated. The mayor's plan to end homelessness should be fully implemented. Eight percent of all units in the city should be accessible to people with physical disabilities.*

7. Streamlining the process: *The mayor and council should designate a member of the cabinet as chief of housing, charged with improving, streamlining, and coordinating the actions of the several city housing agencies. The mayor and council should support needed reforms of, and provide the resources necessary to, the critical housing regulatory agencies.*
8. Other critical programs: *Housing programs alone cannot create a livable, inclusive city. Equally critical to attracting and retaining residents are much needed improvements in schools, public safety, health care, recreation facilities, transportation, and air and water quality.*
9. Funding the higher effort: *The city can and should tap new sources of revenue for the Housing Trust Fund to support the subsidies needed to keep homeownership and rental housing affordable.*
10. Implementation: *The mayor and council should act immediately on these recommendations. The mayor should report regularly on implementation progress.*

In many ways the District has shown an impressive commitment to affordable housing. However, the District's progress toward implementing the Task Force's recommendations has been mixed. Its efforts, in some cases, were derailed by the housing crash and the recession. In other cases, city leaders did not show the political will or initiative to take action. And unfortunately, in still other cases, the data do not exist to track the city's progress.

### **Major Highlights**

(Please see appendix B for a more detailed review of the recommendations and the city's progress.)

1. The city increased local spending on affordable housing, peaking in FY 2008, and then cut spending in response to the recession and housing bust (figure 14).<sup>11</sup> Total local spending for affordable housing in the District grew in the two years following the release of the CHSTF recommendations, to a peak of \$130 million in fiscal year (FY) 2008. However, beginning in FY 2009, funding fell to \$97 million.<sup>12</sup> Most of the loss in funding was due to declining revenues from the deed and recordation tax as property transfers dropped off during the housing

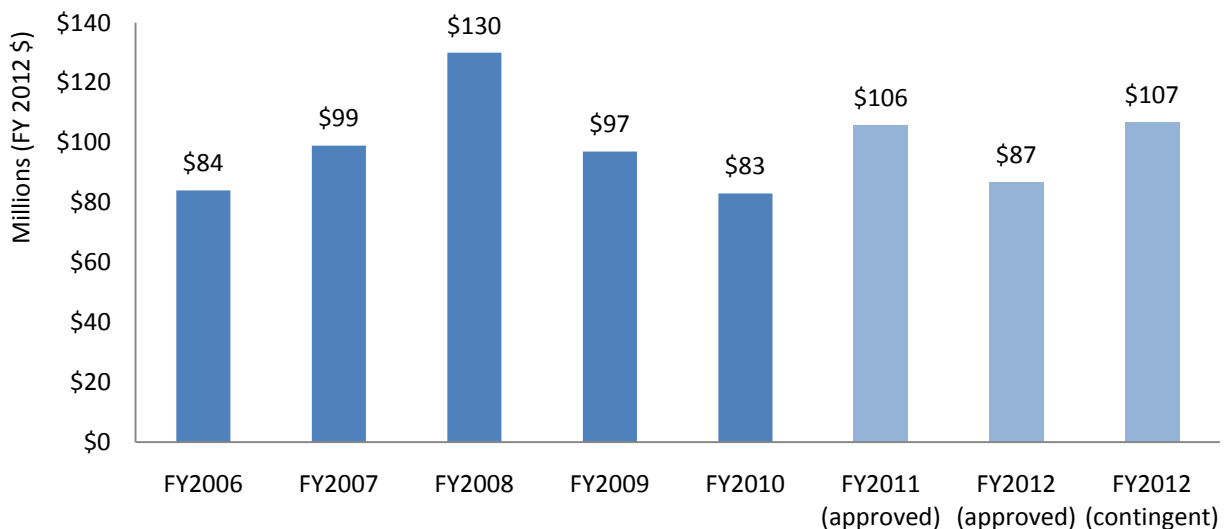
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<sup>11</sup> D.C. Fiscal Policy Institute. 2011. "What's in the FY 2012 Budget for Affordable Housing?" Washington (<http://www.dcfpi.org/wp-content/uploads/2011/04/Housing-Toolkit-Final2.pdf> [July 11, 2011]).

<sup>12</sup> The District's fiscal year runs from October 1<sup>st</sup> to September 30<sup>th</sup>. It should also be noted in any discussion of the D.C. budget process that, unique among American cities, its budget must be approved by the U.S. Congress.

crisis and recession. Worsening revenue forecasts actually caused the City Council to revise the FY 2009 budget downward in July 2008 (the revised figures are reported here). FY 2010 saw a further erosion of revenues as the District had just \$83 million to spend on affordable housing. Total local spending for affordable housing in FY 2011 was initially approved at \$77 million – 8 percent lower than 2006 levels. However, subsequent forecasts by the Office of the Chief Financial Officer have shown increased property deed and recordation tax revenues. Combined with a payment of almost \$10 million dollars from the City Center developers (in exchange for reduced affordable housing production), actual FY 2011 spending will probably be closer to \$106 million. The Council approved \$87 million for affordable housing in FY 2012, and a further \$20 million contingent on increased revenue forecasts in the future. The District has struggled to increase affordable housing-related spending, let alone the doubling necessary to achieve the goals set forth by the CHSTF.

**Figure 14. Total Local Spending on Affordable Housing Programs**



*Source: DC Fiscal Policy Institute. Total funds for affordable housing include the general fund budgets for DHCD, HPTF, DCHA, DMH's Bridge Subsidy Program, and DHS's Permanent Supportive Housing Program. FY2012 (contingent) includes Council priorities for increases to affordable housing programs if revenues increase by at least \$100 million.*

2. Based on available data, it is impossible to track the city's progress in preserving and creating affordable housing with any degree of certainty. During the 2010 mayoral race, then-Mayor Fenty claimed that his administration completed 11,000 units of affordable housing, a claim that is difficult to confirm. What is

clear is that a similar number of units have been entered into the “affordable housing pipeline” database maintained by the Office of the Deputy Mayor for Planning and Economic Development (DMPED) since 2006 and are at various stages of development, from the pre-planning stage to completion. While the database holds promise and is developing into a very useful policy tool, it is currently inconsistent on multiple key indicators, such as whether units are new construction or rehabilitation, the level of affordability, and completion dates. These variations in data quality can be linked to the fact that each agency currently enters its own data.

3. The Inclusionary Zoning (IZ) Implementation Act of 2006 did not take effect until late 2009 due to delays in finalizing the regulations and setting the price schedule. Inclusionary zoning requires that a share of new development and rehabilitation include affordable units in exchange for a bonus density. IZ applies to new construction of 10 units or more, or rehabilitation that expands a building by 50 percent or more and adds at least 10 new units. DHCD is working on online tools to automate some of the application process for developers and prospective residents alike. Completion of the first two IZ units is expected later in 2011.
4. In 2007, the city began funding housing vouchers through the Local Rent Supplement Program (LRSP), available to renters earning less than 30 percent of the Area Median Income (AMI), about \$31,050 for a family of four in 2011.<sup>13</sup> LRSP was intended to fill gaps left by federal housing voucher programs. LRSP also funds affordable housing unit construction. As of February 2010, the LRSP had funded vouchers for about 1,750 households, well short of the program’s goal of providing about 1,000 additional subsidies per year. In a May 2010 budget report, the Committee on Housing and Workforce Development estimated that “in reality we are somewhere in the neighborhood of \$60 million and 4,000 families behind the goals of the Comprehensive Housing Strategy Task Force.”<sup>14</sup> Yet the budget for LRSP has not expanded since FY 2008.<sup>15</sup> Mayor Gray’s proposed FY 2012 budget called for phasing out the tenant voucher program by not issuing new vouchers when old vouchers were turned in. The Council

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<sup>13</sup> Area Median Incomes can be found on the Fannie Mae website at [www.efanniemae.com/sf/refmaterials/hudmedinc/](http://www.efanniemae.com/sf/refmaterials/hudmedinc/)

<sup>14</sup> “Saving D.C. Homes From Foreclosure Amendment Act of 2010.” Section 539 (D.C. Official Code § 42-815)([www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf](http://www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf) [March 23, 2011]).

<sup>15</sup> Brown, Michael. 2010. “Report and Recommendations of the Committee on Housing and Workforce Development on the Fiscal Year 2011 Budget for Agencies under Its Purview.” Washington. ([www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF](http://www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF) [March 22, 2011]).

reinstated the tenant voucher program in the final budget. However, the Council did approve the Mayor's plan to transfer \$18 million from the Housing Production Trust Fund (HPTF) to the LRSP to fund new construction. At the time the budget passed this transfer constituted the entirety of increased HPTF revenues projected for FY 2012. If revenue projections increase, this transfer may be restored to the HPTF.

5. In a 2006 initiative to assist low-income renters and prevent homelessness, the District revived the Emergency Rental Assistance Program (ERAP). District residents are eligible once every 12 months if their household includes at least one person under 20 or over 59, or with a disability. Currently, ERAP assists households in need of rental assistance to prevent eviction, or those in need of first month rent and/or a security deposit (these are often households with housing vouchers who would otherwise be unable to use them). The average payment is \$2,344 per family. In FY 2008, 3,714 households received \$7.5 million in assistance from ERAP in order to either prevent eviction or move into affordable housing.<sup>16</sup> Eviction prevention consumed 87 percent of funds. The FY 2011 budget allocated \$7.3 million in FY 2011.<sup>17</sup> ERAP will receive \$7.4 million in FY 2012.
6. "New Communities" represents the city's primary program targeting distressed neighborhoods. The program leverages local funds from the Housing Production Trust Fund (HPTF) to unlock private investment in mixed-income housing. To take advantage of the program, developers guarantee at least a one-to-one replacement of all existing affordable units, usually dividing the housing stock evenly between residents making below 30 percent AMI, between 30 and 80 percent AMI, and above 80 percent AMI. The use of HPTF funds requires that units remain affordable for 40 years. Approximately \$6 million will be securitized to provide for New Communities bonds in FY 2011. New Communities has targeted four sites in the District: Northwest One, Barry Farm, Lincoln Heights, and Park Morton. At least one building at the first planned New Communities site—Northwest One—has been demolished, and several key community amenities have been built, including a new library and recreation center. The recession stalled construction on the site, but the city now expects the first new housing units to open late 2011 or early 2012 as private financing unlocking.

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<sup>16</sup> Watkins, Tyra. 2008. "Emergency Rental Assistance Program." District of Columbia Department of Human Services. (<http://dhs.dc.gov/dhs/cwp/view,a,3,q,641266.asp>. [ March 22, 2011]).

<sup>17</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget: A First Look?" Washington. ([www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf](http://www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf) [March 22, 2011]).

There is some concern among local housing advocates and tenants that Northwest One will offer less affordable housing than originally promised.

7. The District is planning the redevelopment of several large parcels of publicly owned land, including the Southwest Waterfront, McMillan Reservoir, the District's portion of the St. Elizabeth's campus, Hill East, Poplar Point, and Walter Reed. These provide invaluable opportunities to develop new neighborhoods with housing affordable to all income levels, as well as other amenities, but progress has been slow as they have had to contend with the global credit crunch as well as complicated political and administrative environments.
8. Mayor Fenty appointed an Affordable Housing Chief in early 2007 within the Office of the Deputy Mayor for Planning and Economic Development. She was given little authority and resigned about a year later. The position has not been refilled. Several members of the Task Force had dissented from the recommendation to create an Affordable Housing Chief on the grounds that the position is duplicative with existing responsibilities within DMPED.
9. As mentioned above, DHCD, OP, and DMPED have coordinated to develop a comprehensive affordable housing database of all District-funded housing projects. The creation of the database is positive, but as previously noted it has major data quality problems and does not, in its current form, consistently provide reliable information on affordable housing development. City officials, aware of the issue, are actively working on it, as evidenced by agency staff participation in efforts by the D.C. Preservation Network (a monthly gathering of federal and local housing officials and local advocates) to maintain an external database and push to rewrite the legislation authorizing the official database. The quality of the database has noticeably improved over the course of writing this paper. In addition, the publically available website [DCHousingSearch.org](http://DCHousingSearch.org) was introduced in January 2009. In conjunction with a call center for those without Internet access, the website provides free information about District housing. It includes DHCD and DCHA units, and private housing available from landlords who have opted in. The site is searchable using a wide variety of criteria including affordability and accessibility.
10. The city did not develop significant new sources of revenue for the Housing Production Trust Fund beyond real estate deed and recordation taxes.
11. The District has not made annual reports on its progress in carrying out the Task Force recommendations.

#### IV. Policy Recommendations

When the Comprehensive Housing Strategy Task Force made its recommendations in 2006, the District housing market was very active. Home prices and rents were rising. The city's low and moderate-income residents were finding housing increasingly unaffordable. The gulf between the city's growing higher-income population and its substantial low-income population was widening and the goal of an inclusive city was receding. The CHSTF made multiple recommendations designed to use part of the rising city revenue from the hot housing market to support housing affordable to low- and moderate-income residents.

In the wake of the financial crisis and the ensuing recession, the housing market cooled and is just beginning to recover. House prices have come down modestly, but rents are still rising. Unemployment is up, especially in the less affluent parts of the city, and the low-income population is facing even more unaffordable housing costs. With greatly reduced revenues, the city has not been able to increase its investment in affordable housing in line with the CHSTF recommendations, and faces severely constrained budgets for the next several years.

Accordingly, this report focuses on short-term relatively low-cost recommendations that can be implemented quickly and will put the city in a better position to move aggressively on affordable housing as the funding becomes available. These short-term recommendations mainly involve administrative streamlining, increased efficiency, and planning. In the longer run, as the city continues to grow and housing markets strengthen, the city should set aside funds to make sure that low- and moderate-income households are able to find affordable housing in mixed-income neighborhoods and are not pushed out or marginalized as the more affluent prosper.

**1. Upgrade the affordable housing pipeline database maintained by the Office of the Deputy Mayor for Planning and Economic Development (DMPED).**

As noted above, the DMPED database of affordable housing development across the city is off to a good start and has improved over the course of writing this paper. However, its utility to policymakers and developers is still compromised so long as its reliability is in question. Given that each agency will likely continue to enter their own data, the Office of the Deputy Mayor for Planning and Economic Development must lead the charge to improve consistency and reliability of the data across agencies. DMPED would be well served by starting with the following steps:



- a. Explicitly define each field in the database so that terms are standardized across agencies. Total affordable units and which units represent new construction instead of renovation of existing affordable units are particular problems currently.
  - b. Missing data must be filled in, including consistent information about the status and availability of funds for each project. DMPED must continue to hold agencies accountable for missing or incomplete data.
  - c. The database must be regularly updated by every relevant agency. DMPED should establish an expected update schedule and hold agencies accountable to that schedule.
  - d. Data already entered into the database must be periodically audited and verified. Creating a public online portal for the database would allow housing advocates to assist the city in this task. DMPED has already demonstrated a willingness to provide access to the database on a case-by-case basis. Granting wider access would provide many benefits to the city, if done in the spirit of collaboration around shared goals.
  - e. The information contained in the database should be regularly reported to the Mayor, the Council, and the public. DMPED should seriously consider providing access to the database to the general public.
  - f. The Mayor and Council should support those working to improve this important tool.
2. **Develop a unified application process for affordable housing subsidies among DCHA, DCHFA, and DHCD.** Such a process would ease the process for developers, reduce redundant or conflicting information on affordable housing developments and allow agencies to engage in a coordinated review of the application.
3. **Charge DMPED with taking a more forceful role in coordinating among housing agencies.** If the District does not want to appoint a Chief of Affordable Housing, it must find another staffing or organizational configuration to ensure that the office effectively coordinates housing policy across agencies.
4. **Consider options to diversify the funding sources for the Housing Production Trust Fund**
- a. *Dedicate a third of total property taxes collected due to increased property values to affordable housing programs.* Increases in property value should be measured against some baseline year or years. One option

might be to set the baseline as the moving ten-year average assessed value for all property in the District. This would create a dedicated stream of income for affordable housing programs and smooth out variations in that funding.

*b. Increase property taxes by 5 percent and dedicate half of new revenues collected to affordable housing. Fix the Schedule H Tax Credit (which applies to both renters and homeowners) at the same time that property taxes are increased.* Occupied residential would rise to \$0.8925 per \$100 assessed value (less the homestead deduction for the first \$67,500 for owner-occupied units). Commercial property would increase to \$1.7325 per \$100 assessed value for the first \$3 million, then \$1.9425 for assessed value over that amount. Unimproved or abandoned property assessments would increase to \$10.50 per \$100 assessed value. This could generate roughly \$66 million in additional revenue, assuming property values stabilize.

*i. Raising property taxes will disproportionately affect lower-income property owners and renters. For this reason it is vitally important to bundle legislation raising tax rates with Schedule H Tax Credit reform. Schedule H is intended to help low-income residents, but it is no longer effective because its income and credit limits are still set at 1979 levels, and because eligibility is determined by household income even if household members are filing separately. Currently, residents combined household income must be no more than \$20,000, and the maximum tax credit is \$750. DCFPI estimated in 2008 that if the credit had been indexed for inflation in 1979, the income limit would be \$53,000 and the credit limit would be \$2,000.<sup>18</sup>*

In March, Councilmembers Jack Evans, Michael Brown and Phil Mendelson introduced the “Schedule H Property Tax Relief Act of 2011” (with seven co-sponsors) to address these issues.<sup>19</sup> The bill would raise the income limit to \$50,000 (annually adjusted for inflation), increase the maximum tax credit to \$1,000, and allow

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<sup>18</sup> Clark, Lindsay C. 2008. “Property Tax Relief for DC’s Low-Income Residents: Improvements Needed in DC’s “Schedule H” Credit.” Washington: D.C. Fiscal Policy Institute. (<http://www.dcfpi.org/property-tax-relief-for-dc%e2%80%99s-low-income-residents-improvements-needed-in-dcs-schedule-h-credit> [April 13, 2001])

<sup>19</sup> “Schedule H Property Tax Relief Act of 2011.” B19-0164 (<http://dccouncil.us/images/00001/20110317113704.pdf> [April 13, 2011])

multiple filers in a household to determine eligibility separately, based on their income and portion of rent or property taxes. The Council should pass this legislation, the Mayor should sign it, and the District should undertake a public campaign encouraging residents to take advantage of the new income limit and maximum credit amount.

- 5. New economic conditions require that the city rethink its housing policy and strategy.** The original Task Force was created because the Council perceived that the city had many housing programs but no overall strategy. After five years of housing policy informed by the CHSTF report, and facing a different type of economic environment, the city should refine and redefine its housing strategy. This paper could serve as the jumping off point for a new working group within the Mayor's office, a task force created by the Council, or some other mechanism.

## **V. Conclusion**

An assessment of the impact of the Comprehensive Housing Strategy Task Force recommendations confirms that the housing market collapse and the recession stymied recent attempts to address the District's affordable housing crisis. Budget cuts and the drop in property transfers have decimated the funds available for housing production, indicating that the city is far behind its goals for affordable unit production and that several important changes, such as Inclusionary Zoning and the Green Building Act, have yet to have much effect. The city has eliminated important emergency support programs even as the waitlist for affordable housing exceeds 27,000 households. Housing programs are not centrally coordinated, hindering accountability and weakening political will. In the FY 2011 budget process, the Committee on Housing and Workforce Development identified the lack of accountability as a major problem and recommended that the Mayor begin publishing an annual progress report on affordable housing – an important step. However, reports and Council deliberations alone will not solve the District's affordable housing crisis. Concrete action is needed. The economic downturn has revealed the gaps and inefficiencies in the current system, providing an opportunity to reevaluate the programs and policies that will ensure stable housing options for the city's most vulnerable residents going forward.

## **APPENDIX A – Comprehensive Housing Strategy Task Force Recommendations**

**Recommendation 1: The District of Columbia should adopt a plan to implement its "Vision for Growing an Inclusive City" by increasing residential development and preservation throughout the city.**

- The District should increase the net supply of housing by at least 55,000 units by 2020 to reduce upward pressure on housing prices and rents and accommodate a growing population.
- The location of new production envisioned by the task force should support a balanced growth policy, which will allow increases in population density.
- Both assisted and market-rate housing produced in the District of Columbia should adhere to high architectural and urban design standards, providing housing with amenities and access to transportation for all neighborhood residents.

**Recommendation 2: The District should accelerate its efforts to preserve and increase high-quality affordable housing for both owners and renters.**

- The District must give priority to preserving at least 30,000 affordable units.
- The city should use federal programs and its own resources to ensure that at least 19,000 (or one-third) of the new units built in the city are affordable on a long-term basis.
- The District should strive to increase the city's homeownership rate to 44 percent.
- The city should directly assist an additional 14,600 extremely low-income renter households
- The city should undertake a multi-year, mixed media, public service announcement campaign focused on the housing affordability challenge with the objective of providing a strong case in support of the social and economic advantages of a progressive and inclusive housing plan for the District.
- The District government should review and modify as needed the existing grant and loan requirements and procedures tied to the Housing Production Trust Fund to ensure that the current funds are utilized efficiently, effectively and flexibly.
- To pay for these new and expanded programs, the city should identify and tap new sources of revenue for the Housing Production Trust Fund to support subsidies needed to keep homeownership and rental housing affordable.

- The District's Rent Control program is one tool for moderating affordability of older rental properties, one that provides benefits for long-term residents, especially the elderly.

**Recommendation 3: The District should direct public and private funds toward developing attractive mixed-income neighborhoods in all parts of the city and especially in the "new neighborhoods."**

- The city should choose existing neighborhoods with the potential for sustained improvement and coordinate its investments in them, targeting a limited number of neighborhoods at a time.
- The District should continue its successful efforts to transform distressed public and assisted housing projects into viable mixed-income neighborhoods, using federal public housing HOPE VI, capital and modernization funding, CDBG dollars and its own resources.
- The development of large parcels of public land (for example, as part of the Anacostia Waterfront Initiative) into "new neighborhoods" should provide housing affordable to all income levels and types of households.
- Appropriate neighborhood scale retail should be encouraged through zoning changes, financial incentives, marketing, and recruitment efforts.

**Recommendation 4: The District should integrate housing for persons with special needs into all types of housing in neighborhoods throughout the city.**

- The city should concentrate on permanent housing solutions for special needs populations rather than building up short-term housing infrastructure.
- The city should coordinate housing and services funding in a way that supports special-needs populations in housing.
- The city should follow the recommendations outlined in the mayor's report: "Homeless No More: A Strategy for Ending Homelessness in Washington, D.C. by 2014."
- The District's Department of Mental Health and the city's housing agencies should form an interagency task force to better coordinate services and housing financing.
- The city should locate multifamily senior housing in neighborhoods with high proportions of senior-owned single family housing to foster turnover of single-family stock.

- The Department of Corrections should experiment with additional short-term subsidies for returning offenders and assess effects on recidivism.
- The child and family services agency should experiment with additional short-term rent subsidies for youth leaving foster care and expand independent living programs that include rent subsidy.
- To address the needs of persons with physical disabilities and prepare for the rapidly increasing proportion of Washington, D.C., residents over 70 years of age, 8 percent of all units in the capital should be accessible to people with physical disabilities.
- The city should never allow hospitals, foster care, jail, and prisons to discharge people into homeless shelters.

**Recommendation 5: The District should increase its administrative capacity to facilitate subsidized and market-rate housing production and renovation, manage housing programs efficiently, and should take steps to streamline its various housing programs.**

- The District should seek to better coordinate and streamline actions among the agencies that principally affect housing production and preservation.
- The District must provide the critical regulatory agencies that now pose significant barriers to production with the resources necessary to enable developers to respond to market demand.
- The District should create a centralized, high-quality data bank that would allow developers and policy makers to make better-informed choices regarding investment and development.
- These public agencies should be much more proactive in their outreach to and coordination with nonprofit partners, helping build their capacity to enhance production of affordable housing, especially for people with special needs.
- The government should consider instituting a "site plan review process."
- The District should update and modernize its housing code, especially in the area of "smart housing rehabilitation codes," as well as the possible use of a "form-based code" that would focus more on health, safety, and community quality-of-life results and less on the technologies for achieving those results.
- Consideration should be given to a modified, simpler PUD process in the Office of Planning for smaller projects where what is being sought for the project is routine or already in place in other buildings in the same area of the city.

- Persistent housing code violations should be addressed through negotiated sales to nonprofits or by putting properties in receivership. Additional options include housing court, tenants' rights education programs and relocation.
- City agencies that deal with housing should be culturally and linguistically competent and accessible to people with physical disabilities.
- Relevant city government employees should be well versed in and dedicated to the application of Fair Housing Act policies.

**Recommendation 6: Since housing programs alone cannot create a livable, inclusive city, all city departments should work effectively to attract and retain residents, especially families with children, by improving schools, public safety, health care, recreation, transportation, air and water quality and city amenities.**

- Housing programs should be an important part - but only one part - of the city's overall strategy to reduce and deconcentrate poverty and revitalize neighborhoods.
- Capital and operating expenditures for transportation, infrastructure, parks, public safety, and other amenities should reflect neighborhood development priorities.
- A number of under-utilized funding streams could be redirected and coordinated to better reinforce neighborhood development.
- Washington's government should actively encourage the District of Columbia Public Schools, local institutions of higher education, and major area employers to work collaboratively to improve adult literacy, stimulate education-to-work initiatives and workforce-employment programming.

**Recommendation 7: The Mayor and City Council should take immediate steps to implement the recommendations of the Comprehensive Housing Strategy Task Force.**

- Not more than 90 days after the Task Force presents its report to the Mayor and Council, the Mayor should designate a member of the cabinet as the "Chief of Housing" as described in recommendations 5.1 of the report.
- Not more than 180 days after the Task Force presents its report to the Council and Mayor, the Council should convene a public roundtable at which the Chief of Housing and city housing and development agencies, including independent agencies, are asked to testify on their plans for implementing the Report's recommendations.

- The D.C. Council should amend Section 5 of the Comprehensive Housing Strategy Act of 2004<sup>3</sup> to extend the life of the Comprehensive Housing Strategy Task Force for the purpose of appointing from its current membership an Oversight Committee charged with monitoring and reporting annually to the Mayor and Council on the implementation of the Report until a new task force is appointed to update the Comprehensive Housing Strategy (no later than 5 years after the Task Force presents its report to the Mayor and Council).
- The Mayor should report annually as required by the Comprehensive Housing Strategy Act of 2003 to the Council regarding the implementation of the Comprehensive Housing Strategy, with the first report submitted no more than one year after the Task Force presents its report to the Mayor and Council.
- The Council should hold a public roundtable annually to review the reports submitted by the Mayor and the Comprehensive Housing Strategy Task Force Oversight Committee.



## APPENDIX B.

This appendix is a line-by-line accounting of the District's progress toward the housing goals it set in 2006. Tracking the progress is a daunting task for many reasons, not least of which because the recommendations rarely line up with current programs, funding streams or bureaucratic structures. Action has often been taken to fulfill the spirit, if not necessarily the letter, of the recommendations. Some areas have seen little or no action.

One item that may be of interest to housing advocates, experts, and officials, but does not fit neatly into the CHSTF framework, is the role of the federal government in recent years. Federal funds made available through the First-Time Homebuyer Credit (FTHBC) and other programs helped to partially offset the effects of the recession on the housing market and the resultant drop in local funding for affordable housing over the past several years. District homebuyers claimed \$33,734,530 in refundable tax credits under FTHBC through June 2010.<sup>20</sup> The city has received funds directly for a variety of other purposes as well, from assistance to developers to homelessness prevention to financing for new housing projects. The District already received \$94.5 million (2010\$) from the Department of Housing and Urban Development (HUD) to fund foreclosure prevention and support, homelessness prevention, community development, affordable housing, and lead hazard remediation. In FY 2011, DHCD will receive \$23 million to assist developers of Low Income Housing Tax Credit (LIHTC) properties which have not been able to find adequate private investment.<sup>21</sup> In addition, the District is slated to receive \$7.7 million in foreclosure prevention funds, through the federal Housing Finance Agency (HFA) and Hardest Hit Fund. These funds will go to households facing foreclosure due to unemployment or for medical reasons.<sup>22</sup> However, beginning in fiscal year (FY) 2012 the District will have to pick up the slack as the stimulus programs wind down and fewer federal dollars are available.

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<sup>20</sup> The First-Time Homebuyer Credit (FTHBC) refers to three separate acts of Congress: the Housing and Economic Recovery Act of 2008; the American Recovery and Reinvestment Act of 2009; and the Worker, Homeownership, and Business Assistance Act of 2009.

<sup>21</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget for Affordable Housing?" Washington. (<http://www.dcfpi.org/wp-content/uploads/2009/03/FY2011AffordableHousingToolkit2.pdf> [March 23, 2011]).

<sup>22</sup> Associated Press. 2010. "Obama Administration to Provide \$3 Billion in Housing Aid." *CNBC*. August 11. ([www.cnbc.com/id/38658978/Obama\\_Administration\\_to\\_Provide\\_3\\_Billion\\_in\\_Housing\\_Aid](http://www.cnbc.com/id/38658978/Obama_Administration_to_Provide_3_Billion_in_Housing_Aid) [March 22, 2011]).

All figures in the recommendation matrix below are in FY 2012 dollars to ensure comparability, unless otherwise noted. A glossary of terms and abbreviations is provided at the end.

#	Recommendations	Status	Lead Agency
<b>GROWING AN INCLUSIVE CITY</b>			
<b>1</b>	<i>The District should adopt a plan to implement its “Vision for Growing an Inclusive City” by increasing residential development and preservation throughout the city</i>		
<b>1.1</b>	Increase the net supply of housing by at least 55,000 units by 2020	<p>This recommendation was based on two assumptions:</p> <p>1) the District would meet its goal of adding 100,000 residents in the first two decades of the 21<sup>st</sup> Century (reaching a total of 672,000 residents by 2020); and 2) average household size, which had been declining, would stabilize at 2.12 persons due to fewer families with children moving out of the District.</p> <p>From a low of 572,059 in 2000 the District grew 5.2 percent over the next ten years, reaching 601,723 residents in 2010. If the District continues to grow at the same rate over the next decade its population will increase by another 31,940 residents to 633,663—38 percent short of its goal.</p> <p>In 2006, there were 282,900 housing units in the District. In 2009, there were 285,164, an increase of 2,264.<sup>23</sup> At this rate, only 10,600 housing units will be added to the District’s net supply of housing by 2020 – only 19 percent of the recommended increase. Yet, average household size increased from 2006 to 2009;</p>	DMPED

<sup>23</sup> Data from American Community Survey

#	Recommendations	Status	Lead Agency
		<p>if household size continues to increase at its present rate the average household size will reach 3.23 by 2020.</p> <p>It is likely too early to give much weight to such projections. The jump in household size may be a temporary response to economic constraints during the recession, or of the concurrent housing crisis. It is more likely that average household size will level off near 2.5 persons per household, comparable to the level in the 1980 and 1990 censuses.</p> <p>These figures do not address the question of how many units are or will be affordable. See Recommendation 2.1.</p>	
<b>1.2</b>	Location of new production should support balanced growth and increased density	<p>The District, through the 2006 Comprehensive Plan and the 2010 Comprehensive Plan Update, has formally stated its support for balanced growth and distributing development equitably.<sup>24</sup> The plan incorporated a balanced growth policy enabling the Zoning Commission to facilitate balanced growth on re-zoning and planned unit development (PUD) cases. The approval of Parkside and New York/Arboretum are PUD cases that represent this policy. However, the</p>	Office of Planning

<sup>24</sup> More information about the Comprehensive Plan can be found at <http://planning.dc.gov/DC/Planning/Across+the+City/Comprehensive+Plan>

#	Recommendations	Status	Lead Agency
	<p><b>1.2a:</b> Modify current zoning to allow development of affordable and mixed income housing, especially on public parcels that are currently abandoned or underutilized</p>	<p>policy has been slow to get started. The proposed Mixed Income Housing Amendment Act of 2009 would have required District-owned real estate for sale to have an affordable housing requirement as part of its disposition requirement. It was introduced in January 2009 but no further action has been taken.<sup>25</sup></p>	Office of Planning/ DMPED
	<p><b>1.2b:</b> Lift or modify zoning restrictions that limit development of accessory apartments, granny flats, Single Room Occupancy, and cohousing facilities</p>	<p>No action taken.</p>	Office of Planning
	<p><b>1.2c:</b> Rezone commercially zoned land to residential, particularly along long commercial “strips” with high vacancy rates and patterns of disinvestments</p>	<p>No action taken.</p>	Office of Planning
	<p><b>1.2d:</b> Offer density bonuses for affordable housing that would increase capacity without large-scale rezoning</p>	<p>No action taken.</p>	Office of Planning

<sup>25</sup> “Saving D.C. Homes from Foreclosure Amendment Act of 2010.” Section 539 (D.C. Official Code § 42-815)([www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf](http://www.dccouncil.washington.dc.us/images/00001/20090108162315.pdf) [March 23, 2011]).

#	Recommendations	Status	Lead Agency
	<p><b>1.2e:</b> Grant density bonuses at transit stops</p> <p><b>1.2f:</b> Permit increased density along major corridors where there is opportunity for mixed-use development and where such development would strengthen and provide economic opportunity for adjacent neighborhoods</p>	<p>No action taken.</p> <p>No action taken.</p>	<p>Office of Planning</p> <p>Office of Planning</p>
<b>1.3</b>	<p>Assisted and market-rate housing should adhere to high-design standards (including high-grade construction materials, provision of open space, recreational amenities, safe access to public transportation, environmentally sustainable or green building practices, neighborhood schools, neighborhood retail options, and respect for neighborhood history and context), providing access to amenities and transportation to</p>	<p>The Green Building Act of 2006 phases in sustainable design requirements for publicly financed housing (by FY08) and private development (by 2009). DHCD also mandated compliance with the act for new affordable housing projects in early 2007. The act, which would require most new construction projects to be LEED certified by 2012, did not clarify the enforcement mechanisms for the green building mandate. To address this issue the Council proposed the Green Building Technical Corrections, Clarification, and Revisions Act of 2009. The bill had a hearing in December 2009 but has not progressed further. The city announced an award of \$5.8 million (2009\$) for green construction at the future Sheridan Station mixed-income development project in September 2009</p>	<p>DCRA &amp; Office of Planning</p>

#	Recommendations	Status	Lead Agency
	all	from the American Recovery and Reinvestment Act (ARRA).	
<b>PRESERVE + PRODUCE AFFORDABLE HOUSING</b>			
<b>2</b>	<i>Accelerate efforts to preserve and increase high-quality affordable housing for both owners and renters</i>		
<b>2.1</b>	Preserve at least 30,000 existing affordable units	<p><b>UNIT PRODUCTION</b></p> <p>It is not yet clear how the supply of affordable housing units in the District has changed since 2006. Some housing advocates believe the city continues to lose affordable housing; while others believe the District is making progress.</p> <ul style="list-style-type: none"> <li>• From the period 2000-2007, the city lost 24,000 units of affordable housing, which represented a third of the total affordable housing stock.<sup>26</sup></li> <li>• 2,779 DHCD units preserved from FY 2007 to the start of the second quarter of 2008</li> <li>• Approximately 11,000 units of affordable housing have been added to the DMPED pipeline since the CHSTF publications in April 2006, but only about 5,500 of those units are listed as completed or are under construction.</li> <li>• However, these figures include units that existed</li> </ul>	DHCD & DCHFA

<sup>26</sup> Lazere, Ed. 2010. "Nowhere To Go: As D.C. Housing Costs Rise, Residents Are Left With Fewer Affordable Housing Options." Washington: D.C. Fiscal Policy Institute. ([www.dcfpi.org/nowhere-to-go-as-dc-housing-costs-rise-residents-are-left-with-fewer-affordable-housing-options](http://www.dcfpi.org/nowhere-to-go-as-dc-housing-costs-rise-residents-are-left-with-fewer-affordable-housing-options) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		<p>beforehand and have been preserved, so it is unclear how many additional units have been created (or lost) during this time period.</p> <p>Whatever the supply of affordable units, it is clearly insufficient to meet local demand for assistance. Currently, over 27,000 households are on the DCHA affordable housing waitlist. Of those households, about 18,000 are families. While there is no way to track how many households on the waitlist still need housing (some may have moved outside the District, for instance), the sheer size of the waitlist and lack of mobility over the past several years suggests that progress has been difficult.</p> <p><b>SPENDING</b></p> <ul style="list-style-type: none"> <li>• <u>FY 2007-FY 2009</u>: Total local spending for affordable housing in the District grew in the two years following the release of the CHSTF recommendations to a peak of \$130 million in fiscal year (FY) 2008, only to fall to \$97 million in FY 2009 due to the recession and budget cuts.<sup>27</sup></li> <li>• <u>FY 2010</u>: FY 2010 saw a further erosion of revenues as the District had just \$83 million to</li> </ul>	

<sup>27</sup>The completed FY2009 budget was revised in July 2008 due to the worsening revenue forecast (the revised figures are reported here).



#	Recommendations	Status	Lead Agency
		<p>spend on affordable housing.</p> <ul style="list-style-type: none"> <li data-bbox="326 779 748 1318"> <p><u>FY 2011</u>: Total local spending for affordable housing in FY 2011 was initially approved at \$77 million – 8 percent lower than 2006 levels. However, subsequent revenue forecasts have shown increased property deed and recordation tax revenues. Combined with a payment of almost \$10 million dollars from the City Center developers (in exchange for reduced affordable housing production), actual FY 2011 spending will probably be closer to \$106 million.</p> </li> <li data-bbox="748 779 922 1318"> <p><u>FY 2012</u>: The Council approved \$87 million for affordable housing in FY 2012, and a further \$20 million contingent on increased revenue forecasts.</p> </li> </ul>	
	<p><b>2.1a:</b> Preserve all project-based Section 8 and other federally supported units</p>	<p>Section 8 is now called the Housing Choice Voucher program.</p> <p>Federal ARRA funds provided \$40.9 million from HUD to fully fund 12-months of project-based housing contracts. The stimulus funds also provided \$27 million for immediate improvements to public housing, which does not create new units but fulfills federal obligation to fully fund the program.</p>	<p>DHCD &amp; DCHFA</p>
	<p><b>2.1a(i):</b> Ask HUD and Congress to institute a</p>	<p>No action taken.</p>	<p>DMPED</p>

#	Recommendations	Status	Lead Agency
	<p>moratorium on terminations prior to contract expiration</p> <p><b>2.1a(ii):</b> Consider legislation to give city right to purchase assisted, multi-family properties (and maintain operating subsidies) where contract terminations are imminent</p>		DHCD
		<p>The Council introduced the Section 8 Preservation Act of 2007 (B17-441) in fall 2007 and a public hearing was held in April 2008. The bill would have given tenants the right to purchase, and the District the right if tenants do not exercise that right, should an owner cease to participate in a Section 8 contract or other federally assisted programs. The bill was introduced with a significant amount of Council support, introduced by six Council members and co-sponsored by two. According to an advocacy group, the Fenty administration was not in favor of the bill and raised property-rights and takings concerns and the bill ultimately did not progress. However, a bill did pass that provides the District with a subordinate right to purchase affordable multi-family properties when the tenants were offered the properties under TOPA. Previously, the Housing Act of 2002 gave the District the right to purchase a federally subsidized property whenever the tenants had the opportunity to buy. It is unclear whether the District has ever exercised its rights under these acts.</p> <p>No action taken.</p>	
	<p><b>2.1a(iii):</b> Implement 2002 program abating increment in property taxes for Section</p>		Office of Tax and Revenue

#	Recommendations	Status	Lead Agency
	<p>8 facilities; consider extending abatement to full relief</p>		
	<p><b>2.1b:</b> Develop legislation for city to buy existing affordable rental buildings at risk of being converted to condos or upgraded to luxury apartments where tenants choose not to buy (includes land bank idea); could run through affordable housing organization</p>	<p>The Right of Purchase Amendment Act of 2008 (B17-631) was enacted, giving the District a subordinate right to purchase affordable properties where tenants choose not to, or are unable to, buy under the Tenant Opportunity to Purchase Act (TOPA). The Act requires that the property be maintained as affordable under certain guidelines. On a related note, funding for TOPA in FY 2011 will only cover administrative costs of the program, and will not be used to provide support for tenants wishing to purchase properties. Mayor Gray's proposed budget for FY 2012 does not fund TOPA.</p>	DHCD
	<p><b>2.1c:</b> Provide owners of existing rental housing low-cost financing or other incentives to upgrade their units and maintain affordability of those units long term.</p>	<p>The Housing Accommodation Owner Conversion Compliance Amendment Act of 2007 (B17-0515) was introduced and had a hearing in 2008. It would have barred landlords from converting their buildings to condominiums until all significant code violations were fixed. The proposed Rental Conversion and Sale Amendment Act of 2007 (B17-0530) raised many concerns for advocates who work with tenants' associations that such a bill could impede tenants' ability to purchase buildings and obtain rehab financing, among other rights. Neither bill moved past</p>	DHCD

#	Recommendations	Status	Lead Agency
		<p>the hearing stage.</p> <p>The federal LIHTC program arguably achieves this goal by providing a source of revenue to rehabilitate a property and imposes affordability restrictions on the property; however, LIHTC only requires that units be affordable at 60 percent of AMI – typically far higher than the incomes of existing tenants. LIHTC units are also exempt from rent control, so tenants often pay higher rents under the program.</p> <p>The FY 2011 budget includes \$23 million in ARRA funds to support LIHTCs, which will largely fund gap-financing for LIHTC recipients in fiscal years 2007, 2008, and 2009. DHCD also received \$2.6 million in ARRA funds for lead paint reduction and remediation activities.</p>	
	<p><b>2.1c(i):</b> Create upfront rehab grant program for owners of small apartment buildings (similar to Montgomery County's), coupled with vigorous code enforcement</p>	<p>No action taken.</p>	<p>DHCD</p>
	<p><b>2.1c(ii):</b> Offer tax abatement and other</p>	<p>No action taken.</p>	<p>DHCD</p>

#	Recommendations	Status	Lead Agency
	<p>incentives for small rental building owners to offset rehab costs</p>		
	<p><b>2.1d:</b> Increase levels of subsidy to tenants or their development partners who wish to create or preserve affordability and improve existing rental properties that are put up for sale or converted to condominiums.</p>	<p>In FY 2009, DHCD issued new regulations for tenant purchase that have made the process for tenants wishing to preserve or purchase their affordable housing units more challenging. Additionally, the drastic reduction in the size of the Housing Production Trust Fund, which serves as the primary source of funding for tenant purchases, has hampered the city's ability to subsidize the preservation of affordable units.</p>	DHCD
	<p><b>2.1e:</b> Require a set-aside of 20 percent affordable units in all condo conversions (Modeled after the senior set-aside under current law).</p>	<p>No action taken.</p>	DCRA
	<p><b>2.1f:</b> Support the efforts of affordable housing developers who wish to acquire and renovate existing buildings to preserve or provide new affordable housing by making increased levels of subsidy available for pre-development, acquisition, and rehabilitation.</p>	<p>In 2007, DHCD increased the Site Acquisition Funding Initiative (SAFI) to \$20 million from the Housing Production Trust Fund with private lenders matching funds. See 2.2d for more information on SAFI.</p> <p>In terms of the preservation or provision of new affordable housing, the pipeline of projects now far exceeds available funds. See 2.7 for more information on the Housing Production Trust Fund.</p>	DHCD

#	Recommendations	Status	Lead Agency
		<p>The Land Acquisition for Housing Development Opportunities (LAHDO) program allows the city to acquire land and lease it to a developer. Legislation has been proposed that would eliminate taxes on LAHDO properties (B18-602) and the Council voted unanimously to approve the bill in June 2010.</p> <p>See 2.1c for information on the LIHTC program.</p>	
<b>2.2</b>	<p>Use federal programs and city resources to ensure that at least one third (19,000) of new units built are affordable over long-term:</p> <ul style="list-style-type: none"> <li>• 7,600 units for 0-30 percent of AMI</li> <li>• 5,700 units for 30-60 percent of AMI</li> <li>• 5,700 units for 60-80 percent of AMI</li> </ul> <p><b>2.2a:</b> 4,400 of new units (8 percent of 55,000) produced</p>	<p>Unit (new and rehab) breakdown by affordability:</p> <ul style="list-style-type: none"> <li>• 2,043 at or below 30 percent AMI</li> <li>• 6,565 between 30-40 percent AMI</li> <li>• 2,852 between 60-80 percent AMI</li> </ul> <p>As of June 2010, HPTF funds are contributing to an effort by Freddie Mac to use NIBPs and TCAP funds to preserve 52 of units of affordable housing at Webster Gardens in the District for residents earning below 60 percent AMI. DCHA will provide a long term subsidy for a percentage of these units for tenants earning below 30 percent AMI.<sup>28</sup></p> <p>According to the DMPED Pipeline database, 3,911 accessible units have been entered into the pipeline</p>	<p>DHCD DCHFA NCRC Office of Planning</p>
			<p>City Administrator</p>

<sup>28</sup> Freddie Mac Corporation. 2010 "Freddie Mac Helps Keep 332 Apartment Units Affordable Under Federal New Issue Bond Program \$31 Million in Funding For Properties in Washington, D.C. and Georgia." ([http://www.freddiemac.com/news/archives/multifamily/2010/20100622\\_nibp.html](http://www.freddiemac.com/news/archives/multifamily/2010/20100622_nibp.html)) [March 23, 2011].

#	Recommendations	Status	Lead Agency
	<p>should be accessible to people with disabilities</p>	<p>since April 2006. 1,612 are new units, while 2,299 are existing units.</p> <p>Advocates report that there is still a dearth of wheelchair accessible rental units. They argue that DHCD has not formulated incentives to encourage awardes to increase the number of accessible units in affordable housing developments, and that the 8 percent goal is not enforced.</p>	
	<p><b>2.2b:</b> Housing for people with special needs should be integrated into all neighborhoods (see also Recommendation 4)</p>	<p>DHCD financed 196 special needs units in FY 2007 and 28 units in the first quarter of FY 2008. The Department of Mental Health (DMH) housing program only allows consumers to live in apartments that are under 80 percent of the fair market rent. This means that DMH housing consumers are concentrated in neighborhoods with the lowest rents.</p> <p>The Department of Human Services (DHS) Permanent Supportive Housing Program, which provides housing for chronically homeless individuals, steers consumers towards landlords who respond to DHS requests for apartments. These landlords often respond to DHS because they are having a difficult time renting on the open market.</p> <p>Of the first 305 men who entered the DHS program: 3 percent received an apartment in Ward 1; none in</p>	<p>City Administrator</p>

#	Recommendations	Status	Lead Agency
		<p>Wards 2 or 3; 7 percent in Ward 4; 15 percent in Ward 5; 6 percent in Ward 6; 25 percent in Ward 7; and 44 percent in Ward 8.</p>	
	<p><b>2.2c:</b> Shallow subsidies should be used to support moderate-income housing using existing programs including tax incentives.</p>	<p>The city enacted the Workforce Housing Land Trust Design and Implementation Plan in December 2006. The FY 2007 budget funded this initiative at \$10 million, committing \$5 million from the HPTF and \$5 million in funds for workforce housing to finance a pilot project of 1,000 units.</p>	DHCD
	<p><b>2.2d:</b> City should enter into partnerships with private and non-profit developers so that public, private and charitable funding can be used jointly to maximize the creation of affordable units.</p>	<p>DCHA was awarded \$27 million in non-competitive grants and \$34.4 million in competitive grants from ARRA in 2009; many of these funds are project-based and have created public-private-nonprofit development partnerships.<sup>29</sup></p> <p>The Site Acquisition Funding Initiative (SAFI) allows DHCD to enter into partnerships with lending organizations to provide resources for affordable housing nonprofits to purchase and develop land parcels. The lenders agree to match DHCD funding. There are currently four SAFI lenders: CityFirst Bank of DC, Cornerstone Inc., Enterprise Community Loan Fund, and OpenDoor Housing Fund.</p> <p>LRSP has allowed the D.C. Housing Authority to enter</p>	Chief of Housing (COH) DHCD

<sup>29</sup> Samuelson, Ruth. 2009. "D.C. Housing Authority Awarded \$34.4 Million in Stimulus Funds." *Washington City Paper*. September 29. ([www.washingtoncitypaper.com/blogs/housingcomplex/2009/09/29/dc-housing-authority-34-4-million-in-stimulus-funds/](http://www.washingtoncitypaper.com/blogs/housingcomplex/2009/09/29/dc-housing-authority-34-4-million-in-stimulus-funds/) [March 22, 2011]).



#	Recommendations	Status	Lead Agency
	<p>into partnerships with private and nonprofit developers for operating dollars to bring development into an affordable range. Unfortunately, the program has not received any increase in funding since FY 2008.</p> <p><b>2.2e:</b> Establish a mandatory inclusionary zoning requirement for newly constructed housing as soon as possible.</p>	<p>The Inclusionary Zoning Implementation Act of 2006 was enacted in December 2006. IZ applies to new construction of 10 units or more, or rehabilitation that expands a building by 50 percent or more and adds at least 10 new units. These units must remain affordable so long as the inclusionary development exists.</p> <ul style="list-style-type: none"> <li>• For low-rise developments 10 percent of the units must be set aside, with half serving households earning 50 percent of the area median income (AMI), and half serving households at 80 percent AMI.</li> <li>• High-rise developments must set aside 8 percent of units serving households at 80 percent AMI. In exchange, developments may receive up to a 20 percent increase in floor area ratio, or increases in height and lot occupancy in some of the zone districts.</li> <li>• For stick built construction, 10 percent of the floor area ratio or 75 percent of the bonus density must be affordable. Half of the units must serve households with incomes at or below 50 percent</li> </ul>	<p>ZC; OP; DHCD</p>

#	Recommendations	Status	Lead Agency
		<p>AMI. The other half must serve households with incomes at or below 80 percent AMI.</p> <ul style="list-style-type: none"> <li>• Steel or concrete developments must set aside 8 percent of the floor area ratio or 50 percent of the bonus density to serve households with incomes at or below 80 percent AMI.</li> </ul> <p>The Mayor published the final inclusionary zoning regulations on May 15, 2009, more than three months after the deadline set by City Council. However, the Maximum Rent and Price Schedule were still pending, and the regulations could not take effect until 90 days after both the regulations and the price schedule were published. Finally, on August 14, 2009, the Mayor released the schedule, and in mid-November 2009 IZ became law. The previous April, D.C. Planning Director Harriet Tregoning had informed the City Council that the delay in regulations had likely resulted in the loss of about 140 affordable units. More units were undoubtedly lost in the time between her comment and the implementation of IZ, though perhaps not as many as would have been lost if the housing market had been stronger.</p> <p>Media coverage of IZ's one-year anniversary highlighted the fact that to date no inclusionary zoning</p>	

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		<p>projects had been built.<sup>30</sup> However, this was less an indictment of the IZ law and more a reflection of the long lead times required for new development, the lack of financing through much of the last three years, and the abundance of projects currently in the pipeline. As credit unlocks and current projects move forward, developers will likely utilize the tools inclusionary zoning gives them.<sup>31</sup> DHCD is working on online tools to automate some of the application process for developers and prospective residents alike. Completion of the first two IZ units is expected in 2011. See 14 DCMR Ch. 22; D.C. Reg. Vol. 56, No. 20, 003907. For Council action see, e.g., B17-1028, PR17-0871, B17-1003.</p>	
	<p><b>2.2f:</b> Support the formation of community land trust(s) run by public, non-profit, or other community-based organization(s); trust(s) should acquire land and hold it long-term while providing long-term leases to (rental and for-sale)</p>	<p>Workforce Housing Land Trust Design legislation enacted December 2006 and funded in FY07 (see 2.2c)</p>	DHCD

<sup>30</sup> O'Connell, Jonathan. 2010. "D.C. Affordable Housing Law Has Put Up A Goose Egg." *The Washington Post*. July 26. ([www.washingtonpost.com/wp-dyn/content/article/2010/07/23/AR2010072304343.html](http://www.washingtonpost.com/wp-dyn/content/article/2010/07/23/AR2010072304343.html)) [March 22, 2011].

<sup>31</sup> District of Columbia Department of Housing and Community Development. 2010. "Inclusionary Zoning Annual Report." ([www.dhcd.dc.gov/dhcd/frames.asp?doc=/dhcd/lib/dhcd/info/pdf/izannual\\_report31410-final.pdf](http://www.dhcd.dc.gov/dhcd/frames.asp?doc=/dhcd/lib/dhcd/info/pdf/izannual_report31410-final.pdf)) [March 22, 2011].

#	Recommendations	Status	Lead Agency
	<p>housing developers</p> <p><b>2.2g:</b> Encourage NCRC's land acquisition policy, as well as the creation of a privately managed land trust, capturing created value and promoting housing affordability</p>	<p>Workforce Housing Land Trust Design legislation enacted December 2006 and funded in FY 2007 (see 2.2c)</p>	<p>NCRC</p>
	<p><b>2.2h:</b> Augment existing acquisition-predevelopment funds to help nonprofit and for-profit developers buy land, housing and complementary commercial or retail properties faster at greater scale in targeted lower-income neighborhoods.</p>	<p>DHCD has increased funding for SAFI (see 2.1f and 2.2d); the funding is available only to qualified nonprofits.</p> <p>The Neighborhood Investment Fund, capitalized through a 15 percent set aside of personal property taxes not to exceed \$10 million, provides grants to support construction and rehabilitation of affordable housing and mixed-use development.<sup>32</sup> The fund targets 12 neighborhoods: Anacostia, Bellevue, Bloomingdale/ Eckington, Brightwood/Upper Georgia Ave., Brookland/Edgewood, Columbia Heights, Congress Heights, Deanwood Heights, H Street, Logan Circle, Shaw, and Washington Highlands. In</p>	<p>DHCD</p>

<sup>32</sup> Office of the Mayor for Planning and Economic Development. 2011. "Neighborhood Investment Fund." <http://dmped.dc.gov/DC/DMPED/Opportunities/Grant+Opportunities/Neighborhood+Investment+Fund>

#	Recommendations	Status	Lead Agency
	<p>2.2i: Create tax incentives and reduce fees for obtaining public services (PEPCO, WASA, Washington Gas) and building permits for nonprofit and for profit developers of affordable housing.</p>	<p>2010 the fund announced \$5.2 million in available funding for non-profit developers.<sup>33</sup> However, in FY 2011 the amount available was reduced to \$2.3 million.<sup>34</sup></p> <p>WASA is now called D.C. Water. No action taken.</p>	<p>D.C. Energy Office, DCRA</p>
<p>2.3</p>	<p>Increase homeownership rate to 44 percent</p>	<p>The homeownership rate in 2009 was 44.8 percent. While this means the District has exceeded the goal, it is important to note that homeownership has only increased for those households with annual income greater than \$75,000.</p> <p>DCHA staff support up to 500 FSS families to help them work toward specific financial goals.</p> <p>DHCD provides limited funding for all District workers</p>	<p>COH</p>
	<p>2.3a: Strengthen the existing</p>		<p>COH</p>

<sup>33</sup> Office of the Deputy Mayor for Planning and Economic Development. 2010. "FY2011 NIF PDG Notice of Funding Availability." (<http://dmped.dc.gov/DC/DMPED/Opportunities/Grant+Opportunities/Neighborhood+Investment+Fund/FY2011+NIF+PDG+NOFA>) [March 25, 2011]

<sup>34</sup> "Fiscal Year 2011 Supplemental Budget Support Emergency Act of 2010". B18-1098 (<http://dccouncil.us/images/00001/20110110163441.pdf>) [March 25, 2011]

#	Recommendations	Status	Lead Agency
	<p>Employer Assisted Housing (EAH) program for city government workers.</p> <ul style="list-style-type: none"> <li>• Increase the amount of EAH awards and remove limitations on qualifying workers combining Home Purchase Assistance Program and EAH assistance</li> <li>• Encourage private employers to develop EAH programs as a part of their workers' benefits package by providing grants, forgivable loans, and onsite homeownership seminars to encourage workers to live where they work</li> <li>• Work with NCPC to determine whether a</li> </ul>	<p>– up to \$1,500 in matching down payments and up to \$10,000 in deferred loan payments. Eligible applicants must be full-time District employees, be first-time homebuyers, be able to obtain a mortgage, and have a good credit score.<sup>35</sup></p> <p>District employees belonging to certain unions can now get assistance with down payment and closing costs on a primary residence through NEAHP (up to \$26,500, depending on years of service). Employees must be in good standing with a good credit rating, and cannot have primary ownership interest in any residential property within the District of Columbia for the three years prior to their application.</p>	

<sup>35</sup> District of Columbia Department of Housing and Community Development. 2010. "Employer Assisted Housing Program." ([www.dhcd.dc.gov/dhcd/frames.asp?doc=/dhcd/lib/dhcd/info/pdf/ehap.pdf](http://www.dhcd.dc.gov/dhcd/frames.asp?doc=/dhcd/lib/dhcd/info/pdf/ehap.pdf) [March 23, 2011]).

#	Recommendations	Status	Lead Agency
	federal EAH pilot can be devised to assist income-eligible federal workers located in the city.		
	<b>2.3b:</b> Implement the 2002 city ordinance that provides a tax credit for low-income, long-term homeowners to help them maintain their homes.	The Lower Income, Long-Term Homeowners Credit has been implemented, but no further information is available.	Office of Tax and Revenue
	<b>2.3c:</b> Invest in programs that support Individual Development Accounts (IDAs) that assist low-income persons to save for first-time home purchases.	No action taken.	DHCD
	<b>2.3d:</b> Revise the disposition strategy of the Home Again Initiative to focus on creating affordable homeownership units in strong-market areas and market-rate homeownership in weak-market areas.	Legislation passed in spring 2006 requires at least 30 percent of Home Again housing to be affordable and expands uses to allow rental units. However, the Home Again Initiative has since been abandoned, and as of 2009 the DHCD Property Acquisition Disposition Division controlled the properties and was in the process of auctioning them off. Currently, 113 properties are listed as in the program, and are in every ward but Ward 3. About one-fourth of the	DM/PED

#	Recommendations	Status	Lead Agency
	<p>properties are vacant homes and the rest are empty lots.<sup>36</sup></p> <p><b>2.3e:</b> Encourage homeownership programs.</p> <ul style="list-style-type: none"> <li>• Improving and targeting homeownership financing, counseling, and other resources to very low-, low-, and moderate-income homeowners.</li> <li>• Funding should be increased, while improving oversight and management.</li> </ul>	<p>Homeownership programs include the Home Purchase Assistance Program (HPAP), the Employer Assisted Housing Program (EAHP), and the Police Officers special home purchase assistance program. While the City Council approved new Home Purchase Assistance Program (HPAP) regulations in FY 2007/FY 2008 that allowed assistance up to \$70,000 per unit for first time homebuyers with the lowest income, the FY 2009 budget revision reduced the maximum loan amount to \$40,000, with corresponding reductions in each income bracket. While the city hoped that the reduction would maintain the number of loans granted by the program, the dramatic cuts in program funding have impeded the progress made in response to the CHSTF recommendations.</p> <p><b>LOANS</b></p> <p>DHCD nearly doubled the yearly number of HPAP loans from 278 in 2006 to 513 in 2007.</p> <ul style="list-style-type: none"> <li>• FY 2008 = 508 first-time homebuyers</li> <li>• FY 2009 = 320 first-time homebuyers</li> <li>• FY 2010 = 300 first-time homebuyers (estimate)</li> </ul>	DHCD

<sup>36</sup> Silverman, Cary. 2010. "Home Again: The Good, The Bad, The Ugly." *The Other 35 Percent*. July 23. (<http://theother35percent.blogspot.com/2010/07/home-again-good-bad-ugly.html> [March 22, 2011]).



#	Recommendations	Status	Lead Agency
		<ul style="list-style-type: none"> <li>• FY 2011 = it is unclear how the program will serve an additional 200 homebuyers given the budget allocation to HPAP.<sup>37</sup></li> </ul> <p><b>FUNDING</b></p> <ul style="list-style-type: none"> <li>• Local and federal funds for homeownership programs more than doubled in FY 2007 to \$29 million, from \$13 million in FY 2006.</li> <li>• A budget allocation of \$27 million in FY 2008 was enough to provide 508 first-time homebuyers with loans.</li> <li>• Funding fell to \$18.9 million for FY 2009.</li> <li>• Local funding fell again in FY 2010 to \$16.9 million. With additional federal stimulus funds DHCD served roughly 300 households. This included \$6.5 million DHCD received from ARRA for its first-time homebuyer program.</li> <li>• Funding for FY 2011 was approved at \$17.3 million. The D.C. Council Committee on Housing and Workforce Development restored the Mayor's proposed cut of \$2.1 million to the Housing Purchase Assistance Program with money from</li> </ul>	

<sup>37</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget for Affordable Housing?" Washington. (<http://www.dcfpi.org/wp-content/uploads/2009/03/FY2011AffordableHousingToolkit2.pdf> [March 23, 2011]).

#	Recommendations	Status	Lead Agency
		<p>the DCHD Unified Fund, a special purpose fund used only for affordable housing activities.<sup>38</sup></p> <ul style="list-style-type: none"> <li>In FY 2011, ARRA will support \$2.8 million of HPAP with remaining neighborhood stabilization funds, to be directed towards the Ivy City/Trinidad, Deanwood, and Anacostia neighborhoods.</li> <li>The Council approved \$17.2 million to fund HPAP in FY 2012.</li> </ul> <p>The D.C. Housing Finance Agency (DCHFA) also offers a 30-year, fixed rate, low interest, mortgage product for homebuyers in D.C. In November 2009, the federal Treasury Department approved the purchase of \$193 million (2010\$) worth of DCHFA bonds to support mortgage loans to low- and moderate-income borrowers through the Obama Administration's New Issue Bond Program. These funds became available for use in Jan. 2010.<sup>39</sup></p>	

<sup>38</sup> Brown, Michael. 2010. "Report and Recommendations of the Committee on Housing and Workforce Development on the Fiscal Year 2011 Budget for Agencies under Its Purview." Washington. ([www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF](http://www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF) [March 22, 2011]).

<sup>39</sup> District of Columbia Housing Finance Agency. 2010. "The District Awarded \$193 Million Under Obama Administration's New Initiative for State and Local Housing Agencies". Washington. ([www.dchfa.org/Portals/0/Documents/PressReleases/Press-Release-DCHFA-NIBP-1-12-10.pdf](http://www.dchfa.org/Portals/0/Documents/PressReleases/Press-Release-DCHFA-NIBP-1-12-10.pdf) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		DCHFA will spend \$168 million bulking up its multifamily program and the rest revitalizing its single-family mortgage program. <sup>40</sup>	
	<b>2.3f:</b> Examine the feasibility of matching the Federal first-time homebuyer tax credit with a D.C. tax credit for homebuyers in distressed or emerging neighborhoods.	No action taken.	
	<b>2.3g:</b> Create a grant or no-interest loan program to help low-income homeowners in historic districts repair and maintain their homes.	The Historic Homeowner grant program offers home improvement grants of up to \$35,000 to low- and moderate-income residents who are living in historic districts. The program was created by the Targeted Historic Preservation Assistance Amendment Act of 2006.	OP/ Historic Preservation Office
	<b>2.3h:</b> Increase assistance to tenants seeking to purchase their units. <ul style="list-style-type: none"> <li>• Review the experience of the Tenant Purchase program in preserving affordable housing for</li> </ul>	The Tenant Opportunity to Purchase Program (TOPA) within DCHD finances rental and homeownership opportunities for low-income residents. Mayor Gray's proposed FY 2012 budget does not fund TOPA.  The Rental Housing Conversion and Sale Act Task Force held a public hearing on its report in late 2006,	DHCD Council

<sup>40</sup> Plumb, Tierney. 2010. "D.C. Gets \$139M for Housing Initiatives." *Washington Business Journal*. January 13 (<http://washington.bizjournals.com/washington/stories/2010/01/11/daily45.html?surround=ifn> [March 22, 2011]).

#	Recommendations	Status	Lead Agency
	<p>existing residents</p> <ul style="list-style-type: none"> <li>Enhance current means of providing technical, financial, legal, organizing, and language assistance to tenants in exercising purchase rights</li> <li>Improve process through dialogue among tenants, landlords, developers, city officials, tenant counseling services, and other interested parties.</li> </ul>	<p>and presented recommendations to strengthen legislation on tenant-purchasing opportunities.<sup>41</sup> According to the report DHCD committed \$10 million in FY 2007 to tenant purchase; DHCD promised increased staffing; and DHCD increased its technical assistance contract with a nonprofit provider to provide for two additional staff.</p> <p>According to an advocacy group, the new regulations adopted by DHCD to restrict financing make it very difficult for low-income tenants in higher priced neighborhoods to purchase. See Recommendation 2.1d.</p>	
	<p><b>2.3i:</b> Ensure that non-English speaking tenants and homeowners have access to all programs dedicated to increase homeownership and</p>	<p>DHCD attempts to serve Spanish, French, Chinese (Mandarin/Cantonese), Vietnamese, Korean, and Ethiopian (Amharic) populations through translated written materials and interpretation services. The nonprofit advocacy group D.C. Language Access gave</p>	<p>DHCD DCHFA DCRA</p>

<sup>41</sup> District of Columbia Government. 2006. "Rental Housing Conversion and Sale Act Task Force Holds Public Hearing." District of Columbia Government (<http://newsroom.dc.gov/show.aspx/agency/dcra/section/2/release/10167/year/2006> [March 23, 2011]).

#	Recommendations	Status	Lead Agency
	tenant assistance by providing application forms and information documents in languages such as Spanish, Chinese, and Korean.	DHCD a rating of “partial compliance” with the Language Access Act of 2004 for FY2009. <sup>42</sup> While DHCD has implemented appropriate policies and procedures to provide services to non-English speaking populations, they currently fall short during implementation.	
<b>2.4</b>	Directly assist 14,600 additional extremely low-income renter households.	<p>The city began funding housing vouchers and new unit construction through the Local Rent Supplement Program (LRSP) in 2007 via the D.C. Housing Authority subsidy, which also funds the Housing Choice Voucher Program (formerly Section 8). Unfortunately, funding has fallen short of that necessary to meet the goal of approximately 1,000 new subsidies per year.</p> <ul style="list-style-type: none"> <li>• The City Council increased funding for LRSP in FY 2009 by \$2 million in the final budget, but then removed these funds when the budget was revised in July 2009.</li> <li>• The Mayor’s FY 2010 budget proposal allocated \$25 million to the Housing Authority Subsidy, which was \$7 million less than the revised FY 2009 budget of \$32 million.</li> </ul>	DCHA

<sup>42</sup> Velasquez, Gustavo. 2009. “Language Access In The District: An Annual Compliance Review and 5-Year Checkpoint.” District of Columbia Office of Human Rights ([www.dclanguageaccess.org/cm/files/FY09%20LA%20Compliance%20Report%20\(Full%20Report\).pdf](http://www.dclanguageaccess.org/cm/files/FY09%20LA%20Compliance%20Report%20(Full%20Report).pdf) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		<ul style="list-style-type: none"> <li>In FY 2011, DCHA received approximately \$25 million. However, DCHA is expected to be able to continue funding all commitments by using unspent funds carried over from previous fiscal years</li> </ul> <p>As of February 2010 the LRSP voucher program had only funded about 1,750 households. In the budget report released in May 2010, the Committee on Housing and Workforce Development estimated that “in reality we are somewhere in the neighborhood of \$60,000,000 and 4,000 families behind the goals of the Comprehensive Housing Strategy Task Force.”<sup>43</sup> Mayor Gray’s proposed FY 2012 budget called for phasing out the tenant voucher program by not issuing new vouchers when old vouchers were turned in. The Council reinstated the tenant voucher program in the final budget. However, the Council did approve the Mayor’s plan to transfer \$18 million from the Housing Production Trust Fund (HPTF) to the LRSP to fund new construction. At the time the budget passed this transfer constituted the entirety of increased HPTF revenues projected for FY 2012. If revenue projections increase, this transfer may be restored to</p>	

<sup>43</sup> Brown, Michael. 2010. “Report and Recommendations of the Committee on Housing and Workforce Development on the Fiscal Year 2011 Budget for Agencies under Its Purview.” Washington. ([www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF](http://www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
	<p>the HPTF.</p> <p><b>2.4a:</b> Continue support for Housing Choice Voucher Program in order to preserve rent subsidies for the current level of 10,000 households.</p> <p><b>2.4b:</b> DCHA should partner with private affordable housing providers and the District government to use a revised subsidy-only protocol to efficiently create 1,000 additional units of housing, subsidized under the public housing Annual Contributions Contract. Local matching financial support will be needed to make such partnerships feasible.</p> <p><b>2.4c:</b> Support the “Homeless No More” initiative by subsidizing (for people below 20 percent of AMI):</p> <ul style="list-style-type: none"> <li>• 2,000 units of single-room occupancy (SRO) or other modest housing</li> </ul>	<p>The FY 2007 budget included \$6.9 million in special allocation to DCHA for this purpose. DCHA has 10,300 units.</p> <p>DCHA is considering pilot project that would use both ACC and rent supplement.</p> <p>The LRSP was created in 2007. It has provided roughly 1,700 units to date.</p>	<p>DCHA</p> <p>DCHA</p> <p>DCHA</p>

#	Recommendations	Status	Lead Agency
	<p>with dedicated supportive services;</p> <ul style="list-style-type: none"> <li>1,000 units of SRO or other modest housing and 3,000 units of family housing, linked with community-based services.</li> </ul>		
	<p><b>2.4c(i):</b>A local rent subsidy either tied to the production of units or to leased units is needed in order to cover the operating costs of units under this initiative.</p>	<p>See 2.4 for information on the Local Rent Supplement Program (LRSP)</p>	<p>DCHA</p>
	<p><b>2.4d:</b> Create local rent subsidy tied to the production of new units in order to cover the operating cost of the proposed goal to produce 7,600 new units targeted at meeting the needs of households at or below 30 percent of AMI</p>	<p>In FY 2007 and FY 2008, the Local Rent Supplement Program had funding available for vouchers for households at or below 30 percent of AMI. The Tenant-Based Program has roughly 167 participant households.</p>	<p>DCHA</p>
	<p><b>2.4e:</b> Revive/strengthen emergency assistance program, at least for rent, mortgage, and/or utilities</p>	<p>The District revived the Emergency Rental Assistance Program (ERAP) in 2006, a major tool in homelessness prevention. In FY 2008, approximately 3,700 households received assistance from ERAP in</p>	<p>City Administrator ; D.C. Office of Energy</p>



#	Recommendations	Status	Lead Agency
	<p>expenses for very low-income families to prevent homelessness.</p>	<p>order to either prevent eviction or move into affordable housing, with eviction prevention consuming 87 percent of funds. Currently, ERAP assists households in need of rental assistance to prevent eviction, or those in need of first month rent and/or a security deposit (these are often households with housing vouchers who would otherwise be unable to use them). The average payment is \$2,344 per family. In FY 2008, 3,714 households received \$7.5 million in assistance from ERAP in order to either prevent eviction or move into affordable housing.<sup>44</sup> Eviction prevention consumed 87 percent of funds. The FY 2011 budget allocated \$7.3 million in FY 2011.<sup>45</sup> ERAP will receive \$7.4 million in FY 2012.</p> <p>DHCD also received \$7.5 million in Homeless Prevention and Rapid Re-Housing Funds through ARRA in November 2009.</p>	
	<p><b>2.4f: Increase city's minimum wage.</b></p>	<p>The minimum wage rose to \$7.55 per hour on July 24, 2008 and to \$8.25 per hour on July 24, 2009. By law</p>	DOES

<sup>44</sup> Watkins, Tyra. 2008. "Emergency Rental Assistance Program." District of Columbia Department of Human Services. (<http://dhs.dc.gov/dhs/cwp/view,a,3,q,641266.asp>. [March 22, 2011]).

<sup>45</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget: A First Look?" Washington. ([www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf](http://www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
	<p>the D.C. minimum wage must be at least one dollar higher than the federal minimum wage.</p> <p><b>2.4g:</b> Institute a living-wage requirement.</p>	<p>D.C. passed The Living Wage Act of 2006, which requires recipients of contracts or government assistance to pay employees or subcontractors a “living wage.” In 2011 the living wage is \$12.50 per hour; it is annually adjusted for inflation no later than March 1<sup>st</sup>. The requirement applies to recipients of contracts with the D.C. government for over \$100,000; all subcontractors receiving at least \$15,000 from these funds; and all subcontractors receiving at least \$50,000 in D.C. government assistance (with some exceptions).</p>	DOES
<b>2.5</b>	Undertake a multi-year, mixed media, public service announcement campaign focused on housing affordability and its benefits	<p>DCHD began an Annual D.C. Housing Expo and Foreclosure Clinic at the Washington Convention Center in 2009, which provides information regarding homeownership, foreclosure prevention, financial literacy, rental housing and community development. The event also provides free credit reports and free credit and foreclosure counseling.<sup>46</sup> In addition, the FY 2011 budget includes \$500,000 in funds for foreclosure counseling to be administered by DHCD.</p>	COH

<sup>46</sup> District of Columbia Government. “2<sup>nd</sup> Annual D.C. Housing Expo and Foreclosure Clinic This Saturday!” District of Columbia Department of Housing and Community Development. (<http://newsroom.dc.gov/show.aspx/agency/dhcd/section/2/release/19473> [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		<p>The "Saving D.C. Homes from Foreclosure Emergency Act of 2010" requires lenders to offer mediation to delinquent homeowners prior to foreclosure. Only after the homeowner fails to take advantage of mediation, or mediation fails, can the lien holder move forward. Regulations pertaining to the act are expected in March 2011.</p>	
<b>2.6</b>	<p>Review and modify as needed the existing grant and loan requirements and procedures tied to the Housing Production Trust Fund to ensure funds are utilized efficiently, effectively and flexibly.</p>	<p>DHCD has adopted the timeline for processing loans and grants recommended by the Housing and Community Development Reform Advisory Commission – which would cut in half the average time taken from date of application to loan closing to a maximum of 9 months (10 months if Council approval required)</p> <p>DHCD started the process of evaluating underwriting guidelines for HPTF deals and intended to convene a working group on underwriting guidelines in the summer of 2008. However, this did not happen. See above for the answer to 2.1(d).</p>	DHCD
<b>2.7</b>	<p>Identify and tap new sources of revenue for the Housing Production Trust Fund (HPTF).</p>	<p>In accordance with legislation passed in 2002, 15 percent of real estate deed and recordation taxes are allocated to the Housing Production Trust Fund. In FY</p>	DHCD

#	Recommendations	Status	Lead Agency
		<p>2007, the Council approved an increase in deed tax rates to expand the capacity of the HPTF to provide additional affordable housing units. While funding was secure and increasing during the period FY 2006 – FY 2008, thereafter the housing market crisis shrank the resources available from real estate taxes. Revenue from the deed recordation tax, and the entire HPTF budget, fell significantly during the recent recession. Recently revenue has increased, though not nearly to pre-recession levels.</p> <ul style="list-style-type: none"> <li>• Since 2007, the Housing Production Trust Fund has funded the development of approximately 2,600 affordable housing units into the pipeline.<sup>47</sup> However, given the decline in funding over time \$120 million in approved HPTF projects have not been able to move forward.<sup>48</sup></li> <li>• The Department of Housing and Community Development (DHCD) was approved for an additional one-time allocation of \$30 million from the supplemental budget in FY2008, which went into the HPTF.</li> </ul>	

<sup>47</sup> Lazere, Ed. 2010. "Nowhere To Go: As D.C. Housing Costs Rise, Residents Are Left With Fewer Affordable Housing Options." Washington: D.C. Fiscal Policy Institute. ([www.dcfpi.org/howhere-to-go-as-dc-housing-costs-rise-residents-are-left-with-fewer-affordable-housing-options](http://www.dcfpi.org/howhere-to-go-as-dc-housing-costs-rise-residents-are-left-with-fewer-affordable-housing-options) [March 22, 2011]).

<sup>48</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget for Affordable Housing?" Washington. ([www.dcfpi.org/wp-content/uploads/2009/03/FY2011AffordableHousingToolkit2.pdf](http://www.dcfpi.org/wp-content/uploads/2009/03/FY2011AffordableHousingToolkit2.pdf) [March 23, 2011]).

#	Recommendations	Status	Lead Agency
		<ul style="list-style-type: none"> <li>• In the fall of 2008, the Council passed a resolution calling for a funding floor of \$70 million in FY 2010 and \$80 million thereafter, but the budgets do not reflect this. In addition, the administrative share of HPTF expenses has risen due to the decline in the size of the total fund, further constraining affordable housing provision.</li> <li>• HPTF funding peaked in FY 2008 at \$74 million. It fell to \$30 million in FY 2009, then \$13 million in FY 2010.</li> <li>• As part of the FY 2010 budget, the City Council raised the upper limit on the percentage of HPTF that can go toward administrative expenses from 5 to 10 percent though the Mayor had unsuccessfully proposed a 20 percent limit. They also mandated that at least 50 percent of the revenue DHCD raises by selling property go the HPTF.</li> <li>• Over the last several quarters the Office of the Chief Financial Officer has forecast increased property deed and recordation tax revenues. Combined with a one-time payment of almost \$10 million dollars from the City Center developers (in exchange for reduced affordable housing production), actual FY 2011 spending is projected to be \$43.3 million.</li> </ul>	

#	Recommendations	Status	Lead Agency
		<ul style="list-style-type: none"> <li>In FY 2012 funding for the HPTF will be \$35.1 million. However, \$18 million of that funding will be diverted to DCHA to finance new construction through the LRSP. After administrative costs and the DCHA transfer the HPTF will have only \$11.7 million for core purposes.</li> <li>Public funds for the New Communities program are also drawn from the Housing Production Trust Fund. In FY 2012 approximately \$6.7 million (on top of the \$35.1 million already discussed) will be securitized to provide for New Communities bonds. The amount dedicated to this debt service is projected to increase in the following years, reaching \$14.5 million by FY 2015. See also recommendation 3.2.</li> </ul>	
	<p><b>2.7a:</b> Increase the portion of the deed recordation tax dedicated to the HPTF to 20 percent from 15 percent</p>	<p>The portion of the deed recordation tax going to the HPTF remains at 15 percent.</p>	Mayor/Council
	<p><b>2.7b:</b> Restore the level of the deed recordation tax to 1.5 percent and dedicate the entire proceeds from the 0.4 percent increment to the HPTF.</p>	<p>The FY 2007 budget increased the deed recordation tax from 1.1 percent to 1.45 percent for properties worth more than \$400,000. While the extra 0.35 percentage points are not separately dedicated to the HPTF the higher rate does result in additional revenues for the HPTF beyond what would be allocated in its absence (assuming total revenues from</p>	Mayor/Council

#	Recommendations	Status	Lead Agency
		<p>the deed recordation tax are higher, which seems unlikely in the current housing downturn).</p> <p>The District likely also lost deed recordation tax revenue due to mortgage industry practices in recent years. It has recently come to light that the mortgage industry circumvented local property regulations nationwide to facilitate mortgage securitization on a vast scale.<sup>49</sup> The industry created a company called MERS to serve as a proxy for the actual owner of the mortgage, thus allowing the industry to exchange mortgages very quickly while avoiding local paperwork and tax payments. Homeowners across the country are now challenging the legality of MERS and of foreclosure proceedings in which MERS initiates the foreclosure. It may never be clear how much revenue the District lost to this business practice.</p>	
	<p><b>2.7c:</b> Earmark a small percent of the increase in revenue from residential real estate taxes over a base year for the HPTF.</p> <p><b>2.7d:</b> Require a direct linkage</p>	<p>No action taken. Residential real estate taxes have gone down due to the recession, meaning that implementing this recommendation would not have resulted in additional revenues from 2006 to 2009.</p> <p>Based on policies adopted in cities nationwide, this fee</p>	<p>Mayor/Council Office of</p>

<sup>49</sup> Dennis, Brady and Ariana Eunjung. 2010. "In Foreclosure Controversy, Problems Run Deeper Than Flawed Paperwork." *The Washington Post*. October 7. ([www.washingtonpost.com/wp-dyn/content/article/2010/10/06/AR2010100607227.html](http://www.washingtonpost.com/wp-dyn/content/article/2010/10/06/AR2010100607227.html) [March 22, 2011]).  
Dennis, Brady and Ariana Eunjung. 2010. "Reston-Based Company MERS in the Middle of Foreclosure Chaos." *The Washington Post*. October 8. ([www.washingtonpost.com/wp-dyn/content/article/2010/10/07/AR2010100702742.html](http://www.washingtonpost.com/wp-dyn/content/article/2010/10/07/AR2010100702742.html) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
	fee for some types of commercial-residential development to the HPTF.	would be imposed on new commercial and residential development in the District, and the revenue would go to the HPTF. While the City's FY 2007 budget provided \$80,000 for the first step of the program, a commercial linkage nexus study by the Office of Planning, the recommendations have not been adopted into official policy and little progress has been made since.	Planning
	<b>2.7e:</b> Require commercial developers granted planned-unit development zoning to contribute a fee to the HPTF to fulfill their affordable housing requirement.	(see 2.7d) Zoning Commission is requiring affordable housing built on site to accomplish goal of an Inclusive City.	Office of Planning; Zoning Commission
<b>2.8</b>	Be careful to determine whether any proposed changes to rent control program improve effectiveness, fairness and affordability without discouraging maintenance and preservation of rental units.	The Rent Control Reform Act of 2006 (L16-0145) strengthened rent control legislation, offering protection to elderly and disabled residents and mandating lower and less frequent increases on rent for occupied and vacant apartments. The Council approved a ten-year extension of rent control in December of 2010.  Bill 18-548, the Rent Increase Amendment Act of 2009, would have altered the process for landlords imposing "hardship" increases under the Rental	Council



#	Recommendations	Status	Lead Agency
		Housing Act and would protect tenants against unlawful increases in rent that would force them out of their homes. The bill had a hearing in April 2010 but has not progressed further.	
<b>DEVELOPING MIXED-INCOME NEIGHBORHOODS</b>			
<b>3</b>	<p><i>Direct public and private funds toward developing attractive mixed-income neighborhoods in all parts of the city and especially in the “new neighborhoods”</i></p> <ul style="list-style-type: none"> <li>• Strategically manage neighborhood change to preserve character of stable neighborhoods and make blighted areas more attractive</li> <li>• Encourage higher-density development along major transportation corridors and around subway stations</li> <li>• Create transition zones between higher-density and lower-density areas, if feasible</li> </ul>		
<b>3.1</b>	Choose existing neighborhoods with potential for sustained improvements; coordinate investments in these neighborhoods, targeting a limited number at a time.	Affordable housing projects located in D.C. targeted geographic areas score more competitively under DHCD's affordable housing RFP.	City Administrator
<b>3.2</b>	(New Communities): Continue efforts to transform distressed public and assisted housing projects into viable mixed-income neighborhoods, using	<ul style="list-style-type: none"> <li>• FY 2007 budget provided \$4 million for NC Human Capital initiative and \$1.8 million for NC planning. Council authorized securitization of an additional \$6 million annually from HPTF for NC (total now \$12 million per year for life of bond</li> </ul>	DM/PED

#	Recommendations	Status	Lead Agency
	<p>HOPE VI, capital and modernization funding, CDBG, and other city resources.</p>	<p>issue)</p> <ul style="list-style-type: none"> <li>• City’s planning for NW1 (Sursum Corda) NC continues</li> <li>• City released draft plan for Barry Farms/Park Chester/Wade Road NC</li> <li>• City released draft plan for Lincoln Heights/Richardson Dwellings NC</li> </ul> <p>“New Communities” represents the city’s primary program targeting distressed neighborhoods. The program leverages local funds from the Housing Production Trust Fund (HPTF) to unlock private investment in mixed income housing. In order to take advantage of the program developers guarantee at least a 1:1 replacement of all existing affordable units, usually dividing the housing stock evenly between residents making below 30 percent AMI, between 30 and 80 percent AMI, and above 80 percent AMI. The use of HPTF funds requires that units remain affordable for forty years. \$6.7 million will be securitized to provide for New Communities bonds in FY 2012, rising to \$14.5 million by FY 2015. New Communities has targeted four sites in the District: Northwest One, Barry Farm, Lincoln Heights, and Park Morton. At least one building at the first planned New Communities site—Northwest One—has been</p>	

#	Recommendations	Status	Lead Agency
		<p>demolished, and several key community amenities have been built, including a new library and recreation center. The recession stalled construction on the site, but the city now expects the first new housing units to open late 2011 or early 2012 as private financing finally appears to be unlocking. Local housing advocates are worried that once construction is finished 64 percent of units in Northwest One will be listed at market rate, and 24 percent of units will be allocated for low-income residents, instead of the promised 33 percent for each.</p>	
<b>3.3</b>	<p>(New Neighborhoods): development of large parcels of public land into “new neighborhoods” should provide affordable housing to all income levels and types of households.</p>	<p>The District is in the process of planning the redevelopment of large parcels of publically owned land, such as the Southwest Waterfront, McMillan Reservoir, the St. Elizabeth’s campus, and the former Convention Center site. However, the affordability of these new developments is in question. For example, the developer for the Southwest Waterfront initially committed to provide 30 percent of units as affordable, with financing from DCHFA. In January of 2011, the D.C. Council passed legislation allowing the developer to limit this commitment to the first 500 mixed-use units.<sup>50</sup></p>	<p>NCRC; DM/PED; OP</p>

<sup>50</sup> “Southwest Waterfront Redevelopment Clarification Act of 2010.” D.C. Law 17-138; D.C. Official Code § 2-1226.02(b)([www.dccouncil.washington.dc.us/images/00001/20110105124305.pdf](http://www.dccouncil.washington.dc.us/images/00001/20110105124305.pdf)) [March 22, 2011].

#	Recommendations	Status	Lead Agency
3.4	Appropriate neighborhood scale retail should be encouraged through zoning changes, financial incentives, marketing, and recruitment efforts.	No action taken.	
<b>SPECIAL NEEDS HOUSING</b>			
4	<i>D.C. should integrate housing for persons with special needs into all types of housing in neighborhoods throughout the city</i>	Disability Rights Protection Act of 2006 enacted December 2006; Act creates a D.C. Office of Disability Rights	
4.1	Concentrate on permanent housing solutions for special-needs populations rather than building up short-term housing; in the interim providing adequate short-term options	The District's permanent supportive housing program for homeless and other special needs persons began in FY 2009 and is known as Housing First. Former Mayor Fenty made permanent supportive housing for the extremely low-income and homeless populations a priority, though housing advocates dispute the effectiveness of these programs as temporary or transitional options are not always identified while residents wait for permanent housing. In FY 2011 total (local plus federal) funding for this program was \$30.3 million. However, in FY 2012 federal funding for this program will be significantly reduced. The District	City Administrator

#	Recommendations	Status	Lead Agency
		<p>therefore increased local funding enough to offset much of this loss. Total funding will be \$26.8 million in FY 2012.</p> <p>As of January 2009 there were 3,469 formerly homeless individuals living in permanent supportive housing, a 15 percent increase since 2007.</p> <ul style="list-style-type: none"> <li>• FY 2007 Budget provided \$7.5 million for emergency assistance to prevent eviction (stimulus funds?)</li> <li>• 218 homeless family units open or funded and in the pipeline 2005/06 (out of goal of 300/yr)</li> <li>• 275 units for homeless individuals open or funded and in the pipeline 2005/06 (out of goal of 300/yr)</li> </ul> <p>Unfortunately, the District's homeless population is growing. According to the Community Partnership for the Prevention of Homelessness, the combination of the high poverty and a severe lack of affordable housing is the main contributor to homelessness of families in the city.<sup>51</sup> The population of literally homeless persons, who live on the street or in shelters or transitional housing, has increased by 13 percent</p>	

<sup>51</sup> The Community Partnership for the Prevention of Homelessness. 2010. "Fast Facts on Homelessness in D.C." Washington. ([www.community-partnership.org/cp\\_dr-Fastf.php](http://www.community-partnership.org/cp_dr-Fastf.php) [March 25, 2011]).

#	Recommendations	Status	Lead Agency
		<p>since 2007, rising to 6,546 in January 2011 (though it was essentially unchanged from 2010 to 2011).<sup>52</sup> There are 858 literally homeless families in the District, which are usually female-headed, and very often lived in Wards 7 or 8 before becoming homeless.<sup>53</sup> Children make up 60 percent of all people in homeless families, and 25 percent of the total homeless population. Unfortunately, District shelters have begun refusing entry to homeless families. As of July 2010, the emergency shelter waiting list had grown to 543 families.<sup>54</sup></p> <p>As in most jurisdictions, public/private partnerships, churches, and other nonprofit organizations have been an integral part of the District's response to homelessness.<sup>55</sup> For example, the Community Partnership for the Prevention of Homelessness helps roughly 1,200 families avoid the shelter system, the</p>	

<sup>52</sup> Ferrell, Michael. 2011. Preliminary Results – 2011. "Homeless Enumeration for the Washington Metropolitan Region." Washington: Metropolitan Washington Council of Governments. (<http://www.mwco.org/uploads/committee-documents/bV5WXXvd20110413134312.pdf>) [April 18, 2011].

<sup>53</sup> "Fast Facts on Homelessness in D.C." 2010.

<sup>54</sup> Aleksandra, Gajdecka. 2011. "Interim Disability Assistance at Risk: A DCFPI Video." March 23. (<http://washingtonlegalclinic.wordpress.com/>) [March 23, 2011].

<sup>55</sup> DePillis, Lydia. 2011. "Houses of the Lord: The Biggest Producer of New Affordable Housing in D.C.? God." *Washington City Paper*. February 10. ([www.washingtoncitypaper.com/blogs/housingcomplex/2011/02/10/houses-of-the-lord-the-biggest-producer-of-new-affordable-housing-in-d-c-god/](http://www.washingtoncitypaper.com/blogs/housingcomplex/2011/02/10/houses-of-the-lord-the-biggest-producer-of-new-affordable-housing-in-d-c-god/)) [March 23, 2011].

#	Recommendations	Status	Lead Agency
		<p>Washington Legal Clinic for the Homeless provides legal services for over 1,000 homeless persons, and Miriam's Kitchen serves meals and provides case management services to over 4,000 homeless persons every year.</p>	
<p><b>4.2</b></p>	<p>Coordinate housing and services funding in a way that supports special-needs populations in housing.</p>	<p>While advocates have pushed for a consolidated RFP process for years, and there has been some movement towards it, the District has not yet coordinated operating and production dollars, much less service dollars.</p> <p>The FY 2011 budget included a \$6 million cut in Interim Disability Assistance (IDA), which provides cash assistance for District residents with disabilities who depend on federal disability benefits for income and are waiting for approval. This major cut in funding may leave certain residents with no resources to pay for basic housing costs.</p> <p>In the FY 2011 budget, the D.C. Council preserved Mayor Fenty's proposed \$4 million cut in homeless services although the number of homeless individuals in the city has been rising.<sup>56</sup> The Council restored</p>	

<sup>56</sup> D.C. Fiscal Policy Institute. 2010. "What's in the FY 2011 Budget: A First Look?" Washington. ([www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf](http://www.dcfpi.org/wp-content/uploads/2010/06/6-15-10budgetwrap-up.pdf) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		<p>Fenty's proposed \$1.19 million cut to the Child and Family Services Agency Rapid Housing Program, which provides emergency funds to families at risk of losing their children due to homelessness.<sup>57</sup></p> <p>The Department of Mental Health's (DMH) Bridge Subsidy program assists in the transition from temporary housing to independent living. In FY 2009 the program ran out of funds after the fifth month, a symptom of its budget stagnating while need increased.<sup>58</sup> The program received \$6 million in the FY 2012 budget – the fourth year in a row that funding has been flat. The program provides support for approximately 750 people and will not expand its services in 2011.</p> <p>Housing programs for AIDS patients seem to be faring worse, even as the need for them continues to be large. The Washington Post found significant waste in the city's spending for AIDS patient housing programs. "More than \$1 million in AIDS money went to a</p>	

<sup>57</sup> Cherkis, Jason. 2010. "Fenty's Proposed Budget Cuts Include Housing Program." *Washington City Paper*. April 19. ([www.washingtoncitypaper.com/blogs/citydesk/2010/04/19/fentys-proposed-budget-cuts-include-housing-program/](http://www.washingtoncitypaper.com/blogs/citydesk/2010/04/19/fentys-proposed-budget-cuts-include-housing-program/) [March 22, 2011]).

<sup>58</sup> District of Columbia Government Department of Mental Health. 2009. "DMH Bridge Subsidy Program (Home First) Exhaustion of Funds for FY 2009."



#	Recommendations	Status	Lead Agency
		<p>housing group whose ailing boarders sometimes struggled without electricity, gas or food. A supervisor said she was ordered to create records for ghost employees ... More than \$500,000 was earmarked for a housing program whose executive director had a string of convictions for theft, drugs and forgery. After the D.C. Inspector General's Office could find no evidence that he was operating an AIDS nonprofit group, the city terminated the grant but never sought repayment.”<sup>59</sup></p>	
<p><b>4.3</b></p>	<p>Implement the Mayor’s “Homeless No More” recommendations.</p> <ul style="list-style-type: none"> <li>• 2,000 permanent supportive housing units for chronically homeless</li> <li>• 4,000 housing units for at-risk households below 20 percent AMI</li> </ul>	<p>An Interagency Council on Homelessness was formed in 2006, and Mayor Fenty released a Strategic Plan for Ending Homelessness in 2010. The City’s FY 2007 budget allocated \$10 million specifically for the Homeless No More initiative, but since that time funding has been channeled through other programs Interagency Council on the Homeless formed (2006)</p> <ul style="list-style-type: none"> <li>• 218 homeless family units and 275 homeless individual units open or funded and in pipeline, out of goal of 600/yr (see 4.1)</li> <li>• 2,000 units @ 20% of AMI or below of SRO or other modest housing with dedicated supportive</li> </ul>	

<sup>59</sup> Cenziper, Debbie. 2009. “Staggering Need, Striking Neglect.” *The Washington Post*. ([www.washingtonpost.com/wp-dyn/content/article/2009/10/17/AR2009101701984.html?hpid=dynamiclead](http://www.washingtonpost.com/wp-dyn/content/article/2009/10/17/AR2009101701984.html?hpid=dynamiclead) [March 23, 2011]).

#	Recommendations	Status	Lead Agency
		<p>services</p> <ul style="list-style-type: none"> <li>• 1,000 units @ 20% of AMI or below of SRO or other modest housing</li> <li>• 3,000 units @ 20% of AMI or below of family housing linked with community based services</li> </ul> <p>The City Council has added funding for transitional housing for veterans in the past.</p>	
4.4	<p>Form an interagency task force between the Department of Mental Health (DMH) and the city's housing agencies to better coordinate services and housing financing.</p> <ul style="list-style-type: none"> <li>• Improve coordination of services and housing financing</li> <li>• Prevent eviction of people with mental illness from publicly financed housing</li> <li>• Ensure housing for mentally ill people is maintained during hospitalizations</li> <li>• Expand DMH program of</li> </ul>	<p>In 2008, DHCD and DMH collaborated to produce additional affordable units for DMH consumers, with the goal of allocating \$14 million towards the effort. However, the Bridge Subsidy Program, the main DMH housing program, has not expanded its services in the last three years. According to an advocacy group, as costs have gone up, fewer households can be serviced and DMH balances its budget through the attrition of individuals out of the program. DMH began a mediation program to assist clients with landlord-tenant disputes, but it is not clear how successful it has been.</p> <p>\$4 million for mental health housing over two years; DMH and DHCD have executed a Memorandum of Understanding (MOU) making \$14 million available for development of housing affordable to DHM consumers. DHCD will guide development process of</p>	DMH

#	Recommendations	Status	Lead Agency
	investing in housing for homeless and mentally ill	300 units over 2 years beginning in FY 2008. DMH and DHCD collaboration on production of 300 affordable units for DHM consumers is underway.	
<b>4.5</b>	Locate multifamily senior housing in areas with high proportions of senior-owned single family housing to foster turnover of single-family stock. Financial counseling (particularly regarding reverse mortgages and predatory lending) should be made available to senior homeowners.	No action taken.	DHCD
<b>4.6</b>	Experiment with additional short-term rent subsidies through the Department of Corrections for returning offenders and assess effects on recidivism. Remove barriers not required by federal law that prevent public housing residence upon reentry, to support family structures.	No action taken.	DOC

#	Recommendations	Status	Lead Agency
4.7	<p>Child and Family Services Agency should experiment with additional short-term subsidies for youth leaving foster care and expand independent living programs that include rent subsidy.</p> <ul style="list-style-type: none"> <li>• Identify housing intermediaries who can work on behalf of youth living independently</li> <li>• Help foster youth aging out develop housing plan prior to exiting the system</li> </ul>	<p>FY 2007 budget includes \$1.7M for housing homeless youth  City cut from budget short-term rental assistance fund for youth exiting foster care</p>	<p>City Administrator</p>
4.8	<p>8 percent of all units should be accessible to people with physical disabilities.</p> <ul style="list-style-type: none"> <li>• Units should spread evenly across affordability brackets</li> <li>• Accessibility design requirements should be incorporated into building</li> </ul>	<p>The Department of Human Services appointed an ADA Coordinator with a special focus on ADA compliance in the shelter system. However, for the most part, the recommendations regarding accessibility have not been implemented. Housing advocates note that DHCD does not seem to include the 8 percent requirement in any enforcement or incentive activities, and that the Building Code Commission did not incorporate all of the design</p>	<p>Department of Human Services</p>

#	Recommendations	Status	Lead Agency
	<p>code</p> <ul style="list-style-type: none"> <li>• Create financial incentives for landlords to retrofit units or build new ones</li> <li>• Expand and publicize DHCD loan program for low-income households</li> <li>• Create registry of affordable, accessible housing; aggressively matching units with need</li> </ul>	<p>requirements into the last wave of changes to the building code. Further, financial incentives provided by DHCD to improve accessibility are limited to owner-occupied housing. While DCHA has begun a small landlord loan program for increasing accessibility, housing advocates have questioned the effectiveness of the program.</p> <p><a href="http://www.DCHousingSearch.org">www.DCHousingSearch.org</a> (introduced January 2009) in conjunction with a call center for those without computers, provides free information about housing in the District. It includes DHCD, DCHA, and private housing, searchable using a wide variety of criteria including affordability and accessibility.</p>	
<b>4.9</b>	Never allow hospitals, foster care, jails or prisons to discharge people into homeless shelters.	St. Elizabeth’s Hospital, the city-run psychiatric facility, no longer discharges into shelters. However, private hospitals continue to discharge people into shelters on a regular basis. The Mayor’s 2010 Strategic Plan to End Homelessness calls for healthcare service providers to improve efforts to direct discharged patients to stable and supportive housing options in order to prevent chronic homelessness. <sup>60</sup>	City Administrator

<sup>60</sup> District of Columbia Government. 2010. “Strategic Action Plan to End Homelessness.” Washington D.C. ([http://fch.dc.gov/fch/lib/fch/pdf/february\\_2010/fch\\_strategic\\_plan\\_v5.pdf](http://fch.dc.gov/fch/lib/fch/pdf/february_2010/fch_strategic_plan_v5.pdf) (March 22, 2011)).

#	Recommendations	Status	Lead Agency
<b>IMPROVE PROGRAM EFFICIENCIES</b>			
5	<p><i>D.C. should:</i></p> <ul style="list-style-type: none"> <li>• <i>increase its administrative capacity to facilitate subsidized and market-rate housing production and renovation,</i></li> <li>• <i>manage housing programs efficiently, and</i></li> <li>• <i>take steps to streamline its various housing programs</i></li> </ul>		
5.1	<p>Better coordinate and streamline actions among agencies that principally affect housing production and preservation.</p>	<p>The FY07 budget provided \$250,000 for staff and agency coordination by the Deputy Mayor's office. This was extended through FY 2009, but then eliminated.</p>	DM/PED
5.1a	<p>Designate a "Chief of Housing" (COH) from the cabinet</p>	<p>Mayor Fenty appointed an Affordable Housing Chief in early 2007 within the Office of the Deputy Mayor for Planning and Economic Development. She was given little authority and resigned about a year later. The position has not been refilled. Several members of the Task Force dissented from the recommendation to create an Affordable Housing Chief on the grounds that the position is duplicative with existing responsibilities within DMPED and experience may indicate they were correct.</p>	Mayor
5.1a(i)	<p>Serve as a single point of accountability for coordinating, facilitating, enabling and implementing</p>	<p>See Recommendation 5.1a</p>	COH

#	Recommendations	Status	Lead Agency
	the city's entire housing policy		
	<b>5.1a(ii):</b> All relevant agencies (DHCD, DCHA, DCHFA, NCRC, AWC) must coordinate their activities through the COH	See Recommendation 5.1a	COH
	<b>5.1a(iii):</b> COH should have authority to coordinate housing and development activity with related agencies' activity (DDOT, Parks & Recreation, Public Works, Aging and DCPS)	See Recommendation 5.1a	COH
	<b>5.1b:</b> COH should bring about efficiencies and cost savings, improve coordination among agencies, and create accountability measures for agencies	See Recommendation 5.1a	COH
	<b>5.1b(i):</b> Simplify the Request for Proposal (RFP) processes for development of assisted and mixed	The RFP process invites potential developers to bid for housing contracts through DHCD. While DHCD began implementing a paperless RFP process in 2008, the agency has not released a comprehensive request	DHCD

#	Recommendations	Status	Lead Agency
	income housing such that they encourage projects consistent with District housing plan	since November 2007 due to the inability of the HPTF to fund new affordable housing developments. <sup>61</sup>	
	<b>5.1b(iii):</b> Create short-form project readiness survey for production and preservation projects city-wide that will be submitting applications for funding during the next twelve months	No action taken.	COH
	<b>5.1b(iii):</b> Consolidate the review process as regards the allocation of public resources to housing projects by bringing together all District housing agencies	No action taken.	COH
	<b>5.1b(iv):</b> Introduce greater uniformity in underwriting guidelines used by D.C. housing funding agencies	No action taken.	COH
	<b>5.1b(v):</b> Establish a pre-qualification process that will	No action taken.	DHCD

<sup>61</sup> District of Columbia Government. 2010. "Strategic Action Plan to End Homelessness." Washington D.C. ([http://fch.dc.gov/fch/lib/fch/pdf/february\\_2010/fch\\_strategic\\_plan\\_v5.pdf](http://fch.dc.gov/fch/lib/fch/pdf/february_2010/fch_strategic_plan_v5.pdf) (March 22, 2011)).



#	Recommendations	Status	Lead Agency
	allow developers who repeatedly apply for funding and have a good track record to use a substantially streamlined application process		
<b>5.2</b>	Provide critical regulatory agencies with resources necessary to enable developers to respond to market demand	No action taken.	City Administrator
	<b>5.2a:</b> Support DCRA Director in efforts to substantially improve agency performance	No action taken.	City Administrator
	<b>5.2b:</b> Enact wholesale reform of DCRA's plan review, permitting and inspection system for housing development	No action taken.	DCRA
	<b>5.2c:</b> Make major investments in staff development, improved management and information technologies at DCRA	No action taken.	DCRA
	<b>5.2d:</b> Streamline and accelerate related housing	WASA is now called D.C. Water. No action taken.	DCRA

#	Recommendations	Status	Lead Agency
	development review processes of DDOT, Health Department, WASA, Washington Gas and PEPCO		
<b>5.3</b>	In partnership with local non-profit and research organizations' current efforts create a centralized, high-quality data bank to help developers and policy makers make better-informed choices regarding investment and development	DHCD, OP, and DMPED have coordinated to develop a comprehensive affordable housing database of all District-funded housing projects, which is not publically available. This database is now live, and is going through quality assurance and data verification. They also intend to develop a set of neighborhood indicators to target funding. <a href="http://www.DCHousingSearch.org">www.DCHousingSearch.org</a> (introduced January 2009) in conjunction with a call center for those without computers, provides free information about housing in the District. It includes DHCD, DCHA, and private housing, searchable using a wide variety of criteria including affordability and accessibility.	City Administrator
<b>5.4</b>	Agencies should be much more proactive in their outreach to and coordination with nonprofit partners, helping build capacity to produce affordable housing, especially for people with special needs	DHCD and former DM/CYFE co-sponsored session for affordable housing developers. DHCD also hosts pre-proposal conferences before all RFPs are due. However, this is nothing new.	COH

#	Recommendations	Status	Lead Agency
5.5	Consider instituting a “site plan review process,” bringing together all relevant agencies and utilities prior to the formal plan-review process to identify problems at the beginning of the development process	No action taken.	OP
5.6	Update and modernize the city’s housing code, possibly focusing on outcomes more than specific technologies	Underway	DCRA
5.7	Consider a modified PUD process for smaller projects which are routine or seek commonly approved permissions	No action taken.	OP
5.8	Persistent housing code violations should be addressed through negotiated sales to nonprofits or by putting properties in receivership	Affordable housing advocates have proposed several pieces of pending legislation intended to address the problem of persistent housing code violations, including the Omnibus Rental Housing Amendment Act of 2009 and the Tenant Protection Act of 2009. The legislation would allow tenants to bring housing	DCRA

#	Recommendations	Status	Lead Agency
		<p>conditions cases in Landlord Tenant Court; require the District to establish a system of mandatory regular inspections; target use of the District's repair fund towards the preservation of affordable housing; and ensure that buildings are not unnecessarily closed and tenants displaced as a result of a landlord's failure to make repairs. Both pieces of legislation had a hearing in 2009, but have not seen further action.</p>	
<b>5.9</b>	<p>City agencies that deal with housing should be culturally and linguistically competent and accessible to people with physical disabilities</p>	<p>The Language Access Act of 2004 underwent a phased implementation, and its application to DCHA was mandated to begin in October 2006.<sup>62</sup> The Disability Rights Protection Act of 2006 established a cabinet-level Office of Disability Rights (ODR) to ensure that all city-funded agencies, programs, and services are accessible to residents with disabilities. The office also coordinates citywide compliance with the Americans with Disabilities Act (ADA). In addition, DHCD provides highly regarded cultural diversity training agency-wide; DHCD sub-recipients are required to provide access.</p> <p>In December 2008, the U.S. Department of Justice entered into a settlement agreement with the city with</p>	COH

<sup>62</sup> District of Columbia Office of Human Rights. 2007. "What is the D.C. Language Access Act?" (<http://ohr.dc.gov/ohr/frames.asp?doc=/ohr/lib/ohr/la667c~1.pdf> [March 23, 2011]).

#	Recommendations	Status	Lead Agency
		regard to the lack of physical and programmatic accessibility of its emergency shelter system. The settlement requires the city to develop a comprehensive plan to improve accessibility for people with disabilities and educate citizens about disability rights, among other policies. <sup>63</sup>	
<b>5.10</b>	Relevant city employees should be well versed in and dedicated to the application of Fair Housing Act policies	DHCD has mandatory Fair Housing Act training for agency managers and sub-recipients See Recommendation 5.9	COH
<b>ATTRACTING + RETAINING RESIDENTS</b>			
<b>6</b>	<i>City should work effectively to attract and retain residents, especially families with children, by improving schools, public safety, health care, recreation, transportation, air and water quality, and city amenities</i>		
<b>6.1</b>	Housing programs should be an important part – but only part – of the overall strategy to reduce and de-concentrate poverty and revitalize neighborhoods	Mayor Fenty enacted a host of programs intended to enhance the livability of the District. Several of the programs have been highly controversial, and advocates disagree about the overall effectiveness of certain initiatives. <ul style="list-style-type: none"> <li>The Council handed control of DCPS over to the Mayor’s office in 2006. Mayor Fenty and Chancellor Rhee began the process of reforming</li> </ul>	City Administrator

<sup>63</sup> United States Department of Justice Civil Rights Division. 2009. "District of Columbia Agrees to Improve Access to Its Homeless Shelter Program." *Disability Rights Online News*. no.29 ([www.ada.gov/newsltr0209.htm](http://www.ada.gov/newsltr0209.htm) [March 22, 2011]).

#	Recommendations	Status	Lead Agency
		<p>DCPS: restructuring underperforming schools, rehabilitating deteriorating facilities, and winning concessions from the teacher's union in a new contract allowing pay for performance and the dismissal of underperforming teachers.</p> <ul style="list-style-type: none"> <li>• Public safety was a major focus of the Fenty administration. Homicide rates have fallen in D.C. as in cities nationwide, as have rates for other serious crimes. However, it is unclear to what extent the falling crime rates are due to government action.</li> <li>• The District continues to have one of the lowest rates of residents without health insurance in the nation, due in large part to the D.C. Healthcare Alliance. However, HIV/AIDS infection rates in D.C. are persistently very high, and emergency medical services are subpar.</li> <li>• The City Council has passed a number of environmental quality measures in addition to the Green Building Act since 2006, including measures to clean up the Anacostia River. The city also created <a href="http://green.dc.gov">http://green.dc.gov</a> to serve as an information clearinghouse for the public.<sup>64</sup></li> <li>• The District attracted and/or paid for several new city amenities that have the potential to create</li> </ul>	

#	Recommendations	Status	Lead Agency
		jobs and spur neighborhood development, such as the Washington Nationals Park.	
<b>6.2</b>	Capitol and operating expenditures for transportation, infrastructure, parks, public safety, and other amenities should reflect neighborhood development priorities	The Council approved a Comprehensive Plan Update in December 2006 that seeks to integrate neighborhood development priorities into all agency operating and capital budget decisions on multi-year basis.	City Administrator
<b>6.3</b>	Redirect and better coordinate under-utilized funding streams (e.g. DHCD, OP, Home Again programs) <b>6.3a:</b> Dedicate multi-year funding streams across agencies to catalyze consistent neighborhood funding efforts in DC's target neighborhoods	The City Council amended HOME Again to require more affordable housing.  See Recommendation 6.2	COH  City Administrator
<b>6.4</b>	City should actively encourage DCPS, higher education institutions, and major area employers to work collaboratively to: <ul style="list-style-type: none"> <li>• improve adult literacy,</li> </ul>	In 2009, UDC created the Community College of the District of Columbia (CCDC). The new college brings a greater focus to two year degrees, certificate programs, continuing education, and workforce development. The split also allows UDC to limit enrollment and focus on improving its baccalaureate	City Administrator

#	Recommendations	Status	Lead Agency
	<ul style="list-style-type: none"> <li>• stimulate education-to-work initiatives and</li> <li>• stimulate workforce-employment programming</li> </ul>	and graduate programs.	
<b>IMPLEMENTATION</b>			
<b>7</b>	<i>Mayor and City Council should take immediate steps to implement Task Force's recommendations</i>		
<b>7.1</b>	Not more than 90 days after the presentation of the CHSTF recommendations to the Mayor and Council, the Mayor should designate a member of the cabinet as the "Chief of Housing" (see 5.1)	See Recommendation 5.1a	Mayor
<b>7.2</b>	Not more than 180 days after presentation of the recommendations, Council should convene a public roundtable at which the COH and city housing and development agencies (including independent agencies) testify on their plans to implement the	The Council did convene a public hearing. While some (though not all) agencies did participate, no implementation plans were presented.	Council (ED Committee)



#	Recommendations	Status	Lead Agency
	recommendations		
<b>7.3</b>	Council should amend CHSTF legislation to extend life of the task force for the purpose of appointing from current membership an Oversight Committee charged with monitoring and reporting annually to Mayor and Council on implementation	The task force was not extended, nor was any Oversight Committee established to report regularly to the Mayor and City Council. A Comprehensive Housing Strategy Task Force Fund (CHSF) was established in FY2007 to expedite the implementation of CHSTF goals, but the fund was abolished in FY 2009. <sup>65</sup>	Council (ED Committee)
	<b>7.3a:</b> COH should staff the Oversight Committee	See Recommendation 5.1a	COH
	<b>7.3b:</b> Develop integrated database to support monitoring (see 5.3)	The database is under development.	DMPED
<b>7.4</b>	As required in current CHSTF legislation, Mayor should report annually to Council regarding implementation of recommendations with initial report due no more than one year after recommendations	In the FY 2011 Budget Report, the Committee on Housing and Workforce Development recommended to the Committee on the Whole that the Mayor submit an “Affordable Housing Production Report” to the Council that includes: money spent by DHCD on affordable housing, number of loans and grants, number of low-income households assisted,	Mayor

<sup>65</sup> D.C. Fiscal Policy Institute. 2010. “What’s in the FY 2011 Budget for Affordable Housing?” Washington. (<http://www.dcfpi.org/wp-content/uploads/2009/03/FY2011AffordableHousingToolkit2.pdf> [March 23, 2011]).

#	Recommendations	Status	Lead Agency
	presented	explanations of each funded project, homeownership project funds, rental housing project funds, housing units assisted, etc. <sup>66</sup> The ongoing development of the development database should also facilitate greater coordination and accountability going forward.	
<b>7.5</b>	Council should hold a public roundtable annually to review reports on implementation from Mayor and Oversight Committee	No action taken	Council (ED Committee)

<sup>66</sup> Brown, Michael. 2010. "Report and Recommendations of the Committee on Housing and Workforce Development on the Fiscal Year 2011 Budget for Agencies under Its Purview." Washington. ([www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF](http://www.dccouncil.washington.dc.us/media/2010%20Budget/HousingandWorkforceDevelopment.PDF) [March 22, 2011]).

## **Glossary**

ACS	American Community Survey
ARRA	American Recovery and Reinvestment Act of 2009
AWC	Anacostia Waterfront Corporation
CCDC	Community College of the District of Columbia
CHSTF	Comprehensive Housing Strategy Task Force
COH	Chief of Housing
DHCD	Department of Housing and Community Development
DCHA	D.C. Housing Authority
DCHFA	Housing Finance Agency
DOES	Department of Employment Services
DCRA	Department of Consumer and Regulatory Affairs
DCPS	District of Columbia Public Schools
DMH	Department of Mental Health
DM/PED	Deputy Mayor for Planning and Economic Development
EAHP	Employer Assisted Housing Program
FSS	Family Self- Sufficiency Program
HPAP	Home Purchase Assistance Program
HPTF	Housing Production Trust Fund
IZ	Inclusionary Zoning Implementation Act of 2006
LRSP	Local Rent Supplement Program
NCRC	National Capitol Revitalization Corporation
NEAHP	Negotiated Employee Affordable Home Purchase Program
OP	Office of Planning
SAFI	Site Acquisition Funding Initiative
TAP	Tenant Apartment Purchase
UDC	University of the District of Columbia
WASA	Water and Sewer Authority (now called D.C. Water)
ZC	Zoning Commission

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