



Brianne K. Nadeau

———— Councilmember, Ward 1 ————

Policy Priorities for Housing

The following is one of a series of working policy documents crafted in a collaborative process of Community Conversations, door-to-door canvassing, community office hours and input from issue-area experts.

Overview

I believe that we must focus our work to maintain the diversity of Ward 1, and that housing affordability is essential to that goal. In my oversight role on the Housing and Community Development Committee, I will work with the District agencies responsible for housing production to break down silos, set clear housing production goals for working families and foster cooperation and collaboration within and among agencies and with housing producers. I will also work with the Office of the Deputy Mayor for Economic Development to foster and encourage Public Private Partnerships with a focus on maximizing affordability and prioritizing affordable housing near transit, so our lower income households can get to work and school more easily.

As Councilmember, I am working to promote affordable housing for all residents. Our team will focus on: ensuring the preservation and growth of affordable housing; improving government operations related to the purchase of homes; providing assistance to residents buying properties for the first time; and assistance for residents experiencing homelessness. In doing so, we will work with residents to identify priorities, understand what data and evidence exists regarding models that address these challenges, build and implement interventions tailored to those needs, continuously assess what works and what does not and invest accordingly. We will also encourage significant investment in the use of new technologies to, for example, connect community leaders and collect and map data.

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How the District and Ward 1 can achieve these goals

The following are strategies and policies Councilmember Nadeau will initiate both through oversight and legislative action to begin to address homelessness and housing in Ward 1 and the District.

Core Issue: Affordable Housing must be fully resourced, protected and increased and related government processes must be improved.

Opportunity: Allocating and coordinating adequate, predictable resources to the Department of Housing and Community Development (DHCD).

Adequate resources are critical to meeting our affordable housing goals. So is the predictability of resources. Our developer partners aren't able to hire appropriate staff or acquire properties if they aren't certain that a certain base level of funding will be available every year. It's also critical to keep track of our existing resources – units and subsidies – that are currently in use but can house additional households in the future.

Oversight and Legislative Action: (1) Prioritize inventorying and preserving all existing affordable rental and homeownership units, with particular attention to expiring federal subsidies such as project-based Section 8; (2) For the Housing Production Trust Fund, cross reference the required report on annual spending with inventory report and develop a strategy to get the Fund producing on a level that will meet affordable housing needs.

Opportunity: Protecting existing affordable housing through better tracking and preservation investments.

The Department of Housing and Community Development (DHCD) has begun better tracking and sharing its pipeline of projects. That, however, is only part of the puzzle. The District must also know when low cost units that are not government subsidized are in danger of being lost. The District Opportunity to Purchase is one tool that can be used to preserve market rate affordable units.

Opportunity: Better division of responsibilities and improved collaboration.

The Department of Housing and Community Development (DHCD) is the DC government entity with primary responsibility for affordable housing projects. In prior administrations, DHCD's processes were not adequate to make the best efforts at ensuring DC residents have stable, decent housing they can afford. With clear divisions of responsibility and funding streams, dedicated staff and an eye toward timeliness, existing tools can create long-term housing affordability across the District, including in gentrifying areas like Ward 1.

The DC Department of Housing and Community Development (DHCD) is under the purview of the Office of the Deputy Mayor for Planning and Economic Development (DMPED). Currently, DHCD is unaware for months about its actual cash on hand because funding is shifted between DHCD and DMPED as project needs change. As a result the department does not plan the type and number of units, or the type and number of projects, it will fund. DMPED should delegate

activities related to the creation of affordable housing to DHCD, and retain all other development (including market rate and mixed income housing) at DMPED.

Opportunity: The Office of Tax & Revenue (OTR) often functions in a manner that makes the production of affordable housing difficult. OTR should prioritize affordability. Tax benefits available to projects serving low- and moderate-income residents should be provided with consistent enforcement and total follow through. Categories of taxation for affordable properties should be automatically assigned as part of the settlement process. OTR should work collaboratively with DHCD and DMPED to ensure good outcomes.

Internal policies also need improvement to come in line with the deadline realities of the financial and development world. Current procedure is to assign one project manager to take each project through the development finance process one by one, causes a bottleneck. DHCD should partner with practitioners to revisit how responsibilities are assigned among employees to create the best outcomes for residents on these crucial projects.

Oversight and Legislative Action: (1) Ensure District funds and DHCD efforts are dedicated to the production of affordable housing only rather than market rate deals; (2) Promote annual DHCD production goals based on a set budget articulated by the director; (3) Create a clearinghouse for working poor to match available affordable units with appropriate candidates and trained housing counselors that help with matching; (4) Collaborate with nonprofits and private affordable housing producers to create more and better affordable housing and best outcomes for residents; (5) Re-visit land cost write-downs and affordable housing production on District-owned parcels so there is a clearer path to yielding more units of affordability, and spending less District money; (6) Adjust the amount of assistance available for helping buyers meet private market criteria; (7) Improve contract execution procedures for Community Based Organizations (CBOs) by providing efficient processing times and removing barriers such as the requirement to get DHCD approval of every flier they produce with DHCD funding; (8) Ensure CBOs providing these services are funded at appropriate levels with necessary programmatic support to provide counseling to renters and new buyers as needed; (9) Examine the affordability periods on Affordable Dwelling Units and cap condo fees on affordable homeownership units; (10) Focus Low Income Housing Tax Credits on appropriate unit-sized development, and prioritize District funding for lowest income residents.

Core Issue: Homelessness in the District must be lowered and prevented by placing and keeping residents in stable housing.

Opportunity: Improve existing tools.

The District is a unique jurisdiction in that it has many cutting edge tools at its disposal. These include the Tenant Opportunity to Purchase, District Opportunity to Purchase, Emergency Rental Assistance Program, Home Purchase Assistance Program, a variety of public housing options, and more. However, especially in light of the current housing crisis, these tools should be better funded and better run.

In addition to funding these programs, counseling is essential to positive outcomes and long-term affordability in both rental and homeownership units. Effective programming and funding for those experiencing homelessness requires collaboration between agencies that provide housing,

education, workforce training and healthcare. Housing for those at risk of homelessness should include counseling, with access to post-purchase or post-rental and pre-crisis support in order to help residents remain in permanent homes. Without effective social services there will be little hope of ending homelessness.

It's also important that people are given the individualized support they need, rather than receiving a one-size-fits-all solution that will not work in the long term. In particular, guidelines should be created to clarify the appropriate use of rapid re-housing, supportive housing and transitional housing. In addition to strengthening programs for younger individuals and families, there must be a focus on seniors (who are often fixed income and unable to work) to ensure they are not displaced as they age.

Homeownership is a powerful tool for housing stability. Unfortunately, current guidelines for the Home Purchase Assistance Program (HPAP) are stricter than private market lenders and create a lack of accessibility for the lower income residents who are the intended beneficiaries of the program. Making HPAP more reflective of best practices and of the current housing market would open the possibility of homeownership for many more households. The District must provide more support for the Tenant Opportunity to Purchase Act (TOPA) so that creative loans are available to make cooperative ownership and other types of affordable ownership a realistic option. TOPA is one of the best tools for maintaining affordability in gentrifying neighborhoods. However, in its current state—without adequate staff or priority—TOPA projects languish and the cost of financing is passed on to low-income tenants who are trying to purchase and preserve affordable housing.

The DC Housing Authority needs to improve operations to have more impact. Because it is independent and receives mostly federal funding, DCHA is an opaque agency that operates in the District with little Council oversight. With the reinvigoration of the New Communities Initiative and the DCHA's participation in projects like the Old Hebrew Home, there should be more focus on and examination of DCHA's work and priorities.

Oversight and Legislative Action: (1) Prioritize preservation of existing units of public housing and include on-site management review and inventory of moderate rehabilitation (and other funding sources) eligibility of all units; (2) Create an open process for tenant complaint, discussion and input, as well as an open process for community input; (3) Increase funding for the Emergency Rental Assistance Program (ERAP) and reform the way it operates; (4) Advocate for clearer guidelines on rapid re-housing, supportive housing and transitional housing; (5) Streamline and prioritize the TOPA process by having dedicated staff and funding buckets, and ensure specific timelines for these types of projects; (6) Reduce the ratios for HPAP use and increase award amounts; (7) Change current HPAP guidelines so that they are not stricter than private lenders and don't only favor people in high income categories; (8) Increase current HPAP awards to allow people to compete in the current market; (9) Create ward-based hubs with supportive services for housing, job and social service delivery counselors for one-stop help on all of these issues; (10) Strengthen DCHA's management and building maintenance oversight capacities.

Opportunity: Strengthen opportunities for seniors to age in place.

Seniors make up a disproportionate percentage of District households that are “severely rent burdened,” paying more than fifty percent of their incomes on rent. This is the result of a variety of factors including inability to work, fixed incomes, costly medical conditions, and changing neighborhoods. Seniors who own their homes face some of the same challenges, in addition to increased property taxes and home maintenance costs. District government via Age Friendly DC, and District residents via Senior Villages and other initiatives, have started to address some of those issues. There is an opportunity to build on those initiatives.

Oversight and Legislative Action: (1) Create a Senior Housing Strategy that prioritizes helping seniors age in place, and create a collaborative approach with Medicaid, Federal and DC housing assistance to meld funding and create better scenarios; (2) Maximize the HUD 202 Allocation, which provides funding for senior housing on a per capita basis, and make funding more senior housing a priority; (3) Support the development of Senior Villages to help residents age in place with supportive services such as home maintenance, technology assistance, social activities and access to home healthcare.

Core Issue: Public planning and economic development projects need to be better managed with required procedures being relative to the size of the project.

Opportunity: There should be different processes for small projects and medium projects. The Deputy Mayor for Planning & Economic Development (DMPED) remains the Mayor’s main arm for getting public projects done. There should be different processes for small projects and medium projects each with its own checks and balances mechanism without requiring Council approval. Large public land deals should go through the Council. Smaller ones are held up at expense to the deal by going through the Council. DHCD should be focused on smaller scale affordable projects. DMPED should be focused on big deals and mixed income larger projects that impact everyone. DMPED should have clear mandates about how to use District resources and the directive to effectively partner with private developers.

Oversight and Legislative Action: (1) Eliminate the need for Council approval for deals starting at \$1 million; (2) Adjust the Inclusionary Zoning program (IZ) so more and larger unit production is prioritized and create a commercial linkage option; (3) Designate all remaining public parcels as truly mixed income with a broader range of affordability in all of them, but particularly focused on 0-30% of AMI; (4) Leverage remaining public parcels to attract job rich and business development focused projects; (5) Create a claw back mechanism for all covenants.