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**COMMITTEE ON HOUSING  
AND NEIGHBORHOOD REVITALIZATION**

COUNCILMEMBER ANITA BONDS, CHAIRPERSON  
FISCAL YEAR 2021 COMMITTEE BUDGET REPORT

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**TO:** Members of the Council of the District of Columbia

**FROM:** Councilmember Anita Bonds  
Chairperson, Committee on Housing and Neighborhood Revitalization

**DATE:** June 24, 2020

**SUBJECT:** Report and Recommendations of the Committee on Housing and Neighborhood Revitalization on the Fiscal Year 2021 Budget for Agencies Under its Purview

The Committee on Housing and Neighborhood Revitalization (“Committee”), having conducted hearings and received testimony on the Mayor’s proposed operating and capital budgets for Fiscal Year 2021 (“FY 2021”) for the agencies under its purview, reports its recommendations for review and consideration by the Committee of the Whole. The Committee also comments on sections in the Fiscal Year 2021 Budget Support Act of 2020, as proposed by the Mayor.

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# I. SUMMARY

## A. FISCAL YEAR 2021 AGENCY OPERATING BUDGET BY FUND TYPE

Operating Budget Summary					
Fund Type	FY 2019 Actuals	FY 2020 Approved	Mayor's FY 2021 Proposed	Committee Variance	Committee's FY 2021 Recommendation
<b>DEPARTMENT OF AGING AND COMMUNITY LIVING</b>					
LOCAL FUND	\$40,291,428	\$41,835,753	\$40,484,762	503,880	\$40,988,642
FEDERAL GRANT FUND	\$7,511,690	\$14,513,896	\$7,702,179		\$7,702,179
FEDERAL MEDICAID PAYMENTS	\$2,752,297	\$3,142,002	\$3,389,343		\$3,389,343
OPERATING INTRA-DISTRICT FUNDS	\$280,147	\$2,205,249	\$228,958		\$228,958
<b>TOTAL GROSS FUNDS</b>	<b>\$50,835,561</b>	<b>\$61,696,900</b>	<b>\$51,805,243</b>	<b>\$503,880</b>	<b>\$52,309,122</b>
<b>DEPT. OF HOUSING AND COMM. DEVELOPMENT</b>					
LOCAL FUND	\$31,639,827	\$32,588,437	\$18,114,169	1,474,916	\$19,589,085
FEDERAL GRANT FUND	\$38,749,486	\$71,737,525	\$38,045,465		\$38,045,465
PRIVATE DONATIONS	\$20,000	\$0	\$0		\$0
SPECIAL PURPOSE REVENUE FUNDS ('O'TYPE)	\$3,828,998	\$3,691,787	\$3,700,000		\$3,700,000
OPERATING INTRA-DISTRICT FUNDS	\$148,158,084	\$18,906,465	\$22,166,521		\$22,166,521
<b>TOTAL GROSS FUNDS</b>	<b>\$222,396,395</b>	<b>\$126,924,214</b>	<b>\$82,026,155</b>	<b>\$1,474,916</b>	<b>\$83,501,071</b>
<b>HOUSING AUTHORITY SUBSIDY</b>					
LOCAL FUND	\$118,709,606	\$185,542,670	\$145,552,898		\$145,552,898
OPERATING INTRA-DISTRICT FUNDS	\$0	\$0			\$0
<b>TOTAL GROSS FUNDS</b>	<b>\$118,709,606</b>	<b>\$185,542,670</b>	<b>\$145,552,898</b>	<b>\$0</b>	<b>\$145,552,898</b>
<b>HOUSING FINANCE AGENCY</b>					
ENTERPRISE AND OTHER FUNDS	\$13,460,432	\$13,581,674	\$14,280,596		\$14,280,596
<b>TOTAL GROSS FUNDS</b>	<b>\$13,460,432</b>	<b>\$13,581,674</b>	<b>\$14,280,596</b>	<b>\$0</b>	<b>\$14,280,596</b>
<b>HOUSING PRODUCTION TRUST FUND</b>					
ENTERPRISE AND OTHER FUNDS-DEDICATED TAX	\$228,061,789	\$219,974,947	\$73,462,167		\$73,462,167
ENTERPRISE AND OTHER FUNDS	\$39,335,078	\$38,645,047	\$26,537,833		\$26,537,833
<b>TOTAL GROSS FUNDS</b>	<b>\$267,396,867</b>	<b>\$258,619,994</b>	<b>\$100,000,000</b>	<b>\$0</b>	<b>\$100,000,000</b>
<b>HOUSING PRODUCTION TRUST FUND (SUBSIDY)</b>					
LOCAL FUND	\$36,150,839	\$38,645,047	\$17,537,833		\$17,537,833
<b>TOTAL GROSS FUNDS</b>	<b>\$36,150,839</b>	<b>\$38,645,047</b>	<b>\$17,537,833</b>	<b>\$0</b>	<b>\$17,537,833</b>
<b>OFFICE OF THE TENANT ADVOCATE</b>					
LOCAL FUND	\$4,971,732	\$3,523,633	\$3,351,119		\$3,351,119

SPECIAL PURPOSE REVENUE FUNDS ('O'TYPE)	\$509,037	\$660,065	\$543,277		\$543,277
OPERATING INTRA-DISTRICT FUNDS	\$0	\$0			\$0
<b>TOTAL GROSS FUNDS</b>	<b>\$5,480,769</b>	<b>\$4,183,698</b>	<b>\$3,894,396</b>	<b>\$0</b>	<b>\$3,894,396</b>
<b>REAL PROPERTY TAX APPEALS COMMISSION</b>					
LOCAL FUND	\$1,763,225	\$1,784,120	\$1,825,886		\$1,825,886
OPERATING INTRA-DISTRICT FUNDS	\$0	\$0			\$0
<b>TOTAL GROSS FUNDS</b>	<b>\$1,763,225</b>	<b>\$1,784,120</b>	<b>\$1,825,886</b>	<b>\$0</b>	<b>\$1,825,886</b>
<b>RENTAL HOUSING COMMISSION</b>					
LOCAL FUND	\$0	\$1,398,268	\$1,327,889		\$1,327,889
<b>TOTAL GROSS FUNDS</b>	<b>\$0</b>	<b>\$1,398,268</b>	<b>\$1,327,889</b>	<b>\$0</b>	<b>\$1,327,889</b>
<b>GRAND TOTAL</b>	<b>\$716,193,695</b>	<b>\$692,376,586</b>	<b>\$418,250,895</b>	<b>\$0</b>	<b>\$418,250,895</b>

## B. FISCAL YEAR 2021 AGENCY FULL-TIME EQUIVALENT

### Agency Full-Time Equivalent Summary

Fund Type	FY 2019 Actuals	FY 2020 Approved	Mayor's FY 2021 Proposed	Committee Variance	Committee's FY 2021 Recommendation
<b>DEPARTMENT OF AGING AND COMMUNITY LIVING</b>					
LOCAL FUND	42.00	49.00	63.00		63.00
FEDERAL GRANT FUND	6.00	6.00	6.00		6.00
FEDERAL MEDICAID PAYMENTS	27.00	26.00	27.00		27.00
OPERATING INTRA-DISTRICT FUNDS	0.00	13.00	0.00		0.00
<b>TOTAL FTE</b>	<b>75.00</b>	<b>94.00</b>	<b>96.00</b>	<b>0.00</b>	<b>96.00</b>
<b>DEPT. OF HOUSING AND COMM. DEVELOPMENT</b>					
LOCAL FUND	71.00	59.00	57.00	1.0	58.00
FEDERAL GRANT FUND	25.00	20.00	21.00		21.00
PRIVATE DONATIONS	0.00	0.00	0.00		0.00
SPECIAL PURPOSE REVENUE FUNDS ( 'O' TYPE)	0.00	0.00	0.00		0.00
OPERATING INTRA-DISTRICT FUNDS	61.00	66.00	70.00		70.00
<b>TOTAL FTE</b>	<b>157.00</b>	<b>145.00</b>	<b>148.00</b>	<b>1.00</b>	<b>149.00</b>
<b>HOUSING AUTHORITY SUBSIDY</b>					
LOCAL FUND	0.00	0.00	0.00		0.00
OPERATING INTRA-DISTRICT FUNDS	0.00	0.00			0.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>HOUSING FINANCE AGENCY</b>					
ENTERPRISE AND OTHER FUNDS	0.00	0.00	0.00		0.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>HOUSING PRODUCTION TRUST FUND</b>					
ENTERPRISE AND OTHER FUNDS- DEDICATED TAX	0.00	0.00	0.00		0.00
ENTERPRISE AND OTHER FUNDS	0.00	0.00	0.00		0.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>HOUSING PRODUCTION TRUST FUND (SUBSIDY)</b>					
LOCAL FUND	0.00	0.00	0.00		0.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>OFFICE OF THE TENANT ADVOCATE</b>					
LOCAL FUND	18.00	20.00	20.00		20.00
SPECIAL PURPOSE REVENUE FUNDS ( 'O' TYPE)	2.00	3.00	3.00		3.00
OPERATING INTRA-DISTRICT FUNDS	0.00	0.00			0.00
<b>TOTAL FTE</b>	<b>20.00</b>	<b>23.00</b>	<b>23.00</b>	<b>0.00</b>	<b>23.00</b>

<b>REAL PROPERTY TAX APPEALS COMMISSION</b>					
LOCAL FUND	10.00	8.00	8.00		8.00
OPERATING INTRA-DISTRICT FUNDS	0.00	0.00			0.00
<b>TOTAL FTE</b>	<b>10.00</b>	<b>8.00</b>	<b>8.00</b>	<b>0.00</b>	<b>8.00</b>

<b>RENTAL HOUSING COMMISSION</b>					
LOCAL FUND	0.00	9.00	9.00		9.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>9.00</b>	<b>9.00</b>	<b>0.00</b>	<b>9.00</b>

<b>GRAND TOTAL</b>	<b>262.00</b>	<b>279.00</b>	<b>284.00</b>	<b>0.00</b>	<b>284.00</b>
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## C. FY 2021 – 2026 AGENCY CAPITAL BUDGET SUMMARY

Owner Agency	Project No	Project Title	Allotment Scenario	Sum of Unspent Allotment as of 5-16-20	Sum of Available Allotment as of 5-16-20 (includes Pre-Encumbrances)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2021-FY 2026 Total
BY0	A0508C	WARD 8 SENIOR WELLNESS CENTER	Approved FY20 CIP for FY21-25 Available Balances	\$0	\$0	\$8,900,000	\$0	\$0	\$0	\$0	\$0	\$8,900,000
	<b>A0508C Total</b>			\$2,488,056	\$2,488,056	\$0	\$0	\$0	\$0	\$0	\$0	\$0
				<b>\$2,488,056</b>	<b>\$2,488,056</b>	<b>\$8,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
EA337C	EA337C	WASHINGTON CENTER FOR AGING SERVICES REN	Available Balances	\$533,914	\$519,053	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>EA337C Total</b>			\$533,914	\$519,053	\$0	\$0	\$0	\$0	\$0	\$0	\$0
				<b>\$533,914</b>	<b>\$519,053</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
SW601C	SW601C	SENIOR WELLNESS CENTER RENOVATION POOL P	Available Balances	\$2,687,516	\$1,559,918	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>SW601C Total</b>			\$2,687,516	\$1,559,918	\$0	\$0	\$0	\$0	\$0	\$0	\$0
				<b>\$2,687,516</b>	<b>\$1,559,918</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>BY0 Total</b>			<b>\$5,709,485</b>	<b>\$4,567,027</b>	<b>\$8,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,900,000</b>
CQ0	RCC06C	RENT CONTROL DATABASE	Available Balances Committee's FY21 Recommendation	\$1,094,066	\$1,094,066	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>RCC06C Total</b>			\$129,000	\$129,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
				<b>\$1,223,066</b>	<b>\$1,223,066</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>CQ0 Total</b>			<b>\$1,223,066</b>	<b>\$1,223,066</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
DB0	DHDOTC	DHCD - DDOT CAPITAL	Available Balances	\$2,701,057	\$2,701,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0

FEDERAL  
GRANT  
PROJECT

<b>DHDOTC Total</b>	\$2,701,057	\$2,701,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>DB0 Total</b>	\$2,701,057	\$2,701,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>	\$9,633,609	\$8,491,150	\$8,900,000	\$0	\$0	\$0	\$0	\$0	\$8,900,000

**D. TRANSFERS IN FROM OTHER COMMITTEES**

Sending Committee	Amount	FTEs	Receiving Agency	Program	Purpose	Recurring or One-Time
Transportation & the Environment	\$215,000	0	DACL	9400	Enhancement to fund day programming for senior citizens.	One-Time
Transportation & the Environment	\$200,000	0	DACL	9400	Enhancement to fund programming and services and outreach for non-English speaking seniors.	One-Time
Judiciary & Public Safety	\$10,000	0	DHCD	8100	Enhancement to fund the contractual services fiscal impact of B23-48.	Recurring
Judiciary & Public Safety	\$250,000	0	DHCD	2000	Enhancement for Housing Preservation Fund at DHCD.	One-Time
Government Operations	\$12,960	0	DCHA	2000	Enhancement for the shallow subsidy for unsubsidized seniors at DCHA.	Recurring
Committee on Facilities & Procurement	\$936,017	0	DCHA	3000	Enhancement for a total of 40 tenant-based housing vouchers; 20 returning citizens identified by the Office on Returning Citizens Affairs; 10 for senior citizens; and 10 specifically for LGBT Seniors for DCHA.	Recurring
<b>Total</b>	<b>\$1,623,977</b>	<b>0</b>				

**E. OUT TO OTHER COMMITTEES**

Receiving Committee	Amount	FTEs	Receiving agency	Program	Purpose	Recurring or One-Time
Committee on Human Services	\$125,000	0.0	Department of Human Services (JA0)	5014	To enhance funding for ERAP	One-time
<b>Total</b>	\$125,000	0.0				

**F. REVENUE ADJUSTMENT**

The Committee has no recommended revenue adjustments.

**G. FUNDING OF BUDGET SUPPORT ACT SUBTITLES**

Subtitle	Agency	Program	Amount	FTEs
N/A	N/A	N/A	N/A	N/A

**H. FUNDING OF PENDING BILLS OR LAWS PASSED SUBJECT TO APPROPRIATION**

Bill or Law #	Status	Agency	Program	Amount	FTEs
B23-48	Official Law	DHCD	8000	\$10,000	0

**I. SUMMARY OF COMMITTEE BUDGET RECOMMENDATIONS**

**DEPARTMENT OF AGING AND COMMUNITY LIVING (BY0)**

Fiscal Year 2021 Operating Budget Recommendations

The Committee recommends approval of the Mayor's FY 2021 operating budget for the Department of Aging and Community Living with the following changes:

*Accept the following:*

1. \$200,000 in one-time funds to CSG 50 – Program 9400, Activity 9440 to fund Day Program from the Committee on Transportation and the Environment; and
2. \$215,000 in one-time funds to CSG 50 – Program 9400, Activity 9475 to fund Day Programming from the Committee on Transportation and the Environment.
3. \$50,000 in one-time funds to CSG 50 – Program 9400, Activity 9460 to fund a Ward 5 Senior Village

### **Fiscal Year 2021 Capital Budget Recommendations**

The Committee recommends the approval of the Mayor's FY 2021 capital budget for the Department of Aging and Community Living.

### **Fiscal Year 2021 Policy Recommendations**

The Committee recommends that the Department on Aging and Community Living implement the following policy recommendations:

1. The Committee encourages the Department to fulfill its mission of combatting senior isolation and loneliness by implementing the daily call and check program, in partnership with the Board of Election. The Committee further urges that the Department to facilitate and fulfill its goal of reaching isolated seniors by the use of mass mailings and wellness calls.
2. The Committee encourages the Department to work with the community in planning for the future development of the 10-year Senior Strategic Plan. The Committee also encourages the Department to considering developing public emergency plan to ensure that seniors are equipped with adequate information to protect themselves, particularly during states of emergency.
3. The Committee congratulates and supports the Department's absorption of Adult Protective Services from the Department of Human Services. Further, the Committee encourages DACL to ensure a streamlined absorption of the Adult Protective Services program from the Department of Human Services. Moreover, the Committee urges DACL to put in place the necessary mechanisms that will ensure prompt protection and resolution for all individuals within the APS case load.
4. The Committee recommends that the Department conducts a comprehensive review of Lead Agency delivery goals and performance measures to ensure that District funds are used appropriately and cost-effectively.
5. The Committee recommends that the Department continues to closely monitor and diligently respond to Safe at Home requests, with the understanding that unmet Safe at

Home applications weigh down the single-family rehabilitation process conducted by the Department on Housing and Community Development. Furthermore, the Committee urges DACL to diligently follow-up on the construction progress of approved home adaptations during COVID-19, as construction is deemed essential work and continues to operate during COVID-19 while adhering to public health guidance.

6. The Committee remains concerned about adequate nutrition services for District seniors and recognizes that increased federal funding has been made available through Families First COVID-19 and CARES ACT COVID-19 for better coverage of meal deliveries. With the increased funding, the Committee recommends that DACL continue to work to ensure that the need for meals and nutrition supplements are met.
7. The Committee is concerned with the adequacy and timeliness of the current transportation services offered to District residents. The Committee urges the Department to ensure that District seniors are provided with safe, sufficient, efficient, and mobility-device friendly transportation services to seniors' varied destinations, especially accounting for physical distancing during COVID-19. The Committee strives to ensure that all District seniors who make efforts to be part of a community living environment will be afforded with adequate transportation services.
8. The Committee recommends that the Department works closely with the Committee in developing programs and services that may improve seniors' overall standard of living.

## **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DB0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 operating budget for the Department of Housing and Community Development with the following changes:

*Accept the following:*

1. \$10,000 in recurring funds to CSG 41 – Program 8100, Activity 8110 to fund the contractual services of the fiscal impact for Bill 23-48 from the Committee on Judiciary & Public Safety; and
2. \$250,000 in one-time funds to CSG 50 – Program 2000, Activity 2025 to enhance the Housing Preservation Fund.

*Redirect \$1,000,00 in one-time funds from the Property Acquisition and Disposition:*

- \$750,000 to enhance the Housing Preservation Fund: CSG 50, Program 2000, Activity 2025;

- \$125,000 to enhance the operating costs for the rent control clearinghouse database: CSG 50, Program 9000, Activity 9010
- \$125,000 transferred to the Committee on Human Services to CSG 50, Program 5000, Activity 5014 for Emergency Rental Assistance Program (ERAP)
- 4. \$107,226 in one-time funds to CSG 41 – Program 1000, Activity 1030 to enhance funds for the MOU between DHCD and HFA for the Reverse Mortgage Insurance and Tax (ReMIT) Payment Program
- 5. \$107,690 in recurring fund to add 1.0 FTE (LEC Ombudsman) as a Limited Equity Cooperative Ombudsman at DHCD
  - \$89,000 to CSG 11/2000/2025 (Regular Pay – Continuing Full Time)
  - \$18,690 to CSG 14/2000/2025 (Fringe – Current Personnel)

### **Fiscal Year 2021 Capital Budget Recommendations**

The Committee recommends approval of the Mayor’s FY 2021 capital budget in the Department of Housing and Community Development.

### **Fiscal Year 2021 Policy Recommendations**

The Committee recommends that the Department of Housing and Community Development implement the following policy recommendations:

1. The Committee recommends that DHCD expeditiously fill its 19 vacancies to maintain service delivery to residents. Additionally, many of the vacant positions are supported by various fund types, which makes it difficult to monitor the responsibilities and effectiveness of these specific FTEs. The Committee recommends that the agency work with the Committee to figure out how to streamline funds for administrative and programmatic functions alike.
2. The Committee recommends the agency release a Consolidated Request for Proposals (RFP) twice a fiscal year. In the recent past, the agency has shown attempts to release a Consolidated RFP twice in one calendar year but has yet to demonstrate the ability to release two Consolidated RFPs in one fiscal year.
3. The Committee also urges DHCD to move more quickly through the selection process for projects. The last Consolidated RFP closed on September 30, 2019, which is FY 2019. Results for this Consolidated RFP have yet to be released. The Committee would like to see a swift selection process.

4. In Fiscal Year 2020, DHCD, through a competitive bidding process, added Low Income Investment Fund (LIIF) as the third administrator of the Preservation Fund along with Capitol Impact Partners and the Local Initiatives Support Corporation (LISC). The Committee is eager to redirect dollars within the Department to the preservation fund to underscore the importance of the 3 to 1 leveraging of private dollars so that an increased number of affordable housing units can be preserved as the fund is enhanced.
5. The Committee recognizes that DHCD has worked through steps in the Single-Family Residential Rehabilitation Program to reduce the backlog and expedite the timeline. However, the Committee recommends that DHCD continue to work to expedite the timeline from the time of application submission to project completion.
6. The Committee recommends that DHCD maintain the minimal maintenance necessary of properties in the inventory of the Property Acquisition and Disposition Division (PADD) and instead redirect the project dollars for PADD to projects funded from the Affordable Housing Financing budget in the Housing Production Trust Fund.
7. The Committee recommends that DHCD review the requirements of the Housing Purchase Assistance Program (HPAP) application, most specifically the requirement that a Notice of Eligibility (NOE) be completed and consider how it may impact residents' ability to complete the process. The Committee looks forward to engaging DHCD and other stakeholders to revise this process.

## **HOUSING AUTHORITY SUBSIDY (HY0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 operating budget for the District of Columbia Housing Authority with the following changes:

1. *Accept the following:*
  - \$12,960 in recurring funds to CSG 50 – Program 2000, Activity 2002 to provide additional funding that will permit at least 20 more seniors to participate in the Rental Assistance for Unsubsidized Seniors Program from the Committee on Government Operations

- \$468,008.50 in recurring funds to CSG 50 – Program 6000, Activity 6040 to provide rental assistance to 20 returning citizens identified by the Office on Returning Citizens from the Committee on Facilities and Procurement.
  - \$468,008.50 in recurring funds, directed to CSG 50 – Program 6000, Activity 6040 to provide rental assistance to 20 senior citizens, including 10 set aside for LGBTQ seniors from the Committee on Facilities and Procurement.
2. \$38,880 in recurring funds to CSG 50 – Program 2000, Activity to provide additional funding for seniors to participate in the Rental Assistance for Unsubsidized Seniors Program
  3. \$114,960 in recurring funds to CSG 50 – Program 6000, Activity 6010, to provide vouchers for LGBTQ Seniors

### **Fiscal Year 2020 Capital Budget Recommendations**

The Housing Authority Subsidy has no associated capital funds.

### **Fiscal Year 2020 Policy Recommendations**

The Committee recommends that the District of Columbia Housing Authority implement the following policy recommendations:

1. The Committee recommends that the Housing Authority and the Mayor rejuvenate its efforts to secure future funding to pull applicants from the DCHA voucher waitlist.
2. The Committee urges DCHA to work closely with the DMPED over the coming months to determine policies and procedures that will guide the agency’s use of the Public Housing & Structural Transformation (PHAST) program funds. The Committee asks that DCHA inform the Committee of the policies and procedures implemented and provide it with a copy of the yearly report that DCHA and DMPED are required to submit to the Committee on Economic Development under the program.
3. The Committee requests that DCHA work with relevant agencies to distribute the tenant-based vouchers provided by the \$936,017 transfer from the Committee on Facilities and Procurement.

## **HOUSING FINANCE AGENCY (HF0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor’s FY 2021 operating budget for the District of Columbia Housing Finance Agency (“DCHFA”).

### **Fiscal Year 2021 Capital Budget Recommendations**

The District of Columbia Housing Finance Agency has no associated capital funds.

### **Fiscal Year 2021 Policy Recommendations**

The Committee recommends that the District of Columbia Housing Finance Agency implement the following policy recommendations:

1. Meet DCHFA’s proposed goal of adding 1,400 new rental units to the District’s housing stock.
2. Surpass DCHFA’s proposed goal of supplying housing where 30% of multi-family units are occupied by District residents whose incomes are below 50% of the area median income (AMI).
3. Surpass DCHFA’s proposed goal of supplying housing where 85% of multi-family units are occupied by District residents whose incomes are below 60% of the AMI.
4. Expand the scope of the ongoing commissioned study on constructions costs in the District of Columbia so that it accounts for the impact of the coronavirus pandemic and resulting economic downturn.
5. Publicize DCHFA’s Board meetings using available outlets, including social media and newsletters, to encourage public attendance and participation.
6. Continue to collaborate with the Department of Housing and Community Development (DHCD) and the Greater Washington Urban League (GWUL) to administer a citywide training for all community-based organizations that serve as the intake entity for the Home Purchase Assistance Program (HPAP) to foster cohesiveness and efficiency amongst stakeholders.
7. Work with DHCD and GWUL to streamline the HPAP application process and evaluate the necessity of the Notice of Eligibility component.
8. Continue the successful rollout of the Reverse Mortgage Foreclosure Prevention Pilot program (ReMIT) that provides financial assistance for the payment of overdue property taxes and property insurance bills for those homeowners who are at risk of foreclosure.
9. Continue to explore innovative options for supporting the development of housing that targets residents at lower income levels, particularly those under 60% of the AMI.

10. Explore innovative options to support home ownership opportunities for individuals with low credit scores.
11. Explore innovative ways for Advisory Neighborhood Commissions (ANCs) and the general public to communicate their position and concerns on proposed developments in their neighborhoods under consideration by DCHFA.

## **HOUSING PRODUCTION TRUST FUND (UZ0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 budget for the Housing Production Trust Fund with the following modifications:

1. *Redirect:*
  - \$4,000,000 in one-time funds within the Housing Production Trust Fund from Activity 4110 (Property Acquisition and Disposition Division) to 2100 (Affordable Housing Financing) from FY20
  - \$5,000,000 in one-time funds within the Housing Production Trust Fund from Activity 4110 (Property Acquisition and Disposition Division) to 2100 (Affordable Housing Financing) from FY21

### **Fiscal Year 2021 Capital Budget Recommendations**

The Housing Production Trust Fund has no associated capital funds.

### **Fiscal Year 2021 Policy Recommendations**

The Committee recommends that the Housing Production Trust Fund implement the following policy recommendations:

1. The Committee recommends that DHCD closely monitor the administrative expenses in the interest of operating in the most efficient manner possible and identifying ways to ensure that administrative costs do not reach the 15% allotted limit each time new money is invested in or removed from the fund.

## **OFFICE OF THE TENANT ADVOCATE (CQ0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 operating budget for the Office of the Tenant Advocate with the following changes:

*Increase the following:*

1. \$125,000 to the Office of the Tenant Advocate to CSG 50, Program 9000, Activity 9010 to enhance funds for the operating costs of the rent control database

### **Fiscal Year 2021 Capital Budget Recommendations**

The Office of the Tenant Advocate has no associated capital funds.

### **Fiscal Year 2121 Policy Recommendations**

The Committee recommends that the Office of the Tenant Advocate implement the following policy recommendations:

1. By December 2020:
  - a. Complete the Rent Control Housing Clearinghouse (the “Clearinghouse”), authorized by subtitle J, the Publicly Accessible Rent Control Housing Clearinghouse Amendment Act of 2017, of L22-0033, the Fiscal Year 2018 Budget Support Act of 2017, effective from December 13, 2017.<sup>1</sup>
  - b. Also complete the reregistration project authorized by subtitle CC of L22-0168, the Rental Housing Registration Update Amendment Act of 2018, effective from October 30, 2018. The Rental Housing Registration Update is a priority component of the Clearinghouse project, and it is the Committee’s expectation that the reregistration requirement would be developed as a priority task order by the OTA in the overall development of the Clearinghouse.
2. The Committee strongly urges the OTA to utilize every resource in its arsenal to raise the priority of the project at the Office of Contracting and Procurement so that work on coding the database can finally begin by the end of 2020.
3. Endeavor to continue the tradition of OTA’s annual summit through a virtual platform in September 2020. Although due to the COVID-19 public health emergency, OTA will not have the budget for a summit comparable to past summits, nevertheless, OTA should work to hold a virtual summit this year so that the important educational function of the summit continues.

<sup>1</sup> In L21-0036, the Fiscal Year 2016 Budget Support Act of 2015, the Committee had authorized DHCD to establish an internet-accessible, searchable database for the submission, management, and review of all documents that the Rental Housing Act of 1985 requires housing providers to submit to RAD. The Clearinghouse was required to be completed by DHCD within two years of the effective date of L21-0036 so that documents could be submitted by housing providers and tenants to RAD through the online clearinghouse. However, two years after the mandate was given to DHCD, the Committee saw no discernable progress in the development of the database, so the responsibility was transferred to the Office of the Tenant Advocate in L22-0033.

## **REAL PROPERTY TAX APPEALS COMMISSION (DA0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 operating budget for the Real Property Tax Appeals Commission.

### **Fiscal Year 2021 Capital Budget Recommendations**

The Real Property Tax Appeals Commission (RPTAC) has no associated proposed capital funds.

### **Fiscal Year 2021 Policy Recommendations**

The Committee recommends that the Real Property Tax Appeals Commission implement the following policy recommendations:

1. Work expeditiously to find a qualified Executive Director to fill the existing vacancy.
2. Expand outreach efforts to continue to ensure that the public is aware of the services the agency provides.
3. Expand authorization for additional FTEs in FY 2022 and beyond to provide additional personnel for appraisal, legal, and administrative assistance with the agency's increasing caseload.
4. Continue to engage in regular dialogue with the Committee on the agency's caseload and trends in assessments as the Council evaluates means for providing real property tax relief for certain populations.
5. Continue to engage in regular dialogue with the Committee on the agency's efforts to improve operational efficiencies with its part-time Commissioners.

## **RENTAL HOUSING COMMISSION (DR0)**

### **Fiscal Year 2021 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2021 operating budget for the Rental Housing Commission.

## **Fiscal Year 2021 Capital Budget Recommendations**

The Rental Housing Commission has no associated proposed capital funds.

## **Fiscal Year 2121 Policy Recommendations**

The Committee recommends that the Rental Housing Commission implement the following policy recommendations:

1. The RHC should continue to make the necessary changes to operationalize its status as independence agency. The RHC has made numerous operational changes since February 2019 when the RHC became independent, including working with DCHR to recruit the RHC's first General Counsel and working with OCTO to develop the RHC's agency profile across all platforms.
2. The RHC should finalize the its work with the Office of the City Administrator on performance metrics for FY 2021. The following performance measures should be included in its performance metrics: percent of decisions upheld or reversed, percent of cases mediated, average number of days between notice of appeal and receipt of certified record, average number of business days to complete adjudication, average number of days between preliminary case review and staff assignment, average number of calendar days between initial case filing to filing of record or receipt of transcript, if any, between filing of record or receipt of transcript, if any to oral argument, between oral argument to disposition, between receipt of certified record and scheduled hearing date, between hearing and opinion, percent of cases awaiting decision that are more than 340 days old, average number of days between initial case filing to mediation scheduling, percent of initial mediation held within 45 calendars day after notice of appeal being filed, and percent of eligible cases resolved through mediation or Mediator-involved settlement.
3. The RHC should expedite its efforts to promulgate the regulations without further delay through prioritizing virtual stakeholder and sister agency meetings. Final regulations are crucial to guide housing providers, tenants, and judges in the implementation of the many recent and near past changes to the Rental Housing Act of 1985.

## **IV. BUDGET SUPPORT ACT RECOMMENDATIONS**

On Monday, May 18, 2020, Chairman Mendelson introduced, on behalf of the Mayor, the “Fiscal Year 2021 Budget Support Act of 2020” (Bill 23-0760). The bill contains two subtitles for which the Committee has provided comments.

### **A. RECOMMENDATIONS ON MAYOR’S PROPOSED SUBTITLES**

The Committee provides comments on the following subtitles of the “Fiscal Year 2021 Budget Support Act of 2020”:

#### **1. Title V. Subtitle D – The Senior Strategic Plan Amendment Act of 2020**

##### **a. Purpose, Effect, and Impact on Existing Law**

The subtitle amends the Senior Strategic Plan Amendment Act of 2018 by delaying the plan’s implementation date from December 31, 2019, to the last day of the second fiscal year for which funding for the act is included in an approved budget and a financial plan.

##### **b. Committee Reasoning**

Currently, the Senior Strategic Plan Amendment of 2018 requires the Department of Aging and Community Living to develop and publish a 10-year strategic plan that serves as a long-term blueprint for District services for the aged. However, because of the current Public Health Emergency of COVID-19, the District must make some financial reductions. The Committee understands this unfortunate, but necessary delay and believes that the Department will fulfill its task of developing and publishing this Senior Strategic Plan within an appropriate time, as funding becomes available.

##### **c. Section-by-Section Analysis**

Sec. 5031. Short title.

Sec. 5032. Amends the Senior Strategic Plan Amendment Act of 2018 to delay the Department’s requirement of developing and publishing a 10-year Senior Strategic Plan from December 31, 2019, to the last day of the second fiscal year for which funding for this act is included in an approved budget and a financial plan.

##### **d. Legislative Recommendation for Committee of the Whole**

SUBTITLE X. SENIOR STRATEGIC PLAN

Sec. 5031. Short title.

This subtitle may be cited as the “Senior Strategic Plan Amendment Act of 2020”.

Sec. 5032. Section 307(e) of the District of Columbia Act on the Aging, effective March 28, 2019 (D.C. Law 22-267; D.C. Official Code § 7-503.07(e)), is amended as follows:

(a) Paragraph (1) is amended by striking the date “December 31, 2019” and inserting the phrase “on the last day of the second fiscal year for which funding for this act is included in an approved budget and financial plan” in its place.

(b) Paragraph (3) is amended by striking the date “December 31, 2019” and inserting the phrase “the date on which the initial Plan is filed in accordance with paragraph (1) of this subsection” in its place.

#### **e. Fiscal Impact**

This subtitle has no additional fiscal impact.

## **2. Title II. Subtitle G – Tax Abatements for Affordable Housing in High-need Affordable Housing Areas Act of 2020**

### **a. Purpose, Effect, and Impact on Existing Law**

The subtitle provides a 40-year tax abatement to certain real properties, if, among other requirements: (1) the real property is located in a high-need affordable housing area; (2) the real property is developed or redeveloped with a project that includes at least 350 housing units; (3) at least one third of the housing units developed or redeveloped on the real property are affordable to households earning 80% or less of the area median income for a period of at least 40 years; (4) the developer enters into an agreement with the District that requires the developer to, at a minimum, contract with certified business enterprises for at least 35% of the contract dollar volume of the operations of the project, in accordance with section 2349 of the CBE Act; (5) the developer enters into a First Source Hiring Agreement for the operations of the project; (6) and the developer enters into an agreement with the Mayor setting forth the requirements of this subsection and such other terms and conditions as the Mayor deems appropriate.

### **b. Committee Reasoning**

The Committee concurs that this subtitle provides yet another important opportunity for the District to incentivize the creation of affordable housing. However, the Committee also believes that the subtitle should be improved to target better those in need of workforce housing. In example:

1. In addition to the Mayor’s requirement that at least 1/3 of the units be *affordable* to households earning 80% or less of the area median income:
  - 1/3 of the units must be *rented* to households earning 80% or less of the area median income. By adding this clarification, the Committee ensures that tenants with incomes at above 80% AMI cannot outcompete lower income tenants and rent the units.
  - Further, the *average* of the qualifying units must be *affordable to and rented by* households earning 70% or less of the area median income. This requirement provides even lower income tenants the opportunity to rent units in a covered property. Further, this change will result in units being available to tenants at 60% AMI and will enables

the program to use Low-Income Housing Tax Credits, which are free federal funds that incentivize mixed-income buildings at no cost to the city.

2. Owners are required to provide biannual, independent compliance monitoring to certify, under penalty of perjury, a real property's continued eligibility for the abatement provided by this section, saves the District financial resources. The Department of Housing and Community Development maintains the role of reviewing certifications and recommending to the Office of Tax and Revenue that they be either affirmed or declined.
3. The 350-housing unit minimum requirement was reduced to a 51-housing unit minimum to allow a greater diversity of developers to participate in the program.
4. The tax abatement period is changed from 40 years to 20 years with two options for the owner to extend the tax abatement period for two sets of 10 years. This change makes the program more attractive to developers by providing them greater flexibility when considering to participate in the tax abatement program.
5. DHCD is specified to serve as the intermediary between owners of projects receiving a tax abatement and the Office of Tax and Revenue. DHCD was chosen as the agency with the greatest amount of experience in affordable housing. DHCD has the best experience to run a transparent and accountable process and can also coordinate the use of this abatement with other existing affordable housing tools to maximize the value of the tax abatement.
6. The subtitle also clarifies that the tax abatement only applies to income restricted units and not all units in the project.

**c. Section-by-Section Analysis**

Sec. 2061. Short title.

Sec. 2062. Establishes a 40-year tax abatement to certain real properties, if certain requirements are met by an owner of the property.

**d. Legislative Recommendation for Committee of the Whole**

**SUBTITLE G. TAX ABATEMENTS FOR AFFORDABLE HOUSING IN HIGH-NEED AREAS**

Sec. 2061. Short title.

This subtitle may be cited as the "Tax Abatements for Affordable Housing in High-need Affordable Housing Areas Act of 2020".

Sec. 2062. Chapter 8 of Title 47 of the District of Columbia Official Code is amended as follows:

- (a) The table of contents is amended by adding a new section designation to read as follows:

“47-860. Tax abatement for affordable housing in high-need affordable housing areas.”.

(b) A new section 47-860 is added to read as follows:

“§ 47-860. Tax abatement for affordable housing in high need affordable housing areas.

“(a) Real property tax imposed by § 47-811 on real property certified as provided in subsection (d) of this section shall be abated for the period set forth in subsection (c) of this section, if:

“(1) The real property is located in a high-need affordable housing area;

“(2) The real property is designated by the Department of Housing and Community Development (“DHCD”) pursuant to subsection (b) of this section;

“(3) The real property is developed or redeveloped with a project that includes at least 51 housing units;

“(4) At least one third of the housing units developed or redeveloped on the real property are affordable:

“(A) To and rented by households earning 80% or less of the area median income;

“(B) To and rented by households earning on average 70% or less of the area median income, based on the average of all the households certified for the tax abatement provided by this section; and

“(C) For a period of at least 20 years, with options to continue the abatement for another 10 years available to an owner after 20 years and again after 30 years;

“(5) The developer files a covenant in the land records of the District, binding on the developer and all of its successors, covenanting to comply with the requirements of paragraph (4) of this subsection;

“(6) The developer enters into an agreement with the District that requires the developer to, at a minimum, contract with certified business enterprises for at least 35% of the contract dollar volume of the operations of the project, in accordance with section 2349 of the CBE Act;

“(7) The developer enters into a First Source Hiring Agreement for the operations of the project; and

“(8) The developer enters into an agreement with DHCD setting forth the requirements of this subsection and such other terms and conditions as DHCD deems appropriate.

“(b) DHCD may, through a competitive process, designate real property in high-need affordable housing areas to be eligible to receive a tax abatement under this section; provided, that the total amount of the tax abatements associated with real property designated by DHCD pursuant

to this subsection shall not exceed \$200,000 in Fiscal Year 2024 and shall not exceed \$2.5 million annually thereafter.

“(c) The tax abatement provided by this section shall:

“(1) Only apply to those units that meet the requirements of subsection (a)(4) of this section; and

“(2) Begin in the tax year immediately following the tax year during which a final certificate of occupancy for the affordable housing developed as part of a project meeting the requirements of subsection (a) of this section is issued and shall continue until the end of the 20th tax year after the tax year during which the final certificate of occupancy is issued; provided, that the tax abatement provided by this section shall continue until the end of the 40th tax year after the tax year during which the certificate of occupancy is issued if the both of the 10-year options to renew pursuant to subsection (a)(4)(C) of this section are invoked; provided further, that the tax abatement provided by this section shall not begin before October 1, 2023.

“(d)(1) By July 1, 2023, and biannually thereafter, the owner shall cause an independent compliance monitor to certify, under penalty of perjury, a real property’s continued eligibility for the abatement provided by this section. The certification shall include:

“(A) A description of the real property by street address, square, suffix, and lot;

“(B) The date the final certificate of occupancy for the affordable housing developed on the real property was issued;

“(C) The date the tax abatement begins and ends under subsection (c) of this section;

“(D) A statement that the conditions specified in subsection (a) of this section have been satisfied; and

“(E) The amount of abatement allocated to the property pursuant to subsection (b) of this section; and

“(F) Any other information that DHCD considers necessary or appropriate.

“(2) DHCD shall review the certifications required in paragraph (1) of this subsection and shall either affirm or decline the certifications to the Office of Tax and Revenue.

“(3) If at any time DHCD determines that the real property has become ineligible for the abatement provided by this section, DHCD shall notify the Office of Tax and Revenue and shall specify the date that the property became ineligible. The entire property shall be ineligible for the abatement on the first day of the tax year following the date when the ineligibility occurred.

“(4) If at any time DHCD determines that the abatement allowable with respect to any real property certified under this subsection shall be reduced for any real property tax year pursuant to the limitation imposed by subsection (b) of this section, DHCD shall notify the Office

of Tax and Revenue of the amount of the reduced abatement allowable for such property for such tax year.

“(e) The tax abatement provided by this section shall be in addition to, not in lieu of, any other tax relief or assistance from any other source.

“(f) The requirements of the CBE Act and First Source Act shall not apply to the construction or development of a project developed on real property designated by DHCD pursuant to subsection (b) of this section.

“(g) For the purposes of this section, the term:

“(1) “Area median income” has the meaning set forth in section 2(1) of the Housing Production Trust Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801(1)).

“(2) “CBE Act” means the Small and Certified Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*).

“(3) “Certified business enterprise” means a business enterprise or joint venture certified pursuant to the CBE Act.

“(4) “Developer” means the developer of housing units on real property eligible for a tax abatement under this section.

“(5) “First Source Act” means the First Source Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Official Code § 2-219.03).

“(6) “First Source Agreement” means an agreement with the District governing certain obligations of the Developer pursuant to section 4 of the First Source Act, and Mayor’s Order 83-265, dated November 9, 1983, regarding job creation and employment.

“(7) “High-need affordable housing area” means the 4 planning areas identified in the District’s Housing Equity Report, published in October 2019, with the highest dedicated affordable housing production goals (Rock Creek West, Rock Creek East, Capitol Hill, and Upper Northeast).”

“(h) DHCD, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), may promulgate regulations to implement this section, including regulations governing the priority of assignment or method of allocation of the amount of abatement allowed under subsection (b) of this section.”.

#### **e. Fiscal Impact**

This subtitle has no additional fiscal impact.