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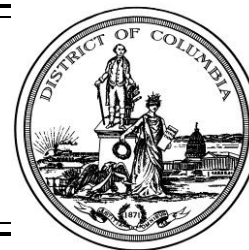
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## COMMITTEE ON HOUSING AND EXECUTIVE ADMINISTRATION

COUNCILMEMBER ANITA BONDS, CHAIRPERSON  
FISCAL YEAR 2023 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 Executive Administration

**DATE:** April 20, 2022

**SUBJECT:** Report and Recommendations of the Committee on Housing and Executive Administration on the Fiscal Year 2023 Budget for Agencies Under its Purview

The Committee on Housing and Executive Administration (“Committee”), having conducted hearings and received testimony on the Mayor’s proposed operating and capital budgets for Fiscal Year 2023 (“FY23”) 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 2023 Budget Support Act of 2022, as proposed by the Mayor.

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# I. SUMMARY

## A. FISCAL YEAR 2023 AGENCY OPERATING BUDGET SUMMARY

Operating Budget Summary				
Fund Type	Fund Detail	Mayor's FY 2023 Proposed	Committee Variance	Committee's FY 2023 Recommendation
<b>Department of Aging and Community Living</b>				
FEDERAL GRANT FUND	ARPA - FEDERAL GRANTS	\$2,628,682	\$0	\$2,628,682
FEDERAL GRANT FUND	FEDERAL GRANTS	\$8,338,033	\$0	\$8,338,033
FEDERAL MEDICAID PAYMENTS	FEDERAL MEDICAID PAYMENTS	\$3,267,235	\$0	\$3,267,235
LOCAL FUND	LOCAL FUNDS	\$50,607,960	\$1,768,000	\$52,375,960
<b>TOTAL GROSS FUNDS</b>		<b>\$64,841,910</b>	<b>\$1,768,000</b>	<b>\$66,609,910</b>
<b>Department of Housing and Community Dev</b>				
FEDERAL GRANT FUND	CDBG GRANT	\$29,745,321	\$0	\$29,745,321
FEDERAL GRANT FUND	FEDERAL GRANTS - COVID19	\$4,896,151	\$0	\$4,896,151
FEDERAL GRANT FUND	HUD GRANT - HOME	\$9,590,378	\$0	\$9,590,378
FEDERAL GRANT FUND	HUD GRANT - OTHER SECTION 108 LOAN	\$3,500,000	\$0	\$3,500,000
FEDERAL GRANT FUND	GUARANTEE PROG	\$9,700,000	\$0	\$9,700,000
LOCAL FUND	ARPA - LOCAL REVENUE REPLACEMENT	\$3,000,000	\$0	\$3,000,000
LOCAL FUND	LOCAL FUNDS	\$32,493,209	(\$244,339)	\$32,248,870
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	DHCB UNIFIED FUND	\$5,212,000	\$0	\$5,212,000
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	HPAP - REPAY	\$1,700,000	\$0	\$1,700,000
<b>TOTAL GROSS FUNDS</b>		<b>\$99,837,059</b>	<b>(\$244,339)</b>	<b>\$99,592,720</b>
<b>Executive Office of the Mayor</b>				
LOCAL FUND	EMANCIPATION DAY FUNDS	\$40,000	\$0	\$40,000
LOCAL FUND	LOCAL FUNDS	\$7,437,771	\$115,892	\$7,553,663
PRIVATE GRANT FUND	PRIVATE GRANT FUND	\$809,466	\$0	\$809,466
<b>TOTAL GROSS FUNDS</b>		<b>\$8,287,237</b>	<b>\$115,892</b>	<b>\$8,403,129</b>
<b>Housing Authority Subsidy</b>				
LOCAL FUND	LOCAL FUNDS	\$182,575,342	\$1,780,249	\$184,355,591
<b>TOTAL GROSS FUNDS</b>		<b>\$182,575,342</b>	<b>\$1,780,249</b>	<b>\$184,355,591</b>
<b>Housing Finance Agency</b>				
ENTERPRISE AND OTHER FUNDS	ENTERPRISE AND OTHER FUNDS - HF0	\$15,891,252	\$0	\$15,891,252
<b>TOTAL GROSS FUNDS</b>		<b>\$15,891,252</b>	<b>\$0</b>	<b>\$15,891,252</b>
<b>Housing Production Trust Fund</b>				
ENTERPRISE AND OTHER FUNDS	HPPTF -OTHER REVENUE	\$419,000,000	\$0	\$419,000,000

ENTERPRISE AND OTHER FUNDS- DEDICATED TAX	HOUSING PRODUCTION TRUST FUND	\$79,810,952	\$0	\$79,810,952
<b>TOTAL GROSS FUNDS</b>		<b>\$498,810,952</b>	<b>\$0</b>	<b>\$498,810,952</b>
<b>Housing Production Trust Fund Subsidy</b>				
LOCAL FUND	GENERAL PURPOSE LOCAL FUND	\$409,000,000	\$0	\$409,000,000
<b>TOTAL GROSS FUNDS</b>		<b>\$409,000,000</b>	<b>\$0</b>	<b>\$409,000,000</b>
<b>Mayor's Office of Legal Counsel</b>				
LOCAL FUND	LOCAL FUNDS	\$1,754,855	\$0	\$1,754,855
<b>TOTAL GROSS FUNDS</b>		<b>\$1,754,855</b>	<b>\$0</b>	<b>\$1,754,855</b>
<b>Office of the City Administrator</b>				
LOCAL FUND	ARPA - LOCAL REVENUE REPLACEMENT	\$1,268,980	\$0	\$1,268,980
LOCAL FUND	LOCAL FUNDS	\$10,952,209	\$0	\$10,952,209
<b>TOTAL GROSS FUNDS</b>		<b>\$12,221,189</b>	<b>\$0</b>	<b>\$12,221,189</b>
<b>Office of the Secretary</b>				
LOCAL FUND	LOCAL FUNDS	\$4,243,080	\$655,000	\$4,898,080
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	DISTRIBUTION FEES	\$1,000,000	\$0	\$1,000,000
<b>TOTAL GROSS FUNDS</b>		<b>\$5,243,080</b>	<b>\$655,000</b>	<b>\$5,898,080</b>
<b>Office of the Senior Advisor</b>				
LOCAL FUND	LOCAL FUNDS	\$4,546,309	\$0	\$4,546,309
<b>TOTAL GROSS FUNDS</b>		<b>\$4,546,309</b>	<b>\$0</b>	<b>\$4,546,309</b>
<b>Office of the Tenant Advocate</b>				
FEDERAL PAYMENTS	ARPA - MUNICIPAL	\$511,680	\$0	\$511,680
LOCAL FUND	LOCAL FUNDS	\$3,265,841	\$0	\$3,265,841
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	RENTAL UNIT FEE FUND	\$643,736	\$0	\$643,736
<b>TOTAL GROSS FUNDS</b>		<b>\$4,421,256</b>	<b>\$0</b>	<b>\$4,421,256</b>
<b>Real Property Tax Appeals Commission</b>				
LOCAL FUND	LOCAL FUNDS	\$1,973,852	\$60,000	\$2,033,852
<b>TOTAL GROSS FUNDS</b>		<b>\$1,973,852</b>	<b>\$60,000</b>	<b>\$2,033,852</b>
<b>Rental Housing Commission</b>				
LOCAL FUND	RHC - LOCAL	\$1,356,912	\$0	\$1,356,912
<b>TOTAL GROSS FUNDS</b>		<b>\$1,356,912</b>	<b>\$0</b>	<b>\$1,356,912</b>
<b>GRAND TOTAL</b>		<b>\$1,310,761,205</b>	<b>\$4,134,802</b>	<b>\$1,314,896,007</b>

## B. FISCAL YEAR 2023 AGENCY FULL-TIME EQUIVALENT

Agency Full-Time Equivalent Summary			
Fund Type	Mayor's FY 2023 Proposed	Committee Variance	Committee's FY 2023 Recommendation
<b>Department of Aging and Community Living</b>			
LOCAL FUND	92.46	0.00	92.46
FEDERAL GRANT FUND	7.00	0.00	7.00
FEDERAL MEDICAID PAYMENTS	27.54	0.00	27.54
<b>TOTAL FTE</b>	<b>127.00</b>	<b>0.00</b>	<b>127.00</b>
<b>Department of Housing and Community Development</b>			
LOCAL FUND	61.27	0.00	61.27
FEDERAL GRANT FUND	21.04	2.00	23.04
SPECIAL PURPOSE REVENUE FUNDS (O'TYPE)	0.00	0.00	0.00
<b>TOTAL FTE</b>	<b>82.31</b>	<b>2.00</b>	<b>84.31</b>
<b>Executive Office of the Mayor</b>			
LOCAL FUND	54.10	1.00	55.10
PRIVATE GRANT FUND	6.90	0.00	6.90
<b>TOTAL FTE</b>	<b>61.00</b>	<b>1.00</b>	<b>62.00</b>
<b>Housing Authority Subsidy</b>			
LOCAL FUND	0.00	0.00	0.00
<b>TOTAL FTE</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
<b>TOTAL FTE</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	90.29	0.00	90.29
ENTERPRISE AND OTHER FUNDS	0.00	0.00	0.00
<b>TOTAL FTE</b>	<b>90.29</b>	<b>0.00</b>	<b>90.29</b>
<b>Housing Production Trust Fund Subsidy</b>			
LOCAL FUND	0.00	0.00	0.00
<b>TOTAL FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Mayor's Office of Legal Counsel</b>			
LOCAL FUND	10.00	0.00	10.00
<b>TOTAL FTE</b>	<b>10.00</b>	<b>0.00</b>	<b>10.00</b>
<b>Office of the City Administrator</b>			
LOCAL FUND	74.00	0.00	74.00
<b>TOTAL FTE</b>	<b>74.00</b>	<b>0.00</b>	<b>74.00</b>
<b>Office of the Secretary</b>			

LOCAL FUND	23.00	1.00	24.00
SPECIAL PURPOSE REVENUE FUNDS (O"TYPE)	6.00	0.00	6.00
<b>TOTAL FTE</b>	<b>29.00</b>	<b>1.00</b>	<b>30.00</b>
<b>Office of the Senior Advisor</b>			
LOCAL FUND	20.00	0.00	20.00
<b>TOTAL FTE</b>	<b>20.00</b>	<b>0.00</b>	<b>20.00</b>
<b>Office of the Tenant Advocate</b>			
LOCAL FUND	19.00	0.00	19.00
FEDERAL PAYMENTS	5.00	0.00	5.00
SPECIAL PURPOSE REVENUE FUNDS (O"TYPE)	5.31	0.00	5.31
<b>TOTAL FTE</b>	<b>29.31</b>	<b>0.00</b>	<b>29.31</b>
<b>Real Property Tax Appeals Commission</b>			
LOCAL FUND	13.25	0.00	13.25
<b>TOTAL FTE</b>	<b>13.25</b>	<b>0.00</b>	<b>13.25</b>
<b>Rental Housing Commission</b>			
LOCAL FUND	9.00	0.00	9.00
<b>TOTAL FTE</b>	<b>9.00</b>	<b>0.00</b>	<b>9.00</b>
<b>GRAND TOTAL</b>	<b>545.16</b>	<b>4.00</b>	<b>549.16</b>

## C. FY 2023-2028 AGENCY CAPITAL BUDGET SUMMARY

	Available Allotment as of 16 Mar 2022 (includes Pre- Encumbrances)	FY 2023 Planned Allotment	FY 2024 Planned Allotment	FY 2025 Planned Allotment	FY 2026 Planned Allotment	FY 2027 Planned Allotment	FY 2028 Planned Allotment	FY 2023- FY 2028 Total Planned Allotment
DEPARTMENT OF AGING AND COMMUNITY LIVING								
SENIOR WELLNESS CENTER RENOVATION POOL P								
Existing Balances	1,453,335	0	0	0	0	0	0	0
<b>SENIOR WELLNESS CENTER RENOVATION POOL P Total</b>	<b>1,453,335</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
WARD 8 SENIOR WELLNESS CENTER								
Existing Balances	10,481,933	0	0	0	0	0	0	0
<b>WARD 8 SENIOR WELLNESS CENTER Total</b>	<b>10,481,933</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
WASHINGTON CENTER FOR AGING SERVICES REN								
Existing Balances	519,053	0	0	0	0	0	0	0
<b>WASHINGTON CENTER FOR AGING SERVICES REN Total</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>
<b>DEPARTMENT OF AGING AND COMMUNITY LIVING Total</b>	<b>12,454,321</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
HOUSING AUTHORITY SUBSIDY								
DEVELOPMENT AND REHABILITATION - DCHA								
Approved FY22 CIP for FY23-27	0	20,000,000	15,000,000	0	0	0	0	35,000,000
Mayor's Proposed FY23 Change	0	30,010,922	26,150,000	19,320,000	0	0	0	75,480,922
Existing Balances	50,955,943	0	0	0	0	0	0	0
Committee's FY23 Recommendation	0	1,121,266	0	0	0	0	0	1,121,266
<b>DEVELOPMENT AND REHABILITATION - DCHA Total</b>	<b>50,955,943</b>	<b>51,132,188</b>	<b>41,150,000</b>	<b>19,320,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,602,188</b>
<b>HOUSING AUTHORITY SUBSIDY Total</b>	<b>50,955,943</b>	<b>51,132,188</b>	<b>41,150,000</b>	<b>19,320,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,602,188</b>
OFFICE OF THE SECRETARY								
ARCHIVES								
Approved FY22 CIP for FY23-27	0	2,713,000	11,869,946	26,802,919	29,561,880	0	0	70,947,745
Mayor's Proposed FY23 Change	0	0	29,561,880	0	(29,561,880)	0	0	0
Existing Balances	1,000,000	0	0	0	0	0	0	0
Committee's FY23 Recommendation	0	1,000,000	0	0	0	0	0	1,000,000
<b>ARCHIVES Total</b>	<b>1,000,000</b>	<b>3,713,000</b>	<b>41,431,826</b>	<b>26,802,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>71,947,745</b>
<b>OFFICE OF THE SECRETARY Total</b>	<b>1,000,000</b>	<b>3,713,000</b>	<b>41,431,826</b>	<b>26,802,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>71,947,745</b>
<b>Grand Total</b>	<b>64,410,264</b>	<b>54,845,188</b>	<b>82,581,826</b>	<b>46,122,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>183,549,933</b>

## D. TRANSFERS IN FROM OTHER COMMITTEES

Sending Committee	Amount	FTEs	Receiving Agency	Program	Purpose	Recurring or One-Time
Government Operations and Facilities	\$300,000	0	DACL	Program 9400, Activity 9422	Advocacy/Elder Rights in providing legal assistance to the aging community	Recurring
Government Operations and Facilities	\$100,000	0	DACL	Program 9400, Activity 9215	Enhance Senior Ambassador Program	Recurring
Transportation and Environment	\$130,000	0	DACL	Program 9400, Activity 9475	Caregiver Support for adults 60 years and older with memory loss and other cognitive impairments	Recurring
Transportation and Environment	\$250,000	0	DACL	Program 9400, Activity 9475	Caregiver Support to support telemedicine equity program	Recurring
Transportation and Environment	\$250,000	0	DACL	Program 9400, Activity 9475	Caregiver Support to improve the health and well-being of underinvested communities and radically reduce health disparities through the creation of community-driven solutions.	Recurring
Transportation and Environment	\$200,000	0	DACL	Program 9400, Activity 9440	Senior Wellness Center/Fitness to support programming at a senior center, focus on non-English language speakers	One Time



Transportation and Environment	\$250,000	0	DACL	Program 9400, Activity 9430	Lead Agencies and Case Management to support older adults navigate financials and protect their funds from scams and exploitation	One Time
Transportation and Environment	\$288,000	0	DACL	Program 9400, Activity 9430	Lead Agencies and Case Management for tenants access to consistent meals, counseling, etc.	One Time
Transportation and Environment	\$500,000	0	DACL	Capital Funds	Feasibility study and additional sites/programming in Wards 2 and 3.	One Time
Government Operations and Facilities	\$522,002.40	0	DCHA	Program 6000, Activity 6010	20 LRSP tenant-based vouchers for LGBTQ residents identified by OLGBTQ	Recurring
Government Operations and Facilities	\$64,000	0	DCHA	Program 6000, Activity 6010	One-time funding for LRSP vouchers	One Time
Government Operations and Facilities	\$468,909.60	0	DCHA	Program 6000, Activity 6010	20 Targeted Affordable Housing vouchers to support residents leaving rapid rehousing	Recurring
Government Operations and Facilities	\$60,000	0	DCHA	Program 6000, Activity 6010	One-time funding for TAH vouchers	One Time
Government Operations and Facilities	\$522,002.40	0	DCHA	Program 6000, Activity 6010	20 LRSP vouchers for Single Residents on DCHA waiting list	Recurring
Government Operations and Facilities	\$64,000	0	DCHA	Program 6000, Activity 6010	One-time funding for LRSP vouchers	One Time

Government Operations and Facilities	\$1,000,000	0	OS	Project AM0-AB102	Accelerate planning for the new DC Archives	One Time
Government Operations and Facilities	\$1,121,266	0	DCHA	Project DHA21-Development and Rehabilitation	Public housing repairs	One Time
Government Operations and Facilities	\$115,892	1	EOM	Program 2000, Activity 2006	Staff/Clemency Board	Recurring
Recreation, Libraries, and Youth Affairs	\$70,336.44	0	DCHA	Program 6000, Activity 6010, CSG 0050	3 TAH vouchers for returning citizens designated by ORCA	Recurring
Recreation, Libraries, and Youth Affairs	\$9,000	0	DCHA	Program 6000, Activity 6010, CSG 0050	Security Deposits and Administrative Fees related to 3 TAH vouchers	One Time
Public Safety and Judiciary	\$60,000	0	RPTAC	Program 2010, Activity 41	B22-0317 Sections 4(c)-(e)	One Time
Transportation and the Environment	\$99,323	1	OS	Program 1500, Activity 1501	Personnel Regular Pay, remote notary platform for B24-0457	Recurring
Transportation and Environment	\$24,831	1	OS	Program 1500, Activity 1501	Fringe Benefits, remote notary platform for B24-0457	Recurring
Transportation and Environment	\$463,000	0	OS	Program 1500, Activity 1501	Office Space, remote notary platform for B24-0457	One Time
Transportation and Environment	\$67,846	0	OS	Program 1500, Activity 1501	IT upgrade and maintenance, and other contractual services, remote notary platform for B24-0457	Recurring
Business and Economic Development	\$198,661	2	DHCD	Program 3000, Activity 3030, CSG	Personnel Regular Pay, Fringe Benefits, HPAP	One Time

				0011, 0014	grant for essential home repairs	
Government Operations and Facilities	\$522,002.40	0	DCHA	Program 6000, Activity 6010	20 LRSP tenant-based vouchers for returning citizens identified by ORCA	Recurring
Government Operations and Facilities	\$64,000	0	DCHA	Program 6000, Activity 6010	One-time funding for LRSP vouchers	One Time

## E. TRANSFERS OUT TO OTHER COMMITTEES

Receiving Committee	Amount	FTEs	Receiving Agency	Program	Purpose	Recurring or One-Time
N/A	N/A	N/A	N/A	N/A	N/A	N/A

## F. REVENUE ADJUSTMENT

Agency	Fund Type	Amount	Use	BSA Subtitle
		-79,000	B24-579 provides real property tax exemptions for multiple residential properties at 900 55 <sup>th</sup> Street NE and 2327 through 2341 Skyland Terrace, S.E. which are owned by Habitat for Humanity.	

## G. FUNDING OF BUDGET SUPPORT ACT SUBTITLES

Subtitle	Agency	Program	Amount	FTEs
Title II. Subtitle G. Home Purchase Assistance Program	Department of Housing and Community Development	HPAP, Program 3000, Activity 3030, CSG 0011 and 0014	\$198,661	2

## H. FUNDING OF PENDING BILLS OR LAWS SUBJECT TO APPROPRIATION

Bill or Law #	Status	Agency	Program	Amount	FTEs
N/A	N/A	N/A	N/A	N/A	N/A

# **I. SUMMARY OF COMMITTEE BUDGET RECOMMENDATIONS**

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

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Department of Aging and Community Living with the following changes:

1. Accepts:

- a. \$300,000 in recurring funds from Committee on Government Operations and Facilities to CSG 50 – Program 9400, Activity 9422 for Advocacy/Elder Rights in providing legal assistance to the aging community.
- b. \$100,000 in recurring funding from Committee on Government Operations and Facilities to Program 9200, Activity 9215, to enhance Senior Community Ambassador Program.
- c. \$130,000 in recurring funding, starting from FY 2023 for four fiscal years, from the Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9475 for Caregiver Support to support interventions with adults 60 years and older with memory loss and other cognitive impairments, including services, support groups, and activities that provide relief from social isolation and stigma for people with early and mid-stage Alzheimer's disease and Related Dementias (ADRD) and their care partners.
- d. \$250,000 in recurring funding, starting from FY 2023 for four fiscal years, from the Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9475 for Caregiver Support to support telemedicine equity program.
- e. \$250,000 in recurring funding, starting from FY 2023 for four fiscal years, from the Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9475 for Caregiver Support to improve the health and well-being of underinvested communities and radically reduce health disparities through the creation of community-driven solutions.
- f. \$200,000 in one-time funding from Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9440 for Senior Wellness Center/Fitness to support programming at a senior center that provides comprehensive health and social services to senior adults living in isolation or within a family context, with a focus on serving seniors who speak a language other than English.

- g. \$250,000 in one-time funding from Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9430 for Lead Agencies and Case Management to support older adults in navigating financial responsibilities and protecting their funds from scams and exploitations.
- h. \$288,000 in one-time funding from Committee on Transportation and the Environment to CSG 50 – Program 9400, Activity 9430 for Lead Agencies and Case Management to all tenants with access to consistent meals, counseling, social worker support, transportation to groceries, shopping, and one-on-one health clinic.

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Committee recommends approval of the Mayor’s FY 2023 capital budget for the Department with the following changes:

- 1. Accept:
  - a. A transfer in of \$500,000 in one-time funding from Committee on Transportation and the Environment to fund a feasibility study and additional sites/programming in Wards 2 and 3.

### **Fiscal Year 2023 Policy Recommendations:**

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

- 1. The Committee recommends DACL conduct extensive and regular collaboration with sister-agencies, community-based organizations, agency navigators and the public for improved outreach and disseminating information regarding DACL’s programs and services.
- 2. The Committee recommends DACL develop a comprehensive plan that increases outreach activities that translate to new participants.
- 3. The Committee recommends DACL continue to increase public outreach and referrals of the Rental Assistance for Unsubsidized Seniors program, also known as “Shallow Subsidy” program, to the District of Columbia Housing Authority “DCHA”.
- 4. The Committee recommends DACL work with the community in the development of the State Plan, including developing a public emergency plan to ensure that seniors are equipped with adequate information to protect themselves, particularly during a state of emergency, whether it is a loss of income, health crisis, domestic violence or abuse, or in-home fire, or other public safety emergency.
- 5. The Committee recommends DACL stay actively informed of grantees’ services to ensure that equity is achieved, and participants receive appropriate services.

6. The Committee recommends DACL actively monitor Lead Agencies' and Grantees' delivery goals and performance measures to ensure that District funds are used appropriately and in a cost-effective manner.
7. The Committee recommends DACL closely monitor and diligently respond to requests made for Safe at Home Program services with DACL, and promptly refer eligible projects to the Single-Family Rehabilitation program within the Department on Housing and Community Development (DHCD).
8. The Committee recommends that DACL continue improvements in senior nutrition services and combat senior hunger by ensuring that the needs for meals and nutrition supplements are met, including components of fresh fruits and produce, and quickly convene quality food and nutrition programs to determine the extent of senior hunger and develop strategies to reach isolated and uninformed residents the program is designed to assist.
9. The Committee recommends that adequate, timely and minimum-cost transportation services continue to be offered to District residents that meets their varying needs and varied destinations.
10. The Committee recommends DACL remain informed of situations that arise in nursing homes and assisted living facilities by maintaining contact with the appropriate parties.
11. The Committee recommends DACL continue outreach-to the caregiver community, including persons that care for close relatives and the home care aides providers that are a vital component to allowing many aging District age-at-home without commercial confinement.
12. The Committee recommends DACL coordinate with Department of Health, city hospitals and outpatient programs and organizations to improve client experiences with homecare programs.
13. The Committee recommends DACL continue partnerships with the Council to improve seniors' quality of life and overall standard of living, including but not limited to employment programs, expansion of fitness and healthy living activities and virtual participation, assist in the growth and development of Senior Villages, expansion of healthy eating programs, and broader and intentional dissemination of information regarding the existence of DACL and its programs and services.
14. The Committee recommends DACL provide quarterly reports on the number of clients by Ward that are referred by Lead Agencies and other entities for services performed by central office case management unit.

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DB0)

### Fiscal Year 2023 Operating Budget Recommendations:

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Department of Housing and Community Development with the following changes:

1. Accept:
  - a. \$198,661 in one-time funding transferred from the Committee on Business and Economic Development to provide Salary and Fringe Benefits for 1 Grade 12/13 Compliance Specialist (term position), and 1 Grade 11 Inspector (term position), for administering the new grant for essential repairs component of the HPAP program – Program 3000, Activity 3030, CSG 0011 and 0014
2. Transfer:
  - a. \$264,000 one-time funding to the Office of the Tenant Advocate to Program 9000, Activity 9010 – CSG 50 to support continued collaboration with the Rental Accommodations Division (RAD) at DHCD and the vendor to design and develop all components of the Rent Control Clearinghouse Database (RCCD), including the website, search engine, report engine, and all other functionalities.
  - b. \$60,000 in one-time funding to the Department of Aging and Community Living to Program 9400, Activity 9440 – CSG 50 for Senior Wellness Center/Fitness to support programming at a senior center that provides comprehensive health and social services to senior adults living in isolation or within a family context, with a focus on serving seniors who speak a language other than English.
3. Realign within DHCD:
  - a. \$40,000 in one-time funding from Program 2000, Activity 2035 – CSG 50 to Program 2000, Activity 2025 – CSG 50 to support the tracking of federally and locally subsidized affordable housing in the District of Columbia for the purposes of devising methods to preserve affordability at these properties by a membership organization that includes affordable housing providers and tenant technical assistance providers and that has convened District and federal agencies, tenant technical assistance providers, tenant advocates, affordable housing providers, and legal services providers (the DC Preservation Network) for this purpose for at least ten years.

### Fiscal Year 2023 Capital Budget Recommendations:

The Department of Housing and Community Development (DHCD) has no associated capital funds.



## **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Department of Housing and Community Development (DHCD) implement the following:

1. The Committee directs the agency to comply with the terms of new subtitle requiring certain reports from the Director surrounding all funding decisions approved by the Housing Production Trust Fund. These reports are essential to preserving public confidence that funding decisions are made in accordance with all applicable laws, regulation, and funding requirements.
2. The Committee recommends the agency release a Consolidated Request for Proposals (RFP) twice each fiscal year. In the 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 each fiscal year.
3. The Committee urges the agency to continue to explore opportunities to exercise the “District’s Opportunity to Purchase Amendment Act of 2021,” and to use Property Acquisition and Disposition Division (PADD) and Preservation Fund dollars when the opportunity presents itself to.
4. The Committee urges the agency to continue to promote the Housing Assistance Fund (HAF) program to provide foreclosure relief in targeted neighborhoods, and to swiftly promulgated rules for federal foreclosure relief funds that are forthcoming.
5. The Committee recommends that DHCD continue to work to expedite the timeline and process for repairs under the Single Family Residential Rehabilitation Program, and reduce the backlog.
6. The Committee urges the Rent Administrator to work closely with the Office of the Tenant Advocate to finalize the modernization of a Rent Control Housing Clearinghouse by the end of the calendar year.
7. The Committee urges the agency to continue to report on a longitudinal basis on the number of affordable units – by income levels served – by development project supported by public funds, over time, to keep a running count of the number of affordable units produced over time.
8. The Committee urges the agency to continue to work with the Committee on the strengthening of laws governing the operation of condominium and cooperative boards, and homeowner associations, including training for board members around the fiduciary responsibilities for the upkeep and maintenance, and long-term improvements of their properties; and health and safety of all common areas and structures.
9. The Committee urges the agency to continue to support the efforts of the Committee to strengthen Condominium Warranty laws, and other protections of consumers in the condo market around structural and common area defects and damages.

10. The Committee urges DHCD to continue to investigate innovative and expansive ways to provide District residents with a path to homeownership – including condominiums and cooperatives - particularly focusing on improving homebuyer outcomes for populations that have been traditionally and historically underserved.
11. The Committee recommends that DHCD continue to work towards expanding the Small Building Grants Program to distressed condominiums, cooperatives, and homeowner associations.
12. The Committee urges the agency to work with the Committee to evaluate options toward the development of an affordability acquisition fund to rapidly acquire buildings and sites in areas of high opportunity, high land cost and little public land to create permanently affordable housing rental and ownership opportunities with an emphasis on large, family-sized units.
13. The Committee urges the agency to develop a pilot program that would include ownership opportunities for public sector employees, such as teachers, police and fire personnel, and other essential workers to the lifeblood of the city, to live in the District, within mixed income neighborhoods, with opportunities for workforce affordability in housing.
14. The Committee urges the agency to work with the Committee to continue to identify innovative mechanisms, such as a more expansive and creative use of vouchers or other subsidies, to create affordable housing opportunities for economically and culturally diverse communities – including working individuals and families, returning citizens, seniors, and LGBTQ populations - in market rate housing.

## DISTRICT OF COLUMBIA HOUSING AUTHORITY (HY0)

### Fiscal Year 2023 Operating Budget Recommendations:

The Committee recommends approval of the Mayor's FY 2023 operating budget for the District of Columbia Housing Authority with the following changes:

1. Accept the following:
  - a. \$522,002.40 in recurring funding from the Committee on Government Operations and Facilities for 20 LRSP vouchers for LGBTQ residents designated by OLGBTQ—Program 6000, Activity 6010, CSG-50;
  - b. \$64,000 in one time funding from the Committee on Government Operations and Facilities for Security Deposits and Administrative Fees related to 20 LRSP vouchers for LGBTQ residents designated by OLGBTQ – Program 6000, Activity 6010, CSG-50;
  - c. \$522,002.40 in recurring funding from the Committee on Government Operations and Facilities for 20 LRSP vouchers for returning citizens designated by ORCA – Program 6000, Activity 6010.
  - d. \$64,000 in one-time funding from the Committee on Government Operations and Facilities for LRSP vouchers for returning citizens designated by ORCA – Program 6000, Activity 6010.
  - e. \$468,909.60 in recurring funding from the Committee on Government Operations and Facilities for 20 Targeted Affordable Housing (TAH) vouchers for residents leaving Rapid Rehousing –Program 6000, Activity 6010, CSG-50;
  - f. \$60,000 in one time funding from the Committee on Government Operations and Facilities for TAH vouchers – Program 6000, Activity 6010, CSG-50;
  - g. \$522,002.40 in recurring funding from the Committee on Government Operations and Facilities for 20 LRSP vouchers for single residents on the DCHA waiting list – Program 6000, Activity 6010, CSG-50;
  - h. \$64,000 in one time funding from the Committee on Government Operations and Facilities for Security Deposits and Administrative Fees related to 20 LRSP vouchers for single residents on the DCHA waiting list – Program 6000, Activity 6010, CSG-50;
  - i. \$70,336.44 in recurring funding from the Committee on Recreation, Libraries, and Youth Affairs for 3 Targeted Affordable Housing vouchers for returning citizens designated by ORCA – Program 6000, Activity 6010, CSG-50;
  - j. \$9,000 in one time funding from the Committee on Recreation, Libraries, and Youth Affairs for Security Deposits and Administrative Fees related to 3 Targeted Affordable Housing vouchers for returning citizens – Program 6000, Activity 6010, CSG-50;

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 capital budget for the District of Columbia Housing Authority with the following changes:

1. Accept the following:
  - a. \$1,121,266 from the Committee on Government Operations and Facilities to DHA21 – Development and Rehabilitation at DCHA for public housing repairs.

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the District of Columbia Housing Authority (DCHA) implement the following:

1. The Committee recommends that the Authority act with urgency to remediate environmental hazards such as mold, lead, and rodents present in public housing units.
2. The Committee recommends that the Authority provide the Committee with quarterly reports detailing, for each property, how much funding has been budgeted, obligated, and expended for each of the capital budget spending categories (Architectural & Engineering Design, Rehabilitation Projects, Stabilization Projects, and Repair & Modernization projects). The report should also include updates, for each property, on any funds budgeted, obligated, and expended for environmental hazard remediation (mold, lead, and rodents).
3. The Committee recommends that the Authority provide quarterly updates to the Committee on its progress in submitting contracts to the CFO and on its approved withdrawals from the capital fund.
4. The Committee recommends that the Housing Authority provide regular updated information to residents on properties undergoing renovation and extensive repairs.
5. The Committee recommends that the Authority work with the Department of Aging and Community living to develop an outreach strategy for the Shallow Subsidy for Seniors to increase participation such that all available funds may be allocated to eligible seniors by the end of FY 2023.
6. The Committee recommends that the Authority take steps to increase the number of applicants pulled from the waitlist, including collaboration with community organizations and nonprofits to publicize a public services announcement campaign for applicants to update their information, as well as the speedy establishment of a dedicated and trained call center.
7. The Committee recommends that the Authority complete its analysis of payment standards for the purpose of entering into voucher leases in the Washington DC rental housing market and carefully consider how payment standards impact the total number of residents served by vouchers, and the voucher clients' flexibility to live throughout all 8 wards.

8. The Committee recommends that the Authority conducts an analysis of potential mechanisms for improving DCHA's Office of Public Safety (OPS) recruitment and retention, including but not limited to greater collaboration with MPD for recruitment (such as through MPDC.careers) and officer training, expansion of the Residential Officer Program, and various expansions of benefits for DCHA OPS (including the possibility of granting OPS employees access to the District Governments' Police and Fire Pension retirement plan). The analysis should consider the fiscal impact of each solution.
9. The Committee recommends that the Authority investigate ways to improve public housing residents' credit ratings, and conduct an analysis of the Public Housing Credit Ratings pilot program that received national attention. The Authority should seek to take steps that support public housing residents who are trying to improve their credit rating.
10. The Committee recommends that the Authority promulgate a rulemaking to ensure that the Authority is in compliance with the Nonprofit Fair Compensation Act of 2020 (Subchapter XI-A of Title 2 Chapter 2 of the Official D.C. Code) as the compensation has not been adjusted in 13 years.
11. The Committee recommends that the Authority inform the Committee if the Authority encounters difficulty in directing or witnesses heightened demand for those vouchers reserved for members of special populations.

## DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY (HF0)

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the FY 2023 budget for the District of Columbia Housing Finance Agency in the amount of \$15,891,251.8, as proposed by the Mayor.

### **Fiscal Year 2023 Capital Budget Recommendations:**

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

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the District of Columbia Housing Finance Agency (DCHFA) implement the following:

1. The Committee recommends that DCHFA publicize its Board meetings using available outlets including, but not limited to, social media platforms, listserv announcements, and external newsletters to encourage public attendance and participation.
2. The Committee recommends that DCHFA 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 to foster cohesiveness and efficiency amongst stakeholders. DCHFA should ensure that both HPAP recipients and the real estate community understand and utilize the new grant for essential repairs, established by the Fiscal Year 2023 Budget Support Act of 2022.
3. The Committee recommends that DCHFA continue to explore innovative options for supporting the development of housing that targets residents at lower income levels, particularly those at or below 60% of the Median Family Income (MFI).
4. The Committee recommends that DCHFA work with DHCD to explore innovative options to ensure adequate affordable housing opportunities in new, mixed-use developments along key commercial corridors that are rezoned for greater density.
5. The Committee recommends that DCHFA work with developers to promote and support the development of new affordable multifamily housing in Ward 1, Ward 3, and Ward 4, with particular emphasis on Rock Creek West. The Committee also recommends that DCHFA support the development of affordable single-family homes in Rock Creek West.
6. The Committee recommends that DCHFA explore options to support the financing of downtown office-to-residential conversions, to promote affordability and mixed-income neighborhoods.
7. The Committee recommends that DCHFA continue to explore innovative options to support home ownership opportunities for District residents with low credit scores.

8. The Committee recommends that DCHFA explore innovative ways for Advisory Neighborhood Commissions (ANCs) and members of the general public to communicate their positions and concerns regarding proposed developments in their neighborhoods that are under consideration by DCHFA.
9. The Committee recommends that DCHFA meet its proposed goal of deploying the State Low Income Housing Tax Credit which will infuse additional capital in the housing ecosystem.

## EXECUTIVE OFFICE OF THE MAYOR (AA0)

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Executive Office of the Mayor with the following changes:

1. Accept the following:
  - a. 1 FTE and \$115,892 in recurring funds, transferred from the Committee on Government Operations for the Office of the General Counsel, to support the Clemency Board.

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Executive Office of the Mayor has no associated capital funds.

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Executive Office of the Mayor implement the following:

1. Work to improve the operations of the Clemency Board. The District of Columbia should fulfill its clemency functions, as have other states. This power has been underutilized, and in need of updating and modernizing.
2. The Committee encourages the Executive Office of the Mayor to keep the Council apprised of all progress surrounding the partnership with Bloomberg Philanthropies to transform the digital landscape within DC Government.



## HOUSING PRODUCTION TRUST FUND (UZ0)

### Fiscal Year 2023 Operating Budget Recommendations:

The Committee recommends approval of the FY 2023 budget for the Housing Production Trust Fund in the amount of \$498,810,952, as proposed by the Mayor.

### Fiscal Year 2023 Capital Budget Recommendations:

The Housing Production Trust Fund has no associated capital funds.

### Fiscal Year 2023 Policy Recommendations:

The Committee recommends the Housing Production Trust Fund implement the following:

1. The Committee urges the Department of Housing and Community Development (DHCD) to continue to prioritize and select projects that will contribute to the Department's ability to meet the statutory requirement of using 50% of funds to preserve and produce units for households making 0-30% MFI.
2. The Committee urges DHCD to prioritize selecting affordable housing development projects in Rock Creek West, near Northwest, or in Capitol Hill Planning Areas as delineated in the 2021 Consolidated Request for Proposals.
3. The Committee urges DHCD to adhere to the HPTF statutory quarterly and annual reporting requirement to update the Council on its status toward reaching certain statutory disbursement goals.
4. The Committee urges the Housing Production Trust Fund (HPTF) to continue to operate collaboratively with other agencies such as the DC Housing Authority and the Department of Human Services for the purpose of coordinating resources to reach more extremely low-income residents.
5. The Committee urges DHCD to prioritize leveraging multiple sources, such as Local Rent Supplement Vouchers, Low-Income Housing Tax Credits, and National Housing Trust Fund dollars to build units at 30% MFI and below.
6. The Committee urges DHCD to adhere to the recommendations delineated in the September 2021 OIG Audit Report that the Department has specifically agreed to.
7. The Committee urges DHCD to adhere to new HPTF transparency and accountability requirements and guidelines as outlined by the Committee.
8. The Committee urges DHCD to work with the Committee to develop more efficacious ways to measure investment in the statutory buckets outlined in the Housing Production Trust Fund Act of 1988.

9. The Committee looks forward to evaluating DHCD based upon the year the Department awards a development project as opposed to the year when the respective project comes online.
10. The Committee urges DHCD to use a combination of affordable housing tools to increase the production and preservation of workforce housing for rental and ownership options.
11. The Committee urges DHCD to work with the existing asset management consultant that monitors HPAP and EAHP loan repayments to monitor HPTF loan repayments with the consultant's risk rating system and looks forward to receiving quarterly updates on the Trust Fund repayments.

## **MAYOR'S OFFICE OF LEGAL COUNSEL (AH0)**

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Mayor's Office of Legal Counsel.

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Mayor's Office of Legal Counsel has no associated capital funds.

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Mayor's Office of Legal Counsel implement the following:

1. The Committee recommends MOLC-quickly fill vacant positions to ensure that the Office is operating in its full capacity.
2. The Committee recommends MOLC ensure FOIA requests are completed within the required timeline and provides quarterly status reports on the number of cases received by agency, the number of resolutions in progress and date of completion, and the number of cases that remain unresolved.
3. The Committee appreciates the open channel of communication. The Committee has already taken advantage of MOLC for insight into policy initiatives and looks forward to continuing this positive relationship as the Committee works to strengthen the regulatory systems and structures around our district housing laws.

## OFFICE OF THE CITY ADMINISTRATOR (AE0)

### Fiscal Year 2023 Operating Budget Recommendations:

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Office of the City Administrator.

### Fiscal Year 2023 Capital Budget Recommendations:

The Office of the City Administrator has no associated capital funds.

### Fiscal Year 2023 Policy Recommendations:

The Committee recommends that the Office of the City Administrator (OCA) implement the following:

1. The Committee recommends OCA oversee agencies' various public outreach plans developed or defined to increase public awareness of government programs and services.
2. The Committee recommends OCA consider the use of data-based evidence in targeting hot spot neighborhoods for the reduction of gun violence.
3. The Committee recommends that OCA provide quarterly updated information to the Committee on quantitative measures of the Chief Equity Officer's efficacy in reducing racial inequality in the District.
4. The Committee recommends OCA provide quarterly updated information to the Committee on the implementation of the goals, objectives, and outcomes of the Gun Violence Prevention initiative, within the OCA. Specifically, the Committee recommends that the information include the following:
  - a. Each partner agency's spending over the past quarter,
  - b. The number of constituents/residents reached through Building Blocks DC programming;
  - c. Estimated number of lives saved, if such an estimate is possible;
  - d. The number of individual and organizational grants awarded and the average amount of funding awarded to each category;
  - e. The metrics used to understand program efficacy in each neighborhood in which program resources are available; and
  - f. A copy or report on requests for Building Block services that the initiative does not add to or include in the activities plan.
  - g. Any assessment indicating additional needs not covered by current program scope and funding and an estimate of any additional costs associated with the additional needs.

## OFFICE OF THE SECRETARY (BA0)

### Fiscal Year 2023 Operating Budget Recommendations:

The Committee recommends approval of the Mayor's proposed FY 2023 operating budget for the Office of the Secretary with the following changes:

1. Accepts:
  - a. \$99,323 in FY2023, \$102,799 in FY 2024, \$106,397 in FY 2025, and \$110,121 in FY 2026 from the Committee on Transportation and the Environment for remote notary platform, CSG 11 – Program 1500, Activity 1501 for Personnel Regular Pay
  - b. \$24,831 in FY 2023, \$25,700 in FY 2024, \$26,599 in FY 2025, and \$27,530 in FY 2026 from the Committee on Transportation and the Environment for remote notary platform, CSG 14 – Program 1500, Activity 1501 for Fringe Benefits
  - c. \$463,000 in FY 2023 from the Committee on Transportation and the Environment for remote notary platform, CSG 40 – Program 1500, Activity 1501 for Office Space.
  - d. \$67,846 in FY 2023, \$39,501 in FY 2024, \$35,004 in FY 2025, and \$30,349 in FY 2026 from the Committee on Transportation and the Environment for remote notary platform, CSG 40 – Program 1500, Activity 1501 for IT upgrade and maintenance, and other contractual services.

### Fiscal Year 2023 Capital Budget Recommendations:

The Committee recommends approval of the Mayor's FY 2023 capital budget for the Department with the following changes::

1. Accepts:
  - a. \$1,000,000 in FY 2023 from the Committee on Government Operations and Facilities to Project AB102 to support the new DC Archives.

### Fiscal Year 2023 Policy Recommendations:

The Committee recommends that the Office of the Secretary implements the following:

1. The Committee recommends that OS continues to work to ensure that the existing DC Archives facility adequately serves District residents leading up to the opening of a new facility.

2. The Committee recommends that OS develops a comprehensive plan for the relocation of the DC Archives including soliciting public comments from interested parties.
3. The Committee recommends that OS promptly implements remote/online notary service.
4. The Committee recommends that OS explores innovative methods for engaging the public with activities in the international community.
5. The Committee recommends that OS continues to engage the public and international community with virtual and in-person activities.

## OFFICE OF THE SENIOR ADVISOR (AI0)

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Office of the Senior Advisor.

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Office of the Senior Advisor has no associated capital funds.

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Office of the Senior Advisor implement the following:

1. The Committee recommends OSA keep the Council apprised of its engagement with federal stakeholders, including Congress, on a regular basis through individual Member meetings and/or briefings that are open to all Councilmembers.
2. The Committee recommends OSA continue to oversee the Office of the Secretary's role in the development of the new DC Archives, including the planning and designing process, and the receipt of public input.
3. The Committee recommends OSA continue its partnership with advocacy organizations and outside contractors to unite all residents who want to get involved with the quest for District statehood and increase the already high level of momentum for DC statehood.

## OFFICE OF THE TENANT ADVOCATE (CQ0)

### Fiscal Year 2023 Operating Budget Recommendations

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Office of the Tenant Advocate with the following changes:

1. Accepts:
  - a. A transfer of \$264,000 from the Department of Housing and Community Development to support continued collaboration with the Rental Accommodations Division (RAD) and the Vendor to design and develop all components of the Rent Control Clearinghouse Database (RCCD), including the website, search engine, report engine, and all other functionalities – Program 9000, Activity 9010, CSG 0041.

### Fiscal Year 2023 Capital Budget Recommendations

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

### Fiscal Year 2023 Policy Recommendations

The Committee recommends that the Office of the Tenant Advocate (OTA) implement the following:

1. The Committee urges OTA to continue to work on the Rent Control Clearinghouse Database and successfully transfer the database to the Rental Accommodations Division within the Department of Housing and Community Development.
2. The Committee recommends OTA to continue this work with enhancements as described above.
3. The Committee recommends that OTA expand and place more emphasis on outreach and education services to make tenants aware of the financial and legal resources available to them.
4. The Committee recommends that OTA continue to pursue the implementation of the "Vanguard Legal Services" plan to support tenants' rights by rapidly creating comprehensive, cost-effective, and efficient legal services and providing necessary outreach and education services.
5. The Committee supports the OTA's continued engagement with government agencies such as DCRA, HSEMA, DHS, DC Council, and the Office of the Mayor on tenant matters.



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

### **Fiscal Year 2023 Operating Budget Recommendations**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Real Property Tax Appeals Commission with the following changes:

1. Accepts:
  - a. \$60,000.00 in one-time funds from the Committee on Public Safety and Judiciary to CSG2000– Program 2010, Activity 41 for B22-0317 Sections 4(c)-(e).

### **Fiscal Year 2023 Capital Budget Recommendations:**

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

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Real Property Tax Appeals Commission (RPTAC) implement the following:

1. 1. The Committee recommends that RPTAC expand outreach efforts to ensure that the public is aware of the property tax appeals program and adjudication process.
2. The Committee recommends that RPTAC continuously assess the need for additional FTEs to perform appraisal, legal, and administrative assistance based on the agency's increasing caseload.
3. The Committee recommends that RPTAC continue to engage in regular dialogue with the Committee on the agency's caseload and trends in property assessments as the Council evaluates means for providing real property tax relief for certain populations.
4. The Committee recommends that RPTAC continue to engage in regular dialogue with the Committee on the solutions to attract residents in the District to become property owners.

## RENTAL HOUSING COMMISSION (DR0)

### **Fiscal Year 2023 Operating Budget Recommendations:**

The Committee recommends approval of the Mayor's FY 2023 operating budget for the Rental Housing Commission.

### **Fiscal Year 2023 Capital Budget Recommendations:**

The Rental Housing Commission has no associated proposed capital funds.

### **Fiscal Year 2023 Policy Recommendations:**

The Committee recommends that the Rental Housing Commission (RHC) implement the following:

1. The Committee recommends that the RHC continue to fight to preserve DC's rental housing stock for low- and moderate- income Washingtonians.
2. The Committee recommends that the RHC prioritize case resolution through adjudication and mediation to meet its statutory responsibilities.
3. The Committee recommends that the RHC continue to implement new processes for how parties will brief and argue appeals, in order to streamline the review of cases without any budget impact.
4. The Committee recommends that the RHC continue to host virtual hearings so parties can continue to join by phone or video
5. The Committee urges the RHC to develop a mechanism to verify that the decisions rendered by the Commission regarding tenant landlord issues are implemented.

## II. AGENCY FISCAL YEAR 2023 BUDGET RECOMMENDATIONS

### A. INTRODUCTION

The Committee on Housing and Executive Administration, having conducted hearings and received testimony on the Mayor's proposed operating and capital budgets for Fiscal Year 2023 (FY23) for the agencies under its purview, reports its recommendations for review and consideration by the Committee of the Whole. The Committee also comments on several sections in the Fiscal Year 2023 Budget Support Act of 2022, as proposed by the Mayor.

The District agencies, boards, and commissions that come under the Committee's purview are as follows:

- Advisory Committee on Community Use of Public Space
- Age-Friendly DC Task Force
- Board of Real Estate Appraisers
- Commission on Aging
- Commission on Martin Luther King, Jr. Holiday
- Condominium Association Advisory Council
- Department of Aging and Community Living
- Department of Housing and Community Development
- District of Columbia Housing Authority
- District of Columbia Housing Finance Agency
- Financial Literacy Council
- Housing and Community Development Reform Commission
- Housing Production Trust Fund
- Housing Production Trust Fund Subsidy
- Mayor's Office of Legal Counsel
- New Communities (jointly with the Committee on Business and Economic Development)
- Office of the City Administrator
- Office of the Secretary of the District of Columbia
- Office of the Senior Advisor
- Office of the Tenant Advocate
- Office-to-Affordable-Housing Task Force
- Real Estate Commission
- Real Property Tax Appeals Commission for the District of Columbia
- Rental Housing Commission.

The Committee is chaired by At-Large Councilmember Anita Bonds. The other members of the Committee are At-Large Councilmembers Elissa Silverman and Robert C. White, Jr. and Ward 2 Councilmember Brooke Pinto and Ward 5 Councilmember Kenyan McDuffie.

The Committee held performance and budget oversight hearings on the following dates:

<b>PERFORMANCE OVERSIGHT HEARINGS</b>	
January 10, 2022	Department of Aging and Community Living Commission on Aging Age-Friendly DC Task Force Real Property Tax Appeals Commission Financial Literacy Council
January 19, 2022	Department of Housing and Community Development (public witnesses only) Housing Production Trust Fund (public witnesses only) Rental Housing Commission (public witnesses only)
January 27, 2022	District of Columbia Housing Authority (public witnesses only)
February 9, 2022	Real Estate Commission Board of Real Estate Appraisers Office of the Secretary of the District of Columbia Commission on the Martin Luther King Jr. Holiday
February 17, 2022	Department of Housing and Community Development Housing Production Trust Fund Rental Housing Commission
February 22, 2022	Housing Finance Agency Office of the Tenant Advocate
February 25, 2022	Executive Office of the Mayor Office of the Senior Advisor Office of the City Administrator Mayor's Office of Legal Counsel

March 3, 2022	<p>Joint Oversight Hearing with the Committee on Human Services Regarding Voucher Programs Jointly Managed by DCHA and DHS (government witnesses only)</p> <p>District of Columbia Housing Authority (government witnesses only)</p>
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<b>BUDGET OVERSIGHT HEARINGS</b>	
March 21, 2022	Department of Aging and Community Living
March 23, 2022	<p>Real Property Tax Appeals Commission</p> <p>Office of the Secretary</p> <p>Mayor's Office of Legal Counsel</p> <p>Office of the Senior Advisor</p> <p>Housing Finance Agency</p> <p>Office of the Tenant Advocate</p>
March 30, 2022	<p>District of Columbia Housing Authority (public witnesses only)</p> <p>Department of Housing and Community Development (public witnesses only)</p> <p>Housing Production Trust Fund (public witnesses only)</p> <p>Rental Housing Commission</p>
April 7, 2022	<p>District of Columbia Housing Authority (government witnesses only)</p> <p>Department of Housing and Community Development (government witnesses only)</p> <p>Housing Production Trust Fund (government witnesses only)</p> <p>Office of the City Administrator</p> <p>Executive Office of the Mayor</p>

The Committee received important comments from members of the public during these hearings. Copies of witness testimony are included in this report as attachments. A video recording of the hearings can be obtained through the Office of Cable Television or at [oct.dc.gov](http://oct.dc.gov). The Committee continues to welcome public input on the agencies and activities within its purview.

## B. DEPARTMENT ON AGING AND COMMUNITY LIVING (BY0)

### 1. AGENCY MISSION AND OVERVIEW

The District of Columbia Department on Aging and Community Living (DACL) was established as the D.C. Office on Aging by the Government Reorganization Procedures Act of 1975, effective October 29, 1975,<sup>1</sup> and expanded into a department by the District of Columbia Department on Aging and Community Living Amendment Act of 2018, effective March 29, 2019.<sup>2</sup>

The mission of DACL consists of the following: (1) to advocate, plan, implement, and monitor programs in health, education, and social services for the elderly; (2) to promote longevity, independence, dignity, and choice for aged District residents, District residents with disabilities regardless of age, and caregivers; (3) to ensure the rights of older adults and their families, and prevent their abuse, neglect, and exploitation; (4) to uphold the core values of service excellence, respect, compassion, integrity, and accountability; and, (5) to lead efforts to strengthen service delivery and capacity by engaging community stakeholders and partners to leverage resources.<sup>3</sup>

DACL provides a single administrative unit within the District government to execute the provisions of the Older Americans Act (P.L. 89-73, as amended), and such other programs as delegated to it by the Mayor or the Council of the District of Columbia. The Department also provides consumer information, assistance, and outreach for its constituents and their caregivers so they can be better informed about aging issues, improve their quality of life, and maintain their independence.<sup>4</sup> In addition, the Department provides elder rights assistance, health and wellness promotion, counseling, case management services, legal, transportation and recreational services, and finally, caregiver services to assist aging in place.<sup>5</sup>

The expansion of the Office on Aging into the Department on Aging and Community Development did not affect the organizational structure of the Department. The Department on Aging and Community Living remains organized as follows:<sup>6</sup>

**Office of the Director (OD):** The OD provides the vision, planning, and leadership for the Department of Aging and Community Living, including executive management, policy, legal, strategic and financial planning, communications, and resource management. OD also manages, leads, and directs all programs and services of DACL. Additionally, OD controls and disseminates work assignments and coordinates agency operations to ensure the attainment of the agency's mission statement and achievement of the goals and objectives of DACL's State Plan.

**General Services:** The General Services team is responsible for building support services, risk management, human resource services, information technology, and overall administrative

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<sup>1</sup> D.C. Law 1-24; D.C. Official Code § 7-503.02.

<sup>2</sup> D.C. Law 22-0276; D.C. Official Code § 7-503.01.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Years 2021/2022, January 3, 2022, at question #1(a).

support for DACL. The team also works to improve the efficiencies of basic services and provide the most cost-effective management and maintenance resources.

**Social Services Division (SSD):** SSD is one of the direct service arms of DACL. This division includes DACL's case management including Adult Protective Services, community social work, and nursing home transition.

#### *Adult Protective Services*

Investigates reports of alleged cases of abuse, neglect, and exploitation by third parties, and self-neglect of vulnerable adults 18 years of age or older. APS provides protective services to reduce or eliminate the risk of abuse, neglect, self-neglect, and exploitation.

#### *Community Social Work*

The Community Social Work unit are dedicated to helping seniors 60 and over, adults with disabilities 18-59, and their caregivers to improve their quality of lives through counseling, advocacy, and reporting. Social workers may provide direct counseling to families and communities, advocate on their behalf to community organizations or other health professionals.

#### *Nursing Home Transition*

The Nursing Home Transition unit was developed to assist and empower seniors who want to move from a nursing facility back to age in place in the community. This unit includes a housing coordinator provides information and support to assist with the transition of nursing home residents as they return to the community.

**External Affairs and Communications (EAC) Division:** The External Affairs and Communication (EAC) team is charged with providing information about the events and activities of DACL to residents of the District of Columbia through a variety of channels, paid and earned media, community outreach, special events, campaigns, and social media engagement. Additional responsibilities include: monitoring performance measures, developing and articulating the vision for the agency to key administration stakeholders and the community; developing, championing, and implementing a comprehensive integrated strategic communications plan. This includes developing, directing, coordinating, and administering policies relating to all of the agency's internal and external communications. The team manages all press inquiries and oversees the informational content provided on the agency's website and social media sites.

**Budget and Finance Division:** The Budget and Finance team develops, maintains, and monitors the agency's budget and invoices to achieve the agency goals, while conforming to the policies and procedures established by the District and the federal government. Fiscal responsibility and transparency are achieved through the review of procurement transactions, expenditures, and projections.

**Programs Division:** The Programs Division oversees the programmatic and fiscal efficiency of senior services provided through DACL grants and contracts. This includes the effective planning, developing, coordinating, and implementation of programs and services to



ensure a continuum of services are available for District seniors, adults with disabilities, and caregivers. This team monitors DACL's Senior Service Network (SSN) composed of 20 community-based, non-profit, and private organizations that operate 40 programs in all eight wards to the District's older adult residents. These programs support a broad range of legal, nutrition, social, and health services for older adults as well as support programs for caregivers.

In addition, the Programs Division includes nutrition assessments and the Aging and Disability Resource Center (ADRC). ADRC provides information and referral services, by phone and in person, for individuals seeking information about long term services and supports for seniors and adults with disabilities.

ADRC includes the following teams:

*Information and Referral/ Assistance*

This team staffs the call center and provides information on programs and services available in the District and makes referrals as appropriate.

*Medicaid Enrollment*

This team provides information about eligibility and enrollment in the Elderly and Persons with Physical Disabilities (EPD) Waiver. The EPD Waiver provides home- and community-based long-term care services, as an alternative to institutionalized care. This team provides assistance with application, submission, and linkage to EPD Waiver case management.

ADRC has one staff member dedicated to the State Plan Medicaid Adult Day Health Program (ADHP) enrollment. ADHP enrollment consists of receiving and processing ADHP referrals from Liberty (a DHCF provider) and completing a Person-Centered Plan for each interested ADHP applicant.

*State Health Insurance counseling Project (SHIP)*

SHIP provides free health insurance information, education, and counseling services to Medicare beneficiaries. In addition to assistance with health insurance issues, SHIP also assists seniors with resolving unpaid medical bills and resolving pharmacy issues.

## 2. FISCAL YEAR 2023 OPERATING BUDGET

### Proposed Operating Budget Summary

The Mayor's FY 2023 budget proposal for the DACL is \$64,841,910, an increase of 6,972,124, or a 12% increase from the current fiscal year. The proposed budget supports 127 FTEs, an increase of 12 FTEs, or 10.4% increase, from the FY 2022 approved level.<sup>7</sup>

**Local Funds:** The Mayor's proposed budget is \$50,608, a increase of \$4,748,000, or 10.3% increase from FY 2022 approved budget. This funding supports 92.5 FTEs, an increase of 14.6 FTEs, or a 18.5% increase from the FY 2022 approved level.<sup>8</sup>

**Federal Grant Funds:** The Mayor's proposed budget is \$10,967,000, an increase of \$2,451,000, or 28.5%, from FY 2022 approved budget. This funding supports 7 FTEs, an alignment of personal services and fringe benefits with projected costs, from FY 2022 approved level.<sup>9</sup>

**Federal Medicaid Payments:** The Mayor's proposed budget is \$3,267,000, an increase of \$189,000, or 6%, from FY 2022 approved budget. This funding supports 27.5 FTEs, reflecting medical growth rate adjustment, from FY 2022 approved level.<sup>10</sup>

**Intra-district Funds:** The Mayor's proposed budget is \$0, a decrease of \$415,000, or 100%, from FY 2022 approved budget. This funding supports 0 FTEs, a decrease of 2 FTEs, or -100%, from FY 2022 approved level.<sup>11</sup>

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<sup>7</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 4, Department on Aging and Community Living (BY0), Table BY0-1.

<sup>8</sup> Mayor's FY 2020 Proposed Budget and Financial Plan, Volume 4, Department on Aging and Community Living (BY0), Table BY0-5.

<sup>9</sup> *Ibd.*

<sup>10</sup> *Ibd.*

<sup>11</sup> *Ibd.*

## Committee Analysis and Comments

**Adult Protective Services (APS):** Adult Protective Services (APS) program receives and investigates reports of alleged cases of abuse, neglect, and exploitation and self-neglect of vulnerable adults 18 years of age or older.<sup>12</sup> The integration of APS allows clients who come into contact with APS to be better connected to services from initial crisis, to stabilization, and continuing support in the community.

**Call & Talk and Daily Reassurance Calls:** The Call & Talk program is a call line that provides District residents, aged 60 and over, or adults with disabilities, age 18 and over, with an open line to connect with DACL staff. DACL staff answers this phone line to provide a friendly voice or willing ear to those in need of connection by conversing about various areas of interests, such as hobbies, sports, or any issues.<sup>13</sup>

**Safe at Home:** The Safe at Home (SAH) program serves District residents, aged 60 and over, or adults with disabilities, age 18 and over, who are homeowners or renters of a property used as a primary residence. Safe at Home provides in-home preventative adaptations to reduce the risk of falls. Examples include handrails, grab bars, bathtub cuts, shower seats, furniture risers, and chair lifts for stairs. To be eligible for the Safe at Home program benefits, an applicant must meet the following requirements:<sup>14</sup>

- Must be a District resident;
- Must be age 60 or over or an adult with a disability; and
- Must have a household income at or below 80% Median Family Income (MFI), including benefits, pensions, annuities, and salary.

In FY2023, Safe at Home will transition into Safe at Home 2.0 to expand benefits for eligible participants. Safe at Home 2.0 will allow participants to voluntarily participate in evidence-based balance and strength training classes offered virtually and in-person to accommodate a variety of abilities.<sup>15</sup>

The following table identifies how many individual residents have been served by the Safe at Home program since FY 2019. A client may receive more than one project type depending on his or her needs, as determined by an Occupational Therapist Assessment and Scope of Work.<sup>16</sup>

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<sup>12</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Years 2021/2022, January 3, 2022, at question #1a.

<sup>13</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Years 2021/2022, January 3, 2022, at question #1a.

<sup>14</sup> Department of Aging and Community Living (“DACL”). Safe at Home. <https://dacl.dc.gov/service/safe-home>.

<sup>15</sup> See *Testimony of Director Laura Newland Before the Committee on Housing & Executive Administration*, FY 2022-2023 Budget Oversight Hearing, March 21, 2022.

<sup>16</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #70.

SAH Clients Served	FY18	FY19	FY20	FY21	FY22 YTD*	TOTAL
In-Home Adaptations	1,031	1,077	1,143	892	236	4,379
Security Cameras	N/A	1,210	960	260	N/A, <i>discontinued</i>	2,430

\* Data as of January 10, 2022.

**Senior Villages:** Senior Villages (herein referred to as “Villages”) are neighborhood based, independent, non-profit volunteer organizations that assist older adults to remain in their own homes and communities. Currently, there are 13 Villages within the District that receive partial funding from DACL. Members of Villages can age in place and avoid social isolation while simultaneously receiving services from volunteers, at no cost to the District government. Services provided by Senior Villages include transportation, education and wellness education, medical assistance, and snow shoveling during snowstorms. The Committee recognizes the importance of grassroots organizations like Villages in addressing the needs of the District’s growing aging population and making D.C. age-friendly. Each Village received an equitable amount of \$50,000 from DACL for FY 2021 to provide transportation, friendly home visits, help with shopping, help running errands, household maintenance and cleaning, fitness activities, social outings, and assistance during a doctor visit. In FY 2022, DACL will equally divide an additional \$154,350 for other direct expenses, \$38,410 for personnel, and \$4,970 for administrative costs to cover the grantee’s additional insurance and bookkeeping to administer the grant.<sup>17</sup>

**Senior Wellness Centers:** The Department operates Senior Wellness Centers in Ward 1, Ward 4, Ward 5, Ward 6, Ward 7, Ward 8, and Satellite Wellness Centers for Wards 2 and 3 that is operated by Around Town DC. Senior Wellness Centers are designed to help seniors continue living boldly by taking charge of your health, wellness, and social life.<sup>18</sup> Activities conducted through the Senior Wellness Centers are important to keeping seniors engaged and active throughout the District.

The Senior Wellness Centers are consistently one of the most popular topics of conversation at Department hearings. Residents want increased space for larger classes, to be more accommodating to those with mobility issues, and to expand building space in general. Time and again, senior after senior testified that the centers have not grown, but the number of seniors seeking to participate in Center activities has significantly increased. The Committee empathizes with the residents, who clearly have expressed the need for the expansion of facilities.

In FY 2018, the Mayor announced an \$11.4 million investment for a new senior wellness center in Ward 8. The project was originally set to be completed in FY 2023, with an estimated allocation for FY 2022 of \$2.5 million and for FY 2023 of \$8.4 million. The Mayor accelerated this project, but due to the public health emergency, the process for building the new center was put on

<sup>17</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #104.

<sup>18</sup> Available at: <https://dacl.dc.gov/services>

hold and has since resumed. The project is slated for construction in March 2023 and completed by the end of December 2024.<sup>19</sup>

In FY 2019, the Department of General Services (DGS) received an additional \$1.5 million in capital funding for the expansion of Model Cities Wellness Center (Ward 5) and Congress Heights Senior Wellness Center (Ward 8). Together, DGS and DACL have worked with participants at both senior wellness centers on the scope of the expansions and have decided on the final designs for both sites. Due to the public health emergency, the expansions were put on hold in FY 2020 but have since resumed. Due to the volatility of the market, the total amount for this project is now \$6 million, of which \$4,003,965.13 have been expended.<sup>20</sup>

**Nutrition:** The meal program at DACL was designed to feed D.C.'s seniors. During the public health seniors have enrolled in the Department's home-delivery meal program because of DC Health's guidance for vulnerable and aging population to stay home as much as possible to avoid the coronavirus. The home-delivered meals meet federal nutrition guidelines. Each home-delivered meal consists of prepared frozen meals that meet 1/3 RDA, including lean protein, whole grains, fruit, vegetable, and dairy or dairy alternatives.<sup>21</sup> The Committee is concerned with the reduction in budget for FY 2021, especially in light of the increasing needs during COVID-19, as well as the increase in meal options and quantities to ensure that District seniors receive adequate daily nutrition.

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<sup>19</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #11c.

<sup>20</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #11b.

<sup>21</sup> Available at: <https://dacl.dc.gov/services>

The following table indicates the amount of expenditures from FY 2019 through FY 2022, and proposed budget for FY 2023.

<b>Meal Services Funding</b>					
<b>Type of Meal Service</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23*</b>
	<b>Local/Federal</b>	<b>Local/Federal</b>	<b>Local/Federal</b>	<b>Local/Federal</b>	<b>Local/Federal</b>
Congregate Meals	\$4,210,584.60	\$1,389,709.62	N/A, shifted to home deliveries	\$4,637,905.50	\$5,483,000.00
Home Delivered Meals	\$4,125,120.13	\$7,250,149.34	\$8,954,664.88	\$4,018,546.50	\$8,154,000.00
Nutrition Supplements	\$21,000.00	\$27,000.00	\$27,000.00	\$27,000.00	\$777,000.00
Commodity and Farmers Market	\$410,000.00	\$410,000.00	\$410,000.00	\$410,000.00	\$410,000.00
<b>TOTAL</b>	<b>\$9,858,000.00</b>	<b>\$10,132,000.00</b>	<b>\$9,360,000.00</b>	<b>\$11,606,000.00</b>	<b>\$14,824,000.00</b>

\*Proposed FY23 <sup>22</sup> *Id.*

**Transportation Services:** The Department on Aging and Community Living provides necessary transportation services to seniors throughout the District. One of the transportation options is Senior MedExpress, which provides District seniors with the transportation needed to obtain non-emergency, life-sustaining medical transportation services for qualified seniors.<sup>23</sup> However, in FY 2020, DACL transferred Senior MedExpress program to the Department of For-Hire Vehicles through a Memorandum of Understanding (MOU) to streamline and coordinate transportation options for seniors, with a permanent transfer in FY 2021. The following table demonstrates the various types of transportation services available through DACL and the levels of expenditures from FY 2019 – 2021 and approved budget in FY 2022.<sup>24</sup>

Transportation Services Funding				
	FY17	FY18	FY19	FY20
Service Type	Local/Federal	Local/Federal	Local/Federal	Local/Federal
Daycare, Wellness, & Group Trips	N/A	4,060,734.07	4,357,544.00	4,370,253.30
Senior MedExpress	N/A	2,385,595.00	1,800,000.00	1,800,000.00
Connector Card	262,959.62	355,818.00	370,569.00	374,914.28
<b>TOTAL</b>	<b>4,991,000.00</b>	<b>6,802,147.07</b>	<b>6,528,113.00</b>	<b>6,545,167.58</b>

**Senior Strategic Plan:** On January 24, 2019, Mayor Muriel Bowser signed into law the Senior Strategic Plan Amendment Act of 2018, which mandates the Department of Aging and Community Living to conduct an assessment and establish a long-term blueprint for the District government to implement so that we may better serve our senior residents. As signed, this bill requires the Department on Aging to (1) provide an assessment of the District's current measures of delivery of services for seniors, (2) evaluate national best practices and analysis with respect to services for the aged population, (3) consult with local stakeholders to gather data and recommendations for a long-term plan, and (4) publish the report to the public by no later than December 31, 2019.

To implement this Plan would require a minimum of \$220,000 to implement in its first fiscal year, with an additional \$1,245,056 over the four-year budget and financial plan.<sup>22</sup> This Plan calls for three new FTEs for the Department, as outlined in the Fiscal Impact Statement: one (1) Lead Data Management Analyst, one (1) Data Management Analyst, and one (1) performance evaluator.<sup>23</sup> However, because of the COVID-19 Public Health Emergency that requires the District to adjust its budget, the Department has delayed the development of the Senior Strategic Plan until funding is available.<sup>24</sup>

<sup>22</sup> See Fiscal Impact Statement – Senior Strategic Plan Amendment Act of 2018, B22-0686, submitted by Jeffrey S. DeWitt, Chief Financial Officer, November 28, 2018.

<sup>23</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #11c.

<sup>24</sup> DACL Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #11b.

## C. DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT (DB0)

### 1. AGENCY MISSION AND OVERVIEW

The Department of Housing and Community Development was established by the Reorganization Plan No. 3 of 1975, effective July 3, 1975 (21 DCR 2793). The agency's mission is to "create and preserve opportunities for affordable housing and economic development and to revitalize underserved communities."<sup>25</sup> DHCD focuses on three strategic objectives:<sup>26</sup>

1. Preserving and increasing the supply of quality affordable housing;
2. Increasing homeownership opportunities; and
3. Revitalizing neighborhoods, promoting community development, and providing economic opportunities.

DHCD is led by a Director, who is appointed by the Mayor with the advice and consent of the Council. The agency operates through the following nine divisions:

**Development Finance Division (DFD):** Provides funding for the development of rental, homeownership, and community facility developments that serve District of Columbia neighborhoods. As both the creation and preservation of affordable housing units are important to DHCD, DFD plays a prominent role in helping the agency achieve its annual multifamily housing production goals. This division consists of the following 5 activities:

1. **Affordable Housing Project Financing** – Provides funding through a competitive Request for Proposal (RFP) funding process that targets communities and types of development needed to revitalize neighborhoods. This activity also provides development financing and regulatory oversight to nonprofit and for-profit developers so that they can develop properties as affordable ownership and rental units. This activity includes the preparation of Notice of Funding Availability and RFP documents, management of the application and selection process, project management meetings, construction overviews, underwriting, architectural reviews, monitoring reports, funding request presentations, loan closings, and project monitoring services.
2. **Preservation Project Financing** – Allocates funds toward preserving affordable housing units for residents with low-to-moderate income across the District. These units were previously subsidized through federal housing programs, and as the subsidies expire, homeowners will be able to maintain affordability in their communities.
3. **Real Estate Acquisition and Development** – Provides funding for required debt service payments to the U.S. Department of Housing and Urban Development (HUD)

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<sup>25</sup> Department of Housing and Community Development ("DHCD"). Mission and Vision. <https://dhcd.dc.gov/page/mission-and-vision-DHCD>.

<sup>26</sup> *Ibid.*



for development loans taken out under the Section 108 program. The District borrows funds under this program, which are then loaned again to developers of affordable housing for specific projects. The District is obligated to budget these debt service payments separately in order to secure the HUD loan, but will ultimately recover the funds in the form of loan repayments from project developers.

4. **Accessory Dwelling Units** – Provides incentives to homeowners in targeted areas to convert a portion of their existing property or build a stand-alone accessory dwelling unit, such as a garage or basement apartment, to increase the total number of affordable housing units available in these areas.
5. **Local Rent Supplement** – Provides project-based rental subsidies to qualified persons or households.

**Residential and Community Services Division (RCSD):** Works through neighborhood-based organizations to provide comprehensive housing counseling, small business technical assistance, and façade improvement opportunities; administers various down payment assistance programs such as the District’s Home Purchase Assistance Program and the Employer Assisted Housing Program (EAHP); and provides rehabilitation resources in the form of grants and loans to income eligible owner-occupant and rental units that address health, safety, and building code violations, through programs including the Single Family Rehabilitation Program. This division consists of the following 5 activities:

1. **Community Services: Housing Counseling (Neighborhood Based Activities)** – Provides funding for housing counseling services to tenants, potential homeowners, and current homeowners.
2. **Community Services: Small Business Technical Assistance** – Provides technical assistance to small businesses in support of various DHCD programs.
3. **Community Services: Commercial Revitalization** – Provides grants to neighborhood-based organizations for storefront façade improvements in commercial corridors.
4. **Residential Services: Home Purchase Assistance Program** – Provides down payment and closing cost assistance to low to moderate income District residents so that they can become first-time homebuyers in the District of Columbia.
5. **Residential Services: Employer Assisted Housing Program (EAHP)** – Provides down payment and closing cost assistance to qualified District of Columbia government employees.

**Property Acquisition and Disposition Division:** Stabilizes neighborhoods by decreasing the number of vacant and abandoned residential properties in the District and transforming vacant, blighted and/or abandoned residential properties into homeownership opportunities for District of Columbia residents at all income levels. PADD has three main functions: (1) encourage property owners to rehabilitate and/or occupy their vacant and abandoned residential property; (2) acquire vacant, blighted, abandoned and deteriorated properties through negotiated friendly sale, eminent domain, donation, or tax sale foreclosure; and (3) dispose of properties in the PADD inventory by selling the properties to individuals or developers to be rehabilitated into high quality affordable and market-rate single-family and/or multifamily for-sale housing in District neighborhoods. The division contains the following activity:

1. **Property Acquisition and Disposition** – Acquires vacant, abandoned, and deteriorated properties through negotiated friendly sale, eminent domain, donation, or tax sale foreclosure when owners are unwilling or unable to maintain their properties.

**Portfolio and Asset Management Division (PAMD):** Provides portfolio management and oversight of outstanding loans to DHCD and manages the allocation of Low-Income Housing Tax Credits (LIHTC). Established in FY 2008, the division monitors the status of existing loans to ensure compliance with loan covenants and collections of loans that are due and conducts the reviews of the risks and relationships of potential borrowers to protect the department's assets.

**Program Monitoring Division (PMD):** Conducts oversight and reviews of DHCD projects and funding recipients. Its core functions include the following types of oversight: (1) contract compliance – completing various federally required compliance reviews as part of the underwriting and project development process; (2) quality assurance – monitoring the compliance of DHCD funded sub-recipients with federal HOME Investments Partnership Program (HOME) and Community Development Block Grant Program (CDBG) funding requirements; and (3) compliance monitoring – ensuring projects developed by DHCD through the Housing Production Trust Fund (HPTF), CDBG, HOME and Low Income Housing Tax Credit (LIHTC) programs remain in compliance with federal and local program requirements throughout the duration of the project's period of affordability. This division consists of the following 2 activities:

1. **Contract Compliance** – Provides oversight and monitoring services for all DHCD projects to ensure that the Department's use of project funds fully complies with HUD and District regulations.
2. **Quality Assurance** – Provides program review and performance evaluation to DHCD and contractors so that they operate in full compliance with regulations in the most effective manner possible.

**Housing Regulation Administration (HRA):** Administers residential housing regulations relating to condominium and cooperative conversions, rent adjustment procedures, licensing, and other related matters. It includes the Rental Accommodation Division and the Rental Conversion and Sales Division and manages the DHCD Housing Resource Center. This division consists of the following 4 activities:

1. **Rental Conversion and Sales Division (CASD)** – Administers the District’s Tenant Opportunity to Purchase (TOPA) Program, regulates the conversion of property to condominiums and cooperatives, registers condominium and cooperative projects, and administers the structural defect warranty claim program.
2. **Housing Resource Center (HRC)** – Provides rental housing services to landlords and tenants as well as information to the public on all of the department’s services for first-time homebuyers, developers of affordable housing projects, and low-income homeowners. The Housing Resource Center also includes access to the Affordable Housing Locator and an office of University Legal Services for on-site housing counseling.
3. **Inclusionary Zoning & Affordable Dwelling Units (IZ/ADU)** – The Inclusionary Zoning (IZ) Program requires that most new (and some renovated) residential developments include some affordable homes. IZ homes are apartments for rent or condos/townhomes for sale. Affordable Dwelling Unit (ADU) is an umbrella term applied to for-sale and for-rent homes that are locally restricted for occupancy by households whose income falls within a certain range. ADUs are generally offered at a below-market rate. The DC Department of Housing and Community Development (DHCD) monitors and enforces compliance with ADU requirements in the District of Columbia.
4. **Rental Accommodations Division (RAD)** – Administers the District’s rent stabilization program, including registering and licensing rental housing, administering rent adjustment procedures, processing housing provider and tenant petitions, providing conciliation services, and acting as a repository for notices to vacate and all rental property records.

**District Recovery Plan** – District Recovery Plan initiatives, which include COVID-19 Public Health Emergency Direct Response Costs; Economic Recovery for Residents and Businesses; Build and Preserve Affordable Housing; Learning Acceleration; Reduction of Healthcare Disparities; Gun Violence Prevention; Youth Safety; and Alternative 911 Response. These initiatives are funded by District Recovery Plan Funds, which include the following sources: the American Rescue Plan Act and the Coronavirus Aid, Relief, and Economic Security Act.

**Agency Management:** Provides administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

**Agency Financial Operations:** Provides financial management services to, and on behalf of, District agencies to maintain financial integrity of the District of Columbia. This division is standard for all agencies using performance-based budgeting.

## 2. FISCAL YEAR 2023 OPERATING BUDGET

The Mayor's proposed FY 2023 gross funds operating budget for DHCD is \$99,837,059, which represents a 33.5% decrease from its FY 2022 approved gross budget of \$150,231,599.<sup>27</sup> The FY 2023 proposed budgeted full-time equivalents (FTEs) is 172.1, which is the FTE figure comparable to the FY 2022 budget. The total FY 2023 proposed budgeted FTEs starts with 82.3 FTEs, it then subtracts 0.5 FTEs budgeted in the Department in FY 2023 who are employed by another agency. It then adds 90.3 FTEs budgeted in other agencies in FY 2023 who are employed by the Department. Finally, it ends with 172.1 FTEs, the number of FTEs employed by the Department.<sup>28</sup>

**Local Funds<sup>29</sup>:** The Mayor's proposed FY 2023 local funds budget is \$35,493,210, an increase of \$7,036,000, or 6.1%, from the FY 2022 approved budget of \$33,447,132. This funding level supports 61.3 FTEs, an increase of 4.6 FTEs, or 8.2%, compared to the FY 2022 approved level.

The FY 2023 budget for DHCD includes a Local funds reduction of \$2,224,000 and 1.2 FTEs across multiple divisions to account for the removal of one-time funding appropriated in FY 2022, which was comprised of \$1,500,000 to support the Affordable Dwelling Unit program for low- and moderate-income DC residents; \$500,000 in the Residential and Community Service division in Wards 7 and 8; \$174,000 and 1.2 FTEs to support the Reentry Housing and Services Pilot Act of 2021; and \$50,000 to support a grant for a Tenant Opportunity to Purchase (TOPA) study.<sup>30</sup>

The FY 2023 Local funds budget for DHCD includes a reduction of \$16,000,000 to account for the removal of ARPA-Federal Funding for Local Revenue Replacement funding appropriated in FY 2022, of which \$5,000,000 supported the Building Blocks DC program; \$5,000,000 supported the Generating Affordability in Neighborhoods (GAIN) Act; \$4,000,000 supported the Employer - Assisted Home Purchase (EAHP) program for District employees; and \$2,000,000 supported the Douglas Community Land Trust grant.

DHCD's proposed Local funds budget includes a net increase of \$7,961,855 across multiple divisions, primarily to support the project-based Local Rent Supplement vouchers program. An additional increase of \$1,045,211 in the Agency Management division aligns the fixed costs budget with estimates provided by the Department of General Services. The proposed Local funds budget includes another increase of \$596,551 and 4.9 FTEs across multiple divisions to align personal services and Fringe Benefits with projected costs.

In Local funds, a proposed one-time increase of \$5,000,000 will enable the Department to support the high demand for the Employer-Assisted Home Purchase (EAHP) program. Additionally, in Local funds, DHCD's proposed budget includes an increase of APRA – Federal Funds for Local Revenue Replacement funding in the amount of \$3,000,000 to support the Single

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<sup>27</sup> Mayor's FY 2023 Proposed Operating Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-13, Table DB0-1.

<sup>28</sup> *Ibid.*

<sup>29</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-14, Table DB0-2.

<sup>30</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-21, Table DB0-6.

Family Residential Rehabilitation Program (SFRRP). Furthermore, a proposed Local funds increase of \$1,579,209 in the Development Finance Division will enable the agency to meet the Local Rent Supplement Program's statutory funding requirement. The Local funds budget also proposes increases of \$1,000,000 in the Residential and Community Service division to assist income-eligible heirs with the necessary legal assistance to maintain and retain their family's property, and \$365,310 and 1.0 FTE to support the maintenance and administration of the Rent Control Housing database that was developed by the Office of Tenant Advocate (OTA).

**Special Purpose Revenue Funds<sup>31</sup>:** The Mayor's proposed special purpose revenue funds budget is \$6,912,000, an increase of \$812,000, or 13.3%, from the FY 2022 approved budget of \$6,100,000. This funding supports 0.0 FTEs.

**Federal Payments<sup>32</sup>:** The Mayor's proposed federal payments budget is \$0, a 100% decrease from the FY 2022 approved budget of \$48,157,624. This is due to the removal of non-recurring ARPA federal funding appropriated in FY 2022, including \$31,000,000 of ARPA – Municipal funding to fund the acquisition and redevelopment of large-scale properties for affordable transitional housing for qualified residents awaiting permanent housing and \$17,157,624 of ARPA – State funding to provide development funding resources to the Housing Preservation Fund.

**Federal Grant Funds<sup>33</sup>:** The Mayor's proposed federal grant funds budget is \$57,432,000, an increase of \$9,905,000, or 20.8%, compared to the FY 2022 approved level. This funding supports 21.0 FTEs, a decrease of 12.9 FTEs, or 38.1%, compared to the FY 2022 approved level.

**Intra-District Funds<sup>34</sup>:** The Mayor's proposed intra-district funds budget no longer reflects the transfer from the Housing Production Trust Fund (HPTF), as the funds for HPTF will now remain housed in its own budget chapter under the code UZ0. The budget chapter UZ0 now reflects a total of \$498,810,952 that is comprised of the Mayor's allocation of \$409,000,000 and \$79,811,000 in Enterprise and Other Funds – Dedicated Tax.

Due to this accounting change as of Fiscal Year 2020, the Department of Housing and Community Development (DB0) chapter continues to reflect a significant decrease in the intra-District budget line item from the actual Fiscal Year 2022 amount. Therefore, the proposed intra-district funds budget for FY23 is \$0, a 100% decrease from the approved budget of \$15,000,000 in FY 2022 and a decrease in 79.6 FTEs in the Intra-District budget for the Department in comparison to FY 2022.

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<sup>31</sup> *Ibid.*

<sup>32</sup> *Ibid.*

<sup>33</sup> *Ibid.*

<sup>34</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-22. Table DB0-6.

In FY 2023, the prior Intra-District process, which required District agencies to account for negotiated service agreements with other District agencies in a buyer agency-seller agency arrangement, will be eliminated. This process required duplicated budget in the seller agencies, known as Intra-District budget, which will no longer be used. This process will be replaced by a new interagency process, which will enable the agencies providing services (seller agencies) to finance the services by directly charging interagency project funded by the agencies receiving the services (buyer agencies)

## Committee Analysis and Comments

**Staffing:** DHCD was approved 170.2 FTEs for FY 2022 and the Mayor's proposed budget for FY 2023 maintains these staffing levels at 172.1 FTEs employed by the Department.<sup>35</sup> The Agency Fiscal Officer reported to the Committee that there were 25 vacancies at the agency.<sup>36</sup>

The Committee urges DHCD to continue to work expeditiously to promote and fill the remaining number of vacancies that are outstanding within the Department with capable experts. The Committee will continue to monitor the vacancy levels to ensure that all the essential positions are filled.

**Preservation Project Financing:** The Mayor's FY 2023 proposed budget for DHCD allocates \$2,059,000 for the Preservation Financing activity under the Development Finance Division.<sup>37</sup> This is a reduction of \$17,157,624 of ARPA – State funding that was allocated in FY 2022. The FY 2023 proposed FTEs include 5.0 FTEs, an increase of 1.0 FTEs from FY 2022.<sup>38</sup>

The Preservation Project Financing activity under the Development Finance Division allocates funds toward preserving affordable housing units with low-to-moderate income across the District. These units were previously subsidized through federal housing programs, and as the subsidies expire, homeowners will be able to maintain affordability in their communities.

The Department did not fund any projects in FY 2021 through the Housing Preservation Fund, however, in FY 2022, the Department has funded three projects to date through the Preservation Fund.<sup>39</sup>

**Property Acquisition and Disposition Division (PADD):** The Property Acquisition and Disposition Division (PADD) seeks to stabilize neighborhoods by decreasing the number of vacant and abandoned residential properties in the District and transforming them into homeownership opportunities for residents at all income levels. PADD has three main functions:

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<sup>35</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-23. Table DB0-7.

<sup>36</sup> DHCD. Responses to Questions in Advance of the Budget Oversight Public Hearing on Fiscal Year 2022.

<sup>37</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.

<sup>38</sup> *Ibid.*

<sup>39</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #203.

1. Encourage property owners to rehabilitate and/or occupy their vacant and abandoned residential property;
2. Acquire vacant, blighted, abandoned, and deteriorated properties through negotiated friendly sale, eminent domain, donation, or tax sale foreclosure; and
3. Dispose of properties in the inventory by selling the properties to individuals or developers for rehabilitation into high quality affordable and market-rate single-family and/or multifamily for-sale housing.<sup>40</sup>

DHCD disposes of PADD properties via strategies like negotiated sale, competitive solicitation, transfer to another District agency, or adjacent property sale. Each process has various statutory requirements and can take between a few months to two years to dispose of a PADD property.<sup>41</sup> The following chart depicts how many PADD properties were disposed of in FY 2021 and FY 2022 to date:<sup>42</sup>

FY21 and FY22, to date - Dispositions / Sales							
#	WARD	SSL	Property Address	Vacancy	Closing Date	Sales Proceeds	Developer
1	5	3127 0141	36 Channing St NW	V2V Auction	5/19/2021	\$619,125.24	36 Channing St LLC
2	8	5788 0011	2413 Shannon Place SE	V2V Auction	5/18/2021	\$150,505.00	DC-GAH Development LLC
						<b>\$769,630.24</b>	

The FY 2022 approved budget for PADD included \$31,000,000 of ARPA – Municipal funding that was allocated for the new activity, *property acquisition* (4120), to fund the acquisition and redevelopment of large-scale properties for affordable transitional housing for qualified residents awaiting permanent housing. However, the *property acquisition* (4120) line item has a 100% decrease in the Mayor’s FY 2023 proposed budget due to the removal of the ARPA Federal funding. The Mayor’s FY 2023 proposed budget includes a \$5,533,000 reduction in the other PADD activity, *property acquisition and disposition* (4110), to \$1,543,000.

**Tenant Opportunity to Purchase Act (TOPA):** TOPA requires owners of housing accommodations to give tenants an opportunity to buy their homes before selling, razing, or discontinuing the housing use of the building. TOPA applies to rental housing of at least 2 units. TOPA allows tenants to exercise their rights in different ways, such as preserving or creating affordable rental housing, or long-term affordable homeownership through limited equity cooperatives or condominiums with resale restrictions. Still, others sponsor market-rate condominium conversions that often offer discounted prices to existing residents. Finally, some tenants elect to receive payments that can partially offset the costs of their displacement and that can be used to acquire a home or to rent elsewhere. The program was established with the passage of Law 3-86, the “Rental Housing Conversion and Sale act of 1980 and has been amended on several occasions since. Although participants in TOPA transactions are not required to provide information to DHCD, there are many cases where a TOPA Notice/Offer of Sale are filed with DHCD’s Rental

<sup>40</sup> DHCD. “Transforming Vacant and Blighted Properties.” <https://dhcd.dc.gov/service/transforming-vacant-and-blighted-properties>

<sup>41</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #133.

<sup>42</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at attachment #134.

Conversion and Sale Division. In FY21 and FY22-to-date as of February, DHCD received 132 Notices/Offer-of-Sale.

In FY22, the Committee funded a study to be done by the Coalition for Non-Profit Housing and Economic Development (CNHED). The study will delve into the history of TOPA, a TOPA database, and an analysis that will include recommendations on potential improvements to the TOPA process. The Committee realigned \$200,000 from within DHCDs budget in coordination with the agency to support this funding. CNHED has already created a database of all TOPA transactions, and is continuing to work on an analysis of the statute. The Committee looks forward to the completion of this study as it will serve as valuable guidance in looking at TOPA and the state of the program.

On March 17, 2020 the Council passed B23-718, the “COVID-19 Response Emergency Amendment Act of 2020” to address the outbreak of the Coronavirus disease.<sup>43</sup> Among many other provisions, this emergency legislation implemented tolling of all TOPA deadlines. Section 312 extended all deadlines for tenants and tenant organization to exercise rights under TOPA to the duration of the public health emergency, plus 30 days following the end of the public health emergency.<sup>44</sup> This tolling allowed tenants significantly more time to review sales of their housing accommodations and ensured that they would not miss out on the opportunity to exercise their TOPA rights as a result of the public health emergency and any adverse impacts that it imposed on tenants. Tolling of TOPA deadlines expired in February 2022, as the impact of the public health emergency waned.

**Housing Counseling (Neighborhood-Based Activities):** The Department has a partner network of Community Based Organizations (CBOs) that provide counseling services and training to tenants, potential homeowners, and current homeowners. The CBOs provide outreach, application intake, counseling and training to support a variety of DHCD programs for homeowners, potential homeowners, and renters, including HPAP and EAHP. Specific topics include foreclosure prevention or mitigation, credit counseling, home/budget management, homebuyers’ clubs and relocation, applying for program assistance, managing the home purchase process, homeowner training, apartment locating, and other services that assist residents with housing needs. Renter assistance is also provided to aid tenants in understanding their rights and responsibilities, including issues such as potential displacement, rental/eviction counseling and ongoing apartment management.<sup>45</sup>

The Mayor’s proposed FY 2023 budget for Neighborhood-Based Activities (3010) is \$13,287,000 to accommodate the proposed increase in funding for programs such as EAHP and HPAP. This increased funding represents a \$5,443,000 increase from the FY 2022 approved budget with one additional FTE for a FY 2023 proposed total of 8.0 FTEs.<sup>46</sup>

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<sup>43</sup> B23-718–COVID-19 Response Emergency Amendment Act of 2020. <https://lims.dccouncil.us/Legislation/B23-0718>.

<sup>44</sup> B23-718–COVID-19 Response Emergency Amendment Act of 2020, Section 312. Tenant Rights. <https://lims.dccouncil.us/Legislation/B23-0718>.

<sup>45</sup> DHCD. Housing Counseling Services. <https://dhcd.dc.gov/service/housing-counseling-services>

<sup>46</sup> Mayor’s FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.



**Voluntary Agreement Moratorium:** Prior to the public health emergency and in the early stages of the public health emergency, several pieces of legislation proposing specific and sweeping reforms to the District’s Rent Stabilization program were introduced. The Committee held several public hearings in which hundreds of District residents voiced their opinion on the matter of rent stabilization. One issue that the Committee heard repeatedly from those in the hearing was the problems with voluntary agreements.

Voluntary agreements allow owners of housing accommodations covered under the District’s Rent Stabilization program to enter into agreements with 70% or more of a building’s tenants to increase rent to compensate for capital improvements, absent of a government presence.<sup>47</sup> They are one of several petitions available to rent stabilized housing providers that allow the housing provider to realize a profit or increase their profit. Councilmember Anita Bonds introduced B23-878, the “Voluntary Agreement Moratorium Amendment Act of 2020” on July 31, 2020, which proposed a 2-year moratorium on all voluntary agreements. The moratorium will expire on November 3<sup>rd</sup>, 2023, 2 years after the Act’s inclusion in an approved budget and financial plan.

At the public hearing on B23-878 on September 24, 2020, the Committee heard overwhelming support for altering, replacing, or getting rid of voluntary agreements.<sup>48</sup> The Committee heard several testimonies describing abuse of voluntary agreements and loopholes in the mechanism that results in loss of affordability of units, particularly vacant units. DHCD Director Donaldson also voiced her support for placing a two-year moratorium on voluntary agreements at the hearing.<sup>49</sup> The bill was unanimously marked-up out of the Committee on November 20, 2020 and was passed by the full Council unanimously on December 15, 2020.<sup>50</sup> The Chief Financial Officer submitted a Fiscal Impact Statement on B23-878 on November 20, 2020 stating that the bill had a cost of \$191,000 (later revised to \$199,000) over the course of the 4-year Financial Plan for FY21-FY24 with a cost of \$5,000 in FY 2022, \$50,000 in FY 2023, and \$136,000 in FY 2024.<sup>51</sup> A revised Fiscal Impact Statement identified the loss coming from a revenue loss of property tax and income tax over FY 2023, FY 2024, and FY2025.

The Committee views this legislation as a critical piece towards reforming the District’s Rent Stabilization program and strengthening tenant protections and has thus redirected and cut funding within DHCD and replenished these cuts with a cut from the Housing Production Trust Fund Administration division, in coordination with DHCD. The Committee is currently exploring options for a permanent bill to address the issues with Voluntary Agreements.

**Inclusionary Zoning/Accessory Dwelling Units (ADU):** The FY 2023 budget for DHCD includes removal of a one-time Local funding of \$1,500,000 appropriated in FY 2022 to support the Affordable Dwelling Unit program.<sup>52</sup>

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<sup>47</sup> Report on B23-878, the “Voluntary Agreement Moratorium Amendment Act of 2020,” Page 2.

<sup>48</sup> Report on B23-878, the “Voluntary Agreement Moratorium Amendment Act of 2020,” Attachment E.

<sup>49</sup> Report on B23-878, the “Voluntary Agreement Moratorium Amendment Act of 2020,” Attachment E.

<sup>50</sup> B23-0878—Voluntary Agreement Moratorium Amendment Act of 2020. Legislative History. <https://lims.dccouncil.us/Legislation/B23-0878>.

<sup>51</sup> Report on B23-878, the “Voluntary Agreement Moratorium Amendment Act of 2020,” Attachment F.

<sup>52</sup> Mayor’s FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.

**Home Purchase Assistance Program (HPAP):** HPAP is administered by the Residential and Community Service Division and provides interest-free loans for down payment and closing cost assistance to low-and-moderate income District residents to facilitate becoming first-time homebuyers in the District.<sup>53</sup> The loan amount is based on a combination of factors, including income, household size, and the amount of assets that each applicant must commit toward a property's purchase – the loan is subordinate to a private first trust mortgage. HPAP has two administrators who process applications: Greater Washington Urban League and the Housing Finance Authority.<sup>54</sup> In FY 2021, the Department distributed \$17,816,294 to first-time homebuyers through HPAP and over 55% of funding went to very low-low-income buyers and closed 435 HPAP applications in FY 2021.<sup>55</sup>

The average age of HPAP borrowers is 33.9 years old and 75% of HPAP recipients are Black/African American, while 14% are White/White Non-Hispanic. Additionally, the average household size of HPAP borrowers in FY 2021 was 1.55 and 40.2% of HPAP borrowers earned between \$50,000 and \$69,000 in FY 2021.<sup>56</sup> Local fund repayments go back to the General Fund for use by the District. Fund 0602 (HPAP Repay) is used to finance additional HPAP loan activity. Funds 8201, Community Development Block Grant (CDBG), 8202 Home Investment Partnership Program (HOME), and 8231 Community Development Block Grant-COVID 19 (CDBG-CV) are considered program income and are used to support additional activities under those grant programs, along with some of DHCD's administrative costs, per the terms of the grant.<sup>57</sup> In the Department's responses to questions in advance of the FY 2022 performance oversight hearing, DHCD reported that it has implemented changes to improve HPAP loan repayment servicing by creating a targeted focus on improving management of matured loans and delinquency collections. Below is a chart that represents how much money the Department receives annually in HPAP repayments.

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<sup>53</sup> DHCD. "Home Purchase Assistance Program." <http://dhcd.dc.gov/service/home-purchase-assistance-program-hpap>.

<sup>54</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #78.

<sup>55</sup> DHCD. Responses to Questions in Advance of the Budget Oversight Public Hearing on Fiscal Year 2022, at question #5 and #6.

<sup>56</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at attachment #80.

<sup>57</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at attachment #86.

Agy Fund	Agy Object	Agy Object Title	FY21 Revenue	FY22 Revenue (thru 12/31)
0100	2800	HPAP LOAN PAYOFF	3,228,990.22	602,844.26
	2810		388,871.08	108,732.65
	6111	APPR HPAP REPAY	2,500.00	
0100 Total			3,620,361.30	711,576.91
0602	2002	APPR HPAP REPAY	117.57	15.00
	2800	HPAP LOAN PAYOFF	1,374,482.29	262,531.12
	2810		478,660.15	110,492.17
0602 Total			1,853,260.01	373,038.29
8201	2700	HPAP LOAN PAYOFF	3,590,196.97	964,765.68
	2710	HPAP LOAN REMITTANCE	1,119,771.81	286,258.11
	5105	CDBG HPAP LOAN REPAY	1,032,192.00	39,178.76
8201 Total			5,742,160.78	1,290,202.55
8202	2700	HPAP LOAN PAYOFF	1,034,524.69	173,524.13
	2710	HPAP LOAN REMITTANCE	370,620.01	80,279.12
	5105	CDBG HPAP LOAN REPAY	1,092,673.16	
	5122	HOME HPAP PROGRAM INCOME	-	-
8202 Total			2,497,817.86	253,803.25
8231	5105	CDBG HPAP LOAN REPAY	107,838.60	-
8231 Total			107,838.60	-
Grand Total			13,821,438.55	2,628,621.00

Below is the Department's most recent HPAP Homebuyer Assistance Table which is effective for HPAP loans closed after July 1, 2021. The income limits established are reviewed and revised as needed by DHCD to stay current with the incomes of households in the D.C. area.<sup>58</sup> The Mayor has proposed in FY 2023 an increase of the HPAP Maximum Assistance amount for the lowest income prospective homeowners from \$80,000 to \$202,000 which has been included in the District of Columbia Fiscal Year 2023 Proposed Budget and Financial Plan, *A Fair Shot*, and the District of Columbia Fiscal Year 2023 Budget Support Act of 2022.<sup>59</sup>

The Committee also recommends modifying the Mayor's proposed HPAP BSA subtitle to incorporate a grant of up to \$15,000 for essential home repairs, as well as a minimum amount of assistance (\$70,000 for the lowest-income applicants). HPAP participants must provide documentation that their home meets the District established codes and regulations, and is generally in a good state of repair. For many homes, this entails some essential repairs that, although generally minor in scope, may be prohibitively expensive for the low- and moderate-income households participating in the HPAP program. This leaves the burden of financing the repairs to the seller, which disincentivizes them from selling homes to HPAP participants, since a higher-income household could afford the finance the repairs themselves. By providing a grant of up to \$15,000 to finance these repairs alongside raising the maximum amount of assistance to \$202,000, the HPAP BSA subtitle will significantly increase the range of homes available to HPAP participants. The grant will also give HPAP participants the opportunity to purchase older homes, thereby preserving their affordability. Incorporating a minimum amount of assistance will further guarantee that the HPAP program is truly serving the goal of enabling households on the cusp of low-to-moderate incomes to become homeowners, generating stability and generational wealth.

<sup>58</sup> DHCD. "Home Purchase Assistance Program (HPAP) Homebuyer Assistance Table." [HPAP Home Buyer Assistance Table as of July 1, 2021.pdf \(dc.gov\)](#)

<sup>59</sup> District of Columbia Fiscal Year 2023 Budget Support Act of 2022. B24-714. 16 March 2022. [B24-0714-Introduction.pdf \(dccouncil.us\)](#)

Maximum Assistance	Household Size							
	1	2	3	4	5	6	7	8
Per household income less than or equal to:								
Up to 50% Median Family Income (MFI) Households								
\$80,000	\$45,100	\$51,600	\$58,050	\$64,500	\$69,650	\$74,800	\$80,000	\$85,150
51% - 80% Median Family Income (MFI) Households								
\$64,000	\$57,900	\$66,150	\$74,450	\$82,700	\$87,850	\$93,050	\$98,200	\$103,400
\$56,000	\$62,000	\$70,900	\$79,750	\$88,600	\$94,150	\$99,700	\$105,200	\$110,750
\$40,000	\$72,250	\$82,550	\$92,900	\$103,200	\$109,650	\$116,100	\$122,550	\$129,000
81% - 110% Median Family Income (MFI) Households								
\$32,000	\$88,500	\$101,100	\$113,750	\$126,400	\$134,300	\$134,300	\$134,300	\$134,300
\$16,000	\$99,350	\$113,500	\$127,700	\$141,900	\$150,750	\$150,750	\$150,750	\$150,750

Below, is a chart that represents the number of applications, closings, funds distributed, and average purchase price for HPAP between FY 2019 and FY 2022 to-date.<sup>60</sup>

	Application	Closing	Total Funds Distributed	Average Purchase Price
FY 19	973	396	\$22,070,425	\$306,982
FY20	900	376	\$19,712,920	\$336,160
FY21	854	345	\$17,816,294	\$354,384
FY 22 to-date	215	88	\$5,513,923	\$343,977

The Mayor's proposed FY 2023 budget for HPAP includes an increase of \$2,120,000 for a proposed total of \$20,955,000 and an additional FTE for a total of 6.0 FTEs.<sup>61</sup> While application volume decreased by 5% from FY 2020 to FY 2021, application volume for FY 2022 is on pace to match FY 2021.<sup>62</sup>

**Employer-Assisted Housing Program (EAHP):** This program is administered by the Residential and Community Services Division and it seeks to help District of Columbia government employees to become homeowners in the District. The down payment assistance is a loan for the purchase of a principal residence in the District. The borrowers sign a promissory note secured with a subordinate deed of trust recorded against the property. The loan has zero interest, and no payments are required until the property is: (1) sold or transferred; (2) no longer occupied as principal residence; or (3) refinanced with cash out.<sup>63</sup>

<sup>60</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at attachment #79.

<sup>61</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.

<sup>62</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at attachment #92.

<sup>63</sup> DHCD. "Employer Assisted Housing Program (EAHP)." <https://dhcd.dc.gov/service/employer-assisted-housing-program-eahp>.

From FY 2012 and FY 2020, DHCD saw a 24% increase in EAHP applications with a 7% increase from FY 2020 to FY 2021. In FY 2021, 1012 borrowers received both EAHP and HPAP loans. EAHP application volume for FY 2022 is on pace to exceed FY 2021.<sup>64</sup> The Department closed 168 projects in FY 2021 and distributed \$3,156,691. The Department also reported that the total average purchase price in FY 2021 was \$451,440.89.<sup>65</sup> Additionally, for FY 2021 82% of EAHP recipients were Black/African American with the average borrower age of 36.<sup>66</sup>

In Local funds, the Mayor's FY 2023 budget proposes an increase of \$1,000,000 from the Mayor's FY 2022 approved budget of \$5,000,000, for a total of \$6,000,000. In FY 2021, the Department received additional funding for EAHP to assist with the demand for purchasing, which aligns with the Mayor's FY 2023 proposed budget increase for the program.<sup>67</sup> In the District's FY 2023 Budget Support Act, the Committee proposes a subtitle that would expand the definition of "participant" in the EAHP Loan First-Responder Grant to include DC Public School (DCPS) and DC public charter schoolteachers.

The EAHP Loan First-Responder Grant requires employment, or acceptance of an offer of employment, with the District of Columbia as a police officer, firefighter, paramedic, emergency medical technician, or corrections officer.<sup>68</sup> As approved in the FY 2018 Budget Support Act, the First-Responder Grant provides up to \$10,000 for down payment assistance in the form of a recoverable grant, which requires the first-responder to meet certain conditions for five years. These conditions require the first-responder to: 1) maintain the property as their principal residence; and 2) satisfy a five-year service commitment signed at the time of the home purchase. Additionally, first-responders can receive a matching funds grant of up to \$15,000.<sup>69</sup> EAHP regulations set a maximum sales price at the maximum conventional loan limit of \$679,650, with no maximum first trust loan amount.<sup>70</sup> By expanding the EAHP Loan First-Responder Grant, the District can help educators achieve their dream of owning property in the District, allowing them to live where they work.

**Single Family Residential Rehabilitation Program (SFRRP):** Before the Mayor's FY 2023 proposed budget, SFRRP was administered by the Residential and Community Service Division. However, the Mayor's FY 2023 proposed budget includes a shift for SFRRP (3060) from the Department's Residential and Community Service Division to be included in the Department's new D.C. Recovery Plan. The District Recovery Plan initiatives includes COVID-19 public health emergency direct response costs, economic recovery for residents and businesses, building and preserving affordable housing, learning acceleration, reduction of healthcare disparities, gun violence prevention, youth safety, and alternative 911 response. These initiatives are funded by District

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<sup>64</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #99.

<sup>65</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #93.

<sup>66</sup> *Ibid.*

<sup>67</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #84.

<sup>68</sup> DHCD. "Employer-Assisted Housing Program (EAHP) Enhancements." [https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/service\\_content/attachments/EAHP%20Expansion%20Fact%20Sheet%20December%202017%20ed%202.pdf](https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/service_content/attachments/EAHP%20Expansion%20Fact%20Sheet%20December%202017%20ed%202.pdf)

<sup>69</sup> *Ibid.*

<sup>70</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #83.

Recovery Plan Funds; which include the following sources: the American Rescue Plan Act and the Coronavirus Aid, Relief, and Economic Security Act.<sup>71</sup>

The Single-Family Residential Rehabilitation Program provides financial assistance to low-income homeowners for home repairs, to alleviate D.C. building code violations and assist homeowners in repairing physical threats to health and safety and modify or eliminate barriers to accessibility for persons with mobility or other physical impairments. This program seeks to allow District's senior population to age in place and while age is not considered when determining eligibility, approximately 80% of SFRRP applicants are 60 years or older.<sup>72</sup>

The Mayor's proposed FY 2022 budget for SFRRP (3060) is \$0, which is a 100% decrease from FY 2021, or a decrease of \$994,000 and 10.0 FTEs.<sup>73</sup> However, as previously mentioned, in Local funds, DHCD's proposed budget includes an increase of ARPA – Federal Funds for Local Revenue Replacement funding in the amount of \$3,000,000 to support the Single Family Residential Rehabilitation Program. This increase in spending is supported by Coronavirus Relief funds from the American Rescue Plan Act.<sup>74</sup>

SFRRP received 71 applications in FY 2021 and has received 27 applications as of February 4, 2022.<sup>75</sup> Of the 71 applicants who applied for SFRRP in FY 2021, 23 projects were completed with an average project expenditure of \$68,350.91.<sup>76</sup> As reported by the Department, in general, the costs of single-family projects can vary dramatically from project to project depending on the scope of work, which can cause the average costs to vary from year to year.<sup>77</sup> In FY 2021, the program focused on completing older legacy projects with more complicated scopes of work in addition to suffering from inflation in the cost of building-materials and construction services, which explains the dramatic increase in the average expenditure on a given SFRRP project from FY 2020 (\$21,967.44) to FY 2021 (\$68,350.91).<sup>78</sup>

While the Committee understands the complexity of cases that the agency comes across, it is necessary for the agency to continue to work towards reducing the backlog of cases and shortening the timeline for applicants of the program. The average time from SFRRP application submission to project completion in FY 2021 and FY 2022 to date is 3.5 years.<sup>79</sup> The Committee does applaud the changes DHCD has made, and continues to make, to the program to work towards making the

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<sup>71</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-20.

<sup>72</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #107.

<sup>73</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.

<sup>74</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-22. Table DB0-6.

<sup>75</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #100.

<sup>76</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #101.

<sup>77</sup> DHCD. Responses to Questions in Advance of the Budget Oversight Public Hearing on Fiscal Year 2022, at question #9.

<sup>78</sup> *Ibid.*

<sup>79</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #104.

process as efficient and effective as possible. To improve and streamline the program, the Department:<sup>80</sup>

1. Digitize Documents
  - At the beginning of 2020, SFRRP was almost entirely paper-based. All active paper files were scanned and backed up digitally.
2. Create and Update Database
  - After the public health emergency began, SFRRP began creating a database to streamline tracking for all applications.
3. Streamline Application
  - At the beginning of the pandemic, applications were only accepted on paper. As part of the database creation, the program created and integrated a secure digital application process.
  - Earlier improvements include no longer requiring applicants to show a bank denial before being eligible.
4. Minor Repairs Grant
  - SFRRP is selecting a contractor for a new minor repairs grant to make small but urgent and impactful repairs, such as a roof patch or tarp, for accepted SFRRP homeowners who are waiting on larger projects to be completed. This should keep many homes from deteriorating further while waiting for repairs.
5. Virtual Walkthroughs
  - Until January 2022, all bid walkthroughs with contractors were in person. This created difficulties for both the homeowner and the contractors.
  - In January 2022, SFRRP created and implemented a virtual walkthrough process to save time, make it easier for interested contractors to view the properties and bid, and is easier and safer for homeowners.
6. Contracting Solutions
  - In December DHCD changed its contracting strategy to increase interest in a tight market for contractors. By allowing contractors to compete on quality and with a pilot that leverages an existing government roofing contract, we have seen interest in single family projects increase dramatically and we expect that to result in a sharp improvement in completed projects and satisfied residents this year. The program has also greatly expanded its marketing to contractors.

**Local Rent Supplement Program (LRSP):** The Local Rent Supplement vouchers program is contained in the Department's Development Finance Division and provides project-based rental subsidies to qualified persons or households. The Department has added activity 2045 for the Local Rent Supplement Program for FY 2023 and the Mayor's FY 2023 LRSP proposed budget is

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<sup>80</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #106.

\$9,655,000.<sup>81</sup> Additionally, a proposed Local funds increase of \$1,579,209 in the Development Finance Division will enable the Department to meet the Local Rent Supplemental Program’s statutory requirement.

The FY 2022 Budget Support Act of 2021 included the “Local Rent Supplement Program Enhancement Amendment Act of 2021” which allows DHCD, for the first time, to coordinate operating resources to achieve the Act’s goals.<sup>82</sup> The subtitle established the Rent Supplement Program Project-Based Allocation Fund to receive amounts appropriated for new project-based voucher assistance to be administered and awarded by the Department and then transferred to the Housing Authority Rent Supplement Program Fund.<sup>83</sup> Additionally, the Act stipulates that DHCD will promulgate rules to govern the awarding of project-based voucher assistance and the continuing eligibility for such assistance. The Department has already begun to see the results of this Act.

The Department’s Interim-Director, Drew Hubbard, testified at the Committee’s FY 2022 Budget Oversight Hearing stating that the Mayor’s proposed FY 2023 budget “builds on reforms introduced in last year’s budget, and explicitly provides DHCD with all the project-based Local Rent Supplement Program vouchers (LRSP) it requires to deliver the deeply affordable housing in its pipeline serving extremely low-income residents.” Additionally, the new approach to budgeting LRSP that was implemented in FY 2021 “has allowed DHCD to request, and receive, more deeply affordable units from the respondents to its 2021 Consolidated Request for Proposals than would have been possible in the past... and the changes made to the budgeting of LRSP improves the ability of the Mayor to deliver permanent homes for our lowest income households.”

### **3. FY 2023-2028 CAPITAL BUDGET**

DHCD does not have a capital budget authority in the Mayor’s FY 2023 proposed budget.

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<sup>81</sup> Mayor’s FY 2023 Proposed Budget and Financial Plan, Volume 2, Department of Housing and Community Development (DB0), B-16. Table DB0-4.

<sup>82</sup> DHCD. Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2022, at question #188.

<sup>83</sup> Fiscal Year 2022 Budget Support Act of 2021, “Subtitle (II)(E) – Local Rent Supplement Program Enhancement Amendment Act of 2021,” Pg. 8 of 41. 26 May 2021.



## D. DISTRICT OF COLUMBIA HOUSING AUTHORITY (HY0)

### 1. AGENCY MISSION AND OVERVIEW

The mission of the District of Columbia Housing Authority (“DCHA”) is to provide quality affordable housing to low-income households, foster sustainable communities, and cultivate opportunities for residents to improve their lives. The agency maintains five goals:

1. Create opportunities, through collaboration and partnerships, to improve the quality of life for DCHA residents;
2. Increase access to quality affordable housing;
3. Provide livable housing to support healthy and sustainable communities;
4. Foster a collaborative work environment that is outcome-driven and meets the highest expectations of the affordable housing industry; and
5. Effectively communicate DCHA’s accomplishments and advocate for its mission.

DCHA was established by the District of Columbia Housing Authority Act of 1999.<sup>84</sup> The Executive Director leads the agency and is appointed by the 13-member DCHA Board of Commissioners. The Executive Director is supported by several agency divisions, including the ADA/504/Language Access Department, the Office of Administrative Services, the Client Placement Division, the Office of Resident Services, the Office of Capital Programs, the Office of Audit and Compliance, the Office of Fair Hearings, the Office of Financial Management, and the Office of General Counsel, as well as in-house Human Resources, Information Technology, Operations Support, Public Affairs, and Office of Public Safety.

Local funding for DCHA is accounted for in three categories: Local Rent Supplement Program (subdivided into Project- and Sponsor-Based and Tenant-Based categories), the Rental Assistance Support, and the Office of Public Safety.

Most of DCHA’s District subsidy, which is housed in the HY0 budget chapter, comprises the Local Rent Supplement Program (“LRSP”), a continuous stream of subsidies that maintain the deep affordability of rental housing units by allocating funds to housing providers, nonprofit partners, or directly to low-income households. One portion of this funding is allocated annually for tenant-based vouchers, which directly subsidize the monthly rent of low-income households (30% of Median Family Income (“MFI”) and below). Along with its federally funded tenant-based vouchers (for which households at 50% MFI and below are eligible), DCHA administers these locally funded tenant-based housing vouchers under HUD’s Housing Choice Voucher Program (“HCVP”). The rest of LRSP funding is allocated for project- and sponsor-based vouchers, which are awarded to housing providers and nonprofit partners who provide subsidized affordable units for low-income households. Altogether, more than 44,000 people participate in DCHA housing voucher subsidy programs. Over 12,000 households are served through the locally funded subsidy programs, and more than 11,000 households benefit from the federal voucher programs administered by DCHA.<sup>85</sup>

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<sup>84</sup> D.C. Law 13-105, effective May 9, 2000.

<sup>85</sup> Testimony of DCHA Executive Director Brenda Donald at the FY23 Budget Oversight Hearing, April 7, 2022.

DCHA collaborates closely with the Department of Human Services (DHS) and the Department of Behavioral Health (DBH) to provide affordable housing to chronically homeless households and households otherwise in need of supportive services. This funding comes from two programs within the LRSP tenant-based voucher program, Permanent Supportive Housing (PSH) and Targeted Affordable Housing (TAH), as well as through LRSP project/sponsor-based vouchers. Intake for these programs, as well as for a significant portion of the remaining LRSP tenant-based vouchers, is mostly done via DHS and DBH referrals.<sup>86</sup>

PSH and TAH in the District are administered according to established best practices that the U.S. Congress codified in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act; these programs represent the District's commitment to the "housing first" model for ending homelessness. This model entails providing housing and supportive services to homeless clients to the extent of their need and without burdensome conditions on the client, affording homeless residents the stability necessary to attain self-sufficiency more quickly and with the least expense to themselves and the public.

DCHA's Rental Assistance Support Program provides continued rental assistance to low-income District of Columbia households that are currently housed. This program contains two activities: the DC Local Rental Assistance program ("DC Local") and the Shallow Subsidy for Seniors, which respectively serve 431 and 63 District households.<sup>87</sup> At any given time, most rental subsidies administered by DCHA are committed, because once a subsidy is awarded it is continually applied to housing costs month after month.

DCHA also serves as the landlord for the more than 4,500 residents of the more than 8,500 federally owned traditional public housing units in the District.<sup>88</sup> Public housing is funded by the federal government and provides affordable rental homes to low-income households.

DCHA also maintains its Office of Public Safety, funded by local and federal funds. DCHA employs on-site police and special police officers. Special police officers must be commissioned by the MPD Security Officer's Management Branch after completing the required six-week academic and two-week firearms training. A police officer is required to earn 60 hours of college credits prior to hire, must pass the police officer's post exam, and must successfully complete the Metropolitan Police Academy. Police officers have law enforcement authority throughout the District of Columbia, while DCHA special police officers have law enforcement authority on DCHA properties and while involved in a "hot pursuit" of a suspect that has committed an offense while on a DCHA property.<sup>89</sup>

In addition to providing and subsidizing low-income housing, DCHA also closely collaborates with other District agencies and organizations to help public housing residents lead independent lives. This is accomplished through on-site programs that improve job skills, provide continuing education, promote public safety, and encourage youth summer employment, education, and recreation.

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<sup>86</sup> D.C. Official Code § 6-228; D.C. Municipal Regulations 14 § 9503.

<sup>87</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

<sup>88</sup> Testimony of DCHA Director Brenda Donald at the FY23 Budget Oversight Hearing, April 7, 2022.

<sup>89</sup> DCHA FY22 Pre-Hearing Performance Oversight Responses.

DCHA is also a member of the D.C. Interagency Council on Homelessness, a District-wide Council comprising District government agencies, nonprofit providers of housing and social services, advocates, and residents from the community who have lived experience of homelessness. DCHA-issued vouchers support the affordability of Permanent Supportive Housing (PSH) and Targeted Affordable Housing (TAH) units, which are the most intensive interventions for District households experiencing homelessness. PSH is a long-term affordable housing subsidy for formerly homeless residents that is accompanied by case management and supportive services in the areas of behavioral health, substance abuse, employment services and financial literacy. TAH provides long-term affordable housing subsidy for formerly homeless residents who do not require intensive supportive services in the same manner as PSH participants.

**Project-Based and Sponsor-Based LRSP:** Project-Based and Sponsor-Based Local Rent Supplement Program vouchers are an important tool for easing rent burdens on low-income families. DCHA uses project-based and sponsor-based LRSP funds to provide operating subsidies for affordable units created through the Department of Housing and Community Development's (DHCD) Notice of Funding Availability (NOFA) solicitation process, which allocates Housing Production Trust Fund (HPTF) funding packages that include project-based and sponsor-based LRSP funds.

Project- and sponsor-based LRSP funds are awarded to bidders who agree to maintain LRSP-backed affordable units that meet standards outlined in their agreements with DCHA. Units subsidized by sponsor-based LRSP funding must include on-site supportive services. Units subsidized by project-based LRSP are not required to maintain such on-site supportive services.

Project- and sponsor-based LRSP funding is an important tool by which the District pursues the legal mandate that 50% of HPTF funding be used to create units affordable for residents at 30% of MFI or below. This funding also supports the production of new PSH and TAH units, which support the implementation of the Homeward DC Plan, and which must comprise 5% of all new rental properties funded by DHCD.

**Tenant-Based LRSP:** Tenant-based vouchers are issued to households who meet income and eligibility criteria. Locally funded LRSP tenant-based vouchers are issued to households at 30% of MFI and below. Federally-funded HCVP vouchers, which are not supported by the local government, are issued to households at 50% of MFI and below.

**Rental Assistance Program:** The Rental Assistance Support Program (DC Local) provides rental assistance to low-income households. Its annual allocation local dollars is intended to provide ongoing tenant-based housing assistance payments to 450 families; the program currently serves 431 households.<sup>90</sup> This allotment of funding is administered according to federal HCVP rules, and is dedicated primarily to stabilizing homeless households. After remaining unchanged for many years, the DC Local budget allocation in the Mayor's proposed FY23 budget includes an additional \$2,471,000 for a total allocation of \$9,611,000. In previous years, when the actual cost of DC Local housing assistance payments exceeded the budget allocation, OCFO has allowed DCHA to use unused project-based LRSP funding to pay the difference.

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<sup>90</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

**Public Housing:** DCHA is also the direct provider of housing for approximately 8,700 residents at over 6,800 units of publicly owned housing in the District.<sup>91</sup> DCHA is responsible for the upkeep of these properties, including repairs and preventative maintenance to units and common areas. During the FY 2017 budget oversight process the Committee recommended, and the Council adopted, legislation creating a Public Housing Rehabilitation and Maintenance Fund (R&M Fund), through which all unspent LRSP at the end of each fiscal year is made available to the agency for much-needed repairs, maintenance, and major capital improvement projects at DCHA properties. HUD has greatly divested in the use of federal funding to maintain public housing stock nationwide. True to form, the District's stock has suffered. Most District funding for public housing comes from the Housing Authority Capital Subsidy, which is exclusively used for development, rehabilitation, and stabilization.

**D.C. Housing Authority Police Department:** DCHAPD is a police force under DCHA's Office of Public Safety that employs sworn officers whose jurisdiction is concurrent with that of an officer of the Metropolitan Police Department. DCHAPD also employs special police officers, who possess arresting power on District public housing properties, as well as security officers, who screen visitors to public housing, and public safety administrative personnel. The District subsidizes \$4.2M of the Office of Public Safety's budget, and the remaining costs are funded through the Authority's HUD-provided public safety budget. DCHAPD struggles to compete with MPD for recruitment, and the Authority as well as the Committee on Housing and Executive Administration are exploring options to ensure that the Office of Public Safety is well-staffed.<sup>92</sup> In recent years, it has been very difficult for the DCHAPD to recruit, hire and train sworn officers because the salaries are one of the lower ones in the region. Therefore, frequently, very suitable candidates for the position find themselves once recruited and trained, moving to MPD and other law enforcement bodies that has higher pay rates.

**New Communities Initiative:** DCHA partners with the Office of the Deputy Mayor for Planning and Economic Development (DMPED) in implementing the New Communities Initiative (NCI). NCI is intended to improve the quality of life for families and individuals living in the following four neighborhoods in the District of Columbia: Northwest One (Ward 6); Barry Farm (Ward 8); Lincoln Heights/Richardson Dwellings (Ward 7); and Park Morton (Ward 1). These designated New Communities sites are characterized by high rates of poverty and dilapidated housing stock. NCI seeks to revitalize such distressed public housing sites by building mixed-income and vibrant communities. NCI operates under four guiding principles: (1) one-for-one replacement of units, (2) the opportunity for public housing residents to stay or return following redevelopment, (3) the redevelopment of mixed-income housing, and (4) the policy of building first prior to demolition where feasible in order to minimize temporary displacement. The DMPED budget contains funds allocated for NCI properties.

**The Housing Authority Board of Commissioners:** The Housing Authority Board of Commissioners (the Board), holds broad authority to regulate and determine the activities of DCHA under D.C. Official Code § 6-211. The Board promulgates rules and regulations both for the activities of DCHA and for Board elections. The Board is also empowered to evaluate the Executive Director of DCHA, and any DCHA contract valued greater than \$250,000.

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<sup>91</sup> Testimony of DCHA Director Brenda Donald at the FY23 Budget Oversight Hearing, April 7, 2022.

<sup>92</sup> DCHA FY23 Pre-Hearing Performance Oversight Responses.

The Board comprises 13 Commissioners: 6 are nominated by the Mayor with the advice and consent of the Council, one of whom must be a Housing Choice Voucher Program recipient, and one of whom must have professional experience in developing multi-family housing; 3 public housing resident Commissioners are elected to the Board by their fellow public housing residents; 1 Commissioner with professional experience in developing multi-family housing is appointed by the Council; 1 Commissioner is named by the Central Labor Council; 1 Commissioner is named by the D.C. Consortium of Legal Service Providers; and lastly, the Deputy Mayor for Planning and Economic Development serves as an ex-officio member of the Board.<sup>93</sup>

Commissioners on the Board receive annual stipends, with the Chairman receiving a stipend of \$6,000 and the other members receiving a stipend of \$4,000.<sup>94</sup>

## **2. FISCAL YEAR 2023 OPERATING BUDGET**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 gross funds budget for the Housing Authority Subsidy is \$232,586,264, reflecting an increase of \$7,333,810, or 3.3%, compared to FY 2022. The agency does not utilize any locally funded FTEs, although their subsidy does pay for some personnel costs.

**Local Funds:** The Mayor's proposed FY 2022 local funds budget for the Housing Authority Subsidy is \$182,575,342, reflecting an increase of \$7,322,888, or 4.2% compared to FY 2022. The agency does not fund any FTEs with local funding.

**Special Purpose Revenue Funds:** The Mayor's proposed budget does not include any special purpose revenue funds.

**Federal Funds:** The Mayor's proposed budget does not include any federal funds for the Housing Authority Subsidy.

**Intra-District Funds:** The Mayor's proposed budget does not include any intra-district funds.

### **Committee Analysis and Comments**

**Increase to Project- and Sponsor-Based LRSP:** The Mayor's proposed budget increased Project- and Sponsor-Based LRSP program funding in FY 2023 by \$4,852,000. This increase will support the development of deeply affordable units in HPTF-funded developments, but does not allow for DCHA to increase contracts with existing LRSP project-based providers. Due to escalating costs and administrative overhead, these providers will likely have to reduce the number of clients served in FY23.<sup>95</sup>

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<sup>93</sup> D.C. Law 13-105; D.C. Official Code § 6-211.

<sup>94</sup> D.C. Official Code § 1-611.08

<sup>95</sup> Testimonies of Community of Hope and Pathways to Housing, FY23 Budget Oversight Hearing, March 30, 2022.

**Stable Funding for tenant-based LRSP (including Tenant Based Vouchers, Targeted Affordable Housing Vouchers, Permanent Supportive Housing Vouchers, and Homeless Services Administration):** The Mayor’s proposed FY23 budget proposes no new recurring funding for tenant-based vouchers, and maintains FY22’s recurring budget allocation of \$124.111 Million. However, while the Authority will not fund any new tenant-based vouchers, they will continue to intake new clients into the tenant-based LRSP programs by allocating vouchers that remain unused from previous years, particularly from programs that rely on DHS and DBH referrals. For example, in FY22 to-date, more than 2,000 funded Permanent Supportive Housing Vouchers remain inactive. Although it is unclear how many additional households on the voucher waitlist will be issued tenant-based LRSP vouchers in FY23, the Authority is implementing several policies to improve both voucher and public housing waitlist intakes. The number of unit offers for public housing units is being increased from 1 to 5, the number of applicants selected from the waiting list is being widely increased, the Authority is creating a public services campaign to encourage applicants to update their contact information, and the Authority is establishing a dedicated and trained call center team and phone number to handle waiting list calls. The Authority is also evaluating the need for additional FTEs to handle HCVP and LRSP voucher client intakes.<sup>96</sup>

**Extreme Need for Repairs to Public Housing:** The Committee shares the deep concerns of DCHA, residents, and advocates with respect to the extreme need for repairs in the District’s public housing properties. DCHA Director Donald testified that the standard for public housing should be that any DCHA employee would feel comfortable living in any of their public housing units, and that unfortunately the District’s public properties do not yet meet this standard.<sup>97</sup> The unacceptable state of many of our public housing properties was reflected in the public testimonies by public housing residents who complained of a need for both routine upkeep such as new flooring, doors, kitchen cabinets, and blinds, as well as more serious repairs such as poor ventilation, broken or non-functioning windows, unclean furnaces, and unsanitary conditions in hallways (including smells of urine and feces). Of particular concern to the Committee is the ongoing presence of environmental hazards such as mold, lead, and rodents. These environmental hazards pose a significant health risk to our public housing residents, especially for the many households that have children.<sup>98</sup>

DCHA’s FY23 Capital Budget provides for major rehabilitation of 16 properties including Highland Addition Dwellings, Greenleaf Senior, Potomac Gardens, James Creek, Claridge Towers, Horizon House, James Apartments, and Knox Hill. DCHA estimates that the total cost of development for the 16 properties will be \$1.37 Billion, \$234 Million of which will need to be provided by the District and the HUD subsidy. The Mayor’s proposed budget includes \$107 Million over 3 years, \$50 Million of which is allocated for FY23. These substantial rehabilitation projects will include: fully renovating units and common spaces; replacing essential systems such as HVAC, generators, and electric wiring (which will improve energy efficiency), roof and window replacement, and other repairs to stabilize the properties and address safety concerns including environmental hazards.

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<sup>96</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

<sup>97</sup> Testimony of DCHA Director Brenda Donald at the FY23 Budget Oversight Hearing, April 7, 2022.

<sup>98</sup> Various testimonies from FY22 DCHA Performance Oversight Hearing, January 27, 2022; and from FY23 DCHA Budget Oversight Hearing, March 30, 2022.

DCHA's FY23 capital budget will also provide for bringing 500 vacant units back online during the fiscal year (at a cost of \$2,631,000), and limited-scope repair and modernization to address critical replacements and improvements that maintain the properties in a good state of repair (at a cost of \$8 Million per year). Director Donald testified that the Authority's project management and day-to-day operational repair & maintenance is entirely funded out of Federal funds, and that the Authority is currently working to increase their capacity for those programs.

**The Public Housing Rehabilitation and Maintenance Fund:** At the end of each fiscal year, some LRSP funding typically remains unspent due to some committed subsidies being not required until the following fiscal year when projects are online. Prior to Fiscal Year 2017, these funds had reverted to the general fund at the end of the fiscal year. Housing providers relying on the future availability of such funds are assured that the commitment would again be reflected in the following fiscal year's budget and, when the housing is online and LRSP operating subsidies are needed, DCHA fulfills that commitment from its then-current fiscal year budget allocation.

Since FY 2017, this recurring unspent LRSP funding has been deposited in the R&M Fund, which the Committee proposed, and the Council adopted in the Fiscal Year 2017 Budget Support Act of 2016, to address numerous short- and long-term maintenance and other capital needs faced by DCHA properties.<sup>99</sup>

No new funds were allocated to the R&M fund in the FY21 and FY22 approved budgets. However, \$13,175,000 of unspent LRSP funds were expended through the R&M fund in FY21, and \$12.24 Million of unspent LRSP funds were allocated to the R&M fund in FY22. In FY22-to-date, \$3,271,796 of R&M funds have been obligated.<sup>100</sup>

**Rental Assistance for Unsubsidized Seniors:** In the FY 2019 Budget Support Act of 2018, the Committee recommended, and the Council adopted, the "Rental Assistance for Unassisted Seniors Amendment Act of 2018." This subtitle created a new shallow subsidy, the Rental Assistance for Unsubsidized Seniors Program, to provide partial rental assistance to senior-headed households making up to 60% of MFI and paying more than 30% of their income toward rent, so long as the household does not receive any other rental subsidy. As of March 2022, there are 64 participants. Unfortunately, the program serves far fewer seniors than funding allows; in FY21, the Authority only expended \$180,000 out of the program's \$1,407,000 allocation;<sup>101</sup> in FY22-to-date as of March, the Authority has still only expended \$172,702, or 12% of their budget allocation.<sup>102</sup> The low number of participants is possibly due to limited outreach by both DCHA and by the Department of Aging and Community Living (DACL), who refers potential participants to the Authority.

**DCHA Office of Public Safety Recruitment:** DCHA Director Donald and DCHA Director of Public Safety and Chief of Police Joel Maupin testified that the Housing Authority's police department struggles to compete with MPD for recruitment and retention of officers.

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<sup>99</sup> L21-0160

<sup>100</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses, Attachment 1c and Attachment 5.

<sup>101</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses, Attachment 1a.

<sup>102</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

DCHAPD has difficulty finding interested recruits, regularly loses officers to MPD, and occasionally has recruits in the academy switch over to MPD.<sup>103</sup>

DCHA suggested several potential mechanisms for increasing their Office of Public Safety (OPS) recruitment capabilities, including: a link on MPDC.careers for recruiting DCHA Special Police Officers and Security Officers; eliminating recruitment costs such as licensing fees to DCRA and physical/psychological exam fees to MPD, Police and Fire clinic; and connecting the Department of Employment Services (American Jobs Center) Workforce Development with DCHA OPS openings.

DCHA currently has a **Residential Officer Program**, which allows DCHAPD and MPD officers to live in Public Housing units rent-free, in exchange for a commitment to assist property managers and resident councils, and to report information on ongoing safety issues in the community. There are 15 participating officers as of March 2022, 5 of whom are DCHA OPS employees. Not only does this program offer a substantial benefit to participating officers, but it also allows DCHA to promote safety and increase their coverage without recruiting more officers.<sup>104</sup> However, expanding this program would require DCHA to obtain approval from HUD to remove additional housing units from their inventory, and would reduce the availability of housing units to households on the public housing waitlist. Furthermore, expanding this program would reduce the Authority's revenue from rent collections. If the program was to be expanded, the District could potentially offset costs through a subsidy.<sup>105</sup>

Another possible mechanism for improving DCHAPD's recruitment and retention is to include OPS employees in the District Governments' Police and Fire Pension retirement plan.<sup>106</sup> Improving OPS employee's benefits would remove the main impetus for attrition to MPD, however it is unclear how financially or logistically feasible this policy intervention would be.

### 3. FISCAL YEAR 2023-2028 CAPITAL BUDGET

The District of Columbia Housing Authority's local budget includes \$110.481 Million capital funds in the six-year plan under program HY0-DHA21. The Mayor's proposed budget allocates \$50.011 Million in FY23, \$41.15 Million in FY24, and \$19.32 Million in FY25. This funding will be the sole source of District Financing for the Development and rehabilitation of DCHA's real estate portfolio. In accordance with language passed in the FY21 Budget Support Act, the capital fund will be administered by the Office of the Chief Financial Officer, with available project allotments advanced to the Authority on a quarterly basis for the encumbrances and expenditures planned for that quarter provided that the Authority meets statutory requirements.<sup>107</sup>

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<sup>103</sup> FY22 Performance Oversight Hearing, March 3, 2022.

<sup>104</sup> *Ibid.*

<sup>105</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

<sup>106</sup> *Ibid.*

<sup>107</sup> D.C. Official Code § 6-271.



In FY22-to-date as of March, the Authority obligated \$22,478,769.12 (45%) of its \$50 Million budget allocation. The Authority's funds for capital projects also included an additional \$12.45 Million in the Repair & Maintenance fund, and \$8.08 Million from the HUD Capital subsidy. The bulk of these funds have been used for Stabilization Projects, which rehabilitate occupied units and bring future redevelopment projects into "good repair." These projects include stabilizing 257 townhomes at Benning Terrace, Stoddert Terrace, and Woodland Terrace (at a cost of \$20.151 Million), bringing 54 units at Woodland Terrace back online (at a cost of \$2.2 Million), common area improvements at Greenleaf 203 North (at a cost of \$950,000), and several stabilization and repair projects at Potomac Gardens (at a cost of \$5.223 Million).<sup>108</sup>

Other Capital funds obligated in FY22-to-date include \$18.4 Million for high need Rehabilitation Projects at Langston Terrace and Highland Addition, \$10.601 Million for Architectural & Engineering Design to set up multi-year capital projects at 7 DCHA properties, and \$8.806 Million for limited-scope Repair & Modernization projects.<sup>109</sup> DCHA brought 157 vacant units back online in FY22-to-date as of March, and is in the process of bringing an additional 418 units online.<sup>110</sup>

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<sup>108</sup> DCHA FY23 Pre-Hearing Budget Oversight Responses.

<sup>109</sup> *Ibid.*

<sup>110</sup> DCHA FY23 Pre-Hearing Performance Oversight Responses.

## **E. DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY (HF0)**

### **1. AGENCY MISSION AND OVERVIEW**

The District of Columbia Housing Finance Agency (DCHFA) was established in 1979 to support and expand homeownership and rental housing opportunities for low- to moderate- income residents of the District. In its mission to advance the District of Columbia's housing priorities, the agency invests in affordable housing and neighborhood development, which provides pathways for DC residents to transform their lives. DCHFA achieves this goal by delivering the most efficient and effective sources of capital available in the market to finance rental housing and to create homeownership opportunities.<sup>111</sup> DCHFA accomplishes this by issuing mortgage revenue bonds, which lower homebuyers' expenses of purchasing homes, and developers' costs of developing rental units. DCHFA's multifamily financing program involves the financing of affordable housing through the issuance of tax-exempt bonds, taxable bonds, 4% Low Income Housing Tax Credits, and McKinney Act Savings Funds.

DCHFA is a corporate instrumentality with a legal existence separate from the District government.<sup>112</sup> By statute, the agency's budget is independent of the D.C. Government's Executive Branch. The agency has its own financial reporting system and is not tied to the financial reporting system of the District. The agency is governed by a Board of Directors and does not utilize District full time equivalents (FTEs). DCHFA's Board of Directors approves the agency's budget for the upcoming fiscal year in the fourth quarter of the current fiscal year.

DCHFA receives no dedicated taxes or special purpose funding. All revenues that support the agency are generated by the agency through fees and other revenues associated with its programs. The agency is entirely self-supporting, and none of its proposed budget funds are derived from District Government revenues. To support its operations and lending programs, the agency utilizes a variety of revenue sources, including the issuance of tax-exempt mortgage revenue bonds, earned income, fees and grants. Nevertheless, the agency's budget is subject to the Council of the District of Columbia's review and is included in the annual Budget Book.

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<sup>111</sup> Mission Statement. (2021, June 07), from <https://www.dchfa.org/about/>

<sup>112</sup> D.C. Official Code § 42-2702.01.

Table 1: DCHFA Board of Directors<sup>113</sup>

Name	Position	Date of Confirmation	Expiration of Term
Buwa Binitie Chair	Member with experience in finance	Jan 7, 2020	June 28, 2022
Stephen M. Green Vice Chair	Member with experience in finance	Dec. 15, 2020	June 28, 2022
Bryan “Scottie” Irving	Member with experience in planning	Nov 5, 2019	June 28, 2021
Stanley Jackson	Member representing community interests	June 29, 2019	June 28, 2021
Heather Howard	Member with experience in home building	Nov 5, 2019	June 28, 2021

DCHFA administers the following programs:

### **Multifamily Programs**

**Agency’s Multifamily Lending and Neighborhood Investments:** In FY2021 through the first quarter of FY2022, DCHFA issued \$424,000,000 in Multifamily Mortgage Revenue Bonds, which supported the development of 1,530 units of affordable housing. To-date in FY22, DCHFA funded and administered \$107,000,000 in Low-Income Housing Tax Credits. As of February 2022, the Agency had \$3,200,000 in outstanding McKinney Act Savings Loans, and had earned \$125,000 in revenue. As of March 2022, DCHFA’s Housing Investment Platform (HIP) had \$1,900,000 in capital distributed to development partners.<sup>114</sup>

<sup>113</sup> DC legislation information management system.

<sup>114</sup> Testimony of DCHFA Director Donald at the FY23 Budget Oversight Hearing, March 23, 2022

**Multifamily Mortgage Revenue Bond Program (MMRB):** Under the MMRB Program, nonprofit, for-profit, and 501(c)(3) developers can access tax exempt, taxable, and 501(c)(3) bonds for the following eligible uses: acquisition, construction and permanent loans; fixed and variable rate loans; rated and un-rated tax exempt and taxable bond financing; and credit enhanced or un-enhanced financing, including financing under Federal Housing Administration Multifamily Insurance Programs, DCHFA-HUD Risk Sharing Program, Fannie Mae, Freddie Mac, Delegated Underwriting and Servicing lending, and Letter of Credit.<sup>115</sup>

The MMRB financing product can be used to rehabilitate or construct the following: rental housing (affordable, mixed income, and market rate), cooperatives (Limited Equity), elderly housing, assisted-living facilities, and transitional housing.<sup>116</sup> Federal regulations require that developers/sponsors who utilize MMRB financing set aside at least 20% of their units for individuals or families earning at or below 50% of the MFI or at least 40% of their units for individuals or families earning at or below 60% of MFI.<sup>117</sup> Projects approved for MMRB financing that will be financed through the sale of tax exempt private activity bonds are then eligible to receive 4% low income housing tax credits.<sup>118</sup>

**4% Low Income Housing Tax Credit Program (LIHTC):** The 4% LIHTC Program was created by the Tax Reform Act of 1986 (P.L. 99-154). Its purpose is to incentivize development and rehabilitation of affordable rental housing. The Department of Housing and Community Development is the District's authorized allocating agency for 4% LIHTCs. Pursuant to a Memorandum of Understanding between DHCD and DCHFA, DCHFA underwrites and administers the District's allocation of 4% LIHTCs.

LIHTC is a companion financing tool for MMRB financing, and is funded through the sale of tax-exempt private activity bonds.<sup>119</sup> Developers apply to allocating agencies for tax credit allocations, then seek equity from third-party investors in exchange for the tax credits.<sup>120</sup> This infusion of equity effectively reduces the cost of projects, thereby increasing the likelihood that they will be financed.<sup>121</sup> In order to realize LIHTC benefits, developers must comply with the same "20-50 test" or "40-60 test" as the MMRB. LIHTCs can be used to generate part of the required equity a borrower must contribute to the financing, or they can be utilized to offset the borrower's tax payments.<sup>122</sup>

**McKinney Act Loan Program:** McKinney Act Loans are short term predevelopment "bridge" loans that can be used to finance the acquisition, predevelopment, and rehabilitation costs associated with housing development, and are available to both nonprofit and for-profit developers.<sup>123</sup> The funds may be used for one or the more of the following purposes: pre-

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<sup>115</sup> Mortgage Revenue Bonds. (2021, March 16) from <https://www.dchfa.org/developers/available-programs/mmr/b/>

<sup>116</sup> Ibid

<sup>117</sup> Ibid

<sup>118</sup> Ibid

<sup>119</sup> Low Income Housing Tax Credit Program (LIHTC). (2021, March 16). Retrieved June 28, 2021, from <https://www.dchfa.org/developers/available-programs/mmr/b/>

<sup>120</sup> Ibid

<sup>121</sup> Ibid

<sup>122</sup> Ibid

<sup>123</sup> Developers. (2018, June 21). Retrieved June 28, 2021, from <https://www.dchfa.org/developers/available-programs/mckinney-act/>

development and development soft costs; acquisition, construction or rehabilitation; down payment closing cost assistance; mortgage interest rate buy down; credit enhancement or loan guarantee; ancillary or functionally related recreational, health, educational or social services facilities that are integral to housing occupied by very low income persons and families; and equity bridge loans.<sup>124</sup>

## Single Family Programs

**DC Open Doors:** DC Open Doors provides home purchase loans and down payment assistance to first-time and repeat homebuyers. The program offers both Federal Housing Administration (FHA) and Fannie Mae/Freddie Mac mortgage loan products that provide up to 3.5% down payment assistance to borrowers earning at or below 120% of MFI. The program created a deferred repayable down payment assistance component of up to 3.5% on FHA or 3% on conventional loans. In FY 2021, DC Open Doors had the highest production since its inception -- closing 260 loans (including 213 with down payment assistance) costing a total of \$94,070,733. As of the first quarter of FY2022, DC Open Doors closed 98 loans (including 92 with down payment assistance) costing a total of \$34,474,232. DCHFA administers DC Open Doors via a network of national and local lenders. DC Open Doors is compatible with a variety of other home purchase programs and products.<sup>125</sup>

**Mortgage Credit Certificate (MCC):** Launched in 2016, the Mortgage Credit Certificate provides borrowers with a tax credit of up to 20% of the interest annually paid. The program is open to any first-time homebuyer that meets the income, sales price, and loan amount limits. This product may be used in conjunction with DC Open Doors Loans and Home Purchase Assistance Program (HPAP). MCCs may be purchased in conjunction with any of our DC Open Doors' loan programs or it may be purchased as a "stand-alone" product in conjunction with other first trust mortgage loans. The program is on hiatus as of February 2021, although it will reopen if more funding is allocated.

**Housing Investment Platform (HIP) and DCHFA's Single Family Housing Investment Fund:** In FY 2022, HIP has continued to support the creation of affordable workforce housing to District residents, grow local developers, and provide development opportunities to local entrepreneurs in the construction field. HIP invests with emerging developers in projects that produce homeownership opportunities for District residents with an emphasis on middle-income households.

**Home Purchase Assistance Program:** DCHFA continues to act as a co-administrator of HPAP in conjunction with the Greater Washington Urban League (GWUL), allowing for faster loan closings.<sup>126</sup> In FY21, DCHFA closed \$8.4 Million in HPAP loans, which supported 165 first-time homebuyers in the District. The Mayor's proposed FY23 Budget Support Act includes a subtitle that increases the maximum available HPAP funding from \$80,000 to \$202,000, which will dramatically increase the number of homes available to HPAP participants. The Committee is also adding a grant component to the HPAP program, which will allow participants to access up to \$15,000 for essential

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<sup>124</sup> Ibid

<sup>125</sup> 2021 Performance Oversight Pre-Hearing Questions Response, 2, 10 (2021) (testimony of DCHFA).

<sup>126</sup> Department of Housing and Community Development (DB0) (Publication). (n.d.). Retrieved from <https://app.box.com/s/6n8p0lxwd4yzppdpxpgynbsu8trmy3qm>.

home repairs in order to pass HPAP inspections. This will allow HPAP participants to purchase older homes without requiring additional investment from the seller.

Reverse Mortgage Insurance and Tax Program (ReMIT): In October 2018, ReMIT was initiated as an 18-month pilot program to provide assistance in the form a subsidy payment for reverse mortgage borrowers who are in the process of losing their homes to foreclosure from unpaid property taxes and insurance. Qualified homeowners can receive up to \$25,000. In March 2021, the program was extended for 6 months to allow for the continued disbursement of remaining funds and expanded to allow for condominium and homeowner association fees to be included. Although over \$200,000 from the original \$500,000 appropriation remains available, the program is on hiatus as of October 2021 due to the statute expiring.

## **2. FISCAL YEAR 2023 OPERATING BUDGET**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 operating budget for DCHFA is \$15,891,251.8, which represents an increase of 5.87% from the FY 2022 approved budget of \$15,009,504.32. DCHFA's budget is comprised entirely of Enterprise and Other funds, which makes it easier for the Office of the Chief Financial Officer to avoid double-counting monies that appear in certain transfer paper agencies and Enterprise agencies. DCHFA receives no dedicated taxes or special purpose funding.<sup>127</sup>

### **Committee Analysis and Comments**

DCHFA's FY 2022 proposed budget includes an increase of \$656,523.7 in personal services to cover projected salary, fringe benefit, and overtime costs. The budget also includes an increase of \$225,223.8 in nonpersonal services, largely to cover projected contract and other services costs, but also to cover projected costs for supplies, energy, telephone, janitorial/security services, and equipment/equipment rentals.<sup>128</sup>

## **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

DCHFA has no associated proposed capital funds in the Mayor's proposed FY 2022 budget.

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<sup>127</sup> All revenues that support the agency are generated by the agency through fees and other revenues associated with its programs. Any administrative costs the agency incurs related to its role as a co-administrator of HPAP are reimbursed by DHCD through federal CDBG funds.

<sup>128</sup> DCHFA FY23 Pre-Hearing Budget Oversight Responses

## F. EXECUTIVE OFFICE OF THE MAYOR (AA0)

### 1. AGENCY MISSION AND OVERVIEW

The mission of the Executive Office of the Mayor (EOM) is to serve the public by supporting the Mayor in governing, including constituent engagement and media relations. The EOM provides District agencies with vision and policy direction and provides agencies with the leadership, support, and oversight to implement specific policy goals and objectives, including building pathways to the middle class, through an improved education system, clean and safe neighborhoods, better job opportunities, and long-term investments in the city's infrastructure.

The EOM operates through the following 5 programs:

**Office of the Mayor:** The Office of the Mayor provides staff support to the Mayor in leading the government and community. This program supports 8 different activities comprised of the following: Office of the Mayor, Scheduling Unit, Office of Communications, Office of Support Services, Mayor's Correspondence Unit, Office of the General Counsel, Emancipation Day, and the Mayor's Office of Public Policy.

Office of the General Counsel is highlighted above as the one area in need of improvement. The Committee heard testimony from the public that the agency has failed to act expeditiously on the clemency functions housed within the agency.

**Mayor's Office of Talent and Appointments (MOTA):** The Mayor's Office of Talent and Acquisition provides assistance to the Mayor by making recommendations for outstanding community leaders to serve as appointed leadership staff or members to boards and commissions. The MOTA team recruits energetic, committed, and forward-thinking individuals that are committed to helping move the District of Columbia forward.

**Office of Community Affairs:** This office provides coordinated leadership and administrative support that is made up of 10 different activities. These activities include the Office of Community Relations and Services, Office of African-American Affairs, Office of African Affairs, Office of Women's Policy and Initiatives, Office of Lesbian, Gay, Bisexual, Transgender and Questioning (LGBTQ) Affairs, Office of Religious Affairs, Office of Community Affairs, Office of Nightlife and Culture, Office of Caribbean Affairs, and the Mayor's Office of the Clean City.

The affinity offices under the Mayor's Office of Community Affairs have been divided for the purposes of oversight between the Committee on Government Operations and Facilities and the Committee on Recreation, Libraries and Youth Affairs and are not under the jurisdiction of this Committee.

**Serve DC – Office of Volunteerism and Partnerships:** This office serves as the District of Columbia's Commission on National and Community Service. The mission of the organization is to strengthen and promote the spirit of service through partnerships, national service, and volunteerism by coordinating regular and episodic volunteer opportunities, as well as serving as the nexus for all volunteer partnerships and related councils, coalitions, and commissions. This mission is achieved through the following 5 activities: Administration, AmeriCorps, Training, Outreach and

the Partnership and Grant Services. While Serve DC is housed at the Executive Office of the Mayor, the oversight jurisdiction is also under the Committee on Recreation, Libraries and Youth Affairs.

**Agency Management:** This office provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

## 2. FISCAL YEAR 2023 OPERATING BUDGET

### Proposed Operating Budget Summary

The Mayor's FY 2023 budget proposal for the EOM is \$20,554,692, an increase of \$2,410,369, or a 13.3% increase from FY 2022. The proposed budget supports 125.8 FTEs, an increase of 8.8 FTEs, or 7.5%, from the FY 2022 approved level.

**Recurring Budget:** The FY 2023 budget for the Executive Office of the Mayor includes a reduction of \$228,080 to account for the removal of one-time funding appropriated in FY 2022. This adjustment is comprised of \$150,000 to support a study for Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ) support; \$50,000 to augment funding for the Office of LGBTQ Affairs' Homeless Youth Training project; and \$28,080 to offset an outstanding balance for the Capitol Hill Cluster School's Capitol Hill Classic.

The FY 2023 budget for EO includes a reduction of \$150,000 to account for the removal of ARPA – Federal Funds for Revenue Replacement funding appropriated in FY 2022 to support the District's alternative policing initiative known as the Public Information Campaign.

**Local Funds:** The Mayor's proposed budget is \$15,049,000, an increase of \$1,931,000, or 14.7% from the FY 2022 approved budget. This funding supports 116.4 FTEs, an increase of 9.6 FTEs, or a 9.0% increase from the FY 2022 approved level.

**Increase:** The proposed Local funds budget for EOM reflects an increase of \$528,524 and 3.6 FTEs across multiple programs to support projected salary, step, and Fringe Benefit costs and other personal services related changes for emergency preparedness; and \$132,632 to align resources with operational spending goals.

**Enhance:** EOM's proposed Local funds budget includes a one-time increase of \$431,667 in the Office of the Mayor program to provide matching funds for the Bloomberg Private Donate grant. The Local budget proposal also includes an increase of \$315,812 in the Serve DC program to support the HSEMA grant. Additionally, the proposed budget is increasing by \$162,500 across multiple programs, of which \$100,000 is to support projected nonpersonal services costs and \$62,500 is to support the Older Americans Act (OAA) community grant.

**Transfer-in/Enhance:** The Local proposed budget includes an overall increase of \$737,447 and 6.0 FTEs. This adjustment is comprised of \$435,055 and 4.0 FTEs to support the Associate General Counsel/Clemency Board, LGBTQ Affairs Housing Specialist, Associate Director for Performance, and HSEMA grant positions; \$168,711 to reflect transfer of 1.0 FTE from the Deputy Mayor of Health and Human Services to support the Office of Woman's Policy and Initiative; \$97,807 and



1.0 FTE to reflect a transfer of 1.0 FTE from the Department of Employment Services; and \$35,874 to align the nonpersonal services budget with projected costs.

**Federal Grant Funds:** The Mayor's proposed budget is \$4,697,000, an increase of \$573,000, or 13.9%, from FY 2022 approved budget. This funding supports 2.4 FTEs, a decrease of 5.8%, from the FY 2021 approved level.

**Increase:** In Federal Grant funds, the budget reflects an increase of \$384,936 for the Serve DC program to align projected revenues from the Corporation for National and Community Service (CNCS). CNCS has indicated to the agency that future awards will be enhanced because the American Rescue Plan Act (ARPA) of 2021 provided CNCS with more funds. Furthermore, a proposed increase of \$213,687 aligns resources with operational spending goals and agency program priorities from projected grant awards.

**Decrease:** In Federal Grant funds, the budget proposal reflects a decrease of \$25,512 and 0.2 FTE in the Serve DC program to align with projected salary, step increase, and Fringe Benefit costs.

**Private Funds:** The Mayor's proposed budget includes \$809,000 in private funds, an increase of \$809,000 from FY 2022. These funds will support 6.9 FTEs for an innovation team.

**Increase:** The proposed budget of the Private Grant funds reflects an increase of \$809,466 and 6.9 FTEs in the Office of the Mayor program to support an innovation team. Bloomberg Philanthropies Innovation Teams (I-teams) initiative is a proven model that helps cities solve problems in new ways. I-teams help cities and their leaders unlock bold innovation, change culture, and reliably deliver results for residents.

**Intra-district Funds:** The Mayor's proposed budget is \$0, a decrease of \$903,000, or 100%, from FY 2022 approved budget. This funding supports 0 FTEs, a decrease of 7.6 FTEs, or 100%, from FY 2022 approved level.

**Eliminate:** In FY 2023, the process by which District agencies account for negotiated service agreements with other District agencies in a buyer agency-seller agency arrangement will be eliminated. This process will be replaced by a new interagency process which will enable seller agencies to finance service by directly charging interagency projects funded by the agencies receiving the services. The impact of the elimination of the seller agencies' budgets will be reflected as a reduction of the proposed FY 2023 budget of \$902,709 and 7.6 FTEs in the Intra-District budget for EOM in comparison to FY 2022

## Committee Analysis and Comments

**Vacancies:** According to responses to pre-hearing questions received by the Committee, EOM personnel levels reflect 7 current vacancies. According to the agency's responses, the positions are currently posted at [mota.dc.gov](https://mota.dc.gov) and/or in the final stages of recruitment. The Committee will continue to monitor the hiring process for the remaining positions and expects the agency to fill

these positions expeditiously.

**Clemency Board:** The Committee received compelling testimony during the FY 2023 budget oversight hearing for the EOM, from the Council for Court Excellence and Washington Council of Lawyers, in support of additional funding for the Clemency Board. The Committee finds this is a pressing need, and accepts the transfer of funds for this purpose from the Committee on Government Operations.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

EOM has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

## G. HOUSING PRODUCTION TRUST FUND (UZ0)

### 1. AGENCY MISSION AND OVERVIEW

The Housing Production Trust Fund (“HPTF” or the “Fund”), created by the Housing Production Trust Fund Act of 1988, has a mission to provide financial assistance to a variety of affordable housing programs and opportunities across the District of Columbia. The HPTF funds initiatives to build affordable rental housing, preserve expiring federally assisted housing, and help provide affordable homeownership opportunities for low-income families. The HPTF is the District’s primary tool for funding affordable housing projects.

The HPTF provides financing in a variety of ways which includes: 1) pre-development loans for nonprofit housing developers; 2) financing for site acquisition, construction loan guarantees, collateral, or operating capital; 3) bridge loans and gap financing; 4) outreach and housing production counseling and technical assistance; 5) loans to develop housing and provide housing services for low- and very low-income elderly persons with special needs; 6) loans or grants to finance on-site child development facilities for proposed housing or commercial facilities; and 7) grants for architectural designs for adaptive re-use of previously nonresidential structures.<sup>129</sup>

The Housing Production Trust Fund provides financial assistance to promote and enable affordable rental housing and residential housing through the following four activities: 1) Affordable Housing Project Financing; 2) Tenant Opportunity to Purchase Assistance; 3) Single Family Rehabilitation Project; and 4) Property Acquisition and Disposition.

The HPTF is administered by the Department of Housing and Community Development, which is also the largest recipient of HPTF resources. Funds are also distributed to other agencies, including the District of Columbia Housing Authority (DCHA) and the Department of Human Services (DHS), via intra-district transfers, as well as to developers. Since 2015, DHCD has utilized HPTF funds to produce and preserve almost 8,000 units of affordable housing for low- and moderate- income residents.<sup>130</sup>

The Housing Production Trust Fund Act of 1988 requires that each fiscal year; 1) At least 50% of HPTF spending serves households with incomes below 30% of the Median Family Income (MFI); 2) At least 40% of expenditures serves households with incomes between 30% and 50% MFI; and 3) the balance of funds serve households with incomes up to 80% MFI. Additionally, at least 50% of the funds is generally disbursed and dedicated toward providing rental housing.<sup>131</sup>

The statute also stipulates that the Mayor may submit a written request to the Council for a waiver of the 50% or 40% disbursement mandate if by the 4<sup>th</sup> quarter of the fiscal year, the Mayor has not received a sufficient number of viable housing proposals. The Council must then approve or disapprove the waiver by resolution within 30 days, and the resolution shall be deemed disapproved if the Council does not act within the 30-day period.<sup>132</sup> It is also mandated in the statute that the

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<sup>129</sup> *Housing Production Trust Fund*, <https://dhcd.dc.gov/page/housing-production-trust-fund>.

<sup>130</sup> Witness testimony. Drew Hubbard, Interim-Director, Department of Housing and Community Development. February 17, 2022.

<sup>131</sup> *Ibid.*

<sup>132</sup> D.C. Official Code § 42-2802(b-1).

Department of Housing and Community Development file with the Chairperson of the Council committee with oversight jurisdiction over the Department of Housing and Community Development quarterly reports on activities and expenditures. The Department is also mandated to conduct annual audits, publish annual reports, hold public hearings, and make annual assessments of the continued housing needs of targeted populations.<sup>133</sup>

The statute also restricts administrative costs of the Fund to no more than 15% per fiscal year of the funds deposited into the Fund.<sup>134</sup> The statute also ensures that the Fund supports long-term affordability by imposing affordability covenants of 5-40 years on projects receiving HPTF funds, depending on the type and location of the project.<sup>135</sup>

DHCD has established rent limits for residents who obtain a rental unit that has been funded with HPTF dollars. A recent study on the affordable housing landscape in the District indicates that most extremely low-income DC renters spend half or more of their income on housing, meaning they are “severely cost burdened”.<sup>136</sup> Additionally, the study reports that the District has approximately 39,500 extremely low-income renter households who pay over 30% of their income on housing.<sup>137</sup> Such high housing costs may force families to forego other necessities, move frequently, or endure unsafe or unhealthy living conditions. The HPTF rent limits help to alleviate these pressures by ensuring that qualified individuals do not spend a large majority of their income on rent.

## HOUSING PRODUCTION TRUST FUND (HPTF) MAXIMUM MONTHLY RENT LIMITS

BEDROOM COUNT						
Rent Limit	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
30%	\$680	\$770	\$870	\$1,060	\$1,260	\$1,350
50%	\$1,130	\$1,290	\$1,450	\$1,770	\$2,100	\$2,260
60%	\$1,350	\$1,550	\$1,740	\$2,130	\$2,520	\$2,710
80%	\$1,810	\$2,060	\$2,320	\$2,840	\$3,350	\$3,610

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<sup>133</sup> D.C. Official Code § 42-2802.

<sup>134</sup> D.C. Official Code § 42-2802(b)(10).

<sup>135</sup> D.C. Official Code § 42-2802.02.

<sup>136</sup> Das, Kamolika. “Lower Rent Means More Cash for the Basics.” *DC Fiscal Policy Institute*, 12 Mar. 2020, <https://www.dcfpi.org/all/lower-rent-means-more-cash-for-the-basics/>

<sup>137</sup> *Ibid.*

<sup>138</sup> DHCD Income Limits – 2021. “Housing Production Trust Fund (HPTF) Maximum Monthly Rent Limits.”

The HPTF has a 9-member Board, which is appointed by the Mayor with the advice and consent of the Council and serves to advise the Mayor on the development, financing, and operation of the Fund.<sup>139</sup> The Housing Production Trust Fund Advisory Board (Board) was established by the Council of the District of Columbia under the Housing Production Trust Fund Act of 1988.<sup>140</sup> The Board may review the uses of the HPTF for conformity with the purposes of the Act and the Board must have access to records related to the HPTF to perform this review.

In September of 2021, the District of Columbia Office of the Inspector General published a scathing audit of the Department of Housing and Community Development's disbursement of HPTF funds for extremely low-income (ELI) households, i.e., those earning 30% or below MFI. The audit found that although the Department did meet its 40% disbursement statutory mandate for very low-income and low-income households, those earning 30%-80% MFI, the Department did not meet its 50% disbursement requirement for extremely low-income households.<sup>141</sup> The audit cited several possible explanations for the Department's missed statutory goal, including DHCD's failure to follow its competitive selection criteria included in the request for proposals and to submit a required written request to the D.C. Council for a waiver when the Department determines that there are not a sufficient number of viable housing proposals to produce and preserve affordable housing units for extremely low-income households.<sup>142</sup>

In response to the OIG audit, the Committee on Housing and Executive Administration held a public oversight roundtable on Tuesday, November 9, 2021, to discuss the audit's findings and its various recommendations for the Department to ensure that the Agency's statutory goals are met. During this roundtable, Interim-Director of the Department, Drew Hubbard, acknowledged the Inspector General's recommendations and agreed to many of the policy and procedural modifications. Mr. Hubbard's testimony highlighted and reinstated the role of the Housing Production Trust Fund as a tool, among many, that can be leveraged to build affordable housing.<sup>143</sup> Additionally, he emphasized the importance of coordinating with other agencies such as the DC Housing Authority and the Department of Human Services to help preserve and provide affordable housing to extremely low-income residents. Importantly, Mr. Hubbard cited the FY22 Budget Support Act which included the Local Rent Supplement Program Amendment Act of 2021, establishing, for the first time, DHCD's lead role in coordinating the budgeting of this operating subsidy with the HPTF and other financing, starting in FY23. Mr. Hubbard confidently assured that this Act will make it "much easier for the HPTF to meet its goals to produce and preserve housing for extremely low-income households."<sup>144</sup> Despite the Department's failure to meet its goal of disbursing 50% of HPTF funds to 30% and below MFI households, the Department has progressively improved each fiscal year to allocate HPTF funds in the 0-30% MFI category.<sup>145</sup>

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<sup>139</sup> D.C. Code § 42-2802.01.

<sup>140</sup> D.C. Law 8-133; D.C. Code § 42-2802.01.

<sup>141</sup> "DHCD Did Not Effectively and Efficiently Use the Housing Production Trust Fund to Produce Affordable Housing Units for Extremely Low-Income Households," *District of Columbia Office of the Inspector General*. September 2021.

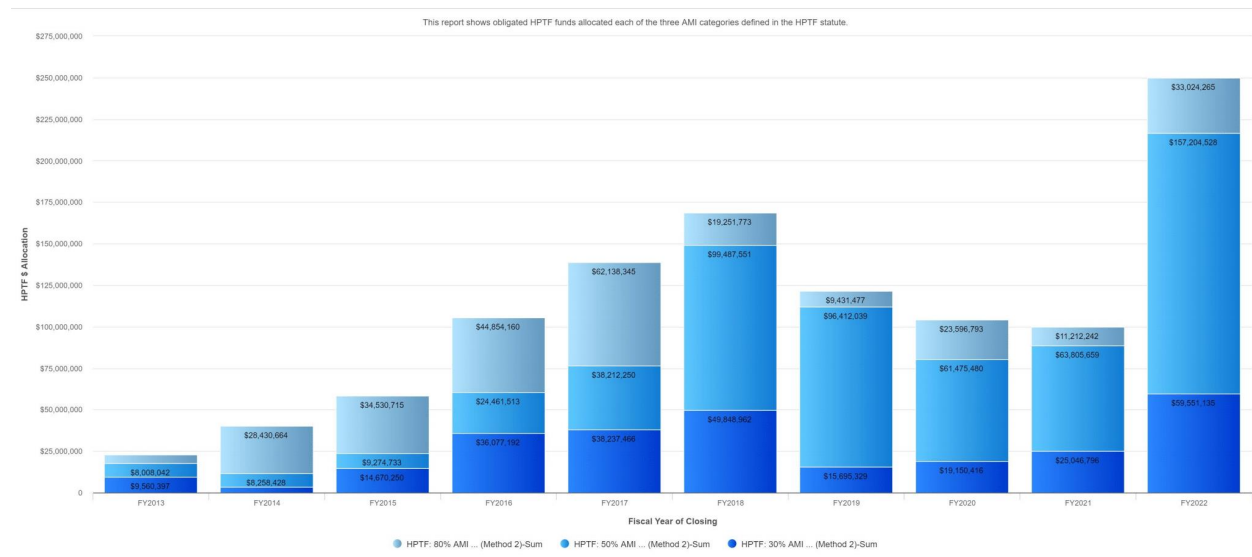
<sup>142</sup> *Ibid*

<sup>143</sup> Witness testimony. Drew Hubbard, Interim-Director, Department of Housing and Community Development. November 9, 2021.

<sup>144</sup> *Ibid*.

<sup>145</sup> DHCD. Responses to Questions in Advance of Performance Oversight Public Hearing on Fiscal Year 2023, Question #151.

Finally, the Department’s 2021 Consolidated Request for Proposals prioritized selecting projects the produce and preserve affordable housing for extremely low-income households.



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## 2. FISCAL YEAR 2023 OPERATING BUDGET

### Proposed Operating Budget Summary

In gross funds, the Mayor’s proposed FY 2023 operating budget is \$498,810,952, which is an increase of \$248,810,952, or 99.5%, from the FY 2022 approved budget of \$250,000,000. The budget is comprised of Dedicated Taxes and Federal Sources with local funds from the Housing Production Trust Fund Subsidy. The FY 2023 proposed budgeted full-time equivalents (FTEs) is 90.3. The proposed budget starts with 90.3 FTEs, it then subtracts 90.3 FTEs budgeted in the Housing Production Trust Fund in FY 2023 who are employed by the Department of Housing and Community Development. It then adds 0.0 FTEs budgeted in other agencies in FY 2023 who are employed by the Housing Production Trust Fund for a total of 0.0 FTEs, the number of FTEs employed by HPTF, which is comparable to the FY 2022 budget.

**Dedicated Taxes:** The Mayor’s proposed FY 2023 dedicated taxes budget for HPTF includes an increase of \$4,853,444.

**Federal Payments:** The Mayor’s proposed FY 2023 federal payments budget for HPTF is \$0 due to the reduction of \$166,684,444 to account for the removal of ARPA – State funding appropriated in FY 2022 to support the District’s affordable housing initiatives.

<sup>146</sup> *Ibid.*

**Local Funds:** The Mayor’s proposed FY 2023 local funds budget includes a one-time increase in the amount of \$409,000,000 which will be used to support the goal of providing 36,000 new affordable housing units by 2025.

**Enterprise and Other Funds:** The proposed budget includes enhancements of \$1,641,952 in Enterprise and Other Funds – Dedicated Taxes and \$397,169,000 in Enterprise and Other Funds in support of affordable housing initiatives in the District.

### **Committee Analysis and Comments**

**Compliance with Statutory MFI Requirements:** Over the past several years, DHCD has struggled to meet the HPTF’s statutory MFI spending requirements for extremely low-income households, often spending a disproportionate amount on housing at the 31-50% MFI and 51-80% MFI level. In an effort to bring spending into compliance, beginning with the 2015 Consolidated Request for Proposals, the agency has placed greater emphasis on the lower MFI units by requiring that all funding for new units target the 0-50% MFI categories. DHCD has yet to gain compliance with this requirement, but has stated that they are hopeful that they can as a result of streamlining Local Rent Supplement Program money. Additionally, the 2021 Consolidated Request for Proposals has a specific emphasis on prioritizing projects that propose to produce affordable housing for extremely low-income households.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The Housing Production Trust Fund has no associated proposed capital funds in the Mayor’s proposed FY 2023 budget.

## **H. HOUSING PRODUCTION TRUST FUND SUBSIDY (HP0)**

### **1. AGENCY MISSION AND OVERVIEW**

The Housing Production Trust Fund Subsidy account previously reflected the total Dedicated Taxes (General Fund) transfer to the Housing Production Trust Fund (HPTF) to fulfill its operational obligations during a budgetary year. It now reflects any Local or other funds transfer to the HPTF.

The HPTF, which is administered by the District of Columbia's Department of Housing and Community Development (DHCD), is a legally separate entity for which the elected officials of the District of Columbia are financially accountable. Details of the HPTF's operating budget are provided in the Enterprise and Other Funds section of the budget document.

In FY 2007, a subsidy account for this entity was created to show the annual transfer of dedicated deed recordation and deed transfer taxes from the District's General Fund to the HPTF. In total, 15 percent of these tax revenues are dedicated to the HPTF. This 15 percent share was budgeted in two agencies. First, the amount required for debt service on borrowing for New Communities projects was budgeted in the Repayment of Revenue Bonds agency, in the Financing and Other appropriation title. Second, the remaining amount of the 15 percent share was budgeted in the HPTF Subsidy agency, to be transferred to the HPTF. Beginning in FY 2013, these funds were deposited directly into the HPTF; thus, there is no transfer of Dedicated Taxes through the General Fund. This subsidy agency now includes only Local or other funds that are transferred.

### **2. FISCAL YEAR 2023 OPERATING BUDGET**

#### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 operating budget is \$409,000,000, which is a change of \$242,315,556 from FY 2022 approved budget of \$166,684,444, or a 145.4% increase. The FY 2023 budget for HPTF includes a reduction of \$166,684,444 to account for the removal of ARPA – State funding appropriated in FY 2022 to support the District's affordable housing initiatives. The approved FY 2022 budget for HPTF was made up entirely of federal payments.

In Local funds, a proposed one-time increase in the amount of \$409,000,000 will be used to support the goal of providing 36,000 new affordable housing units by 2025.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The Housing Production Trust Fund Subsidy has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.



## I. MAYOR'S OFFICE OF LEGAL COUNSEL (AH0)

### 1. AGENCY MISSION AND OVERVIEW

The Mayor's Office of Legal Counsel (MOLC) is the legal arm of the executive branch of the District of Columbia government. Its primary responsibilities are to provide legal advice and support the Mayor, her senior staff, including Deputy Mayors, agency directors of the subordinate executive agencies, directly and through oversight of more than forty agency General Counsel offices.<sup>147</sup>

These duties include but are not limited to:

1. Interfacing with the Office of the Attorney General on litigation matters and other issues that require coordination between the Executive Office of the Mayor, her subordinate agencies and the elected Attorney General.
2. Working closely with the Office of Risk Management to reduce avoidable operational, legal and financial exposure for the District of Columbia government;
3. Resolving interagency legal issues on behalf of the Mayor;
4. Overseeing the representation of agencies in investigative matters before the Executive Branch of the federal government, Congress, or the Council of the District of Columbia; and
5. Supervising outside counsel in matters where the Office of the Attorney General is recused from a matter or is otherwise not available.
6. Coordinating the hiring, compensation, and training of agency counsel and general counsel offices

The MOLC also adjudicates administrative appeals of Freedom of Information Act decisions made by District government agencies on behalf of the Mayor and tracks reported allegations of sexual harassment claims made by city employees. The Office also oversees the legal review of donations made to District government agencies.

The MOLC Staff includes:<sup>148</sup>

1. Eugene Adams, Director
2. Vanessa Natale, Deputy Director
3. Julia Hudson, Chief of Staff
4. Giavanna White, Special Assistant
5. Dorothy Brown, Associate Director
6. Ben Moskowitz, Associate Director
7. Maia Ellis, Associate Director
8. Rachel Noteware, Associate Director
9. Malcolm Morse, Law Clerk

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<sup>147</sup> Mayor's Office of Legal Counsel ("MOLC"). "Mission & Goals." <https://molc.dc.gov/page/mission-goals>

<sup>148</sup> MOLC. "Staff Directory." <https://molc.dc.gov/page/staff-directory>.

## **2. FISCAL YEAR 2023 OPERATING BUDGET**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 operating budget for the MOLC is \$1,754,855, a 7.1% increase from the FY 2022 approved budget. The proposed budget allocates 10 FTE's to MOLC, the same as in the FY 2022 approved budget.

**Local Funds:** The Mayor's proposed FY 2023 local funds operating budget for MOLC is \$1,754,855, a 7.1% increase from the FY 2022 approved budget.

## **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

MOLC has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

## J. OFFICE OF THE CITY ADMINISTRATOR (AE0)

### 1. AGENCY MISSION AND OVERVIEW

The mission of the Office of the City Administrator (OCA) is to facilitate the effective and efficient implementation of the Mayor’s vision and priorities by providing leadership, support, and oversight of District government agencies.

The Office of the City Administrator supports the day-to-day operations of the District government by managing the Performance Management program (CapStat) to track progress toward goals, reduce costs, improve government services, and increase government accountability; improving government services and responsiveness by creating efficiencies and advancing innovative solutions to public challenges; increasing public-private partnerships to expedite vital capital projects; providing direct leadership and support to the Government Operations Cluster, which reports directly to the OCA, in addition to the operations of each Deputy Mayor’s office; and developing fiscally responsible performance-based budgets and continuously monitoring agency spending to ensure government services are delivered on time and on budget. In Fiscal Year 2021, the Office of the City Administrator expanded to include two new positions that lead critical initiatives for the District: the Chief Equity Officer, who leads the Office of Racial Equity, and the Director of Gun Violence Prevention, who leads the Building Blocks DC program<sup>149</sup>.

The Office of the City Administrator is led by the City Administrator, who oversees the following departments:<sup>150</sup>

**Office of Budget and Performance Management:** Responsible for assisting the Mayor and City Administrator in formulating the District government’s annual operating and capital budgets; administering the District government’s annual performance planning process; implementing the CapStat program and performance management activities; leading the District’s strategic planning work and development and execution of monitoring and accountability tools; and— through The Lab @ DC —working to drive innovation by helping agencies apply rigorous, scientific methods to their service of District residents.

**Office of the General Counsel:** Provides guidance and advice on all legal matters pertaining to the Office of the City Administrator.

**Internal Services:** Under the direction of the Assistant City Administrator, provides direct management and in-depth oversight of agencies that provide services directly to other District government agencies. These agencies include the Department of General Services, the Office of the Chief Technology Officer, the District of Columbia Department of Human Resources, the Office of Contracting and Procurement, the Office of Risk Management, the Office of Disability Rights, and the Office of Labor Relations and Collective Bargaining.

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<sup>149</sup> Fiscal Year 2022 Office of the City Administrator Budget Oversight Hearing Testimony. Kevin Donahue.

<sup>150</sup> Office of the City Administrator (“OCA”). Responses to Questions in Advance of the Performance Oversight Public Hearing on Fiscal Year 2021/2022, January 10, 2022, at question #35.

**Office of Communications and External Affairs:** Manages communications and external affairs for the Office of the City Administrator.

**Office of Racial Equity:** Under the direction of the Chief Equity Officer, oversees the development and management of innovative strategies to achieve racial equity for District residents.

**Director of Gun Violence Prevention:** Oversees the development and implementation of a comprehensive, District-wide gun violence prevention strategy.

**Operations:** Provides administrative, financial, and logistical support to the City Administrator to ensure accountability for this office. Assists the City Administrator in the day-to-day administration of District operations and programs.

## **2. FISCAL YEAR 2023 OPERATING BUDGET**

### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 gross funds operating budget for OCA is \$12,221,189, which represents a 13 percent increase from its FY 2022 approved gross budget of \$10,814,352.<sup>151</sup> The FTE level of 74 in the proposed FY 2023 budget represents a 14% increase from the FTE level of 65 approved in FY 2022.<sup>152</sup>

**Local Funds:** The Mayor's proposed FY 2023 local funds operating budget for OCA is \$12,221,000, which represents a 13 percent increase from its FY 2022 approved local budget of \$10,814,000.

### **Committee Analysis and Comments**

**Staffing:** The Local funds budget for the Office of the City Administrator reflects an increase of 1 FTE within the City Administrator's division across multiple divisions to properly align personal services and Fringe Benefits with projected costs. It also includes an increase of \$1,615,497 or 8 FTEs to reflect an enhancement to support the staffing and operational needs in the Office of Gun Violence Prevention. Of this amount, \$1,210,589 will support contracts for developing and increasing communications and strategic planning, allowing for access to media resources to promote awareness. The remaining \$404,908 will support equipment and technology purchases for laptops, monitors, docking stations, software and relevant licenses, mobile phones, and basic office.<sup>153</sup>

Additionally, in local funds, a proposed increase of \$270,000 is to support a leasing agreement for the office space for The Lab @ DC, and a one-time increase of \$150,000 will support the Office of Racial Equity's community outreach and engagement initiatives.<sup>154</sup>

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<sup>151</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Office of the City Administrator (AE0). Table AE0-1.

<sup>152</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Office of the City Administrator (AE0). Table AE0-5.

<sup>153</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Office of the City Administrator (AE0). A160.

<sup>154</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Office of the City Administrator (AE0). A161.

**Building Blocks:** Mayor Muriel Bowser announced the launch of the Gun Violence Prevention Emergency Operations Center (EOC), as part of a new comprehensive gun violence prevention program, Building Blocks DC on February 17, 2021. Building Blocks and the EOC are based out of the Office of the City Administrator and are overseen by the Director of Gun Violence Prevention. The Building Blocks DC program was initially funded with an investment of \$15 million in February, and the FY 2022 budget raises the investment to a total of \$1.5 billion, which includes \$1.3 billion in FY22 local funding (including revenue replacement funding) for the entire Public Safety cluster as well as \$200 million in federal funding for gun violence prevention and other public safety initiatives, such as assistance to returning citizens and Alternative 911 response. Building Blocks DC is a collaborative endeavor that involves the following agency partners receiving the respective funding for FY 2021- FY2024: Department of Employment Services (\$11.4M), Department of Corrections(\$1.4M), Office of Victim Services and Justice Grants (\$17M), Office of the Deputy Mayor for Public Safety and Justice(\$700,000), University of the District of Columbia (\$1.5M), Office of the Deputy Mayor for Education (\$21.6M), Department of Parks and Recreation (\$7.7M), Department of Youth Rehabilitation Services (\$6.6M), District Department of Transportation (\$37.6M), Department of Energy and Environment (\$168,000), Department of Public Works (\$16.3M), Office of Neighborhood Safety and Engagement (\$51.5M), Department of For-Hire Vehicles (\$18.9M), and the Office of the Chief Technology Officer (\$1.1M).<sup>155</sup> The Gun Violence Prevention Director will be involved in all spending plans related to funding allocated to gun violence prevention. As the incident commander of the EOC, the Gun Violence Prevention Director has developed a reporting structure and standard operating procedures for managing day-to-day operations. With the addition of the new initiatives funded with federal recovery funds, these reporting and coordination activities will be expanded to encompass all Building Blocks-related programs and activities and to ensure that they are meeting the objectives of the whole-of government approach to preventing gun violence.<sup>156</sup>

Building Blocks DC will partner with the Department of Youth Rehabilitation Services to distribute \$1.5 million in grant funding to individuals and local organizations to implement skill-building programs, neighborhood beautification projects, and community engagement programs to reduce gun violence.

The Historic Anacostia, Kenilworth, and Mayfair communities are currently participating in Building Blocks DC. While Building Blocks DC has not decided which communities it will expand to next, the team is considering various factors to determine the communities on which it will focus.<sup>157</sup>

Building Blocks features a grant program run by the Office of Gun Violence Prevention and the Department of Youth Rehabilitation Services and Progressive Life Center. There are two types of grants—\$5,000 mini grants available to individuals and \$50,000 grants awarded to entities or organizations—that are available for community members engaged in efforts aimed at reducing gun violence in those neighborhoods most affected to create and expand programming that meets the goals of Building Blocks DC.

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<sup>155</sup> Mayor Muriel Bowser's FY 2021 – FY 2025 Federal Recovery Budget: Summary of Federal American Rescue Plan Act Fund Investment.

<sup>156</sup> *Ibid.*

<sup>157</sup> *Ibid.*

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The Office of the City Administrator has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

## **K. OFFICE OF THE SECRETARY (BA0)**

### **1. AGENCY MISSION AND OVERVIEW**

The Office of the Secretary (OS) of the District of Columbia is the official resource for protocol, legal records, history, and recognitions for the public, governments, and international community.

The Office of the Secretary of the District of Columbia consists of five divisions: the Office of Notary Commissions and Authentications (ONCA) commissions District of Columbia notaries and authenticates documents for domestic and foreign use; the Office of Documents and Administrative Issuances (ODAI) publishes the D.C. Register and the D.C. Municipal Regulations; the Office of Public Records (OPR) and Archives manages the District of Columbia Archives, Records Center, and the Library of Government Information; the Office of Protocol and International Affairs is the District government's primary liaison with the diplomatic and international community for both substantive and ceremonial matters; and the Ceremonial Services Unit is responsible for processing all requests for ceremonial documents.

### **2. FISCAL YEAR 2023 OPERATING BUDGET**

#### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 operating budget for OS is \$5,243,080 which represents an increase of \$708,048 or 15.6% from the FY 2021 approved budget. OS' budget is comprised of \$4,243,081 local funds and \$1,000,000 special purpose revenue funds.

#### **Committee Analysis and Comments**

The Committee commends OS on its continued services to the local and international community through virtual programming during the COVID-19 pandemic and the return to several in-person activities in FY 2022. The Committee also congratulates OS on filling the Archives Administrator position to lead the new DC Archives project. However, based on feedback to the Committee, there is room to improve the planning and development of a new DC Archives facility by including voices of the public. OS increases its FTE count from 27.0 in FY 2022 to 29.0 in FY 2023. The Committee encourages the Mayor to continue to be proactive and actively engaged in the planning and development the new DC Archives, and provide public comment opportunities.

### **3. FISCAL YEAR 2023 – 2028 CAPITAL BUDGET**

In FY 2023, the Office of the Secretary (OS) has \$2,713,000 capital funds.  
In FY 2024, the Office of the Secretary (OS) has \$41,432,000 capital funds.  
In FY 2025, the Office of the Secretary (OS) has \$26,803,000 capital funds.

## **L. OFFICE OF THE SENIOR ADVISOR (AI0)**

### **1. AGENCY MISSION AND OVERVIEW**

The mission of the Office of the Senior Advisor (OSA) is to advise the Mayor on local, regional, and federal affairs by providing policy analysis and advancing the Mayor's legislative agenda.

The Office of the Senior Advisor (OSA) consists of three offices. The Office of Policy and Legislative Affairs (OPLA) performs policy analysis, develops policy initiatives, and implements the Mayor's legislative agenda. The Office of Federal and Regional Affairs (OFRA) serves as the liaison to federal agencies and advises the Mayor on key issues with regional partners and stakeholders on Capitol Hill. The Office of the Secretary serves as the District of Columbia's primary liaison with the diplomatic and international community and is the official resource for executive orders, historic records, and ceremonial documents. The Office of the Secretary also oversees notarization for the District.

In addition, OSA leads efforts to advance Statehood for the District through interaction with the public, contractors, Congress, and other federal stakeholders.

### **2. FISCAL YEAR 2023 OPERATING BUDGET**

#### **Proposed Operating Budget Summary**

OSA's proposed FY 2023 Operating Budget provides for \$4,546,309, a 33.3% increase from FY 2022 approved levels. It would support 20.0 FTEs, identical to FY 2022 levels.<sup>158</sup> OSA's budget is comprised of entirely of local funds.

OSA's proposed FY 2023 budget includes no program structure changes.

#### **Committee Analysis and Comments**

The Committee commends the OSA on its continued work towards achieving DC Statehood and its collaboration with the federal partners. The Committee appreciates the work of the OSA on overseeing the progress of developing a new DC Archives, as the Office of the Secretary is under OSA's purview.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The OSA has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

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<sup>158</sup> Mayor's FY 2023 Proposed Budget and Financial Plan, Volume 2, Office of the Senior Advisor (AI0). Table AI0-1.



## M. OFFICE OF THE TENANT ADVOCATE (CQ0)

### 1. AGENCY MISSION AND OVERVIEW

The mission of the OTA is to provide technical advice and other legal services to tenants regarding disputes with landlords; to educate and inform the tenant community about tenant rights and rental housing matters; to advocate for the rights and interests of District renters in the legislative, regulatory, and judicial contexts; and to provide financial assistance to displaced tenants for certain emergency housing and tenant relocation expenses.

#### **Summary of Services:**

OTA provides a range of services to the tenant community to further each aspect of its mission. The agency:

1. Advises tenants on resolving disputes with landlords, identifies legal issues and the rights and responsibilities of tenants and landlords, and provides legal and technical assistance for further action such as filing tenant petitions;
2. Provides in-house representation for tenants in certain cases and refers other cases to pro bono or contracted legal service providers and attorneys;
3. Works with other governmental and non-governmental officials and entities to promote better tenant protection laws and policies in the District;
4. Conducts educational seminars in a variety of contexts to inform tenants about their rights and other rental housing concerns; and
5. Provides financial assistance for certain emergency housing and relocation expenses to tenants displaced by fires, floods, and governmental property closures.

The OTA operates through the following programs:

**Legal Representation:** Implements the agency's statutory duty to represent tenants, at its discretion and as it determines to be in the public interest in federal, or District judicial and administrative proceedings.

The Legal Division includes the following 3 activities:

1. *In-House Legal Representation* – provides agency clients with in-house legal representation in certain “high-impact” cases and refers others to pro bono, contracted legal service providers and attorneys, or helps them find other representation.
2. *Legal Hotline* – provides general advice regarding tenant rights in response to informal inquiries; provides a web-based “Ask the Director” forum and responds to Mayoral, Council, inter-agency, and community inquiries about tenant rights and rental housing law; and

3. *Legal Service Provider* – provides funding to contracted non-profit legal service providers and attorneys; who qualify through the agency’s RFQ process, to enhance their capacity to provide tenants with appropriate legal assistance.

**Policy Advocacy:** Implements the agency’s statutory duty to represent the interests of tenants and tenant organizations in legislative, executive, and judicial issues by advocating for changes in laws and rules. This division also tracks developments in rental housing legislation and regulations at both the local and federal levels, and keeps agency stakeholders apprised; develops legislative, rulemaking, and other policy recommendations, and coordinates policy discussions with governmental and community colleagues, including regular discussions with agency stakeholders; advises tenants, advocates, attorneys, governmental colleagues, and others regarding rental housing laws; serves as the agency’s in-house statutory and regulatory expert; and provides support to community-based programs that inform tenants regarding their legislative and regulatory legal protections.

**OTA Educational Institute:** Implements the agency’s statutory duty to provide education and outreach to tenants and the community about laws, rules, and other policy matters involving rental housing, including tenant rights under the petition process and formation of tenant organizations. This program also conducts informational presentations in various settings throughout the community; provides a formal series of educational and outreach forums; and develops educational material regarding rental housing laws, rules, and policies.

**Emergency Housing:** implements the agency’s statutory duty to provide emergency housing assistance to qualified tenants in certain situations by:

1. Providing short-term housing assistance (usually hotel stays) to temporarily house tenants displaced by fires, floods, and government closures, and in other appropriate circumstances;
2. Providing assistance to tenants regarding the packing, moving, and storing of personal possessions; and
3. Coordinating with other District agencies and community-based organizations to ensure that displaced tenants receive appropriate services.

**Case Management Administration and Community Outreach:** Implements in consultation with OTA attorney advisors, the agency’s statutory duty to advise tenants and tenant organizations on filing complaints and petitions, including petitions in response to disputes with landlords. This program contains the following two activities:

1. *Case Management Administration* – provides legal and technical assistance to tenants regarding rental housing disputes with landlords, including identifying legal issues and the tenant’s and the landlord’s respective rights and responsibilities, and assisting with follow-up action items, such as completing and filing tenant petitions and monitoring rental housing case hearings.
2. *Community Outreach* – provides outreach and educational programs regarding tenant rights and rental housing matters and sends “rapid response” letters to tenants affected by certain administrative actions to apprise them of their rights and of OTA’s availability to provide further assistance.

**Rent Control Housing Clearinghouse** – The Council passed the Rent Control Housing Clearinghouse Amendment Act of 2015 in Title II, Subtitle V in B21-0158. In fiscal year 2018, the Council transferred responsibility for implementation of the rent control housing database from DHCD to the Office of Tenant Advocate. The Council extended the authority of the agency to develop the database through March 31, 2022. Because the relevant statutory language does not refer to the termination of the agency's authority, the Committee regards the lapsed completion date as aspirational, and there is an ongoing expectation that the agency will continue to work to hand the product over to the Rent Administrator by the end of the calendar year 2022.

**District Recovery Plan** – District Recovery Plan initiatives, which includes COVID-19 Public Health Emergency Direct Response Costs; Economic Recovery for Residents and Businesses; Build and Preserve Affordable Housing; Learning Acceleration; Reduction of Healthcare Disparities; Gun Violence Prevention; Youth Safety; and Alternative 911 Response. These initiatives are funded by District Recovery Plan Funds, which includes the following sources: the American Rescue Plan Act and the Corona Aid, Relief, and Economic Security Act.

**Administrative Services:** Provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

## **2. FISCAL YEAR 2023 OPERATING BUDGET**

### **Proposed Operating Budget Summary**

The Mayor's total proposed FY 2023 operating budget for the OTA is \$4,421,256. Local funds account for \$3,266,000 of the total. Special Purpose Revenue (SPR) funds account for \$644,000, and federal funds account for the remaining \$512,000, amounting to an increase of 6.9% in the agency's overall budget.

**Recurring Budget:** The FY 2023 budget for OTA includes a reduction of \$410,490 and 9 FTEs to account for the removal of ARPA funding appropriated in FY 2022 to support Eviction Prevention Services.

**Local Funds:** In Local funds, OTA proposes an increase of \$78,000 across multiple programs, to align resources with operational spending goals primarily associated with the Annual Tenant Summit contract. The Local funds budget submission for OTA includes a decrease of \$70,551 and 1.6 FTEs in personal service adjustments for projected salary and Fringe Benefit costs

**Special Purpose Revenue funds:** In Special Purpose Revenue (SPR) funds, the proposed budget reflects a decrease of \$50,000 to align the budget with projected revenue. In SPR funds, an increase of \$225,909 and 1.9 FTEs aligns the proposed budget with salary and Fringe Benefit expenditures. This adjustment accounts for the shift of 1.6 FTEs from Local funds, and an additional 0.3 FTE from an MOU agreement with The Office of the Chief Financial Officer.

**Federal Payment:** In Federal Payments, OTA's FY 2023 proposed budget includes an increase of ARPA – Federal State/Municipal Funding in the amount of \$511,680 and 5.0 FTEs to support Eviction Prevention Services. This increase in spending is supported by Coronavirus Relief funds from the American Rescue Plan Act.

## **Committee Analysis and Comments**

**The Office of the Tenant Advocate has eight programmatic divisions:** Legal Representation, Policy Advocacy, OTA Educational Institute, Emergency Housing, Case Management Administration and Community Outreach, and Administrative Services, the Rent Control Housing Clearinghouse, and District Recovery Plan. The OTA has no program structure changes in the FY 2023 proposed budget.

**Legal Representation:** The proposed FY 2023 budget for this Division decreased by \$247,000 to \$1,412,000. Additionally, the proposed FY 2023 FTEs for Legal Representation decreased from 18 to 11.

**Policy and Advocacy Program:** The proposed FY 2023 budget for the policy advocacy program was increased by \$10,000 to \$415,000. The proposed FY 2023 FTEs for this program remains level at 3.

**OTA Educational Institute:** The proposed FY 2023 budget for the OTA Educational Institute decreased by \$58,000 to \$283,000. The proposed FY 2023 FTEs for the OTA Educational Institute decreased from 3 to 2.

**Emergency Housing:** The Mayor's proposed FY 2023 budget for emergency housing remains at \$550,000. Emergency housing implements the agency's statutory duty to provide emergency housing assistance to qualified tenants in certain situations.

**Case Management Administration and Community Outreach:** The proposed FY 2023 budget for Case Management Administration and Community Outreach increased by \$102,000 to \$412,000. The proposed FY 2023 FTEs for Case Management Administration and Community Outreach increased remained level at 3.

**Administrative Services:** The proposed FY 2023 budget for Administrative Services decreased by \$34,000 to \$631,000. Additionally, the proposed FY 2023 FTEs for Administrative Services decreased by 0.7 to 5.3

**Rent Control Housing Clearinghouse:** The proposed FY 2023 budget remained at \$0 for the second year in a row. The Committee recommends adding \$264,000 to the Rent Control Housing Clearinghouse in non-recurring funds, in order to support the completion of the database. The number of FTEs for the Clearinghouse remains at 0.

**District Recovery Plan:** The proposed FY 2023 budget for District Recovery Plan is \$512,000. The proposed FY 2023 FTEs for District Recovery Plan is 5.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The Office of the Tenant Advocate has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

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

### **1. AGENCY MISSION OVERVIEW**

The mission of the Real Property Tax Appeals Commission (RPTAC) is to conduct fair and impartial hearings to review disputed real property tax assessments ensuring that properties are assessed at 100% of market value, and to resolve claims of improper real property classifications, homestead, and senior eligibility issues. RPTAC provides a second-level administrative remedy for property owners to adjudicate property assessments prior to potential formal litigation in D.C. Superior Court. Property owners are entitled to a second-level appeal after completing the first-level assessment appeal. First-level appeals are conducted with Office of Tax and Revenue (OTR) Real Property Tax Assessors.

### **2. FISCAL YEAR 2023 OPERATING BUDGET**

#### **Proposed Operating Budget Summary**

The Mayor's proposed FY 2023 operating budget for RPTAC is \$1,973,852, which is an increase of \$197,977 or 11.1%, and an additional 1.2 FTE from the FY 2022 approved budget. RPTAC's budget is comprised entirely of local funds.

#### **Committee Analysis and Comments**

Based on feedback to the Committee, there is room for improving the outreach activities of the commissioners. The Commission has maintained 11.0 FTEs from FY 2019 and then increased it to 12.0 FTE in FY 2022. The Mayor proposed an enhancement of 1.2 FTE in the proposed FY 2023 budget to account for the increase in caseload.

The Committee urges the Commission to expand its outreach to the public to avoid cases unnecessarily being brought to D.C. Superior Court before they have exhausted the options available at the Commission. The Committee will continue to work with RPTAC to examine ways to further assist them in meeting its goals.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

RPTAC has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

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

### **1. AGENCY MISSION AND OVERVIEW**

The mission of the Rental Housing Commission (RHC) is to ensure the fair and effective implementation of the District of Columbia's rent stabilization and tenant rights laws by publishing clear legal guidelines and resolving appeals in disputed cases. The RHC is responsible for the interpretation and application of the Rental Housing Act of 1985, as amended (the Act). The RHC:

1. Certifies and publishes the annual, general allowable rent adjustment;
2. Issues, amends, and rescinds rules and procedures for the administration of the Act and for the resolution of disputes arising under the Act; and
3. In disputes under the Act, decides appeals from decisions of the Rent Administrator and the Office of Administrative Hearings. Disputes under the Act commonly include claims of illegal rent increases, requests for approval of special rent increases, repair of housing code violations, retaliation against tenants, and return of security deposits.

The Rental Housing Commission enforces the Rental Housing Act of 1985, as amended. The commission has three statutory functions in order to preserve and increase the supply of quality affordable housing in the District: (1) to issue, amend, and rescind regulations that are promulgated for enforcement of the Act; (2) to certify and publish the annual adjustment of general applicability to rents and/or rent ceilings, which adjustment is based upon annual changes (if any) in the Consumer Price Index for the applicable region in which the District of Columbia is located; and (3) to decide appeals brought to the commission from the Rent Administrator and the Office of Administrative Hearings.

### **2. FISCAL YEAR 2023 OPERATING BUDGET**

#### **Proposed Operating Budget Summary**

The Rental Housing Commission's (RHC) proposed FY 2023 gross budget is \$1,356,912, which represents a 0.2% decrease from its FY 2022 approved gross budget of \$1,359,911. The budget is comprised entirely of Local funds. There is a 0% change between the RHC's proposed FY 2023 FTEs and the FTEs from FY 2022.

#### **Committee Analysis and Comments**

The Rental Housing Commission's proposed budget includes an increase of \$11,114 for Information Technology (IT) equipment upgrades. Additionally, a net increase of \$7,208 aligns personal services and Fringe Benefits with projected costs, including the reclassification of 3.0 Full Time Equivalent positions from temporary to full time. The proposed budget includes a decrease of \$21,321 in projected costs for professional fees and fixed cost estimates for Telecommunications.

### **3. FISCAL YEAR 2023-2028 CAPITAL BUDGET**

The Rental Housing Commission has no associated proposed capital funds in the Mayor's proposed FY 2023 budget.

### III. TRANSFERS FROM OTHER COMMITTEES

The Committee accepts the following transfers in from:

#### **Committee on Government Operations and Facilities**

1. To the Department of Aging and Community Living, \$300,000 in recurring funds, for Advocacy/Elder Rights in providing legal assistance to the aging community.
2. To the Department of Aging and Community Living, \$100,000 in recurring funds to enhance Senior Community Ambassador Program.
3. To the District of Columbia Housing Authority Subsidy operating budget, \$522,002.40 in recurring funds and \$64,000 in one-time funds for 20 LRSP tenant-based vouchers for LGBTQ residents designated by the OLGBTQ.
4. To the District of Columbia Housing Authority Subsidy operating budget, \$522,002.40 in recurring funds and \$64,000 in one-time funds for 20 LRSP tenant-based vouchers for returning citizens designated by the ORCA.
5. To the District of Columbia Housing Authority Subsidy operating budget \$468,909.60 in recurring funds and \$60,000 in one-time funds to support 20 Targeted Affordable Housing vouchers for residents leaving Rapid Rehousing.
6. To the District of Columbia Housing Authority Subsidy operating budget \$522,002.40 in recurring funds and \$64,000 in one-time funds to support 20 LRSP vouchers for Single Residents on DCHA waiting list.
7. To the District of Columbia Housing Authority Subsidy capital budget (DHA21 – Development and Rehabilitation), \$1,121,266 in Fiscal Year 2023 for public housing repairs.
8. To the Office of the Secretary capital budget (AM0-AB102-Archives), \$1,000,000 in Fiscal Year 2023 to enhance funding available for the Archives Project.
9. To the Executive Office of the Mayor, \$115,892 in recurring funds for 1 FTE to support the Office of General Counsel/Clemency Board

#### **Committee on Recreation, Libraries, and Youth Affairs**

1. To the District of Columbia Housing Authority Subsidy operating budget, \$70,336.44 in recurring funds for 3 Targeted Affordable Housing vouchers for returning citizens designated by ORCA.
2. To the District of Columbia Housing Authority Subsidy operating budget, \$9,000 in one-time funds, for security deposits and administrative fees related to three Targeted Affordable Housing vouchers.

#### **Committee on Public Safety and Judiciary**

1. To the Real Property Tax Appeals Commission, \$60,000 in one-time funds to support B22-0317 – Notification of Vacant and Blighted Classification Amendment Act of 2017 (now known as “Department of Consumer and Regulatory Affairs Omnibus Amendment Act of 2018”), Section 4(c)-(e).



### **Committee on Transportation and the Environment**

1. To the Department of Aging and Community Living, \$130,000 in recurring funds for Caregiver Support for adults 60 years and older with memory loss and other cognitive impairments.
2. To the Department of Aging and Community Living, \$250,000 in recurring funds, for Caregiver Support to support telemedicine equity program.
3. To the Department of Aging and Community Living, \$200,000 in one-time funds, to support Senior Wellness Center/Fitness for programming at a senior center, focus on non-English language speakers.
4. To the Department of Aging and Community Living, \$200,000 in one-time funds, for Lead Agencies and Case Management to support older adults navigate financials and protect their funds from scams and exploitation.
5. To the Department of Aging and Community Living, \$288,000 in one-time funds, to support Lead Agencies and Case Management for tenant access to consistent meals, counseling, social services, etc.
6. To the Department of Aging and Community Living, \$500,000 in Capital Funds, to support a feasibility study for Wards 2 and 3 senior wellness center.
7. To the Office of the Secretary, \$99,323 in FY2023, \$102,799 in FY 2024, \$106,397 in FY 2025, and \$110,121 in FY 2026 for implementation of a remote notary platform, CSG 11 – Program 1500, Activity 1501 for Personnel Regular Pay.
8. To the Office of the Secretary, \$24,831 in FY 2023, \$25,700 in FY 2024, \$26,599 in FY 2025, and \$27,530 in FY 2026 for implementation of a remote notary platform, CSG 14 – Program 1500, Activity 1501 for Fringe Benefits
9. To the Office of the Secretary, \$463,000 in FY 2023 for implementation of a remote notary platform, CSG 40 – Program 1500, Activity 1501 for Office Space.
10. To the Office of the Secretary, \$42,338 in FY 2023, \$39,501 in FY 2024, \$35,004 in FY 2025, and \$30,349 in FY for implementation of a remote notary platform, CSG 40 – Program 1500, Activity 1501 for IT upgrade and maintenance, and other contractual services.

### **Committee on Business and Economic Development**

1. To the Department of Housing and Community Development, \$198,661 in FY 2023 for Salary and Fringe Benefits for 1 Grade 12/13 Compliance Specialist and 1 Grade 11 Inspector, to administer the new grant component of the HPAP program – Program 3000, Activity 3030, CSG 0011 and 0014

## **IV. TRANSFERS TO OTHER COMMITTEES**

The Committee will not transfer funds to any other committee in Fiscal Year 2023.

## V. BUDGET SUPPORT ACT RECOMMENDATIONS

On Wednesday, March 16, 2022, Chairman Mendelson introduced, on behalf of the Mayor, the “Fiscal Year 2023 Budget Support Act of 2022” (Bill 24-0714). The bill contains two subtitles for which the Committee has provided comments.

### A. RECOMMENDATIONS ON THE MAYOR’S PROPOSED BUDGET SUPPORT ACT SUBTITLES

The Committee provides comments on the following subtitles of the “Fiscal Year 2021 Budget Support Act of 2022”:

#### 1. Title II. Subtitle A. – Heirs Property

- a. **Bill Summary** – As proposed, this bill will empower the Mayor to issue grants to support legal services for low-income individuals who are seeking to obtain clear title to property inherited from a relative. The grants can be made to individuals, or to a legal services organization or grant-making entity. This bill will ensure that low-income District individuals are able to maintain the generational wealth generated by homeownership, without incurring burdensome or unaffordable legal fees related to obtaining clear title to inherited property.
- b. **Committee Action** – The Committee accepts the Heirs Property subtitle with no changes.
- c. **Fiscal Impact** – The Proposed Budget and Financial Plan includes recurring funding of \$1 Million in the Department of Housing and Community Development to support the subtitle’s authorized legal assistance.

#### 2. Title II. Subtitle G. – Home Purchase Assistance Program

- a. **Bill Summary** – As proposed, this bill will increase the maximum amount of down payment assistance available to the lowest-income Home Purchase Assistance Program (HPAP) applicants from \$80,000 to \$202,000. The Department of Housing and Community Development shall adjust the maximum amount of assistance available to an applicant based on their income. This change will allow HPAP participants the opportunity to purchase a wider range of homes in the District, including homes of varying size and in different neighborhoods.
- b. **Committee Action** – The Committee recommends two modifications to this subtitle.
  - 1. Incorporate a grant of up to \$15,000 for essential home repairs.
  - 2. Establish a minimum amount of assistance of \$70,000 for the lowest-income HPAP participants.

**Change 1 Explanation:** In order to pass HPAP inspections, many homes require certain essential repairs. These repairs may be too costly for a low-income household to afford, which would leave the burden of financing the repairs on the seller. However, this disincentivizes sellers from selling homes to HPAP participants, since a higher-income household would be able to finance the repairs themselves (and such a transaction would not require the same inspection). Incorporating a grant of up to \$15,000 for essential home repairs will synergize with the increased maximum assistance and empower HPAP participants to purchase the homes they want. Not only will this grant incentivize more sellers to sell homes to HPAP participants, it will also allow HPAP participants to purchase older (and potentially more affordable) homes that require more substantial essential repairs. Empowering residents to purchase older homes will also prevent developers from turning those properties into new and expensive developments, thereby preserving their affordability. Incorporating this grant will ensure that HPAP participants are purchasing a quality home that fits their needs and preserves neighborhood affordability.

**Change 2 Explanation:** Rising home prices in the District have made it challenging for even households making up to 80% of the Median Family Income to purchase homes. Considering this subtitle's significant increases to the maximum amount of HPAP assistance, it is important to ensure that the assistance provided is truly supporting the goals of this program: enabling those on the cusp of low-to-moderate incomes to become homeowners. By establishing a minimum amount of assistance, this modification will ensure that the HPAP program is supporting households who would otherwise be unable to become homeowners, thereby generating stability, generational wealth, and creating pathways out of poverty.

- c. **Fiscal Impact Statement** – The Committee is adding \$198,661 to DHCD's budget in FY23, transferred from the Committee on Business and Economic Development, to fund 1 Grade 12/13 Compliance Specialist (term position), and 1 Grade 11 Inspector (term position).

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

## **SUBTITLE G. Home Purchase Assistance Program**

Sec. 2061. Short title.

This subtitle may be cited as the "Home Purchase Assistance Program Amendment Act of 2022".

Sec. 2062. Section 3a of the Home Purchase Assistance Fund Act of 1978, effective September 12, 1978 (D.C. Law 2-103; D.C. Official Code § 42-2602.01), is amended as follows:

(a) Subsection (a)(2) is amended to read as follows:

“(a)(2)(A) The maximum amount of down payment assistance for the lowest income applicant available under the Program shall be \$202,000.

“(B) The minimum amount of down payment assistance for the lowest income applicant available under the Program shall be \$70,000.

“(C) The maximum and minimum amounts of down payment assistance shall be adjusted based on an applicant’s income according to 14 DCMR § 2503.1(b)(1).”

(b) New subsection (c) is added to read as follows:

“(c)(1) The Program shall provide a grant in the maximum amount of \$15,000 for each borrower to use for the following purposes for a home purchased with HPAP assistance:

“(A) Repairs that are identified by:

“(i) A certified home inspector in a written report; or

“(ii) A Lender.

“(B) Expenses incurred in implementing the grant.

“(2) The grant provided by this subsection shall be held in escrow by a title company and be available to an HPAP borrower for 90 days beginning at settlement.

“(3)(A) The title company shall be responsible for paying a licensed contractor.

“(B)(i) The contractor shall be paid 50% of the contracted amount at settlement.

“(ii) The remaining 50% shall be paid to the contractor after the contracted work is completed and a certified home inspector has signed off that the work was properly done.

“(4) After expiration of the 90 days of availability, any unused portion of the grant shall return to the HPAP program.

“(5) All repair work funded by the grant shall be done by contractors licensed to work in the District of Columbia.

“(6) A borrower shall submit documentation from a licensed contractor within 30 days of completion of all repairs funded by the grant.

“(7)(A) The Mayor shall develop a form in consultation with stakeholders, to be used by certified home inspectors in implementing this section. The form shall:

“(i) List inspection criteria and whether the contracted work has passed or failed inspection;

“(ii) Specify required repairs in the event the contracted work failed inspection; and

“(iii) State that the inspection would be satisfied upon completion of the repairs listed in paragraph (1) of this subsection.

“(B) HPAP inspection forms shall not include a requirement that a seller make repairs noted by a certified home inspector for a borrower to be eligible for funding provided by the Program.

“(8) The Program shall not include a maximum amount of funding for 203(k) renovation loans.”.

## B. RECOMMENDATIONS FOR NEW BUDGET SUPPORT ACT SUBTITLES

The Committee recommends that the following two new subtitles be included in the “Fiscal Year 2023 Budget Support Act of 2022”:

1. Title XX. Subtitle XX. Educators Housing Incentive Amendment Act of 2022
2. Title XX. Subtitle XX. Housing Production Trust Fund Accountability and Transparency Amendment Act of 2022.

### 1. TITLE XX. SUBTITLE XX. EDUCATORS HOUSING INCENTIVE AMENDMENT ACT OF 2022

- a. **Bill Summary** — Currently, the EAHP provides all participants a deferred, 0% interest loan of up to \$20,000 and a \$5,000 matching funds grant for down payment and closing costs to purchase their first single family home, condominium, or cooperative unit in the District. Participants in the program must be (1) a District of Columbia government employee, an employee of a District of Columbia public charter school, a first-responder, or a person who has accepted an offer to be a District of Columbia public school teacher or public charter school teacher; and (2) a first-time homebuyer in the District. In addition, the EAHP First-Responder grant provides first-responders who are a participant with \$10,000 in financial assistance with a matching grant of up to \$15,000 for the purchase of a housing unit. Current participants of the EAHP First-Responder grant are police officers, fire fighters, paramedics, emergency medical technicians, or corrections officers. The subtitle expands the definition of “participant” in the Employer-Assisted Housing Program (EAHP) First-Responder grant to include DC Public School (DCPS) and public charter school teachers. Overwhelming evidence supports the notion that teachers are the number one school-related factor when it comes to a student's academic performance. Therefore, during the pandemic and beyond, when education inequities are being exacerbated, it is vital for the Committee to find ways to attract and retain great educators in the District. About half of DCPS teachers live in DC in 2016. While there may be a multitude of reasons why teachers may choose to live outside of the District, it is no secret that living in DC is cost-prohibitive for many. By expanding the EAHP First-Responder grant we can help educators achieve their dream of owning property in the District, so they can live where they work.
- b. **Committee Action** — The Committee recommends adoption of this subtitle with no changes.
- c. **Fiscal Impact** — The subtitle has no impact on the budget or financial plan.

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

**SUBTITLE XX. EDUCATORS HOUSING INCENTIVE AMENDMENT ACT OF 2022**

Sec. XXX. Short title.

This subtitle may be cited as the “Educators Housing Incentive Amendment Act of 2022”.

Sec. XXX. The Government Employer-Assisted Housing Amendment Act of 1999, effective May 9, 2000 (D.C. Law 13-96; D.C. Official Code § 42-2501 et seq.), is amended as follows:

(a) Section 2 (D.C. Official Code § 42-2501) is amended by adding a new paragraph (4A-1) to read as follows:

“(4A-1) “Educator” means a District of Columbia government employee working as a teacher in a District of Columbia public school and an employee working as a teacher in a public charter school, or person who has accepted an offer to be a District of Columbia public school teacher or public charter school teacher.”.

(b) Section 3 (D.C. Official Code § 42-2502(4)) is amended by striking the phrase “first-responder” and inserting the phrase “first-responder or educator” in its place.

(c) Section 5 (D.C. Official Code § 42-2504(b-1)) is amended by striking the term “first-responder” and inserting the phrase “first-responder or educator” in its place wherever it appears.

(d) Section 6 (D.C. Official Code § 42-2505.01) is amended as follows:

(1) The title is amended to read “First-responder and Educator grant.”

(2) Strike the term “first-responder” and insert the phrase “first-responder or educator” in its place wherever it appears.

**2. TITLE XX. SUBTITLE XX. HOUSING PRODUCTION TRUST FUND ACCOUNTABILITY AND TRANSPARENCY AMENDMENT ACT OF 2022.**

- a. **Bill Summary** — This subtitle amends the Housing Production Trust Fund Act of 1989, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2802 and D.C. Official Code § 42-2803.01) by adding new paragraphs (9) and (10) and amending section 4a. Currently, D.C. Official Code § 42-2802 (d)(2) stipulates that the Department of Housing and Community Development shall file with the Chairperson of the Council committee with oversight jurisdiction over the Department quarterly reports on activities and expenditures. However, the Department is not currently statutorily mandated to submit a written report to the Council after the Director of the Department first publicly announces

HPTF fund project recipients selected for further underwriting, which this subtitle will stipulate. Additionally, this subtitle will require the Director of the Department to submit a written rationale to the Council for the ranking of each project ultimately chosen by the Director for further underwriting, including any explanation if there is a deviation in the final selections announced by the Director from the ranking based on the criteria outlined in the RFP. This subtitle additionally stipulates that the Director must submit a report to the Council that indicates the total number of affordable units that are actually produced or preserved by the selected development projects. Finally, the subtitle proposes that the Mayor must transmit to the Council an annual report that includes a plethora of information. The purpose of this subtitle is to increase transparency and accountability within the Department of Housing and Community Development with regards to HPTF disbursement of funds and resources.

- b. **Committee Action** — The Committee recommends adoption of this subtitle with no changes.
- c. **Fiscal Impact** — The Office of Revenue Analysis reported no fiscal impact.
- d. **Legislative Recommendation for Committee of the Whole** —

## **SUBTITLE XX. HOUSING PRODUCTION TRUST FUND ACCOUNTABILITY AND TRANSPARENCY.**

Sec. XXX1. This act may be cited as the “Housing Production Trust Fund Accountability and Transparency Amendment Act of 2022”.

Sec. XXX2. The Housing Production Trust Fund Act of 1989, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code §42-2802), is amended as follows:

(a) Section 3 (D.C. Official Code § 42-2802) is amended as follows:

(1) Subsection (b-1) is amended as follows:

(A) Paragraph (1) is amended by striking the word “disbursed” and inserting the phrase “obligated to new projects for a future expenditure” in its place.

(B) Paragraph (2) is amended by striking the word “disbursed” and inserting the phrase “obligated to new projects for a future expenditure” in its place.



(C) Paragraph (3) is amended by striking the word “disbursed” and inserting the phrase “obligated to new projects for a future expenditure” in its place.

(2) Subsection (d) is amended by adding new paragraphs (9) and (10) to read as follows:

“(9) Within 10 business days after the Director of the Department first publicly announces that one or more proposals received in response to a Request for Proposals (“RFP”) were selected for further underwriting to produce new affordable housing or to preserve existing affordable housing, the Department shall release to the Council:

“(A) A written report that indicates the proposed total amount of affordable units to be produced or preserved from the selected development projects;

“(B) The total number of project proposals received;

“(C) The total number of project proposals that met all Threshold Eligibility Requirements;

“(D) For the project proposals selected for further underwriting by the Director, the total number of affordable units per project proposal, the number of units at or below 30% of the area median income per project proposal, the number of units between 31% and 50% area median income per project proposal, and the number of units between 51% and 80% area median income per project proposal;

“(E) For the development project proposals selected by the Director for further underwriting, the HPTF loan amount requested by each project, the percentage contribution of the HPTF loan compared to the project’s total sources, the project’s total number of proposed affordable housing units, the project’s number of proposed affordable units at or below 30% MFI, the project’s number of proposed affordable units between 31% and 50% MFI, and the project’s number of proposed affordable units between 51% and 80% MFI.

“(F) A written rationale for the selection of each project ultimately chosen by the Director for further underwriting, including any score derived from the criteria outlined in the RFP used to rank projects, and an explanation of any cause for a deviation in the final selections announced by the Director from the ranking based on the criteria outlined in the RFP alone, including the efficient utilization of available funding sources.

“(10) The Director shall submit to the Council a report indicating the total number of affordable units that are actually produced or preserved by the selected development projects.”.

(b) Section 4a (D.C. Official Code § 42-2803.01) is amended to read as follows:

“No later than April 1 of each fiscal year, the Mayor shall transmit to the Council a Housing Production Trust Fund Annual Report. The report shall include the following information:

(1) The amount of money expended from the Housing Production Trust Fund during the previous fiscal year;

(2) The number of loans and grants executed during the previous fiscal year;

(3) A list of each completed project that received funds and began occupancy during the previous fiscal year, including, for each project:

(A) A brief description of the project, including the name of the project sponsor;

(B) The amount of money expended on the project;

(C) Whether the money expended was in the form of a loan or a grant; and

(D) The general terms of the loan or grant;

(4) The amount and percentage of funds expended on homeownership projects that were completed and began occupancy during the previous fiscal year;

(5) The amount and percentage of funds expended on rental housing projects that were completed and began occupancy during the previous fiscal year;

(6) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 30% of the area median income in completed projects that began occupancy during the previous fiscal year;

(7) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 50% of the area median income in completed projects that began occupancy during the previous fiscal year;

(8) The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 80% of the area median income in completed projects that began occupancy during the previous fiscal year;

(9) The number of completed housing units assisted that began occupancy during the previous fiscal year, including the number of rental housing units assisted and the number of homeownership units assisted; and

(10) The amount expended on administrative costs during the previous fiscal year.”.

## VI. COMMITTEE ACTION AND VOTE

On Wednesday, April 20, 2022, at X:XX pm, meeting virtually, the Committee met to consider and vote on the Mayor's FY 2023 Budget Report for the agencies under its jurisdiction.

Chairperson Anita Bonds determined the presence of a quorum consisting of herself and Councilmembers Brooke Pinto, Robert C. White, Jr., Kenyan McDuffie, and Elissa Silverman.

Chairperson Bonds opened by providing a synopsis of the Committee agencies' proposed FY 2023 budgets and highlighted the investments in affordable housing programs. She also acknowledged transfers from the Committee on

Councilmember Pinto opened by

Councilmember Silverman opened by

Councilmember Robert White opened by

Councilmember McDuffie opened by

Chairperson Bonds then moved the Committee's Fiscal Year 2023 Budget recommendations for approval, with leave for staff to make technical and conforming changes to reflect the Committee's actions.

The Members voted 5-0 in support of the proposed recommendations, with the members voting as follows:

Members in favor: Chairperson Anita Bonds, Councilmembers XXX

Members opposed: N/A

Members voting present: N/A

Members absent: N/A

Chairperson Bonds adjourned the meeting at X:XX p.m.

## VII. ATTACHMENTS

- A. Bill 24-0714, Fiscal Year 2023 Budget Support Act of 2022 Recommended Subtitles
- B. March 21, 2022 Fiscal Year 2023 Budget Oversight Hearing Witness List and Testimony.
- C. March 23, 2022, Fiscal Year 2023 Budget Oversight Hearing Witness List and Testimony.
- D. March 30, 2022, Fiscal Year 2023 Budget Oversight Hearing Witness List and Testimony.
- E. April 7, 2022, Fiscal Year 2023 Budget Oversight Hearing Witness List and Testimony.