

Government of the District of Columbia
ADVISORY NEIGHBORHOOD COMMISSION 3F
Van Ness ▪ North Cleveland Park ▪ Wakefield ▪ Forest Hills

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ANC 3F FY 22 Budget resolution – Housing Programs - includes additions to current FY 21 Budget to reflect anticipated approximately \$3.3 billion in federal stimulus/pandemic funds.

RESOLUTION REGARDING – DC’s FY 22 Budget - Affordable Housing Programs
June 15, 2021

Whereas housing affordability is a major challenge for the District of Columbia, Ward 3 and ANC 3F as the median 2-bedroom rent is over \$2,600 and sale prices of homes in Cleveland Park and Van Ness/Forest Hills average well over \$1 million. These prices exceed the ability to pay of low- and moderate- and even middle-wage employees (for home purchase) who contribute to this community’s vibrancy and economic well-being.

Whereas the District of Columbia has ambitious housing and affordable housing goals - 36,000 new homes by 2025 and with one-third of the 36,000 homes, or 12,000 homes, to be affordable to low and moderate wage working households. The District’s overall objective is to have each of its planning areas have approximately 15% of its housing supply to be affordable.¹

Whereas Rock Creek West and Ward 3 have 471 affordable units (add footnote) out of DC’s total 51,960 (less than 1%); this figure also represents less than 1% of Ward 3’s/Rock Creek West’s supply of about 49,000 housing units.

Whereas The District of Columbia’s Housing Equity Report: Creating Goals for Areas of Our City (October 2019) calls for the creation of 1,990 dedicated affordable homes in Rock Creek West by 2025;

Whereas the Rock Creek Park West’s share, which includes all of ANC 3F, of the 12,000 affordable unit goal is about 2,000 new homes over a 5 – year period or 400 units/year;

Whereas the outbreak of COVID-19 has put pressure on all of us, but especially those who have had their hours cut back or lost their work because of the pandemic and may be unable to

¹ See” What is affordable housing” definition on page 2 from the District’s 2019 Housing Equity Report:
<https://planning.dc.gov/sites/default/files/dc/sites/housingdc/publication/attachments/Housing%20Equity%20Report.pdf>

make their housing - rent or mortgage payments;

Whereas, ReOpenDC recommends ways to ensure that the District's re-opening benefits especially our most vulnerable residents, including: preventing displacement of vulnerable residents that are impacted by illness, economic turmoil, and job loss, sustaining investments in the expansion of supportive housing and affordable housing for domestic violence victims, returning citizens, and homeless individuals (not shelter housing) and protecting tenants' rights, health and safety by prohibiting evictions and unsafe management by landlords.

Whereas Mayor's proposed FY 22 Budget will contain significant funding requests for Housing and Human Service programs and resources to help primarily low- and moderate-wage workers remain or live in all parts of the District, including Ward 3 and ANC 3F.

Whereas ANC 3F passed a resolution on June 16, 2020 in support of several FY 21 housing programs including the Housing Production Trust Fund (HPTF), the Emergency Rental Assistance Program (ERAP), the Local Rent Supplement Program (LSRP) and the New Tax Proposal. Combined, these programs provide affordable rental homes to a wide range of District families.

Whereas the District of Columbia will receive an estimated \$3.3 billion in stimulus funds from the federal government that may be used on a range of needs to mitigate pandemic effects on its residents and businesses will supplement the current FY 21 Budget, and the anticipated FY 22 Budget, including affordable housing programs.

Therefore be it resolved that ANC 3F provides the following recommendations housing programs included in the Mayor's current FY 21 Budget and proposed FY 22 Budget:

- 1. ANC 3F recommends adding \$250 million to the current FY 21 Housing Production Trust Fund (HPTF) and also recommends \$250 million for FY 22.** The HPTF is DC's primary tool for building and preserving affordable housing. The HPTF is a loan fund that helps finance units for households earning approximately \$30k to \$100k/year. The Mayor's approved FY 21 amount of \$100 million was less than originally proposed (\$116 million) and was less than what is needed to reach citywide and Rock Creek West/Ward 3 objectives. Given the anticipated increase in revenue DC will be receiving as part of the federal stimulus package, \$250 million for both FY 21 and FY 22 demonstrates a strong commitment given the acute need for affordable housing throughout DC and the extreme lack of it in Ward 3/ANC 3F.
- 2. ANC 3F recommends adding \$20 million to the current FY 21 Budget for the Emergency Rental Assistance Program (ERAP) and \$15 million to the FY 22 Budget.** ERAP is important, especially in this COVID-19 period, as helps tenants earning approximately \$15k to 30k/year facing eviction pay for overdue rent and related legal costs. ERAP also provides for the security deposits and the 1st month's rent for residents moving into units.
- 3. ANC 3F recommends adding \$16 million to the current FY 21 Budget and \$16 million to the FY 22 Budget for the Local Rent Supplement Program (LRSP).** The additional funding is needed to

support more households given the acute needs of low wage renters. The LRSP provides ongoing rental subsidies to help make housing affordable to households earning up to \$25k-\$38k/year depending on household size. These funds are awarded to tenants also renting HPTF-financed affordable units.

4. **ANC 3F recommends adding \$21 million to the current FY 21 Budgeted amount to the Home Purchase Assistance Program (HPAP) and \$21 million to the FY 22 Budget.** HPAP program provides up to \$84,000 in interest-free loans and closing cost assistance to qualified applicants to purchase homes (single-family, duplex, rowhouse, condominium, or cooperative unit in the District.
5. **ANC 3F supports the Mayor's Tax Abatement for Affordable Housing in High Needs Areas (HANTA).** A new proposal in the FY 21 Budget created a new property tax abatement program to incentivize the development of affordable housing in areas of the city with less affordability (Rock Creek West, including all of ANC 3F is one of 4 such areas). Eligible properties are developments where no housing currently exists, would be required to have one-third of the units affordable to households earning up to \$68k-\$97k/year depending on household size. In return for the 40 years of affordability, developments would secure the tax abatement for up to 40 years. ANC 3F supports a competitive process for eligible developments that provide a higher proportion of units affordable at lower levels up to \$43k-\$61k/year depending on household size and for having a greater proportion of 3+-bedroom units.
6. **ANC 3F supports funding for increased supportive services, for program exploration and potential implementation of several proposals as follows:** \$200,000 for implementation of the moratorium on vacancy increases consistent with the DC Chief Financial Office's (CFO) estimate; and funding separate from the HPTF request described above that would be used to purchase the Wardman Hotel in Woodley Park (estimated price of approximately \$140M).

Be it further resolved that ANC 3F requests the assistance from appropriate City departments, including the Office of Planning (OP), and the Departments of Housing and Community Development (DHCD) and Department of Human Services (DHS) on achieving Rock Creek West affordable housing targets. It recognizes the challenge of developing housing in Ward 3, and especially housing affordable to low and moderate wage earners, the elderly and households with special needs, including those formerly homeless. There may be administrative guidelines that need to be amended so that programs and their funds may be fully utilized in Ward 3.

ANC 3F recognizes the enormous task of the FY 22 budget season and opening up the District for businesses and addressing the many unmet needs, including affordable housing. ANC 3F is committed to working with its residents, its neighboring ANC's, Councilmember Cheh, other elected officials, District staff, and other stakeholders to increase housing affordability in Ward 3.

Be it further resolved that; ANC3F authorizes Commissioner(s) _____ and _____ to speak on behalf of the Commission on this subject with the Mayor’s Office and cabinet, the Council, and DHS, DHCD and OP;

This resolution was considered and voted on by ANC3F (_ yes - _ no - _ - abstain) at the regularly scheduled meeting held by Zoom on Jun 15, 2021.

David Cristeal, Chair ANC3F

Copies of this resolution to be sent to Mayor Bowser, CMs Mendelson, McDuffie, Cheh, Bonds, Henderson, Silverman, White, Nadeau, Pinto, Lewis George, Allen, Gray, and White; Directors of DC Departments of Housing & Community Development, Human Services and Office of Planning.

Sources Used:

DC FY 2022 Budget:

https://mayor.dc.gov/sites/default/files/dc/sites/mayormb/page_content/attachments/FY22%20Budget%20Pocket%20Guide_1-10-21.pdf

DC Fiscal Policy Institute ‘DC to receive \$3.3 billion in federal funds’:

<https://www.dcfpi.org/all/american-rescue-plan-offers-dc-a-down-payment-on-a-just-recovery-and-future/>

Coalition of Nonprofit Housing & Economic Development organizations (CNHED):

<https://cnhed.org/news/cnheds-fy-2022-pre-mayor-budget-recommendations/>

DC Department of Housing and Community Development “Housing Equity Report” Oct 2019.

https://housing.dc.gov/sites/default/files/dc/sites/housingdc/page_content/attachments/Housing%20Equity%20Report%2010-15-19.pdf

ReOpen DC:

https://coronavirus.dc.gov/sites/default/files/dc/sites/coronavirus/page_content/attachments/%23ReOpen%20DC%20Advisory%20Group%20Recommendations%20to%20Mayor%20Bowser.pdf

Urban Institute – Rent Controlled Units in Washington DC (2011):

https://www.urban.org/research/publication/rent-control-report-district-columbia/view/full_report