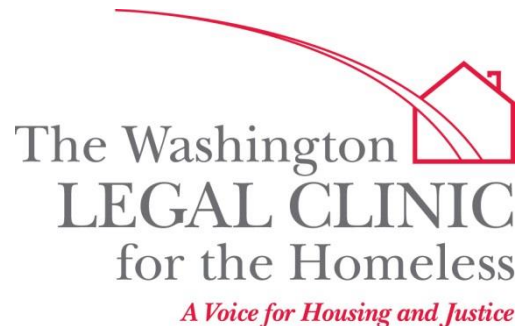


True Reformer Building
1200 U Street, NW
Washington, DC 20009
(202) 328-5500
www.legalclinic.org
@washlegalclinic



Board

John R. Jacob
President
Susan M. Hoffman
Vice President
James E. Rocap, III
Treasurer
Nancy Tyler Bernstine
Secretary
Ericka Aiken
Alan L. Banks
Cheryl K. Barnes
Laurie B. Davis
Nkechi Feaster
Wesley R. Heppler
Sterling Morris Howard
John Monahan
Sam Mondry-Cohen
David E. Rogers
Valerie E. Ross
Tiana L. Russell
Allison Holt Ryan
Jeff Schwaber
Effie Smith
Marsha Tucker
David Wittenstein

Semper Nobiscum

Mary Ann Luby
1940 - 2010

Staff

Patricia Mullahy Fugere
Executive Director
Renata Aguilera-Titus
Communications Manager
LaJuan Brooks
Administrative Assistant
Caitlin Cocilova
Staff Attorney
Akela D. Crawford
Staff Attorney
Amber W. Harding
Staff Attorney
David M. Booth
Disability Rights Initiative
Karen Malovrh
Staff Attorney
Kristi Matthews
*Kressley Fellow for
Grassroots Advocacy*
Scott McNeilly
Staff Attorney
William R. Merrifield, Jr.
Staff Attorney
Becky O'Brien
Staff Attorney
Carolyn E. H. Perez
Staff Attorney
Leslie Plant
Administrator
Brittany K. Ruffin
Spitzer Fellow
Ann Marie Staudenmaier
Staff Attorney
Max Tipping
Spitzer Fellow
Kelsey Vaughan
Volunteer Coordinator

D.C. Council Committee on Housing and Neighborhood Revitalization Budget Oversight Hearing –April 23, 2019

Good afternoon, Councilmembers. I am Brittany K. Ruffin, Affordable Housing Advocacy Attorney at the Washington Legal Clinic for the Homeless. Since 1987, the WLCH has envisioned and worked towards a just and inclusive community for all residents of the District of Columbia—where housing is a human right and where every individual and family has equal access to the resources they need to thrive. Unfortunately, our vision is still that—a vision. Currently, there is no right to housing; and, it is hard for the vast majority of our vulnerable residents to focus on thriving when basic survival has become such a challenge.

The District of Columbia is in the middle of an affordable housing crisis that threatens thousands of its residents. The Housing Production Trust Fund is *the* fundamental source for creating and preserving affordable housing in D.C. We appreciate Mayor Bowser's intention to add an additional \$30 million to the overall HPTF, but that is simply not enough to appropriately address the needs of her lowest-income residents.

The intention of the HPTF is quite deliberately expressed within the guidelines that specify how the funds are to be used. While HPTF funds are used to create affordable housing for all D.C. residents that qualify for affordable housing relief, the majority of the assistance must be used for the housing needs of the lowest income residents. The HPTF is clear that a minimum of forty percent of the HPTF funds must be used to fund housing projects for extremely low-income residents living within the 0-30% AMI range. A minimum of forty percent of funds must be used towards the funding of affordable housing for the low-income residents in the 31%-50% AMI range. The remaining twenty percent or less of the HPTF can be used to support housing for D.C.'s residents living within the 51%-80% AMI range.

While the HPTF guidelines are strong in intention, they mean nothing if combined with a lack of oversight, execution, and funding. The Office of the D.C. Auditor has extensively documented the failures of the DHCD to meet the Housing Preservation Trust Fund's statutory requirements over the life of the HPTF. Despite the forty percent minimum requirement for the production of housing for extremely low-income residents, only nineteen percent of HPTF funds have been allocated to the 0-30% AMI range. In contrast, sixty-nine percent of the funds went to the 51-80% AMI range—a stark and drastic reversal of the HPTF'S intended focus.

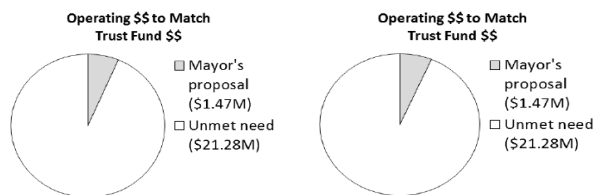
Even within the last five years, DHCD has failed to meet its responsibility to the lowest income D.C. residents. In 2014, only *ten* percent (10%) of HPTF funds went towards the 0-30% AMI range. In fact, 2016 was the *only* year in the last 5 years in which the 40% statutory minimum was met. Less than thirty (30%) of the HPTF was dedicated to 0-30% in 2017 and 2018. In 2019, less than twenty percent (20%) of the funds is set to be used towards 0-30% AMI. This continued mismatch of requisite funding should be at the most fundamental and significant level of concern.

At a recent budget overview presentation, DHCD’s Polly Donaldson proudly stated that thirty-one percent (31%) of the HPTF had gone to 0-30% AMI over the last three years. Perhaps, that would be something to celebrate if a statutory minimum of forty percent did not exist. But, in each year of the last three years, the statutory minimum has been the same. Thirty-one percent over three years constitutes a failure, not a celebration.

While HPTF funds are used to create affordable housing for all D.C. residents that qualify for affordable housing relief, it’s important to be clear about what the AMI levels mean within the context of this region. With such high income inequality in this area, what is considered “affordable housing” is vastly different than what one might imagine. The median family income for the country is \$72,000. The median family income for a family of four in this area is \$117,000. So, when we speak of funds for 0-30%AMI, it means families of four making no more than \$35,000—extremely low-income households in the context of the region. Funds for 31-50% AMI are to go towards families of four making no more than \$59,000. Funds for 51-80% AMI go towards housing for families of four making no more than \$94,000. These figures highlight how difficult it is to live in D.C. today. When a family of four making \$94,000--\$20,000 more than the national average and more than most American families *ever* see in a year--has increased difficulty finding affordable housing in D.C., how in the world do we possibly expect those at the lowest-income levels to live here?

There are approximately 27,000 households in D.C. that fall within the 0-30% AMI range. The overwhelming majority of D.C.’s rent-burdened residents, seventy-seven percent (77%), fall within this range. However, the HPTF allocations do not reflect that. Since the households within the 0-30% AMI range have been consistently underfunded and the need is the highest, the request to the mayor was for a budget investment of \$140 million *just* for 0-30% AMI. \$140 million could create 770 units of affordable housing for households living within the 0-30% AMI range. Of course, that is still nowhere near the amount of 0-30% AMI housing that is necessary, but it would be a significant investment in housing for the lowest-income D.C. residents who are struggling the most to stay in D.C.

Currently, the mayor’s budget indicates a desire to increase the overall HPTF investment by \$30 million. If statutory guidelines were upheld, that would amount to a \$52 million allocation to housing for the 0-30% AMI range—approximately 286 units. However, that \$52 million in new housing for the most extremely rent-burdened residents sounds better in theory than in practice. Unfortunately, Mayor Bowser’s current budget proposal failed to include the necessary matching money in operating dollars to actually build those units. With a paltry operating budget proposal of \$1.47 million, D.C. would only *actually* be able to fund approximately 50 units—less than twenty percent of the 286 units that could be created. At a minimum, D.C. residents deserve more than empty budget promises. Even in its current state, the budget proposal makes sure that those who most critically need housing in this city continue to get the short end of the stick.



There have been several publications that have detailed the extent of the challenges that D.C. faces as it confronts its affordable housing crisis, severe income inequality, wealth gap, and racial inequities. A recent Washington Post article described data indicating that D.C. has the highest intensity of gentrification of any other city in the nation. Despite an overall population influx, more than twenty-thousand Black residents were displaced from D.C. neighborhoods between 2000 and 2013. In 2011, the Black population dropped below fifty percent for the first time in over fifty years. Between 2009 and 2016, 10,000 families with incomes of over \$200,000 moved into the District, while 4,300 families with incomes under \$35K (0-30% AMI) moved out. Currently, minority residents account for nine out of ten of the extremely low-income households (0-30% AMI) in D.C. Those same households are spending over half of their income on housing.

Meanwhile, despite all of the striking data regarding the demographic transformation of the city and the dire need for affordable housing for extremely low-income households, big development and luxury residential properties have continued to flourish throughout the city. Mayor Bowser claims to believe that affordable housing in D.C. is the most pressing issue for current residents. Yet, her proposed budget does not reflect a strong *commitment* to recognizing or prioritizing that belief. Over 27,000 majority Black households are living within the 0-30% AMI range and struggling to maintain and find housing in a city overrun by Class A properties, but the mayor proposes spending \$122 million to create a new and unnecessary K Street transit way. Wealthy families continue to move into the city with an abundance of housing options while the lowest-income families are pushed out of their homes and neighborhoods. Instead of rallying behind an affordable housing initiative to keep D.C.'s Black families here through a substantial investment to 0-30% AMI housing, Mayor Bowser suggests investing \$20 million for the creation of "Workforce Housing" that doesn't include the majority of D.C.'s *actual* workforce. Her proposed Workforce Housing Initiative only applies to households making between \$70,000 and \$140,000, despite data showing that *very few* families in that income range (60-120% AMI) are severely rent-burdened. The prioritization of \$20 million into such an unnecessary housing initiative that would effectively exclude all lowest-income residents and the vast majority of the city's Black residents would be an unacceptable and tone deaf step in the face of so much legitimate need.

Recently, the city, Council, Mayor Bowser, and the social media world came together to defend against a perceived erasure of go-go—a longstanding D.C. institution. However, to champion the existence of go-go in the face of a challenge without a strong appreciation for that challenge's inherent connection to the very issues of gentrification, income disparity, and the lack of affordable housing for the lowest-income residents would be extremely short-sighted.

Fundamentally, if D.C. truly wants to maintain and sustain its historic Black culture, it must make a commitment to maintain and sustain its Black people.

If creating affordable housing and supporting racial equity are, indeed, D.C. priorities, the budget must reflect that. This Committee and the Council must intervene to assert the most critical needs of D.C. residents as *the* priority in this \$15.5 billion budget.

Thank you.