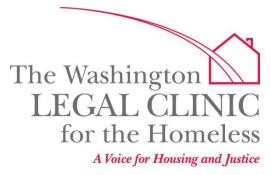
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DC Council Committee on Housing and Neighborhood Revitalization DCHA <u>Repositioning Roundtable- January 31, 2020</u> Testimony of: Brittany K. Ruffin, Affordable Housing Advocacy Attorney, WLCH

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, it's still just a vision.

There have been several recent publications that have detailed the extent of the challenges that DC faces as it confronts its affordable housing crisis. The most pressing challenge within DC's affordable housing crisis is how to create and preserve housing for the residents making the least amount of money in this city. According to the Center on Budget and Policy Priorities, the number of public housing units has decreased by more than 250,000 units, nationwide, in the last twenty-five years. DCHA has lost a substantial number of public housing units (over 4,000) in that period of time. It is crucial that the number of units that currently house DC's public housing residents *remain* after any repositioning efforts. While the ultimate goal of any public housing repositioning should be to increase the number of units available to DC's lowest-income residents struggling to survive in this city, DCHA must ensure, *at a minimum*, that all replacement units are available to its current and future residents within the 0-30 percent AMI range. These replacement units must remain deeply affordable in perpetuity. Thus, all regulations and development deals must reflect and enforce such terms.

In order to protect the lowest-income DC residents, DCHA must preserve its interest in the proposed redeveloped properties. Of course, the strongest way for DCHA to preserve its interest in any redeveloped properties is to continue to own and manage those properties. However, since private owners are being considered, DCHA must preserve its interest in the properties by entering into ground leases with any private owners and retaining ownership of the valuable land that is currently housing DC's most vulnerable residents. DCHA is one of the largest landowners in D.C. Any private ownership of the buildings developed on DCHA's land must be pursuant to a fixed period of time and under specific conditions. Private owners must be required to rent to low-income tenants. DCHA cannot allow its properties to become subject to the will of developers whose sole purpose in this city is to garner exorbitant profits. Though imagined profits are often vital to developer interest, DCHA must counter that motivation by asserting its own interest as supreme: preserving and creating housing for the residents earning the least in the District (0-30 percent).

While mixed-income development broadens the range of financing tools available to develop and rehabilitate units, there must be constraints on just how "mixed" the incomes can be. There must remain an overarching commitment to families struggling the most to live in DC. It is 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" and who is targeted is often an area of contention. The median family income for the entire country is \$62,000. As published by the U.S. Department of Housing and Urban Development, the median family income for a family of four in the DC area is \$121,300, an increase from last year. That stark difference highlights the importance of the details in this repositioning plan. The median income of this region is steadily rising; thus, DCHA must be intentional about its commitment to extremely low-income households. In the context of this region, creating and preserving housing for 0-30 percent AMI means making sure that families currently making no more than approximately \$36,000 a year can still live in this city. DCHA's properties are a fundamental part of that equation.

Currently, more than eighty-five percent of the 20,000 residents in its properties are within the 0-30 percent AMI range. The overwhelming majority of DC's rent-burdened residents, 77 percent, fall within this range. The DC Fiscal Policy Institute issued a report indicating that 27,000 new units of affordable housing are needed to house DC's residents living within the 0-30 percent AMI level. Unsurprisingly, minority residents account for nine out of ten of those extremely lowincome households. Data indicates that Washington DC has the highest intensity of gentrification of any other city in the nation. A loss in affordability of units would further exacerbate the city's Black exodus and lack of racial equity.

The WLCH has a unique position of advocating for current *and* future residents of public housing. Nineteen percent of D.C.'s population is living in poverty (eight points higher than the national average). With a total of over 60,000 families on the waitlist for public housing and the Housing Choice Voucher Program in DC, the need for DCHA to make sure that any and all future development deals prioritize DC's lowest income residents is crucial.

The currently proposed repositioning plan proposes a dramatic increase of housing vouchers on the already difficult DC housing market for that demographic. As more housing vouchers enter the market, residents searching for affordable units must compete for the small number of those available to them. So, any repositioning efforts based on mixed-income development in DC must be available to voucher holders seeking to utilize their vouchers in DC. Therefore, maximum rents charged in the mixed-income developments should not exceed the payment standards set and covered by DCHA for its HCVP.

Ultimately, DCHA should not be prepared to transition redevelopment to the private sector without maintaining control of how potential private owners or management will operate. DCHA must maintain a superseding interest and commitment to guaranteeing the affordability of the buildings/units on its properties for extremely low-income residents, making it clear, specific, and unquestionable. Unfortunately, HUD's oversight of public housing conversions has been significantly lacking. DCHA and the Council must fill that gap with its own oversight of any repositioning efforts. Implementing necessary legislation, requiring regular reporting, and monitoring any private developers during and post-repositioning are fundamental to ensuring building affordability. Residents who cannot afford increasing market value rents—largely those who are Black and brown, seniors, and/or disabled-- should not continue to be priced out of the District due to competing developer interests in profits—particularly and specifically not on properties redeveloped on DCHA land for DCHA residents.