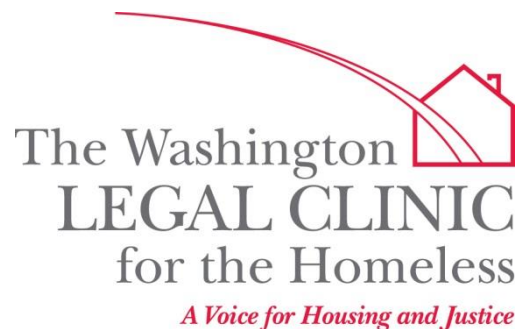


True Reformer Building
1200 U Street, NW
Washington, DC 20009
(202) 328-5500
www.legalclinic.org
@washlegalclinic
Amber Harding
Executive Director



D.C. Council Committee on Housing-HPTF/DHCD Oversight Hearing-February 13, 2023

Testimony of Brittany K. Ruffin, Director of Policy and Advocacy, The Washington Legal Clinic for the Homeless

Good afternoon, Councilmembers. I am Brittany K. Ruffin, Director of Policy and Advocacy 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 is hard for the vast majority of DC’s vulnerable residents to focus on thriving when basic survival has become such a challenge.

The District of Columbia continues to have an affordable housing crisis that threatens thousands of its residents. In particular, there is a dearth of deeply affordable housing in DC—the category that is needed the most. Despite this fact, deeply affordable housing for those at 0-30% AMI continues to be the most underproduced in DC. The pandemic and its resulting state of economic instability for so many has only exacerbated the need for more deeply affordable housing creation.

The Housing Production Trust Fund is *the* fundamental source for creating and preserving affordable housing in D.C. 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 preserve and 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. In acknowledgment of the inequitable distribution of the HPTF and the need for deeply affordable housing, the Council increased the 0-30% AMI percentage level to fifty percent of the total HPTF. Disappointingly, year after year, that legislative increase has continued to fail to result in any substantive increase in deeply affordable housing creation. The agency has also consistently overestimated its 0-30% production forecasts each year.

While the HPTF guidelines are strong in intention, they mean nothing if combined with a lack of oversight and proper administration. The Office of the D.C. Auditor has extensively documented the failures of DHCD to meet the Housing Production Trust Fund’s

statutory requirements over the life of the HPTF. Most recently, the Inspector General detailed that \$82 million of the HPTF money meant for 0-30% AMI was misspent in 2020. DHCD and Council, through its lack of oversight, have repeatedly failed to meet its responsibility to the lowest income D.C. residents.

It is abundantly clear that simply raising the statutory levels on paper is not enough. Intentional agency oversight and agency accountability for project selections is necessary to ensure that the prioritization of the 0-30% AMI housing creation actually occurs. Last year, the Council passed important legislation that requires comprehensive reporting related to the project selection process, including details about selected projects, their number of affordable units, and justification for projects that were not selected despite meeting minimum requirements. The increased transparency created by the legislation is critical to any meaningful agency oversight and lawful HPTF utilization. Valuable DC housing resources are at stake. This Committee and Council must ensure that DHCD is compliant with all reporting requirements and in a timely manner. Council should also consider taking more explicit measures to uphold funding allocations by separating the 0-30% AMI allocation money from the total amount in the HPTF to increase transparency around how the allocation is spent. Accurate reporting and decision-making transparency are the only ways to truly ensure that the HPTF is an effective tool for deeply affordable housing creation.

Unfortunately, residents are always the ones who suffer the consequences of a lack of agency accountability. The data is clear that not prioritizing deeply affordable housing creation will mean further displacement, particularly for Black DC residents. When a significant funds meant for housing creation for the lowest-income residents is constantly misused--improperly allocated and ineffectively monitored--*despite* statutory prioritization and without consequence, DC has to reevaluate its commitment to deeply affordable housing and its residents who struggle to live here.

Council must actively exercise the level of oversight that ensures agency transparency and statutory compliance. Creating and preserving deeply affordable housing, ending homelessness, and achieving racial equity cannot be consistently touted as D.C. priorities if the existing mechanisms set up to assist in those goals are underutilized and neglected.