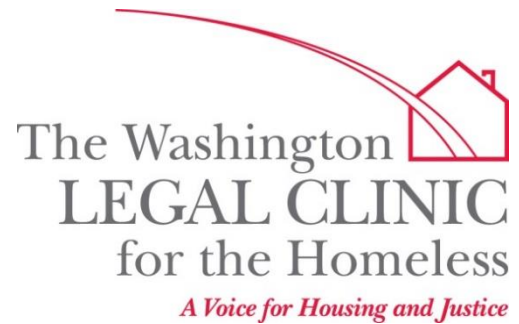


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D.C. Council Committee on Housing-DHCD Budget Oversight Hearing-FY 2026

Testimony of Brittany K. Ruffin, Legal Director, Systemic Advocacy and Litigation, and Charisse Lue, Attorney, The Washington Legal Clinic for the Homeless

Since 1987, the Washington Legal Clinic for the Homeless 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, for many D.C. residents, housing opportunities seem to slip further away with each D.C. budget.

We are all aware of the economic challenges now facing the District of Columbia and nationwide. However, D.C. residents are struggling with a pre-existing housing crisis. Thirty-seven percent (37%) of D.C. households are rent burdened by a local average rental cost that is over \$1000.00 above the national median. Approximately 50,000 D.C. households spend more than half of their household income on rent. The U.S. Marshall service reports that eviction filings are up two-hundred fifty percent (250%). If these trends are permitted to continue, they will undoubtedly cause an avalanche of socio-economic devastation for D.C. residents. The D.C. council must use all the necessary tools to intervene.

We are pleased to see that the mayor increased her Housing Production Trust Fund investment to \$100 million in her FY26 budget proposal, after cutting it in FY25. We hope to see D.C. continue this commitment, and at a minimum, sustain this level of funding going forward. The Housing Production Trust Fund is the primary resource and a crucial toolkit for the creation

and preservation of deeply affordable housing for extremely low-income residents. It must be used effectively.

In 2021, the [Inspector General](#) detailed that \$82 million of the HPTF money meant for 0-30% AMI was misspent. The report also indicated that DHCD could not assure that eighty-eight (88%) of the projects funded since HPTF's creation (with approximately \$795 million from the HPTF) were used for the production or preservation of affordable units, as required by the publicly funded loan agreements. This, of course, contributed to D.C.'s failure to meet the need. Agency implementation failures impact lowest-income residents the most, often resulting in displacement and homelessness. Improved oversight and aggressive enforcement measures could have prevented such failures.

The HPTF legislation explicitly mandates that fifty percent (50%) of the annual funds are for the creation of deeply affordable housing; however annual utilization continues to fall short. In FY22, only twenty percent (20%) of HPTF expenditure was spent on the creation of deeply affordable housing units. In FY 23 that statistic doubled to forty-three percent ([43%](#)). DHCD also projects that forty-four percent ([44%](#)) of the HPTF expenditures will be spent on the creation of affordable housing for those at 30% AMI in FY24. DHCD has yet to publish FY24 results. While this is an improvement, if it occurs, it still does not meet the legislative mandate. D.C. Council should protect and strengthen the strides it has made by maintaining project-based LRSP eligibility at 0-30% AMI. It must reject the RENTAL Act and the mayor's LRSP subtitle that changes the eligibility for the Local Rent Supplement Program from 30% AMI to 50% AMI. Raising the AMI level would only further incentivize developers, DHCD, and the mayor to dismiss housing production efforts for those who need deeply affordable housing the most.

The D.C. Council included the *Housing Production Trust Fund Transparency Amendment Act* in FY23's *Budget Support Act*. However, additional transparency measures are necessary and should be incorporated into the legislation. The additional provisions should require DHCD to provide detailed post-completion reports on each project and publish the number of projects that have met the eligibility requirements. Additionally, the agency should

include detailed data about each awardee and report the amount of the operating subsidy that is granted. Also, D.C. Council should separate the funds for the extremely low-income to avoid the misallocation of funds. The D.C. Council must ensure LRSP funds appropriately match the HPTF operating funds for the creation of deeply affordable units.

The creation of deeply affordable housing is more crucial for D.C. residents than it has ever been. We strongly urge the D.C. Council to require additional transparency and reporting measures; ensure LSRP funds are matched appropriately; especially for the 0-30% AMI households and create legislative safeguards that protect funds allocated for deeply affordable units.