



April 11, 2017

**Testimony by Committee of 100 on the Federal City  
2018 DC Council Budget Hearing  
Committee on Housing and Community Development**

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I'm Kirby Vining, currently Chair of the Housing Subcommittee of the Committee of 100 on the Federal City. Thank you for the opportunity to raise our concerns about the DHCD 2018 budget. We will focus on three areas:

- \* Preservation of existing affordable housing
- \* Cracking down on slumlords
- \* Improving DHCD's management of the Housing Production Trust Fund

Preservation of Affordable Housing

Without question, DC is in the midst of an escalating affordable housing crisis. As property values rise, many long-time homeowners cannot pay their rising property taxes and are forced to move. 42,000 DC residents are on the city's Housing Authority waiting list. Over 70 projects affordable to people of limited means face the prospect of losing public subsidies through Low Income Housing Tax Credits or Section 8. Affordable housing is vanishing much faster than the city can replace it.

We welcome the city's long overdue focus on preservation of existing affordable housing. The \$10 million in the Mayor's budget for this purpose is a very modest beginning. We urge rapid implementation of the recommendations in the DC Housing Preservation Strike Force Final Report issued in November of 2016.

We also call on DHCD to produce the regulations for the District Opportunity to Purchase Act so that as urgent preservation needs arise, the city can move quickly to take advantage of them.

Cracking Down on Slumlords

The Office of the Attorney General has done very important work taking to task Sanford Capital's scandalous failures to maintain its properties despite heavy public voucher subsidies that are covered in a very useful City Paper article. Why have not the DCRA inspectors been working closely with DHCD to nail these abuses before they degrade property and endanger the health and welfare of tenants

who may have few other choices about where to live? We urge this committee to make available whatever funds are needed to revamp the entire housing compliance system so that landlords are held strictly accountable for managing their properties to the highest standards.

### Improving DHCD's management of the Housing Production Trust Fund

We are concerned about the availability of resources (budgets, staff, and data) for DHCD to satisfy its mandate to house those who most need help. The DC Auditor's recent report on the lack of accountability and enforcement of developer agreements under the Housing Production Trust Fund points to the need for more funding for the agency. DHCD should identify the funding it needs and then move quickly to put in place the procedures and management controls it needs to assure the HPTF is meeting its affordable housing goals and we support the work of this committee to get the financial and management tools DHCD needs.

CM Bonds, you were quoted recently in a Street Sense article about the DC Auditor's report saying:

"I am not totally surprised ((that the DC Auditor's report found inaccuracies concerning DHCD projects.)) I am concerned, though, that we do not have the kind of records that we need to actually count actual affordable units. That's a big concern...."

"I don't feel that the agency is mismanaged. I feel that the agency is huge, and there are many programs that have been created over the past 10 years."

We share your concern that DHCD may have a mandate larger than it has resources to handle and we urge this committee to ensure that the agency has adequate funding to establish an ongoing inventory of affordable housing units in the city including quality and condition, and a project-by-project compliance report to ensure that developer funding agreements are fully met under the Housing Production Trust Fund. If DHCD needs help assembling data and information, perhaps this could best be done with the help of a highly qualified housing data management firm rather than in house.

Thank you for this opportunity to testify on this topic of consummate importance.