

# The Committee of 100

on the Federal City



**The Committee on Housing, Budget Oversight Hearing on April 22, 2024  
Regarding the Department of Housing and Community Development  
and the Housing Production Trust Fund  
Testimony of Deirdre P. Brown, J.D.  
on behalf of the Committee of 100 on the Federal City**

My name is Deirdre Brown, and I am submitting this testimony for the record on behalf of the Committee of 100 regarding the Mayor's proposed budget for the District of Columbia's Department of Housing and Community Development and the Housing Production Trust Fund for FY 2025.

The Mayor is pushing for the largest budget in DC's history, yet it puts critical programs, especially in housing, education, and social services, at risk of cuts while directing new funds primarily to Downtown. Despite the Mayor's call for shared sacrifice, it's crucial for the Council to carefully examine the budget's priorities. We believe that any sacrifices should not unfairly burden the most vulnerable, particularly our Black and Brown communities. The Committee of 100 argues that the budget fails to strike a proper balance between revitalizing the central core and meeting the needs of our most vulnerable residents.

## **Housing Production Trust Fund**

The trust fund stands as DC's primary affordable housing production program, embodying the city's commitment to housing as a fundamental right. However, the Mayor's proposal includes a staggering 41% reduction in funding, surpassing the loss of federal ARPA funds. If approved, this would slash nearly \$35 million in funding for multi-family housing through the RFP process. These figures aren't mere numbers shuffled between balance sheets; they represent the stark reality that crucial affordable housing projects may not materialize. It signifies that aspirations of constructing more affordable housing in high-opportunity areas may remain unfulfilled rhetoric.

## **Department of Housing and Community Development (DHCD)**

The proposed cuts to essential programs within the DHCD budget, such as the Housing Production Trust Fund and select DHS initiatives aimed at assisting the most financially vulnerable residents, are deeply concerning. These reductions are not superficial; they represent significant decreases in services and the city's ability to address homelessness and prevent its escalation. Furthermore, the proposal to raise the sales tax will place an additional burden on residents already struggling to cover basic necessities like housing, food, healthcare, and utilities. Conversely, the Mayor's plan to provide property tax relief to real estate investors for an extended period will substantially diminish a once reliable source of funding for local programs, far beyond the duration it will take for commercial real estate to recover.

In the FY25 DHCD budget proposal, there is a notable 14.5% decrease in overall spending. Particularly striking is the \$11 million cut to Development Financing for affordable housing, constituting a one-third reduction. This program plays a crucial role in financing and overseeing development projects

aimed at revitalizing neighborhoods. Additionally, the Housing Preservation initiative faces a nearly 50% funding cut, which will likely impede its progress.

Given these significant budget cuts, it is perplexing that the Inclusionary Zoning (IZ) program, is slated for a \$92,000 increase. Surely, this funding could be allocated more effectively elsewhere.

In conclusion, the proposed budget cuts to vital programs within the DHCD, including the Housing Production Trust Fund and crucial DHS initiatives, represent a troubling shift away from supporting the city's most financially vulnerable residents. These reductions will significantly impact the city's ability to address homelessness and provide affordable housing. Additionally, the proposed sales tax increase will further strain residents already struggling to meet basic needs. Conversely, the plan to provide property tax relief to real estate investors will diminish a key funding source for local programs. It is imperative that these budget priorities are reconsidered to ensure equitable access to housing and support for all residents, particularly those most in need. For these reasons, we are asking that the Council undertake a comprehensive review of the budget's priorities and make significant adjustments accordingly.

Thank you,  
/s/ Deirdre P. Brown, J.D.  
Committee of 100 on the Federal City