



# The District's Dime

Going Beyond the Budget Book

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## DC Is on Track to Provide Better Oversight of The Housing Production Trust Fund

By Claire Zippel

Every dollar dedicated to affordable housing in DC counts, so it's great news that the District is taking important steps to strengthen oversight of the Housing Production Trust Fund, our main housing tool. A few months after the DC Auditor called for stepped-up monitoring of affordable housing projects assisted by the fund, the city is on the right track to address the problems, including providing more staff to do the job right. The District should continue to move quickly to implement the audit's recommendations.

The [audit report](#), released in March, found several [lapses](#) in DC's oversight of 14 affordable housing projects that received loans from the [Housing Production Trust Fund](#). While there's reason to believe the problems are limited to a subset of higher-risk projects that received only Trust Fund assistance (other financing sources often used in combination with the Trust Fund have clear-cut oversight procedures)—it's unacceptable that any project didn't fully live up to its requirements to provide affordable housing.

That's why it's promising news that the Department of Housing and Community Development (DHCD) is taking several steps to respond to the audit. Perhaps most important, DHCD will have five more staff to oversee the Trust Fund and other affordable housing projects in fiscal year 2018. Inadequate staffing was a key reason projects slipped through the cracks, according to the audit. Mayor Bowser included funds for the additional staff in her [proposed budget](#), and the DC Council supported this in its final budget vote earlier this week.



The added staff will help DHCD revamp its oversight of Trust Fund projects and implement the audit's recommendations. DHCD already has started to clarify how those staff will manage Trust Fund projects, by applying the rigorous oversight procedures that the District applies to federally funded housing projects.

The audit also revealed a lack of consistent historical data on the number and amount of Housing Production Trust Fund loans. The DC Auditor, Chief Financial Officer, and DHCD are now working to review all the loan agreements (many of which haven't ever been digitized) to compile an accurate and authoritative dataset.

The Housing Production Trust Fund is the cornerstone of DC's affordable housing efforts, so it's important to stay on track, and get this housing tool right. DHCD should keep up its work with the DC Auditor and the CFO. And when FY 2018 begins, DHCD should fill the newly funded staff positions quickly, and consider dedicating at least one employee entirely to improving Trust Fund oversight procedures.