

**Testimony of Claire Zippel, Policy Analyst
At the Public Hearing on Bill 22-0448, Senior Tenants and Residents with Disabilities Rental
Assistance Program Amendment Act of 2017
DC Council Committee on Housing and Community Revitalization
November 29, 2017**

Chairperson Bonds and members of the Committee, good morning and thank you for the opportunity to speak today. My name is Claire Zippel and I am the housing policy analyst and research coordinator at the DC Fiscal Policy Institute. DCFPI is a non-profit organization that promotes opportunity and widespread prosperity for all residents of the District of Columbia through thoughtful policy solutions.

I would like to focus my testimony today on Bill 22-0448, the Senior Tenants and Residents with Disabilities Rental Assistance Program Amendment Act of 2017. The bill would amend the inactive Tenant Assistance Program to form a new rental assistance program for seniors and people with disabilities. The tenant would pay 30 percent of income to the landlord for rent, and subsidy payments would cover the rest up to \$500 or 70 percent of the unit rent, whichever is less. The program would be housed in the Department of Housing and Community Development (DHCD), but our understanding of the bill's intent is that assisted households would be selected from the DC Housing Authority (DCHA) waiting list, and that the rental assistance payments would be handled by DCHA.

Rising rental costs in the District are squeezing thousands of low-income residents, including many seniors and people with disabilities, and those on fixed incomes. As a result, longtime DC residents are finding it hard to find and keep a home they can afford. Boosting access to rental assistance means that more low-income DC residents can afford their basic necessities, such as food and medical expenses, after the rent is paid each month. Rental assistance is also an important anti-displacement tool. It helps households with low- or fixed incomes stay in their homes and communities as rental prices rise. The ability to stay in place can be especially important to seniors and people with disabilities, who may need to stay close to their families, medical providers, and community-based services.

DCFPI supports increasing access to rental assistance, which is the only affordable housing tool guaranteed to reach extremely low-income households (those with incomes below 30 percent of the area median). In the District, 26,000 extremely low-income households pay half or more of their incomes for rent, and are often one missed paycheck or unexpected expense away from severe hardship or becoming homeless.¹ While the city is investing substantial resources in affordable housing, only a small fraction has been within reach of these 26,000 families, in large part due to underinvestment in rental assistance.

While most extremely low-income households in need of rental assistance require a monthly subsidy greater than \$500 or 70 percent of their unit rent, we estimate that approximately 6,700 extremely low-income households headed by a senior or person with a disability require \$500 or less, and could benefit from this proposed program.² We therefore encourage the Committee to support the proposed program in this bill, as well as to support increased funding for the Local Rent Supplement Program, the District's existing rental assistance tool which also supports households on the DCHA waiting list.

Because the lion's share of households with the most severe affordable housing needs are extremely low-income, we recommend that the program be available only to households at or below 30 percent of the area median income, equivalent to around \$23,000 for a one-person household. This will also ensure that seniors and people with disabilities who rely on fixed incomes will be at the top of the list for the program: the average annual Social Security benefit in the District is \$15,000—or around 19 percent of the area median income.

We also recommend that the Committee align the program as much as possible with the Local Rent Supplement Program (LRSP). Because, as we understand it, the proposed program would, like LRSP, assist households on the DCHA waiting list, it makes sense for the program to mirror LRSP as much as possible procedurally, to make it easier for the agency to administer and for eligible households to navigate. As written, the bill would amend the section of the DC Code for the Tenant Assistance Program (TAP), inactive since the mid-1990s, and leaves in place the TAP program's definitions, eligibility processes, and other procedures. TAP's parameters are different than those for LRSP. For instance, in LRSP, child care and certain medical expenses are deducted from a household's income for the purposes of determining eligibility and the household's share of the rent, whereas TAP has no such adjustment. LRSP's governing procedures are specified not in the code, but in regulations issued by DCHA. We recommend that if the proposed program remains in the TAP section of the code, that the bill also removes any sections of the TAP code that conflict with or are duplicative with the LRSP regulations be removed, and that the bill make clear that the proposed program is intended to operate according to the LRSP regulations.

Thank you again for the opportunity to testify today. I am happy to answer any questions.

¹ "A Broken Foundation: Affordable Housing Crisis Threatens DC's Lowest-Income Residents," DCFPI, Dec. 2016, <https://www.dcfpi.org/all/a-broken-foundation-affordable-housing-crisis-threatens-dcs-lowest-income-residents-2/>

² DCFPI analysis of 2011-2015 American Community Survey PUMS. This estimate assumes that the household remains in their current rental unit. The margin of error is \pm 850 households.