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Testimony of Claire Zippel, Policy Analyst Submitted to the Record on B22-0289, Office to Affordable Housing Task Force Establishment Act of 2017 DC Council Committee on Housing and Community Revitalization November 27, 2017

Chairperson Bonds and members of the Committee, thank you for the opportunity to submit written testimony on Bill 22-0289, the Office to Affordable Housing Task Force Establishment Act of 2017. 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.

The Office to Affordable Housing Task Force Establishment Act would establish an 11-member task force to study and report on the potential of converting commercial office buildings into affordable housing, and the funding mechanism and regulatory changes needed to facilitate such conversions in DC.

Transforming underused office buildings into low-cost housing is a promising idea. In downtown DC, 13 percent of office space is vacant, according to the Downtown DC BID.¹ At the same time, 26,000 of the city's lowest-income residents are severely burdened by high and rising housing costs.² There have been several examples of office-to-housing conversion in DC and the region. In one case that we have heard of, an underutilized office building in downtown Bethesda was converted into supportive housing for formerly homeless individuals.³ Perhaps most promisingly, office-to-affordable housing conversion could create more affordable housing opportunities located in the District's transit accessible and job-dense central core, where vacant land on which to build new affordable housing is rare and expensive.

The research mandate of the task force could produce useful information for the District's evolving affordable housing strategy. The 11 members as specified in the bill would provide the wide range of needed expertise from government, affordable housing, and real estate sectors. The task force could explore such questions as how to judge the cost-effectiveness of a conversion, and how to ensure that conversions can create housing affordable to very low-income families, who face the most severe housing affordability challenges.

Rising to the District's affordable housing challenges will require identifying and sharpening every tool in the city's housing toolbox. We support the Office to Affordable Housing Task Force Establishment Act, and would look forward to viewing the task force's eventual report.

¹ DowntownDC Business Improvement District, 2016 Annual Report, Jun. 2017 <u>http://downtowndc.org/wp-content/uploads/2017/06/201620DowntownDC20Annual20Report_0.pdf</u>

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

³ "Abandoned Office Buildings Can Become New Housing," Greater Greater Washington, Jan. 2017, <u>https://ggwash.org/view/61871/abandoned-office-buildings-can-become-new-housing</u>