

Affordable Housing: Make a Substantial Down Payment Toward Meeting the Housing Needs of All Extremely Low-Income Residents

By Claire Zippel

The District's recent efforts to create and preserve affordable homes, while substantial, have made only a modest dent in the city's affordable housing challenges. Faster progress is needed. The Mayor and Council should put a substantial down payment toward DC's complete affordable housing needs in Fiscal Year (FY) 2019, focusing on families with extremely low incomes.

The loss of lower-cost housing and the sharp rise in rents across the District has put enormous pressure on residents who must make ends meet on low-paying jobs or on modest fixed incomes like Social Security. The housing crunch hits DC residents of color the hardest: many residents with longtime roots in the city face displacement from their communities or from the city entirely.

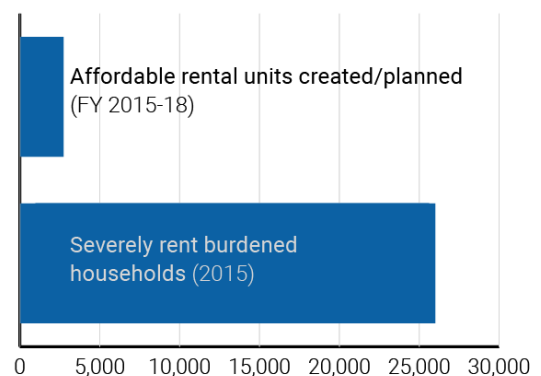
Despite large new investments in housing programs, DC's housing efforts have met just a small share of the overall need for housing affordable to the city's lowest-income residents. There are 26,000 extremely low-income households facing severe hardship, instability, and even homelessness due to their lack of an affordable home. Yet the city has funded fewer than 2,800 new rental units for these residents since 2015.¹

Investments in affordable housing serve as a [foundation](#) for well-being, stability, and success, and are essential to a range of critical outcomes like health and achievement in school. The slow pace of progress on affordable housing is holding back the District's ability to tackle other pressing challenges such as racial inequity, unequal student outcomes, and homelessness.

Completely meeting DC's affordable housing needs will take years, and the Mayor and Council should make a substantial down payment in FY 2019, focusing on the needs of extremely low-income residents. This should include, at a minimum, ramping up investments in:

- The **Housing Production Trust Fund (HPTF)**, which supports the construction and renovation of affordable housing. Rising land prices and construction costs mean that the HPTF needs additional resources simply to maintain the same level of HPTF activity as in previous years, let alone make a larger dent in DC's housing challenges.

DC Has Met Only A Small Share of Need for Housing Affordable To Extremely Low-Income Residents



Note: Affordable rental units created/planned includes new subsidized or income-restricted rental units in DHCD and DMPED pipelines closed or projected to close FY 2015 or later, and DC-funded rent vouchers funded FY 2015-18. . . Source: DCFPI analysis of 2015 American Community Survey 5-year PUMS; DC affordable housing pipeline as of Jan. 2018; Fiscal Year 2015-18 Budget & Financial Plans.

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- The **Local Rent Supplement Program (LRSP)**, which provides rental assistance directly to extremely low-income households, as well as to buildings supported by the HPTF. Thousands of families remain on the waiting list for LRSP vouchers, and the HPTF has been unable to meet its statutory obligation to serve the lowest-income residents in recent years due to LRSP shortfalls.

DC is well-positioned to step up its investment in affordable housing in FY 2019. District housing agencies and affordable housing developers have demonstrated their capacity to put significant new housing dollars to work. The administration and oversight of the Housing Production Trust Fund and Local Rent Supplement Program continue to improve.

To ensure that new investments in the Local Rent Supplement Program go to work quickly, the District should focus on stronger enforcement of DC's housing anti-discrimination laws, which would help residents with vouchers use them at the apartment of their choice. Policymakers should increase staff capacity at the Office of Human Rights by enhancing the agency's budget in FY 2019.

¹ Includes units in DHCD and DMPED projects closed or projected to close FY 2015 or later (as of 1/18/18), and LRSP vouchers funded in the FY 2015 through FY 2018 budgets.