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## **DC Council Seeks to Fund Rental Assistance at the Expense of the Housing Production Trust Fund**

A DC Council proposal to cut the Housing Production Trust Fund (HPTF) as a way to fund DC's rental assistance program (LRSP) is ill-advised, according to the DC Fiscal Policy Institute. Given the size of DC's affordable housing challenges, the Council should fund *both* of these programs, rather than pitting them against each other.

The Housing Production Trust Fund is DC's most significant affordable housing program and the key tool for producing more affordable housing. [Research](#) from the DC Fiscal Policy Institute shows the HPTF needs \$200 million or more to return affordable housing production to 2015 levels and put DC on a path to more fully meeting the housing needs of DC's severely rent-burdened households. In the proposed budget, the Mayor increased HPTF funding to \$130 million, but the Council's proposal would cut it to \$121.5 million, a step in the wrong direction.

To be sure, more funding is needed for the Local Rent Supplement Program to ensure that investments in the Housing Production Trust Fund reach residents with the most critical housing needs. DC law requires that 40 percent of HPTF resources be used to serve families with extremely low incomes, but to do this, HPTF resources must be paired with rental assistance from DC's Local Rent Supplement Program. The proposed budget provided enough LRSP only to make 8 percent of HPTF units affordable at this level.

The Council's proposal recognizes the shortcomings in the proposed budget for rental assistance, and puts in enough to actually meet the 40 percent targeting requirement for HPTF. However, this would come with the cost of producing less affordable housing overall. Given that the Housing Production Trust Fund and Local Rent Supplement Program are complementary tools, the District should not take resources from one to fund the other. Instead, the Council should be looking for ways to *increase* funding for both programs, so that the District can produce more affordable housing, and ensure that this housing is affordable to the households who need it most.

"Just as we wouldn't cut adult job training if we needed more money for summer youth employment, we shouldn't cut our flagship housing program to fund important rental assistance needs," said Kamolika Das, Policy Analyst at the DC Fiscal Policy Institute.

"The Housing Production Trust Fund is critical to meeting DC's affordable housing needs," said Doni Crawford, Policy Analyst at the DC Fiscal Policy Institute. "Rather than cutting an effective housing tool, the Council should cut programs that aren't working, like costly subsidies for so-called 'high-tech' companies that we know aren't producing results."

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