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Testimony of Eliana Golding, Policy Analyst At the Budget Oversight Hearing on the District of Columbia Housing Authority DC Council Committee on Housing and Neighborhood Revitalization May 28, 2020

Good afternoon Chairperson Bonds and members of the Committee. I am grateful for the opportunity to speak with you today. My name is Eliana Golding, and I am a housing policy analyst at the DC Fiscal Policy Institute. DCFPI is a non-profit organization that promotes budget choices to address DC's economic and racial inequities and to build widespread prosperity in the District of Columbia, through independent research and policy recommendations. DCFPI is a member of the Public Housing Advocates and Organizers Coalition.

Today, I would like to focus my testimony on:

- The need for adequate funding for rehabilitation and maintenance for the District's existing public housing stock.
- Adopting a revenue strategy to support significant, recurring funding for public housing repairs.

\$25 million for Public Housing Repairs is Not Enough to Mitigate the Public Health Emergency

While DCFPI is glad to see that the Mayor chose to invest in public housing infrastructure improvements, we also know that the amount she allocated is insufficient to adequately address the pressing and hazardous physical and environmental conditions at many DCHA properties. The Mayor's budget designated \$76 million to Public Housing and Structural Transformation, or the "PHAST" program, to be administered over two years. Of that, only \$25 million in FY2021 and \$15 million in FY2022 would go toward rehabilitation and maintenance. We are asking that the Council direct \$60 million in recurring funding each year to immediate public housing repairs.

\$60 million would give the Housing Authority the ability to address pressing issues in more of their properties, including providing overdue mechanical upgrades and replacing HVAC systems and failing roofs. \$60 million allows DCHA not only to prevent the housing stock from falling into further disrepair, but also to take necessary steps toward rehabilitation of its properties.

We are also concerned about the \$9.8 million in unspent Local Rent Supplement Program (LRSP) dollars that Mayor proposes cutting from the Housing Authority Subsidy in the FY2020 Supplemental Budget. Ordinarily, our city redirects unspent LRSP funds to help pay for urgent public housing repairs. Moving these dollars away from public housing repairs means redirecting funding away from essential repairs.

Less than a year ago, DCHA Executive Director Tyrone Garrett wrote in the 20-year transformation plan that "significant portions of DCHA's public housing portfolio have deteriorated to such a condition as to be potentially uninhabitable, or threatening to the health and safety of our residents." As we ask our neighbors to weather the pandemic in the safety of their homes, we must acknowledge that many of them in public housing cannot be safe and healthy in their own homes. The Washington City Paper reported extensively about deteriorating conditions at many DCHA properties, including vermin, dust, lead-based paint, and mold – conditions associated with asthma, fatigue, elevated blood lead levels, and other serious health conditions.

The COVID-19 virus is particularly deadly to those with already compromised immune or respiratory systems. In the wake of the pandemic, it is unconscionable to allow public housing residents to live with poor housing conditions that increase their likelihood of death as a result of this devastating virus. We must do everything possible to ensure that public housing residents are safe. The District should invest significant funding for urgent rehabilitation and maintenance and develop a plan to ensure that funding for repairs is a recurring part of the budget.

Adequate funding for public housing repairs is also an issue of racial justice. Due to public policies that have neglected many of our communities and contributed to negative social determinants of health, the devastating harm of COVID-19 is disproportionately impacting Black residents, who have consistently made up about 75 percent of virus-related deaths. Nearly all residents of the District's public housing are Black, and over half are seniors. Failure to deeply invest in necessary rehabilitation of public housing units is a failure to address a deeply racialized public health crisis.

The District Can Fund Repairs by Raising Revenue

The Council must look for additional sources of revenue to support adequate, recurring funding for DCHA properties. While we applaud the Mayor's resourceful leadership in finding ways to stave off deep across-the-board cuts, her FY2021 budget does not go far enough. We urge the DC Council to adopt a bolder revenue strategy to fund critical needs. The Fair Taxes and Public Deals issue group of the Fair Budget Coalition developed a list of revenue ideas² that can be used to adequately fund public housing repairs. Some of these ideas include using more of our reserves, fully repealing the ineffective Qualified High Technology Company tax break, and requiring those with income above \$350,000 to pay their fair share of taxes.

DCHA needs additional funding to ensure that properties do not continue to deteriorate to the point at which they are uninhabitable. The District must commit to preserve this critical part of the city's low-cost housing stock. It's clear that the DCHA has had to do more with less and this issue has compounded over the years. Even if chronic federal underfunding is the root cause of the deteriorated conditions, the District government, along with the Housing Authority, is obligated to ensure the District's most disadvantaged residents can stay in their homes without risking their health.

This moment presents an opportunity for our city's leaders to take an equitable approach to our budget, and to examine how chronic underfunding has left many District residents living in hazardous conditions. To protect the health and safety of our neighbors in public housing, and to begin addressing structural inequities, we must examine our revenue sources, eliminate wasteful tax breaks, and ask more from our wealthiest residents.

We urge the Committee to ensure that the FY2021 budget includes at least \$60 million for public housing maintenance and rehabilitation. We would also like to echo calls from our partners for additional funds for tenant-based LRSP for households on the DC Authority waiting list.

Thank you for the opportunity to testify and I look forward to answering any questions you might have.

¹ Doni Crawford and Qubilah Huddleston, <u>The Black Burden of COVID-19</u>, DC Fiscal Policy Institute, April 16, 2020

² Letter is forthcoming and should be available to the DC Council in the coming week