

## Attachment G

### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

#### NOTICE OF PROPOSED RULEMAKING

The Interim Director of the Department of Housing and Community Development, pursuant to the authority set forth in §8 of the Government Employer-Assisted Housing Amendment Act of 1999, as amended, D.C. Law 13-96; D.C. Official Code § 42-2501 *et seq.* (2001), and title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*) hereby gives notice of the intent to amend, in not less than thirty (30) days from the date of publication of this notice in the *D.C. Register*, Title 14 of the District of Columbia Municipal Regulations (DCMR), Chapter 36, Employer-Assisted Housing Program (EAHP).

The purpose of the rulemaking is to revise the EAHP rules to conform to recent amendments to the Government Employer-Assisted Housing Amendment Act of 1999. The proposed rules extend to all District of Columbia government employees who are eligible for assistance under the EAHP the property tax and income tax credits that were previously only available to Metropolitan police officers. In addition, the proposed rules provide that an applicant to the EAHP is also eligible to apply for first-time homebuyer assistance under the Home Purchase Assistance Program.

The proposed rulemaking shall be submitted to the Council of the District of Columbia for a 45-day period of review, excluding Saturdays, Sundays, legal holidays and days of Council recess. If the Council does not approve or disapprove the proposed rulemaking during the 45-day review period, the proposed rules shall be deemed approved. Nothing in this section shall affect any requirements imposed upon the Mayor by Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204); D.C. Official Code § 2-501 *et seq.*

Chapter 36 (Employer Assisted Housing Program) of Title 14 DCMR, is amended as follows:

Subsection 3600.2 is amended to read as follows:

3600.2        The purpose of the Employer-Assisted Housing Program shall be to provide financial assistance to District of Columbia government employees (Employees) to purchase homes, including a share payment to a housing cooperative, to be used as his or her principal place of residence and to encourage District of Columbia Government employees to reside in the District. The Program is designed to provide decent, safe and sanitary housing to District government employees.

Subsection 3600.4 is amended to read as follows:

3600.4 The Employer-Assisted Housing Program is re-established pursuant to the Government Employer-Assisted Housing Amendment Act of 1998, D.C. Law 13-96, as amended; D.C. Official Code §§ 42-2501 *et seq.* effective May 9, 2000.

A new subsection 3600.8 is added to read as follows:

3600.8 Nothing in this chapter shall be construed as restricting eligibility of any applicant to the Employer Assisted Housing Program from otherwise applying for and receiving first-time homebuyer assistance under the Home Purchase Assistance Program authorized by the District of Columbia Home Purchase Assistance Act of 1978, as amended, D.C. Law 2-103, D.C. Official Code §§ 42-2601 *et seq.*

Subsection 3601.1 is amended to read as follows:

3601.1 The Employer-Assisted Housing Program provides assistance through Downpayment Matching Funds and/or a Deferred Payment Loan (Loan), consistent with this Chapter. In addition, an employee who participates in the Employer-Assisted Housing Program shall be eligible for property tax credits and income tax credits, as authorized by the Government Employer-Assisted Housing Amendment Act of 1998, as amended, D.C. Law 13-96; D.C. Official Code §§ 42-2501 *et seq.*, effective May 9, 2000.

A new subsection 3601.4 is added to read as follows:

3601.4 A District government employee who is qualified to receive EAHP benefits shall be eligible for the following tax assistance:

- (a) A sliding-scale property tax credit as follows:
  - (1) An 80% property tax credit for the first year;
  - (2) A 60% property tax credit for the second year;
  - (3) A 40% property tax credit for the third year;
  - (4) A 20% property tax credit for the fourth year; and
  - (5) A 20% property tax credit for the fifth year.
- (b) A \$2,000 income tax credit in the tax year the government employee purchases the housing unit and each of the four (4) immediately succeeding tax years; provided that the employee

remains eligible for the tax credit. The income tax credit shall not be prorated, and any portion of the credit that is not utilized in a tax year shall not be carried forward, carried back, or refunded to the government employee.

- (c) Any government employee who is eligible to receive a real property tax credit under this subsection shall receive the tax credit as of the next half of the real property tax year following the date the real property owner applied for the credit. The government employee shall continue to receive the real property tax credit for each succeeding nine (9) halves of the real property tax year; provided, that the government employee property owner remains eligible to receive the tax credit.

All persons desiring to comment on the subject matter of this proposed rulemaking should file comments in writing no later than thirty (30) days after the date of publication of this notice in the D.C. Register. Comments should be filed with Charles Lindsay, Legislative Assistant, Office of Strategy & Communications, Department of Housing and Community Development, 801 North Capitol Street, N.E., Washington, DC 20002. Copies of these proposed rules may be obtained from DHCD at the same address.