

Saving DC's Rental Housing Market Strike Force

Friday, March 26th, 2021 | 3:00 pm to 5:00 pm

Draft Summary Notes

Strike Force Members Present: Alex Baca, Josh Berstein, Buwa Binitie, Tom Borger, Councilmember Anita Bonds, Ralph Boyd, Christopher Donald, Polly Donaldson, Judge Todd Edelman, Tyrone Garrett, Steve Glaude, Michele Hagans, Dean Hunter, AJ Jackson, Ramon Jackson, Randi Marshall, Aurélie Mathieu, Councilmember Brooke Pinto, Eva Rosen, Marian Siegel, Councilmember Elissa Silverman, Yesim Taylor, Andrew Trueblood, Monica Warren Jones, Tonia Wellons

Strike Force Members Absent: Kristy Greenwalt, Sarosh Olpadwala, Kay Pierson, Johanna Shreve, Laura Zeilinger

Strike Force Members' Associated Staff Attendees: Tsega Bekele, Jennifer Berger, Maya Brennan, Scott Bruton, Liz DeBarros, Irene Kang, Richard Livingstone, Ana Lopez Van Balen, Danilo Pelletiere, Rachel Pierre, Ram Uppuluri, Barry Weise, Chris White

Consultant Attendees: Josh Babb, Mencer "Don" Edwards, Kayla Elson, Laura Gramling, Gabrielle Jackson

Members of the Public: Carissa Aranda, Alex Bako, Anita Ballantyne, Melissa Bondi, Joseph Borger, Tony Bruno, Cathie, Tracy Cecil, Martha D, DC for Democracy, Larissa Etwaroo, GCAAR Staff, Gloria, Tom Gregory, Ryan Hand, Elinor Hart, Reshma Holla, Zachary Huke, Kelly Hunt, Jamie, Adam Kent, Amanda Korber, Carren Kraston, Frederick Lawrence, Sarra M, Beth Mellen, Sheila Miller, Kevin O'Malley, Cynthia Pols, Sam Rosen-Amy, Leslie Steen, Sam Stephens, Rob TENAC, Moha Thakur, Trayci, Joey Trimboli, Denise Washington

Call to Order

Don Edwards, Justice and Sustainability Associates (JSA), called the meeting to order at 3:00pm and reviewed the agenda.

Welcome

Director Polly Donaldson (Chairperson) expressed gratitude for the sustained engagement from Strike Force members and public attendees. She reminded members that the purpose of the meeting was to continue to push for consensus around actionable items that can be shared with the Mayor. She noted that conversations will continue beyond the Strike Force.

Open Meeting Process Review

Laura Gramling, JSA, recognized the ground rules of the Strike Force and reviewed several public meeting regulations, including advanced notice of scheduled meetings and the availability of meeting summaries. She noted that the meeting is being recorded for public record. Public observers will also have the opportunity to comment via chat at the end of every meeting. All comments will be documented as part of the public record.

March 19th Meeting Summary

Members adopted by acclamation the March 19th meeting summary. Meeting summaries will be part of the public record.

Consensus-Building Process

Laura Gramling, JSA reiterated the overview of consensus-building processes from last week. She reminded the group that consensus-based decisions represent and prioritize a “meeting of the minds” as the most desired outcome. It places a higher value on the group staying in the process. She highlighted that consensus-based decision making is highly deliberative, with a lot of give and take.

Strike Force Recommendations

Strike members received an iteration of draft recommendations prior to the large group meeting. Draft recommendations were grouped according to near-term, mid-term, and long-term priority.

Recommendations were read aloud and followed by a discussion period. Please see the slide deck to reference the draft recommendations that were presented.

Discussion (Q&A)

(Q=Question, A=Answer, C=Comment)

Discussion related to Near-Term Recommendations

- **C:** Concerning rec #2: “Allow notices to cure...” Using terminology "threats to health and safety" is too broad a term to ensure that this public health protection is paramount for all. A "threat" is often in the eye of the beholder and not always clear, needs more clarity of defining what can and cannot be used.
- **C:** The public health crisis is not over. DC’s vaccine rollout is well behind the rest of the nation, particularly in communities of color. As it is written, this recommendation puts people's lives at risk and I cannot support it. I don't think that we should be recommending something like this at this time and I don't believe we have consensus on this recommendation.
- **C:** The federal eviction moratorium is limited to COVID related matters. Landlords did not oppose an eviction moratorium for people who've suffered hardships for COVID related matters but 15 months later, we are begging for a simple carve out to help protect public health and safety. Virginia and Maryland allow eviction filings for non COVID related matters. The District’s moratorium is severely overboard. We should be judged by two measures: how did you deal with public health and safety and what did you do to help those who have been harmed economically by the pandemic? We are asking for very basic reforms to put some money back into the pocket of small landlords who have been hit hard.
- **C:** I think the language that has been included in the recommendations is appropriate. The exemption is intended to obviously protect those who are being impacted by COVID (physically or economically), but also from acts of violence as there’s been an uptick in crime across the city. When a housing provider or a tenant has to respond to an escalating threat, it would be responsible for a housing provider to be able to issue a 30 day notice as a signal that the behavior is unacceptable. We're not asking for a swift process that would remove someone from their home immediately. We're asking for the ability to manage these properties.
- **C:** The current language opens the door from what was originally intended to be a quite narrow carve out to becoming much too broad, and in my opinion really putting human lives at risk. I agree that I think it negates the spirit of the moratorium which was meant to protect public health more broadly. The points that need to be addressed in the recommendation include: 1)

older writs need to be excluded 2) threat needs to be more clearly defined and narrowed 3) vulnerable populations need to be protected 4) legal aid needs to be provided

- **C:** I think the language is perfectly adequate as it is. For me, this is a matter of common sense in common practice. Courts and judges make common sense determinations about what threat would rise to the level of an eviction and what wouldn't. If you remove the language of threats from the rec, you're hamstringing providers to only be able to take action after harm has already occurred. It's nonsensical and it's not the practice of people who live in affordable housing. Folks who are living in affordable housing, have every right to live in safety and quiet enjoyment of their premises, just as any one of us would expect for ourselves. I realize there are respectful differences but if we surveyed our tenants, I don't think you'd get a single dissenting vote on this, except for the few that might be freaking out, or those inclined to practice predatory behavior.
- **C:** I don't want anything that I say to be interpreted as an opinion for or against this recommendation, but I agree that leaving as little up to interpretation as possible is always the best approach. There's case law defining a threat and it is not based on what the hearer perceives, but rather an objective determination of what the person said, and whether a reasonable person would think that that language is threatening. I would think the council could very easily take care of qualifying threats, simply by interpreting the definition of threats which already exists in DC code.
- **C:** Given the amount of rental assistance to recover rental delinquencies, landlords don't have much incentive to evict right now. Landlords likely want the tenant to file for the rental assistance, so they can recover the rents that you were not able to collect over the last six months to a year. With that in mind, the "acts of violence" is a much narrower pool of likely evictions, where the issue is not non-payment. The incentives are there for the safety of the building.
- **Q:** Is the violation of a barring notice (i.e. in a domestic violence case) covered under the eviction moratorium?
 - **A:** I don't believe so. The Intrafamily Offenses Act would override the moratorium, and then if there's a stay away order, that would exist outside of the moratorium. Because it's not an eviction under the DC Code.
- **C:** Perhaps we should include existing language from the DC code in the recommendation to provide a clear definition of "threats" for the Council.
- **C:** Recommendation language should take into account that we don't have enough support for mental health and mental health has been exacerbated. So we need precise examples when using the word "threat."
- **C:** The Office of Councilmember Bonds has prepared draft language that it's willing to share with the group. We also need to think about how domestic violence and stay away orders can be included in the language. Perhaps we would want to make a comment that says, "if there is a stay away order then that gives the landlord an opportunity to move ahead because that implies that there is serious personal conflict that may happen in that situation."
- **C:** In an effort to move forward with a revised recommendation, rather than no recommendation at all, I propose that Josh Bernstein, Randi Marshall, Ralph Boyd, and Marian Siegel, collaborate over the weekend to present new language to Polly early next week.

- C: As mentioned previously, this recommendation is common sense. There are tenants asking for this--it doesn't make sense to debate. The Council has the language and the judges have the final say. We need to move on. If people want to be unreasonable, they're going to blow this entire thing up.
- C: I'm thrilled to see rec #4: "seek ways to reduce the burden of the pandemic on housing providers that do not harm vulnerable residents." The Council will be introducing related legislation next week that: (1) extends the prohibition on raising rent for tenants who have experienced hardship due to COVID for one year, following as a public health emergency. Housing providers are going to be responsible for including the attestation language which is included in the text of the bill itself (2) allows for rent increases on vacant units as is included in the recommendation (3) it allows for rent concessions on rent stabilized apartments so if a provider, lowers the rate, they can bounce back to March 2020 levels after the public health emergency.
- C: I'm concerned that rec #4 emerged without significant deliberation and lacks the concrete substance of prior recommendations.
 - A: This recommendation was included in the March 12th iteration and discussed with the large group. Not sure why it disappeared in the March 19th iteration. I do think it's an accurate reflection of what people are calling for, which is an extension of protection for those tenants who need support, and I think this is an emergency.

Discussion related to Mid-term Recommendations

- C: I hope we can move all of these recommendations forward. In regards to rec#1, rent stabilization longevity requires buy in from tenants, landlords, and government. I think a combined approach of the commission with exhaustive studies is the best way forward.
- C: Instead of the independent study, it might be more expedient for the Council to request that the DC Auditor obtain records and data from DHCD to report what we know about the state of rent control to inform said commission.
 - C: Agreed. Let's ensure the recommendation language also speaks to looking at other places that we can learn from, not solely what's happened historically in DC.
- C: Regarding rec #2: "review the Nuisance Abatement Fund..." I'm not opposed to it, but I'm not sure that it had strong advocates in the last meeting. In the functional effort to shorten our report, we may want to consider removing it, especially if it will be done anyway.
- C: For the first sub-bullet under rec #3: "increase funding to CBOs that provide TOPA technical assistance..." it's important to specify hiring staff with **transactional real estate expertise**.
 - C: The CBO staff role is to provide technical assistance to the tenants, not to manage the "deal" ..therefore the skills needed are to support the tenants so that tenants can make informed decisions, hire attorneys, prepare RFPs, etc.
- C: For the second sub-bullet under rec #3: "increase funding for the Housing Production Trust Fund..." I would like to add friendly language that requires us to better understand the operating cost requirements for us to meet the 30% AMI and below goals. They cannot be addressed purely by capital investments, there has to be operating subsidies and that's one of the reasons we can never reach the goal, because the resources are insufficient.
- C: There were a number of proposals regarding the HPTF and helping it reach its goals more efficiently. One of which was aligning the HPTF with federal 60% AMI guidelines. Perhaps the

HPTF Advisory Board or another entity can look more closely at these issues, with a Strike Force member providing a context-setting presentation.

- **A:** That's a great process idea. There's also another recommendation related to the HPTF in the long-term recommendations section.

Discussion related to Long-term Recommendations

- **C:** Almost 50% of District employees are below 60% of AMI. About 20% of district employees are at 50 to 60% of AMI, and today, those folks (nurses, teachers, and police officers) could not live in our affordable housing, nor could those units be subsidized. That means we can't leverage as much of the limited resources we have to provide housing for them. According to the HAND indicator tool, the District's middle income housing is way behind its annual targets, and have been behind for both years and the lowest in the entire data set. There's a real opportunity to provide subsidies to help retain middle income residents, both on the rental and the ownership side. While we focus on that deeper level of affordability, we can't leave this segment out of the conversation.
 - **Q:** What is the household size for middle-income units?
 - **A:** I assumed a household size of four in the data
- **C:** I'm opposed to public subsidy for anything over 60% AMI. See [GGWash: What Housing Does the District's Workforce Need?](#) and [Smarter Growth Report on the DC Workforce Housing](#)
- **C:** CNHED opposes the switch from 31%-50% to 31%-60% Several Studies commissioned by the District have demonstrated the need for 31%-50% of MFI.
- **C:** With the tremendous amount of relief funds being made available, I would hope that the Strike Force would ask that those tenants most at risk be supported through vouchers and additional subsidy for 0-30% rather than "hoping" for trickle down housing which is disappearing quickly. I hope that we can not focus on workforce housing alone, but recognize that the market can better support the workforce and low wage earners need more subsidy.
 - **C:** Agreed, we need to prioritize the most vulnerable first.
- **C:** The most important thing we can do for the long term housing affordability in DC is increase the supply. I agree trickle down economics doesn't work but this isn't trickle down economics-- it's an ecosystem of housing. I think TOPA causes more elimination of NOAH units than it protects and we should look at the data on that. We have to protect vulnerable citizens, but we also need to have an environment where housing providers can operate or the supply will continue to shrink. We need to be thinking about the unintended consequences and many of the things that people are advocating as sacred here, which are actually exacerbating the problems we're trying to address.
 - **C:** I agree that tenants, landlords, developers and government must work together to support the needs of all tenants...and that does require additional units to support a vibrant market..but believe that government funds must be supporting those with greatest need as the market supports the others....We have IZ and other programs that supports workforce
- **C:** (1) We need to recognize that the affordable housing spectrum is 60% AMI and below (2) The District is not doing a good job leveraging its resources for the 60% AMI individuals who cannot afford to live here (3) this problem can be addressed today and does not require a legislative fix

(4) if I were to redevelop a building today, 60% AMI tenants would not be able to benefit from the HPTF.

- **C:** If we're looking at the middle income range, we're probably going to need to do some subsidy and it's not the same kind of subsidy we do for 0-30% AMI. If we can think of a program that is explicit and efficient with specific guidelines, it should be something that the overall affordable housing community supports.
- **C:** There's widespread agreement that workforce housing will require some subsidy. The question is, who do we build housing for with the one-time \$2 billion federal subsidy? I believe our essential workers earning the minimum wage are our priority. We still have not met 0-30% AMI targets for the trust fund. Especially if we are looking to create a racially equitable city, we need to remember that the average median income for Black households in the District is \$42,000 so half of our families are not close to 60% AMI. If our goal is about equity, we need to put our dollars where the most impact is.
- **C:** It would be helpful to have data on the categories of employees that we want to protect and hopefully keep in the city or invite back into the city.

Public Comment

Don Edwards, JSA, initiated the public comment period and public observers were able to make verbal comments upon their written request in the chat. Strike Force members were invited to respond to the public comments via the chat or verbally. See Attachment A for a record of the public comments.

Closing Comments

Deputy Mayor John Falcicchio said that he hoped the process was rewarding for members as the purpose of the forum was to create an information exchange. He stressed the importance of the upcoming budget and the potential impact of the Strike Force's recommendations. He reminded members of the goal of 36,000 additional housing units and thanked them for their participation in the process.

Director Donaldson agreed that it's a critical time for continuing investments and innovations. She affirmed that Strike Force members will be able to view the draft report and clarified that the report will address ideas discussed over the course of the Strike Force and will be clear in the report where consensus was and was not reached, similar to the Preservation Strike Force report. She thanked members for their effort over the last ten weeks.

Don Edwards confirmed that Josh Bernstein, Randi Marshall, Ralph Boyd, and Marian Siegel will work over the weekend to draft new language for the "allow notices to cure..." near-term recommendation and submit their draft language directly to Director Donaldson.

Attachment A: Public Comments

- **Q:** In what cases could these issues of “threats” not be dealt with by barring orders and instead need specifically a relaxation of the eviction moratorium?
- **C:** I'm impressed with Don Edwards mediation skills.
- **C:** The team at the Urban Institute that produced the HAND Housing targets specifically did not set targets for the lowest income group at the full need--because they believed the full need was too large for local governments to even try to meet. So, instead of 3,700/yr of added subsidized units for the lowest incomes, the target was set at 580/yr. We are making less headway on the *full lowest income need* than on the full need at moderate income levels. This all comes from the tables at the back of this report:
https://www.urban.org/research/publication/meeting-washington-regions-future-housing-needs/view/full_report
- **C:** Rental drops have been concentrated in class A housing while Class B and Class C rental units have not seen a drop whatsoever. I want to make the argument that the market is not supporting vacancy increases that would affect people that can't afford them. It's specifically affecting people that are looking for affordable housing. Vacancy increases are only going to be supported by the housing market in that class B and Class C housing. We're not going to see this enabling landlords to charge people that are already living in the highest end housing in DC more. We're going to see it hit people that are already struggling to pay rent.
- **Q:** When will the strike force make the final recs/report public?
- **C:** It would be useful to have Legal Aid and actual TENANTS participate in these discussions. How can you have Webster's definition of consensus if you exclude the majority of the group (tenants) from the process?
- **Q:** Will the Task force consider canceling rent?
- **Q:** Why are rents on vacant units allowed to be increased when rents in DC have dropped during the pandemic significantly? It seems like vacant unit rents should be required to decrease, not increase.
- **C:** If tenants were on this committee they would say that landlords are the #1 threat to safe and affordable housing. Since there is no tenant voice during these discussions the nature of this entire conversation is lopsided and does not build consensus.
- **C:** Is there any weight given for long term renters for any of the housing purchase programs? While AMI and workforce are important, many workers have rented for decades and been unable to grow wealth like many of the property owners on this panel. I don't understand why landlords are even part of this conversation.
- **Q:** What is the purpose of just reading comments during the "Q&A" portion of this meeting? People are asking questions, do we not deserve answers? We aren't allowed at the table or in this group, but our questions do seem to be ignored.
- **C:** Please note for the record that not one question was answered during the Q&A portion. That not one tenant took part in this process. There was no consensus.
- **C:** Canceling rent guarantee in saving lives. As a mom with special needs kids I would be a more proactive and better mom if I didn't have to worry about rent. Crime would be reduced if you also canceled rent.
- **C:** I want to direct everyone's attention to a May 29, 2020 feasibility study conducted by the Mayor and DISB, and submitted to the Council on the benefits of creating a public bank. I

encourage everyone to think through the opportunities related to redirecting all of the interest payments on mortgages that are currently going out of the city to institutional investors and back into the city to increase the pool of resources available for expanding the supply of affordable housing. <http://www.davidgrosso.org/s/Public-Bank-Feasibility-Study-FINAL.pdf>

- **C:** People are struggling out here. You wonder why crime is happening. It is because our city officials continue to let the poor die and starve while the rich get richer.
- **C:** Thank you to Kayla and Don for their work here!
- **C:** It is shameful that religious folks with power still disregard the poor struggling citizens in DC
- **C:** There are no new housing for rent for families that need 3+ bedrooms for 30% below BMI