The District of Columbia (DC) has meaningfully implemented changes that respond to the 2011 Analysis of Impediments to Fair Housing Choice (AI) that was completed through the Department of Housing and Community Development (DHCD). Policy, funding, and regulation changes seek to promote housing choice and racially and economically integrated neighborhoods and accommodate a diverse population of individuals and families in light of DC's changing demographics. As Mayor Muriel Bowser often states, you should have housing opportunities in DC whether your family has been here for five minutes or five generations.

An updated District AI was completed in late 2019, which utilizes the Assessment to Fair Housing ("AFH") format. DHCD engaged the Lawyers Committee for Civil Rights Under Law (an organization founded by former Attorney General Robert Kennedy) and the Poverty & Race Research Action Council. During the development of the document, DHCD and contractors engaged in outreach with the community and stakeholders to obtain qualitative data (stakeholder feedback and interviews) and the required quantitative data analysis. As part of the Needs Assessment process for developing the 2020 Action Plan, DHCD reserved time for the discussion of the AI: contractors led a discussion and presented on the AI process. A fair housing survey was also conducted at the 11th Annual Housing Expo as part of the public engagement process. The District published a draft document for public comment on September 28, 2019. DHCD engaged in four hearings to get feedback from the community on the draft and incorporated the comments into the document.

Regional Analysis of Impediments to Fair Housing Choice

The District engaged in the regional Analysis of Impediments to Fair Housing Choice (The Metropolitan Washington Regional Fair Housing Plan) with the Metropolitan Council of Governments and surrounding jurisdictions. Our partners are Alexandria, Arlington County, Fairfax County, Loudon County, City of Alexandria, City of Falls Church, Prince William County, and Montgomery County. Advisory participants include Prince George's County, the City of Bowie, the City of Rockville, the City of Gaithersburg, and Public Housing Authorities for the District of Columbia, Alexandria, Rockville Montgomery County, and Fairfax County. The last regional effort was over 25 years ago.

The Metropolitan Washington Regional Fair Housing Plan (The Plan) lays out the steps the Region will take through 2026 to:

- 1. Reduce unfair housing practices
- 2. Reverse patterns of racial segregation
- 3. Improve access for current and future residents

In the last ten years, DC and nearby counties lost more than 85,000 units with rents under \$1,500. Several goals were identified across public sectors to reverse that trend and increase access to affordable housing.

The Plan's Executive Summary is written in Plain Language and has been translated into six languages. The draft Plan was released in 2023 for public comment and approved by all jurisdictions; the final version was submitted to HUD in November 2023.

DHCD Affordable Housing Production

FY2023 was one of the most successful years for project closings for DHCD; 1660 affordable units were financed in 17 projects using local and federal funding sources:

- \$347 million in total gap financing was obligated.
- \$286 million in HPTF was obligated.
- \$2.2 million in 9% tax credits was allocated.
- Most new construction and substantial rehab projects will be affordable in perpetuity, providing stable housing to all families for decades.
- Nearly 25% of funded units are targeted to households at 30% MFI or below. DHCD required three projects to increase the number of units by 30%, contributing to this outcome.
- The agency recently closed a Section 108 project and will rehabilitate 394 units at Worthington Woods.

Olmstead Housing Priority Working Group

The District has updated its Olmstead Plan in the last four years and identified a Housing Priority. The District's Olmstead Plan (the Plan) is in response to a 1999 Supreme Court case requiring that state and local governments provide individuals with disabilities with the tools to live in the most integrated environment. The District Olmstead Work Group (the Working Group) comprises 15 District agencies that have come together to create and implement its Olmstead Plan. The Plan and Working Group plans to ensure individuals with disabilities can live in their chosen communities, a critical component of positive healthcare outcomes.

The District continues to provide safe-at-home adaptations to offer individuals with disabilities the tools to live in their homes, decrease the number of days until an individual is discharged from segregated housing and placed in their chosen community, and provide housing to individuals with disabilities. In FY2023, DHCD began tracking the number of accessible or adaptable units completed. Seventeen (17) projects produced 447 affordable units, of which 240 are accessible or adaptable, more than half the units produced (54%).

The agencies working together on the Housing Priority include the Department of Housing and Community Development (DHCD), DC Housing Authority (DCHA), Department of Health Care Finance (DHCF), Department of Human Services (DHS), Department of Behavioral Health (DBH), Department of Health, (DC Health), Department of Aging and Community Living (DACL) and the Department on Disability Services (DDS). The complete plan and its progress can be found here: <u>https://odr.dc.gov/page/olmstead.</u>

Housing Financial Assistance Program

Using funding from the Treasury to respond to the Coronavirus pandemic, DHCD administers a financial assistance program, the Housing Financial Assistance or HAF. This program can be accessed via a digital portal as a one-stop shop. It grants District homeowners impacted by COVID-19 struggling with their mortgage payments and other property or housing expenses. This assistance ensures that District residents remain in their homes and are housing secure. The <u>HAF</u> provided 1133 households with assistance totaling over 24 million dollars from June 2022 to November 17, 2023. The average household received about \$21,413 in assistance.

Age Friendly DC

The Age-Friendly District Task Force is made up of community members and District government cabinet members with extensive knowledge in at least one of the following subject areas: outdoor spaces and buildings; transportation, housing, social participation; respect and social inclusion; civic participation and employment; communication and information; community support and health services; emergency preparedness and resilience; and elder abuse, neglect, and fraud. The Task Force and subcommittees continue to meet and track, monitor progress, and streamline programs and services regularly.

Black Homeownership Strikeforce

In early 2022, the Mayor created the Black Homeownership Strike Force to address the neighborhood's racial disparities in homeownership and household wealth. She charged them with developing recommendations that help increase access to homeownership for longtime Black residents of DC and support wealth-building opportunities through homeownership, including programs to enable homeowners to maintain their homes and achieve affordability. In October 2022, the Strikeforce recommendations were published in a <u>report</u>; as part of the release of that report, the Mayor and BHSF announced a new goal to make 20,000 additional Black DC residents homeowners by 2030. The Strike Force Report included ten recommendations to support this goal. This Black homeownership goal will counteract discriminatory housing practices that have prohibited Black residents from becoming homeowners and building generational wealth in the District amid increasing home purchase prices and interest rates.

Heirs Property Assistance Program

Additionally, in FY2023, the District worked to implement a program to preserve housing for

families after a homeowner passes away through the <u>Heirs Property Assistance Program</u>. Many older adults live in homes with parents, grandparents, and even great-grandparents listed as the owners. The Heirs Property Assistance Program will launch in FY2024 and help low-income households and family members become legal owners when a family member dies. The legal heir to a family property may stay in a unit or sell it, qualify for DHCD programs that pay for repairs or help you keep the home, and list it as a financial asset when you apply for loans or other benefits.

A person's estate—everything they own when they die —goes through probate. This process can be complex. DHCD administers the Heirs Program funds and partners with the DC Affordable Law Firm and Legal Counsel for the Elderly (LCE) to provide legal representation and other support for probate and estate issues. Both are known for their expertise in these areas and for protecting the civil rights of the District's low-income residents.

HUD Pathways to Removing Obstacles to Housing (PRO Housing) NOFO

The U.S. Department of Housing and Urban Development published a Notice of Funding Opportunity (NOFO) in July, known as the Pathways to Removing Obstacles to Housing (PRO Housing) grant funds. PRO Housing funding supports communities actively taking steps to remove barriers to affordable housing. COG applied in support of the regional fair housing impediments plan to HUD for funding to support activities that may remove barriers and increase affordable housing production in the Metropolitan Washington region (listed below). The draft application is available on the <u>COG website</u>. The activities proposed to address affordable housing in the metropolitan Washington region to increase affordable housing production. These include establishing:

- a regional forgivable loan program for income-eligible homeowners to develop Accessory Dwelling Units (ADUs),
- partnering with the Purple Line Corridor Coalition to support equitable transit-oriented development,
- developing new tools to help jurisdictions prioritize effective housing policies and programs,
- creating a regional rental application portal to facilitate finding and applying for affordable and accessible housing and
- developing an Adaptive Reuse of Commercial Buildings for Affordable Housing Guidebook.
- Local affordable housing initiatives will also be launched and coordinated to meet regional housing goals.

What follows is a restatement of each impediment to fair housing outlined in the 2011 AI and a response briefly summarizing how the District has responded to overcome that impediment.

Impediment #1: The entrenched dual housing market within and around the District of Columbia is responsible for the levels of housing segregation in both the District and the counties surrounding it. There is one housing market for African Americans and another for everybody else. The result is a highly segregated District of Columba where one-third of the District's 39 neighborhood clusters are 93 percent or more African American, and just three clusters have proportions of Caucasians and African Americans close to what would be expected in a free housing market lacking discrimination. Due to the extreme difference in the median incomes of the District's White and Black households, this racial segregation is accompanied by economic segregation."

In 2017 and 2019, DHCD revisited its Qualified Allocation Plan and revamped its Consolidated Request for Proposals (RFP) to use the District's federal and local affordable housing funds to reduce historic patterns of segregation and mitigate those that would emerge from the changing DC housing market. The QAP and RFP also removed points for a local elected official support of projects.

In 2021, the last consolidated RFP was updated with the following changes to allow projects to target better a specific population facing housing barriers. This included specific point categories for Senior Housing/Accessible Housing Units and projects incorporating programs for particular people facing housing barriers.

In 2023, DHCD further expanded this by separating the Senior Housing Units and Accessible Housing Unit categories. This allows a project that intends to rent Seniors to pursue points by utilizing a Universal Design standard or including a program for a specific population facing housing barriers.

This change was further boosted by a shift in the methodology for calculating the points created in 2021 and carried over in 2023. Projects can receive up to 100 maximum points; however, each category has more possible issues. In 2023, there are 200 possible points (50 per category), with teams seeking to receive 100 maximum points (25 per category). This allows projects to pick and choose which points to pursue based on the characteristics of their project. DHCD has assisted about 34 affordable housing units since 2012 that have senior housing units. These 34 projects comprise 2585 units, of which 31% percent (824) are senior housing units.

Geographic targeting is used to select preferred projects in the RFP under the "Affirmatively Furthering Fair Housing (AFFH)/Geographic Targeting" and "Transit Proximity" priority scoring points. Using an index of housing costs (combining relative rents and home prices) and the presence of rail transit, DHCD seeks to incentivize proposals that produce or preserve affordable housing in high-opportunity neighborhoods, those with characteristics such as low crime, low poverty, and access to high-quality schools and jobs. The aim is to counterbalance the implicit incentive for developers to build affordable housing in low-cost and high-poverty neighborhoods and, consequently, enhance economic, racial, and ethnic diversity.

The District continues to support the enforcement of the Tenant Opportunity to Purchase Act ("TOPA")—and acquisition and critical-repair funds to advance housing opportunities and mitigate displacement. Furthermore, DHCD drafted final regulations for the District Opportunity to Purchase Act ("DOPA") in FY2018 and implemented DOPA in 2019. The Act requires rental property owners to allow the Mayor to purchase housing accommodations consisting of five or more rental units if 25 percent or more of the rental units are "affordable." DOPA offers of sale should be submitted concurrently with, but are subordinate to, a tenant's right to purchase under TOPA. DHCD announces DOPA purchase opportunities, and developers who meet the criteria will be invited to respond to those requests. The developers must comply with DOPA's requirements by maintaining and increasing the number of affordable units on the property. Since implementing this law, DHCD has exercised its DOPA rights 15 times to preserve existing affordablehousing.

Housing opportunity is also promoted through the Property Acquisition and Disposition Division ("PADD") at DHCD. The District can dispose of problematic or blighted properties, offering them the development of affordable and workforce housing or other amenities that stabilize neighborhoods. This creates affordable housing and assisted homeownership, removes blight, and promotes more significant economic development in at-risk neighborhoods. Similarly, the Office of the Deputy Mayor for Planning and Economic Development ("DMPED") governs the disposition of other District-owned properties, resulting in a multifamily property of ten units or more. If the multifamily units are within a half-mile of a Metrorail station or Priority Corridor Network Metrobus Route, 30 percent of the units must be affordable. If the property is outside these transportation opportunity areas, 20 percent is required to be affordable.

Increased economic, racial, and ethnic diversity is also accomplished through the District's Inclusionary Zoning (IZ) program. This program has generated 2,376 affordable units since its inception. In the last two years, the IZ program produced units at a historic level of 416 in FY2023 (the most ever) and FY2022 379 units. Since these units are in larger, new, market-rate developments, they are in neighborhoods that are either established as high-opportunity areas or in areas receiving investment and are becoming higher-opportunity areas. With a few exceptions, the units are allocated by a lottery open to all eligible applicants, limiting the steering of applicants in the program. The developer must submit a fair housing marketing plan when the lottery is not used.

The District has also made numerous improvements to its homeownership programs. The base amount of assistance for the lowest income-eligible recipients has been increased to \$80,000, and repayments have been deferred for all but the highest-income recipients until the home is sold, refinanced, or no longer occupied by the recipient. An additional program administrator, the District Housing Finance Agency, and many other process improvements have dramatically increased the program's utilization, remarkably increasing

homeownership in the eastern Wards of the District. In FY 2021, DHCD invested over 15.3 million in federal funds to assist 328 households through the HOME Purchase Assistance Program (HPAP) and the Employer Assisted Housing Program (EHAP).

Lastly, home seekers can find housing throughout the District, including accessible housing for persons with disabilities in the neighborhood of their choice, by searching <u>https://www.socialserve.com/tenant/DC/Search.html?city_id=51879&ch=DC</u> or <u>www.DCHousingSearch.org</u>. The District's Affordable Housing Locator has been updated continuously since 2014, ensuring that private and non-profit development partners include all available affordable units on the site. Private-sector developers not in partnership with DHCD are also encouraged to list their affordable housing units.

Impediment #2: As noted in Chapter 3, it is likely that racial steering—a practice prohibited by the Fair Housing Act—has contributed to much of the racial segregation in the District. The District's fair housing law substantially expands the number of protected classes beyond the nation's Fair Housing Act. As recounted earlier, reported acts of housing discrimination are likely to represent only the tip of the proverbial iceberg.

The District's private, non-profit, and public sectors have made strides in providing outreach and increasing cultural awareness regarding diversity and equal housing opportunities. For example, the Equal Rights Center ("ERC"), a civil rights non-profit advocacy organization, has dedicated training on fair housing for private-sector partners.

ERC trains the housing industry in equal opportunity matters such as the fair housing responsibilities of multifamily owners, accessibility, and source of income protections. It provides online courses about fair housing protections and criminal record screening. The National Association of Realtors offers a curriculum on diversity for all members as continuing education. These efforts, combined with the enforcement actions of the Office of Human Rights ("OHR") and federal agencies, assist in mitigating further discrimination in the metropolitan area.

To mitigate the evident racial and ethnic segregation described in the AI, ERC conducts paired testing in the metropolitan area. The purpose is to uncover unfair housing practices and provide an equal playing field for home seekers of all protected categories, regardless of their income status. In 2015, ERC conducted 464 fair housing tests and increased its corporate training (in the housing industry) by seven percent over the previous year. It also partnered with OHR and 17 other organizations to engage residents and businesses in a day-long awareness campaign on disability issues. To bring greater awareness of the housing issues in the LGBT elder community, ERC partnered with a national organization. It published an informational tool kit for the LGBT elder community who face housing discrimination.

Housing is linked to cross-cutting civil rights issues such as transgender and gender equality, immigrant and language access, and accessibility for persons with disabilities. Since 2012, OHR has conducted media campaigns to educate the public on fair housing as a right, inform

residents of language-access laws for Limited English Proficient District residents, promote respect for transgender and gender identity, publicize contributions by immigrants in creating a more diverse city, and encourage businesses and places of public accommodations to be more accessible to a person with disabilities.

More recent media campaigns have focused on gender equality for women and antidiscrimination in the Muslim community. OHR has also hosted a TEDx MidAtlantic Salon talk on gender equality. These Employment and Public Accommodations campaigns have brought attention to the obstacles faced by residents within these groups when seeking housing opportunities. The relationship between employment and housing is symbiotic, and lacking one diminishes opportunity in the other.

The District has also used its long-running Annual Fair Housing Symposium, a partnership among DHCD, OHR, ERC, and the District Developmental Disabilities Council, as a mechanism to inform and educate residents, community-based services providers, industry professionals, and government agency personnel on incorporating and abiding by fair housing principles as a means to promote racial, ethnic and economic diversity.

Impediment #3: Discrimination against African Americans and, to a lesser extent, Latinos in issuing conventional and FHA loans continues unabated in the District as it does throughout the nation.

The District Department of Insurance, Securities, and Banking ("DISB") not only protects consumers by offering regulatory supervision of financial services companies, firms, and individuals doing business in the District, but it also has the directive to develop and improve market conditions to attract and retain financial services firms in the city, at times balancing conflicting interests and real consequences for the District residents.

Notwithstanding the lack of updated HMDA data to factor in current mortgage lending discrimination, the District has moved forward in educating residents about their rights regarding mortgage lending and insurance, how to avoid becoming victims of fraud, and how to file grievances.

The DISB Foreclosure Mediation Program, which began in May 2011 as a result of the "Saving D.C. Homes from Foreclosure Amendment Act of 2010" has successfully reduced foreclosures from 1,349 in 2010 to 114 in 2014. Other foreclosure prevention efforts are made available to District residents through the \$4.4 million District portion of the National Mortgage Settlement, which provides consumer relief to those affected by abusive mortgage loan servicing before the national mortgage reforms passed in 2012.

DISB partnered with a District community-based organization, Housing Counseling Services, Inc. ("HCS"), to provide legal aid to homeowners facing foreclosure, create a hotline for distressed homeowners, and help residents access the money they are eligible for through the settlement. In addition, HCS launched a media campaign to inform residents of the District resources and the Foreclosure Prevention Hotline. This campaign prevented many District residents from

losing their homes, thus precluding residents from adding to the economic segregation prevalent in the District. Furthermore, DISB increased financial literacy for unbanked and under-banked residents who often rely on expensive check-cashing centers and payday lenders to become users of "Bank on DC" accounts from participating mainstream financial institutions. DISB continues to explore ways of decreasing 'banking deserts' predominantly in minority neighborhoods

DISB engaged the community and business sector to improve education on insurance and financial scams and foreclosures, and in 2013, DISB initiated two enforcement actions to protect District investors. These initiatives were focused mainly on seniors: one against an investment company targeting seniors and a second against an individual selling fraudulent investment.

In 2014, DISB began using the National Mortgage Licensing System to manage all money-related transaction licenses and registrations. This action allows the District to have a single-entry point for coordinating the licensing of all District financial service providers, mortgage licensees, and registrants. Additionally, since the passage of the Dodd-Frank Act, DISB has increased the number of firms under its regulatory directive. The Act authorizes the District to license investment advisors managing assets of \$100 million or less, up from \$25 million. This transition allows the District to have greater control and regulation over securities here and to increase its impact on residents and businesses.

Impediment #4: The relatively high cost of housing continues to pose a barrier to fair housing choice in the District by fostering economic segregation and the racial segregation that accompanies it due to the median income of the District's–Hispanic White households being so much greater than the median income of African American households. While wealthier Caucasians have been moving into neighborhoods that had been overwhelmingly African American, gentrification has accompanied this–migration, leading to higher housing costs and displacement of a substantial percentage of residents with lower incomes who, in the District of Columbia, are disproportionately African American. In addition, the District's supply of rental housing is rapidly shrinking. Over a third of the District's rental stock was lost between 2000 and 2010. One–fourth of all District tenants are spending more than half of their income on rent, partly due to the shortage of rental dwellings. Unless lower–and moderate-priced rental housing can be preserved and new affordable units built in these gentrifying neighborhoods, racial and economic integration will be a very short-lived experience.

To meet its commitment to increase affordable housing and create diverse neighborhoods, the District's Mayor and Council have committed over \$100 million of Housing Production Trust Fund (HPTF) monies for each of the last four years. Since 2009, the District has invested nearly one-third of a billion dollars from the HPTF—the nation's most prominent trust fund per capita. DHCD has funded and underwritten about 11,214 affordable units for District residents at 80% of MFI and below.

These numbers are augmented by the implementation of regulatory programs and negotiations such as the Inclusionary Zoning ("IZ") and Affordable Dwelling Units ("ADU), the usage of Planned Unit Developments ("PUD), and increased investments in HPAP, DC continues to expand affordable housing.

Additionally, to preserve affordable housing, the public-private District Housing Preservation Fund ("DCHPF") was created and funded with \$10 million and will, at a minimum, leverage an additional \$30 million. Administered by the Washington District Low-Income Initiative Support Corporation ("LISC-DC") and Capital Impact Partners, the DCHPF will complement DC's preservation efforts by providing additional funds that are also easier to deploy and more flexible to aid acquisitions and predevelopment in a high-cost housing market. The DCHPF was created due to one of six recommendations and action items in the 2016 District Housing Preservation Strike Force's final report. The Strike Force was formed in 2015 and included an 18-member team comprised of housing experts and selected stakeholders from the public to promote the preservation of the current affordable housing stock. The District acknowledges that preserving and creating affordable housing, precursors to advancing economic, racial, and ethnic diversity may be at risk due to the loss of subsidized housing, with an additional 13,700 units with subsidies expiring by 2020. Hence, the Mayor charged the Strike Force with developing a proactive, multi-pronged strategy and action plan to preserve the District's existing affordable housing covenants set to expire by 2020.

The six recommendations presented to the Mayor were: (1) establishing a "Preservation Unit;" (2) creating a public-private preservation fund; (3) expanding resources to preserve small properties; (4) adopting DOPA regulations; (5) advancing preservation through TOPA; and (6) enhancing programs to allow low-income seniors to age in place.

As a result of the Strike Force recommendations, the District has formed a Preservation Unit working group comprised of intra-government partners, the housing industry, advocates, and District residents. Also, the District appointed in March 2018 the first Housing Preservation Officer within DHCD to discuss, learn, and analyze how to preserve best and expand affordable housing. Through the creation of DCHPF, the District anticipates the development of a publicprivate partnership that would invest early and inject AFFH principles into the process of "Preserving the affordability of 100 percent of its existing federally and District-assisted affordable rental homes." Since creating the Preservation Unit, the District has found that the funds are leveraged 3 to 1 by the public-private partnership, thus providing additional opportunities to preserve existing affordable units.

The District has also enacted several programs, tax, and rent control provisions to reduce the rent and housing cost pressures on its elderly and disabled population. These range from lowering allowable rent increases in rent-controlled apartments to deferring property taxes and providing home modifications and repairs to allow households to remain in place.

In Mayor Bowser's 2nd Inaugural address in January 2019, she set forth a goal to create an additional 36,000 units by 2025. On May 10, 2019, Mayor Bowser signed the District's first Housing Order to establish a framework to meet the goals in the Inaugural address.

The <u>Housing Framework for Equity and Growth (HFEG</u> report provides goals for the equitable distribution of affordable housing in Washington, the District, supporting the vision for creating 36,000 new housing units by 2025. This report is the first series comprising the Housing Framework for Equity and Growth. The framework will examine factors across multiple scales, design typologies, and resident experiences to generate recommendations to increase housing affordability and opportunity for all residents. In late September 2019, DHCD and the Office of Planning ("OP") engaged the public to discuss the distribution of affordable units in the District at a Community Conversation: Housing Framework for Equity and Growth at the Ron Brown High School.

Impediment #5: As explained beginning on page 154, more than 12,000 new development units have been exempted from the District's inclusionary zoning requirements because they were in the pipeline when the inclusionary zoning act went into effect. But their exemptions should have expired because ground has not yet been broken for these buildings. The District, however, has routinely granted extensions that have kept these developments exempt from the District's inclusionary zoning requirements. Some of these developments were allegedly submitted to avoid being covered by the new inclusionary zoning provisions.

The District is steadily providing increased economic opportunity and racial diversity through the IZ program. The program was slow to start in 2009 but has generated 2,376 affordable units.

In addition, in FY 16, the District changed the program to facilitate its use to reach lowerincome residents. Changes made by the Zoning Commission restrict IZ rentals to families earning up to 60 percent of AMI. In comparison, IZ homeownership units were restricted to families earning up to 80 percent of AMI. DHCD subsequently amended the IZ regulations in early FY2018 to implement these changes effectively and modernize the program. Streamlining the application procedures and making criteria more flexible further increased the potential for this program to serve to counteract barriers to fair housing. The program continues to grow and evolve by providing diverse housing opportunities to residents who may have previously lived in the District's low-poverty and racially concentrated areas.

Impediment #6: The District's zoning ordinance imposes significant obstacles to accessory apartments, a cost-effective way to provide housing affordable to individuals and households of modest means and to enable households with declining incomes to remain in their homes. As explained in Chapter 3, many of the zoning provisions likely discourage homeowners from even applying to create an accessory apartment.

This obstacle was removed in September 2016 when the District adopted new zoning regulations that facilitated the creation of accessory apartments. The issue of ADUs primarily

affected residents who needed to have elderly parents reside with them, a person with disabilities had a dwelling unit with a no-step entrance, or simply a unit to house a growing family.

The new zoning regulations, in Title 11 Subtitle U Chapter 2, provide for (1) the existence of the dwelling unit as a matter-of-right use for single-family zones not requiring approval of the District's Board of Zoning Adjustment (BZA); (2) a minimum principal dwelling size between 1,200 and 2,000 sq. ft.; (3) the gross floor area that an accessory apartment may occupy expanded from 25 percent to 35 percent of the principal structure; (4) the entrance to the accessory apartment permitted to face the street depending on the zone and subject to conditions; (5) the apartment to be in an accessory building provided there is proper access for health and safety; (6) home occupations permitted within the accessory apartment subject to limitations; and (7) BZA-provided special exception flexibility for up to two requirements without the need of a variance.

Residential Accessory Apartments Program (RAAP)

DHCD launched a pilot Residential Accessory Apartments Program (RAAP) in fiscal year 2023 after publishing a Request for Applications (RFA) for a program administrator in 2022. This administrator will inform and assist homeowners in creating secondary living units on their property.

Since the District's zoning code was updated, many homeowners have not taken advantage of this change to develop apartments. Residential accessory apartments are dwelling units that are secondary housing units, have separate kitchens and baths, and have separate entrances, which may vary slightly in the area, use, and physical character of a homeowner's home or dwelling on the same property.

The RAAP will broaden awareness and access to funding to create residential accessory apartments that residents of all incomes may rent. Homeowners receiving assistance at 120% of MFI must rent these accessory apartment units to households 60% of MFI or below. RAAP is an income-driven sliding scale program that targets homeowners below 150% of MFI. Homeowners over 120% of MFI may receive technical or financial assistance to create these units; however, more substantive aid is targeted at lower-income homeowners. More information can be found on the program's page: <u>Residential Accessory Apartment Program</u> (RAAP) | dhcd (dc.gov).

Impediment #7: The only reference in the District's comprehensive plan that even hints at achieving stable, racially integrated neighborhoods is a fairly generic statement, "On a

neighborhood level, the recent housing boom has challenged the District's ability to grow a city of inclusive and racially and economically diverse communities." The District's plan has no goals, objectives, or policies that seek to achieve stable, racially integrated neighborhoods, which in the District would also require economically diverse housing because the median income of African Americans is just 37 percent that of Caucasians.

The District amended its Comprehensive Plan in 2021. The previous Comprehensive Plan was amended in 2011 during tremendous growth. As part of the amendment process, DHCD and the public have proposed numerous amendments to address the impediments to fair housing identified by the Al. In 2019, DHCD and the OP worked together to discuss the Comprehensive Plan and its interrelationship with the District's fair housing impediments. The completion of the plan was included as part of the Mayor's Housing Order that was executed at a housing rally on May 10, 2019. In the Order, the Mayor tasked several District agencies to identify new policies, tools, and initiatives to begin fulfilling the goal of creating 36,000 new housing units, 12,000 of them affordable, by 2025. The order focused on the following areas:

- Increasing production and accelerating the delivery of housing by analyzing housing trends, needs, capacity, and impediments to housing in order to identify housing targets and policies
- Promoting fair housing by identifying ways to create an equitable distribution of affordable housing across Washington, DC
- Creating homeownership opportunities
- Directing all District agencies to support the goals of Homeward DC
- Improving resident housing experience by directing Lab @ DC to create a unified "front door" for residents to access affordable housing opportunities and programs

The housing strategy in the Order included the need to complete the amendment process for the District's Comprehensive Plan, an essential tool to create housing. As part of the process DHCD and OP worked together in 2019 on the Housing Framework for Equity and Growth to further this work. In October 2019, OP released its draft Housing Element of the Comprehensive Plan and the Housing Equity Report: Creating Goals for Areas of Our District. A complete list of the proposed amendments, including those made by DHCD, and updates on the Comprehensive Plan amendments can be found at https://plandc.dc.gov/.

Impediment #8: Nothing in the District's planning process directly addresses any fair housing issues that the District can help resolve and fair housing violations that the District can help prevent. Residential developments that require District review and approval are approved without any effort to promote compliance with the Fair Housing Act or the accessibility requirements of the Americans With Disabilities Act.

The Department of Consumer and Regulatory Affairs (DCRA) made strides to enhance its permitting process and update the Building Code. More specifically, DRCA required all building permit applicants to submit plans electronically through Project Dox.

The District's Building Code was amended through the Building Code Supplement of 2013 to provide greater accessibility to persons with disabilities. The District also follows the ANSI Accessible and Usable Buildings and Facilities guidelines in constructing accessible units that meet the Fair Housing Act accessibility design standards. Accessible housing is beneficial not only to people using a wheelchair but also to the growing population of seniors and persons suffering temporary incapacities. Lastly, the changes required that 15 percent of all units be accessible in all new construction projects, which is 10 percent higher than required under Section 504 of the Rehabilitation Act of 1973.

Department of Buildings & the Department of Licensing and Consumer Protection

In FY2023, two new District agencies began operations; the Department of Buildings Establishment Act of 2020 established the Department of Buildings (DOB) and the Department of Licensing and Consumer Protection (DLCP). These agencies will provide services to residents, businesses, and visitors of the District of Columbia, taking on responsibilities previously under DCRA's purview. The transition enhances consumer experiences and promotes health, safety, and quality of life. DOB and DLCP will focus on effective compliance, meaningful regulation, and timely maintenance to prioritize consumer protection.

DHCD continues implementing and enforcing a robust, accessible compliance mandate for all its assisted new construction and rehabilitation projects. Through its compliance program, DHCD seeks to increase accessible multifamily and single-family housing so that wheelchair residents can enjoy the same amenities as able-bodied residents and participate in their community integrally. DHCD plans to expand its accessible housing stock by ensuring that elements of "<u>Visitability</u>" are included in its future housing projects. These elements include a zero-step entrance, doors with 32 inches of clear passage, and an accessible bathroom on the home's main floor.

Accessible Building Design & Construction Training

For over 20 years, DHCD has hosted mandatory annual Accessible Building Design & Construction training. DHCD has required developers, contractors, architects, and project managers for DHCD-assisted projects. DHCD has welcomed team members from other District agencies, such as the Housing Finance Agency (DCHFA), DC Housing Authority (DCHA), and Department of Buildings (DOB) inspectors. Third-party inspectors, members of building trades such as foremen and superintendents, and property management superintendents have also attended. Topics covered include:

• Uniform Federal Accessibility Standards (UFAS)

- 2017 DC Building Code (DCMR)
- 2009 ICC A117.1 –International Code Council (ICC) standards
- Federal Housing Finance Agency (HFA) safe harbors
- 2010 ADA standards for accessible design
- Fair Housing Act design requirements

Impediment #9: The District's zoning treatment of what it calls "community–based residential facilities" is convoluted and sometimes contradictory. It is very possible that it has contributed to the development of severe concentrations in the Northeast and Southeast quadrants that may be creating de facto social service districts that undermine the ability of community residences to achieve their goals of normalization and community integration.

The District continues to evaluate the provision of social services and community-based residential facilities and their implications for fair housing through its planning and funding decisions.

Impediment #10: Someone who thinks she has been discriminated against when seeking housing in the District immediately runs into the problem of determining whom to contact and how to file a fair housing complaint if they are not using the Internet. This situation is a substantial barrier to fair housing choice when somebody who thinks he may have faced discrimination cannot quickly and easily contact a live person who can hear the facts of his situation, or he cannot easily obtain information about how to file a fair housing complaint.

Each additional step a possible victim must take increases the chance that he will abandon his effort to report a violation. Tests conducted of the District's "311" information line yielded three different—and wrong—instructions of whom to contact with a possible fair housing complaint.

The District has met the goal of training front-line staff through agency partnerships and collaborations. OHR, as the civil rights enforcement agency for the District, has trained "311" Office of Unified Communications ("OUC") employees on the services the agency provides.

These include but are not limited to, fair housing rights, the substantially equivalent categories under the Fair Housing Act, and the complaint and filing process. Since 2014, OHR has held Human Rights Liaison trainings for community direct-service providers, government agencies, and private and public partners on responsibilities and rights under the Fair Housing Act for their clients. Lastly, OHR has consistently held more than 40 liaison trainings a year since its inception.

Impediment #11: Every jurisdiction engaged in affirmatively furthering fair housing choice needs current accurate and current information on matters involving fair housing. In the District of Columbia, such information is all too often not readily available, or even available at all.

The Office of Human Rights does not routinely keep track of whether fair housing complaints involve rental or ownership housing, hindering efforts to fully analyze the nature and extent of housing discrimination.

The Equal Rights Center, which collaborates with the Office of Human Rights on fair housing enforcement, maintains information on tenancy only for fair housing complaints based on federal law, but not for complaints based on the District's 12 additional protected classes.

The Office of Human Rights does not record any information about the inquiries it receives about possible housing discrimination, leaving it unable to determine the percentage of inquiries that lead to a fair housing complaint.

The District of Columbia Housing Authority does not maintain current records on the race and ethnicity of public housing residents by development and for holders of housing choice vouchers.

To date, OHR has adhered to the recommendations suggested in the AI to "Record all inquiries on housing discrimination—including the nature of the possible discrimination and whether it involves ownership or rental housing." OHR has implemented a tracking system of docketed complaints by Rental, Purchase, Sales, Lending, Condo, Coop, Shelter and Other. OHR further captures written inquiries in its internal database; however, general phone inquiries are not recorded. Perhaps with a dedicated Fair Housing line, these data can be captured in the future.

It is noteworthy to point out that the OHR website page for filing a housing discrimination complaint is very robust and client friendly. The page walks the complainant through the process by describing fair housing issues and giving the complainant a voice on the alleged discrimination. It also provides the complainant with 17 options as to the alleged reason for the discrimination. The complaint questionnaire is usable to the layperson not familiar with legal terminology and triggers words under the Fair Housing Act. In education and outreach activities, OHR has been very active by publishing informational brochures and reports on transgender issues, language access compliance, and challenges faced by returning citizens, all areas indirectly affected by access to equal housing opportunities.

Similarly, the ERC records the number of discrimination complaint calls received, which include fair-housing complaints. In its 2016 Annual Report, ERC states that it "Increased the number of housing discrimination referrals to HUD and local governmental agencies by 75%". The ERC collects complaint information based on local protected categories but is not reported upon in its Annual Reports.

In 2023, the ERC conducted about 130 intakes with individuals alleging housing discrimination in the District. The ERC conducted over 75 training sessions with housing providers in the DC metropolitan region. Almost 500 fair housing tests were also conducted in the DC region in 2023, and ERC provided a keynote address at the OHR's Fair Housing Month event in April 2023. The District of Columbia Housing Authority (DCHA) does maintain records regarding race and ethnicity for Public Housing and Housing Choice Voucher program clients. The most current data for DCHA is on the following page.

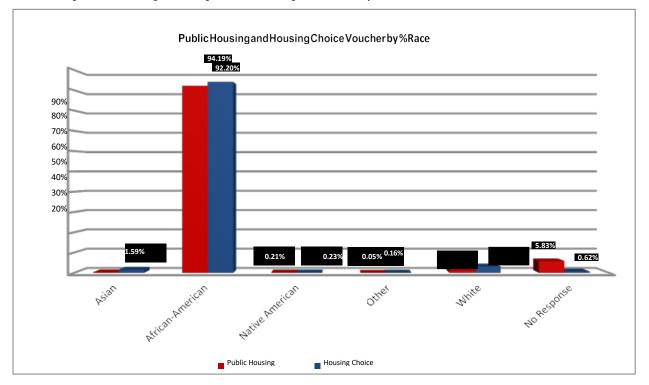


Figure I. Public Housing and Housing Choice Voucher Program Households by Race

2018 data reflects all members in each assisted household . Federal HCV

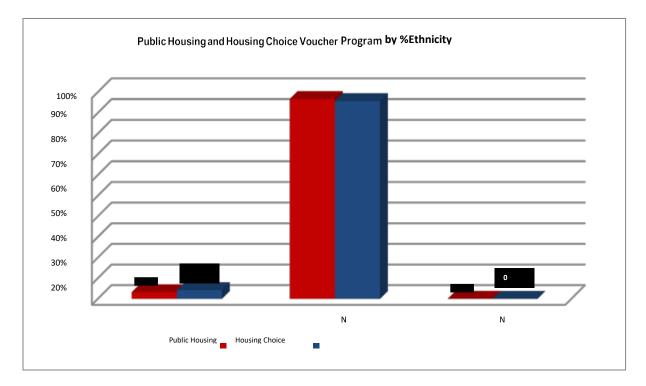


Figure 2. Public Housing and Housing Choice Voucher Program Households by Ethnicity

Impediment #12: The District's 2005 analysis of impediments noted the difficulty its authors had obtaining data from the District of Columbia. From Ideas to Action: Implementing a Mixed-Income Housing Strategy in Washington, DC (2009) reported, "Finally, the inability to collect current data from the District and other cities limited the analysis." While most of the District staff contacted in the process of researching this analysis of impediments was very helpful, the authors frequently encountered difficulty obtaining even a response from some District staff. In some departments, our direct contact was a public relations representative who served as a gatekeeper rather than enabling us to work directly with appropriate staff. As noted in Chapter 3, building code officials never responded to multiple requests to confirm building code provisions. Our multiple requests to the head of the District of Columbia Housing Authority went unheeded for months, although once other staff members were contacted, they were very helpful. Staff tended to be very narrow in their responses to our inquiries for information rather than expansive as we explicitly asked them to be.

Since the 2011 AI was completed, DHCD has worked with partner agencies on planning and policy endeavors, including the Consolidated Plan and Comprehensive Plan. DHCD continues to work closely with these agencies and others to obtain better data and robust answers to inform policy decisions effectively.

Additionally, DHCD continually works with these agencies regarding implementing AFFH and submitting the forthcoming AFH and the AI update. DHCD will continue to work with agencies not under the purview of the mayor to access or receive data referencing the race and ethnic composition of its clients. DHCD will continue to engage the agencies and staff and offer technical support to gather such information.

The District hired an Open Data officer, and much of the AI's required data is available at https://dc.gov/page/open-data. In addition to DChousingserach.org, DHCD provides numerous online dashboards that present its data to the public:

- DHCD Development Finance Division: <u>https://octo.quickbase.com/db/bit4kvfmq</u>
- DHCD Property Housing and Acquisition Division: https://octo.quickbase.com/db/bmnu25bzt
- DHCD IZ and Affordable Dwelling Units: <u>https://octo.quickbase.com/db/bi9iqv4v7</u>
- DHCD HAF: <u>| haf (dc.gov)</u>
- DMPED-36,000 by 2025: <u>DMPED 36,000 by 2025 Dashboard</u>

DHCD also teamed up with nonprofit partners to develop <u>housinginsights.org</u>, which places affordable housing property information in their neighborhood context by providing data on nearby properties and surrounding conditions.

Impediment #13: The District of Columbia Housing Authority lacks a cogent pro-integrative policy for siting public housing and the use of Housing Choice Vouchers. Nearly all public housing developments were, located in predominantly Black areas. Most households that hold a Housing Choice Voucher are located in predominantly minority neighborhoods, many in the hyper-segregated African American neighborhood clusters that comprise wards seven and eight.

DCHA is limited in creating new public housing in areas where the agency does not own land. The locations of DCHA's existing public housing communities are relatively static as DCHA can only redevelop the existing public housing footprint and on contiguous parcels of land.

However, as a partner organization in the DHCD NOFA initiative to create affordable housing, DCHA includes public housing funding as a subsidy option for owners/developers submitting proposals. The NOFA allows the creation of public housing units outside of DCHA's existing public housing footprints. In FY2017, through the DHCD NOFA process, 76 public housing units were created at the Phyllis Wheatley YWCA. The Ward 2 neighborhood cluster where Phyllis Wheatley is located has a racial/ethnic mix of 29 percent African American, 48 percent White, and 7.8 percent Asian. In addition, Hispanics of any race make up 15 percent of the cluster population. The challenge with such an approach is that the per-unit level of public housing subsidy available has been lower than necessary to be the sole source of financing for units created through this initiative. The units at Phyllis Wheatley were created by layering locally funded housing subsidies and public housing subsidies.

Public Housing Redevelopment

For existing public housing developments, DCHA has made every effort to access limited available federal funding over the two decades to leverage additional financing and redevelop public housing into mixed-income, low-poverty, ethnically diverse communities. DCHA has received the second-highest number of HOPE VI awards nationwide, with a total of seven, and received two Choice neighborhood planning grants, the successor program of HOPE VI. Given limited available resources, DCHA strategically decides which sites to focus its redevelopment efforts. The age and condition of the site play a critical role in that decision-making. In many of the cases where DCHA has redeveloped public housing communities, the neighborhood clusters where the redeveloped sites are located have experienced an improved economic outlook and increased levels of racial/ethnic diversity in the surrounding community.

HUD has not included funding in the federal budget for HOPE VI or Choice neighborhoods for several years, including the administration's proposed FY2019 budget. In addition, when funding has been made available, it has been on a competitive basis, oftentimes only setting aside fewer than ten awards nationally a year.

Housing Choice Voucher Program

DCHA has adopted the following policies/programs over several years to increase HCV client access to low-poverty neighborhoods.

Increase DCHA Payment Standards

Unit rents in the HCV program are set using HUD-established Fair Market Rents (FMRs). In the District's high-cost rental market, rents in most neighborhoods are higher than FMRs.

Based on HUD approval through DCHA's Moving to Work designation, the housing authority can set the maximum voucher subsidy it can pay for HCV participants (referred to as the Payment Standard) at levels higher than the FMRs.

In FY2016, DCHA increased its payment standards to 130 percent of the FMRs to expand the number of District neighborhoods that HCV clients could access with their vouchers.

In FY2017, DCHA increased the HCV program payment standards to 175 percent of FMRs to further increase the number of neighborhoods that HCV clients can access with their vouchers. Based on an assessment of the 2018 FMRs, DCHA decided to keep the agency payment standards at 175 percent of the FMRs in FY2018.

It should be noted that even with the ability to set higher payment standards to expand access to affordable housing, not all neighborhoods in the District are rent-accessible to voucher holders.

Mobility Resources

DCHA created the Housing Affordable Living Options (HALO) program in May 2015, an HCV mobility program designed to assist HCV families in moving into low-poverty neighborhoods, also called "Opportunity Neighborhoods." In addition to providing eligible HALO participants with mobility resources, HALO also provides participating landlords with program benefits.