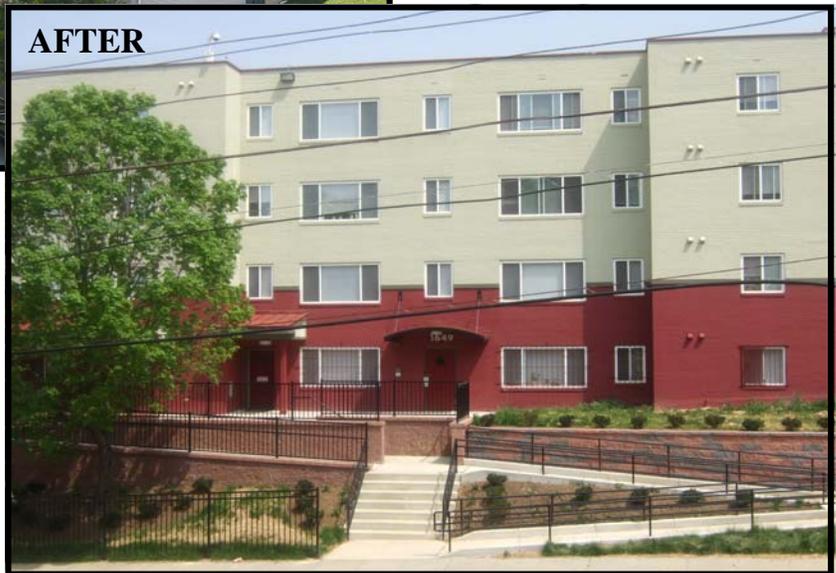


**DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

**FISCAL YEAR 2007
CONSOLIDATED ANNUAL PERFORMANCE EVALUATION
REPORT (CAPER)
OCTOBER 1, 2006 - SEPTEMBER 30, 2007**



BEFORE



AFTER

Galen Terrace
83 units of Affordable Housing
June 2007
\$3.2 million in CDBG funding



ADRIAN M. FENTY, MAYOR
NEIL O. ALBERT, DEPUTY MAYOR
FOR PLANNING AND ECONOMIC DEVELOPMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA

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December 31, 2007

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TABLE OF CONTENTS

FY2007 CAPER

EXECUTIVE SUMMARY1

A. Assessment of the Five-Year Goals and Objectives3

B. Affirmatively Furthering Fair Housing.....7

 Action Taken to Affirmatively Further Fair Housing7

 Impediments Identified in the Analysis8

 Action Taken to Overcome the Effects of Impediments.....8

C. Affordable Housing11

 Specific Housing Goals and Objectives.....11

 Section 215 Housing Opportunities12

 Efforts to Address Worse Case Needs13

 Non-Homeless Special Needs Population.....14

D. Continuum of Care15

 Actions Taken to Address Homeless Needs15

 Actions Taken to Prevent Homelessness16

E. Other Actions..17

 Address Obstacles to Meeting Under-Served Needs17

 Foster and Maintain Affordable Housing18

 Eliminate Barriers to Affordable Housing18

 Institutional Structure and Coordination.....18

 Improve Public Housing and Resident Initiatives.....19

 Evaluate and Reduce Lead-based Paint Hazards20

 Compliance with Program and Comprehensive Planning Requirements21

 Antipoverty Strategy.....22

 Neighborhood Revitalization Strategies23

 Section 3.....24

F. Leveraging Resources27

 Matching Funds27

G. Citizen Comment29

H. Self Evaluation33

I. Monitoring and Compliance.....35

 Community Housing Development Organizations (CHDOs).....35

 Community-Based Organizations (CBOs).....35

 Status of Grant Programs35

J. CDBG Program and Use of Funds.....37

 Changes in Program Objectives.....38

K. HOME Program and Use of Funds.....39

 HOME Match Requirement.....39

 HOME MBE and WBE Report.....40

L. HOPWA Program and Use of Funds41

M. ESG Program and Use of Funds43

 Distribution of Funds by Goals.....43

 ESG Matching Funds.....45

 Method of Distribution45

 Activity and Beneficiary Data.....46

Appendix A Development Finance Division FY2007 Funded Activities	51
Appendix B Residential Community Services FY2007 Funded Activities.....	59
Appendix C Income Levels	71
Appendix D Map of Funded Projects in FY2007	73
Appendix E Public Notice	75
Appendix F HOME Match Report	77
Appendix G Map of Geographic Target Areas.....	81
Appendix H HOPWA FY2007 CAPER.....	83
Appendix I IDIS Reports.....	121

TABLES

Table 1: Summary of Accomplishments, FY2007	1
Table 2: Outcome Performance Measurements (FY06 – FY10).....	4
Table 3: Summary of Specific Housing Objectives for FY2007.....	12
Table 4: Georgia Avenue NRSA Performance Data	23
Table 5: Carver, Langston, Ivy City, Trinidad NRSA Performance Data.....	24
Table 6: FY2007 CDBG Program (CD-29) Budget.....	37
Table 7: FY2007 HOME Program Budget.....	39
Table 8: FY2007 Housing for Persons With AIDS Program EMSA-Wide Budget.....	41
Table 9: Summary of Specific HOPWA Objectives for FY2007.....	41
Table 10: Summary of Specific Homeless Objectives for FY2007.....	43
Table 11: ESG Program Expense, FY2007	43
Table 12: Local ESG Match Expenditures for 2007	45
Table 13: 2007 Continuum of Care Project Priorities	46



ABBREVIATIONS

ADAP	AIDS Drug Assistance Program
ADDI	American Dream Down-payment Initiative
AFHMP	Affirmative Fair Housing Marketing Plan
AHPP	Administration for HIV Policy and Programs
AI	Analysis of Impediments to Fair Housing Choice
AMI	Area Median Income
CAPER	Consolidated Annual Performance Evaluation Report
CBDOs	Community-Based Development Organizations
CDBG	Community Development Block Grant
CDC	Centers for Disease Control
CHDO	Community Housing Development Organization
CIP	Capital Improvement Program
CPP	Citizen Participation Plan
DCHA	D.C. Housing Authority
DCRA	Department of Consumer and Regulatory Affairs
DFD	DHCD's Development Finance Division
DHCD	Department of Housing and Community Development
DHS	Department of Human Services
DMPED	Deputy Mayor for Planning and Economic Development
DOES	Department of Employment Services
DOH	Department of Health
EAHP	Employer Assisted Housing Program
EMSA	Eligible Metropolitan Statistical Area
ESG	Emergency Shelter Grant
FHIP	Fair Housing Initiatives Program
FRPAP	First Right Purchase Assistance Program
FY2007	Fiscal Year 2007
HAA	HIV/AIDS Administration
HAP	Homeownership Assistance Program
HCVP	Housing Choice Voucher Program
HDS	Housing Development Software
HoDIF	Home Ownership Developers Incentive Fund
HoFEDD	Housing Finance for the Elderly, Dependent, and Disabled
HOME	HOME Investment Partnerships Program
HOPWA	Housing Opportunities for Persons with AIDS
HPAP	Home Purchase Assistance Program
HPTF	Housing Production Trust Fund
HQS	Housing Quality Standards
HUD	U.S. Department of Housing and Urban Development
IDIS	Integrated Disbursement and Information System
LAHDO	Land Acquisition and Housing Development Organization
LBP	Lead-Based Paint
LIHTC	Low-Income Housing Tax Credit
LISC	Local Initiatives Support Corporation
LSDBEs	Local, Small, and Disadvantaged Business Enterprises
LSW	Lead Safe Washington
NCRC	National Capitol Revitalization Corporation
NIF	Neighborhood Investment Fund Target Areas
NOFA	Notice of Funding Availability
NRSAs	Neighborhood Revitalization Strategy Areas



OLBD	Office of Local Business Development
OPM	DHCD's Office of Program Monitoring
OSC	DHCD's Office of Strategy and Communications
P.A.R.T.	Pre-Apprenticeship Readiness Training
RCS	DHCD's Residential and Community Services Division
RFA	Request for Applications
RFP	Request for Proposals
RHPAP	RLARC Home Purchase Assistance Program
SAFI	Site Acquisition Funding Initiative
SFRRP	Single Family Residential Rehabilitation Program
TBRA	Tenant Based Rental Assistance
TPTAP	Tenant Purchase Technical Assistance Program
URA	Uniform Relocation Act
WASA	Waster and Sewer Authority
WIC	Workforce Investment Council

EXECUTIVE SUMMARY

The 2007 Consolidated Annual Performance and Evaluation Report (CAPER) is a summary of the accomplishments under the District of Columbia’s FY2007 Annual Action Plan. The 2007 CAPER consists of narrative statements which explain the progress made in carrying out the activities and achieving the objectives and priorities set forth in the 2007 Annual Action Plan. It also describes the methods used to comply with federal regulations. Appendices with tables and reports supply additional details about the use of federal entitlement funding for the District of Columbia. All of this information serves to document the significant amount of work contributed by the Department of Housing and Community Development (DHCD) and community partners in an effort to carry out the priorities of the Consolidated Plan.

The CAPER is submitted in accordance with regulations governing Consolidated Submissions for Community Planning and Development Programs (24 CFR 91.520) and Consolidated Annual Performance and Evaluation Reporting requirements as directed by the U.S. Department of Housing and Urban Development (HUD). The purpose is to report on DHCD’s use of federal entitlement funding allocated from HUD. The federal entitlement funding sources are the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program (HOME), the Emergency Shelter Grant (ESG), and the Housing Opportunities for Persons with AIDS Grant (HOPWA). DHCD has been designated by the District of Columbia to receive and administer the entitlement funds allocated through the Consolidated Plan. However, the HOPWA grant goes directly to, and was administered by, the HIV/AIDS Administration of the D.C. Department of Health (DOH).

Fiscal Year 2007 Federal Funding:

Community Development Block Grant (CDBG) Allocation	\$19,274,630
CDBG Program Income	53,684,177
HOME Investment Partnership (HOME) Allocation	8,664,762
Home Program Income	716,333
Emergency Shelter Grant (ESG) Allocation	819,946
Housing Opportunities for Persons with AIDS	<u>11,370,000</u>
Total:	\$94,529,848

Fiscal Year 2007 Actual Expenditures:

Community Development Block Grant (CDBG) Allocation	\$73,886,931
HOME Investment Partnership (HOME) Allocation	4,309,932
Emergency Shelter Grant (ESG) Allocation	715,885
Housing Opportunities for Persons with AIDS	<u>11,625,327</u>
Total:	\$90,538,075

Table 1 is a summary of DHCD’s accomplishments relative to the objectives and priorities set forth in the 2007 Annual Action Plan.

Table 1: Summary of Accomplishments, FY2007

Total affordable housing units funded	2,773	Number of technical assistance services provided to small businesses	3,292
Total special needs housing units funded	196	Total affordable housing units rehabilitated	1,448
Total new ownership units and households funded	1,325	Number of loans or grants by the Single Family Rehab Program	125

Number of first-time homebuyers funded by the Home Purchase Assistance Program (HPAP)	513	First Right Purchase Assistance Program (Tenant Purchase) units funded	149
Comprehensive housing counseling	19,079	Number of storefront façades improved	25

Other accomplishments in FY2007 include the following:

- In response to comments provided during public hearings, the Department gave priority, in our funding process, to the special needs population which includes seniors, individuals and families who are homeless, people with disabilities, and people living with HIV/AIDS. Our most recent RFP, released in May 2007, targeted \$12.5 million toward permanent housing for the chronically homeless.
- In March 2007, the Department received an extension of funding grant that is critical to the Department’s ongoing efforts to provide funding for the assessment and remediation of health hazards related to residential lead-based paint. DHCD uses this funding to support its Lead Safe Washington Initiative.
- DHCD held 15 informational sessions and workshops designed to educate constituents about the mission of the Department and the programs and services offered. At these workshops, attendees heard about the Department first-hand from its leadership and asked questions about programs and services.
- In partnership with HUD, DHCD launched the DC Section 3 Demonstration Program, focusing on employment of low-income and/or public housing residents.
- In response to the District’s Green Building Act of 2006, the Department established an intra-agency Green Building Knowledge Roundtable to discuss the agency’s critical role in advancing affordable sustainable development and implementing green design across all funding areas.

Throughout 2007, DHCD continued to make considerable progress in meeting the need for affordable housing including homeownership and rental opportunities through the creation of new and rehabilitated units. The agency also met community development goals in the areas of neighborhood-based activities, crime prevention, youth programs, and housing counseling.

A. Assessment of the Five-Year Goals and Objectives

FY2007 marked the second year of the District of Columbia's current Consolidated Plan. The Five Year Consolidated Plan for Fiscal Year 2006 – 2010 includes specific objectives and priorities regarding Suitable Living Environment, Decent Housing and Economic Development activities to be achieved during the five-year period. These objectives and priorities, designed to assist persons of low- and moderate-income, are identified on a yearly basis in the five Annual Action Plans, and they include:

1. Creation and retention of affordable homeownership and rental housing through new production, preservation, and rehabilitation; comprehensive housing counseling; and eviction prevention and homeless assistance;
2. Expansion of homeownership through first-time homebuyer assistance, and assistance and counseling to convert rental properties to affordable homeownership; and
3. Support of neighborhood-based economic and community revitalization activities through business expansion and retention services.

In an effort to prioritize needs and efficiently allocate resources, DHCD collaborated with citizens, elected officials, public/private agencies, and nonprofit organizations to determine community development needs for FY2007. The main areas of need acknowledged were affordable housing, economic development, and homelessness prevention and social service goals for the District of Columbia. DHCD is pleased to report solid performance across all priority areas and specific objectives.

During FY2007, DHCD provided thousands of units of affordable housing; increased housing counseling and outreach services; expanded homeownership opportunities to the District's increasingly diverse populations; and contributed to economic and community revitalization. DHCD provided loans for down-payment and closing costs for 513 new first-time homeowners through our Home Purchase Assistance Program (HPAP). DHCD also converted 149 rental units into home ownership by assisting tenants in acquiring their rental units for condominium or co-op ownership under the District of Columbia's First Right to Purchase Assistance Program. DHCD assisted 125 single-family owner-occupants to remain in their homes by providing loans and grants for rehabilitation, including replacement of lead water pipes.

Over the past year, DHCD provided funding for the pre-development and construction of 2,773 affordable units for both multi-family and single-family developments. DHCD also provided housing counseling to 19,079 tenants, home buyers and new homeowners to increase access to housing and stable home ownership. With ESG funds, emergency assistance was provided to prevent 232 households from becoming homeless and provided shelter for 76 families in a family shelter. Affordable housing construction projects spur neighborhood revitalization and local economic development. As part of our neighborhood investments over the past year, DHCD funded technical assistance for 3,292 small neighborhood businesses and completed construction on façade improvement projects for 25 small businesses.

The following Table 2 shows the District's progress from FY 2006 through 2010 in addressing the priorities set by the community.



Table 2: Outcome Performance Measurements (FY06 – FY10)

	Expected FY06	Actual FY06	Expected FY07	Actual FY07	Expected FY08	Actual FY08	Expected FY09	Actual FY09	Expected FY10	Actual FY10	5-Year Goal	5-Year Total	5-Year % of Total
OBJECTIVE: SUITABLE LIVING ENVIRONMENT													
Outcome: Availability/Accessibility													
Support homeless families.	55	103	45	76	60						300	179	59.67%
Promote home ownership through the reclamation of abandoned properties.	5	5	6	27	10						30	32	106.67%
Outcome: Sustainability													
Foster job growth for local residents.	2000	3547	2000	3499	2000						10000	7046	70.46%
Support property management	94	34	75	187	75						475	221	46.53%
Enhance function and apperance of business facilities to strengthen commercial corridors.	100	120	50	25	175						500	145	29.00%
Conduct program monitoring activities	60	90	68	73	70						300	163	54.33%
OBJECTIVE: ECONOMIC DEVELOPMENT													
Outcome: Sustainability													
Support retention and growth of local neighborhood businesses.	1500	1205	1500	3292	1500						7500	4497	59.96%



A. Assessment of the Five-Year Goals and Objectives

	Expected FY06	Actual FY06	Expected FY07	Actual FY07	Expected FY08	Actual FY08	Expected FY09	Actual FY09	Expected FY10	Actual FY10	5-Year Goal	5-Year Total	5-Year % of Total
OBJECTIVE: DECENT HOUSING													
Outcome: Availability/Accessibility													
Provide counseling to tenants in assisted housing with expiring subsidies, to prevent involuntary displacement.	1883	1637	3000	4782	1800						8750	6419	73.36%
Provide housing information services to persons living with HIV/AIDS.	1450	2173	1850	5844	1850						8500	8017	94.32%
Provide supportive services to HOPWA assisted housing	2000	3170	2098	3695	2000						10000	6865	68.65%
Provide operating support to housing for persons living with HIV/AIDS.	30	38	478	305	400						2000	343	17.15%
Provide Comprehensive housing counseling services to low/moderate income households	7992	15528	15000	19079	15000						55000	34607	62.92%
Outcome: Affordability													
Preserve and increase rental housing supply for low-moderate income, extremely low and very low-income residents.	1800	1402	1800	1526	1800						9000	2928	32.53%
Increase supply of new single and multi-family ownership housing units.	200	1178	200	1247	200						1250	2425	194.00%
Support tenants through tenant organizations with first right to purchase assistance to convert rental units to ownership units.	1700	9657	1700	2688	1700						10000	12345	123.45%
Increase homeownership opportunities for first time low-moderate income residents	240	278	250	513	450						1250	791	63.28%
Preserve and Increase homeownership opportunities for very low and low-income residents who are HOME income eligible.	25	59	38	100	30						150	159	106.00%
Preserve existing homeownership through assistance with rehabilitation to code.	60	86	60	125	60						300	211	70.33%
Assist conversion of rental units to condominium / co-op ownership units.	150	691	150	149	250						1000	840	84.00%
Prevent increases in homelessness	190	220	176	232	200						1000	452	45.20%
Provide TBRA rental subsidies to person with HIV/AIDS	739	563	817	616	790						3750	1179	31.44%
Provide short-term rental, mortgage and utility assistance to persons with AIDS.	600	996	500	386	500						2500	1382	55.28%
Acquisition, rehabilitation, conversion, lease, and repair of facilities.	30	0	30	0	30						150	0	0.00%



B. Affirmatively Furthering Fair Housing

The U.S. Department of Housing and Urban Development mandates that entitlement jurisdictions must Affirmatively Further Fair Housing (AFFH) as mandated by Section 808 (e)(5) of the Fair Housing Act. This means that in order to comply with the AFFH provision of the Fair Housing Act, the District must look at impediments in “rules, regulations, business practices, laws, policies, legislation, and other factors created by the private sector or government” which could directly or indirectly affect “fair housing choice” in the District of Columbia. Further, Section 104 of the Housing and Community Development Act of 1974 (24CFR Part 570.496a) requires each State to certify that it will *affirmatively further fair housing*.

To “Affirmatively Further Fair Housing” means to:

- Conduct an analysis to identify impediments to fair housing choice within the jurisdiction;
- Take appropriate actions to overcome the effects of any impediments identified through the analysis; and
- Maintain records reflecting the analysis and actions taken in this regard.

Action Taken to Affirmatively Further Fair Housing

DHCD conducts an Analysis of Impediments to Fair Housing Choice (AI) on a five-year interval as mandated by HUD, which provided recommendations for the District to combat impediments to fair housing choice by the private sector or government. It also conducts one-year updates as necessary to ensure it has addressed the impediments found in the AI. In 2005, DHCD conducted its most recent AI. In FY2007, the Department contracted with the Urban Institute (UI) to provide further guidance on the implementation of fair housing recommendations provided under the “2005 Analysis of Impediments to Fair Housing Choice.” The Analysis has helped DHCD in its work to successfully increase fair housing choice in the District.

Other activities to affirmatively further fair housing are completed at the D.C. Office of Human Rights. During this past fiscal year, the D.C. Office of Human Rights (OHR), a HUD certified substantially equivalent agency and the enforcement arm of the District, received 40 complaints of fair housing violations. Among these, 9 complaints filed were based on race, 5 on National Origin, 16 on Disability, and 4 on Source of Income, a locally protected category. Another 10 complaints were filed on various other federal and locally protected categories. OHR also conducted 14 education and outreach events under its Fair Housing Agency Program (FHAP), a HUD awarded grant. In fiscal year 2007, OHR added an additional protected category to the Human Rights Act. The new covered protected category is titled “victims of Intra-family Offenses,” who aims to protect women, families and other victims of domestic violence from being further victimized by the industry by not being able to get safe and secure housing.

In the non-profit sector, the Housing Counseling Services (HCS), Inc., has created a *Foreclosure Prevention Clinic* to respond to the overwhelming need for predatory lending and foreclosure education and outreach. Whether the client was a victim of predatory lending tactics or unforeseen budget constraints, HCS aims to “encourage delinquent homeowners to seek actionable, workable and immediate solutions to prevent foreclosure.” This service is provided in English and Spanish to reach a wider segment of the population affected by delinquent mortgages. Clients are given individual counseling, assessment of delinquency status, and provided with options presented along with a work plan to mitigate the situation.

The Housing Finance Agency, a quasi-government agency, also provides education and training opportunities to first time homebuyers on homeownership opportunities.

Manna, Inc., a non-profit housing organization funded by DHCD, has its own first time home buyer training program for low income residents citywide.

These programs, whether as stand alone or in partnership with private, non-profit or government agencies, ensure that a greater range of city residents are made aware of housing assistance opportunities city wide.

Impediments Identified in the Analysis

The 2005 AI found four major impediment areas to fair housing choice; it also presented recommendations for addressing each of them. The impediments can be categorized as follows:

1. Lack of compliance of fair housing laws by the real estate and housing industry (real estate, lending/mortgaging, insurance/appraisals, etc.).
2. Decreasing number of affordable housing for low and moderate-income households and special needs residents in target neighborhoods which are experiencing an already shrinking market.
3. Information on full range of housing available across many District neighborhoods offering affordable housing is not made available to individuals and families seeking homes due to segregated residential patterns.
4. Low levels of home buying literacy among particular protected classes and a high number of home seekers with no credit history or blemished credit.

Continued violation of the fair housing regulations creates substantial choice impediments for racial and ethnic minorities in their search for fair housing in the rental, sales, mortgage, or insurance processes. These obstacles have been further exacerbated by the rising cost of housing, providing additional challenges to minorities and other protected classes that have income constraints. The unavailability of housing is one barrier to finding a safe, affordable home, however other barriers arise from perceived stereotypes related to the person’s or family’s race (ethnic identity), color, national origin, religion, sex, disability and familial status or because of the person’s source of income, marital status, sexual identity as recognized under the local District Human Rights Act.

In the District, as well as in the Metropolitan region, minority, elderly and immigrant populations have been disproportionately effected by unscrupulous real estate and mortgage broker tactics. Homeowners have been persuaded into a predatory loan through refinancing schemes or home improvement scams. The limited supply of affordable housing in the District aggravates the situation for low-income families. Families are more susceptible to real estate and mortgage scams that promise to get them into a home despite their limited financial resources.

Action Taken to Overcome the Effects of Impediments

Through its Fair Housing program, DHCD continues to offer an annual training program for staff and funding sub-recipients on fair housing and accessibility issues. As applicable, DHCD partners with non-profit and private sector housing advocates and practitioners to affirmatively further fair housing and provide greater education coverage of housing and fair housing issues. These partners, with DHCD monitoring, ensure that all available information on housing options is communicated to diverse groups and that language or cultural barriers are not used as a pretext to prevent access to these housing options. DHCD further provides outreach on the laws and regulations of the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and other civil rights and equal rights laws and regulations through CBO partnerships.

During FY2007, in an effort to combat barriers to affirmatively further fair housing, DHCD either held or participated in the following events:



B. Affirmatively Furthering Fair Housing

- The DHCD's certification process for compliance of federal and local laws and regulations is strictly enforced to ensure housing construction projects and programs are affirmatively marketed and accessible to all protected populations. This process increases knowledge of fair housing laws by the developers who will be creating affordable housing for District residents.
- DHCD has established Affirmative Marketing measures to guarantee compliance with the agency's guidelines, including providing prospective funding recipients and all other affected stakeholders, i.e. developers, non-profits, the general public and tenants, with information on such fair housing requirements. The grantees are advised of their responsibility to make 'good faith efforts' to provide information and otherwise attract eligible persons from least likely area groups--racial, ethnic, or familial composition, to occupy the available housing units who otherwise would not be aware of such programs or projects.
- DHCD's bi-annual Request for Proposals (RFPs) process solicits proposals from various community groups and private sector firms interested in partnering to create affordable housing or community development projects. During this process, DHCD has an opportunity to educate the prospective developer about providing equal access to housing and housing that is accessible to person with mobility disabilities.
- DHCD has contracted with several community based organizations, such as Marshall Heights Community Development Organization, University Legal Services, Latino Economic Development Corporation, Lydia's' House, among others to provide housing counseling to residents in various target communities citywide and to inform clients on the benefits of DHCD's programs.
- To ensure the enforcement of accessible housing, DHCD has a continuous partnership with the University Legal Services-Protection Advocacy Division to ensure current and previously funded multifamily projects are in compliance with the mandatory Sec. 504 accessibility rules and regulations of the Rehabilitation Act of 1973. Hence, DHCD continues to assess and enforce its Section 504 accessibility compliance requirements.
- Each year, DHCD holds a mandatory fair housing sub-recipient and staff training to ensure that program recipients are aware of their fair housing and equal opportunity responsibilities and are compliant with all the federal and local funding requirements which increase program accessibility for residents. The key components of this training focused on fair housing and equal opportunity rules and regulations, Section 504 accessibility guidelines and the Uniform Federal Accessibility Standards (UFAS).
- The D.C. Language Access Act of 2004 (LAA) mandates equal accessibility to DC government programs by the Limited English Proficiency (LEP) population. This year, as mandated by the Act, DHCD held a cultural diversity and sensitivity training for its entire staff. Cultural training, particularly of public contact personnel is one of the compliance factors as required by law.
- The Sixth Annual Fair Housing Symposium in April 2007 was a result of a partnership with its sister agencies, the DC Housing Finance Agency and the DC Housing Authority. This year's symposium, "Disparate Impact in Fair Housing, Where Displacement Matters!" dealt with issues of relocation and gentrification and its fair housing implications.

C. Affordable Housing

The challenges in FY2007 continue to be the increasing cost of housing, competition for a shrinking pool of affordable units, the impact of housing costs on the most vulnerable populations, the need for a well-educated and well-paid workforce to match living costs, regional employment trends, lack of access to transportation to regional employment opportunities, and the threat of displacement due to rising rents and/or the expiration of federally subsidized housing. DHCD has based its projections on information provided in the U.S. Census data; 2004-2005 studies by Fannie Mae; information from DC Government agencies; the 2006 Analysis of Impediments to Fair Housing Choice in the District of Columbia; as well as 2006 studies by the D.C. Fiscal Policy Institute and other organizations. These studies show:

- The shortage of affordable housing units for low-to-moderate income households and special needs populations is exacerbated by the influx of higher-income households into previously lower-income neighborhoods such as Columbia Heights (Ward 1) and Shaw (Ward 2).
- A concurrent increase over the past decade in both median income and poverty, indicating a widening gulf in household incomes among District residents.
- A prevalence of housing cost burdening and an increase in crowding within the District's rental stock, pointing to the shortage of affordable and/or family-sized units.

DHCD administers a number of programs that directly support its mandate to further its goals for adding affordable housing, for both rental and homeownership opportunities, for commercial revitalization, and for the development of community facilities; for providing neighborhood-based services; and for increasing economic opportunity. DHCD continues to utilize its competitive funding process to target specific projects to meet these goals, by issuing RFPs for development and acquisition projects and RFA for service-oriented grants. Additionally, DHCD works with partner organizations—including private, non-profit or semi-governmental development and financing entities—to provide housing and economic opportunities for low-to-moderate income residents.

For each fiscal year, based on community consultation, experiences within the marketplace, U.S. Census and other data, DHCD establishes objectives to meet the City's priority needs. These objectives are recorded in the Department's Action Plan, Performance-Based Budget (PBB), and Department Performance Measures. Table 3 presents a summary of DHCD's specific housing objectives for FY2007 within the categories specified by HUD and consistent with the City's priorities.

Specific Housing Goals and Objectives

During FY2007, DHCD assisted 513 first-time homeowners with loans from the Home Purchase Assistance Program (HPAP), and assisted another 149 units in the conversion from rental units to ownership as condominiums or co-ops. DHCD also exceeded its goal to provide housing counseling to 7,992 households, by providing assistance to 19,079 individuals. This goal was revised during the year to reflect the actual level of activity and demand for services. The new goal is 15,000 which will remain in FY 2008, given appropriate funding.

DHCD increased the supply of affordable housing by funding rehabilitation of multi-family and single-family units or pre-construction of new units for a total of 2,773 units. Among the affordable units supported were 1,369 rehabilitated multi-family or single-family units and 1,404 new construction multi-family or single-family units. Of the units funded in FY2007, 906 units were affordable to very low-income residents, 1,043 units were affordable to low-income residents, and 824 units were affordable to low-to-moderate income residents.

**Table 3: Summary of Specific Housing Objectives for FY2007**

Specific Objectives	Sources of Funds	Performance Indicators	Expected Number	Actual Number	Outcome/Objective*
Rental Housing					
Preserve and increase rental housing supply for low-moderate income, extremely low and very low-income residents.	CDBG, HOME, HPTF	<ul style="list-style-type: none"> No. of affordable units No. of Section 504 accessible units No. of years of affordability Units in compliance with Lead Safe Housing Rule 	1,800	1,526	DH-2 DH-1
Support tenants through tenant organizations with first right to purchase assistance to convert rental units to ownership units.	CDBG	<ul style="list-style-type: none"> No. of tenants receiving counseling for unit purchase 	1,700	2,688	DH-2
Provide counseling to tenants in assisted housing with expiring subsidies, to prevent involuntary displacement	CDBG	<ul style="list-style-type: none"> No. of tenants receiving counseling 	3,000	4,782	DH-1
Owner Housing					
Increase homeownership opportunities for first time low-moderate income residents	CDBG, HOME, HPTF	<ul style="list-style-type: none"> No. of first-time homebuyers No. receiving down-payment assistance/ closing costs 	240	513	DH-2
Preserve and increase homeownership opportunities for very low- and low-income residents who are HOME-income eligible.	HOME	<ul style="list-style-type: none"> No. of first-time homebuyers No. receiving down-payment assistance/ closing costs No. of owner-occupied units rehabilitated or improved 	38	100	DH-2
Preserve existing homeownership through assistance with rehabilitation to code standards.	CDBG, HOME, HPTF	<ul style="list-style-type: none"> No. of owner-occupied units rehabilitated or improved 	60	125	DH-2
Increase supply of new single and multi-family ownership housing units	CDBG, HOME, HPTF	<ul style="list-style-type: none"> No. of affordable units No. of Section 504 accessible units No. of years of affordability 	200	1,247	DH-2
Assist conversion of rental units to condominium /co-op ownership units.	CDBG, HPTF	<ul style="list-style-type: none"> No. of units No. of affordable units No. of years of affordability 	150	149	DH-2
Promote home ownership through the reclamation of abandoned properties.	CDBG	<ul style="list-style-type: none"> No. of units No. of affordable units No. of years of affordability 	6	27	DH-2
Provide comprehensive housing counseling services to low/moderate-income households.	CDBG	<ul style="list-style-type: none"> No. of low/moderate income households served. 	15,000	19,079	DH-1

Section 215 Housing Opportunities

Section 215 of the Affordable Housing Act contains eligibility requirements for affordable housing as well as a definition, specifically pertaining to the HOME program. Sections 92.252 and 92.254 under Title 24 Code of Federal Regulations, Part 92 (24 CFR 92) further explains rental and owner-occupied HOME housing criteria necessary to qualify as Section 215 housing.

As such, during FY 2007, three types of assistance qualified as Section 215 housing:

- A total of thirty-three (33) households received down payment assistance using HOME dollars through our HPAP program, which are allowable under HOME laws, regulations, and guidelines;
- Eleven (11) single-family owner occupied households were rehabilitated using HOME funds under the single-family rehabilitation program; and,
- Sixty-one (61) multifamily units were rehabilitated or constructed using HOME funds.

Efforts to Address Worse Case Needs

In FY2007, the District took several steps to address worse case housing needs, which are defined as low-income households who live in seriously substandard housing or have been involuntarily displaced.

The most important step taken by the District government was to use a dedicated source of local funding for the production of affordable housing. The Housing Production Trust Fund (HPTF or “Fund”), authorized by the Housing Production Trust Fund Act of 1988 as amended by the Housing Act of 2002, is a local source of money for affordable housing development. Capital for the HPTF is supplied from the legislated share of DC deed recordation taxes and real estate transfer taxes, currently 15%. The Fund is designed to direct assistance toward the housing needs of the most vulnerable District residents—very low- and extremely low-income renters. Pending the receipt of feasible project proposals, the statute requires that:

- A minimum of 40 percent of all Fund monies disbursed each year must benefit households earning up to 30 percent of the area median income (AMI);
- A second minimum of 40 percent of the Fund monies must benefit households earning between 31 and 50 percent of the AMI;
- The remainder must benefit households earning between 51 and 80 percent of the AMI; and
- At least 50 percent of the Fund monies disbursed each year must be used for the development of rental housing.

The rest of the funds may also be used for for-sale housing development, and loans associated with our other programs such as First Right Purchase Assistance Program, Lead Safe Washington, and Home Again.

Another step the District has taken to address worse case housing needs is by discouraging projects that involve the displacement of persons. However, if displacement of persons should occur in a project, DHCD will make provisions for the appropriate relocation assistance as established by federal regulations.

It is DHCD’s policy to minimize displacement in all of its projects. Each program officer in the Development Finance Division (DFD) keeps track of any relocation required for a project. Project managers review developers’ plans and revise those plans as necessary to minimize displacement. Where relocation is required, the project managers ensure, as part of the underwriting process, that the relocation plans are adequate and are funded as part of the project development costs. A number of DFD project managers have received training in the Uniform Relocation Act (URA). OPM has convened a team to oversee project compliance, including URA compliance, and to update the Division’s operating protocols to ensure that all specialized monitoring disciplines are being addressed.

In FY2007, seven projects had tenants on site and required the submission and approval of temporary relocation plans. These projects were: Cavalier Apartments, Kennedy Street Apartments, Williston Apartments, Oak Street Apartments, Langston Lane Apartments, Mayfair Apartments, and R Street Apartments. The developers of these projects are temporarily relocating tenants to other vacant units on their project sites to the extent possible in order to avoid relocation to off-project sites.

Any required relocation generated by DHCD's single family rehabilitation projects is incorporated into each project work plan, and associated costs are factored into the budget.

Non-Homeless Special Needs Population

Addressing the non-homeless special needs population, which includes the elderly and people with disabilities, is an important aspect of DHCD's Annual Action Plan. During the past fiscal year, to address the needs of this population, DHCD utilized five (5) programs to fund projects for the special needs population. These were the Home Purchase Assistance Program (HPAP), Single Family Residential Rehabilitation Program, Multi-Family Housing Construction and Rehabilitation Program, First Right Purchase Program, and the Handicapped Accessibility Improvement Program. In FY2007, DHCD funded a total of one-hundred and ninety-six (196) special needs housing units.