

PROTECTING AFFORDABLE HOUSING

SEPTEMBER 30, 2024



IDMPED
OFFICE OF THE DEPUTY MAYOR FOR
PLANNING & ECONOMIC DEVELOPMENT

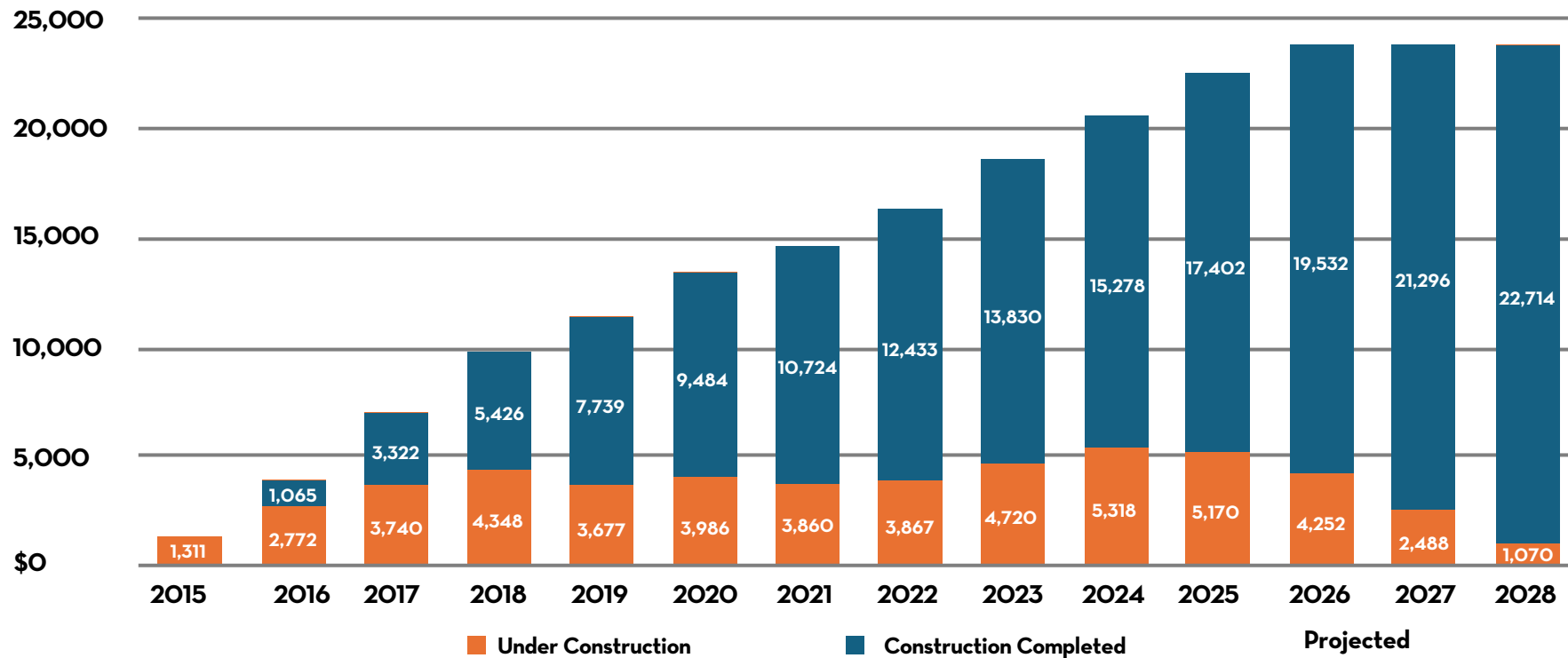
*** WE ARE WASHINGTON ***
GOVERNMENT OF THE
DISTRICT OF COLUMBIA
DC MURIEL BOWSER, MAYOR

Washington, DC is a national leader in affordable housing, and we must protect our progress. During the pandemic, federally-funded programs like STAY DC and Housing Stabilization grants helped residents stay housed. **However, the long-term continuation of emergency policies has put affordable housing at risk,** as our housing providers face rising costs and tight margins without reliable rent collections.

EXPANSION OF AFFORDABLE HOUSING

We have invested more than **\$1.5 billion** into affordable housing over the past 10 years, **more per capita than any other jurisdiction**. Through those investments, we've been able to significantly expand our stock of affordable housing.

Cumulative Affordable Units Produced and Preserved



We have created and preserved over 15,000 affordable housing units since 2015.

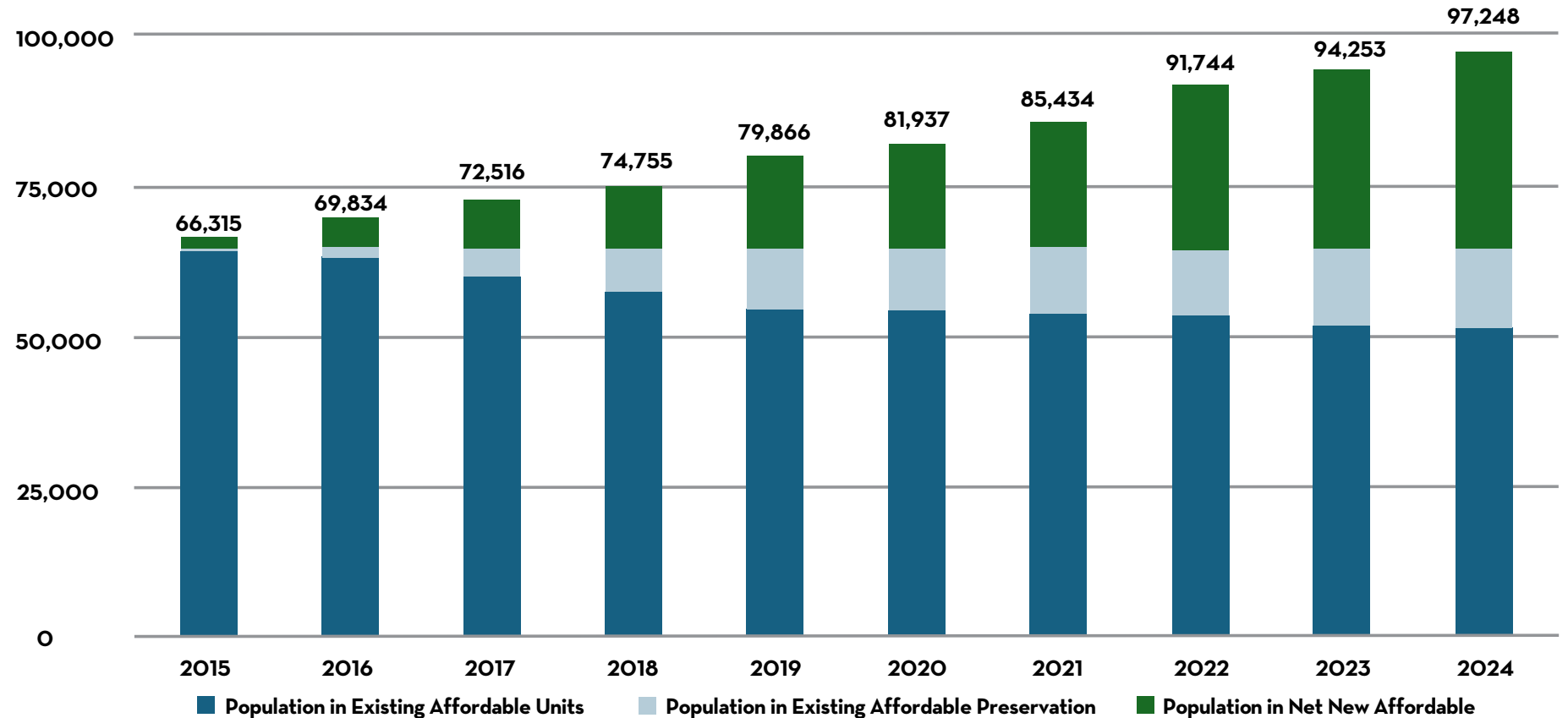
Average rents in DC have increased at half the national average since 2019.

MORE WASHINGTONIANS ARE IN AFFORDABLE HOUSING

In 2015, approximately **9.8%** of DC residents had access to affordable housing.

Today, approximately **13.9%** of DC residents live in District-supported affordable housing.

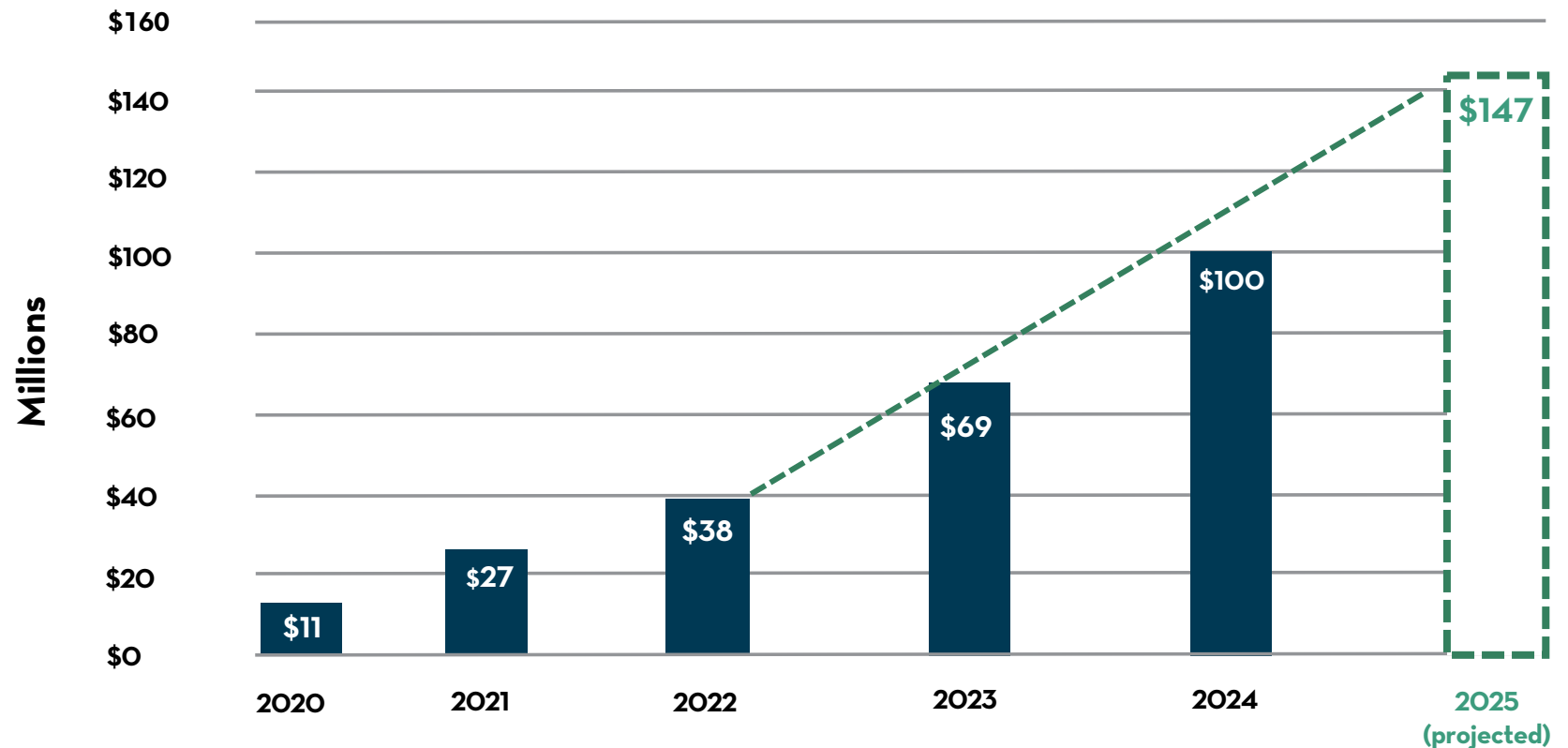
Estimated Population in DC Affordable Housing Units



OUR EXISTING AFFORDABLE HOUSING STOCK IS AT RISK

Affordable housing providers face **tight margins**. Rising costs for essentials like utilities and insurance, coupled with delinquency at an average of 20%, create **financial strains**, especially in areas like Wards 7 and 8, that threaten property maintenance, security, and sustainability.

UNPAID RENT OWED TO MISSION-ORIENTED AFFORDABLE HOUSING PROVIDERS

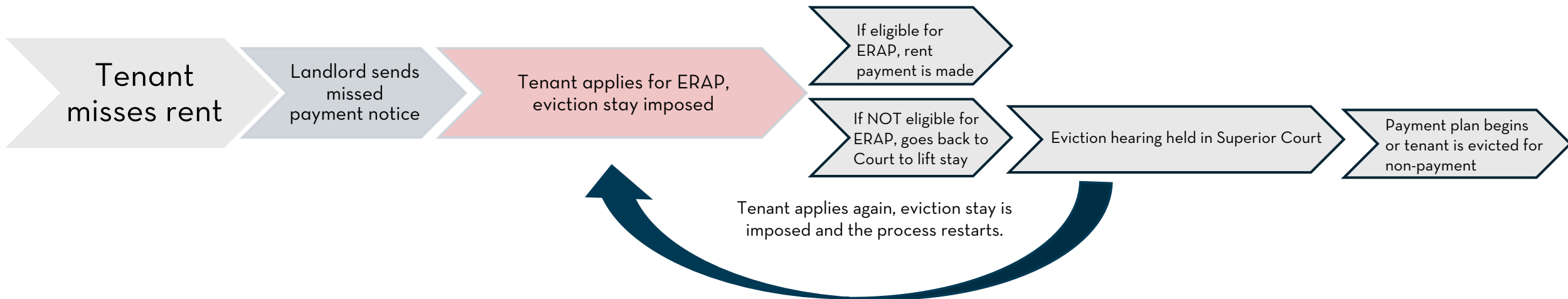


EFFECTS OF COVID-ERA POLICIES

Non-payment timeline pre-COVID: 6-12 months



Current non-payment timeline post-COVID: 18 months – 2 years



Need for ERAP Reform

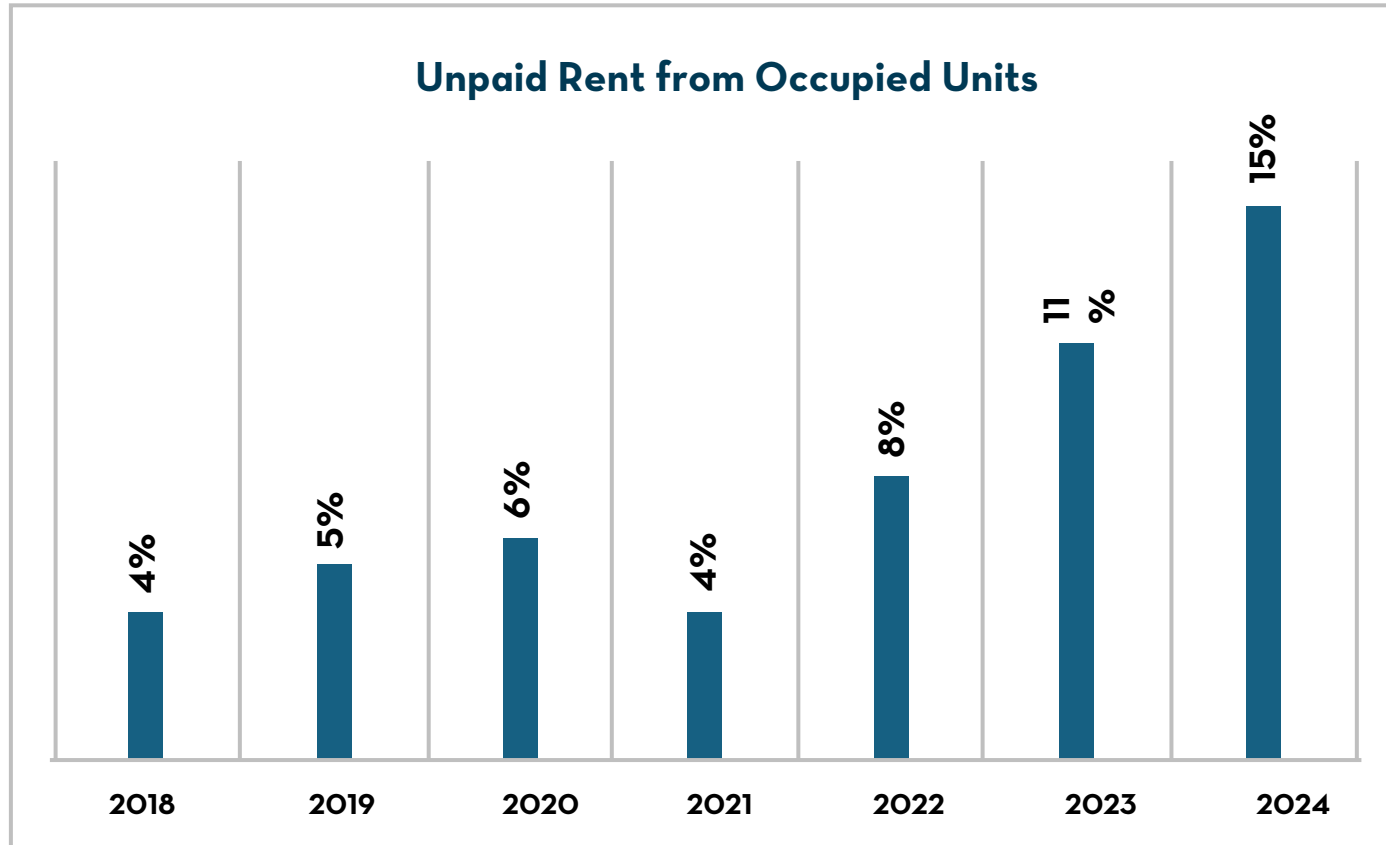


The **Emergency Rental Assistance Program (ERAP)** was designed as **a fund to support low-income residents facing unforeseen emergencies**. Two changes during COVID had significant impacts on the program:

- Submitting an ERAP application automatically protects someone from eviction, regardless of eligibility
- Applicants no longer need to prove that they are low-income

Not only is the program now **unsustainable**, it is also **no longer reliably able to help the people it was intended to help** — low-income residents facing housing emergencies.

OUR AFFORDABLE HOUSING STOCK IS AT RISK



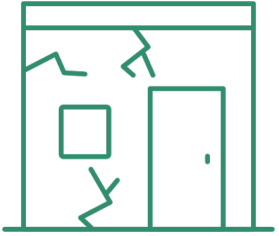
**Unpaid rent from occupied units =
economic vacancy**

A stable housing ecosystem has a **natural vacancy rate of 5%**. This accounts for the normal turnover of tenants when they move and time for units to lease up.

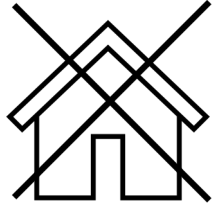
Since the pandemic, DC is now an **outlier nationally with an "economic vacancy" rate of 15-20%**.

This puts the District's affordable housing market at **serious risk**, both for **foreclosure of existing properties** and **future investments**.

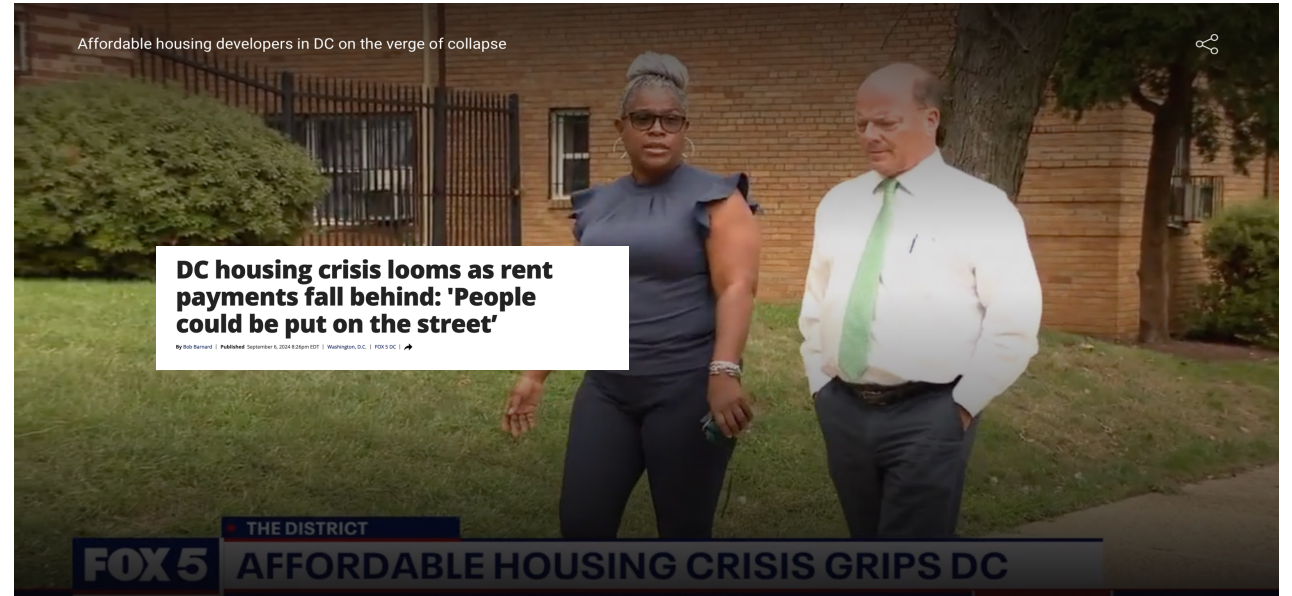
IMPACT ON TENANTS



Quality of life
goes down



Residents lose
affordable
options



A resident of Meadow Green Courts for over 25 years voiced her concerns.

“We live here with no security. The owners say they can't pay for security. The buildings are falling apart, and they cannot invest in anything,” Wright said. ”

STABILIZE & PRESERVE DC'S AFFORDABLE HOUSING



DC's affordable housing system is facing severe financial distress. Many affordable housing providers can no longer cover expenses due to non-payment of rent and increased costs and are at risk of foreclosure. Without targeted financial support coupled with long-term stabilization policies, the District is at risk of losing significant amounts of affordable housing.

DHCD is currently accepting applications for financing that will:

- Protect the affordability of residents' homes by preventing the loss of affordability from foreclosure.
- Stabilize affordable housing properties with existing District and federal investment.
- Ensure the continued viability of affordable housing properties under construction and in development.

[Link to RFP](#)

Chairman Mendelson

Emergency Rental Assistance Reform Emergency Amendment Act of 2024

EVERYONE MUST DO THEIR PART

