



GOVERNMENT OF THE DISTRICT OF COLUMBIA
INTERAGENCY COUNCIL ON HOMELESSNESS

**COMMENTS TO THE MAYOR'S PROPOSED BUDGET
RECEIVED VIA EMAIL AS OF 9:00 AM ON 4/19**

From: [Wes Hepler](#)
To: [Silla, Theresa \(EOM\)](#)
Subject: Comments on FY24 Budget Opportunities
Date: Thursday, April 13, 2023 11:38:54 AM

CAUTION: This email originated from outside of the DC Government. Do not click on links or open attachments unless you recognize the sender and know that the content is safe. If you believe that this email is suspicious, please forward to phishing@dc.gov for additional analysis by OCTO Security Operations Center (SOC).

Hey Theresa,

I wanted to follow up on some of the discussions we have had in the ICH meetings with comments on issues/initiatives affected by the budget from the perspective of the Washington Legal Clinic for the Homeless.

1. We are very supportive of the DHS announced plan to acquire and open two non-congregate low barrier shelter sites with an approximate total capacity of 320 beds. Even before the proven success of the non-congregate PEP-V facilities, we were strongly advocating for the move from congregate to non-congregate low barrier shelters. The benefits of non-congregate shelter for individuals who are homeless are immense, and we urge as the District moves forward to replace or renovate existing congregate shelters, that non-congregate shelters be considered as the new and better alternative.
2. In the short term, we are facing insufficient capacity in the low barrier shelter system caused by the closing of PEP-V sites, the closing of the overflow recreation center sites, and the closing of two shelters for renovation. To address this capacity problem, we would urge the District to designate at least one of the existing PEP-V hotels scheduled to be closed to instead be used as low barrier shelter—without the added costs of all the medically related PEP-V services. Instead, run that non-congregate hotel site as a traditional low barrier site at least until the first of the two non-congregate sites DHS has announced is opened.
3. Maintain the 24/7 operation of the existing low barrier shelters. The benefits of the 24/7 operations have been enormous—and the failure to maintain that operation will drive more individuals from shelter to outside encampments.
4. To prevent a significant increase in the number of both families and individuals who become homeless in the District, the funding for ERAP must be dramatically increased from that proposed by the Mayor. Because ERAP applications have already been cut for this year, we urge that a \$50 million FY23 supplemental budget be added, as well as a FY24 allocation to ERAP of \$117 million.
5. While we understand that the implementation of the FY22 and FY23 vouchers has been delayed due primarily to a lack of case management, we urge and support all efforts to increase the number and efficiency of case managers, and further urge that significant additional family and individual PSH and TAH vouchers be included in the FY24 budget.
6. To ensure the District does not see a further loss of safe and habitable public housing units (over the past 20 years, the number of District public housing units has dropped from 12,000 units to under 7,000 units), we support, at a minimum, annual \$60 million repair funds for DCHA properties.
7. We need to ensure that DCHD does not every year continually and miserably fail to meet its statutory obligation to allocate at least 50% of HPTF funding to deeply affordable housing for those in the 0-30% AMI range. Since the Council specifically mandated the 50% requirement, the DCHD has failed by a wide margin every single year to meet that minimum requirement. As a result, despite the Mayor's heavy investments, the HPTF has been a complete failure in the creation of deeply affordable housing for those in the District most in need of housing.

Please let me know if you would like to discuss further.

Wes



CNHED

Coalition for Nonprofit Housing & Economic Development

FY2024

BUDGET

RECOMMENDATIONS

Affordable Housing and Homelessness Prevention

Economic Development



Prepared on March 29, 2023



**CNHED
FY2024 Budget Asks**

FY20

FY22

FY23

**FY24
CNHED
Recommen-
dations**

**FY24 Mayor's Proposed
Budget**

		FY20	FY22	FY23	FY24 CNHED Recommen- dations	FY24 Mayor's Proposed Budget	
HOUSING	Housing Production Trust Fund (HPTF)	\$116M	\$250M	\$444M	\$200M	\$100M	
	First Right to Purchase Program (FRPP)	\$10M	\$10M	\$10M	\$35M	\$10M	
	DC Housing Preservation Fund²	\$10.7M	\$19.3M	\$0M	\$10M	\$0M	
	Home Purchase Assistance Program (HPAP)	\$18.2M	\$18.8M	\$20.9M	\$35M	\$22.34M	
	DC Housing Preservation Fund²	\$4.3M	\$5M	\$6M	\$6M	\$6M	
	Local Rent Supplement Program (LRSP)	<i>Project- and Sponsor-Based</i>	\$7.24M	\$2.9M (~\$42M over 4 years)	\$38.2M over 4 years	\$53M (\$9.7M in new LRSP)	\$53M
	Permanent Supportive Housing (PSH)³	<i>Single</i>	\$7.9M	\$46.4M	\$13.6M 500 units	\$36.6M 1260 units	\$13.6M
		<i>Family</i>	\$6.3M	\$10.8M	\$8.3M 260 units	\$15.5M 480 units	\$8.3M
	Neighborhood Based Activities Program⁴		\$9.1M	\$7.8M	\$13.3M	\$15.3M	\$15.3M
Emergency Rental Assistance Program (ERAP)		\$7.6M	\$15M (+\$19M)	\$43M	\$36M	\$8.2M	

NOTES

¹ Council redirected \$54M from the HPTF over the 4-year financial plan to fund 350 units of TAH for families exiting RSP; \$13.6M/year; and funding for 175 units of senior shallow subsidy.

² In FY22, \$5M of the DC Housing Preservation Fund was devoted to Limited Equity Cooperatives, which will leverage a total of \$20M for this purpose. The FY22 appropriation for the HPF has yet to be contracted and distributed to the CDFIs administering it.

³ In solidarity with The Way Home Campaign, the focus of which is ending chronic homelessness, CNHED makes these recommendations.

⁴ The Neighborhood Based Activities Program funds Community Based Organizations (CBOs) to supply an array of essential services for District residents, including Tenant Opportunity to Purchase Act (TOPA) technical assistance, tenant housing conditions technical assistance, eviction and foreclosure prevention counseling, limited equity cooperative technical assistance, homebuyer counseling for HPAP and EAHP, Inclusionary Zoning (IZ) certification, and Schedule H application assistance. During the COVID-19 pandemic and the following recovery, tenants and homeowners will have even greater need for the essential services provided by CBOs through Neighborhood Based Activities Program funding.



**CNHED
Budget Asks
FY2024**

**FY21
Council
Approved**

**FY22
Council
Approved**

**FY23
Council
Approved**

**FY24
CNHED
Recommendations**

**FY24
Mayor's
Budget**

**SMALL BUSINESS, COMMERCIAL CORRIDORS &
ACCESS TO CAPITAL**

Small Business Technical Assistance	\$2.8M	\$4.2M	\$4.12M	\$4.5M	\$4.128M
Main Streets	\$3.7M	\$5.1M	\$4.982M	\$4.86M	\$4.862M
Commercial Clean Teams	\$4.935M	\$6.716M	\$6.95M	\$6.95M	\$6.484M
Robust Retail and Dream Grants	\$500K	\$500K	\$500K	\$1.043M (\$500K RR & \$543K Dream grants)	\$543K (Dream grants)
Great Streets	\$7.427M	\$7.943M	\$7.927M	\$8M	\$10.2M (\$3M Great Sts)
Commercial Acquisition Fund		\$4M	\$4M	\$6M	\$6M
Inclusive Innovation Equity Impact Fund	\$1.25M	\$2M	\$2M	\$2M	\$0
Nonprofit Small Business Infrastructure Fund				\$5M	

**WORKFORCE
DEVELOPMENT**

Workforce Investment	\$4M	\$21.6M	\$22M	\$4M	\$3.02M
Career Pathways Innovation Fund	\$2.5M	\$1.65M	\$1.65M	\$1.65M	\$0
Healthcare Workforce Partnership	\$250K	\$250K	\$250K	\$250K	\$0
Adult Services (includes digital literacy training at DC Public Library locations)	\$672K	\$795K	\$727K (Added 5.0 FTEs/\$156K) for Digital Navigator)	\$800K	\$799K

NOTES

* Nonprofit Small Business Infrastructure Fund for pre-development and construction costs dedicated for creating facilities and spaces for BIPOC businesses and entrepreneurs.



CNHED

Coalition for Nonprofit Housing & Economic Development

FY2024

BUDGET

NARRATIVES

Affordable Housing and Homelessness Prevention

Economic Development



Prepared on March 29, 2023



CNHED

Coalition for Nonprofit Housing and Economic Development

CNHED Affordable Housing and Homelessness Prevention Recommendations for FY24 budget and Budget Support Act

Established in 2000, CNHED is a dynamic association of 160 organizational members working to foster just and equitable community development solutions that address the needs and aspirations of low- and moderate-income District of Columbia residents. CNHED's members represent a broad spectrum of nonprofits, for-profits, and government agencies that build, preserve, and manage affordable housing; provide tenant technical services; protect tenants' rights; offer homeownership counseling; advise and lead capital to small businesses and community projects; connect residents to career pathways; deliver critical family services; and engage, represent, and benefit low- and moderate-income residents of the District.

As the District navigates the complicated process of reimagining downtown DC and managing the recovery from the COVID-19 pandemic along with the economic impacts and new challenges it has brought to the District, it is critical we support the District's most vulnerable populations. The public health emergency has disproportionately impacted people of color. They continue to be less likely to have savings to pay their monthly mortgage or rent payments and are more likely to be at risk of foreclosure and eviction. The overlapping crises of the pandemic and the economic fallout of an uneven recovery are tied directly to our nation's and the District's history of structural racism, which have resulted in wealth and income gaps that impact every aspect of life, including health outcomes. While many may no longer be looking for work, rent increases have far out-paced wage increases, and the long-awaited eviction crisis may now be at our doorstep as landlords seek remedies to the longstanding rent balances. This will further hurt vulnerable populations, increase demands and costs on emergency response systems, and tarnish the image of the District.

To ensure that we are protecting the District's most vulnerable residents—and acting in ways that help alleviate racial and economic inequities—we must protect programs that secure the basic needs of individuals and families, including affordable housing. In 2019, Mayor Bowser [stated](#) that “when people have access to safe and stable housing, that is the first step toward having access to a safe and stable life.” This was true before COVID-19 and has become even more critical during the District's recovery over the coming years.

Few investments offer greater long-term impact for inclusion and equity than affordable housing development. Few factors affect health and prosperity more than where you live. To promote equity and inclusion now and in the future, we must invest heavily in safe, healthy, affordable housing. We must both rehabilitate existing housing and build new, with a range of options from rental to limited equity cooperatives to single-family home ownership, to serve the District's low-income residents.

Mayor Bowser has demonstrated visionary leadership in the creation and preservation of affordable housing, making it a cornerstone of her first two terms. Before the pandemic erupted, the District was on its way to an unparalleled commitment to produce 36,000 new units of housing by 2025, including 12,000 affordable housing units. The Mayor took advantage of federal relief assistance and the improving fiscal health of the District to recommit her administration to achieving these goals through

significant increases in the FY23 budget and financial plan and bold affordable housing proposals to accompany them. However, times are changing and with the end of federal resources and the impacts of high vacancies and lower than anticipated revenue projections, CNHED recognizes that this is an important moment in the District's history and stands as a partner beside the Council and administration. We applaud the Mayor for setting a reasonable budget in the face of such challenges. CNHED supports efforts to cancel millions of dollars of medical debt for DC residents, building new workforce programs, like a teacher apprenticeship program, to build a pipeline for getting DC residents into middle-class jobs, and raising the eligibility for the childcare subsidy from 250% to 300% of the federal poverty line, which will make the families of more than 2,000 additional children newly eligible for the subsidy.

Additionally, investments in our downtown can help ensure a strong recovery from COVID. We support efforts to add more residents and transform downtown into a vibrant mixed-use neighborhood. Though we have concerns about the specifics of the current proposal. CNHED celebrates big investments in our residents, employees, and District union partners. These efforts and others in the budget build on the programs and strategies that work for our community.

CNHED recognizes this will be a challenging year for the District because of revenue projections and other tough choices we face. As a result CNHED has modified some of our asks but feel compelled to urge the Council to invest in our most vulnerable populations and the programs which support them. In this context, CNHED makes the following recommendations for the budget and Budget Support Act (BSA).

[Housing Production Trust Fund \(HPTF\)](#)

FY24: \$200 million

CNHED strongly encourages the Council to increase the Mayor's investment of \$100 million in the Housing Production Trust Fund (HPTF) in FY24 to \$200 million.

The Housing Production Trust Fund (HPTF) continues to be the primary tool that enables affordable housing developers and renters wishing to exercise their Tenant Opportunity to Purchase Act (TOPA) rights to preserve or create affordable rental or ownership housing across all eight wards of the District. The HPTF requires covenants to be placed on properties that keep them affordable for a certain period of time: typically, rental units must remain affordable for 40 years or longer and homeownership units must remain affordable for 15 years.

This past year, the District reached their bond cap which has caused DCHD and DCHFA to reimagine the allocation of both bonds and HPTF. Our analysis of the current pipeline shows an HPTF need of \$311M to match the available bond cap. Additionally, many projects need HPTF for long-term financing after use of the Housing Preservation Fund and to be in a deal while awaiting equity from the DC Tax Credit. This adds additional pressures to the HPTF. Based on our pipeline analysis we've determined that real need to be \$340 million but given the fiscal constraints we've set our ask at 200 million.

Now is not the time to reduce the fund so dramatically. Such a cut could cause a multi-year backup in the pipeline (at best) and drive affordable housing developers out the District. This would lead to fewer affordable units when we need them most.

Local Rent Supplement Program (LRSP)

DHCD FY24: \$9.7 million

DCHA FY24: \$43.3 million

Total: \$53 million

CNHED thanks the Mayor for investing an additional \$43.296 million in project- and sponsor-based LRSP in DCHA's budget and \$9.655 million in DHCD's budget in FY24. The Mayor and the Council should work together to increase the investment in DHCD's budget over the four year financial plan to ensure it is adequate to meet the HPTF's statutory requirements to spend 50% of its funding on producing and preserving units serving households with incomes at 0-30% of Median Family Income (MFI).

Project- and sponsor-based LRSP is used to produce new housing affordable to extremely-low-income households by providing operating subsidies as part of the development process. These homes are needed to: (1) ensure meeting statutory requirements to use 50 percent of the Trust Fund at 0-30 percent of MFI; (2) meet the goals of the Homeward DC plan by supporting the production of Permanent Supportive Housing (PSH) in new developments (including the 5% now required in all DHCD-funded rental projects); and (3) allow the production of housing for people with extremely-low-incomes beyond the scope of the Homeward DC plan to serve additional individuals and families. Project-based LRSP covers rent, maintenance, utilities, and other ongoing expenses not covered through one-time HPTF loans.

Housing Preservation Fund (HPF)

FY24: \$10 million

Mayor Bowser created the Housing Preservation Fund (HPF) as a public-private source for acquisition and critical repairs financing. The HPF leverages public investments 3:1 with private investments, so a \$1 in District investment leverages \$3 in private investment for a total of \$4 available for affordable housing projects. The HPF has become a critical source of acquisition and critical repairs financing for tenant organizations exercising their Tenant Opportunity to Purchase Act (TOPA) rights.

The Mayor's budget includes no new funding for the HPF in FY24. The rationale expressed for no new funding is that with repayment of HPF loans starting to happen that it will be self-sufficient. However, the rate and number of repayments over the coming few years are unpredictable; therefore, CNHED is concerned that assumptions that the HPF have reached self-sufficiency might be premature. And, with the HPTF dramatically reduced, there will be fewer long-term financing options available to projects with HPF bridge loans. This will cause them to hold onto the HPF funds longer, further depleting the HPF and reducing the likelihood of reaching self-sufficiency.

There are many factors that will impact the timing of when the HPF reaches self-sufficiency; CNHED believes that the HPF should receive \$10 million in additional funds in FY24 to assure that it can continue its important role of providing acquisition and critical repairs funding to keep the affordable housing pipeline active through FY24 and FY25, until self-sufficiency is assured.

Additionally, the HPF and other bridge loans provide a way for residents to exercise TOPA and other negotiations to secure affordable housing. However, this bridge loan funding does not guarantee that small, very affordable projects have a path to get the construction and permanent funding needed. What we need now is a coordinated path that would ensure that projects, once purchased, have a path for building improvements and permanent financing within a reasonable timeframe.

First Right Purchase Program (FRPP)

FY23: \$35 million

CNHED recommends appropriating \$35 million for the First Right Purchase Program (FRPP). The FRPP is a rolling acquisition loan fund and historically has been the primary facilitator for utilizing TOPA to preserve affordable rental housing in the District and to create Limited Equity Cooperatives. The FRPP currently has no formal application process and has for several years been a soft segregation of \$10 million within the HPTF that has been used discretionarily. We believe that an updated version of the FRPP would fit the recommendation of the Mayor’s Saving DC’s Rental Housing Market Strike Force to develop “a new program or increase the capacity within an existing program to support the acquisition of small multi-family buildings (under 50 units) by tenant organizations and developers exercising TOPA or DOPA rights to create or preserve affordable rental or ownership housing protected by long-term covenants.”¹ CNHED’s recommended changes to the FRPP are below.

First Right Purchase Program (FRPP): CNHED proposes to reconfigure the FRPP to enable tenant organizations to use their TOPA rights to preserve or create affordable housing at small rental properties for which the terms of the DC Housing Preservation Fund are not viable because of variables such as a combination of high acquisition cost, low rents, and high deferred maintenance needs.

The FRPP is a rolling acquisition loan fund administered by DHCD for utilizing TOPA to preserve affordable housing. Historically, the fund has been the primary facilitator in the District and to create Limited Equity Cooperative and preserve small buildings. However, no FRPPs loans have been awarded since 2018 while the District has considered making changes to the program. This funding can also support a path to homeownership for low-income, primarily Black and Latino, renters. If the \$35M allocated for the FRPP is combined with a portion of the HPF, and its leveraged funds, it would support more opportunities utilize TOPA to produce affordable housing.

Reviving the FRPP could enable more tenant organizations to use their TOPA rights to preserve or create affordable housing at small rental properties for which even the HPF terms not viable because of a combination of high acquisition cost, low rents, and high deferred maintenance (renovation) needs. These projects are typically not suitable for a Low-Income Housing Tax Credit (LIHTC) pool because they are too small or because their goal is homeownership for the residents.

Funding small buildings will fill a gap in the District’s affordable housing strategy for a significant portion of its existing naturally occurring affordable housing (NOAH) stock. This is a time-sensitive matter that, if resolved quickly, can support opportunities to preserve hundreds more units every year. For example, in CY22, fifteen properties with 457 units were considering pursuing preservation through TOPA. However, 176 are no longer pursuing preservation with many pointing to a lack of viable financing options. Seventy-two units are pursuing preservation using the Housing Preservation Fund and an additional 209 units are still to be determined. These remaining units total \$35.17 million. A fully funded and supported FRPP could preserve these 209 units and ensure affordability for years to come.

Neighborhood Based Activities Program (NBAP)

FY23: \$15.3 million

CNHED applauds the Mayor’s increase of funding for the Neighborhood Based Activities Program (NBAP) to \$15.3 million in FY24.

¹ [“Saving DC’s Rental Housing Market: A report of recommendations from Mayor Bowser’s Strike Force to Save DC’s Rental Housing Market,”](#) p. 17.

The NBAP provides Community Based Organizations (CBOs) to supply an array of essential services for District residents, including TOPA technical assistance, tenant housing conditions technical assistance, eviction and foreclosure prevention counseling, limited equity cooperative technical assistance, homebuyer counseling for HPAP and EAHP, Inclusionary Zoning (IZ) certification, and Schedule H application assistance. During the COVID-19 public health emergency and the following recovery, tenants and homeowners will have even greater need for the essential services provided by CBOs with this funding.

CNHED strongly supports the recommendation of the Mayor’s Saving DC’s Rental Housing Market Strike Force to “increase funding to Community Based Organizations that provide TOPA technical assistance.”² We recommend further increases to CBOs for TOPA and housing conditions technical assistance provision in FY24. TOPA is well positioned to help with the District’s recovery after the public health emergency by enabling tenants to assist in achieving Mayor Bowser’s goal of creating 12,000 new units of affordable housing by 2025. Further, the Attorney General’s laudatory campaign against slumlords has highlighted the valuable work that CBOs have long performed in educating tenants about their rights and organizing them to seek redress of housing code and other violations of District law: work that is desperately needed and worthy of funding, given the importance of safe, stable, and affordable housing as a social determinant of health.

Legacy Initiative

CNHED strongly supports all aspects of Mayor Bowser’s Legacy initiative. Below, we consider the six housing-related programs of the eight included in the Legacy Initiative.

Black Homeownership Fund and Strike Force: CNHED strongly supports the recommendations of the Black Homeownership Strike Force and the appropriation of \$10 million for the Black Homeownership Fund. We support efforts to increase access to homeownership for longtime Black residents of the District of Columbia and asset-building through homeownership.

Heirs Program and Communications Plan: CNHED strongly supports the Mayor’s plan to add an Additional \$1.5 million to assist multi-generational families in maintaining their family property after the death of the original homeowner. The Heirs Program assists multigenerational families in maintaining their family property after their original homeowner passes on. Grants are issued to assist low-income individuals to pay for legal services necessary to obtain clear legal title to property the individual inherited either testate or intestate from a family member.

Single Family Residential Rehabilitation Program: CNHED strongly supports significantly increasing funding to help low-income homeowners fix and maintain their homes. While we appreciate the Mayor’s increase of \$3 million for the Single Family Residential Rehabilitation Program (SFRRP), we believe that the need among low-income District homeowners warrants significantly more funding. While the SFRRP administers grants for roof repairs and/or modification to eliminate barriers to accessibility for persons with mobility or other physical impairments, its administration has been problematic for many years.³ We propose that DHCD create a stakeholder working group of SFRRP

² [“Saving DC’s Rental Housing Market: A report of recommendations from Mayor Bowser’s Strike Force to Save DC’s Rental Housing Market,”](#) p. 17.

³ <https://dcist.com/story/22/03/01/dc-house-fix-accessibility-dhcd/>

applicants, healthy housing advocates, and organizations that provide single-family rehabilitation programs to develop recommendations for improving the administration of the SFRRP.

FloodSmart Homes: CNHED supports the District’s participation in the federal FloodSmart Homes program to assist residents in flood prone areas to retrofit their homes to reduce the risk of damage. The Mayor’s budget includes \$2.6 million in federal funding for this program in the budget of the Department of Energy and Environment (DOEE).

Home Weatherization and Lead and Mold Remediation: CNHED strongly supports the District significantly increasing spending to make energy-efficiency improvements and remediate lead and mold hazards to improve both the health and comfort of residents. While the Mayor has budgeted \$6.7 million for the Lead-Safe and Healthy Housing program, which protects the health of District residents by monitoring lead safety throughout the District’s housing stock and by raising awareness of other residential environmental and safety hazards, providing oversight of mold remediation, radon exposure, and ensuring safe drinking water in child care facilities by providing filters for drinking water sources, and providing healthy homes inspections to reduce environmental issues in homes, the need for remediation funds, as well as additional housing code building inspectors in the Department of Buildings (DOB), warrant significantly higher funding levels in the budgets of DOEE and the DOB.

Home Purchase Assistance Program (HPAP) & Employer Assisted Housing Program (EAHP)

FY23: \$35 million (HPAP) and \$6 million (EAHP)

CNHED supports the Mayor’s recommendation of \$6 million for EAHP in FY24 but recommends an increase to \$35 million for HPAP. CBOs have confirmed that demand for HPAP has increased along with the increase of the HPAP down payment assistance maximum to \$202,000. In order to maintain or increase the number of HPAP recipients in FY24, \$55 million would be needed.⁴ However, CNHED believes that a balance can be found to support much needed homeownership and other emergency needs.

HPAP provides interest-free loans and closing cost assistance for residents purchasing single-family houses, condominiums, or cooperative units. EAHP offers District government employees a deferred, 0% interest loan and a matching funds grant for down payment and closing costs to purchase their first single family home, condominium, or cooperative unit in the District. Down payment assistance is a critical tool to help first-time buyers purchase homes during a time when wealth-building is essential for long-term financial stability.

Permanent Supportive Housing (PSH)

FY23: \$36.6 million for the creation of 1260 units for individuals and \$15.5 million for the creation of 480 units for families

⁴ CNHED does appreciate that the new Black Homeownership Fund may augment the role of HPAP in facilitating homeownership for low-income District residents, but it is unclear at this time whether that new fund will be ready to provide assistance to homebuyers during FY23.

In solidarity with our partner The Way Home Campaign, CNHED recommends funding PSH with \$36.6 million for the creation of 1260 units for individuals and \$15.5 million for the creation of 480 units for families in FY24.

PSH is a best-practice model of matching housing subsidy with wrap-around case management to ensure a long-term stock of housing that meet the needs of the District's homeless population. PSH has a proven record of ending chronic homelessness by helping residents maintain housing stability while improving their health.

Emergency Rental Assistance (ERAP)

FY24: \$36 million

The Mayor's budget includes \$8.2 million in rental assistance for the prevention of homelessness for FY24. CNHED is collaborating with other advocates to evaluate data on the number of current applications for rental assistance and projections for the need for rental assistance in FY24. However, based on the most current DHS report, ERAP providers have approved applications for 3,734 District households and disbursed nearly \$18 million in housing assistance between October 2022 and February 2023. This is more than twice the 1,677 approved applications and nearly three times the \$6.1 million in disbursed assistance during the same period last fiscal year.

FY23's ERAP budget is the highest it has been in recent years at \$43 million. DHS saw an increase in rental assistance requests and projected that funds would be exhausted on applications submitted by March 10, 2023.

ERAP helps income-eligible District residents facing housing emergencies remain stably housed and avoid homelessness. The program provides funding for overdue rent if a qualified household is facing eviction (including late costs and court fees), as well as security deposit assistance. ERAP is effective at keeping tenants in their homes and is far less expensive than the costs per household for the District's shelter system and the increased healthcare costs for individuals and families who become homeless. ERAP also is far less expensive than the housing subsidies and services required for the Rapid Rehousing, Family Rehousing and Stabilization, and PSH programs to move people out of the shelter system.

Tax Abatements and Regulatory Relief for Housing in Downtown Plan

CNHED supports the use of District incentives to help with the recovery and resiliency of the Downtown area and to facilitate the conversion of commercial properties for residential use in this area, especially to produce units that would be covenanted for households with incomes of less than 60% of MFI. CNHED understands the need to meet the existing challenges caused by high vacancy rates of downtown office buildings along with the blight and reduced foot traffic these vacancies cause. Additionally, CNHED supports the Mayor's goals of bringing 15,000 new residents to Downtown by 2028.

However, CNHED does not support weakening the eligibility and requirements as outlined in the Housing in Downtown Tax Abatement DC Code §47-860.01. Specifically, CNHED supports the requirements that any 20-year real property tax abatement will be provided in exchange for at least 15% of new housing units to be affordable to and rented by households earning 60% of the Median Family Income, that the affordable units are designed and administered in accordance with the requirements of the inclusionary zoning program, that the owner files a covenant in the land records for the District, that the owner contracts with Certified Business Enterprises for at least 35% of the contract dollar volume of

the construction and operations of the project, and that the owner execute a First Source Agreement for the construction and operation of the project.

CNHED is deeply concerned by the proposal to eliminate Tenant Opportunity to Purchase Act (TOPA) rights within the Downtown revitalization zone. The goals of the TOPA have been to preserve affordable rental housing, provide opportunities for homeownership for low-income tenants, minimize displacement of existing tenants, encourage the formation of tenant organizations, and strengthen the bargaining position of tenants. TOPA's public benefits are maximized when combined with the affordable housing funding, policy, and coordinated practice that supports its goals. TOPA has the potential to help facilitate the District's recovery and housing goals, including achieving Mayor Bowser's goal of creating 12,000 new units of affordable housing by 2025.

When supported, TOPA can facilitate low-income and BIPOC home-ownership, prevent displacement of long-term, very low-income residents, preserve diverse neighborhoods and increase affordable housing in every ward, and improve the quality of DC's affordable housing stock. The District should strengthen the ability of tenant organizations to create or preserve affordable rental or homeownership housing through the TOPA process not be looking to eliminate TOPA rights in the Downtown.

Limited Equity Co-op Advisory Council

FY24: \$113 thousand

The Council passed the Limited Equity Cooperative Advisory Council Act into law. The law "establishes LEC Advisory Council to provide continuity and oversight on the issues that the LEC Task Force cited in its 2019 report and to implement the recommendations in the report" According to the Fiscal Impact Statement submitted by The Honorable Chairman, Phil Mendelson, "funds were not sufficient for the fiscal year 2023 through 2026 budget, requiring \$113,000 for the first year and \$465,000 over the financial plan". It was emphasized that DHCD would hire one Special Assistant to provide support to the advisory council. CNHED recommends funding the Special Assistant.

Similarly, the Council supported expanding tax abatements for Limited Equity Coops (LEC). It is important that adequate funding be provided for LECs to take advantage of these tax abatements.



CNHED

Coalition for Nonprofit Housing and Economic Development

CNHED Economic Development Recommendations for FY24 Budget

Established in 2000, CNHED is a dynamic association of over 160 organizational members working to foster just and equitable community development solutions that address the needs and aspirations of low-and moderate-income District of Columbia residents.

CNHED's members represent a broad spectrum of nonprofits, for-profits, and government agencies that build, preserve, and manage affordable housing; provide tenant technical services; protect tenants' rights; offer homeownership counseling; advise and lead capital to small businesses and community projects; connect residents to career pathways; deliver critical family services; and engage, represent, and benefit low-and moderate-income residents of the District.

The Mayor's proposed FY 2024 budget reflects an austere budget landscape and tough tradeoffs. This budget attempts to return to level funding prior to flush of one-time federal funding in response to the pandemic. It is disappointing that the seed funding and investments to support workforce development program and capacity building has been significantly reduced. CNHED is pleased to see increased investment in commercial acquisition of social disadvantaged small businesses, and it aligns with the District's Comeback Plan. Essential programs and services such as the Small Business Technical Assistance (SBTA), Main Streets, and Clean Teams are sufficiently funded in FY 2024. CNHED is also funding to establish a Nonprofit Small Business Fund to activate dedicated spaces for BIPOC businesses.

Council has a daunting challenge as it deliberates and crafts its response to the Mayor's proposed budget. In factoring the District's new fiscal reality, CNHED urges Council to consider the needs of DC-based small business owners and entrepreneurs that are contributing to District's economy. We urge Council during its deliberations to keep in the forefront ways to invest the local funds that address the barriers to economic mobility for low-income residents in the District.

CNHED makes the following recommendations for the FY2024 budget.

Small Business, Commercial Corridors and Access to Capital

Small Business Support Technical Assistance (SBTA)

- **FY24: \$4.5M**

CNHED is requesting Council commit \$4.5M in the FY 2024 budget to support the Small Business Technical Assistance (SBTA) program, managed by the Department of Housing and Community Development. The SBTA program provides technical assistance, training, and advisory services to small businesses in the District. This program ensures small businesses have access to guidance, resources, and information to plan, start, and grow their business successfully. SBTA grantees also offer small business owners a broad range of support, including planning, micro-loan packaging, entrepreneurial assistance, and legal assistance. This program primarily targets underserved neighborhoods in low- and moderate-income areas. Neighborhoods benefitting from this investment include but are not limited to

Anacostia, Columbia Heights, Congress Heights, Brightwood Park, Mount Pleasant, Petworth, and Bladensburg.

Sustaining this signature program will enable SBTA grantees to continue offering essential services to local micro-and small businesses, especially Black and Brown businesses. This program is impactful and plays a pivotal role in the District's small business ecosystem.

Great Streets Initiative

FY24: \$8M

CNHED requests Council to commit an additional \$8M in the FY2024 budget to support the Great Streets Initiative. The Great Streets Initiative catalyzes small business growth and improves the District's neighborhood commercial corridors. As the District begins to implement its Comeback Plan, there remains an increased need for these grants. In addition, robust neighborhood business districts spur economic opportunities for small businesses, entry-level jobs, and convenient access to goods and services for neighborhood residents. All these benefits help improve the quality of life for residents. In the form of reimbursable grants, the capital improvement dollars of up to \$50,000 allow small businesses in designated neighborhoods to invest in buildouts and renovations, equipment upgrades, and façade improvements. Great Streets also addresses the unique challenges of small businesses in their ability to make capital improvements that will sustain and grow their business.

Robust Retail Citywide & Dream Grants

FY24: \$1.043M (\$500M for Robust Retail Citywide and \$543K for Dream Grants)

CNHED supports the Mayor's FY 2024 budget of \$543K to support the District's Dream Grants, and CNHED requests Council to include \$500K Robust Retail Citywide Grant. The Dream Grants is a micro-grant program that provides business development assistance to help eligible businesses in Ward 7 and Ward 8 grow. The Robust Retail Citywide grants help support existing DC-based retail businesses maintain operations and viability to sustain businesses as they continue to rebound. This reimbursable grant program awards up to \$5K to eligible small businesses to help with storefront improvements to purchase of much-needed equipment.

Main Streets & Commercial Clean Teams

- **FY24: \$4.86M and \$6.95M**

Main Streets program is a comprehensive program that promotes the revitalization and sustainability of neighborhood business districts. *CNHED supports the Mayor's FY2024 budget of \$4.86M for the Main Streets program and request Council commit \$6.95M for the Commercial Clean Team program, which will help cover the gap to provide or exceed the living wage.* The District's Main Streets program supports the operation and programming of 28 corridor organizations. These front-line organizations are vital to small businesses and serve as a liaison to the District, and each corridor manages its unique challenges. Increasing funding for the Main Streets program. As a complement to the Main Streets program, the Commercial Clean Teams program employs residents. It provides service delivery to enhance the clean-up along and around the District's designated corridors. This program is invaluable and greatly needed in building and sustaining the neighborhood commercial corridors.

Commercial Property Acquisition Fund

- **FY24: \$6M**

CNHED supports the Mayor's FY2024 budget of \$6M to support the District's Commercial Property Acquisition Fund. Addressing longstanding access to capital challenges for socially disadvantaged small businesses, this fund provides down payment assistance to purchase commercial property in the District to help combat commercial displacement impacting small businesses Districtwide.

Nonprofit Small Business Infrastructure Fund

- **FY24: \$5M**

CNHED is requesting Council to commit \$5M in the FY2024 budget to establish a Nonprofit Small Business Infrastructure Fund. This fund will provide local nonprofit organizations with a capital match to use towards commercial pre-development and construction costs of large-scale, community-defining projects in economically under-resourced communities in the District. The dedicated capital matching pool will help to activate projects such as the development of a BIPOC Innovation Hub or state-of-the-art co-working space exclusively for BIPOC small businesses, entrepreneurs, and makers.

Inclusive Innovation Equity Impact Fund

- **FY24: \$2M**

CNHED requests Council to commit \$2M in the FY2024 budget for the Inclusive Equity Impact Fund Grant. This Fund provides training and investment or equity-based financing to District-based equity impact enterprises and annual revenues less than \$2M. This initiative benefits firms at least 51% owned by an individual or a majority number of economically disadvantaged individuals or subjected to racial or ethnic prejudice or cultural bias. Moreover, the Fund is prioritizing enterprises that have been unable to secure traditional financing.

Workforce Development – Adult Education

Workforce Investment

- **FY24: \$4M**

CNHED is asking Council to fund the Career Pathways Innovation Fund (CPIF) to support the capacity building of local adult charter schools and other qualified high school credentialing programs for adults.

Career Pathway Innovation Fund

- **FY24: \$1.65M**

CNHED is asking Council to fund the Career Pathways Innovation Fund (CPIF) to support the capacity building of local adult charter schools and other qualified high school credentialing programs for adults. In addition, the District should continue investing in the Career Pathways Innovation Fund to support the implementation of approaches and best practices that demonstrate positive results in adult education and family literacy.

Healthcare Workforce Partnership

- **FY24: \$250K**

We ask Council to make an allocation of \$250K to continue the support of this timely and innovative initiative. CNHED is looking to Council to ensure that the District's FY 2024 workforce development budget reflects the needs of thousands of low-income, unemployed, and unskilled residents. The path forward to eradicating the persistently high unemployment rate and poverty associated with low-wage

jobs is to train and upskill Black and Brown residents in the District’s high-demand sectors such as healthcare.

Adult Services (Adult digital literacy training)

District of Columbia Public Library

- **FY24: \$799K**

We’re asking to support the Council to commit \$799,000 in the FY2024 budget towards digital training under Adult Services for the DCPL. Funding for digital literacy training for the District of Columbia Public Library (DCPL) will help meet the overwhelming need to close the District’s digital divide.

Greater Washington Community Foundation
Summary of FY24 recommendations and concerns

DHCD

- We urge the Council to assert its role to hold DHCD accountable to meeting the legal requirements of the Trust Fund to meet the deeply affordable housing requirement.
- We also want to stress the importance of the Consolidated RFP. The Consolidated RFP is critical to enabling the development of housing for the most housing unstable families and individuals in the District. Without the Consolidated RFP, development capital that is absolutely necessary to the development of PSH units goes unused. The more DHCD delays the RFP, the more expensive projects will become due to carrying costs and the general passage of time. DHCD will pay the price in higher soft fund requests, resulting in fewer units and more people on the street for longer.

DHS

- *DHS Staffing:* We are concerned about cuts to DHS staffing and urge council to fund DHS staffing needed to ensure every unit of PSH is connected to a client.
- *Invest in Emergency Rental Assistance:* Nearly one-third of DC renters with incomes below \$50,000 are behind on their rent. Sustained and increased ERAP funding is needed now more than ever to avert preventable evictions and increases in homelessness and housing instability. Even before the pandemic the program regularly ran out of funding. Fund ERAP at \$117 million in FY 2024.
- *Restore cuts to homelessness prevention:* Project Reconnect is an effective and low-cost program that enables people to exit homelessness quickly, yet the mayor's proposed budget would cut it in half – a cut of \$1.2 million. We urge you to restore this cut and include an additional \$1.2 million.
- *Expand non-congregate shelter for people experiencing homelessness:* We were pleased to see that the budget for shelter renovations will be directed towards bridge housing or non-congregate shelter and support the acquisition of non-congregate shelter sites.
- *Expand Permanent Supportive Housing (PSH) and Targeted Affordable Housing to end chronic homelessness:* To continue the progress we have made and ensure we are addressing the needs of our most vulnerable neighbors, we ask you to continue to invest in PSH for individuals and families.
- *Expand Affordable Housing:* Expanding deeply affordable housing, paired with targeted funding to end homelessness, will create the long-term housing stability needed to provide security to all DC residents and to make homelessness rare, brief, and non-recurring. We are asking for a substantial commitment to affordable housing for households earning 0- 30 percent of the Median Family Income (MFI). \$17.3 million for 800 Local Rent Supplement Tenant Vouchers, to assist those on the DC Housing Authority waitlist.

Ending chronic homelessness in DC remains within reach, but Mayor Bowser's FY24 proposed budget fails to make meaningful towards this shared goal. The DC Council has the power to reverse the mayor's significant budget cuts and move us towards our shared goal of ending chronic homelessness.

The Way Home Campaign, supported by 110 partner organizations and 7,000 individuals, calls on the DC Council to:

1. Invest \$55.5 million to fund Permanent Supportive Housing (PSH) for 1,260 single adults and 480 families
2. Restore \$1.2 million in cuts to Project Reconnect, DC's homelessness prevention program for single adults, and increase funding to meet the need
3. Increase funding to the Emergency Rental Assistance Program (ERAP)
4. Ensure that the DC Government, particularly DHS, has the staffing and capacity needed to implement historic investments to end chronic homelessness and reserve cuts to hiring incentives
5. Make shelters more dignified, non-congregate, and service-rich, and add an additional 150 medical respite beds to our system
6. Restore funding to the Public Restroom Initiative and fund 2 24/7 harm reduction centers
7. Address DC's dire lack of low-income housing

Ending chronic homelessness is urgent. Over 72 of our neighbors died without housing in 2022, often from preventable and manageable diseases. More than 60% of these individuals were matched to a housing resource, but died before they moved in. *Ending homelessness is literally a matter of life and death.*

Ending chronic homelessness is within reach. Thanks to historic investments over the past two fiscal years, DC has an unprecedented opportunity to end chronic homelessness. However, additional funding and systems changes are needed to cross the finish line. *DC can afford to end chronic homelessness and our neighbors living without housing cannot afford to wait.*

THE WAY HOME CAMPAIGN FISCAL YEAR 2024 BUDGET PRIORITIES

End chronic homelessness for 1,260 individuals (\$36.6 million) and fund PSH for 480 families (\$18.9 M)

Research and experience show that Permanent Supportive Housing (PSH), using the Housing First model, is the best way to end chronic homelessness. DC's PSH program has a proven track record helping residents access and maintain housing stability while improving their health and well-being.

In DC, over 95% of individuals in PSH stay housed after their first year. Modeling from Homeward DC 2.0, DC's strategic plan to end homelessness, shows that 1,260 units of PSH are needed for single adults in FY 24¹. **However, the mayor's budget funds no new PSH. This means that, unless the Council acts, few if any people will exit chronic homelessness in Fiscal Year 2024.**

Prevent people from entering into chronic homelessness

DC must build a robust chronic homelessness prevention system. DC has not done enough to fund and implement homelessness prevention programs for single adults and the mayor's budget cuts this already limited funding. DC has a choice: fund prevention at scale or face the reality that inflow into homelessness, and chronic homelessness, will leave us unable to address the full scale of our homelessness crisis.

The Way Home Campaign calls on the DC Council to invest at least \$4.7 million to:

- Restore \$1.2 M in cuts to Project Reconnect, DC's homelessness prevention program for single adults, AND expand the program to meet the need.
- Fund an additional 100 slots of Rapid Rehousing for single adults (\$2.5 million). This must be accompanied by program rules.
- Maintain the mayor's directive to DHS to implement \$1 million in DC Flex for single adults

Ensure the DC Government & providers have capacity to end homelessness

Despite historic investments to end chronic homelessness over the past two fiscal years, only 19% of locally funded vouchers have been used. DC has the resources to end chronic homelessness for 1,500 more individuals, but we must act with urgency to make it happen.

The Way Home Campaign calls on the DC Council to:

- Ensure PSH providers and outreach teams have the resources they need to recruit and retain staff—and restore provider hiring and retention bonuses, which Mayor Bowser cut.
- Create a flexible funding program to cover one-time move-in expenses such as storage, moving trucks, home goods, furniture, fees, etc.
- Ensure DHS has direct HR and hiring capabilities, which it currently lacks
- Ensure DHS has the capacity to end homelessness by increasing staffing in middle management, Human Resources, administrative support and analysts focused on data, policy, and evaluation.

Make shelter more dignified, non-congregate, and service-rich and add medical respite beds

DC's continued reliance on large, crowded congregate shelters for single adults hampers progress towards ending homelessness. DC must get serious about creating smaller, service-rich, non-congregate shelters without barriers and without strict program rules.

The Way Home Campaign calls on the DC Council to:

- Maintain the mayor's creation of 2 non-congregate shelters and ensure they are truly low barrier. PEP-V must continue until these new facilities are brought online
- fund shelters that are open 24 hours a day, increasing case management ratios, and operating 150 medical respite beds
- create two 24/7 harm reduction centers that include safe consumption spaces.
- Ensure that people living outside and in shelters have access to storage.

Address DC's dire lack of deeply affordable housing

DC won't end chronic homelessness until we meaningfully address our dire lack of affordable housing.

The Way Home Campaign calls on the DC Council to:

- Increase funding to DC's Emergency Rental Assistance Program (ERAP)
- Increase supply of Tenant Based Local Rent Supplement (LRSP) vouchers, including TAH
- Produce extremely low-income housing by increasing funding for the Housing Production Trust Fund (HPTF) with at least 50% of funding dedicated to 0-30% AMI households and accompanied by the necessary amount of sponsor based LRSP vouchers. All produced housing should be accessible.

The DC Fiscal Policy Institute envisions a future where homelessness is rare, brief, and non-recurring, as outlined in Homeward 2.0, DC’s strategic plan to end homelessness.¹ DC has made great strides towards this vision, but underfunding and implementation delays in successful, research-based strategies are undermining progress. The Mayor’s proposed fiscal year (FY) 2024 budget freezes and cuts funding for programs essential to ending and preventing homelessness.

Black residents bear the brunt of current underfunding and implementation delays, and they will experience the harm of the Mayor’s proposed budget unless the DC Council addresses these shortcomings. Eighty-nine percent of unaccompanied adults counted in the District 2022 Point in Time Count were Black.² This is the result of the enduring legacies of structural and individualized racism—such as racist zoning and residential segregation, redlining, restrictive covenants, and practices barring federal employment—that for years prohibited Black families from equitably accessing the housing and employment markets.

Expand PSH Vouchers

PSH is the main intervention for ending chronic homelessness. Housing is health care. Every day individuals experiencing homelessness die from preventable and manageable diseases. This is particularly true for residents who are chronically homeless, meaning they have been homeless for years and suffer from life-threatening health conditions and/or severe mental illness. By providing affordable housing coupled with intensive case management services, PSH helps people stay in housing and improve their health, and it saves a substantial amount of money as a result.

The proposed budget does not include any new PSH vouchers. Without a new investment, residents will languish in shelter or on the streets. The Council should fund 1,030 PSH vouchers for individuals experiencing chronic homelessness and 480 PSH vouchers for families. The Council can take into account the delays in voucher implementation by assuming these vouchers will start mid-year and prorate the costs in FY 2024.

Restore Funding for Project Reconnect

Project Reconnect, the prevention program for individuals experiencing homelessness, plays a key role in making homelessness rare and brief. Yet, the Mayor’s proposed FY 2024 budget cuts funding in half for this vital program, which helps individuals who are newly homeless or exiting from institutions like jail or foster care find alternatives to shelter, such as reuniting with friends and families. Shelter can be traumatic and unsafe, and investments in programs that help individuals avoid shelter can benefit them in the long run.³ Homeward DC 2.0 calls for more robust prevention services for individuals, and given the proven success of Project Reconnect, the District should ensure the program is fully funded, meaning all who qualify can receive services. The Council should ask the Department of Human Services (DHS) how much funding is required to serve everyone in need. If they fail to provide this number, the Council should add at least \$1.2 million to the FY 2024 budget to bring the budget to the same level as in FY 2023.

¹ Homelessness will be rare when services are in place to prevent as many people as possible from experiencing homelessness. Homelessness will be brief when individuals are helped as quickly as possible. And homelessness will be non-recurring when individuals have the supports they need to maintain their housing.

² Metropolitan Washington Council of Governments, [Homelessness in Metropolitan Washington: Results and Analysis from the Annual Point in Time \(PIT\) Count of Persons Experiencing Homelessness](#), May 2022.

³ “[Diversion](#),” National Alliance to End Homelessness, August 10, 2010.

Add Funding to ERAP

ERAP helps residents facing eviction pay for overdue rent and related legal costs—yet the Mayor proposes slashing this program by about 80 percent next year. The program also covers security deposits and the cost of the first month of rent for residents moving into new homes. And many PSH residents use ERAP for security deposits when they need to move apartments. Preventing evictions is a key to avoiding significant socioeconomic setbacks for adults and children and offering security deposits helps households exit homelessness. Many DC residents experience housing instability: nearly 40,000 households earn less than 30 percent of family median income, just \$29,900 for an individual, and pay more than half of their income in rent.^{4,5} These households are severely rent burdened and are one missed paycheck or illness away from losing their housing.

The Mayor’s proposed FY 2024 budget includes only \$8.2 million for ERAP, down from \$43 million in FY 2023. The District recently closed the ERAP portal for FY 2023 because DHS anticipates running out of funding in May. DHS has received 7,720 applications for ERAP since last fall, but this likely undercounts the number of households who need help. In fact, analysis of Census Pulse data shows that from last October through mid-March, a monthly average of 16,300 DC renter households reported they weren’t caught up on rent.⁶ Council should provide at least an additional \$50 million to ERAP in the supplemental budget—as housing advocates have called for—and anticipate high need for the program in FY 2024 due to a forthcoming rent increase, high inflation, and because every year the program runs out of money mid-year.⁷ The administration claimed their approach returns the program to pre-pandemic levels of spending. But the FY 2024 budget falls short even of the FY 2020 budget once inflation is taken into account.

DCFPI asks the Council to add as much funding as possible to the ERAP budget in FY 2024.

Preserve Funds for DC Flex Expansion

DC Flex is a five-year shallow subsidy program that provides a fixed amount of cash assistance annually to working households who are struggling to afford rent. The goal of the program is to provide support that households can draw down flexibly as they need it. For example, residents with uneven income over the year, like those who do day labor, can use more assistance during colder months when work is more difficult to get. If the household does not use all the cash assistance that they receive, they can use it in the following year. When the District launched DC Flex, the program was limited to families with children. In FY 2022, DHS set aside \$1 million to expand the program to individuals, but the agency has yet to launch this expansion. DCFPI requests this body to require DHS to provide a timeline for implementation and to ensure that the FY 2022 funds are carried over into the DC Flex budget for FY 2023 and FY 2024.

Ensure Underspending is Reinvested

Because of the delay in implementing vouchers funded in the FY 2022 and 2023 budgets, DHS should have significant savings from underspending. There also should be ongoing local savings associated with the shift to Medicaid to fund PSH services, as DCFPI details in a report that will be published next week and shared

⁴ DC Deputy Mayor for Planning and Economic Development (DMPED) and DC Department of Housing and Community Development (DHCD), “[Inclusionary Zoning Program 2022-2023 Maximum Income, Rent, and Purchase Price Schedule](#),” Effective July 1, 2022.

⁵ DC Interagency Council on Homelessness, “[Homeward DC 2.0](#),” Accessed December 8, 2022.

⁶ Center on Budget and Policy Priorities’ analysis of Census Pulse data for DC, October through mid-March.

⁷ “ERAP Request for Supplemental Emergency Funds,” Sign-On Letter from DC Advocacy Organizations to Mayor Bowser and the DC Council, Dated March 19, 2023.

with this body. The actual amount of savings is unclear. It is also unclear how DHS or the administration is using this unspent funding. DCFPI asks the Council to gather this information and ensure that funding that was supposed to help our neighbors experiencing homelessness is retained for this purpose.

Restore Public Restroom Capital Funding

Passed unanimously by the Council in late 2018, the “Public Restroom Facilities Installation and Promotion Act” calls for the creation of pilot standalone restrooms in the District. The working group appointed to make recommendations for locations released a draft report in May 2022. The legislation required the mayor to install two public restrooms within 180 days of the release of the report. Rather than installing these restrooms, the mayor removed funding for public restrooms from the proposed capital budget.

Residents experiencing homelessness in particular stand to benefit from restroom expansions. The pandemic made restroom access worse, as many downtown businesses closed restrooms that non-customers once were able to use. And even prior to the pandemic, there was evidence that fewer businesses were allowing non-customers to use their restrooms. The People for Fairness Coalition (PFFC) visited 85 businesses in five areas of DC to see if they would allow the general public to access their restrooms. In 2015, they found that just over half of the businesses did.¹ One year later, they found that 10 of these businesses now limited access to individuals who weren’t customers.² They also found that businesses discriminated against a PFFC member experiencing homelessness who visited the restrooms. They allowed a white woman who appeared housed to use the restroom but not a Black man who appeared possibly homeless.³ The lack of access to bathrooms is not merely an inconvenience—it can have devastating health and public health consequences. Dr. Catherine Crossland of Unity Healthcare has testified about her patients skipping lifesaving blood pressure, heart and HIV/AIDS medications because they can lead to an urgent need for the restroom.⁴ Southern California experienced a large Hepatitis A outbreak from 2017 to 2019 because of the lack of toilets and handwashing facilities for residents experiencing homelessness.⁵ At least 21 people died as a result.⁶

¹ People for Fairness Coalition, “[Does Downtown Washington DC Have Restrooms That Are Clean, Safe, and Available to Everyone 24/7](#),” Accessed April 3, 2023.

² People for Fairness Coalition, “[Revisiting, One Year Later, Private Facilities in DC That Let Us Use Their Restrooms](#),” January 2017.

³ The People for Fairness Coalition dressed the tester who was to appear homeless in a large, tattered jacket, a sock hat, and loose slacks. People experiencing homelessness have many looks just as others do.

⁴ Catherine Crosland, “[Testimony Regarding B22-223 ‘Public Restroom Installation and Promotion Act of 2017](#),” Unity Health Care, January 10, 2018.

⁵ Anna Gorman, “[‘Medieval’ Diseases Flare as Unsanitary Living Conditions Proliferate](#)” California Healthline, March 12, 2019.

⁶ Ibid.