



# *Interagency Council on Homelessness*

## *Housing Solutions Committee*



*21 March 2022*

# Meeting Agenda



- I. **Welcome & Agenda Review (5 mins)**
  - a) **Introduction & Agenda Review**
  - b) **Adoption of Prior Meeting Notes**
  - c) **Call for Partners Updates/Announcements**
- II. **Discussion Items (70 mins)**
  - a) **DCHA Proposed Budget (35 mins)**
  - b) **DHCD Proposed Budget (35 mins)**
- III. **Updates (10 mins)**
  - a) **PSH Application Submission for Project/Site-Based Units**
- IV. **Announcements and Reminders, as needed**
- v. **Summary and Adjournment (5 mins)**
  - a) **Special Meeting: April 4, 2 – 3:30 pm**
  - b) **Regular Meeting: April 18, 2 – 3:30 pm**

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~~Summary and Adjournment (5 mins)~~

# FY2023 DCHA Budget Overview



March 2022

# Overview



# FY2023 HY0 Budget

Local Government Programs	FY22	Enhancements	FY23
<b>Rental Assistance</b>			
Rental Assistace-DC Local	\$7,140,000	\$2,471,000	\$9,611,000
Shallow Subsidy	\$1,407,000	\$0	\$1,407,000
<b>Subtotal Rental Assistance</b>	<b>\$8,547,000</b>	<b>\$2,471,000</b>	<b>\$11,018,000</b>
<b>LRSP Tenant Based</b>			
Tenant Based Vouchers	\$67,779,000	\$0	\$67,779,000
Permananent Supp. Houisng Individual	\$25,017,000	\$0	\$25,017,000
Targeted Affordable Houisng Families	\$21,264,000	\$0	\$21,264,000
Targeted Affordable Housing Individuals	\$5,330,000	\$0	\$5,330,000
Homeless Services Admin	\$4,721,000	\$0	\$4,721,000
<b>Subtotal LRSP Tenant Based</b>	<b>\$124,111,000</b>	<b>\$0</b>	<b>\$124,111,000</b>
<b>LRSP Project &amp; Sponsor Based</b>			
LRSP Project & Sponsor Based	\$38,394,000	\$4,852,000	\$43,246,000
<b>Subtotal LRSP Project &amp; Sponsor Based</b>	<b>\$38,394,000</b>	<b>\$4,852,000</b>	<b>\$43,246,000</b>
<b>Public Safety</b>			
Public Safety	\$4,200,000	\$0	\$4,200,000
<b>Subtotal Public Safety</b>	<b>\$4,200,000</b>	<b>\$0</b>	<b>\$4,200,000</b>
<b>Total Funding</b>	<b>\$175,252,000</b>	<b>\$7,323,000</b>	<b>\$182,575,000</b>



# Public Safety



Division/Program and Activity	Dollars in Thousands				Change from FY 2021
	Actual FY 2019	Actual FY 2020	Approved FY 2021	Proposed FY 2022	
<b>(4000) PUBLIC SAFETY</b>					
(4001) Public Safety	4,200	4,200	4,200	4,200	0
<b>SUBTOTAL (4000) PUBLIC SAFETY</b>	<b>4,200</b>	<b>4,200</b>	<b>4,200</b>	<b>4,200</b>	<b>0</b>



## History:

- ✓ The Public Safety budget line item of \$4.2M covers less than 50% of DCHA's police officers' cost.
- ✓ The last increase to this line item was in FY17, when the budget increased from \$4M to \$4.2M



# FY 2023 Capital Budget

## History:

- ✓ First introduced in FY21 by DC Council, a dedicated Capital Budget fund of \$50 M was established to help DCHA address major capital needs. DCHA has received \$50 M in FY 2021 and FY 2022
- ✓ 96% of FY21 Funds have been obligated to fund 52 projects
- ✓ YTD 45% of FY22 funds have been obligated to fund 7 projects. Additional projects covering remaining balance are in the planning and pricing phase
- ✓ FY2023 proposed budget allocates an additional \$50 M in capital funds to continue critical projects



	<b>FY2021 Actual</b>	<b>FY2022 Approved</b>	<b>FY2023 Proposed</b>	<b>% Change from FY2022</b>
Capital Budget	\$48,174,508	\$50,000,000	\$50,000,000	0.0





# FY2023 Local Rent Supplement Program

## LRSP Tenant Based

- Flat funding to DCHA
- DHS Funding for Tenant Based to be coordinated through MOU:
  - \$61.0M (to fund FY22 PSH-F, PSH-I and TAH-F vouchers)
  - \$ 9.4M (to fund 500 new PSH-I vouchers in FY23)
  - \$ 5.4M (to fund 260 new PSH-F vouchers in FY23)

## LRSP Project / Sponsor Based

- Increase of \$4.8 Million to LRSP Project / Sponsor Based to cover existing pipeline
- MOU with DHCD in process to work through steps for obligation, transfer of budget authority / funding and ongoing administration of project based funds

## DC Local

- Increase of \$2.5 Million to DC Local to cover existing obligations



# Comments & Questions



**D.C. HOUSING AUTHORITY**

# DCHA Budget Q&A



- ❖ Qxn: What is status of finalizing MOU between DCHA, DHCD, DHS, and OCFO about the new LRSP administration process?
- ❖ Ans: Worked internally to create a framework. Briefing the CFO and DHCD to make sure the framework is appropriate. Will have an update to give to the larger group within 4 - 6 weeks. Keeping in mind that the community wants to participate as well.
- ❖ Qxn: Does the local rental assistance program have a name.
- ❖ Ans: that's the name. It was created when there was a significant shift in HUD funding several years ago.
- ❖ Qxn: Number of empty units and what's being rehabilitated?
- ❖ Ans: 1,700 vacant units. 400 that are out of commission for several years (due to substantial needs). Some are set aside as swing space for redevelopments. 700 is the target for empty units that will be renovated/ upgraded and coming online this fiscal year and next.
- ❖ Qxn: what is the constraint to fix more than 700? If it's a budget issue, we would like to advocate for those additional dollars. We have 200 that are ready for ppl to move in. Our goal for this year is another 500 (target for this next calendar year).
- ❖ Qxn: \$50M is for bringing these 500 units and also for maintenance across full portfolio of housing authority properties?
- ❖ Ans: yes. We also have \$10M from HUD and dollars from prior years that we can and will use this year. Issues with supply chain and construction capacity are also significant constraints. Money is not a problem right now.
- ❖ Qxn: The first LRSP contracts are reaching term this year. Does the budget include additional monies for these?
- ❖ Ans: Yes
- ❖ Qxn: Confirming 200 are move-in ready, and have a 500 unit goal for this year.
- ❖ Ans: We have a spending budget for 50M because it includes longer-term projects. So, these are in the make-ready category but we also have the rehabilitation category.
- ❖ Qxn: Concerned about the status and continuation of the CARES pilot program? Is this funded going forward?
- ❖ Ans: This is not in the DHCA or DHCD budget. ICH to follow up with DMHHS and report back.
- ❖ Qxn: what % of the budget goes to rehab?
- ❖ Ans: likely 20% but DCHA to follow up with details after the meeting.

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## LEGACY INITIATIVES

*To help longtime District residents stay in DC*

- **Heirs Property Legal Services:** \$1M to assist multi-generational families in maintaining their family property after the original homeowner passes on
- **Black Homeownership Fund and Strikeforce:** New \$10M fund to increase access to homeownership for longtime Black DC residents
- **2% Senior Property Tax Cap:** Lowers the cap on annual increases in property taxes for seniors from 5% to 2%
- **Single Family Residential Rehab Program:** Additional \$3M over two years to help low-income homeowners fix and maintain their home
- **FloodSmart Homes:** \$2.6M to help residents in flood prone areas, especially in Wards 7 and 8, retrofit their homes to reduce risk of damage
- **Home Weatherization & Lead and Mold Remediation:** \$10M to make energy-efficiency improvements and remediate lead and mold hazards to improve both the health and comfort of residents

- **Historic \$500M** contribution to the Housing Production Trust Fund (HPTF) and **\$41M** for project-sponsor vouchers to make housing deeply affordable to low-income residents
- **\$110M** to rehabilitate or replace more than 1,500 units of public housing over three years, much of it for seniors as well as **\$219M** to bring back public housing units at Barry Farm, Park Morton, Bruce Monroe and Northwest One.
- **\$120M** in rent and utility assistance across two years, plus **\$12M** for a new Housing Provider fund
- **\$26M** to help low-income first-time homebuyers with down payment and closing cost assistance

# DHCD Budget Q&A



- ❖ Qxn about how much is available in HPTF for FY23. Clarification that there is dedicated tax, surplus funds, and appropriated amounts.
- ❖ Qxn: Looking forward. Do we have sufficient funding so that DHCD can meet the 50% requirement for deeply affordable housing?
- ❖ Ans: Lion share is for existing contracts that are in process. We now have additional funding to directly match to projects. This additional funding was forecasted to meet the 50%. Looking at the Priority Round from the most recent Consolidated RFP (\$135M allocated to projects), we have secured commitments that 50% of units will be at 30% AMI.
- ❖ Qxn: any updates on the 2<sup>nd</sup> round and re-submissions.
- ❖ Ans: still going through threshold review. Hoping to make announcements/awards in May.
- ❖ Qxn: is there a cap on funding that a development can ask for? Our cap is no more than 50% of the total development cost. This is gap funding. Not full funding. We require site-control and evidence that they have other funding (equity, debt, etc).
- ❖ Qxn: Can DHCD provide a breakdown over the 4-year financial plan of the \$41M for project- and sponsor-based LRSP?
- ❖ Ans: still digging into specifics. Have 9.6M for FY23 is in DHCD's budget. Administering that on the front end to match to new projects. The rest (\$31.4) is the LRSP needed to support current contracts. DHCD can provide the projections that they have built out.
- ❖ Qxn: how to access new funds for new organizations?
- ❖ Ans: Consolidated RFP is the main process for distributing funds.
- ❖ Qxns: What is the 120M in rent and utility assistance.
- ❖ Ans: This is Emergency Rental Assistance dollars for eviction prevention and utility assistance.
- ❖ Qxns: late getting into the meeting. Wondering if this is dollars from additional or leftover CARES ACT Appropriation monies?
- ❖ Ans: No.
- ❖ Qxn: creating a voucher system for older individuals on a fixed income who overlap with homeless services.
- ❖ Ans: this is not currently in the works, but always interested in working with DCHA to think through what makes sense.

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# Rolling out a new process for project-based PSH application submissions

**Challenge: Difficult to track PSH applications which can delay lease ups into project-based units.**

## Current Process

- Developer / PSH provider case managers work with client to complete housing application
- Developer / PSH Provider submit housing applications to DCHA directly through portal
- DCHA emails entity that submitted application with eligibility determination result



## New Process

- PSH Provider case manager work with client to complete housing application
- Case manager submits app. to DHS PSH Program Specialist for review
- PSH Program Specialist will reply within 1 bus. day confirming receipt; and within 2 bus. days with requests for corrections
- Completed applications submitted by DHS to DCHA via Housing the Homeless (HTH) database (Currently used by DCHA, DHS and PSH Providers for tenant-based applications)
- Application statuses updated by DCHA in HTH



# Next steps on project-based application process

- This process will start as of **April 1, 2022**
- This process applies to all project-based PSH housing applications, for new units/developments and for turnover units
- DHS is presenting this new process to all developers and PSH Providers in the next month
- Monitoring impact of this process change over the next 6-9 months, and welcome feedback on its impact on coordination across developers, providers, DHS and DCHA

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