

Chapter 6

Real Estate Services and Housing and Community Development

	Page
Real Estate Services.....	207
Mission and Structure.....	207
Vacant Properties and Slivers.....	209
Repurposing Closed Schools.....	209
Profile of Industrial Space.....	210
District Facilities Plan.....	213
District Government Office Space.....	213
Major Office Projects.....	215
Greening the District’s Facilities.....	216
Policy Guidelines.....	216
Sustainable Development.....	217
District Government Green Roofs.....	217
Stormwater Management.....	218
Energy Management.....	218
Recycling Program.....	219
Homeless Shelters.....	221
Housing and Community Development	222
Housing Needs.....	222
Priority Housing Needs.....	227
Housing Market Analysis.....	232
Foreclosures.....	238
Vacancies.....	239
Assisted Housing.....	239
Housing Market Characteristics.....	239
Specific Housing Priorities and Objectives.....	242
Public Housing Needs.....	244
Public Housing Strategy.....	244
Barriers to Affordable Housing.....	246
Efforts to Remove Barriers to Affordable Housing.....	246

Department of Real Estate Services

Mission and Structure

The Department of Real Estate Services (DRES) plays a major role in District government operations. DRES's mission is to support the District government and its residents through strategic real estate management, construction, and facilities management. DRES's primary responsibilities are managed by the following divisions: Office of the Director, Construction, Facilities, Portfolio, Protective Services Police Department, and Contracting and Procurement.

Office of the Director

The Office of the Director is responsible for setting policy and for planning, managing, and coordinating the programs and activities of all DRES components. The Director provides overall leadership to DRES activities in all matters. Although each division within DRES has a separate focus, the Director plays an active role in shaping the agency's agenda and outlook. With a unique and critical perspective on the mission of the entire agency, the Director is responsible for providing leadership and for identifying needs and opportunities.

Program offices in the Office of the Director are responsible for stimulating specific areas throughout DRES and for planning and supporting all divisions. Current program areas include energy initiatives, industrial space management, performance management, resource allocation, communications and outreach, customer service, human resources, fleet coordination, and legislative analysis.

Construction Division

The Construction Division is responsible for vertical construction in the District on behalf of many agencies including, but not limited to, the Department of Corrections, Department of Human Services, and the Metropolitan Police Department. As a part of the construction process, DRES implements and oversees the capital budget, the construction of new facilities, and the rehabilitation of existing properties. The Construction Division works to achieve success by delivering projects on-time and on-budget.

The Department of Real Estate Services is not responsible for construction related to Public Schools, Public Libraries, the Department of Parks and Recreation, and Fire and Emergency Medical Services.

Completed and on-going projects include the following:

- Consolidated Forensic Laboratory
- 200 Eye Street SE
- Americans with Disabilities Act Renovations
- Metropolitan Police Department Evidence Warehouse
- Animal Shelter
- Department of Employment Services Headquarters
- Southwest Waterfront project
- Wards 1 and 6 Senior Wellness Centers
- Anacostia Gateway
- DDOT Half Street Headquarters 55 M Street, SE

- Department of Correction Project
- School Repurposing Program
- Energy Retrofit Project One Judiciary Square
- Office of Administrative General Build Out
- Reeves Center Renovations

Facilities Division

The Facilities Division provides Class A facilities management services for District government properties. This division manages the day-to-day operations of over 300 District buildings including One Judiciary Square, the Reeves Center, the Daly Building, and the Wilson Building. In addition to 13 million square feet of office, industrial and special use space, DRES provides facilities services for Eastern Market, RFK Stadium, DC Armory, DC General Campus, District homeless shelters, Metropolitan Police Department (MPD) precincts, Department of Motor Vehicles locations and over 1.3 million square feet of vacant properties.

As part of day-to-day operations, the Facilities Division provides the following services:

- building management
- maintenance services
- engineering
- city-wide janitorial and landscaping services
- postal services
- various repairs and minor structural improvements

Portfolio Division

The Portfolio Division provides real estate services on behalf of the District government. These services include the acquisition and disposition of property, allocation of space, budgeting of fixed costs, lease administration/auditing, and agency relocations. In addition, the Portfolio Division is responsible for the repurposing of vacant schools that are transferred from DCPS.

To enhance transparency, DRES has compiled an online property inventory, by square and lot, of all properties either owned or controlled by the District government. Please visit the site at <http://dcatlas.dcgis.dc.gov/opm/dcproperties.aspx>.

Protective Services Police Division

The Protective Services Police Division (PSPD) is responsible for managing and providing security and law enforcement at District owned and leased properties. PSPD is responsible for ensuring the safety of District employees, residents and visitors to government facilities through patrol operations, contract security guard management and electronic access control/security systems. PSPD is also tasked with responding to crimes in progress and taking reports involving crimes or incidents that have occurred within their jurisdiction. Protective Services Police Department Strategic Services Bureau is responsible for providing comprehensive security assessments for all DC Government Facilities.

Contracting & Procurement Division

The Contracting and Procurement Division provides service and support in procuring the following: vertical construction, architecture and engineering services; facilities maintenance and operation services; real estate asset management services, including leasing and auditing; utility contracts and security services. The division will implement the appropriate contracting mechanisms to allow the agency to utilize contracts and other vehicles to decrease the time required for contract review and approval. Additionally, the division is responsible for vertical construction procurement for the Department of Parks and Recreation, Fire and Emergency Management Services, Housing and Community Development, Metropolitan Police Department and the University of the District of Columbia.

Vacant Properties and Slivers Not Suitable for Government Use

Vacant properties are buildings or land not currently in use. A number of these properties are not suitable for District government use because they do not meet space requirements, are too far from public transportation or are more suited for commercial use and economic revitalization. Slivers, land less than 1,750 square feet, are too small to develop on their own and provide little to no value to the District. There are currently 3,112,382 square feet of vacant properties and 20,926 square feet of slivers in the DRES inventory, broken down as follows:

St. Elizabeth's:	907,854 square feet
Schools:	866,472 square feet
DC General:	664,493 square feet
Land:	552,499 square feet
Miscellaneous buildings:	121,064 square feet

DRES will determine the most effective use of the vacant properties as required by legislation including, leasing, transfer to other agencies for government use, sale to adjacent property owners, if appropriate, or transfer to the Deputy Mayor for Planning & Economic Development for development. DRES is currently marketing two properties for lease through an open solicitation process.

Repurposing Closed Schools

In 2008, approximately 23 public schools were closed and added to DRES's portfolio. A small number of schools will be repurposed for agency relocation. For example, the Bowen School, which is approximately 72,000 square feet, has been renovated to serve as the new Metropolitan Police Department First District Headquarters. DRES also oversaw the renovation of the closed Bundy School. The Bundy School now houses the Child and Family Services Agency (CFSA), Metropolitan Police Department (MPD) and the U.S. Attorney's Office in collaboration with Safe Shores. The Bundy School is a consortium of services for children that are victims of, or witness to crimes in the District of Columbia.

School buildings not required for District agency use have been offered for reuse by public charter schools. DRES has successfully negotiated several leases for the reuse of the closed schools by charter schools. The Clark School by EL Haynes, the Taft School by Hyde, the Douglass School by KIPP and the Draper, Benning and Birney Schools by the Charter School Incubator Initiative have all been negotiated by DRES. Each of these schools provides additional educational opportunities to parents and students in the District of Columbia. DRES is also continuing this effort by currently negotiating five additional charter school leases.

Moreover, DRES also seeks to repurpose schools that have been closed for many years. DRES has recently released a Request for Offers for the Crummell School which has been vacant over a decade. DRES has also more notably, negotiated a lease with the Central Union Mission for the reuse of the Gales School. The \$12 Million Dollar renovated Gales School will include a LEED certified homeless shelter that will provide 150 beds to some of the Districts most vulnerable residents. In addition to the emergency housing, the Central Union Mission at the Gales School will also provide free English language instruction, GED preparation, health consultations, vocational support, and legal and dental services. Central Union Mission will also distribute free food and groceries at the Gales School.

DRES and the Deputy Mayors for Education and Planning and Economic Development are exploring other uses for the remaining schools in accordance with the requirements of the Landrieu Act. Excess schools not leased to charter schools will be offered through the Deputy Mayor for Planning and Economic Development for other types of reuse.

Profile of Industrial Space

Industrial space describes all warehouses where agencies store equipment, files and supplies; parking lots; vehicle repair facilities; salt domes and production, distribution and repair (PDR) facilities.¹⁰

In fiscal year 2008, DRES, assisted by the Office of the Chief Technology Officer (OCTO) and the Office of Contracts and Procurement, began a campaign to clean up duplicative and over-filled District-owned and leased warehouse space. That campaign has continued yearly and DRES has reduced file storage, obsolete furniture and scrap materials for several agencies, and OCTO has begun digitizing essential government documents. Former dumping sites have been cleaned up on the St. Elizabeth's and DC General Hospital campuses and at DC Village. Two leased warehouses, totaling 17,600 square feet, were emptied and vacated, saving the District approximately \$144,350 annually.

The District currently occupies 1,643,710 square feet of industrial space. 333,396 square feet is leased and 1,310,314 square feet is owned.¹¹ In 2008, DRES consolidated the contents of warehouses located at 4110 Kansas Avenue NW (6,545 square feet) and 1515-1525 Half Street SW (25,778 square feet) and ended outdated leases with the owners.

In fiscal year 2009, the Board of Elections & Ethics vacated 3335 V Street NE and moved its warehouse operations to the former Public Schools warehouse at 3535 V Street NE, saving the District more than \$150,000 during FY09 in lease costs. Also, excess fleet vehicle disposition, which previously operated on a separate lot at the southern end of DC Village, is now conducted from the site of the user agency and at 2200 Adams Place NE. This freed up land used for construction of a new 29,000 square feet evidence warehouse for MPD.

DRES continues to clear existing industrial space of non-essential materials to improve and optimize owned space. DRES will consistently pursue the co-location of similar industrial operations, move agency warehouse functions from leased to owned space and look to build out a citywide warehouse as soon as it is feasible. District-owned industrial space within the city limits is approaching a 100% utilization rate. Acquisition of additional space is challenging because of the limited industrial-zoned space in the city and the high cost. DRES currently meets warehousing and other industrial land requirements at, among other locations, DC Village, 2200 Adams Place NE, Oak Hill in Laurel, Maryland and DC General.

¹⁰ For purposes of this report, DRES has relied on historic information concerning square footage. Most often that information does not specify whether the square footage data provided is gross building area or rentable square feet.

¹¹ This number includes measures of land feet and gross building area.

Table 6.1. Industrial Space (Reflects all owned and leased industrial properties)			
Department	Address	SF	Status
Board of Elections & Ethics	3535 V St NE	38,727	Leased
Contracting and Procurement	2200 Adams Pl NE	17,761	Owned
Department of Corrections	3390 V St NE	13,345	Leased
Fire & Emergency Medical Services	3170-3180 V St NE	33,320	Leased
Fire & Emergency Medical Services	1338 Park Rd NW	6,792	Owned
Fire & Emergency Medical Services	915 Gallatin St NW	9,010	Owned
		43,122	
Human Services	4 DC Village Lane SW	31,200	Owned
Health	5601 East Capitol St SE	1,054	owned
Health	1328 W St., SE	255	owned
Health	4 DC Village Lane SW	8,743	owned
Health (Public Health Annex)	7 DC Village Lane SW	8,000	owned
Health	3330 V St NE	50,000	leased
		68,052	
Parks & Recreation	1325 S St NW	34,425	owned
Police Department	3515 & 3521 V St	42,470	leased
Police Department	2235 Shannon Pl	98,093	leased
Police Department	2250 Railroad Ave SE	15,819	leased
		156,382	
Real Estate Services	2200 Adams Pl NE	71,080	owned
Real Estate Services	1900 Massachusetts Ave. SE	10,268	owned
Real Estate Services	2 DC Village Lane SW	31,246	owned
Real Estate Services	2700 Martin Luther King Jr. Ave SE	2,125	owned
		114,719	
Public Schools	3535 V St NE	29,476	leased
Public Schools	2200 Adams Pl NE (1, 2, 3rd floors)	205,400	owned
		234,876	
Public Works	1827 West Virginia Ave., NE	10,115	owned
Public Works	5000 Overlook Ave SW	187	owned
Public Works	4902 Bates Rd NE	4,080	owned
Public Works	1125 O St SE	5,084	owned
Public Works	900 New Jersey Ave SE	5,084	owned
Public Works	2860 South Capitol St SE	3,137	owned
Public Works	5001 Shepherd Parkway SW	6,620	owned
Public Works	1241 W St SE	7,248	owned
Public Works	2750 South Capitol St SW	7,800	owned
Public Works	200 Bryant St NW	56,100	owned
Public Works	4901-T Bates RD NE	31,926	owned
Public Works	1725 15 th St NE	35,100	owned
Public Works	201 Bryant St NW	19,635	owned
Public Works	3200 Benning Rd NE	76,348	owned
Public Works	1833-35 West Virginia Ave NE	78,550	owned
Public Works	2455 Alabama Ave. SE	2,270	owned
Public Works	3220 Idaho Ave. NW	1,250	owned

Table 6.1. cont. Industrial Space			
Department	Address	SF	Status
Public Works	2700 South Capitol St SE	3,893	owned
Public Works	3212 Georgia Ave NW	374	owned
Public Works	1801 Minnesota Ave SE	748	owned
Public Works	1241 W St NE	7,225	owned
		362,774	
Transportation	280 McMillan Dr. NW	3,100	owned
Transportation	350 McMillan Dr. NW	5,000	owned
Transportation	1735 15 th St. NE	83,640	owned
Transportation	1338-1340 G St. SE	36,746	owned
Transportation	3512 Whitehurst Freeway NW	3400	owned
Transportation	100 Potomac Ave SE	5,585	owned
Transportation	3800 Fort Dr. NW	11,628	owned
Transportation	401 Farragut St NE	12,750	owned
Transportation	1241 W St, NE	14,875	owned
Transportation	1241 W St NE	1,700	owned
Transportation	1403 W St NE	6,010	owned
		184,434	
Total Leased Industrial Space		321,250	
Total Owned Industrial Space		984,567	
Total Industrial Space		1,305,817	

DC Village Land Use - DC Village Lane SW

DC Village is now 100% utilized, except for a wetland area of less than ½ acre at the SE corner of the site. DC Village is used by a variety of agencies and Federal and District organizations including the Metropolitan Police Department (training facilities, K-9/bomb squad unit, recruiting office, emergency response team, evidence control facility and vehicular evidence lot), Fire & Emergency Medical Services (training facilities), Architect of the Capitol and U.S. Capitol Police, Potomac Job Corps, the Department of Public Works (impound lot), the Department of Health (pharmacy warehouse and public health annex), the Department of Human Services (supply warehouse), the Department of Transportation (street maintenance branch storage/mil piles), Washington Metro Transit Authority (bus garage) and DC Public Schools (bus lot), as well as a private entity, Chaney Enterprises which recently was selected through an RFP for approximately 3 acres where the old boiler plant and laundry facilities stand.

Warehouse Management & Centralization

DRES has conducted detailed review of all warehouses to eliminate the retention of surplus materials and duplicate supplies. As a result, DRES has been able to exit leases for newly cleared space that is no longer required. As a result, DRES has reduced space holdings by 154,388 square feet at an annual savings of \$1,579,284.

Finally, DRES constructed the new state-of-the-art Metropolitan Police Department Property and Evidence Warehouse at DC Village. The new facility includes a warehouse and an administrative section encompassing offices, evidence processing areas and specialty storage vaults for narcotics, valuables and refrigerated evidence.

District Facilities Plan

The Department of Real Estate Services (DRES) plans to regularly reconsider and update priorities that guide space utilization and location of government services. The following nine priorities are currently used by DRES in decision-making for new leases, agency relocations, space acquisition, and capital investments:

1. Maximize use of District owned space
2. Transition from leased to owned space
3. Improve utilization of warehouse and industrial space
4. Repurpose surplus schools
5. Respond in a timely manner to expiring leases
6. Transition to modern and efficient space use; including employing appropriate standards for space utilization
7. Develop government centers and other owned facilities
8. Undertake preventive maintenance and budget for capital repairs and replacement
9. Use innovative techniques to “green” District properties.

Significantly, DRES must blend agency operational priorities with District-wide strategic real estate priorities in making occupancy decisions with agencies

New Space Standards

The nature and size of the District’s real estate holdings must be considered when managing costs and facilities associated with serving the residents of the District. The management of costs and facilities should also address proper space standards. As technologies and business processes continuously change, workplace standards must change too.

Space standards improve the efficiency of government facilities and minimize costs. These standards typically include guidelines for space allocation, workspace design, furniture performance specifications, technology requirements and building performance standards. The standards help assure that the District has a “green” and efficient work environment.

DRES, together with the Office of the Chief Technology Officer and other agencies, is actively working on developing guidelines for 21st century, high performance workplaces. These guidelines will serve a critical role in helping agencies achieve their strategic and business goals. District workplaces in the future will incorporate flexible spaces for learning and collaboration, facilitate greater functional mobility for District staff, and incorporate appropriate private spaces for confidential meetings. Facilities based on these standards will reinforce a sense of modernity and professionalism. Employees of District agencies will understand that the District values the creativity and energy of its staff. Residents and other customers entering these bold new spaces will understand the District’s commitment to providing high quality services in an efficient manner.

District Government Office Space

The Department of Real Estate Services (DRES) manages 4,457,140 square feet of office space to house DC agencies. A very small portion of this space (well under 1%) is made available to retailers and other entities. 2,440,901 square feet is leased and 2,016,239 square feet is owned. Table 6.2 lists the District’s leased and owned office space.

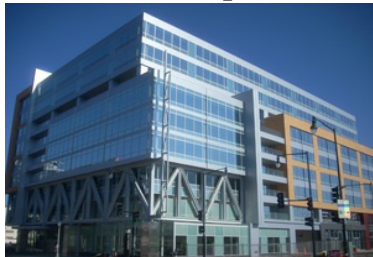
Table 6.2. Office Space as of Year End FY 2008

Address	SF	Status
1100 Fourth St., SW (Waterfront) -- EAST BUILDING	273,221 SF	Leased
1101 Fourth St., SW (Waterfront) -- WEST BUILDING	280,109 SF	Leased
1100 15th STREET, NW	42,924 SF	Leased
1125 15th STREET, NW	112,156 SF	Leased
1133 15th STREET, NW	15,492 SF	Leased
1134 11th STREET, NW	4,980 SF	Leased
1200 First STREET, NE	199,822 SF	Leased
1205&1207&1233 Brentwood ROAD, NE	6,005 SF	Leased
1207 Taylor STREET, NW	27,600 SF	Leased
12100 Sunrise Valley Dr., Reston, VA 20191	7,538 SF	Leased
1215 Third STREET, NE	22,830 SF	Leased
1250 U STREET, NW	34,400 SF	Leased
1300 FIRST STREET, NE	53,281 SF	Leased
1333 H STREET, NW	30,122 SF	Leased
1400 EYE STREET, NW	10,591 SF	Leased
1523 - 1571 Alabama Ave., SE	4,925 SF	Leased
1724 South Capitol STREET, SE	8,050 SF	Leased
1800 Martin Luther King, Jr., Ave., SE	55,737 SF	Leased
2041 Martin Luther King, Jr., Ave., SE	4,649 SF	Leased
2100 Martin Luther King, Jr., Ave., SE	66,800 SF	Leased
2101 Martin Luther King, Jr., Ave., SE	75,660 SF	Leased
2311 Martin Luther King, Jr., Ave., SE	2,592 SF	Leased
2701 Pennsylvania Ave., SE	8,919 SF	Leased
2850 New York Ave., NE [DPW]	24,422 SF	Leased
2901 14th STREET, NW (f/k/a 1371 Harvard STREET, NW)	6,399 SF	Leased
3007 TILDEN STREET, NW	33,069 SF	Leased
3162-3164 Mt. Pleasant STREET, NW	3,598 SF	Leased
3220 M STREET, NW	5,260 SF	Leased
3220 Pennsylvania Ave., SE	44,486 SF	Leased
33 N STREET, NE	39,810 SF	Leased
3720 Martin Luther King, Jr., Ave., SE	34,500 SF	Leased
3841-3845 Alabama Ave., SE	25,876 SF	Leased
3919 Benning ROAD, NE	34,400	Leased
400 6th STREET, SW	128,723	Leased
4001-4005 South Capitol STREET, SW	23,540	Leased
4037 (fka 4035) South Capitol STREET, SW	5,893	Leased
4049 South Capitol STREET, SW	7,080	Leased
450 H STREET, NW	24,030	Leased
55 M STREET, SE	150,000	Leased
609 H STREET, NE, BLDG # 1	104,846	Leased
645 H STREET, NE, BLDG # 2	81,610	Leased
616 H STREET, NW, GALLERY PLACE (f/k/a: GALLERY PLACE, 7th & H STS., NW)	1,547	Leased

Table 6.2. Office Space as of Year End FY 2008		
Address	SF	Status
6323 Georgia Ave., NW	9,948	Leased
64 New York Ave., NE (f/k/a 77 P St., NE)	313,842	Leased
655 15th STREET, NW	26,914	Leased
717 14th STREET, NW	44,963	Leased
810 FIRST STREET, NE	120,673	Leased
825 North Capitol STREET, NE	44,312	Leased
899 North Capitol STREET, NE	150,718	Leased
920 Rhode Island Ave., NE	8,637	Leased
955 L'Enfant PLAZA, SW	23,886	Leased
TOTAL LEASED	2,871,385	
OWNED		
441 4th St., NW (OJS)	850,354	Owned
300 Indiana Ave. (Daly)	585,955	Owned
2000 14th St, NW (Reeves)	479,767	Owned
225 Virginia Ave., SE	421,000	Owned
1350 Pennsylvania Ave. (Wilson)	328,760	Owned
4665-69 Blue Plains Dr. (Police Training Academy)	112,283	Owned
410 E St., NW (Old Juvenile Court Building)	105,900	Owned
301 C St., NW	59,206	Owned
95 M St., SW	39,166	Owned
222 Mass. Ave., NW	22,461	Owned
2750 S Capitol St., SW	7,800	Owned
TOTAL OWNED	3,012,652	

Major Office Projects

District Department of Transportation (DDOT)



55 M Street, SE houses the Department of Transportation (DDOT) with 150,000 square feet of office space within a LEED Gold Certified building located within view of Nationals Stadium. The Director's Office and the administrative functions of the five groups within DDOT consolidated from multiple locations into one team.

Consolidated Forensic Laboratory (CFL)



The Consolidated Forensic Laboratory (CFL) will be a 287,000-square-foot new building consolidating the city's public safety forensic science and public health efforts into a single, world class, state of the art facility. It will play a vital role in advancing and improving public safety support, homeland security, crime investigation capabilities and health and science in the District.

200 Eye Street, SE



200 Eye Street, SE will redevelop the long vacant Washington Star printing plant. The property was formerly known as 225 Virginia Avenue, SE.

Previously this large property in the Capitol Riverfront area was redeveloped as a data center, but the property was never occupied. The District originally leased the property for MPD functions but redevelopment cost proved too high to justify under the lease agreement. The building was purchased by the District in 2009. Stonebridge Carras will redevelop the property through a lease-leaseback transaction, saving District taxpayers more than \$60 million over the previous arrangement and providing the District with unencumbered ownership of the facility at the end of the 20 year lease. Once renovated, the new building will be LEED Gold certified and include a ground floor public gallery to showcase the vast art collection of the DC Commission on the Arts and Humanities. Other office tenants will include Child and Family Services Agency and the Office of the Chief Technology Officer.

Greening the District's Facilities

DRES is actively working to promote the principles of sustainable development to transform our real estate portfolio and continue to be a national model for green government.

Green Buildings

Since the adoption of the DC Green Building Act of 2006, DRES has constructed more than 680,000 square feet of LEED™ Gold certified space, with an additional 1,080,000 square feet of new LEED™ certified buildings and interior projects underway. The District continues to develop new and innovative processes to assess existing building conditions and enable informed decisions for creating sustainable, durable, and equitable design and development solutions for the District's real estate portfolio.

Policy Guidelines for DRES Project Managers

The DC Green Building Act of 2006 and the Clean & Affordable Energy Act of 2008 remain the guiding legislation for DRES project requirements. DRES has continued, however, to build upon the existing District legislation with internal policies that further promote and strengthen the Agency's commitment to progressive green building solutions.

- *The LEED Certification Guidebook (2008)*: The Green Buildings Act of 2006 requires all DRES construction projects over 10,000 square feet to achieve LEED™ Silver certification or higher. To ensure compliance, DRES drafted a handbook for architects, builders and government officials outlining how to manage and observe the District's groundbreaking green building requirements.
- *The Workplace Design Guidelines (2009)*: DRES developed these guidelines to provide agencies, planners, space programmers and designers a reference guide and toolkit for creating a high performance workplace. These guidelines provide more than a menu of space types. They also include ways to integrate sustainable principles, leverage technology, understand generational thinking and its impact on the workplace and showcase unique "brand" features in District space.

- *The Existing Buildings and Small Projects: Sustainable Design Guide (2011)*: DRES acknowledges that building construction and operation have extensive impacts on the environment and the long-term infrastructure development of the District of Columbia. Buildings use resources such as water, energy, and raw materials, and generate waste and greenhouse gas emissions with potentially harmful effects. The recommendations in this document are offered in that spirit, integrating and expressing the technical features that enable projects to perform to the highest green building and site standards. This Guide describes minimum performance standards acceptable to the DC Department of Real Estate Services.

Sustainable Development

DRES has taken on an aggressive effort to better facilitate public environments that minimize their embodied energy and lifecycle demand on local resources. DRES is developing a Sustainable Development Program that operates across the Agency to identify, support, and plan initiatives and projects that aim to reduce the carbon footprint of District facilities and operations.

- **Capital Construction:** DRES Capital Construction has incorporated a meticulous Green Building Quality Assurance/Quality Control (QA/QC) effort. In addition to project coordination with existing District legislation (e.g. Green Building Act of 2006) and ongoing staff training efforts, DRES has inserted additional management and oversight strategically focused on reducing environmental construction impact.
- **Facility Maintenance:** DRES Facility Maintenance has inserted distinct green cleaning language within the Consolidated Maintenance and Citywide Maintenance contracts as a method of creating greater accountability for District custodial vendors. Additionally, DRES focuses on Preference for Environmentally Preferable Products, Green Roof/ Low Impact Development (L.I.D.) Maintenance Strategies, Pollution Prevention Plans, Waste Stream/Recycling Audits, Integrated Pest & Nutrient Management, and Indoor Air Quality Management.
- **Portfolio Leasing/Contracts & Procurement:** DRES Portfolio Leasing has begun including language within Solicitations, Contracts, and Request for Offers (RFOs) that prioritize Green Building Management Strategies, Leasing in LEED Buildings and/or request descriptions of existing building green building processes and potential retrofits to be included in proposal responses. Additionally, DRES works to green existing leases by facilitating negotiations with building owners and lease holders related to the inclusion of green building upgrades to existing facilities.

District Government Green Roofs

Green Roofs are a critical component of DRES efforts to lower energy consumption of buildings, reduce the heat island effect throughout the city, increase the retention and filtration of rain water on District property and restore local habitat.

A green roof is partially or completely covered with vegetation and soil, or a growing medium, planted over a waterproofing membrane. Green roofs support the City's vision for restoring the Anacostia by reducing storm water runoff. During heavy rains, storm water run-off can overburden the sanitary sewer system and lead to raw sewage overflows to the river. Green roofs absorb rainwater, preventing it from entering the waste water system. In addition, green roofs perform an insulating function which reduces the energy demand of buildings and thus reduces our greenhouse gas emissions.

Table 6.3. DRES Green Roof Retrofit Projects

Location	Square Footage	Type	A/E	Installer	\$ per square foot (actual or estimate)
The Frank D. Reeves Center 2000 14th Street, NW	4,000	Extensive Pre-planted modular system	Architrave Architects	DC Greenworks	\$20.00
One Judiciary Square 441 4th Street, NW	8,000	Extensive Planted on roof deck	Bell Architects	DC Greenworks	\$20.00
Ward 1 Senior Wellness Center 3531 Georgia Ave, NW	2,600	Extensive Planted on roof deck	Lance Bailey Architects	EEC-Forrester Construction Company	\$20.00
Department of Employment Services Minnesota Ave, NE	24,000	Extensive Pre-planted modular system	Devroux + Purnell Architects	EEC-Forrester Construction Company	\$20.00
The Unified Communications Center 2720 MLK Ave, SE	17,000	Extensive Pre-planted modular system	AECOM	Jair Lynch -Thompkins Joint Venture	\$20.00

Stormwater Management

In addition to the implementation of vegetated roof systems as described above, DRES is working to prioritize Low Impact Development (LID) stormwater management practices that limit the strain on municipal systems, help recharge local aquifers and reduce the quantity of pollutants entering the Potomac and Anacostia Rivers. LIDs are innovative stormwater management practices designed to mimic a site's predevelopment hydrology cycle to help infiltrate, filter, store, evaporate, and detain runoff close to its source. LID techniques are not only applicable to open space, but also rooftops, streetscapes, parking lots, sidewalks, and medians.

Many of the new construction projects are incorporating increased stormwater management techniques into their building and site design. Several New Construction LEED buildings under design and construction have incorporated the use of techniques such as bioretention ponds, dry wells, grey water reuse, infiltration trenches, vegetated swales, cisterns, filter strips, sand filters, and others.

The DRES Existing Buildings and Small Projects: Sustainable Design Guide (2011) has further prescribed various strategies that DRES projects can use to protect water as a resource and allow the District's natural hydrological cycles to be sustained in a consistent and healthy manner.

Energy Management

DRES provides a number of services related to the supply and usage of energy for the District Government. The Energy Group is responsible for arranging the supply of electricity, natural gas, water, steam, heating fuel and fuel for back-up generators for all District facilities. The Group is also responsible for the management of unleaded gasoline, diesel, bio-diesel, and ethanol fuels used by District Government vehicles. Lastly, it manages, promotes and reports on the recycling programs in place at District facilities.

There are four separate functions performed by the Energy Group:

1. Energy information
2. Energy supply
3. Energy management
4. Strategic energy plan

Energy Information: The Energy Information group is responsible for the accumulation of all cost and billing data associated with the energy budget, as well as the projection of future consumption and rates for budgeting purposes. This includes projecting energy costs, energy consumption and compiling the fixed costs utility budget. The Group processes more than 2,000 invoices per month and collects 14,000 data points from all energy suppliers. Additionally the Group is responsible for bill verification, new account setup, meter installation, account closing, meter removal, agency cost allocations and data management.

Energy Supply: The Energy Supply Group conducts ongoing analysis of energy markets, including supply and cost trends. This group assists the procurement team with the contracting and administrating energy contracts, provides subject matter expertise on legal claims, and reconciles contract and billing disputes. Finally, this group coordinates the aggregate commodity procurement program with other entities in the Metropolitan Washington Council of Governments.

Energy management: The Energy Management Group provides analysis of energy demand in District buildings. The Group develops energy conservation programs that are designed to reduce consumption, and decrease the carbon footprint of the District Government. The Department uses software (Energy Cap) to track month by month consumption and usage data. From this database we can balance against the annual budget, identify variances by building, track changes due to weather and track usage changes after energy conservation measures are implemented. These programs review consumption patterns, identify facilities where usage deviations occur and then recommend changes in these operations. The Group conducts energy audits, provides analysis on energy conservation measures and the financial impact of their implementation. In doing so, they research and propose funding mechanisms to increase the implementation of energy efficiency equipment. Tracking reports are prepared to analyze results that have been achieved as a result of ECM implementation. Finally, the group conducts training and educational programs for all District employees informing them of the environmental benefits of energy conservation.

Strategic Energy Plan: The Strategic Energy Plan (SEP) will provide a detailed plan that allows the District to make informed decisions related to energy conservation, sustainable strategies, and financial impacts for the next five to ten years. The SEP is being assembled using data that have been collected during the past two years. The ARRA has provided funds, enabling the District to conduct energy audits on 267 of its facilities. This data along with the cost and consumption data in the Energy Cap database and the Facility Condition Assessments will be used as the basis for prioritizing future strategies. The SEP is expected to be completed by the fourth quarter of 2012 and will identify energy conservation projects that provide a return on investment between two and twenty years. This SEP will also include strategies to address the supply side of the energy equation. In addition to the innovative reverse ruction the Energy Group currently uses to procure natural gas and electricity, the Group also procures energy from renewable sources to reduce the overall carbon footprint of the District. The District is currently procuring 50% renewable power in its portfolio; it is one of the largest purchasers of green power in the country.

Recycling Program

DRES like many District government agencies, tracks and measures progress of key organizational objectives on a monthly, quarterly, and annual basis. A primary objective of DRES is to provide a clean and secure work environment for District agencies through effective and efficient facility management and maintenance services. To accomplish this, DRES has committed to expanding waste prevention and recycling programs to increase diversion rates, increase types of commodities collected and reduce associated hauling costs.

DRES gathers Total Waste Stream weight (trash and recyclables) information for waste collected and removed from properties under the citywide trash and recyclables contract to calculate monthly and annual diversion rates as part of the Agency’s performance measures. The table below demonstrates the increase of recyclable tonnage from government-owned facilities throughout the entire DC government:

Table 6.4. DC Government Recyclables Tonnage			
	FY 2008	FY 2009	FY 2010
DC Government Facilities Recyclables Tonnage	1,458	1,792	2,023

DRES oversees all aspects of recycling materials at DRES-controlled facilities. This includes working with vendors for trash and recycle material pick-ups, coordination with building managers and tenants on recycling procedures and training related to the importance of increasing the District’s recycling stream. These activities support the Solid Waste and Multi-Material Recycling Act of 1988 that requires all owners and occupants of commercial property, including government, to separate for collection all recyclables materials from the solid waste stream.

Additionally, DRES reaches out to other agencies to assist them in developing recycling programs and recommends best practices in developing a program. Recyclable materials collected as part of the District’s employee recycling program include mixed paper, commingled bottles and cans, and cardboard. In addition, the District’s Office of Contracting and Procurement (OCP) has instituted programs to collect used toner cartridges, and excess and surplus government property. All District employees or contract workers are required to abide by the Act and all related policies.

The District employee recycling program focuses on the separation or segregation of recyclables from trash or contaminants at the source. Desktop or desk side containers emptied into central collection centers throughout the office space are used to maximize participation. Each District agency is responsible for providing desk side and hallway receptacles for use by its employees and visitors.

The collective recycling rates have steadily increased in the four core facilities since DRES began measuring diversion performance in FY 2004. In FY 2009, the four core facilities continued to surpass the 45% recycling requirement set in the *Solid Waste Management and Multi-Materials Recycling Act*.

Table 6.5. Core Facilities: Wilson, Daly, Judiciary Square and Reeves									
	FY 2008			FY 2009			FY 2010		
	Recycling (tons)	Trash (tons)	Diversion Rate	Recycling (tons)	Trash (tons)	Diversion Rate	Recycling (tons)	Trash (tons)	Diversion Rate
Total	396	581	41%	552	456	55%	556	449	55%

District Homeless Shelters

The Department of Real Estate Services (DRES) works collaboratively with the Department of Human Services (DHS) to provide the maintenance improvements and capital design and construction renovations for all District shelters. The District shelter program serves men, women, and families with emergency and transitional shelter during the hypothermia (winter and summer) seasons. In addition to repairs and renovations, DRES provides real estate services to DHS for housing acquisitions and dispositions. To help maintain the security of the District's shelters as well as protect its population, the Protective Services Police Division (PSPD) responds to emergency calls as well as conducts routine building checks.

Department of Housing and Community Development

Housing Needs

The tables included here estimate the housing needs among low- and moderate-income households in the District. The information presented is drawn primarily from HUD’s Comprehensive Housing Affordability Strategy (CHAS) data and American Community Survey, 2008 data. The tables outline a number of housing challenges faced by low- and moderate-income households of varying compositions, including cost burdens, severe cost burdens, overcrowding and living in substandard conditions. The needs of particular household types which are not explicitly addressed here are covered fully elsewhere in other documents, namely in “Needs of Public Housing”, “Homeless Needs”, Chapter Five- Non-Homeless Special Needs, and in Appendix B on HOPWA, which details housing need for persons living with HIV/AIDS and their families.

According to 2008 American Community Survey data, of approximately 250,000 households in the District, 43 percent, or 107,862 households have incomes at or below 80% Median Family Income (MFI). See the table below for a breakdown of income distribution. Of these low- and moderate-income households, 26 percent of households are elderly, 27 percent are small related households of 2-4 persons, and 5 percent are large related households of 5 persons or more. Forty two percent are comprised of non-elderly households of unrelated persons, a category which includes single-person households, classified as “Other Households.” Among low- and moderate-income households, 76 percent are renters, while 24 percent own their own homes.

Households <= 80% MFI, 2008	Current Number	Current %
TOTAL	107,862	100.00%
Income		
<=30% MFI	55,532	51.48%
>30 to <=50% MFI	32,661	30.28%
>50 to <=80% MFI	19,669	18.24%

Households <= 80% MFI, 2008	Current Number	Current %
TOTAL	107,862	100.00%
Type		
Elderly	28,087	26.04%
Small related	29,026	26.91%
Large related	5,652	5.24%
All other	45,097	41.81%

¹² 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 26 Feb. 2010.

¹³ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 26 Feb. 2010.

With the high cost of housing in the District, it is perhaps unsurprising that fully 72 percent of low- and moderate- income households experience housing problems, mostly in the form of cost burdens. While relatively few of these households experience overcrowding, at 3.5 percent, and even fewer experience inadequate kitchen or plumbing, a significant majority of low- and moderate-income households, 70 percent, have cost burdens greater than 30 percent of their income. In terms of severe cost burdens- where households spend 50% or more of their income on housing costs, 44 percent of low- and moderate-income households find themselves in this position.

TABLE 6.8. LOW-MODERATE INCOME HOUSEHOLDS, HOUSING PROBLEMS¹⁴		
Households <= 80% MFI, 2008	Current Number	Current %
TOTAL	107,862	100.00%
Any housing problems	77,506	71.86%
Cost burden > 30%	75,873	70.34%
Cost burden > 50%	47,039	43.61%
Overcrowded	3,780	3.50%
Inadequate kitchen	787	0.73%
Inadequate plumbing	1,029	0.95%

Two categories of households are the most economically vulnerable overall: those at or below 30% MFI, because of their lack of financial resources, and those with severe housing cost burdens who devote over 50% of their incomes to housing costs, as this percentage of income for housing costs is often untenable in the long term. Those households at the confluence of these two patterns are of greatest concern, namely those households with the lowest incomes experiencing the highest cost burdens.

In the context of housing need, it is important to consider that, as will be detailed in the “Needs of Public Housing” section, the District has a sizable waiting list for public housing units, with the overwhelming majority of those waitlist households, 98.7 percent, earning 30 percent or less of the Median Family Income (MFI).

¹⁴ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 26 Feb. 2010.

TABLE 6.9. HOUSING NEEDS BY RACE/ETHNICITY¹⁵		
All Households, 2008		Current %
Non-Hispanic black	Any housing problems	49.18%
	Cost burden > 30%	47.35%
	Cost burden > 50%	25.32%
Non-Hispanic white	Any housing problems	30.77%
	Cost burden > 30%	29.53%
	Cost burden > 50%	11.8%
Hispanic/Latino	Any housing problems	56.37%
	Cost burden > 30%	50.17%
	Cost burden > 50%	29.14%
Non-Hispanic Asian	Any housing problems	41.06%
	Cost burden > 30%	40.04%
	Cost burden > 50%	20.09%
Non-Hispanic other race	Any housing problems	46.51%
	Cost burden > 30%	46.51%
	Cost burden > 50%	23.13%

As noted earlier, non-elderly households of unrelated persons, a category which includes single-person households, make up a large share-42 percent-of the low and moderate income households in the District. By some measures, these households experience high degrees of housing need. For instance, forty-nine percent of low-and moderate-income renter households in this category experience housing cost burdens greater than 50 percent, while all other low-and moderate-income renters households experience severe cost burdening rates of 36-42 percent. Likewise among low-and moderate-income owners, 59 percent of households in this category experience severe cost burdens, while this is true for 33-44 percent of all other low-and moderate-income owner households.

The composition of this “Other Households” category is complex: of the 45,100 households in this category, 37,285 are single-person households, with nearly 10,000 of these households comprised of persons under 30 years of age. Just over fourteen percent of these “Other Households” include a student. This suggests that some of the housing needs in this category may in part reflect the significant number of unpaid or low-paid students, interns and entry-level workers attracted to the District by educational and/or job opportunities. Housing need, in this category as in others, is a complex amalgam of employment status, earnings

¹⁵ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 26 Feb. 2010.

potential, household composition, and community-level variables such as housing costs by neighborhood, which vary tremendously even within the relatively small geography of the District.

Disproportionate Need

For the purpose of this Consolidated Plan, as defined by HUD, disproportionate need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole. The table below presents data from the American Community Survey (2008) for various household income levels relative to the Median Family Income (MFI). The last column demonstrates the threshold, for each income level, above which particular racial/ethnic groups would be identified as having a disproportionate housing need relative to all households in the District.

TOTAL HOUSEHOLDS	Total Households	Households With Any Housing Problem	% With Any Housing Problem	Disproportionate Needs Threshold
<=30% MFI	55,532	47,213	85.02%	95.02%
>30 to <=50% MFI	32,661	20,884	63.94%	73.94%
>50 to <=80% MFI	19,669	9,409	47.84%	57.84%
>80% MFI	141,709	28,883	20.38%	30.38%

Table 6.11 below presents ACS data on housing need for racial and ethnic groups in Washington, DC, including their experience of disproportionate need. As expected, the disproportionate need threshold is highest at the lowest income strata, and, conversely, lowest for the highest income strata. For instance, as 85 percent of all households below 30% MFI experience a housing problem, the disproportionate need threshold is very high, at 95 percent. Even at this extraordinarily high level, Hispanic households and non-Hispanic white households exceed this threshold. On the other end of the income spectrum, for those with household incomes greater than 80% MFI, the disproportionate need threshold is relatively low at 30 percent, and is not exceeded by any racial/ethnic group.

Several contextual points are in order in considering the Table 6.11, beginning with the definition of disproportionate need as it may apply to a demographically diverse jurisdiction like the District. Multiple measures of disproportionate need are possible, while this table reflects a specific and somewhat narrow definition. For example, while the table below may demonstrate that non-Hispanic black households do not experience disproportionate need in any category, the full picture is certainly more complex. In the District, as discussed earlier, “any housing problem” is almost universally a housing affordability problem, and housing affordability is, by its nature, most acute for the lowest income households. Of the low and moderate income households in the District, 50 percent are non-Hispanic black households, roughly proportionate; however, when we consider only those households at or below 30% MFI, nearly 74 percent of those households are non-Hispanic black households. Staying with this demographic grouping of extremely low income non-Hispanic black households, the 82 percent that experience housing problems is a very high proportion, but it is not considered “disproportionate need” because it is not ten percent above the measure for all households at this income category. This final column of this table presents the latter finding, no disproportionate housing need for this socioeconomic group, while the former, a disproportionate share of black households at very low income levels, may be equally important when considering housing needs.

¹⁶ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 18 Mar. 2010.

TABLE 6.11. DISPROPORTIONATE NEEDS BY RACE AND ETHNICITY IN THE DISTRICT OF COLUMBIA¹⁷				
TOTAL HOUSEHOLDS	Total Minority Households	Households With Any Housing Problem	% With Any Housing Problem	Disproportionate Needs Threshold Exceeded?
NON HISPANIC BLACK HOUSEHOLDS				
<=30% MFI	40,955	33,570	81.97%	No
>30 to <=50% MFI	24,094	13,770	57.15%	No
>50 to <=80% MFI	12,919	4,499	34.82%	No
>80% MFI	46,873	9,552	20.38%	No
NON HISPANIC WHITE HOUSEHOLDS				
<=30% MFI	6,920	6,657	96.20%	Yes
>30 to <=50% MFI	4,428	3,593	81.14%	Yes
>50 to <=80% MFI	3,104	2,204	71.01%	Yes
>80% MFI	77,612	16,005	20.62%	No
HISPANIC HOUSEHOLDS				
<=30% MFI	5,378	5,378	100.00%	Yes
>30 to <=50% MFI	3,180	2,616	82.26%	Yes
>50 to <=80% MFI	2,270	1,575	69.38%	Yes
>80% MFI	7,838	953	12.16%	No
NON HISPANIC ASIAN HOUSEHOLDS				
<=30% MFI	1,374	770	56.04%	No
>30 to <=50% MFI	680	626	92.06%	Yes
>50 to <=80% MFI	980	900	91.84%	Yes
>80% MFI	6,034	1,427	23.65%	No
NON HISPANIC OTHER RACE HOUSEHOLDS				
<=30% MFI	905	838	92.60%	No
>30 to <=50% MFI	279	279	100.00%	Yes
>50 to <=80% MFI	396	231	58.33%	Yes
>80% MFI	3,352	946	28.22%	No

Based on this analysis, a number of racial/ethnic groups experience disproportionate need across income strata. For instance, Hispanic households experience disproportionate need at every income band below 80% MFI. Non-Hispanic Asian households experience disproportionate need in income bands between 30 and 80% of MFI, as do non-Hispanic other race households, i.e. Native American, Pacific Islander, multiple race households and self-defined “other” race households.

¹⁷ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau IPUMS file. Prepared for DC DHCD by NeighborhoodInfo DC. 18 Mar. 2010.

Fully understanding and addressing disproportionate need is an important goal during the Comprehensive Plan period. During the ongoing process of community consultation for the analysis of impediments to fair housing, DHCD sought particular input from stakeholders representing communities with disproportionate need. In addition to household level resource constraints, particularly acute in the <30% MFI income category, disproportionate need may result from multiple causes, all of which are important to comprehend to ensure the correct outreach and programming to reach these households.

Priority Housing Needs

In addition to the extensive community participation, the Department of Housing and Community Development (DHCD) reviewed numerous data sources as part of its efforts to determine priority needs for the community. These sources include federal housing and demographic data such as the American Community Survey, studies of the DC housing, labor and financial markets by the Greater Washington Council of Governments (COG), Fannie Mae, Freddie Mac, the Urban Institute, Brookings Institution, the DC Fiscal Policy Institute, the DC Office of Planning (OP), and other regional and local research organizations.

As the lead agency for low-to-moderate housing opportunities in the District of Columbia, DHCD has confirmed through its consultation and analysis that its focus over the coming years should remain on supporting low-moderate income residents with:

- the preservation, rehabilitation and production of affordable housing,
- incentives to include development of housing for very-low to moderate-income residents; for the homeless; and for special needs populations;
- promoting homeownership opportunities, and
- supporting neighborhood commercial and economic revitalization.

In the District of Columbia, given external constraints on revenue generation and on the availability of land for continued growth, housing development and the retention and attraction of tax-paying residents are part of the District's strategy for economic development. Stabilizing neighborhood housing is combined with DHCD's support for retention and growth of neighborhood businesses as a source of local jobs, economic opportunity and neighborhood vitality. Particularly for that segment of the population without advanced education and facing high housing prices, DHCD's focus on neighborhood-level economic opportunity combined with retention of affordable housing will assist our more vulnerable populations.

Table 6.12 details housing need by income, tenure and housing type.

Community Priorities

In the community hearings, focus groups and meetings held in preparing the Consolidated Plan, government, nonprofit and community representatives overwhelmingly supported expansion of affordable housing opportunities as the number one priority for DHCD over the Five-Year Plan period. Community representatives stressed the need for continued homeownership assistance programs, for affordable housing for persons with special needs, particularly persons living with HIV/AIDS, and for foreclosure prevention and mitigation assistance.

The priorities identified in the Needs Table reflect DHCD's assessment of the housing market, the relative acuity of the needs of residents, and specific identified objectives, including ending homelessness in the District, and continuing to promote homeownership in the city.

TABLE 6.12. HOUSING NEEDS				Current % of House-holds	Current Number of House-holds	Priority Need?	Plan to Fund?
Household Income <=30% MFI	Renter	Elderly	NUMBER OF HOUSEHOLDS	100%	11819		
			Any housing problems	76.7	9066	High	Yes
			Cost Burden > 30%	76.7	9066	High	Yes
			Cost Burden >50%	46.5	5499	High	Yes
		Small Related	NUMBER OF HOUSEHOLDS	100%	11371		
			With Any Housing Problems	85.3	9696	High	Yes
			Cost Burden > 30%	84.7	9636	High	Yes
			Cost Burden >50%	70.2	7984	High	Yes
		Large Related	NUMBER OF HOUSEHOLDS	100%	2745		
			With Any Housing Problems	76.2	2092	High	Yes
			Cost Burden > 30%	62.5	1716	High	Yes
			Cost Burden >50%	54.4	1493	High	Yes
		All other hsholds	NUMBER OF HOUSEHOLDS	100%	20767		
			With Any Housing Problems	90.6	18819	High	Yes
			Cost Burden > 30%	90.6	18819	High	Yes
			Cost Burden >50%	76.3	15837	High	Yes
	Owner	Elderly	NUMBER OF HOUSEHOLDS	100%	5251		
			With Any Housing Problems	79.3	4162	High	Yes
			Cost Burden > 30%	79.3	4162	High	Yes
			Cost Burden >50%	47.6	2499	High	Yes
		Small Related	NUMBER OF HOUSEHOLDS	100%	1196		
			With Any Housing Problems	94.2	1126	Medium	TBD
			Cost Burden > 30%	94.2	1126	Medium	TBD
			Cost Burden >50%	79.2	947	Medium	TBD

TABLE 6.12. HOUSING NEEDS				Current % of House-holds	Current Number of House-holds	Priority Need?	Plan to Fund?
		Large Related	NUMBER OF HOUSEHOLDS	100%	302		
			With Any Housing Problems	78.5	237	Medium	TBD
			Cost Burden > 30%	78.5	237	Medium	TBD
			Cost Burden >50%	78.5	237	Medium	TBD
		All other hsholds	NUMBER OF HOUSEHOLDS	100%	2081		
			With Any Housing Problems	96.9	2016	Medium	TBD
			Cost Burden > 30%	96.9	2016	Medium	TBD
			Cost Burden >50%	96.9	2016	Medium	TBD
Household Income >30 to <=50% MFI	Renter	Elderly	NUMBER OF HOUSEHOLDS	100%	3396		
			With Any Housing Problems	54.9	1863	High	Yes
			Cost Burden > 30%	54.9	1863	High	Yes
			Cost Burden >50%	4.3	145	High	Yes
				8559			
		Small Related	NUMBER OF HOUSEHOLDS	100%	8559		
			With Any Housing Problems	61.6	5269	High	Yes
			Cost Burden > 30%	57.2	4896	High	Yes
			Cost Burden >50%	10.1	863	High	Yes
		Large Related	NUMBER OF HOUSEHOLDS	100%	1026		
			With Any Housing Problems	53.6	550	High	Yes
			Cost Burden > 30%	38.5	395	High	Yes
			Cost Burden >50%	14.2	146	High	Yes
		All other hsholds	NUMBER OF HOUSEHOLDS	100%	9837		
			With Any Housing Problems	72.6	7139	High	Yes
			Cost Burden > 30%	69.0	6783	High	Yes
Cost Burden >50%	21.8		2142	High	Yes		

TABLE 6.12. HOUSING NEEDS				Current % of House-holds	Current Number of House-holds	Priority Need?	Plan to Fund?	
	Owner	Elderly	NUMBER OF HOUSEHOLDS	100%	3217			
			With Any Housing Problems	46.1	1483	Medium	TBD	
			Cost Burden > 30%	46.1	1483	Medium	TBD	
			Cost Burden >50%	22.1	712	Medium	TBD	
		Small Related	NUMBER OF HOUSEHOLDS	100%	3056			
			With Any Housing Problems	69.8	2132	Medium	TBD	
			Cost Burden > 30%	69.8	2132	Medium	TBD	
			Cost Burden >50%	44.9	1373	Medium	TBD	
		Large Related	NUMBER OF HOUSEHOLDS	100%	1232			
			With Any Housing Problems	68.5	844	Medium	TBD	
			Cost Burden > 30%	68.5	844	Medium	TBD	
			Cost Burden >50%	34.6	426	Medium	TBD	
		All other hsholds	NUMBER OF HOUSEHOLDS	100%	2338			
			With Any Housing Problems	68.6	1604	Medium	TBD	
			Cost Burden > 30%	68.6	1604	Medium	TBD	
			Cost Burden >50%	54.1	1265	Medium	TBD	
	Household Income >50 to <=80% MFI	Renter	Elderly	NUMBER OF HOUSEHOLDS	100%	2369		
				With Any Housing Problems	38.0	900	Medium	TBD
				Cost Burden > 30%	38.0	900	Medium	TBD
				Cost Burden >50%	32.2	762	Medium	TBD
Small Related			NUMBER OF HOUSEHOLDS	100%	3095			
			With Any Housing Problems	44.0	1362	Medium	TBD	
			Cost Burden > 30%	42.2	1306	Medium	TBD	
			Cost Burden >50%	17.4	539	Medium	TBD	

TABLE 6.12. HOUSING NEEDS		Current % of House-holds	Current Number of House-holds	Priority Need?	Plan to Fund?	
Owner	Large Related	NUMBER OF HOUSEHOLDS	100%	159		
		With Any Housing Problems	100.0	159	Medium	TBD
		Cost Burden > 30%	100.0	159	Medium	TBD
		Cost Burden >50%	100.0	159	High	Yes
	All other hsholds	NUMBER OF HOUSEHOLDS	100%	7236		
		With Any Housing Problems	45.4	3287	Medium	TBD
		Cost Burden > 30%	42.7	3089	Medium	TBD
		Cost Burden >50%	7.7	556	High	Yes
	Elderly	NUMBER OF HOUSEHOLDS	100%	2034		
		With Any Housing Problems	23.4	476	Medium	TBD
		Cost Burden > 30%	23.4	476	Medium	TBD
		Cost Burden >50%	14.4	292	Medium	TBD
	Small Related	NUMBER OF HOUSEHOLDS	100%	1746		
		With Any Housing Problems	64.2	1121	Medium	TBD
		Cost Burden > 30%	64.2	1121	Low	No
		Cost Burden >50%	17.5	305	Medium	TBD
	Large Related	NUMBER OF HOUSEHOLDS	100%	189		
		With Any Housing Problems	31.2	59	Medium	TBD
		Cost Burden > 30%	0.0	0	Low	No
		Cost Burden >50%	0.0	0	Medium	TBD
All other hsholds	NUMBER OF HOUSEHOLDS	100%	2841			
	With Any Housing Problems	72.0	2045	Medium	TBD	
	Cost Burden > 30%	72.0	2045	Low	No	
	Cost Burden >50%	35.2	1001	Medium	TBD	

Housing Market Analysis

Market Characteristics

Over the past 10 years, the District of Columbia has gone through a tremendous period of revitalization that has affected all sectors of the economy, including the demand and supply of housing. This revitalization has slowed, if not temporarily stopped, due to the number and size of residential development projects that delivered just as the changes in the capital markets and the resulting national recession began¹⁸. Recently, unemployment has exceeded 12 percent¹⁹ and the District's total labor force has declined by more than 3,000 persons during the past several months after peaking in August 2008. Despite the recent economic challenges, the District's housing market appears to be well positioned for the next several years. The District's population, currently just under 600,000, has been rising since 1998 after decades of decline beginning in the mid-1960s. Renting remains a popular housing option—55 percent of District residents compared to 33 percent nationally.²⁰ Several factors suggest that metro area residents are choosing to move to the District at greater rates than in the past, in order to be closer to their jobs in the core. Looking forward, rising transportation costs, a growing interest in walkable neighborhoods, fewer households with children and noticeable improvements in the District's school system suggest this change in location-based housing demand growth could increase²¹.

The table below presents information on tenure, number of bedrooms, cost, and level of quality of housing stock in the District of Columbia. This table contains information required by HUD in the Needs spreadsheet under the CPMP tool.

Housing Stock Inventory	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedrooms	Total	Substandard Units
Affordability Mismatch						
Occupied Units: Renter		94,190	35,600	17,335	147,125	89
Occupied Units: Owner		14,585	21,600	65,030	10,1215	31
Vacant Units: For Rent	7%	5,380	3,195	1,085	9,660	TBD
Vacant Units: For Sale	3%	825	1,020	1,665	3,510	TBD
Total Units Occupied & Vacant		114,980	61,415	85,115	261,510	120
Rents: Applicable FMRs (in \$s)		\$1,156	\$1,494	\$1,927		
Rent Affordable at 30% of 50% of MFI (in \$s)		\$38,905	\$13,910	\$4,290		

¹⁸ Office of Planning Comprehensive Housing Report. Working paper. Washington, DC: Office of Planning, 2010.

¹⁹ Heid, Markheim. "Region's Jobless Rate Remains Well below National Average." Washington Examiner. Washington Examiner, 23 Feb. 2010. Web. <http://www.washingtonexaminer.com/local/Region_s-jobless-rate-remains-well-below-national-average-84998202.html>.

²⁰ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau. Web. 03 Feb. 2010. <<http://factfinder.census.gov/>>.

²¹ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

²² 2006-2008 American Community Survey Washington, DC U.S. Census Bureau. Web. 03 Feb. 2010. <<http://factfinder.census.gov/>>.

Supply of Housing

There are approximately 284,000 housing units in the District, approximately 250,000 of which are occupied. The table below provides further information on the number of units and whether they are owner-occupied, renter-occupied, or vacant.

Supply of District Housing	2000		2008	
	Number	Percent	Number	Percent
Total Number of units	247,845	100%	284,164	100%
Total number of occupied units	248,338	90.4%	250,423	88.1%
Owner-occupied units	101,214	40.85	111,645	44.6%
Renter-occupied units	14,7124	59.2%	138,778	55.4%
Vacant units	26,507	9.6%	33,741	11.9%

The District Office of Planning (OP) forecasted the amount of housing supply in coming years by analyzing future housing development projects. Over 17,500 units of housing have received public approvals either in the form of building permits, Board of Zoning Adjustments or Zoning Commission orders, or commitments of public funds. However, changes in the capital markets have made it very difficult for those projects with predevelopment approvals to break ground and begin construction. Therefore, other than projects already under construction very little stock is expected to deliver until 2013 to meet the demand discussed previously.

An important aspect in the supply of housing is the rate of sales. After a rapid increase in single-family home and condominiums sales beginning in the late 1990s, sales volumes have dramatically decreased. Single-family home sales during the last quarter of 2008 were almost half the volume of sales from the last quarter of 2003, and almost 60 percent lower than the last quarter of 1998. Similarly, condominium sales in the last quarter of 2008 were down more than half from the last quarter of 2003. However, unlike single-family homes, 2008 condominium sales were similar to that of 1998 sales, likely due to the large increase in the supply available²⁴.

Another way to look at the sales volume's effect on the supply of housing is to compare the number of units for resale to the monthly pace of sales. This ratio is essentially the months of supply assuming sales stay at their current pace. The graph shows that after peaking in the first quarter of 2009, the supply of for-resale units dropped to less than six months,²⁵ the approximately supply level in 2006. Unfortunately, most of the rental housing added to the market in recent years has been market rate. Affordable rental units, particularly appropriate for families, are not easy to find, particularly in neighborhoods outside of Wards 7 and 8. The need for moderately priced rental units is also apparent, as there are few apartment buildings priced reasonably for those who cannot afford to rent in the new luxury buildings but do not qualify to live in a tax-credit property²⁶.

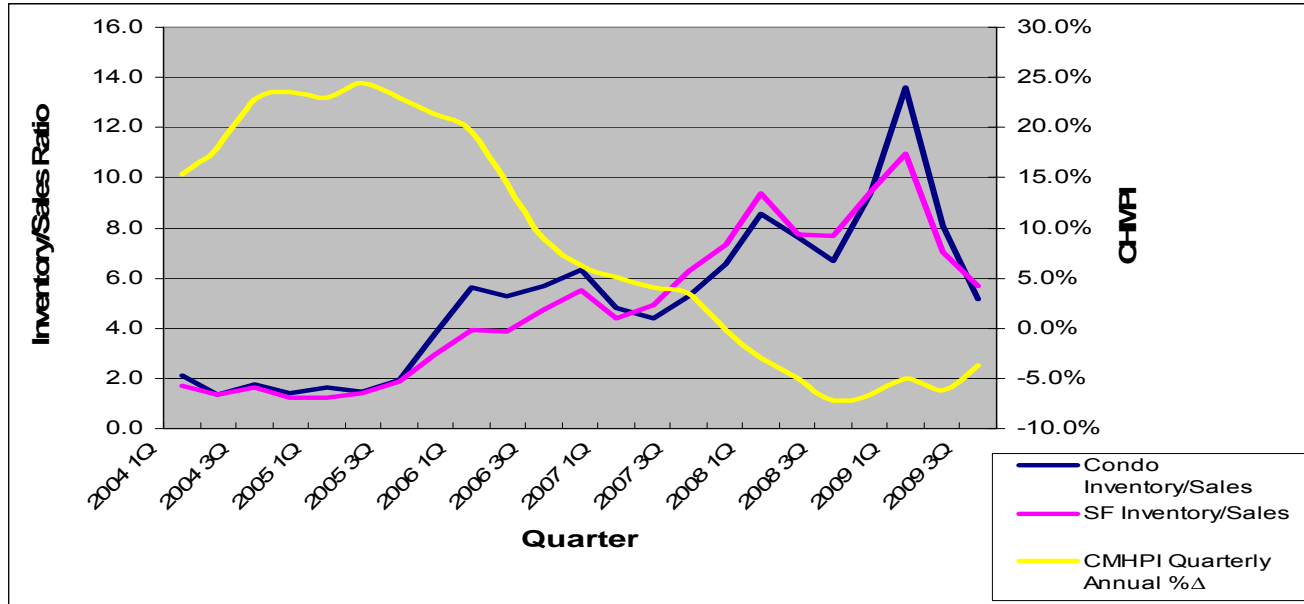
²³ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau. Web. 03 Feb. 2010. <<http://factfinder.census.gov/>>.

²⁴ "DC Housing Monitor Spring 2009." NeighborhoodInfo DC. NeighborhoodInfo DC, 10 Sept. 2009. Web. 23 Mar. 2010. <http://www.neighborhoodinfodc.org/housing/DCHousingMonitor_2009_2/>.

²⁵ This is separate from the months of supply of new homes. New homes sell more slowly because they are targeted at a narrower segment of the demand market. The Delta Associates report estimates a 2.5 year supply of new home marketed for sale.

²⁶ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

FIGURE 6.1. RATIO OF UNITS-FOR-SALE TO SALES-PER-MONTH²⁷



*CMHPI: Conventional Mortgage Home Price Index

Demand for Housing

Total housing demand results from several sources, including net job growth that attracts people to move from outside the region, rates of household formation and local migration. Total demand can be broken down by tenure, unit types and price points. OP estimates that between now and 2014 there is potential demand for approximately 11,565 net new housing units in the District. In the immediate short-term, job growth in industries that pay lower wages will increase demand for housing from households earning less than 80 percent of the Area Median Income (AMI). Households earning less than 80 percent of the AMI have insufficient income to afford the market rate rents typically needed to finance new construction and therefore put greater pressure on the supply of subsidized affordable housing²⁸. In fact, 35.5 percent of residents spend more than 30 percent of their income on housing, and 16.4 percent of residents spend more than 50 percent of their income on housing.

²⁷ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

²⁸ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

FIGURE 6.2.
DISTRIBUTION OF POTENTIAL DC HOUSEHOLDS
BY PERCENT OF AMI (SHORT-TERM FORECAST) (OP)²⁹

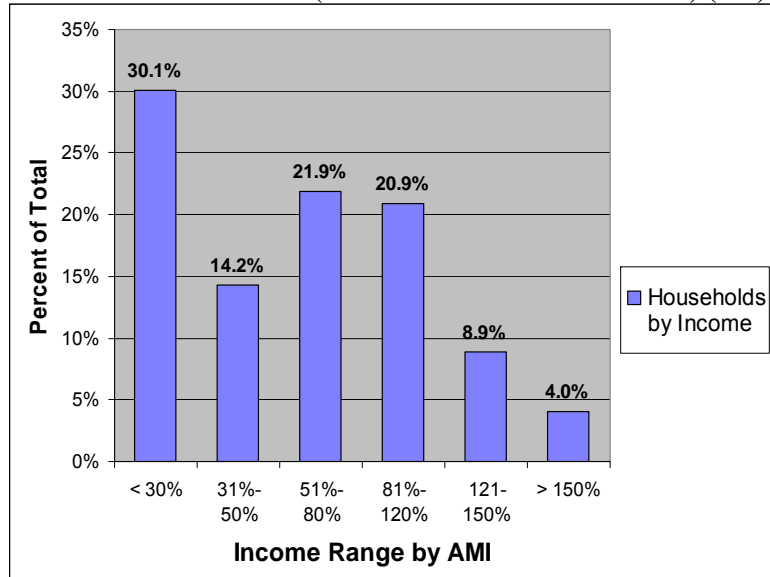
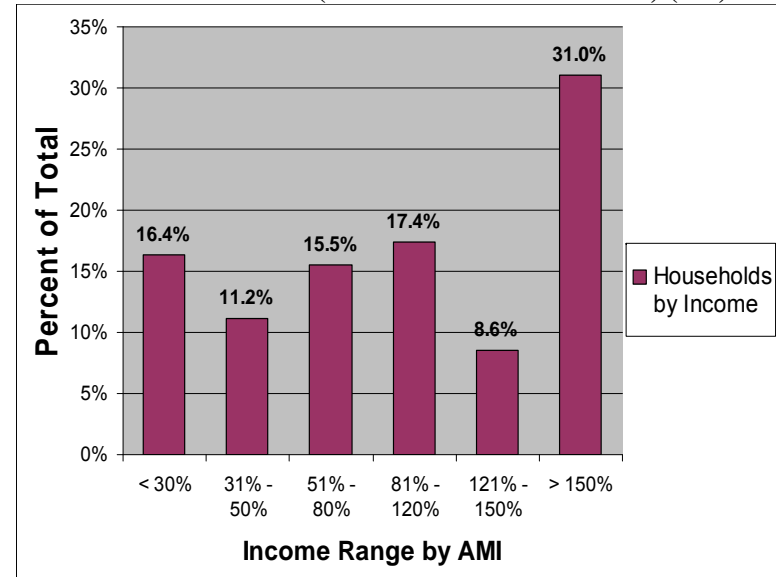


FIGURE 6.3.
DISTRIBUTION OF POTENTIAL DC HOUSEHOLDS BY
PERCENT OF AMI (MID-TERM FORECAST) (OP)³⁰



Forecasted job growth in higher wage industries in one to two years suggests that housing demand will shift from households earning less than 80% of the AMI to those earning more than 80% of the AMI. The connection between the type of job growth and household income suggests that demand for market rate construction will not begin to significantly increase until 2011³¹. Figure 6.2 and 6.3 show this change in demand for housing between the short term and mid-term and its relationship to income.

²⁹ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

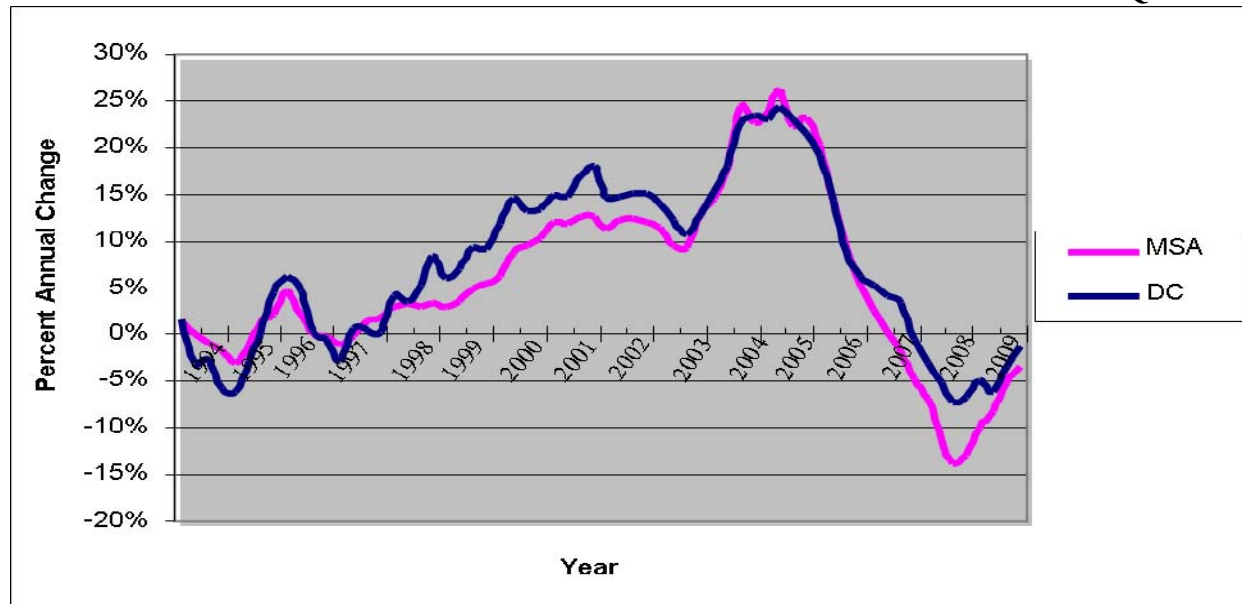
³⁰ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

³¹ Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

Housing Cost

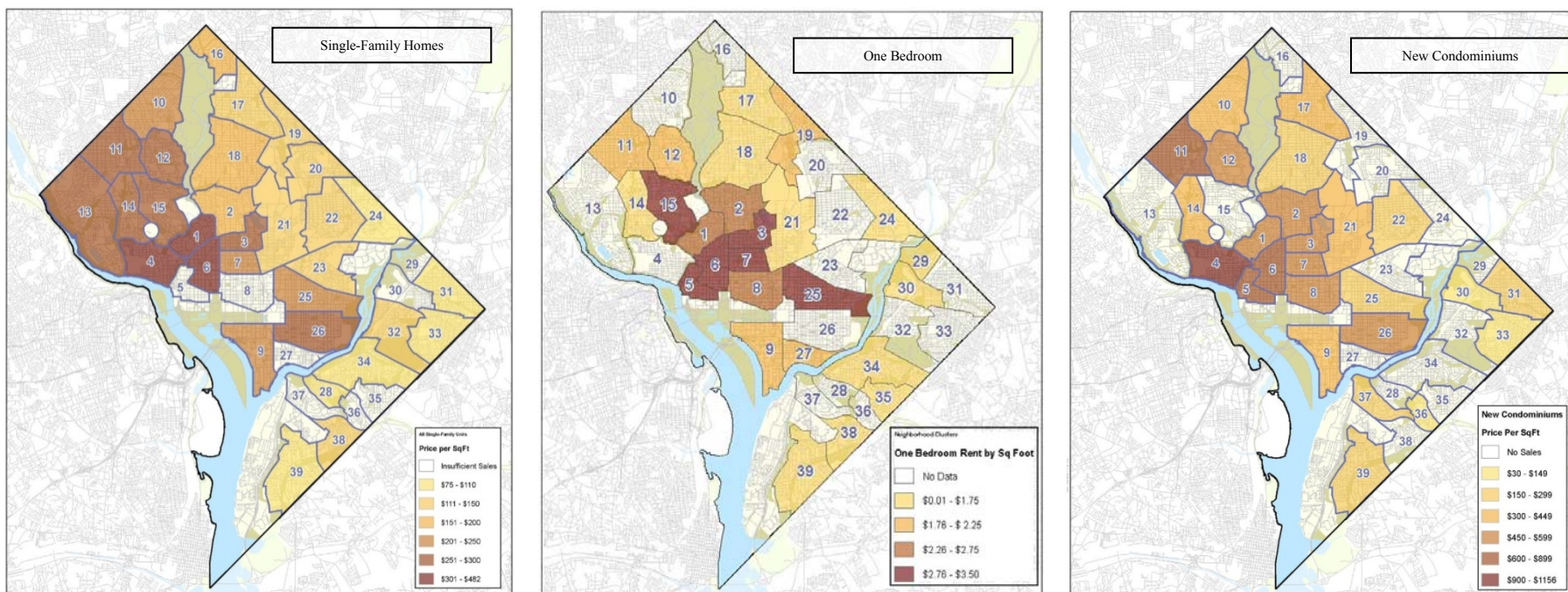
According to the 2006 District Comprehensive Plan, the median sales price for a single-family home in the District rose 174 percent, from \$178,250 to \$489,000 between 2000 and 2005. Condominiums and cooperatives—once considered “starter” homes for first time buyers—increased proportionately, from a median sales price of \$138,000 in 2000 to \$377,950 in 2005. Rents also soared, jumping 12 percent between 2003 and 2004 alone. As prices have risen, the percentage of residents able to comfortably afford the median priced home or apartment dropped. In 2001, 34 percent of the District’s for-sale housing would have been affordable to a family supported by a full-time school teacher; by 2004, that figure had dropped to just 16 percent. The tightening availability of workforce housing is hindering the District’s ability to retain and attract moderate income households. Rising costs have triggered a crisis of this figure shows the annual growth rate of housing prices across the District. The data documents that over the past 15 years the District averaged an annual appreciation rate of approximately 7.9 percent, inclusive of the recent losses in 2008 and 2009. The chart shows the District’s housing values increased more between 1998 and 2004 and decreased less between 2007 and 2009, and appear to be recovering faster than the surrounding areas³². Unfortunately, particular areas of the District have been hit harder by declining home prices than others. Home sales prices declined by 0.5 percent citywide, but declined more dramatically in Wards 5, 7, and 8 by 17.9 percent, 9.7 percent, and 12.8 percent respectively in that same period.

FIGURE 6.4. PERCENT ANNUAL CHANGE IN THE DISTRICT AND MSA BY QUARTER



³² Office of Planning Draft Analysis, 2010. Washington, DC: Office of Planning, 2010.

Map 6.1-3. Price per Square Foot of Single-Family Homes, New Condominiums and One-Bedroom Apartments^{33,34}



Condition of Housing Units

According to the 2006-2008 American Community Survey, there are 284,162 housing units in the District of Columbia, 37 percent of which were built before 1940. While DHCD does not have information on the general level of quality for its housing stock, 99.6 percent have complete plumbing and kitchen facilities, and 95.1 percent have telephone service, comparable with the country as a whole.³⁵

Housing Available to Persons with Special Needs

Approximately 79,899 housing units (roughly 28%) in the District are available to serve persons with disabilities³⁶, and approximately 8,537 units are available to serve persons living with HIV/AIDS and their families³⁷. Please see Chapter Five for more information on housing stock available to special needs populations.

³³ For the purposes of this study new condominiums were defined as those built since 2005. In order to analyze sales across a wider area of the District, sales data for some neighborhoods did include condominiums built since 2000 and sold over the past two years.

³⁴ Office of Tax and Revenue, DC Office of Planning

³⁵ 2006-2008 American Community Survey Washington, DC U.S. Census Bureau. Web. 03 Feb. 2010. <<http://factfinder.census.gov/>>.

³⁶ Pettit, Kathryn, Leah Hendey, G. Thomas Kingsley, Mary Cunningham, Jennifer Comey, Liza Getsinger, and Michel Grosz. Housing in the Nation's Capital 2009. Rep. Urban Institute and Fannie Mae, 2009. Web. <http://www.urban.org/UploadedPDF/1001340_housingnationscapital09.pdf>.

Foreclosures

Unlike many cities, the District of Columbia as a whole was spared an early entry into the foreclosure crisis through a strong housing market that allowed struggling households to sell before having to foreclose and kept prices high enough that homeowners could earn enough on the sale to repay the bank. Households were impacted by the economic decline, but they had more options than households in less robust housing and employment markets nationwide. Anchored by the Federal government’s relatively stable employment base and an influx of new residents to the region, the District appeared to remain solvent amidst a challenging national picture.

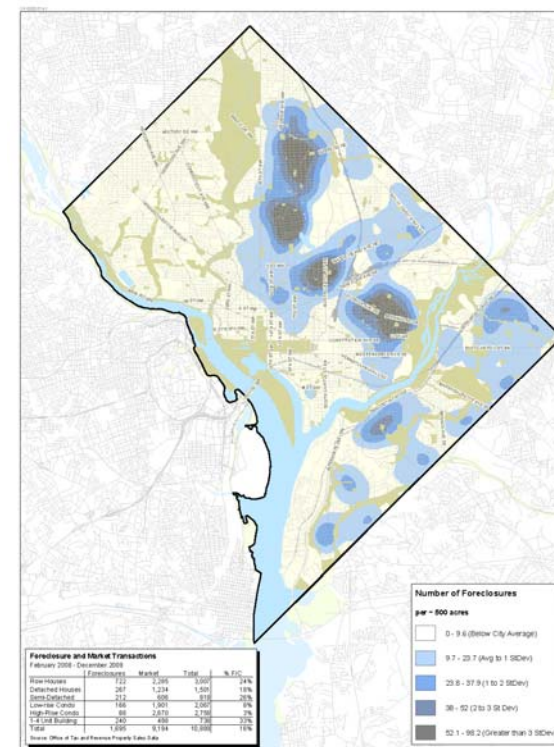
However, this strong economy masked a growing problem in the District. Through 2007 when sub-prime mortgages began to reset, and low and moderate income families began to be overwhelmed by ballooning payments, they had options to sell in the market when they received the Notice of Foreclosure.

Beginning in late 2007, as the housing market slowed and unemployment rose; many households were no longer able to sell and ran out of options. These communities saw monthly declines in home sales prices, rapid increases in the number of days homes stayed on the market, and a subsequent decline in the absorption rate. As a result, between 2006 and 2008, foreclosures rose by 660.4%, increasing from 149 foreclosures in 2006 to 1,133 in 2008. Meanwhile, foreclosure starts similarly increased dramatically, from 1,186 for all of 2006 to 3,194 in 2008.³⁷ Map 6.4 shows the concentration of foreclosures in the District from February 2008 to December 2009. Note the breakdown of foreclosures and market transactions by housing type.

According to anecdotal evidence from the Department’s community-based organization partners and consistent with national data, trends in foreclosure in the District are changing. In the first wave of foreclosures that began in 2006, when foreclosures rose, the primary reason appears to have been Adjustable Rate Mortgages resets. More recently, there has been a rise in unemployment as a primary reason for foreclosure. The overall number of mortgages in foreclosure in District increased 99% in 2009, according to the National Association of Realtors. By December 2009, one in every 1,648 housing units in the District received a foreclosure filing.³⁹ It is also important to remember that foreclosures do not just affect homeowners. In the first three quarters of 2009, 475 foreclosure proceedings were begun against multifamily rental or cooperative homes in the District.

Due to the high cost of housing in the District, overcrowding is a problem. The U.S. Census Bureau defines overcrowding as a household with more than 1.01 persons per room (excluding bathrooms, kitchens, hallways, and porches). Severe overcrowding is defined as more than 1.51 persons per room. In the District, 1.6 percent of occupied housing units are overcrowded, and 1.2 percent is severely overcrowded (for a total of 2.8 percent). In renter-occupied units, 2.3 percent are overcrowded, and 1.9 percent is severely overcrowded (for a total of 4.2 percent). Nationwide, 4.0 percent of renter-occupied housing units are overcrowded, and 1.8 percent are severely overcrowded (for a total of 5.8 percent). Overcrowding has become more prevalent in the District as families “double up” in homes due to the foreclosure crisis and recession.

MAP 6.4. FORECLOSURE CONCENTRATIONS



³⁷ Housing Opportunities for Persons with Aids (HOPWA) Consolidated Plan & Action Plan. Rep. Washington, DC: HOPWA, 2010.

³⁸ DC ROD Online Public Records. Web. 11 June 2009. <<http://www.washington.dc.us.landata.com/%5C#>>.

³⁹ Foreclosure Real Estate Listings | RealtyTrac. Web. 3 Feb. 2010. <<http://Realtytrac.com>>.

Vacancies

A recent survey of large apartment management companies by the Office of Planning⁴⁰ found low vacancy rates among stabilized properties (properties with 90 percent or higher occupancy). Among those that chose to report, the average was a low 2.6 percent. Furthermore, a quarter of the properties surveyed reported no vacant units. These properties may have had units “on notice,” but none of them were currently vacant. The buildings with no vacancies were scattered across the District and often of smaller size (less than 25 units). Apartments marketed for senior citizens were among the least likely to have vacancies. Across the District, there are approximately 33,741 vacant or abandoned buildings, 11.9 percent of total housing units in the District. This is comparable to the national vacancy rates, which according to the U.S. Census Bureau, were 10.7 percent for rental housing and 2.7 percent for owner-occupied units in the fourth quarter of 2009.

Assisted Housing

Within the District Government, affordable housing is provided by the Department of Housing and Community Development (DHCD), the Office of the Deputy Mayor for Planning and Economic Development (DMPED), the DC Housing Finance Agency (DCHFA) and the DC Housing Authority (DCHA). For example, between these four District entities, approximately 27,151 affordable housing units have been completed or are in development, either through new construction or rehabilitation. Because the units are being developed through a District agency, either local or federal funds are being used to finance part of the project. Of that number, an estimated 10,381 units have been completed and are available for occupancy, leaving 16,770 units that are currently receiving local or federal funds for development through one of these four agencies. DCHA, an autonomous entity, also funds 10,500 units currently, through vouchers. Unfortunately, despite the District’s efforts, The National Low Income Housing Coalition estimates that 4,831 units of affordable housing could be lost from the assisted housing inventory. Reasons for loss include the expiration of Section 8 contracts, and the expiration of other local and federal subsidies. This number may fluctuate depending on other factors like housing conditions, housing market, and subsidy renewals.

Housing Market’s Influence on Use of Funds: Housing Market Characteristics

The state of the housing market as described above strongly influences how DHCD uses available funds. Several characteristics in particular have prompted the creation or continuation of agency programs. These housing market characteristics include:

1. **Demand for Complete Neighborhoods** – The District is committed to creating complete neighborhoods. Studies done by the Office of Planning and anecdotal evidence indicate that there is a strong demand for neighborhoods with a full range of neighborhood services, including affordable housing, public transportation, local retail, open space, and community facilities. Programs and services to further complete the Districts’ neighborhoods include:
 - **Healthy By Design:** Healthy by Design is a framework for District government policies and programs that encourage active living and healthy eating by increasing access to healthy food, primary care facilities, walkable destinations and recreational opportunities.
 - **Retail Action Corridor Study:** This study examines ways to strengthen the city’s retail base at both the citywide and local scale, to promote vibrant commercial districts with a broad range of retail businesses in all neighborhoods, and to create expanded opportunities for small and local retailers.

⁴⁰ Comprehensive Housing Market Study 2009-2014. Rep. Washington, DC: Office of Planning.

- **Housing Resource Center (HRC):** Opened in July 2009, the HRC is a one-stop shop for rental accommodations and conversion services, and information on quality affordable housing services for low and moderate income residents.
2. **Demand for a Sustainable City** – The District has made sustainability a huge priority. Programs and services that further make the District a leader in citywide sustainability include:
 - **Green Building Act OF 2006:** Beginning in 2007, DHCD has required that all residential projects submitted for financing consideration conduct an integrated design charrette to explore the most cost-effective ways to incorporate green building standards such as connections to public transportation, sustainable building materials, energy and water conservation, and storm water retention.
 - **Weatherization Program:** The District Department of the Environment assists low-income residents make their homes more energy efficient by repairing heating and cooling systems, and installing or repairing weather stripping, insulation, doors, and windows.
 - **Plastic bag tax:** As of January 2010, District businesses that sell food or alcohol must charge customers five cents for every disposable paper or plastic carryout bag beginning January 1, 2010, with the proceeds going to the new Anacostia River Cleanup and Protection Fund.
 - **Exploration of other environmentally sustainable options:** Creating complete neighborhoods is a goal of the District along with exploring new sustainable options such as transit-oriented development, walkable/bikeable transportation options, and methods of reducing the amount and energy and water used in construction and maintenance.

 3. **High Cost of Housing** – Due to the high cost of housing, the District will continue to use the majority of its funding to provide affordable housing for low-income households (those below 80 percent Area Median Income (AMI)), with a special focus on very low-income households (those between 30 percent and 50 percent AMI). The District will also continue to focus on providing home-ownership units, particularly for low-income and moderate-income (those between 80 percent and 120 percent AMI). The District prioritizes helping extremely low-income persons, part of which is done through its programming for homeless and chronic homelessness persons. Specific programs and services to address the high cost of housing in the District include:
 - **Housing Production Trust Fund:** Under the Housing Act of 2002, a dedicated funding source was identified for housing production that requires at least 40 percent of the funds benefit households at or below 30 percent of AMI, and at least 40 percent of the funds benefit households at or below 50 percent of AMI, with the remaining 20 percent serving households at or below 80 percent of AMI. During FY 2005, DHCD launched a Housing Production Trust Fund initiative to facilitate access to acquisition funds for nonprofit housing developers. See SAFI below.
 - **Single Family Residential Rehabilitation Program:** DHCD offers, through its Single-Family Residential Rehabilitation Program, rehabilitation loans/grants to owner-occupants of single-family homes in order to prevent displacement due to market pricing pressures and to ensure that residents continue to live in decent and safe housing that meets the provisions of the District’s housing codes. To meet special needs, up to \$10,000 of assistance is automatically deferred for senior citizens, and assistance for handicapped accessibility improvements is provided as a grant.
 - **Home Purchase Assistance Program (HPAP):** HPAP enables lower-and moderate-income individuals and families to purchase affordable housing in Washington, DC by providing up to \$44,000 towards down payment and closing costs – and in targeted neighborhoods, the amount of assistance available can reach \$77,000 for a given household.

 4. **Vacant and Blighted Property** – There remains a high amount of vacant and blighted property in the District. Programs and services to address the large amount of vacant and blighted property in the District include:
 - **The Site Acquisition Fund Initiative (SAFI):** SAFI combines public funds from the HPTF and private funds from selected lending institutions for nonprofit developers to quickly acquire development sites in the competitive real estate market.

- **Property Acquisition and Disposition Division (PADD):** PADD helps transform vacant residential properties into homeownership opportunities by acquiring properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure and selling the properties to developers to be rehabilitated into high quality housing for residents of all income levels.
5. **Large Renter population** – As mentioned above, 55 percent of District residents rent their homes, compared to 33 percent nationally. Programs and services to benefit the high renter population in the District include:
- **Multi-family housing financing:** DHCD funds hundreds of multifamily housing units each year.
 - **Tenant Purchase Technical Assistance Program:** To assist in preventing displacement when a tenant’s apartment building is offered for sale, DHCD offers the First Right to Purchase and the Tenant Purchase Technical Assistance programs that provide technical assistance, counseling, and loans and grants to tenant organizations to enable them to exercise their right to purchase their building for homeownership.
6. **Increase in Foreclosures** – While the District was spared an early entry into the foreclosure crisis, it is now clearly being dramatically affected by it. In order to combat this increase in foreclosures, the District has developed the following programs and services:
- **Neighborhood Stabilization Program (NSP) Rounds One, Two & Three:** As part of NSP 1, the District will invest \$2.8 million in NSP funds toward the development of 58 affordable housing units in Ivy City/Trinidad, one of the areas of the District which has been hardest hit by foreclosures. As part of NSP 2, the District will receive \$9.5 million to bolster existing programs that create and preserve affordable housing opportunities for low- and moderate-income residents. Similar, under NSP 3, the District will invest \$5 million to continue such programs in Wards 5, 7 and 8.
 - **Property Acquisition and Disposition Division (PADD):** PADD helps transform vacant residential properties into homeownership opportunities by acquiring properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure and selling the properties to developers to be rehabilitated into high quality housing for residents of all income levels.
 - **Housing Expo and Foreclosure Clinic:** In June 2009, the District provided information about foreclosure prevention, homeownership, credit counseling, and neighborhood revitalization. A second annual event was held on June 19, 2010 and the third annual event was held on June 4, 2011.
7. **Large Special Needs Populations** – The District is home to a high number of persons with special needs, including the elderly, persons with disabilities, and people living with HIV/AIDS. These populations require particular housing and services, the provision of which the District has made a high priority. Programs and services to benefit special needs populations in the District include:
- **Partnership with the Department of Mental Health (DMH):** In recognition of the large demand for special needs housing, DMH and DHCD have partnered to provide 300 units of supportive housing for persons who are eligible to receive mental health services or support from DMH.

Specific Housing Priorities and Objectives

The following table represents the specific housing objectives, detailed previously in the specific annual objectives, DHCD hopes to achieve for the 2011-2015 Consolidated Plan period. These specific housing objectives are priorities of the District, and show the end goal for FY 2015.

PRIORITY OBJECTIVE	HUD REFERENCE	MEASUREMENT	GOAL
Homeownership Assistance (direct)	DH-3.1, DH-3.2, EO-1.1	People	3,570
Homeownership Assistance (indirect)	DH-1.3, DH-1.4	Housing Units	900
Property Acquisition, Reclamation, Rehabilitation and Disposition	SL-3.3, SL-3.4, SL-3.5, SL-3.6	Properties	569
Rehabilitation (Single and Multi-family)	SL-1.1, SL-1.2, SL-1.3	Housing Units	1,740
Special Needs (Elderly, Disabled, Homeless) Housing	DH-1.2, SL-1.4, EO-1.2	Housing Units	895
Preservation Assistance (indirect)	DH-1.5	Housing Units	1,000
Inclusionary Zoning	DH-2.1	Housing Units	TBD
Affordable Housing Created-Reclamation	SL-2.1	Housing Units	285

Priority Housing Objectives

DHCD's housing priorities are meant to preserve and increase the supply of affordable housing; increase homeownership opportunities; and revitalize neighborhoods, promote community development and provide economic opportunities. Priority housing objectives throughout the five year Consolidated Plan period include:

- Inclusionary Zoning:** The District has implemented Inclusionary Zoning to ensure new development meets affordability standards. DHCD will partner with the Department of Consumer and Regulatory Affairs (DCRA) to implement the administration of Inclusionary Zoning. These regulations will require builders of 10 or more residential units to set aside 8% of the new housing as affordable to moderate and low income families.
- Neighborhood Revitalization:** DHCD will continue to target acquisition efforts in specific areas throughout the city, including Ivy City/Trinidad, Deanwood, Historic Anacostia and Washington Highlands, to better ensure a comprehensive impact in building complete neighborhoods and a more sustainable city.
- Green Redevelopment:** Green building techniques have been required since 2006 with the passage of the local Green Building Act. Additional programs with green redevelopment components available for vacant or distressed properties include DHCD's Façade Improvement Program, DDOE's weatherization program and DHCD's single family home rehabilitation program.

Available Resources

In FY2010, the available Federal allocations for CDBG, HOME, Stimulus and Local Funding for housing needs were as follows:

TABLE 6.16. CDBG, HOME, STIMULUS AND LOCAL FUNDING FOR HOUSING			
2010	CDBG	HOME	Stimulus
Allocation	\$18,179,591	\$9,322,221	
*Total Federal Funds	\$34,245,871	\$18,716,498	\$20,863,401

*Includes program income and previous year fund balance

TABLE 6.17. LOCAL FUNDING FOR HOUSING				
2010	HPTF	Local	Loan Repay	Other
Total Local Funds	\$51,328,694	\$10,019,922	\$1,702,899	\$9,400,075

The District anticipates that federal funding levels will remain relatively constant throughout the five year Consolidated Plan. The District expects to expend HOME and CDBG funds on homeownership assistance, property acquisition and disposition, development financing, rehabilitation and small business assistance and improvements. Considering the recent revenue forecast, the local allocations are anticipated to be reduced. These local funds will be used to fill the gap for homeownership assistance, neighborhood based activities and housing regulation services. The private financing sector generally provides a significant portion of each project's funds. Banks and savings and loan institutions serve as the primary financing sources of most housing production, rehabilitation, or capital improvements. Many banks have special community lending operations, partly in response to the provisions of the Community Reinvestment Act, which encourages local lenders to invest in affordable housing and other community support projects. Several local banks have been active in supporting nonprofit affordable housing development. The District's public dollars leverage these private funds. DHCD also works in tandem with nonprofit and semi-governmental development organizations to leverage funds for affordable housing and economic opportunity. In addition, the District government and nonprofit developers have actively reached out to capture foundation grants. Many nonprofit organizations seek foundation funding to provide social support services, especially to special needs populations. Among the organizations that are active in this area are Fannie Mae, Local Initiatives Support Corporation (LISC), and the Enterprise Community Partners.

Public Housing Needs

Public Housing Details

- **Occupied Housing Units:** DCHA currently has 8,430 public housing units, 1,193 efficiencies, 2,367 one bedroom units, 2,336 two bedroom units, 1,738 three bedroom units, 553 four bedroom units, 202 five bedroom units and 41 six bedroom units. There are 11,092 Housing Choice Vouchers (HCVP) being used by families in the District. Due to the extensive waitlist, the District does not currently have any vacant public housing units, according to DCHA.
- **Physical Condition of Public Housing and Revitalization Needs:** Based on a physical needs assessment and a preventative maintenance plan, DCHA determined in FY08 that approximately \$160 million in projected physical needs would be present over the next four years. Eleven properties were identified as needing priority improvements costing a projected \$4.79 million in capital funds. There are five properties slated for redevelopment as part of the District's New Communities Initiative and four of these properties will be demolished.
- **Households on the Public Housing and HCVP Wait List:** In FY 2008, the number of households on the public housing wait list was 29,756 with 6,868 requesting efficiencies; 8,966 requesting one bedroom units; 7,899 requesting two bedroom units; 4,649 requesting three bedroom units; 1,211 requesting four bedroom units, 67 requesting five bedroom units; and 96 requesting six or more bedrooms. The overwhelming majority of those households, 29,374, earn 30 percent of the area median income (AMI) or less; 334 households earn between 30 and 50 percent of the AMI; 9 earn between 50 and 80 percent AMI; and 39 earn more than 80 percent AMI.

The number of households on the HVCP wait list was 48,748 in FY2008, 47,906 of which earned less than 30 percent AMI. Approximately 749 households earned between 30 and 50 percent AMI, 34 earned between 50 and 80 percent AMI, and 69 households earned more than 80 percent AMI.

- **Section 504 Needs Assessment:** DCHA has a transition plan agreed to by HUD for modification or construction of accessible units and common areas to meet needs of persons with disabilities and Uniform Federal Accessibility Standards (UFAS). DCHA has also revised key policies and administrative practices to ensure that persons with physical and mental disabilities are reasonably accommodated, including requiring that 6% of the construction of total new units be UFAS compliant for those with physical disabilities and 3% is accessible to those who are hearing and vision impaired. In 2008, DCHA created 97 new UFAS compliant units, of which 37 are located in mixed-income redevelopments.

Public Housing Strategy – Housing Agency's Strategy

Strategy to Support Resident Needs

The DC Housing Authority plans to continue directly administering the following programs for services to residents of public and assisted housing:

- HOPE VI-funded community and supportive services programs in five communities, namely, Wheeler Creek, Capitol Gateway (formerly East Capitol/Capitol View Dwellings), Henson Ridge (formerly Frederick Douglass/ Stanton), Arthur Capper/Carrollsborg, and Eastgate.
- Family Self Sufficiency programs offered through the Housing Choice Voucher program;
- Programs funded by operating subsidy and Capital Fund management improvement funds which include organizing and overseeing fair and successful resident council elections, resident council and officer training, outreach to local businesses and charitable organizations to provide direct assistance to residents and support of specialized activities to benefit residents; and
- Support of the administration of various Resident Opportunities for Self Sufficiency (ROSS) grants by resident councils.

In addition, DCHA will continue to sponsor the provision of service programs offered by other organizations using DCHA facilities. Supportive or enrichment services are offered at forty-seven of DCHA's properties and the variety of programs available at these locations is wide-ranging. Government agencies, nonprofit, and faith-based organizations are among the entities that currently provide these programs, including: Boys and Girls Clubs of America, Urban Family Institute, and the Alliance of Concerned Men. The DCHA subsidiary, Community Vision, Inc. seeks to be a facilitator and manager of service providers in an increasingly seamless and integrated manner.

Strategy for Improving Operations

The Authority's financial health is sound. The reserve level is such that DCHA can respond to an emergency situation or unusual circumstance without threat to the provision of routine services. In addition, the DCHA has established three primary goals for improving financial management: strengthen financial operations to ensure accuracy of financial data and management control; optimize financial management operations to increase efficiencies and customer satisfaction and decreasing costs; and improve financial performance reporting to better support management decisions and to ensure compliance with standards issued by the Governmental Accounting Standards Board.

DCHA has a comprehensive set of policies and procedures related to the operations and Housing Choice Voucher programs in support of its overall mission to enhance the quality of life for its residents and effectively manage affordable housing in the District of Columbia. DCHA has established operating procedures to sustain an unqualified opinion on the annual independent audit and to aggressively resolve all findings; has implemented internal and external monitoring standards for each major program function; and through direct internal audit activities aimed at increasing efficiency, economy and effectiveness of operations. Furthermore, DCHA is and will continue to assess and modify its regulations governing eligibility, selection and admissions, in concert with stakeholders and residents in accordance with the public notice and documentation requirements of the District of Columbia.

Strategies aimed at decreasing the concentration of families living in poverty include seeking to increase the number of landlords throughout the District of Columbia willing to rent to participants of the Housing Choice Voucher Program; giving preference for 50 percent of available units to working families; and implementation of market-based flat rents, as required by the Quality Housing and Work Responsibility Act of 1998 (QHWRA). DCHA's Office of Fair Hearings provides a comprehensive grievance procedure for Public Housing applicants and residents. The grievance procedures for the HCVP applicants and residents are governed by the Housing Choice Voucher compliance department.

Addressing Resident Needs and Encouraging Involvement

DCHA works closely with the 47 active public housing resident organizations. Additionally, three public housing residents are members of DCHA's nine-member Board of Commissioners. Residents are frequently called upon to provide input into the DCHA decision-making process, from participating on developer selection panels, candidate interviews and major policy decisions. Beginning with the 2005-2006 DCHA Strategic Plan, the agency has called for providing resident leaders with the training and support to make informed choices and improve their ability to provide meaningful leadership to their constituents.

DCHA has incorporated a strong homeownership incentive program through the use of HCVP recipients, targeting and reserving units in its new development projects for those residents, and providing supporting services to ensure financing. During FY 08, DCHA created 10 homeownership units through the redevelopment and acquisition of scattered sites. There will be an additional 18 homeownership units built at the Capitol Gateway HOPE VI redevelopment site, and an additional 98 homeownership units for low and moderate income families at other mixed income redevelopments.

HUD Designation

DCHA is not designated as "troubled" by HUD or otherwise performing poorly.

Barriers to Affordable Housing

In the past decade, the District of Columbia housing market has experienced a sharp increase in housing prices making the District one of the least affordable in terms of housing. While home prices have declined since mid-2009, the rents and home prices remain far higher than a decade ago. Affordable rental units continue to be converted into luxury condominiums, although not at the same rate as the peak of the housing market. The lack of affordable housing has been particularly burdensome for low- and moderate- income residents, and is so severe for the District's lowest-income residents that most in this category now spend half or more of their income on housing.

The reasons for the high cost and limited stock of housing are complex, but government officials and policy experts have identified the following policies or lack of policies as major obstacles to affordable housing in the District:

- A lack of tax incentives in the DC Official Code to promote the development of affordable housing and homeownership opportunities;
- A rent control system which allows landlords to increase rents without many rules and regulations.
- High rates of rental to condo conversion displacing low-income residents;
- The Uniform Height Act of 1910, which effectively limits building height in the District to 13 stories and requires an Act of Congress to repeal; and

There are also non-policy barriers to affordable housing in the District which include limited housing stock and a lack of diversity in the existing housing stock; soaring housing costs for both rental and ownership units; a lack of economic development in some areas of the city resulting in little new housing being built in some neighborhoods; severe budget constraints; rising foreclosure rates and an accompanying tightening of the credit market, and the fact that the District has the lowest home ownership rate in the country. Additionally, many neighborhoods in the District are home to residents with low educational attainment and job skills levels, which hinder their ability to secure well-paying jobs, thus further limiting their ability to find housing affordable at their incomes. These same neighborhoods also suffer from concentrated levels of poverty and in many cases, poor building quality levels.

Efforts to Remove Barriers to Affordable Housing

In order to achieve the vision of complete neighborhoods, the District continues to take several steps to remove the barriers to affordable housing. Below is a list and description of several programs and steps being taken by the District government to address the need for affordable housing.

Programs

- **Housing Production Trust Fund (HPTF):** A DHCD-administered source of public funds focused on producing and preserving units of affordable housing for low- and moderate-income residents, HPTF, is targeted to serve residents with the greatest housing needs. At least 40 percent of all funds must be used to serve households with incomes below 30 percent of the area median income (AMI). At least 40 percent of funds must be used to serve households with incomes between 30 percent and 50 percent of AMI, while the remaining 20 percent of funds may be used to serve families with incomes up to 80 percent of AMI. In addition, at least half of all HPTF must be used to produce or preserve rental housing.
- **Rental Housing Conversion and Sale Amendment Act of 2005 (commonly known as the “Tenant Opportunity to Purchase Act” or “TOPA.”):** TOPA gives tenant associations in the District the right to purchase their housing units upon sale by the owner. DHCD administers the First Right to Purchase Assistance Program, which effectively aligns the purpose of the law with the Department mission to create and preserve affordable housing opportunities. DHCD offers tenant purchase financing which assists in the preservation of affordable units across the city.
- **The Housing Regulation Administration (HRA):** HRA administers the District's rental housing regulations and implements the District's

Inclusionary Zoning program. Inclusionary Zoning in the District requires that an exclusive percentage of units in a new development or a substantial rehabilitation that increase the size of an existing building be set aside as affordable units in exchange for a bonus density. The goals of the program are to generate mixed-income neighborhoods; construct affordable housing for a diverse labor force; seek equitable growth of new residents; and augment homeownership opportunities for low and moderate income levels.

- **Residential and Community Services Division (RCS D):** RCS D administers the District’s Home Purchase Assistance Program (HPAP) and Employee Assisted Housing Programs which provide financial assistance for low and moderate-income households and District Government employees for the purpose of first-time home purchase. The Division also provides rehabilitation resources, including grants for lead hazard remediation to eligible units, and loans and grants to income-qualified owner-occupant District residents in order to preserve homeownership in the District. RCS D also oversees the Single Family Residential Rehabilitation Program, which provides low-interest loans designed to help households finance home repairs that will address District housing code violations. Funding may be used for activities that include repairing walls and floors; replacing windows; and repairing plumbing, electrical, and heating systems. Up to \$75,000 in loan financing is available per eligible household.
- **Community-Based Organizations:** DHCD partners with nonprofit and private sector housing advocates and practitioners to affirmatively further fair housing and provide greater education coverage of housing and fair housing issues to target communities. This is accomplished by funding community-based organizations to provide outreach and education to District residents who are tenants and homeowners on topics such as purchase programs for first time homeowners, comprehensive homeownership and housing counseling, foreclosure prevention and assistance for relocation, and location of apartments.
- **Targeted Spending of Scarce Resources:** DHCD has partnered with community-based, private sector and nonprofit partners such as Fannie Mae and the Urban Institute to ensure effective analysis and targeting of scarce resources to maximize outreach and education to empower residents about their choices.
- **Recovery Act Grants:** DHCD will distribute the funding toward single-family and multi-family redevelopment and preservation through the acquisition and sale of vacant and foreclosed properties; rehabilitation and homeownership opportunities through a “turnkey” program which will involve partnerships with the DC Housing Authority; and down payment assistance to low and moderate income homebuyers.⁴¹
- **Tax Abatement for Lower Income Homeownership:** Eligible homeowners, including nonprofit organizations and shared equity investors, may receive a five-year tax abatement and be exempt from paying recordation and transfer taxes. To qualify, they must meet the following conditions:
 - The property must be owner-occupied;
 - The owner must meet the income level requirement; and
 - The property must be less than \$320,000 in value.
- **Rental Control Reform Act of 2005:** This act placed a cap on annual rent increases in rent controlled units, which assists renters by providing them with predictable housing costs.
- **Housing Waitlist Elimination Act of 2008:** This act requires the mayor to submit a comprehensive plan that outlines a strategy for eliminating the District of Columbia Housing Authority’s current waiting list of individuals seeking housing choice vouchers and placement in public housing by January 1, 2012; and measures to prevent the waiting list from reaching such high levels in the future.
- **DCHousingSearch.org:** DCHousingSearch.org allows residents to quickly find housing that fits their needs and budget by providing up-to-date listings of available for rent and for sale properties. The site also connects people to housing resources through website links and provides helpful tools for renters such as an affordability calculator, rental checklist, and information about renter rights.

⁴¹ “Department of Housing and Community Development.” DC Government Resource Center. Web. 05 Feb. 2010. <<http://newsroom.dc.gov/show.aspx/agency/dhcd/section/2/release/19339/year/2010>>.