DC Housing Priorities - proposed Framework Element amendments for DC Council

Last year, a diverse group of housing and development stakeholders submitted a <u>package of</u> <u>detailed amendments</u> to the Comprehensive Plan based around a shared set of <u>priorities</u>, primarily:

- **Prioritize affordable housing.** The current Framework Element does not do enough to prioritize the needs of affordable housing in our current context, and needs to do more to support the preservation and production of affordable housing. The need is great: the Urban Institute estimates that the District needs at least 22,000 new units for people at or below 30% of AMI and at least 4,500 new units for people at or below 50% of AMI.
- **Reduce Displacement.** The current Framework Element barely mentions displacement as an issue. The predominant planning issue of our time is how to welcome new residents without displacing current ones, and meaningful changes should be made to this chapter to reflect that in tone and policy.
- **Fix PUDs**. Recent misinterpretations of the Comprehensive Plan have led to legal challenges to stop PUDs, holding up thousands of homes, market rate and subsidized affordable. We seek changes to rectify these misinterpretations, and to prioritize affordable housing and anti-displacement measures in the PUD process.

The Office of Planning's <u>most recent proposal to the Framework Element</u> does not do enough to address the first two of these priorities. We ask the Council to make some amendments:

- 1) In section 227, add language that prioritizes affordable housing in PUDs.
- Also in section 227, add language about protecting against direct displacement in redevelopment projects (and allowing sufficient density to make that financially feasible).
- 3) Add a narrative discussion about the affordable housing shortage and displacement concerns in the District.
- 4) OP has said that it is not considering changes to the guiding principles of the Comp Plan. We believe that some are outdated and even problematic, especially given the principles' near silence on some of the city's most critical issues, like affordable housing, displacement, and fair housing.

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Amendments to section 227

In 227 ZONING AND THE COMPREHENSIVE PLAN

Add to 227.4 - The overall goal of a PUD is to permit flexibility of development and other incentives, such as increased building height and density; provided, that the project offers a commendable number or quality of public benefits, and that it protects and advances the public health, safety, welfare, and convenience. <u>The District's need to preserve and build affordable housing, both subsidized and market-rate affordable, is imperative. As such, for any approval of increased density such as in Planned Unit Development bonuses, long-lasting affordable housing beyond any underlying requirement should be the highest priority public benefit.</u>

Add to 227.5 While providing for greater flexibility in planning and design than may be possible under matter of right zoning procedures, the PUD process shall not be used to circumvent the intent and purposes of the Zoning Regulations, nor to result in action that is inconsistent with the Comprehensive Plan. In cases where redevelopment occurs on properties with housing made affordable through subsidy, covenant, or rent control, such units should be preserved or replaced with similar sized units either on-site or nearby. The necessary density may be provided to: enable reinvestment in the property with no net loss of affordable units; when feasible, facilitate a net increase in affordable units on-site or nearby; and minimize unnecessary off-site relocation by enabling construction of new units before demolition of existing occupied ones.

Add new section 229

Add NEW SECTION - 229 ADDRESSING HOUSING AFFORDABILITY

229.1 Investing in an inclusive city also means addressing a core challenge of the current period in the District's history: the need to provide an inclusive prosperity, particularly with affordable housing, for people of all incomes.

229.2 Rapidly rising housing costs led to a substantial loss of low-cost rental housing in the District from 2002 to 2013, yet there was little growth in wages for many residents, which means that rent is increasingly eating away at household budgets. [Footnote: https://www.dcfpi.org/wp-content/uploads/2015/03/Going-Going-Gone-Rent-Burden-Final-3-6-1 5format-v2-3-10-15.pdf]

229.3 As the District's high cost of living continues to outpace incomes, more and more residents struggle to pay for housing while also meeting other necessities like food, clothing, healthcare, and transportation. The loss of affordable housing threatens the physical and mental health of families, makes it harder for adults to find and keep a job, creates instability for children that makes it hard to focus at school, and leaves thousands at risk of homelessness at any given moment.

229.4 Rents have grown sharply but incomes have not for many DC households. For example, rents for residents with incomes of about \$22,000 a year increased \$250 a month over the past decade, adjusting for inflation, while incomes remained flat. For these residents, average rents now equal half of average income.

229.5 From 2002 to 2013, the District's stock of low-cost units declined by half. The number of apartments renting for less than \$800 a month in adjusted 2013 dollars fell from almost 60,000 in 2002 to 33,000 in 2013. Meanwhile, the number of apartments with higher rents –above \$1,400–has skyrocketed. The Urban Institute estimates that the District needs at least 22,000 new units for people at or below 30% of AMI and at least 4,500 new units for people at or below 50% of AMI.

229.6 Extremely low-income households have felt the greatest pinch, with most spending more than half of their income on rent. Among DC's lowest income residents, 64 percent devote half or more of their income to housing. 26,000 DC households at 30% of AMI or below spend more than half of their income on rent. This includes one out of 5 children in DC. Of those households, more than 18,000 spend 80-100% of their income on rent. This is in addition to the 7,500 DC residents experiencing homelessness, and one-third of more moderate-income families, with incomes up to \$54,000, have housing cost burdens of over half their income.

229.7 Meanwhile, displacement of low and very low income residents has continued amid redevelopments. Many redevelopments of public housing and "market-rate affordable" housing in the District have reduced the stock of housing available to low and very low income households, and many have not been able to return to their original communities due to insufficient units, lack of available units of the needed size, or restrictive return criteria. [Footnote:

https://www.dcfpi.org/wp-content/uploads/2016/12/DCFPI-Broken-Foundation-Housing-Report-1 2-8-16.pdf]

229.8 As shown in figure 2.8, some neighborhoods have absorbed the growth of the District's population more than others. This is also true when it comes to the District's production of affordable housing. According to data on completed and projected projects from 2015 to December 2017 [Source: DMPED -

https://public.tableau.com/shared/T9P2WCY4R?:display_count=yes], nearly all new affordable housing has been created in the eastern half of the District, exacerbating an existing divide where rental opportunities affordable to households making up to 50% of AMI are concentrated in certain areas [Source: https://egis.hud.gov/affht/#].

Amend guiding principles

Amend guiding principle #3

Diversity also means maintaining and enhancing the District's mix of housing types <u>and its</u> <u>supply of affordable homes</u>. Housing should be developed for households of different sizes <u>and</u>

income levels, including growing families as well as singles and couples. <u>Housing made</u> affordable through subsidy, covenant, or rent control should be preserved or replaced with similar units either on-site or nearby. Steps should be taken to ensure that such preservation is financially feasible for property owners.

Amend principle #6

Redevelopment and infill opportunities along corridors and near transit stations will be an important component of reinvigorating and enhancing our neighborhoods. Development on such sites must respond to and enhance existing neighborhoods, not compromise the integrity of stable neighborhoods and must be designed to respect the broader community context, promote diversity of housing types, accommodate needed housing, particularly affordable housing, and affirmatively further fair housing. Adequate infrastructure capacity should be ensured as growth occurs.

Amend principle #8

The residential character of neighborhoods must be protected, maintained and improved enhanced while ensuring they can include residents of many income levels and backgrounds, including extremely low income households. Many District neighborhoods possess social, economic, historic, and physical qualities that make them unique and desirable places in which to live. These qualities can lead to dDevelopment and redevelopment must be managed through zoning, good architectural design, and other means to retain pressures that threaten the very qualities that make the neighborhoods attractive. These pressures must be controlled through zoning and other means to, ensure that the best qualities of neighborhood character are is preserved and enhanced as the city guides growth and change, affirmatively furthers fair housing and reduces segregation, and satisfies the District's affordable and market-rate housing needs.

Amend principle #10:

The recent housing boom <u>is the consequence of rising demand. That demand</u> has triggered <u>contributed to</u> a crisis of affordability in the city, creating a hardship for many District residents and changing the character of neighborhoods. The preservation of existing affordable housing and the production of new affordable housing both are essential to avoid a deepening of racial and economic divides in the city. Affordable renter- and owner-occupied housing production and preservation is central to the idea of growing more inclusively, <u>and should be the highest priority</u> <u>benefit when increased density</u>, rezoning or significant zoning relief is granted.

Amend principle #12:

Each neighborhood is an integral part of a diverse larger community that contributes to the District's identity. Growing an inclusive city means that all neighborhoods should share in the overall social responsibilities of the community, including housing the homeless, <u>building enough homes and affordable homes for our growing population</u>, feeding the hungry, and accommodating <u>people with disabilities</u> the disabled.