

GOVERNMENT OF THE DISTRICT OF COLUMBIA

ADMINISTRATIVE ISSUANCE SYSTEM

Mayor's Order 2019-036
May 10, 2019

SUBJECT: HOUSING INITIATIVE

ORIGINATING AGENCY: Office of the Mayor

By virtue of the authority vested in me as Mayor of the District of Columbia pursuant to sections 422(4), (11) and 423 of the District of Columbia Home Rule Act, approved December 24, 1973, 87 Stat. 790, Pub. L. 93-198, D.C. Official Code §§ 1-204.22(4), (11) and 1-204.23 (2016 Repl.), and in accordance with Reorganization Plan No. 3 of 1975, effective July 3, 1975; Mayor's Order 83-25, dated January 3, 1983; Reorganization Plan No. 1 of 1983, effective March 31, 1983; Reorganization Plan No. 3 of 1986, effective January 3, 1987; and Mayor's Order 99-62, dated April 9, 1999, it is hereby **ORDERED** that:

I. POLICY

Housing not only provides physical, financial and emotional health and opportunity for our residents, their children and grandchildren, it also represents a critical underpinning for Washington, DC's sustainable and inclusive economic growth. For this reason, housing affordability is a top policy priority for Washington, DC. The District must work to foster housing opportunities that do not severely burden our residents, especially the most vulnerable, with high housing costs across all District neighborhoods.

The need to address housing affordability across Washington, DC is great. Since 2010, the District has experienced one of the fastest periods of sustained housing production in its history. The population has grown by more than 100,000, while 36,000 new housing unit permits were issued. Yet our housing production has not met the growing demand, as housing costs have continued to rise. Rental households across all income levels are paying a greater share of their income on housing costs and there are fewer opportunities for low- and moderate-income families to become homeowners. Nearly 50,000 District households now pay more than 50 percent of their income on housing. While it is unrealistic to expect housing costs to revert to levels of 20 years ago, increasing supply can help to slow housing cost increases, and affordable set-asides can help to ensure our communities remain inclusive to a wide range of income levels.

The next few decades are projected to continue as one the most significant periods of population growth in Washington DC's history, second only to the period between 1910 and 1950. In the last two decades, the federal government has continued to shrink and decentralize, creating an employment and economic drag on the regional economy. At the same time, however, private and technology sector employment growth in the District

and region, including Amazon's HQ2 in Arlington, VA, foretells both more opportunities for high-paying jobs and pathways to the middle class for residents and increased housing demand from middle- and high-income households.

The District already has one of the most robust set of affordable housing policies in the country and provides the greatest housing trust fund subsidy per capita of any city. Yet policies and funding alone are not enough to address the District's housing need. Increased housing production and preservation is required to address growth and ensure the District lives up to its values of being diverse and inclusive. To do this, the District must create 36,000 new residential units by 2025. Meeting the city's affordable housing needs will require that at least 12,000 of new residential units are affordable to low-income households and that the District preserve an additional 6,000 affordable housing units. The larger region must produce housing for an additional 240,000 households by 2025.

The District must plan for where these units can be located and whom these units house. The need for housing must be addressed on a continuum of income levels, unit types, and tenures. Policies affecting housing must address affordability, especially at moderate- and low-income levels. They must also include the needs for our system to support people experiencing homelessness and the goals of the Homeward DC plan. Similarly, these policies must address opportunities for both rental and ownership throughout the city with a special emphasis on high opportunity areas that provide ease of access to jobs, schools, and transit. The District must also plan for a variety of housing types, including units for large and/or multigenerational families, seniors, and persons with disabilities, in addition to emergency and permanent supportive housing for residents at risk of experiencing homelessness. Because the opportunities to meet these goals vary by neighborhood, area-specific targets for various housing types are needed.

Accordingly, this Order directs the DC Office of Planning (OP) and its sister housing agencies, the Office of the Deputy Mayor for Planning and Economic Development (DMPED), Department of Housing and Community Development (DHCD), Department of Consumer and Regulatory Affairs (DCRA), and Department of Human Services (DHS) to explore and implement a wide variety of policy approaches.

II. INCREASING PRODUCTION AND ACCELERATING DELIVERY

A. A Housing Framework for Equity and Growth

1. To meet the challenge of producing 36,000 additional housing units by 2025, OP shall undertake a comprehensive investigation of housing stock and production from affordable to market rate units to determine how the pace of new units can be increased, while also preserving existing affordable units.
2. Because housing markets and characteristics vary widely by neighborhood, OP shall conduct an area-specific investigation and identify tailored solutions. By area, the housing systems analysis shall:

- (a) Evaluate housing trends, needs, and capacity;
 - (b) Identify production and pipeline patterns, as well as impediments to production;
 - (c) Establish needs and identify targets for production focusing on income level (including low- and middle-income), tenure (including homeownership and emergency housing needs), type (including family-sized units, accessible units, and senior housing units), and affordable preservation;
 - (d) Propose appropriate policies and approaches for each planning area; and
 - (e) Develop a framework for evaluating progress.
3. These area-specific analyses will help achieve the goal of improving affordability and producing affordable housing throughout the city by providing a realistic picture of the opportunities for and impediments to housing production and preservation.

B. Production Incentives

- 1. In addition to the housing systems analysis performed by OP, DMPED and DHCD shall identify and implement policies and incentives for increasing the production of market-rate, affordable, and permanent supportive housing units.
- 2. These agencies shall thoroughly examine existing land use controls and recommend changes to zoning and the land use entitlement process to promote increased housing production consistent with the District's goals.
- 3. Within the existing planned unit development process, affordable housing shall be treated as a top priority public benefit.
- 4. Additional recommended changes shall include a proposal to enhance the District's inclusionary zoning rules by allowing greater density and height in return for increased affordable housing requirements aligned with financing tools such as tax-exempt bonds to achieve greater leverage and production of affordable units.
- 5. OP, with support from other appropriate agencies, shall evaluate increasing allowable building height and density to accommodate the city's housing goals.
- 6. OP shall consider and propose changes to the Comprehensive Plan necessary to facilitate the city's housing targets, and ensure the Comprehensive Plan is consistent with the aforementioned evaluation, including capturing any changes to building density and height.

C. Removing Regulatory Obstacles

- 1. DMPED, DHCD, OP, and the Department of Consumer and Regulatory Affairs (DCRA) shall identify and review regulatory impediments to producing market rate and affordable housing.

2. Based on this review, the agencies shall identify unnecessary and burdensome regulations or processes that can be modified or eliminated.
3. Agencies shall identify and propose more efficient and effective means of achieving important policy and regulatory goals. These regulatory goals include accelerating permit issuance for priority housing projects, including accessory dwelling units.

D. Removing Other Barriers to Affordable Housing Production

1. As part of this broader effort to accelerate housing production, DHCD shall evaluate approaches to lower the barriers of developing and producing affordable and permanent supportive housing units. To do so, DHCD shall examine ways to accelerate the time it takes to acquire property to better keep pace with private sector approaches. This examination shall include methods to expedite project selection, underwriting, and closings.
2. Concurrently, DHCD shall implement their Analysis of Impediments to Fair Housing and develop strategies to remove any such obstacles that would impede on one's ability to deliver affordable units.
3. To keep pace with the private sector and expedite affordable housing delivery, DHCD shall also implement techniques to reduce the risk of developing affordable housing and encourage larger and more complex affordable housing redevelopment projects.

E. Preserving Existing Affordable Units

In line with my efforts to preserve existing affordable housing units, I launched the Housing Preservation Strike Force, which has established a dedicated preservation unit that responsible agencies shall carry out and implement the Task Force's mandates to:

1. Identify and incentivize preserving affordable units;
2. Fund the maintenance, repair and overall inspection of affordable units; and
3. Enable vulnerable populations, such as elderly residents, to age in place.

These orders set forth at II.E.1-3 shall stand to further DHCD's preservation program and plans.

III. FAIR HOUSING

Historical patterns of land use and affordable housing investment present challenges to affirmatively furthering fair housing. DHCD, with the assistance of OP and other partner agencies, is currently conducting an Analysis of Impediments to Fair Housing. To advance Districtwide goals of an inclusive city and advance fair housing goals, I direct as follows:

1. No later than September 30, 2019, OP shall propose planning-area specific fair share targets for affordable housing production by 2025 necessary to achieve an equitable distribution of affordable units by 2045.
2. OP and DHCD shall identify new ways of promoting opportunities for affordable housing throughout the city, especially in high opportunity areas that provide access to good jobs, schools, and transit as part of the Analysis of Impediments to Fair Housing.

IV. CREATING HOMEOWNERSHIP OPPORTUNITIES

Owning a home is an important pathway for many households to achieve stability and economic wellbeing.

1. DMPED, DHCD, and OP shall seek ways to encourage developments that create ownership opportunities.
2. DHCD shall continue to help prepare and assist households to purchase homes and enjoy the stability and increased economic peace of mind that can come with homeownership.
3. Providing DC government employees, especially first responders, teachers, and front-line workers with an opportunity to live in the District is a critical goal. DHCD shall examine the effectiveness and ease of use of the Home Purchase Assistance Program and Employer Assisted Housing Program.

V. THE HOUSING SAFETY NET: HOMEWARD DC

In 2015, the District released a strategic plan to guide transformation of its housing crisis response system, with the ultimate goal of ensuring that homelessness in the District is rare, brief, and nonrecurring. Over the past four years, the District has devoted unprecedented resources to begin transforming its emergency housing stock and increase targeted housing subsidies to help individuals and families exit homelessness. Yet, rising housing costs and diminished affordable housing stock have created barriers to reaching this goal, as hundreds of households newly experience homelessness each year. To continue making progress against the Homeward DC plan, the District must redouble its efforts to fund deeply affordable and permanent supportive housing solutions. The Interagency Council on Homelessness shall work with DMPED, DHCD, and OP on aligning the affordable and permanent supportive housing strategies in the plan with the District's larger efforts.

VI. RESIDENT HOUSING EXPERIENCE

While the production of units is a critical need for the District, it is also critical that residents are able to occupy those units. The Lab @ DC shall:

1. Take a user-centered design approach to improve the way prospective and current homeowners find and utilize affordable housing programs and opportunities; and

2. Create a unified "Front Door" for housing programs that can guide residents to the appropriate opportunities for individual households.

VII. CONNECTION WITH LARGER INITIATIVES

Although there is much that Washington, DC can and must do on its own to address its housing needs, the city's housing market does not exist in isolation or behind a wall. Consequently, the District's efforts to meet the housing needs for existing and future residents must leverage regional and national resources.

The demand for more housing is regional in nature and based on regional job growth. Based on projections from the Metropolitan Washington Council of Governments, DC and surrounding jurisdictions will require a minimum of 240,000 net new housing units by 2025. If other jurisdictions produce insufficient levels of housing and affordable housing or refuse to acknowledge the shared responsibility to accommodate growth, cost pressures will impact District resources and residents and disadvantage low-income residents. To address this:

1. Agencies shall work with their regional counterparts, regional constituencies, and stakeholders to broadly investigate how regulations, market forces, and community impacts and influences impede the ability to produce new housing region-wide and persuade neighboring jurisdictions to undertake their own plans.
2. Agency representatives metropolitan-wide shall advocate that such investigations into new housing production address opportunities for additional capacity, accessibility, and affordability.
3. DMPED, DHCD, and OP shall explore engaging major employers to support moderate- and middle-income housing production with an emphasis on proximity to employment opportunities.
4. Washington, DC must also make its voice heard in federal housing policy. As the Chair of the National League of Cities Task Force on Housing and a member of the advisory board of the US Conference of Mayors, I have a unique opportunity to build a strong coalition around the urgency to produce and preserve new housing units. With staff support from District agencies, this coalition should sound the call to the U.S. Department of Housing and Urban Development (HUD) that funding its public housing assets is a moral imperative. A lack of proper funding and deferred maintenance from HUD has created an unhealthy and unsafe environment for vulnerable residents who rely on public housing. This coalition should also advocate to increase funding for the Housing Choice Voucher Program, the National Housing Trust Fund, and public housing capital and operating funds to ensure the long-term sustainability of these critical sources of and supports for housing.
5. Staff and agencies shall support my efforts, through the National League of Cities and in other coalitions, to form and support partnerships to articulate and raise awareness over the impact that federal taxation policies have on housing affordability for renters and homeowners alike.

VIII. **SUPERCESSION**: This Order supersedes previous Mayor's Orders to the extent of any inconsistency therein.

IX. **EFFECTIVE DATE**: This Order shall become effective immediately.


MURIEL BOWSER
MAYOR

ATTEST: 
KIMBERLY A. BASSETT
ACTING SECRETARY OF STATE OF THE DISTRICT OF COLUMBIA