

DATE: March 16, 2021

TO: Commissioners ANC 3/4G

FROM: Commissioners Lisa R. Gore, ANC 3/4G-01 and Peter Gosselin, ANC 3/4G-06

SUBJECT: **Reaching Consensus on Task Force Housing Recommendations**

This Commission needs to reach consensus on the TFR housing recommendations and move on. The language we offer here makes a clear commitment to producing a significant amount of truly affordable housing. It does so in a way that avoids jargon and capture by agencies such as the Office of Planning. It seeks to protect the Standing Committee from becoming a dumping ground for issues on which Commissioners disagree.

In addition, our language seeks to recognize the continued racial disparities in affordable housing outcomes and recommend strategic and thoughtful incremental steps to correct long-standing racial inequities and tie positive outcomes directly to Black and Brown communities. For example, from 2015-2019, the District of Columbia created 9,500 affordable housing units¹, of which:

- 20% were extremely low income (\$37,000) for a family of 4
- 60% were affordable at higher income levels, up to \$80,000
- Of 989 units built through Inclusionary Zoning, 3/4 were affordable to people earning up to 80% of the MFI (\$100,000)

This data clearly shows that affordable housing units in D.C. are systematically targeted to individuals at the higher “Workforce Housing” levels. The Task Force on Racism’s report indicates “Workforce Housing” is affordable to households earning between 80% and 120% AMI (for a family of four \$145,550). This creates a disparate impact on Black and Brown families who overwhelmingly comprise the lower income levels. These income disparities correlate to the common occupations of Black and White workers. According to the common

	Most Common Occupations held by White Workers (with corresponding median salaries) ⁵⁰	Most Common Occupations held by Black Workers (with corresponding median salaries)
1	Lawyers, judges, magistrates, and other judicial workers (\$161,900)	Cashiers (\$24,800)
2	Miscellaneous managers (\$135,970)	Janitors and building cleaners (\$28,930)
3	Management analysts (\$99,740)	Secretaries and administrative assistants (\$47,340)

NOTE: MEDIAN SALARIES SOURCED FROM BUREAU OF LABOR STATISTICS, MAY 2017 STATE OCCUPATIONAL EMPLOYMENT (SEE ENDNOTE 49 FOR MORE DETAILS)

DC’s Tipped Workers Need a Raise ⁵¹

Tipped workers in DC experience a poverty rate nearly twice that of other workers, and there is significant racial inequality within the tipped workforce. The poverty rate of tipped workers is 13.7 percent—more than three times the poverty rate of non-tipped workers (4.5 percent) and Black tipped workers have a poverty rate of at 18.5 percent. Black tipped workers are paid 23 percent less per hour (in wages and tips) than white tipped workers. In short, living on tips does not provide sufficient, predictable income or economic security, and tipped workers are better off when provided a higher base wage.

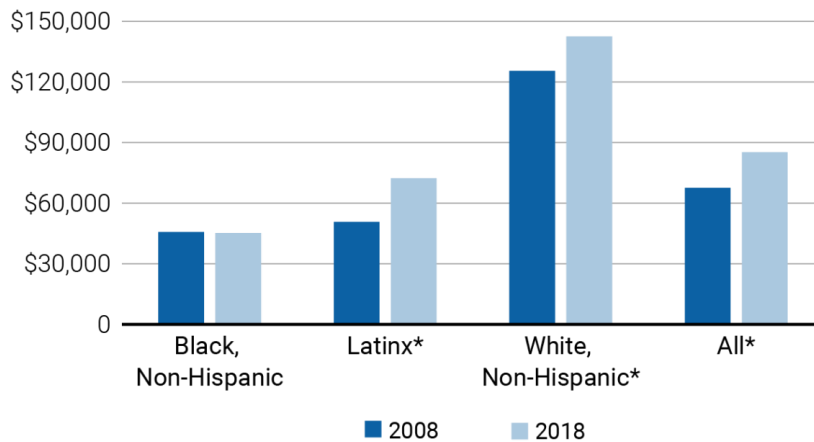
¹ https://www.washingtonpost.com/local/dc-politics/dc-racism-affordable-housing/2021/03/01/a37506b4-6d86-11eb-9ead-673168d5b874_story.html

occupation table published by the D.C. Fiscal Policy Institute, Black workers are more concentrated in job classifications that pay below middle-income wages and have a median household income of **\$45,200**.

In addition to having a lower median income, as indicated in the below table also published by the D.C. Fiscal Policy Institute, Black household income has been static from roughly 2008-2018.

Median Income is Stagnant for Black Households in the District, Grows for Others as Large Racial and Ethnic Disparities Persist

Median Household Income, by Race and Year, Adjusted for Inflation



Note: An asterisk indicates that the 2008 median household income is statistically different from the 2018 poverty rate. Source: Author's analysis of 2008 and 2018 American Community Survey, adjusted for inflation.

The currently DC FISCAL POLICY INSTITUTE | DCFPI.ORG proposed recommendation language perpetuates the harmful racial practices the Task Force on Racism sought to dismantle. It also negates one of the core tenants of the recently formed Standing Committee on Racial and Social Equity; to identify policies and circumstances that fail to promote racial equity: when race does not define a group's outcome. You can see that our current proposal to produce affordable "Workforce Housing" would have a negative outcome on Black and Brown families seeking affordable housing options in Chevy Chase.

The disparities are readily apparent when you overlay affordable housing production data along with wage data and DCHD's 2020 Inclusionary Zoning Minimum Annual Income Limits for a family of four (4):

<u>MFI</u> ²	<u>Targets</u>	<u>Annual Income</u>
30% MFI	20% of affordable units fall at this income level	\$ 37,800

² Median Family Income

	Median Black Income	\$ 45,200
50% MFI		\$ 63,000
60% MFI	60% of affordable units fall at this income level	\$ 75,600
80% MFI	Workforce Housing /75% of IZ Units fall here	\$100,800
100% MFI	Workforce Housing	\$126,000
120% MFI	Workforce Housing	\$151,200

We strongly encourage the Commission to reconsider the target income levels proposed in the current recommendations and adopt our language, which is equitable, inclusive, and in-line with the strategic direction of the Task Force on Racism and the Standing Committee on Racial and Social Equity.

With the exception of Recommendation #1, our language is presented as amendments to Connie’s language as altered by her own friendly amendments. After discussion Thursday, we hope that the further amendments that we suggest will also be accepted as friendly. As a sidelight, we propose reducing the use of capital letters in the resolutions.

We present what we recommend as the final resolution language at the end of each section below with our suggested changes in red.

Recommendation #1

We would like the Commission to revisit the recommendation it approved Feb. 4th to add language that makes clear what we mean by “affordable” housing. The headline language we adopted now reads:

“Advise the District to Build Significant Dedicated Affordable Housing and Work Force Housing Above the Chevy Chase Community Center and the Chevy Chase Library, that includes five Key Actions found in Table 1 on page 5 of the November 13, 2020 final draft report, with amended language to Key Actions 1, 2, and 5.

We propose adding the following between “...and Work Force Housing” and “Above...”: “with a focus on households earning 50% or less of the median family income (MFI)” .

So the headline language of the resolution would read:

“Advise the District to build significant dedicated affordable housing and work force housing with a focus on households earning 50% or less of median family income (MFI) above the Chevy Chase Community Center and the Chevy Chase Library,...”

Recommendation #2

Connie’s amended language for Recommendation #2 reads:

Advise the District to Include as Part of the Chevy Chase Small Area Plan Process Ways to Encourage Significant Dedicated Affordable Housing and Work Force Housing in Private Development Along the Chevy Chase Gateway

Key Actions

- Key Action 1: "Advise the Office of Planning that the ANC supports enhancements to Inclusionary Zoning for upzoned parcels in the Chevy Chase Gateway to include a goal of at least 25% affordable housing, considering other requirements as well;
- Key Action 2: "Advise the Office of Planning to hold a charrette as part of a Small Area Plan to explore possibilities for development in the Chevy Chase Gateway;"
- Key Action 3: "In coordination with Chevy Chase Main Street, the Office of Planning, local businesses, property owners, and the Office of the Deputy Mayor for Planning and Economic Development, solicit development proposals for mixed-use buildings along the Chevy Chase Gateway consistent with opportunities identified in the Small Area Plan;"
- Key Action 4: "Establish a mechanism for the ANC to work on the Chevy Chase Gateway Small Area Plan and subsequent implementation."

We believe that Key Actions 2 through 4 have been mooted by events and are unnecessary. We suggest dropping them.

We propose amending the headline language and that of Key Action 1 as follows:

- 1) Strike "Significant Dedicated Affordable Housing and Work Force Housing" and replace with "the development of affordable housing"
- 2) Strike "Chevy Chase Gateway" and replace with upper Connecticut Avenue commercial corridor, with a focus on the production of units for households earning 50% and below of the MFI."
- 3) Under Key Action 1, after the phrase "Advise the Office of Planning that" add, "as part of this development,". Pick up "the ANC supports".
- 4) Under Key Action 1, strike "enhancements to Inclusionary Zoning for upzoned parcels in the Chevy Chase Gateway to include".
- 5) Under Key Action 1, after the phrase "...25% affordable housing", add "with a particular focus on households earning 50% or less of MFI."

The final resolution would read:

"Advise the District to include as part of the Chevy Chase Small Area Plan process ways to encourage the development of affordable housing in private development along the upper Connecticut Avenue commercial corridor, with a focus on the production of units for households earning 50% and below of the MFI.

Key Actions

- Key Action 1: "Advise the Office of Planning that, as part of this development, the ANC supports a goal of at least 25% affordable housing, with a focus on households earning 50% of the MFI, considering other requirements as well."

Recommendation #3

Connie's amended language for Recommendation #3 reads:

"Advise the District to Preserve and Protect Affordability of Currently Affordable Rental Units

Key Actions:

- Key Action 1 Request that the Office of Planning establish criteria for identifying naturally occurring affordable housing and determine the amount of such naturally occurring affordable housing in an area. The Commission tasks the Standing Committee on Racial and Social Equity to study ways to implement this recommendation."
- Key Action 2: Request that the Office of Planning establish protocols for how market-rate, naturally occurring affordable housing properties can be preserved and protected. The Commission tasks the Standing Committee on Racial and Social Equity to study ways to implement this recommendation.

We believe this is an issue on which we don't yet have an adequate grip, so we suggest the Commission further study it.

We propose the following changes:

- 1) Add to the beginning of the headline language "The ANC" and change "advise" to "advises."
- 2) Amend the headline language to eliminate most capitals
- 3) Add "and agrees as a Commission to study the issue."

The final resolution would read:

"The ANC advises the District to preserve and protect affordability of currently affordable rental units and agrees as a Commission to study the issue."

Recommendation #4

No change

Recommendation #5

Connie's amended language for Recommendation #5 reads:

"Study the Feasibility and Appropriateness of Familiar Modest Home Choices –'Gentle Density'—Without Disrupting the Look and Feel of the Neighborhood"

Key Action:

- The Commission tasks the Standing Committee on Racial and Social Equity to study and report to the Commission on the feasibility and appropriateness of Gentle

Density, specifically, whether Gentle Density can be implemented so that it will satisfy three prerequisites:

- (1) address community concerns about the impact on existing neighborhoods,
- (2) create and use form-based codes, and
- (3) achieve affordability and diversity goals”

We propose the following changes:

- 1) Strike “the Feasibility and Appropriateness of Familiar Modest Home Choices – ‘Gentle Density’—” Replace “ways to include affordable housing in residential areas.” Pickup at “Without Disrupting...”
- 2) After “Feel of the Neighborhood,” add “**with an aim of making units affordable for households earning 50% or less of median family income (MFI).**”
- 3) Reduce use of caps.

Under Key Action, strike “and report to the Commission on the feasibility and appropriateness of Gentle Density, specifically, whether Gentle Density can be implemented so that it will satisfy three prerequisites:”. Replace with “ways to **reduce the shortage of affordable housing in the community, especially for low-income (51%-80% MFI) and very low-income (less than 50% MFI) households.**”

Strike “(2) create and use form-based codes, and
(3) achieve affordability and diversity goals”

- 4) Eliminate “(1)”. Begin the sentence “The Commission will study ways to”. Pick up address community concerns about the impact”.
- 5) Add “of affordable housing in residential areas.” Pick up “on existing neighborhoods.”

The final resolution would read:

“Study **ways to include affordable housing in residential areas** without disrupting the look and feel of the neighborhood **with an aim of making units affordable for households earning 50% or less of median family income (MFI).**”

Key Action

- The Commission tasks the Standing Committee on Racial and Social Equity to study **ways to reduce the shortage of affordable housing in the community, especially for low-income (50%-80% MFI) and very low-income (less than 50% MFI) households.**
- **The Commission will study ways to** address community concerns about the impact **of affordable housing in residential areas** on existing neighborhoods.”

Recommendation #6

Connie's amended language for Recommendation #6 reads:

"Advise the District to Stimulate Use of Accessory Dwelling Units

Key Actions:

- Key Action 1: The Commission tasks the Standing Committee on Racial and Social Equity to study available incentives and mechanisms by which the District can streamline the permitting, licensing, and zoning process for those who wish to build ADUs and expand the supply of affordable housing in the area;" and
- Key Action 2: The Commission tasks the Standing Committee on Racial and Social Equity to study how granting subsidies or incentives can promote ADU development with enforceable commitments that the ADU will be rented or sold at affordable rates. Boston, Portland, and Los Angeles have been successful in stimulating ADUs with these fiscal tools."

It's unclear to us whether accessory dwelling units in high-cost areas such as Chevy Chase produce affordable housing, particularly for households earning 50% or less of median family income (MFI). So we suggest a two-step process – a study by the Standing Committee and, depending on outcome, subsequent action by the Commission.

We propose the following changes:

- 1) Strike "Advise the District to Stimulate Use of Accessory Dwelling Units."
- 2) Strike "Key Actions" and "Key Action 1"
- 3) After "The Commission tasks the Standing Committee on Racial and Social Equity to study", strike "available incentives and mechanisms by which the District can streamline the permitting, licensing, and zoning process for those who wish to build ADUs and expand the supply of affordable housing in the area;" and". Add "the track record of accessory dwelling units (ADUs) at producing affordable housing, with a particular focus on households earning 50% or less of MFI."
- 4) Strike "Key Action 2: The Commission tasks the Standing Committee on Racial and Social Equity to study how". Add "If the Standing Committee concludes ADUs have a positive affordable housing track record, the Commission will examine ways to streamline the permitting, licensing, and zoning process for ADUs and whether". Pick up "granting subsidies or incentives can promote ADU development with enforceable commitments that the ADU will be rented or sold at affordable rates."
- 5) Strike "Boston, Portland, and Los Angeles have been successful in stimulating ADUs with these fiscal tools."

The final resolution would read:

“The Commission tasks the Standing Committee on Racial and Social Equity to study the track record of accessory dwelling units (ADUs) at producing affordable housing, including households earning 50% or less of MFI.

“If the Standing Committee concludes ADUs have a positive affordable housing track record, the Commission will examine ways to streamline the permitting, licensing, and zoning process for ADUs and whether granting subsidies or incentives can promote ADU development with enforceable commitments that the ADU will be rented or sold at affordable rates.”

Recommendation #7

Connie’s amended language for Recommendation #6 reads:

“Advise the District to Support Vouchers to Increase Housing Diversity
Key Action:

- “The Commission tasks the Standing Committee on Racial and Social Equity to study how to encourage landlords in Chevy Chase to accept more voucher tenants and to ensure their compliance with anti-discrimination laws, and to examine the extent to which vouchers are used in our area and what social and support services the District provides, if any, to ensure success.”

We propose replacing this current resolution with the following language. This is how the final resolution would read.

“The ANC believes Housing Choice vouchers should be part of the community’s mix of affordable housing development. The Commission opposes discriminatory treatment of voucher holders by local landlords or others. The Commission calls for voucher holders to be afforded the social and support services they are owed by the District.”