

Government of the District of Columbia ADVISORY NEIGHBORHOOD COMMISSION 3/4G

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ANC 3/4G Testimony Before the Committee on Housing & Executive Administration FY 2022 Budget Hearing Housing Production Trust Fund June 4, 2021

Chairperson Bonds and members of the Committee on Housing & Executive Administration, my name is Connie K. N. Chang and I am the Commissioner for Single Member District ANC 3/4G-05 in Chevy Chase. I am testifying on behalf of our Commission, which authorized this testimony at our June 2, 2021 special meeting by a vote of 7 to 0 (a quorum being 4). I appreciate the opportunity to share our thoughts on the Mayor's proposed budget for the Housing Production Trust Fund.

Over the past several years, the Commission has worked to lay the groundwork for creating a more vibrant town center and enriched civic life grounded in a spirit of racial and social equity. We have sought funding to modernize key buildings², bring in more affordable housing,³ and support the small businesses located in our commercial district that line upper northwest Connecticut Avenue from Chevy Chase Circle to Livingston Street—otherwise known as the "Chevy Chase Gateway," as detailed in several

¹ For ANC 3/4G initiatives related to racial and social equity that is inclusive of housing, see "ANC 3/4G Resolution Regarding Task Force on Racism," adopted on December 14, 2020, found here (accessed on June 2, 2021); and "ANC 3/4G Resolution Regarding Establishment of the Racial and Social Equity Standing Committee," adopted on January 25, 2021, found here (accessed June 2, 2021).

² See "ANC 3/4G Resolution Regarding Capital Budget to Modernize Chevy Chase Community Center," adopted on April 9, 2018 found here. Accessed on June 2, 2021.

³ See "ANC 3/4G Task Force on Racism's Housing Work Group Report," November 13, 2020 draft found <u>here</u>. Accessed on June 2, 2021.

⁴ The formation of a Chevy Chase Main Street is vital to the sustainability of local businesses and their ability to weather external shocks like the global pandemic and downturns in the economy. See "ANC 3/4G Resolution

resolutions that the Commission adopted. Last year, the Council provided \$150,000 in FY 2021 for Chevy Chase to engage in a Small Area Planning process that gives our community an opportunity to work together to flesh out the details for how moderate density increases along Connecticut Avenue as proposed in amendments to the Comprehensive Plan would be realized in our neighborhood.

The Chevy Chase Small Area Plan "boundary covers the two-blocks around the proposed land use change area, west to 41st Street, NW, south to Military Road, NW, and east to Nevada Avenue, NW. This area includes side streets with low density residential (semi-detached, detached homes) and Connecticut Avenue's medium density residential (apartments and condominium homes)." Led by the Office of Planning, the Chevy Chase Small Area Plan aims to "explore how new buildings could look and function, to support the commercial district and provide new housing options including affordable housing, subject to future zoning changes." The Chevy Chase Small Area Plan is underway and is currently in the Visioning phase of the engagement timeline and is expected to be completed by the end of the year.

Consensus is building that the centerpiece of this effort in reimagining our main street should revolve around the largest publicly owned lot in ANC 3/4G, which is shared by both the Chevy Chase Community Center, which opened in December 1971, and the Chevy Chase Neighborhood Library, which opened in March 1968. This lot, which resides in my Single Member District, "occupies the western end of a block bounded by Connecticut Ave on the west, Northampton Street to the north, McKinley Street to the south, and a public alley and residential lots to the east" —in essence, right along the path of the Chevy Chase Gateway. Both buildings are budgeted to begin their modernization, together, in FY 2023, to be developed as a unified campus with affordable housing potentially to be constructed above both buildings.

Requesting Reinstatement of the Grant for Chevy Chase Main Street," adopted October 26, 2020 found here. Accessed on June 2, 2021.

⁵ Found on home page of the project website <u>here</u>. Accessed on June 2, 2021.

⁶ Ibid.

⁷ The Office of Planning's Chevy Chase Engagement Timeline can be found on the project website <u>here</u>. Accessed on June 2, 2021.

⁸ See Page 3, "Chevy Chase Community Center: Draft Concept Report," by BELL Architects, PC, et. al. dated 20 December 2019 presented to DGS, DPR, and ANC 3/4G found here. Accessed on June 2, 2021.

⁹ The Commission expressly requested that "Modernization of the Chevy Chase Public Library to include mixed use/co-location of affordable housing development" on p. 5 of its "Resolution Requesting Changes to the Office of Planning's Proposed Amendments to the Comprehensive Plan," adopted on February 10, 2020 and found here. Accessed on June 2, 2021. On the question of what kind of affordable housing, during the Commission's deliberations earlier this year regarding recommendations offered in the ANC 3/4G Task Force on Racism's Housing Work Group Report (see footnote 3 above), specifically Recommendation #1, the Commission revised it to 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" which was adopted during its March 22, 2021 Public Meeting.

In Ward 3, where real estate prices are high, building affordable housing will require the establishment of a strong public-private partnership. Subsidies from the government will be necessary to provide the requisite incentive for private or non-profit developers—or the District itself—to build affordable units, spanning deeply affordable to workforce housing. Accessing funds via the Housing Production Trust Fund whose mission is to "produce and preserve affordable housing in the District of Columbia" will be important to realizing our share of the Mayor's goal of bringing 1,990 affordable units to Rock Creek West by 2025.¹⁰

The Commission applauds Mayor Bowser's "Fair Shot" budget proposal for FY 2022 released on May 27, 2021 that provides for a total of \$400 million to the Housing Production Trust Fund, split into \$150 million for FY 2021 and \$250 million for FY 2022. The amount for FY 2022 is more than double the annual contributions the Mayor has made in each year of her administration since 2015. The Mayor's pledge of \$400 million is projected to "help developers build an additional 2,700 subsidized housing units over the next two or three years ... [that will] expedite her goal of building 36,000 housing units by 2025, 12,000 of them affordable to targeted income groups." 12

Moreover, the Deputy Mayor for Planning and Economic Development, John Falcicchio, stated that "the city will survey housing developers to explore how best to utilize the new pot of money and will offer greater subsidies for projects in areas with high land values." This statement recognizes the importance of public-private partnerships in building affordable housing in Ward 3.

The Commission stands ready to work with the District to incentivize developers – private, or non-profit, or the District itself – to work with our community to build affordable housing units co-located with the Chevy Chase Neighborhood Library and the Chevy Chase Community Center as a unified campus. Planning for this project should

¹⁰ Importantly, in each fiscal year, "the Housing Production Trust Fund Act of 1988 requires that [a]t least 50 percent of HPTF spending serves households with incomes below 30 percent of the area median income (AMI);" "[a]t least another 40 percent of expenditures serve households with incomes between 30 percent and 50 percent of AMI;" and "[t]he balance of funds can serve households with incomes up to 80 percent AMI. Generally, at least 50 percent of the funds disbursed are dedicated toward providing rental housing," according to the HPTF's website found here. Accessed on June 2, 2021.

¹¹ Announcement found on the Mayor's website <u>here</u>, and reported in *The Washington Post*, "D.C. To Pour a Record \$400 Million into Affordable Housing This Year and Next," on May 24, 2021 found <u>here</u>. Both accessed on June 2, 2021.

¹² See "D.C. To Pour a Record \$400 Million into Affordable Housing This Year and Next," *The Washington Post,* May 24, 2021 found here. Accessed on June 2, 2021. ¹³ *Ibid*.

begin soon and should coincide with efforts being made through the Chevy Chase Small Area Plan to reimagine our neighborhood.¹⁴

We request that the Council consider a portion of the FY 2022 proposed \$250 million budget for the Housing Production Trust Fund to be set aside for this development as a show of Chevy Chase's commitment to doing our part in meeting the Mayor's affordable housing goal. We aim to work out the details together with the Council and the Mayor in co-creating a future for our Chevy Chase Gateway that is inclusive, equitable, and a model for others hoping to bring mixed-use development to District owned property that enhances the character of the neighborhood for the better.

Thank you.

¹⁴ Our Commission will testify at the budget hearings for the District of Columbia Public Library and the Department of Parks and Recreation on June 21, 2021, and will urge the Council to harmonize the capital budgets for the two projects and to allocate sufficient funds to complete the District's portion of the consolidated project.