



Equal Rights Center's Testimony Regarding the Performance of the DC Housing Authority

Testimony Submitted Online on February 21, 2024 and Abridged Version Read at the Public Hearing on February 22, 2024

The Equal Rights Center (ERC) is a civil rights organization that identifies and seeks to eliminate unlawful and unfair discrimination in housing, employment, and public accommodations in its home community of Greater Washington, D.C. and nationwide. For many years, the ERC has received funding through the U.S. Department of Housing and Urban Development's (HUD) Fair Housing Initiatives Program to conduct intakes with individuals in the District who believe they may have experienced housing discrimination, investigate individual claims and systemic forms of housing discrimination, pursue enforcement of the Fair Housing Act and DC Human Rights Act as needed, and conduct education and outreach about fair housing protections and requirements. The ERC appreciates the opportunity to testify for the performance oversight hearing of the District of Columbia Housing Authority (DCHA).

During last year's performance oversight hearing, the ERC shared the following testimony: "Put simply, DCHA is an agency in crisis and its reputation is in shambles. This reality compromises its ability to serve District residents eligible for its programs—in many instances the same District residents who are most vulnerable to displacement due to rising housing costs." Unfortunately, in our experience, this fact remains as true today as it was a year ago.

Again, the District is experiencing a dire affordable housing crisis that is steeped in systemic inequity. As the cost of housing has skyrocketed, it has become much more difficult for low-income households to afford living in the District. Low-income Black DC residents are facing the worst consequences of this housing crisis, and over 90% of the District's housing voucher holders and public housing residents identify as Black. Therefore, the District's compliance with Affirmatively Furthering Fair Housing (AFFH) requirements under the Fair Housing Act depends on its ability to improve DCHA performance.

DCHA program participants and local advocates, including the ERC, have been ringing the alarm about a multitude of dire problems at the agency for years. These concerns were reinforced by HUD's 2022 audit of DCHA. We appreciate the recent interest from DC councilmembers to provide more meaningful oversight of DCHA in response to that report; however, we are concerned that efforts so far have been too focused on improving the agency's reputation in the short term rather than addressing the root causes of its underperformance. To truly ensure that DCHA is meeting its charge, councilmembers and others responsible for oversight of the agency

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¹ Metropolitan Washington Council of Governments. *Draft Metropolitan Regional Fair Housing Plan – District of Columbia*. Jan. 2023. mwcog.org/assets/1/6/District_of_Columbia_Clean_web.pdf

must develop an understanding of both how it came to have such stark problems and the broad-based, long-term overhaul that it desperately needs.

DC's Affordable Housing Crisis Can't be Fully Addressed Until DCHA Commits to Major, Long-Term Changes

As the administrator of the District's public housing and housing voucher programs, DCHA has an outsized role to play in combatting the affordable housing crisis, chipping away at ongoing housing segregation, and ensuring that the District is meeting its obligations to affirmatively further fair housing. As part of reform efforts, we encourage Councilmembers to meaningfully collaborate with stakeholders, including advocates and DCHA program participants, who have spoken out about agency failures for years and who are in the best position to identify the broad-based and long-term solutions the agency needs to adopt.

Various stakeholders will likely testify about a number of concerns regarding DCHA. In our testimony, the ERC encourages DCHA to do the following:

- A) Improve the rent reasonableness determination process and make it more transparent for program participants;
- B) Prioritize the rehabilitation of substandard public housing units instead of privatizing buildings;
- C) Overhaul the agency's reasonable accommodations process to effectively serve people with disabilities; and
- D) Improve communication with program participants.

DCHA's Changes to Its Payment Standards and Rent Reasonableness Process is Restricting
Housing Choice for Voucher Holders

In July 2023, DCHA eliminated the use of neighborhood-based payment standards and reimplemented the use of rent reasonableness determinations. The reimplementation of the rent reasonableness determinations was a major change for DCHA, which may have stopped conducting such determinations as far back as 2009.² While the reimplementation of rent reasonableness was required under the HUD audit, the changes to the payment standards were not. Both of these changes were made with little notice to stakeholders, including program participants, housing providers, and advocates.

While the ERC appreciates that DCHA has maintained higher payment standards than the annual standards set by HUD in order to promote housing choice among HCVP participants, the recent changes have unnecessarily complicated the process and made it more difficult for HCVP participants to successfully obtain housing. DCHA now maintains a single citywide payment standard based solely on bedroom size. Once a voucher holder's application is accepted at a property and a housing provider submits a Request for Tenancy Approval (RFTA) package, DCHA reviews the package and conducts a rent reasonableness determination through a tool provided by affordablehousing.com. Unlike other Public Housing Authorities (PHAs), where staff will individually determine a rent reasonableness range and verify whether the unit falls

² Thompson, Steve and Dalton Bennett. "D.C. overpays landlords millions to house the city's poorest." Washington Post. 16 Feb. 2023. www.washingtonpost.com/investigations/2023/02/15/dc-housing-authority-overpays-landlords/

within that range, DCHA's tool automatically approves or rejects the unit based on whether it finds the rent to be reasonable. As no one has access to the tool outside of DCHA, it is impossible for a voucher holder to verify whether the unit is likely to be deemed rent reasonable prior to applying.

This lack of transparency has created significant confusion among voucher holders. Voucher holders frequently believe that DCHA will approve any unit whose rent is within the citywide payment standard, only to discover later that DCHA rejected the unit for not being rent reasonable. The ERC has heard from multiple voucher holders who have spent hundreds of dollars on application fees only to have unit after unit rejected by DCHA for not being rent reasonable. While DCHA has encouraged voucher holders to use the public facing affordability tool on affordablehousing.com, the tool can only be used for the few properties that are listed directly on the website and it is unclear whether the tool aligns with DCHA's rent reasonableness tool, meaning it may not predictably determine whether DCHA is likely to determine the rent to be reasonable.

DCHA must immediately find and implement a way for voucher holders to better identify whether the unit they are interested in applying for is likely to be deemed rent reasonable so that voucher holders can make more informed decisions about which units to apply to. Further, it should also determine whether units in certain neighborhoods are more likely to be found not rent reasonable, as that may be a sign of questionable data quality or the tool's accuracy in determining what rent is reasonable in a given neighborhood and could have implications for the agency's responsibility to Affirmatively Further Fair Housing (AFFH).

DCHA Must Rehabilitate Public Housing and Not Privative Buildings

Public housing serves as one of the few pathways towards long-term housing stability for many low-income renters. Yet the 2022 HUD audit found that "DCHA's [public housing] occupancy rate is 76.44%, which is the lowest PH occupancy rate of any large PHA in the country." Many of DCHA's properties are in abysmal condition due to years of neglect from a lack of funding. DC must fully fund critical repairs for DCHA properties. Furthermore, in the context of ongoing gentrification sweeping the District, such repairs should be conducted in a manner that avoids privatizing public housing, with a priority placed on preserving the long-term affordability of such units to extremely low-income residents.

Public housing is especially critical for low-income families due to the dearth of larger sized rental units in the private market. The DC Policy Center estimates that only 5% of the rental apartment units in the city have three or more bedrooms.⁵ Redevelopments of subsidized housing

³ U.S. Department of Housing and Urban Development. District of Columbia Housing Authority (DC001) Assessment. Oct. 2022. oag.dc.gov/sites/default/files/2022-10/DCReview_Final%209302022%20%281%29.pdf ⁴ DC Department of Housing and Community Development, et al. *Draft For Public Comment - Analysis of Impediments To Fair Housing Choice Washington, D.C.*, 27 Sept. 2019, p. 228, dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/D.C. Draft Analysis of Impediments to Fair Housing Choice 9.27.2019 (1).pdf.

⁵ DC Policy Center. *Appraising the District's rentals – Landscape of Rental Housing*. 1 Apr. 2020. dcpolicycenter.org/publications/appraising-the-districts-rentals-chapter-ii/

in the last few years have frequently failed to replace family-sized units that are demolished with the same size or larger units, even in developments where there has been a commitment of one-to-one replacement of units. The private housing market's dismal track record in building family sized units highlights the importance of maintaining and rehabilitating public housing so that families with children, who are explicitly protected under the Fair Housing Act, are not displaced from our community. Yet DCHA has appeared to take the opposite approach, planning to offload up to 4,826 of its approximate 8,000 public housing units in FY2024. In order to comply with its fair housing obligations and prevent the displacement of District families, DCHA must stop privatizing units and instead focus its efforts on rehabilitating and maintaining its public housing stock.

DCHA Must Overhaul Its Reasonable Accommodations Process to Effectively Serve People with Disabilities

DCHA must also do more to ensure that people with disabilities have equal access to housing under its programs. The ERC recently spent about a year advocating on behalf of a client with disabilities to be approved for a live in aide and transfer to a larger unit—a common, noncontroversial reasonable accommodation. After months of dedicated advocacy by ERC staff, the unit transfer almost did not occur at the last minute because DCHA not only cancelled the client's RFTA package but also cancelled rent payments for her current unit. DCHA contradictorily claimed both that they couldn't proceed with her move and that her move had occurred so they stopped paying rent at her current unit. The "ongoing, persistent, and undue delay in the implementation of approved reasonable accommodations" has become so "egregious" and pervasive that the OAG has sued DCHA in an effort to address the agency's systemic failure to adequately accommodate program participants with disabilities.⁸

DCHA has obligations to equitably serve and house participants with disabilities under the Fair Housing Act, Section 504 of the Rehabilitation Act, American with Disabilities Act, and DC Human Rights Act. It is unconscionable that people with disabilities languish in an unnecessarily complicated and confusing reasonable accommodations process. **DCHA must do a sweeping review of its reasonable accommodation review process to ensure that program participants with disabilities are able to receive the accommodations they need for their safety and well-being in a timely manner.**

DCHA Must Be More Communicative with Program Participants

DCHA must improve communication and its relationship with program participants. While program participants have expressed difficulties navigating the agency for years, the ERC has received a significant spike in calls during the pandemic from DCHA program participants who express frustration and confusion with the agency. Common complaints from callers have included an inability to reach DCHA despite repeated contact attempts and a fear of losing out on

⁶ McCabe, Brian, "DC's New Communities Initiative, Explained," 10 Feb 2021, ggwash.org/view/80371/what-is-dcs-new-communities-initiative-anyway.

⁷ DC Housing Authority, *FY2024 Moving To Work Plan*, 30 Apr. 2023, p. 8, https://www.dchousing.org/wordpress/wp-content/uploads/2023/04/DCHA-FY2024-Plan_Public-Comment.pdf. ⁸2022-CA-002667-B, *District of Columbia v. District of Columbia Housing Authority* complaint filed June 16, 2022, p. 3-4.

a housing opportunity due to delays by the agency in completing the lease-up process. This poor customer service is not only time consuming and emotionally discouraging, but can also cause devastating and long-lasting negative outcomes for participants, up to and including a loss of housing.

Conclusion

While the ERC applauds DCHA's continued use of increased payment standards as a critical tool to promote fair housing choice among voucher holders and contribute to neighborhood desegregation, we are highly concerned with the recent changes made to the payment standards and rent reasonableness determinations. The ERC urges DCHA to review and revise its rent reasonableness process to improve transparency and outcomes for program participants. We also encourage DCHA to rehabilitate public housing communities in need of urgent repairs instead of privatizing the units, which could result in a further loss of affordable housing in the city. DCHA must also overhaul its reasonable accommodation process in order to equitably serve people with disabilities. Finally, DCHA must make a concerted effort to improve its customer service so that program participants are able to fully benefit from the agency's programs.

Thank you for this opportunity to testify. The ERC welcomes any opportunity to work in collaboration with DCHA and DC Council.