

Affordable Housing

Resident Life

Youth Services

Reentry Housing

Testimony of Martin Mellett Vice President – External Affairs Jubilee Housing, Inc. Before COUNCILMEMBER ANITA BONDS, CHAIR COMMITTEE ON HOUSING AND EXECUTIVE ADMINISTRATION

Performance Oversight Hearing on Department of Housing and Community Development and Housing Production Trust Fund

Wednesday, January 19, 2022

Good afternoon, Councilmember Bonds and Members of the Committee. My name is Martin Mellett and I have served Jubilee Housing as Vice President for External Affairs for the past 9 years. I am also a board member of the Coalition for Nonprofit Housing and Economic Development (CNHED) and serve as the Co-Chair of the Rental Housing Committee.

Jubilee Housing, founded in 1973, works to build diverse, compassionate communities that create opportunities for everyone to thrive. 48 years later, Jubilee owns and operate 10 deeply affordable housing properties, in the now thriving, resource-rich Adams Morgan community, where gentrification threatens to displace countless long-term residents. Recognizing the role we can play in the Adams Morgan neighborhood to combat gentrification and maintain an inclusive, diverse community, Jubilee has come to understand its work as Justice Housing – deeply affordable housing, in thriving neighborhoods, with supportive services onsite and within walking distance.

By bridging the gap in access to resources between lower- and higher-income District residents, Jubilee is bridging the gap in outcomes that divides our city along both racial and economic lines. To help Jubilee residents leverage the resources and opportunities around them, Jubilee provides supportive services both internally and through a network of local partners within walking distance. Our internal services include Youth Services for children K-12, Family Services, and Transitional Housing for men and women coming home from incarceration.

While we often submit recommendations for improvement at performance oversight hearings, we wanted to begin our testimony by recognizing several important milestones and improvements at the agency during this past year.

- Commend DHCD for a smooth transition from Director Donaldson to Acting Director Hubbard in the fall of last year. We have not seen any slow-down in the work of the agency during the transition period.
- Commend DHCD for an immediate NOFA release in September of last year following an historic level of Housing Production Trust Fund financing -\$400M. We also commend DHCD for one of the quickest underwriting calendars in recent NOFA history with projected announcements for Phase 1 projects expected in next several weeks.
- Commend DHCD for following some of the recommendations submitted by CNHED pertaining to the Qualified Allocation Plan – which was ultimately wrapped into the NOFA:
 - ✓ Prioritization of projects with larger number of units of deeper affordability
 - ✓ Prioritization of parts of the city that have a deficit of affordable housing (like Adams Morgan/Columbia Heights) by allowing these projects to be reviewed prior to city-wide applications
 - ✓ Prioritization of projects that provide housing for residents with additional barriers particularly returning citizens, residents with unknown immigration status, and residents with developmental disabilities
 - ✓ Prioritization of projects that include resident services
 - ✓ Prioritization of projects that include language to protect against abuse with Right of First Refusal (ROFR) for LIHTC projects language developed by CNHED members

We also commend DHCD for the strong grant support of community organizations providing technical assistance to residents seeking to exercise their right of first refusal under the Tenant Opportunity to Purchase Act (TOPA). When TOPA opportunities were re-opened after the covid emergency was lifted in August of last year, a number of buildings went up for sale and tenants needed to act quickly to protect their TOPA rights. Jubilee Housing benefited from the effective technical support provided to the tenants of 3 buildings located in Columbia Heights. With strong assistance provided by the Latino Economic Development Corporation (LEDC) a grantee of DHCD, 3 tenant associations assigned their TOPA rights to Jubilee Housing. With this assignment, we will protect long-time residents from displacement and redevelop the building into deeply affordable residential communities.

The Budget Support Act of last year addressed long standing challenges to how the DC Housing Authority (DCHA) and DHCD manage project based Local Rent Supplement Program (LRSP) rental subsidies through the NOFA process. It is critically important that LRSP commitments be available when projects move out of the development phase and into leasing. Clarity and confidence on how the DHCD commitment of capital and the DCHA commitment of project based LRSP are coordinated is essential for developers, investors, and ultimately for some of our lowest income residents who rely on this capital and rental subsidy arrangement. We understand that a new process is being developed, and we look forward to a strong

interagency agreement between DHCD and DCHA regarding the coordination of their respective resources. We will follow this new process through its initial implementation to ensure that the previous challenges have been addressed.

Recommendation: We continue to recommend increased transparency in decision making and scoring of NOFA proposals designed to strengthen competition which will lead to stronger, more efficient proposals. Transparency in a competitive process is an essential feature of good government. Jubilee Housing supported CNHED's transparency comments on the Qualified Allocation Plan (QAP), which was wrapped into the NOFA last fall. It appears that the new scoring method utilized in the recent NOFA does not increase transparency and may make it difficult to understand what types of projects will be successful and how selection decisions will be made. We recommend re-reviewing the NOFA scoring methodology following release of all funding decisions from the fall NOFA.

Few investments offer greater long-term impact for inclusion and equity than affordable housing development. Few factors affect health and prosperity more than where you live. To promote equity and inclusion now and in the future, we must invest heavily in safe, healthy, affordable housing. And for residents and families whose income is at or below 30% of the Area Medium Income (AMI), the availability of housing affordable at their income level is even more critical and could be the last barrier before homelessness. As the city reviews all legislation and budgets through a racial equity lens, we believe that strategies to ensure our lower income and minority residents have access to affordable housing are some of the most important strategies to address racial equity.

Thank you for the opportunity to testify.