

Schellin, Sharon (DCOZ)

From: Mitten, Carol (OPM)
Sent: Wednesday, July 19, 2006 8:28 PM
To: 'Tom McCormack', greg.jeffries@dc.gov; gregory.jeffries@dc.gov; Mitten, Carol (OPM), art.rogers@dc.gov, arthur.rogers@dc.gov
Cc: swade@washingtonregion.net, Schellin, Sharon (DCOZ)
Subject: RE: 7/14/06 article in the Washington Business Journal

Mr McCormack

I have copied Mrs Schellin, staff to the Zoning Commission, to enter your email into the record of this case Mr Jeffries and I cannot engage in communications on this subject outside the confines of the record Please forward any further correspondence to Mrs Schellin directly and she will enter it into the record, as appropriate

Carol

From: Tom McCormack [mailto:tommx@ix.netcom.com]
Sent: Wednesday, July 19, 2006 5:34 PM
To: greg.jeffries@dc.gov; gregory.jeffries@dc.gov; carol.mitten@dc.gov; art.rogers@dc.gov; arthur.rogers@dc.gov
Cc: swade@washingtonregion.net
Subject: 7/14/06 article in the Washington Business Journal

Dear Mr. Jeffries, Ms. Mitten and Mr. Rogers:

I happened to come across the July 14 article in the *Washington Business Journal* quoting you and others concerning requirements you plan to impose—with assistance from expected ancillary City Council implementing and enforcement legislation—to require that 8 % to 10% of new (and perhaps rehabilitated) housing units be offered for sale or rent to those with incomes below the Washington Metropolitan Area's median income (but with 50% to 75% of "bonus density" units subject to the same requirement, except that this add-on feature is targeted for those earning a *much higher* 50% to 80% of the DC Area median).

The story failed to mention at what price such designated units are to be offered to the targeted group with incomes under the area's median—so I do hope this doesn't mean that you've neglected to expressly address in detail the crucial question of the rent amounts and/or purchase prices to be charged, including of course their actual affordability for the elderly, the disabled and the working poor.

Yet it's not at all accurate to celebrate your proposed requirement as being the least bit effective in making housing "affordable" to anyone other than upper-middle class affluent persons, since even income just below 50% of this high-cost Area's median—not to mention those at 50% to 80% of it—must still be at least \$25,000 just for a family of one, if not higher. Hence, your "affordable" housing quota mandate will serve only affluent, upper middle class persons who face no real housing affordability crisis at all (other than the possibility that they might have to commute from as far away as Fairfax or Gaithersburg from the \$1,000 monthly efficiencies and one-bedrooms that they can easily afford there if not closer in).

But thousands of DC's elderly and disabled persons live on Social Security and other benefits that average only about \$900 monthly for one person—while the poorest of them must survive on SSI checks of only \$603! The plight of working poor families isn't much better: Thousands—no matter how many are in the families they support – live on incomes of less than \$20,000 yearly, and the many who must work at the even lower minimum wage earn less than a pitiful \$10,000.

ZONING COMMISSION
 District of Columbia

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 ZONING COMMISSION
 District of Columbia
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 EXHIBIT NO.222

While the District's public housing and Section 8 programs can and do charge rents at only 30% of whatever one's adjusted gross income is, the programs are simply overwhelmed by the demand and many thousands already face as much as 8 years on waiting lists for rental assistance.

To make your proposal meaningful and genuinely effective in making housing affordable for the elderly, the disabled and the working poor—and more than an empty, cruel nullity serving only prosperous professionals, which it now certainly is—let me suggest that you fix rents and home purchase amortization prices at the same 30% of each individual's/family's adjusted gross income level that's already successfully and effectively used by the public housing and Section 8 programs

Just such an approach was recently adopted for its low income unit set-asides by the Pennsylvania Housing Finance Agency in its Low Income Housing Tax Credit program. That program, like so many planning/zoning agency "affordability" initiatives (like your own proposal), previously used an utterly ineffective, inaccessible-for-the-poor, so-called "affordability" income standard of income set at or below about 40% to 60% of an Area's median.

As mentioned above, an income standard of even 40% of an Area's mean is far, far too high to genuinely meet the needy's pressing housing needs. Yet at least as of some months ago, no housing developers had even complained about this new and admittedly somewhat revolutionary requirement. I attach a copy of the Pennsylvania LIHTC planning document; see page 8, #3.b. Contact Carla Falkenstein at the Pennsylvania Housing Finance Agency for details: cfalkenstein@phfa.org 412-429-2841.

Yours truly,

Thomas P. McCormack
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