



TESTIMONY OF SUSANNE V. SLATER, PRESIDENT AND CEO OF
HABITAT FOR HUMANITY OF WASHINGTON, DC
RE: Case #15-01
IN SUPPORT OF THE AFFORDABLE HOUSING PROFFER

Good evening Commissioners:

I am the President and CEO of Habitat for Humanity of Washington, DC. We are the only nonprofit organization in the city exclusively dedicated to insuring that homeownership is a reality for low and moderate income residents of DC. Our mission is to provide homeownership opportunities for families that earn 30-60% of area median income, an amount which, as I'm sure you know, has nearly reached \$110,000 per year. Our typical families earn less than half of that amount, which often means that there are two earners in the family, each making \$25,000 to \$35,000 per year. We offer the opportunity of homeownership in DC to those who would never be able to achieve this dream; and it is an opportunity that not just benefits the financial stability and health of our homeowners, but also stabilizes whole neighborhoods through the civic engagement that homeownership inspires. Homeowners have a long-term stake in crime prevention, good schools and other municipal services; and they work hard for the betterment of all DC neighborhoods.

As you are all also aware, the District of Columbia has a very severe affordable housing problem with many long-term detrimental effects-- both social and economic. According to the well-regarded George Mason Center for Regional Analysis, the median sales price for all housing types in DC has exceeded \$500,000, and for a single family detached home the price is well over \$800,000. These numbers are a clear threat to the economic and cultural diversity of DC. It means that we are on a path to become a city of renters, where homeownership is only possible for the wealthy in a few fortunate parts of the city. It also means that we are very rapidly losing the capacity to establish middle class neighborhoods suitable for raising families. This erodes civic engagement and does nothing for the long-term financial stability of low and moderate income families.

What you have before you this evening is an important step in the right direction. There are very few champions of homeownership for low and moderate income citizens of DC. In fact, they are vanishing. The Fannie Mae and Freddie Mac foundations, longtime major supporters of homeownership to low income families, have closed their doors. Government grants from all sources have been cut or redirected to the urgent needs of those below 30% of AMI who need rental assistance and transitional housing. Homeownership is needed by all income groups to insure that DC thrives over the long term.

The proffer by Level 2 Development is a very important step in the successful implementation of DC's Inclusionary Zoning policies. It was devised in close collaboration with a Ward 5 ANC commissioner, and it

directly addresses the needs of low income DC residents who will benefit tremendously by becoming homeowners rather than renters.

We need to foster productive partnerships between the private developers in DC and nonprofits that can insure that the real needs of low and moderate income residents are met. The Highline is an exciting, innovative addition to a rapidly appreciating part of DC. But it is all rental—and a small rental, no matter how attractive the amenities, is not what low income families at 50% of area median income really need. ***They need a home they can call their own.*** DC Habitat does not have the funds to build the 13 homes that the Level 2 proffer provides. We have built 29 homes in the immediate ANC 5D-01, and with your approval, we can build 13 more that will benefit families in a truly mixed income, appreciating area. This is the true spirit of inclusion.

I urge you to support this proffer. DC Habitat for Humanity in partnership with Level 2 Development will be providing significantly more square footage than is required for the 13 homes in question. But more to the point, it will meet the long-term needs of families in a way that the Highline Development alone will not. Under the Habitat for Humanity model, the homes will stay affordable through special covenants. We will be building in close proximity to the Highline and will give the residents of ANC 5D-01 preference in purchasing these homes. The danger right now is that many of these families are being priced out of the neighborhood. We can prevent this by implementing inclusionary zoning in a productive and innovative way.

The proffer before you is a huge step forward for low income families and an equally large step in ensuring that our city has a policy of inclusion—an inclusion that promotes the vitality and sustainability that economic and cultural diversity fosters.

I look forward to answering any questions you may have.