

Black Homeownership Strike Force Meeting
August 18th, 2022
10am
Draft Agenda

Public registration link: https://us06web.zoom.us/webinar/register/WN_4Jhcn40uS9Cr3Ch6jq68Qg

Time	Topic	Lead
9:30am	Meeting opens for Strike Force members	
10:00am	Call to order Confirm Agenda	<i>Don Edwards, JSA</i>
10:00am	Welcome from Co-Chairs	<i>Reverend Hagler and Director Cozart</i>
10:05am	Process Design & Previous Meeting Review	<i>Don Edwards, JSA</i>
10:10am	Discussion on Homeownership Goal and Fund	<i>Ana VanBalen, DMPED</i>
10:25am	Discussion on Recommendations	<i>Ana VanBalen, DMPED</i>
11:05am	Community Engagement	<i>Tim White, DMPED</i>
11:10am	Public Comment	<i>Don Edwards, JSA</i>
11:25am	Closing Comments	<i>Director Cozart and Reverend Hagler</i>
11:30am	Adjourn Next Meeting: Thursday, August 18 th , 10am	



**Black Homeownership Strike Force
Meeting #7 Draft Notes
Zoom Webinar
Thursday, August 18th, 2022
10:00AM to 12:00PM**

Strike Force Members Attendees: Sheila Alexander Reid, Sasha Gaye Angus, Dedrick Asante Muhammad, Anita Bonds, Harrison Beacher, Rev Thomas Bowen, Ayana Douglas, Sheila Cross Reid, Anita Cozart, Graylan Hagler, Amber Hewitt, S Kathryn Allen, Joanne Savage, Chris Donald, Anne Ford, Susanne Slater, Karima Woods, Havey Yancey

Other Attendees: Will Oliver, Jordan Chafetz, Gentry Alexander, David Selman, Richard Livingstone, Nick Stabile, LaShawn Douglas, Wendi Redfern, Jessica Williams, Tosha Skolnik, Kevin Chavous, Tiphannie Jones, Raquel Montenegro, Scott Bruton, Melissa Millar, Kathy Marshall, Charles Lowery, Pamela Johnson, Danilo Pelletiere, Zein Shukri, Alex Cross, Maria Sims, Deborah Jones, Shushan Israel, Kester Edwards, Andree Entezari, Latika, Wesley, Yvette Bailey, Benjamin Arnold, Marymagdaline Onyango, Kerry Holman, Courtney Anderson, Charles Bennett, Sabrina Campbell, Bianca Brooks, Lionell Gaines, Edward Giles, Anthony McDuffie

Deputy Mayor's Office for Planning and Economic Development (DMPED): Ana Van Balen, Timothy White

Consultants: Don Edwards (JSA), Josh Babb (JSA), Evelyn Mitchell (JSA), Nina Young (JSA), Brian Schwartz (JSA), Katie Fallon (Urban Institute), Dr. Haydar Kurban (Howard University), Janneke Ratcliffe (Urban Institute),

Final Meeting: Thursday, August 25th, @ 10:00AM via Zoom

Call to Order and Welcome	<ul style="list-style-type: none">• Don Edwards, Justice and Sustainability Associates (JSA), called the meeting to order at 10:04am he reviewed the agenda flow for the meeting.• Director Cozart welcomed the group and thanked Don for reminding the group where they are on the journey. As we look through today's recommendations we are really thinking through the details and how they will come together as a package.• Rev Hagler thanked Director Cozart for welcome. He stated he was always cautious when getting involved with Govt. Agencies, I also want to make it clear that I wasn't throwing dispersions at anyone who worked to put together that town hall. We are all working towards the same goal. Come to a solution through rich debates. How do we truly benefit people in the District of Columbia?
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Ground Rules	<ul style="list-style-type: none">• Don Edwards (JSA) reviewed the ground rules for participating in the Strike Force. He reminded the group that this is a public meeting and that 15 minutes will be set aside for public comment at each Strike Force meeting. Recordings are available by request.• Don also reiterated expectations around the dissemination of Strike Force materials.• Don asked if members had any revisions from the previous meeting summary.• He also reiterated the review of the consensus-based decision-making process when it comes to the work of the Strike Force
Strike Force Charge	<ul style="list-style-type: none">• Create a goal for increasing the number of Black Homeowners in DC by 2030• Develop recommendations on how to address problems in financing homeownership, increasing the supply of homes and preserving homeownership• Provide recommendations for use of a \$10 Million Black Homeownership Fund proposed in Mayor Bower's Fair Shot budget
Recommendations Discussion	<ul style="list-style-type: none">• Ana Van Balen reviewed how the previous Strike Force meeting seemed to form consensus around a goal of 20,000 net new Black homeowners by 2030• Special Purpose Credit Programs: Has come up in conversations with previous Strike Force meeting. Targeted lending programs created specifically for economically disadvantaged groups.• Can be authorized by federal or state law, not-for-profit orgs or for-profit organizations• HUD will issue regulations on implementation via the Fair Housing act.• Tim: Bottom Line <p>Ana walked through the current iteration of recommendations: Specifically looking for feedback on targeted language.</p> <ul style="list-style-type: none">• Don: The checklist was created as a way of verifying that we are solving the issues at hand. Looking for responses by 5pm Friday.• Looking forward to getting final drafts to Strike Force members as early next week as possible.• Q: Goal Setting: Just want to clarify that it would mean around 3,800 net new Black homeowners each year, correct? Do the rest of the recommendations get us there.



- A: Yes, it is a tall order, but that seems to be where we are landing.
- C: Put the word “new” before “Black”.
- C: In the 2030 goal, we had seen a stat that said we have 1,400 net new Black Homeowners every year.
- C: Where have we been in the past 5 years, was working off the assumption of the negative number.
- Don: This 20,000 number is around parity plus. Working towards being aspirational but not over aspirational.
- C: Wanted to make clear that we are operating at a net loss currently.
- C: Think it may be helpful to have the context behind the why of these numbers.
- Q: Thought the 20,000 number included homeowners now, is that true?
 - A: The goal is achieving 20,000 net new Black homeowners which is slightly above parity.
- Q: Embrace this number as an aspirational goal. My question is are we looking at the various recommendations and thinking about how they individual address these numbers?
 - A: Looking to create an implementation plan once the number is finalized.
- C: Thinking of if these recommendations are implemented, how do they contribute to the overall goal?
- C: Think it is important to go through all the recommendations to determine if they support the net new Black homeowner goal outlined here.
- Preservation is a part of the number because it addresses the new losses currently occurring in the housing market.
- C: Thanks to Ana and everyone who worked on these. Strongly agree that we need to take the work that was done a number of weeks ago that showed the inputs to create housing.
- C: These comments are very interesting, I wonder if we should add some language that speaks to the need to preserve units.
- C: Think that for those who have been part of this conversation, our goal is to correct historical wrongs and reach parity. The goal is parity in my view.

Recommendations Feedback:

- #2 – Think we could go a little farther on this one, some questions on whether these aggressive companies are under the District’s Consumer Protection Laws.



- Would elevate how people can file complaints about aggressive business practices. Also note the distinction between realtors and wholesalers.
- Unclear about the penalties for non-compliance.
- #3 – Think the program will have to be further defined in terms of “hardship”
- Would say “lower-income homeowners who experience hardship”
- #5 – This may conflict with some of the other incentives to create more housing supply. Specifically creating tax penalties for investors, I think you will have to engage for-profit investors at some level. Don’t want them to directly counter each other.
- When referring to “flipping” those are usually contract sales.
- It doesn’t appear to me that this will affect the production piece, want to ensure developers are creating homes affordable to Black homeowners.
- This recommendation really comes to slowing down the speculative market. Really here to make sure people can get into the neighborhoods, and there isn’t just speculation.
- C: Somewhat confused by the holding of the properties, think some would just rehab and then rent.
 - C: Investors are interested in fast money.
 - C: Think the holding of the property in a market as competitive as we are currently could have some worse effects.
 - C: The problem is multi-faceted. Maybe incentive the seller to sell to an owner occupant. May be one way of looking at it.
 - C: The question is how, in terms of limiting purchasers.
- Perhaps using the Special Purpose Credit Program to 8.15am
- C: Want to be thoughtful and reflective here, know this is a big push. We want to use the market in our favor to produce the type of housing we want to see.
- C: Seeing taxes continue to go up because of the rampant speculation in the market. Need to make a clear so that average working families can get in there and purchase.
- C: Would suggest coupling it with recommendation 10,
 - C: Think this fund is separate and looking at how DC can acquire homes seniors want to sell. This is smaller projects vs big projects.
 - Q: So, this is separate funding?



▪ A: Correct.

- #7 – I was not clear on the part of the recommendation regarding the preferences for households at 60% of MFI or below?
 - Anita: There was an interest in having a preference for 60% of MFI or below with owner-occupants.
- C: 80% of MFI is still pretty high to my understanding, somewhere around \$100,000. I would recommend moving to 60% of MFI.
 - C: 80% is the HUD definition of affordable. Anything above 80-120 is considered workforce housing.
 - C: View that as inadequate.
- C: Agree that 80% is not affordable enough. 80-120% should be the middle income.
- C: Think our goal is look at the various income levels we have in this city, think we would be remiss if we didn't consider 50% MFI, want to encourage us to focus on the poorest brackets of the DC populace. Know HUD speaks to 80% or below, thinking of the below.
- Harvey: Think it should 50-80, then 80-110 and 110 and up, need to be sensitive about the deep affordable bracket as well to set them up for success.
- Lots of the feedback from the Townhall was about the 80-120% in terms of those folks moving to Maryland but still wanting to be DC residents
- C: Also want to remember that we have people paying more in rent than they would be purchasing in this market.
- #8 - C: To rev Hagler point, the contractor is a separate issue. But giving them some equity in this case, we can give them a product more affordable.
- Speaking to the equity capital that goes to the developer to produce housing. We will charge you less for the returns on investment if you build housing affordable for middle-income buyers. Have been effective in terms of a partnership.
- Rev Hagler: When community hears developer, they hear displacement. I want to connect the housing product to the home purchaser.
- Ana: Follow up with Anita and Joanne.
- Q: To clarify you are referring to the residents being able to do repairs themselves with DC providing funding?
 - A: Correct.



- #9 – All the DC agencies that are involved in the permit process should be involved in this. Maybe a coordinating meeting between all stakeholders to track something like this.
- C: As long as the acceleration doesn't lead to less quality and accountability in the Zoning and permitting process.
- C: Like the idea of lowering the 80% to 60% of MFI.

- #10 – The price for the unit in Ward 8 or 7 will be different from the one in Ward 4. Being overly prescriptive on a project basis may be tying our hands in ways we don't intend. Can make deals very difficult to develop. Would not use this target on a project basis, but over a 3-year period.
- Is the thought with this recommendation would be this fund purchases this property and then gets made available for redevelopment. The dirt in Ward 8 is the same as that in Ward 3, pass the results off to the buyer who will be the owner-occupant.
- C: Agree with the comment above on not concentrating these projects in Ward 7 and 8.
- C: Don't want to impose restrictions on individual projects.

- #11 - C: Would suggest creating a hotline for those who are not computer efficient.
 - C: We do still have our housing counselors.
- Agree that there seems to be a lot of impetus on online or digital accessibility, for many people it is confusing.

- #12 – In addition to certified lender pool some type of certification for lenders as well.
- C: Wanted to include something about increasing DPA or lowering the interest rates. Can HPAP only be used for funding fixed-rate mortgages?
- C: Feel like we really need to include EHAP and DC open doors on top of HPAP.
- C: Add all homeownership programs to this recommendation.
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Community Engagement Update	<ul style="list-style-type: none">• Tim White of DMPED updated on the group on Community Engagement Received around 1,400 response total and incorporated some of the feedback into the current recommendations.• The question is if we have received a significant enough amount of feedback to accurately reflect the public's concerns. Thinking about timing for the next Town Hall:
Public Comment	<ul style="list-style-type: none">• C: 10 Million sounds like a lot of money, but it is not when talking about housing. Will there be a commitment to follow through with additional funding as needed?<ul style="list-style-type: none">○ The recommendation is to leverage the 10 Million with private funding to make our money go further.• C: My father was on the list of the single rehab program and the rebuilding program, once he died those resources were no longer available. Does DC have programs to help those who inherited property?<ul style="list-style-type: none">○ A: Will share the email address for DHCD to address the issue specifically.• C: Please have another townhall meeting before the Strike Force meeting to allow the public to have a voice.• C: Think it is imperative that groups include the missing middle.• C: To the extent that a piece of the goal is to address homeowner retention, that is not reflected in the 20k NEW homeowner goal. I think Anne Ford made a similar comment as I'm typing this.• C: A person does not have to be "low income" to fall on hardship or experience something that endangers their ability to keep their home. The average American has less than \$400 in savings. One major car repair away from falling behind.
Closing Words	<ul style="list-style-type: none">• Anita shared her appreciation for the project team and all Strike Force members.• Rev Hagler thanked Ana and Tim, and stated he was looking forward to a follow-up town hall meeting in the near future.
Meeting Chat	<ul style="list-style-type: none">• Love that we are pushing the envelope here and trying this mechanism from a city perspective - ground breaking• Great stuff!!• Thank you Ana!• What is the proper mechanism for direct feedback on the recommendations? Send them by email directly to JSA?



	<ul style="list-style-type: none">• Thank you for the clarifying question. Please email me (evelyn@jsallc.com) and Ana (ana.vanbalen@dc.gov) with recommendation feedback• Great point, Joanne!• But we are losing the higher MFI black families.• The equity would be repaid when affordable homes are sold.• Correction to my comment, it is the #6 recommendation fund that looks somewhat similar to this in #8 - both seem potentially targeted to acquiring similar existing stock and making it more available to Black homeowners. So we may want to clarify the difference, or alternatively combine the two.• Sasha makes a critical point!• Also include NACA• Sheila it's included but not by name• Don, Ana and Tim, you have each done a wonderful job. Kudos to you.• Thank you all for inviting me to such a wonderful experience.• Black Homeownership Survey - https://bit.ly/BHSFSurvey
Adjourn	The meeting adjourned at 11:57AM.

Black Homeownership Strike Force

Meeting 9

August 18, 2022



**JUSTICE & SUSTAINABILITY
ASSOCIATES**





Today's Agenda

- Call to Order
- Welcome by Co-Chairs
- Process Design Review, Previous Meeting Summaries
- Community Engagement
- Goal-Setting
- Recommendations
- Public Comment
- Closing and Evaluation

Strike Force Co-Chairs

Director Anita Cozart and Reverend Graylan Hagler

DC Office of Planning

Plymouth Congregational United Church of Christ
& Faith Strategies, LLC



Ground Rules

- Respect the Process
- Be Present and Engaged
- Follow the Facilitators' Directions
- Allow Every Voice to be Heard
- Speak Courteously and Respectfully to Others
- Maintain Zero Tolerance for Any Comment (Verbal or Written) that is Meant to Attack or Intimidate Another Person, or is Obscene



Process Design: Public Meeting Regulations

- All public observers are asked to provide their name in the chat (contact information is optional.)
- Public observers will have 15 minutes set aside at the end of every meeting for commenting in the chat. Observers are asked to hold all comments until the end of the meeting.
- Strike Force meetings will be recorded and are available to the public upon request.



Process Design: Strike Force Expectations

- The Strike Force will follow a consensus-based decision-making process guided by a facilitation team
- Agendas will be posted two days before the meeting on blackhome.dc.gov
- Follow-up materials will be provided after every meeting; members are expected to review all materials; any comments on materials are expected within two business days of distribution
- Meeting summaries will be disseminated within 48 hours (two business days) of a meeting

Review of the Consensus-Building Process

- Consensus-based decision-making is **one method** for reaching a decisions. There are others, e.g. "50+1", "most votes", "blackball", etc. Consensus-based decision-making processes produce solutions that are **broadly acceptable**. However, no participant is 100% satisfied. However, the decision can be endorsed, supported, and defended by **all group members** - even though the decision is not the “favorite” result of any particular individual. The decision is **actionable**.
- Consensus-based decisions prioritize "**a meeting of the minds**" as the most desired outcome. It also places a higher value on the members of the group **staying in the process** and also helping **implement the decision**. Consensus based decisions strengthen groups and often **increases the influence** of their decisions, recommendations, etc.
- Consensus is defined by Merriam-Webster as, first, **general** agreement, and second, **group solidarity** of belief or sentiment. It has its origin in the Latin word *cōnsēnsus* agreement, which is from *cōnsentiō* meaning, literally, to feel together. It is used to describe both **the decision** and **the process** of reaching a decision.
- Consensus decision-making is thus concerned with the process of **deliberating** and finalizing a decision, as well as the **social and political effects** of using that decision-making process.

Strike Force August 11th Meeting Summary



What is the Strike Force's Charge?

- Create a goal for increasing the number of Black homeowners in DC by 2030.
- Develop recommendations on how to address problems in financing homeownership, increasing the supply of homes and preserving homeownership.
- Provide recommendations for uses of a \$10 million Black Homeownership Fund proposed in Mayor Bowser's Fair Shot budget.

Community Engagement



Discussion



Goal Setting



Ended previous Strike Force meeting with the following goal:

- 2030 goal of 20,000 net Black new homeowners, until we're able to reach and maintain parity.



Discussion



Draft Recommendations



Recommendation 1:

Challenge: Many Black families have experienced difficulties in transferring homes within their families, due to lack of a will or trust, homeowners focusing on short-term or immediate needs vs long-term time planning, willingness of the market to provide all cash offers, delays in deed transfer or lack of title and tax liabilities.



Recommendation 1:

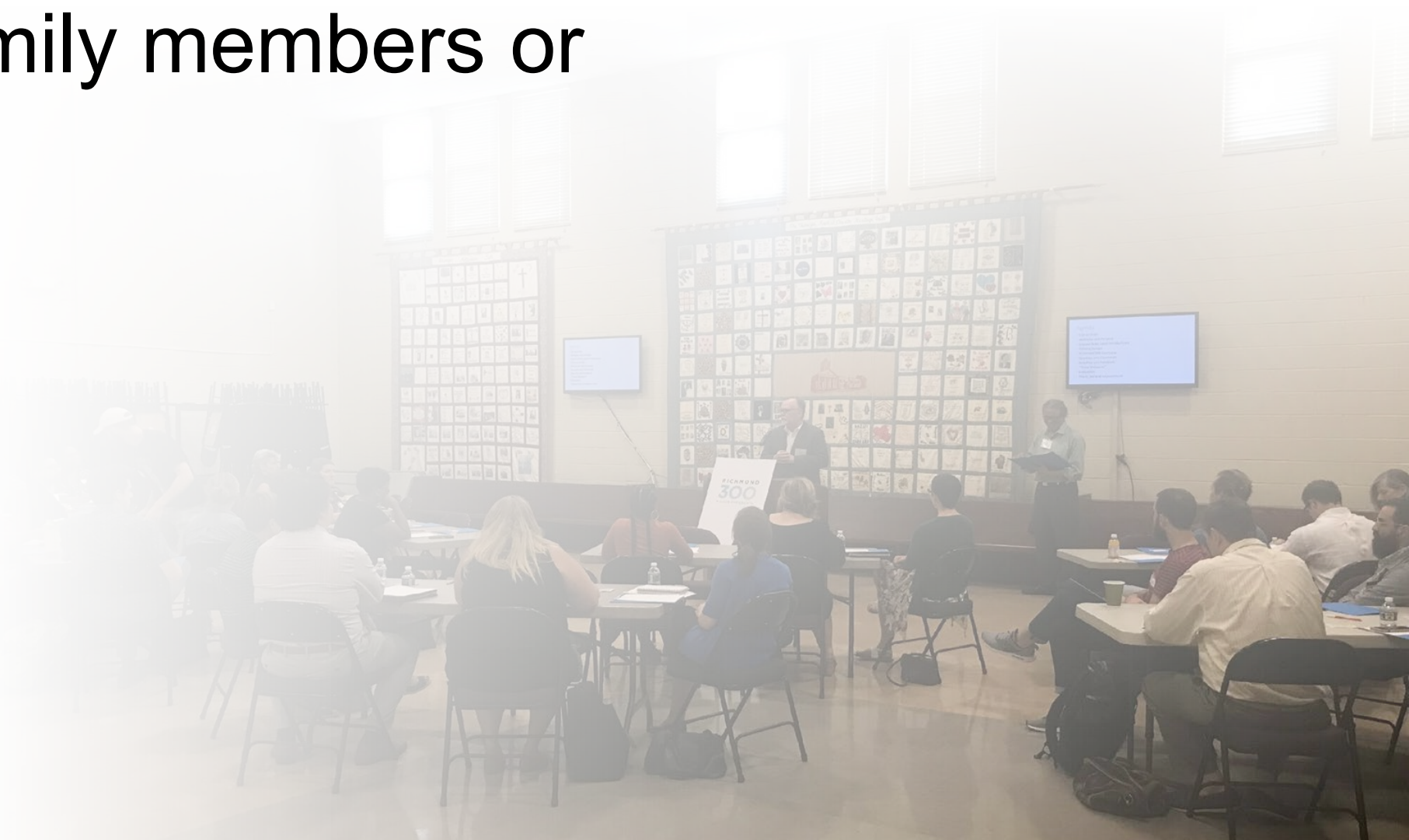
Strike force member concerns:

- Estate planning support needed especially for seniors

Resident concerns shared at townhall and through resident survey:

- Funding for heir's property transition. Examples: Address reverse mortgages, help siblings buy each other out, and tax relief when passing the home to family
- Proactive resources for senior homeowners. Example: Automatic homestead deduction filing at closing and estate planning resources for residents.

To assist senior Black homeowners to pass their properties to family members or other homebuyers to occupy the homes, the BHSF recommends:



Recommendation 1:

The District should provide estate planning resources and financial incentives such as tax savings, reduced transfer fees, or a bridge loan to owner occupant homebuyers to support interfamily (or to owner-occupant homebuyers) transfers/sales of property.



Recommendation 2:

Challenge: Many long-time Black homeowners report receiving excessive unwanted calls, mailings and door-knocking from investors, real-estate agents and similar professionals seeking to purchase their homes.



Recommendation 2:

Strike Force member concerns:

- Excessive phone calls harassing homeowners to sell their homes

Resident concerns shared at townhall and through resident survey:

- Proactive resources for senior homeowners

To protect homeowners from harassment, BHSF recommends:



Recommendation 2:

The District should pass legislation to protect homeowners from unwanted solicitation by investors, real-estate agents and similar professionals regarding the sale or potential purchase of their homes, including requirements for homeowners to opt-in for such solicitation and include penalties for non-compliance.



Recommendation 3:

Challenge: Black homeowners are limited in the financial assistance they can receive if they miss payments on their mortgage, HOA fees, etc.



Recommendation 3:

Strike force member concerns:

- The Homeownership Assistance Fund is a time limited program. A program is needed to provide financial assistance for homeowners at risk of foreclosure, that would include mortgage assistance and also condo/HOA fees and property taxes (the latter two often key to those who have paid off their mortgages).

Resident concerns shared at townhall and through resident survey:

- Proactive resources for senior homeowners
- Support condominium associations and owners to preserve the property.

Examples: Expanding existing programs to include condo owners and provide resources to financially stabilize associations

To support homeowners who default on their mortgages to ensure they can stay in their homes, the BHSF recommends.

Recommendation 3:

The District should create a program that aids homeowners in default of their mortgage and related housing fees in case of emergency.



Recommendation 4:

Challenge: One of the impacts of the racial wealth gap is that many Black homeowners in the District do not have the financial resources to make repairs to their homes. Existing programs limit financial assistance for homeowners to roofs and accessibility enhancements, which leaves other repairs unmet.



Recommendation 4:

Strike force member concerns:

- More is needed to support homeowners who need assistance in making timely repairs to their homes in order to help them preserve their home and their ability to stay in their homes.

Resident concerns shared at townhall and through resident survey:

- Support condominium associations and owners to preserve the property

To provide resources to Black families struggling to make home repairs, the BHSF recommends:



Recommendation 4:

The District should expand the Single-Family Residential Rehabilitation Program to fund additional types of repairs and consider how to reduce barriers to program participation for owner occupants of condos and co-ops.



Recommendation 5:

Challenge: Older single-family homes in the District are being acquired by investors, renovated (and in some cases, renovated poorly) and sold at market prices that are unaffordable to most Black homebuyers. This results in fewer options for Black homebuyers, and in some cases vacant homes.



Recommendation 5:

Strike force member concerns:

- Concerns about investors buying up existing housing stock and flipping at market rates driving a speculative market.

Resident concerns shared at townhall and through resident survey:

- Stronger accountability to improve the quality of home construction. Examples: Improve the workmanship of flipped houses and ability for HOA to go after builders after the LLC is dissolved.

To discourage conversion of older housing stock into housing that is unaffordable for Black homebuyers and to ensure quality housing rehabilitation, the BHSF recommends:



Recommendation 5:

The District should develop tax penalties for investors who acquire and flip (i.e. either rehab or with limited to no repairs) a property and sell the property at an increased value for more than a [percentage] of homes in the area. Establish a requirement to disclose permits for rehabbing and/or repairing properties by investors and penalties for those who fail to disclose as part of the sale.



Recommendation 6:

Challenge: There are 19,848 Black homeowners aged 62 or greater (2019 5-year ACS micro-data) in the District. Over the next 10 years, a portion of those homeowners are likely to sell for a more desirable housing arrangement. These homes are a critical part of the District's supply of affordable ownership opportunities.



Recommendation 6:

Strike force member concerns:

- Preserving homes being sold especially by older Black homeowners for new Black homebuyers

Resident concerns shared at townhall and through resident survey:

- Increase affordable homeownership opportunities

To provide a mechanism for the homeowners to sell at market while also providing opportunities for Black homebuyers to purchase and occupy available homes the BHSF recommends



Recommendation 6:

The District should establish a public-private fund to acquire homeownership units at fair market value and provide them for homeownership opportunities to owner-occupant homebuyers.



Recommendation 7:

Challenge: There is great interest in utilizing vacant and or District properties for homeownership but flexibility is needed to incorporate homeownership projects across the variety of programs that acquire and dispose of property.



Recommendation 7:

Strike force member concerns:

- With limited resources, vacant District land is an important resource that can be set aside for homeownership units for Black homebuyers.

Resident concerns shared at townhall and through resident survey:

- Leverage vacant property to increase the supply of homes. Examples: Stop developers from abusing the vacant property laws
- Increase affordable homeownership opportunities

To address these concerns, the BHSF recommends:



Recommendation 7:

The District should redevelop District owned/acquired properties to provide homeownership units that meet a mixed income requirement of no less than 1/3 affordable at 80% MFI and below, no less than 1/3 at 81% -120% MFI, and no more than 1/3 above 120% MFI, with a preference for households at 60% MFI or below, to be sold to owner-occupant homebuyers.



Recommendation 8:

Challenge: Owner-occupant homeownership units in the District are a critical part of the District's supply of affordable ownership opportunities. In 2021, 13% of homes were purchased by investors for the purpose of rehab and resale. This trend has decreased the supply of affordable ownership housing available for Black households. By co-investing with residential developers, this helps the District work to protect properties and also, provide requirements to the co-investment that would meet the goals of this initiative.



Recommendation 8:

Strike force member concerns:

- Developers often can only get 75% to 80% of financing from the bank and need to come up with the remainder. Flexible financing needed to allow developers to compete with investors, which would also help with keeping homes at more affordable prices.

Resident concerns shared at townhall and through resident survey:

- Leverage vacant property to increase the supply of homes

To address this issue, the BHSF recommends that:



Recommendation 8:

The District should provide equity with lower returns to support developers to acquire, renovate, and re-sell homes to owner-occupant homebuyers.



Recommendation 9:

Challenge: One of the reasons that development for new affordable homeownership units is not keeping up with the pace of the need in the District is the lengthy zoning and permitting process.



Recommendation 9:

Strike force member concerns:

- Faster permitting needed across all permitting agencies (i.e. DCRA, DOEE, DOT, etc.) to help reduce costs to homeownership projects to incentive developers to pursue these opportunities.

Resident concerns:

- Stronger accountability to improve the quality of home construction

To support quicker delivery of affordable homeownership units, the BHSF recommends:



Recommendation 9:

The District should identify ways to accelerate zoning and permitting for homeownership projects, especially for projects with units affordable at 80% MFI and below.



Recommendation 10:

Challenge: The Housing Production Trust Fund has been a valuable resource to accelerate the production of affordable rental in the District. However, a similar resource does not exist to support the production of affordable ownership units.



Recommendation 10:

Strike force member concerns:

- Subsidy needed to support homeownership projects and HPTF is unable to do so.

Resident concerns shared at townhall and through resident survey:

- Increase affordable homeownership opportunities

To address this challenge, the BHSF recommends that:



Recommendation 10:

The District should leverage the \$10 million Black Homeownership Fund to create a public-private fund (i.e., Homeownership Production Trust Fund. Funding from this resource would be used for projects that meet a mixed income requirement of no less than 1/3 affordable at 80% MFI and below, no less than 1/3 at 81% -120% MFI, and no more than 1/3 above 120% MFI, with a preference for households at 60% MFI or below, to be sold to owner-occupant homebuyers.



Recommendation 11:

Challenge: Community members have expressed their lack of awareness of existing programs that assist both with becoming a homeowner as well as in maintaining their homes.



Recommendation 11:

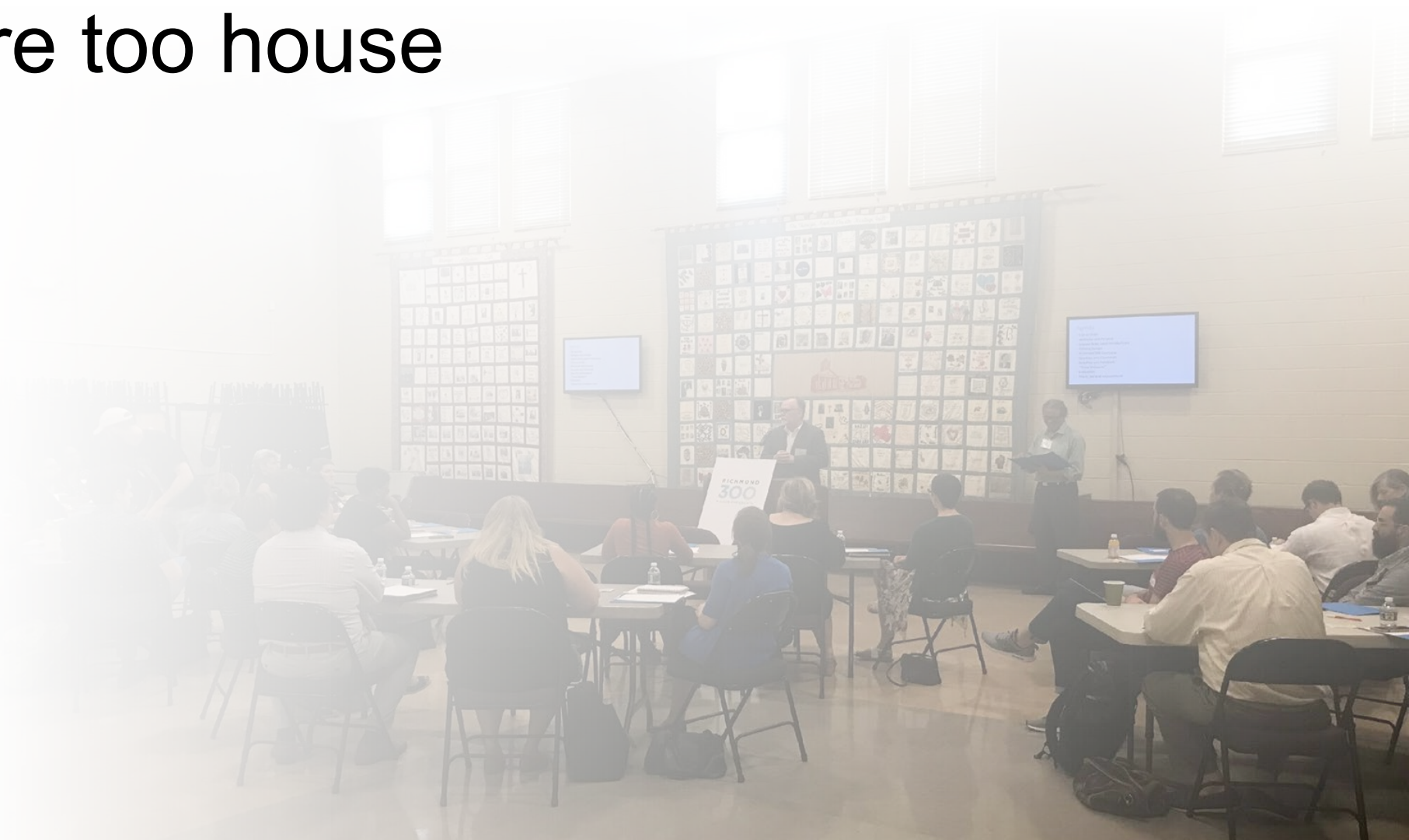
Strike force member concerns:

- Not enough of the public are aware of existing homeownership programs, limiting their value and use.

Resident concerns shared at townhall and through resident survey:

- Easily accessible resources needed to guide the homeownership journey, including preservation. Examples: Expand CBO staffing and create an online resource for residents
- Online on-demand homebuyers course. Example: I can get a degree online why can't I get my HPAP certificate.
- Programs to assist renters with savings. Example: Residents are too house burdened to save money for a home.

To address these concerns, the BHSF recommends:



Recommendation 11:

The District should create an online comprehensive District homeownership platform for District residents to achieve the following:

- Highlight financial and housing counseling prior to starting homeownership journey to help potential homeowners prepare financially (i.e. credit repair, addressing student loans, increasing savings, etc.);
- Provide rehabilitation counseling for owner-occupant homebuyers to rehabilitate formerly vacant properties, or homes with a needed repairs, into a stable home by preparing a scope of work, helping families determine which projects they can complete themselves, and assisting families in supervising their work with contractors;
- Leverage Front Door programs especially post purchase to help homeowners maintain and stay in their homes; and
- List private and public down payment assistance programs and grants.

The District should work with credible community messengers to promote the platform to Black households.

Recommendation 12:

Challenge: Many residents, real estate professions, lenders and others have expressed concerns about the ability of Black homebuyers using District programs to compete for homes in the current real estate market.



Recommendation 12:

Strike force member concerns:

- Heightened concerns that existing homeownership programs actually deter homebuyers from obtaining homes in the current market and also generating wealth.

Resident concerns shared at townhall and through resident survey:

- Allow owner-occupied multi-family purchases. Example: Expand eligibility within HPAP
- Financial support for middle-income earners, including down payment. Example: Student loan relief for Black homebuyers
- Expand rehabilitation loans for families to compete with investors. Example: Financing programs that are efficient through closing. Residents will be competing with mostly cash offers.
- Improve the efficiency of down payment assistance. Example: Must be faster to meet the goals. To the seller, it should seem like the down payment assistance was a “gift”
- Required training for realtors, lenders and appraisers. Example: Include diversity in hiring initiatives.

To address these concerns, the BHSF recommends:

Recommendation 12:

The District should increase the effectiveness of all homeownership programs to effectively participate with the market through the following strategies:

- Establish a certified lender pool for HPAP with a preference towards loans that have zero down and zero closing costs;
- Increase HPAP funding to help support the goal of Black homeownership in the District;
- Increase the amount of down payment assistance available to homeowners;
- Automate the HPAP application process;
- Provide residents with a pre-certification ensuring their ability to proceed with bidding on homes;
- Leverage other private and public down payment assistance and grants;
- Streamline underwriting guidelines with federal financing;
- Allow rental payments to be considered for establishing credit;
- Increase income limit to 120% MFI;
- Allow for the purchase of 1-4 units for the purpose of helping owners afford the home and generate wealth;
- Encourage a requirement that for HPAP recipients interested in selling, they provide a first-look to other HPAP applicants;
- Enhance the customer experience; and
- Train lenders and realtors on District homeownership programs.

Discussion of Drafted Recommendations



Public Comment



Strike Force Co-Chairs

Director Anita Cozart and Reverend Graylan Hagler

DC Office of Planning

Plymouth Congregational United Church of Christ
& Faith Strategies, LLC



Evaluation

