

**Black Homeownership Strike Force**

**Meeting #1**

**June 23rd, 2022**

Registration for public here: [https://us06web.zoom.us/webinar/register/WN\\_vYqHvSQVS0m0spvpvKrQlw](https://us06web.zoom.us/webinar/register/WN_vYqHvSQVS0m0spvpvKrQlw)

**Draft Agenda**

<b>Time</b>	<b>Topic</b>	<b>Lead</b>
12:30pm	<b>Call to order</b> Confirm Agenda	<i>Don Edwards, JSA</i>
12:35pm	<b>Swearing-In</b>	<i>Steve Walker, MOTA</i>
12:40pm	<b>Process Design Review</b>	<i>Brian Schwartz, JSA</i>
12:45pm	<b>Strike Force Protocols</b>	<i>Brian Schwartz</i>
12:50pm	<b>Mapping Out a Homeownership Journey</b>	<i>Ana Van Balen, DMPED</i>
1:10pm	<b>Review Topic Areas and Opportunities</b>	<i>Urban Institute</i>
1:30pm	<b>Discussion</b>	<i>Don Edwards</i>
2:10pm	<b>Public Comment</b>	<i>Don Edwards</i>
2:25pm	<b>Closing Comments</b>	<i>Director Cozart and Reverend Hagler</i>
2:25pm	<b>Adjourn</b>	



**Black Homeownership Strike Force  
Meeting #1 Draft Notes  
Howard University Interdisciplinary Research Building  
2201 Georgia Ave NW. Room 106A Washington, DC  
Thursday, June 23, 2022  
12:45PM to 2:45PM**

Strike Force Members Attendees: Anne Ford, Anita Cozart, Drew Hubbard, Christopher Donald, Harrison Beacher, Rev. Thomas Bowen, Rev. Graylan Scott Hagler, Sasha Angus, Sheila Cross Reid, S. Kathryn Allen, Joanne Savage, Sheila Alexander-Reid, Susanne Slater, Ayana Douglas, Ellis Carr, Babatunde Oloyede, Harvey Yancey, Karima Woods, Amber Hewitt

Other Attendees: Adiel M. Cruz, Alicia Lee, Chanel Toms, Chelsea Dade, Daryll Ruth, Earline Carter, Ebony Dumas, Helen Gebregiorgis, India James, Jessica Franklin, Jessica Williams, John Grant, Kassie Scott, Kina C, Otis Massey, Paige Hopkins, S Carr, Sakina Khan, Susan Longstreet, Will Oliver

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

Consultants: Don Edwards (JSA), LaTia Few (JSA), Josh Babb (JSA), Nina Young (JSA), Brian Schwartz (JSA), Pamela Cooley (JSA), Katie Fallon (Urban Institute), Dr. Vanessa Perry (Urban Institute), Dr. Haydar Kurban (Howard University)

**Next Meeting: Thursday, July 7 @ 10:00AM on Zoom**

<b>Call To Order</b>	Don Edwards, Justice and Sustainability Associates (JSA), called the meeting to order at 12:45pm and reviewed the agenda.
<b>Welcome from Co-Chairs</b>	Director Anita Cozart and Reverend Graylan Hagler expressed interest in solving issues related to increasing net black homeownership in DC by 2030. The goal is to develop recommendations to deliver to Mayor Bowser by the end of September.
<b>Swearing-In</b>	Strike Force members and Co-Chairs were sworn-in by the Mayor's Office of Talent Appointments.



Strike Force Protocols	<p>Strike Force Members adopted Strike Force protocols by acclamation.</p> <p>Strike Force meetings will be held virtually on Thursdays at 10:00am.</p>
Highlights	<p><b>Homeownership Journey Scenarios:</b> <b>Ana Van Balen</b></p> <p>Ana Van Balen, DMPED Director of Housing Policy and Programs presented four homebuyer scenarios, that Strike Force members discussed.</p> <ul style="list-style-type: none"><li>• <b>Prospective homebuyer with low-income or no credit score</b></li></ul> <p>Issues that arose regarding this scenario included understanding the spectrum of homeownership, maintaining a home, education, accessibility, financing, programs in public housing for people that pay their rent on time to become homeowners, new homeowner programs, and connecting with someone that looks like them that they trust.</p> <ul style="list-style-type: none"><li>• <b>First-time homebuyer, but don't know where to start</b></li></ul> <p>Strike Force members made the comments that this person would need to be clear what tools and resources are available, a realtor that will give them the full spectrum of what products and programs are available, context on information given or what options look like in a particular neighborhood, future visioning, and a lender that was well-versed in the programs available to support first-time homebuyers.</p> <ul style="list-style-type: none"><li>• <b>Homeowner unable to cover costs for home repairs</b></li></ul> <p>Strike Force members suggestions: Protection – core competency and financial literacy to protect against predatory products, hiring trusted</p>



contractors, help with contractual issues, preventative maintenance, a cushion of built-up savings – a net savings program to encourage residents to develop discipline for a down payment.

- **Senior homeowner wanting to pass their home to the next generation**

Members suggested resources and money to modify this person's home so they can stay in their home, protective policies, grants for accessibility, reverse mortgages, early estate planning, and legal advice.

#### **Discussion (Q&A) (Q=Question, A=Answer, C=Comment)**

- C: All the homeowners are at a disadvantage and constantly playing catch up. We need to give some considerable energy to that.
- C: Even middle-income earners have to come to the table with tens of thousands of dollars and use considerable savings and cash to close on a home.
- C: We can't always expect our family to sell us property for less. They will need that equity for other things (e.g., assisted living).
- C: Did we talk about systemic racism? That needs attention, which is why we have a serious wealth gap. We need to enforce these laws and do mandatory cultural competence training and LGBTQIA training.
- Q: Who is responsible for enforcement?  
A: We are intentionally informing the general public to notify us of appraisal bias, and we will investigate. We haven't received many direct complaints from residents, so are encouraging residents to do this.
- Q: Should we use the word attainable instead of affordable?
- Q: Is the teacher next door and police program still in effect?



A: Yes, we still have those programs, but have to find individuals that want to live in those neighborhoods.

#### Urban Institute Presentation

**Dr. Vanessa Perry**

Dr. Vanessa Perry, from the Urban Institute Housing Finance Policy Center and Professor at the George Washington University School of Business

delivered a presentation on recent housing market and demographic trends and the racial homeownership gap in Washington, DC. Dr. Perry addressed issues around Financing, Supply and Preserving Black homeownership. She then answered questions from Strike Force members.

#### Discussion

- Q: How are they tracking the data for net income and new homeowners? A: A lot of this data comes from property records.

C: How does home denial come into play? I want to have a deeper conversation on this.

- C: What gives me heartburn is the 3,000 residents that are no longer homeowners in DC. Do we know why?

A: People left the city because it is too expensive.

C: Some of our members left the church in the city due to increased property taxes and couldn't afford the upkeep of their homes.

- Q: How can we stop wholesalers knocking on resident's doors asking to buy their homes.

C: That is real. People told me on the campaign trail, I'm not supporting you because developers are calling me trying to get my



	<p>home. Look at modifying the law to make tax sales and property records available.</p> <ul style="list-style-type: none"><li>▪ Q: What working groups that need to be formed and what are topic areas for us to dig in?</li></ul> <p>A: I would say supply, mortgage finance, and sustaining homeownership.</p>
<b>Public Comments</b>	<p>Don Edwards, JSA, initiated the public comment period and verbally shared the written comments provided by public viewers. Strike Force members were invited to respond to the public comments.</p> <p>Q: Can we start with DC gov workers that cannot afford to live in the city? I'm on a residency preference; I have worked for the DC government since I was 16, 14 years to be exact. I graduated from a DCPS and received my Sociology degree from Howard University in 2017. I purchased my home in 2018 at the age of 26 for my daughter, who was three at the time, and me, due to not feeling safe in the southeast neighborhood my mom had lived in for years. However, I would be considered homeless today due to issues with the soil at the property I purchased. Even though I did what was right by using the first-time homebuyer's program and took financial literacy and buyer's courses. One of the main issues is ethical because I was targeted to purchase a home that wasn't in a livable condition, and now I am in a worse financial situation with no home or equity.</p> <p>A: The Strike Force acknowledges the question, thanked the commenter, and will provide a more detailed response at a later date</p>



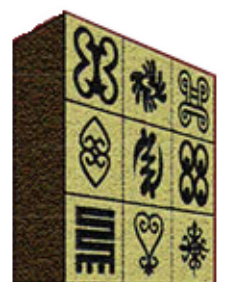
<b>Closing Comments</b>	<p>Director Cozart discussed a few next steps, which were: the working groups to think of issues of supply, finance, and charged the members with coming up with a third bucket, figure out the relationship between the first-time homebuyer and people wanting to stay in place, and last, reach our 2030 goal and leverage the \$10M funding.</p> <p>Reverend Hagler expressed there is no wealth to build if people are removed from their land and homes. Some churches in DC started in DuPont Circle, but are now in Ridgewood and North Capitol. The movement of churches and the issue of being removed needs to be resolved. Neighborhood stability and remaining in our community should be the goal. In the last six months on his neighborhood block, four neighbors have left the city that were in the neighborhood for the last 50 years.</p>
<b>Adjourn</b>	The meeting adjourned at 2:45PM.



# Black Homeownership Strike Force

**Howard University  
Interdisciplinary Research Building**

*June 23, 2022*



**JUSTICE & SUSTAINABILITY  
ASSOCIATES**







# Today's Agenda

- Call to Order
- Swearing In by Mayor's Office of Talent and Appointments
- Welcome by Co-Chairs
- Strike Force Protocols
- Process Design
- Strike Force Charge
- Mapping Out a Homeownership Journey
- Review Topic Areas and Opportunities
- Discussion
- Public Comment
- Closing

# Swearing In

## Mayor's Office of Talent and Appointments



# Strike Force Co-Chairs

## Director Anita Cozart and Reverend Graylan Hagler

DC Office of Planning

Plymouth Congregational United Church of Christ  
& Faith Strategies, LLC





# Strike Force Protocols and Administrative Briefing Summary



# 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 for the public record.



# Process Design: Strike Force Expectations

- The Strike Force will follow a consensus-based decision-making process guided by a facilitation team
- Agendas will be disseminated at least 24-hours prior to the meeting
- Follow-up materials will be provided after every meeting; members are expected to review all materials; any comments on materials are expected two business days after the meeting
- Meeting summaries will be disseminated within 48 hours (2 business days) of a meeting



# Strike Force Charge

- Increase access to homeownership for longtime Black residents of the District of Columbia
- Support wealth-building through homeownership through, for example, programs that enable homeowners to maintain their homes, increase their property value, and maintain affordability of their home in an increasingly expensive market.
- Provide recommendations for uses of a \$10 million Black Homeownership Fund proposed in Mayor Bowser's Fair Shot budget.
- Create a goal for increasing the number of Black homeowners in DC by 2030.





# Mapping Out a Homeownership Journey





Ana Van Balen

DMPED Director of Housing Policy and Programs





# Questions to Consider:

- What barriers or challenges might the resident have faced to this point in their journey and how could these experiences impact the rest of their journey?
- What steps would the resident need to take to achieve and maintain stable homeownership? Consider steps both in the short-term and in the long-term.
- What opportunities exist for helping the resident to progress in their journey to achieve and maintain stable homeownership?



Dr. Vanessa Perry

Urban Institute Housing Finance Policy Center  
Professor George Washington University School of Business





# Strike Force Topic Areas







July 2022

# Recent housing market and demographic trends in DC





# There is a racial homeownership gap in DC

	All	Asian	Black	Hispanic	White	Other
# Households (18+)	291,570	12,709	120,429	23,639	124,755	8,992
Share of all DC households		4.4%	41.3%	8.1%	42.8%	3.1%
# Homeowner households	121,195	5,155	41,337	9,526	62,120	2,988
Share of all owner households		4.25%		7.86%	51.3%	2.5%
Homeownership rate	41.6%	40.6%	34.3%	40.3%	49.8%	16.8%

Source: American Community Survey, 2019  
\*Source: Urban Tracking Housing Wealth Feature <https://apps.urban.org/features/tracking-housing-wealth-equity/#:~:text=And%20the%20data%20bear%20that,the%20primary-residence%20housing%20wealth>

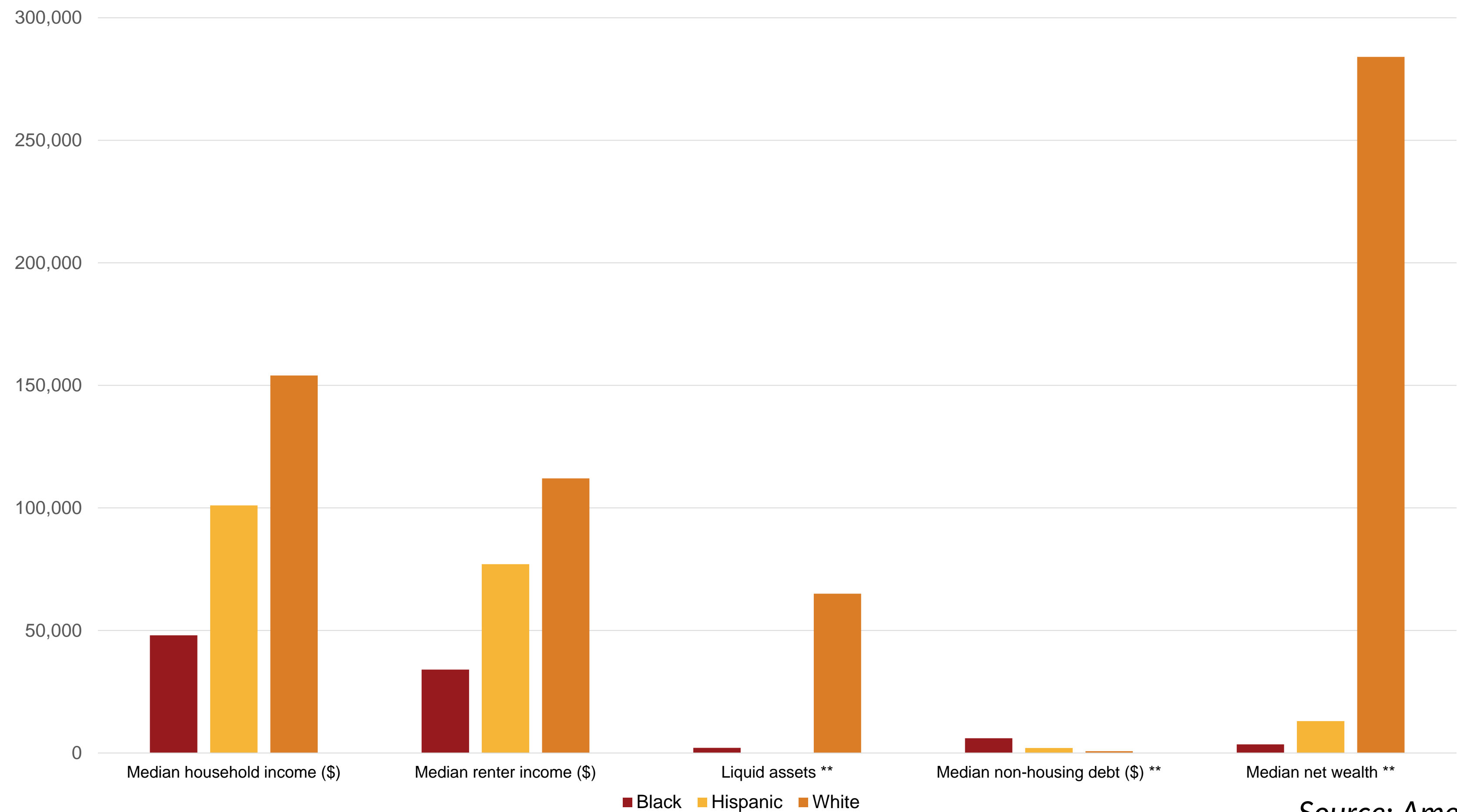


# Financing Black homeownership

# Young households own at a much lower rate than older households

	All	Asian	Black	Hispanic	White	Other
# young adult homeowners*	46,041	3,083	11,356	3,656	26,453	1,493
% young adult homeowners* <i>of total owners</i>	38.0%	59.8%	27.5%	38.4%	42.6%	50.0%
Homeownership rate (18-49)*	30.9%	34.3%	25.6%	26.1%	34.8%	27.2%
Homeownership rate (65+)	58.7%	60.5%	48.9%	58.1%	75.0%	44.1%
*18-49 used as a young adult to follow Freddie Mac “Mortgage Ready” convention						

# Racial inequalities in income and wealth create challenges for financing



Source: American Community Survey, 2019

\*Source: Urban Tracking Housing Wealth Feature <https://apps.urban.org/features/tracking-housing-wealth-equity/#:~:text=And%20the%20data%20bear%20that,the%20primary-residence%20housing%20wealth>

\*\* . Kijakaz, R. Atkins, M. Paul, A. Price, D. Hamilton and W. Darity, “The Color of Wealth in the Nation’s Capital,” Urban Institute, November 2016.

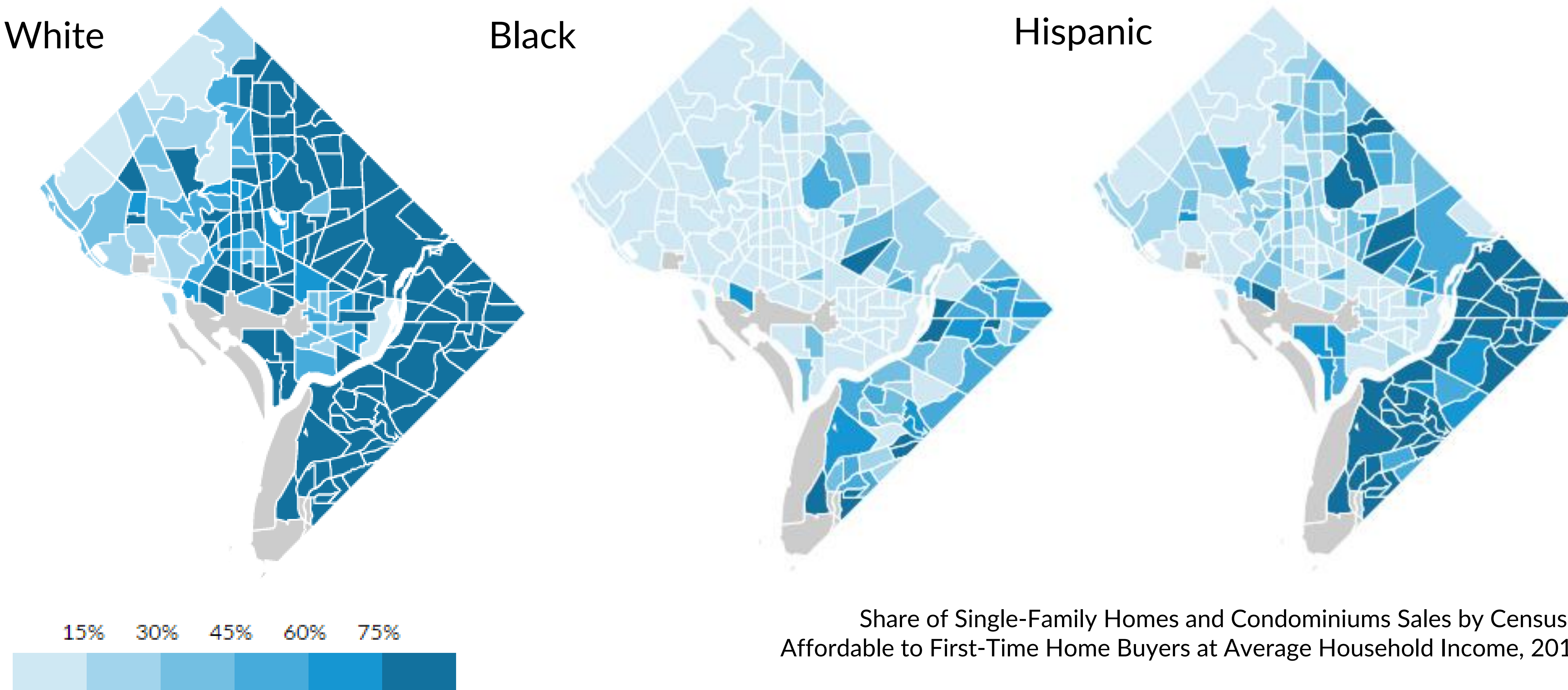


# Housing choices are limited due to financial inequalities

White

Black

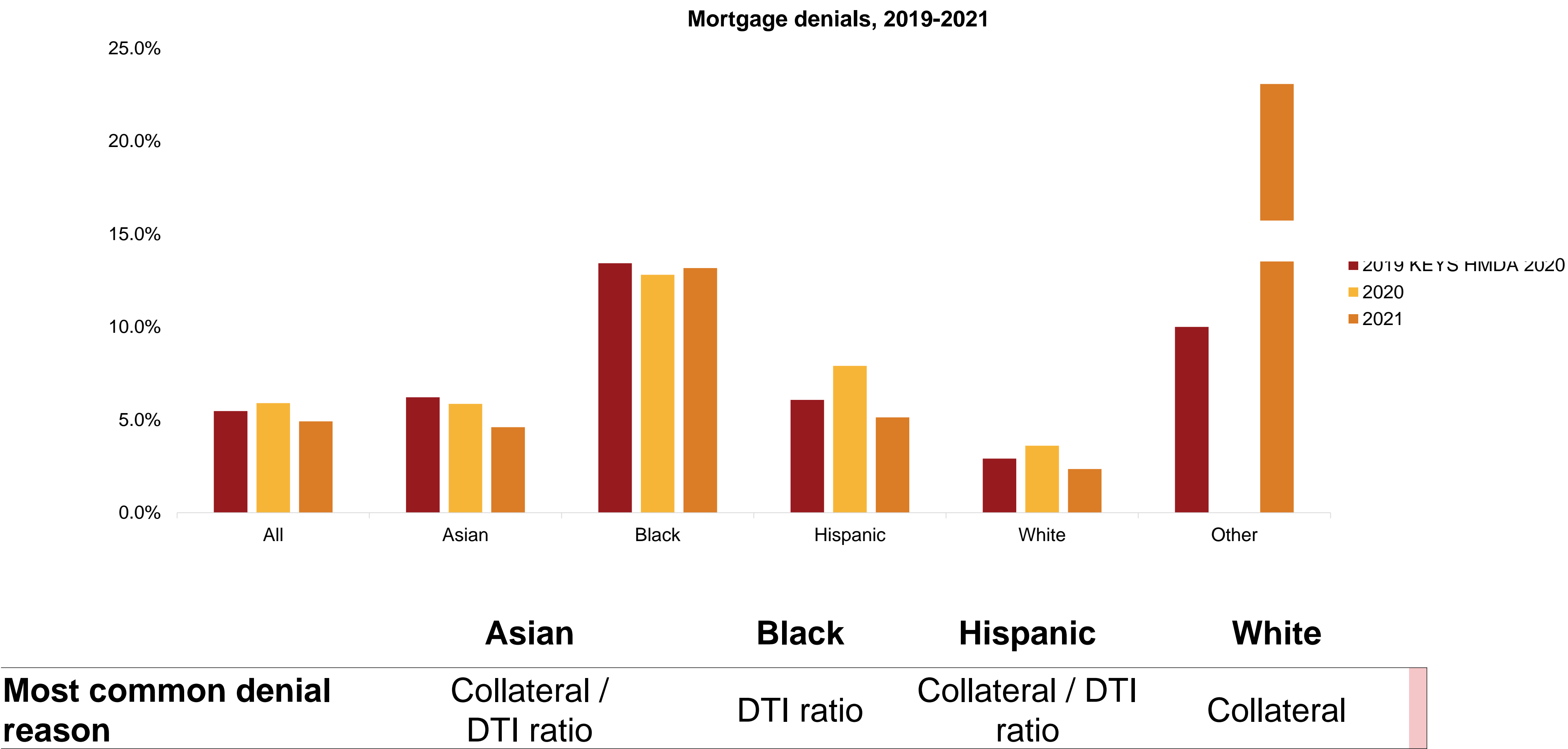
Hispanic



Share of Single-Family Homes and Condominiums Sales by Census Tract  
Affordable to First-Time Home Buyers at Average Household Income, 2010-14

Source: American Community Survey tabulated by NeighborhoodInfo DC and DC Office of  
Tax and Revenue

# Mortgage denial rates continue to be higher for Black applicants



Source: HMDA, 2019, 2020, 2021



# Ongoing challenges

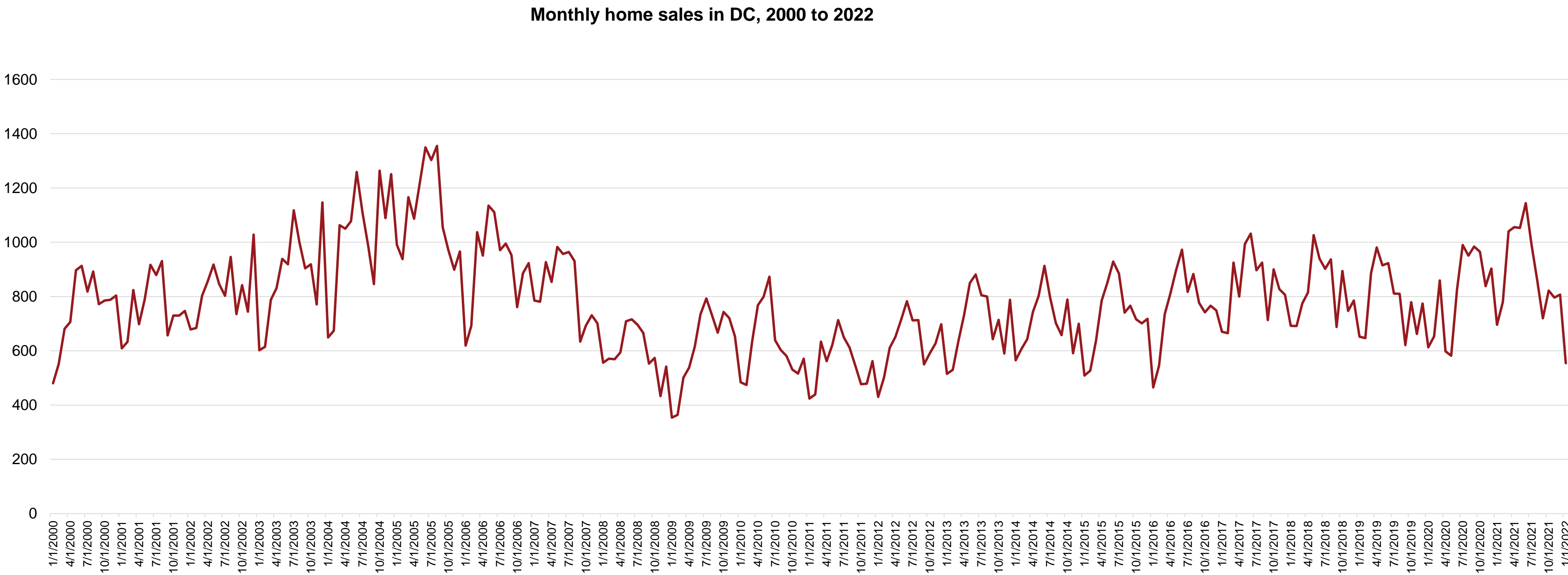
- Inequalities in income, wealth, and housing readiness perpetuate inequality in homeownership
- Fair housing enforcement
- A hot housing market increases costs and complexity of Black homeownership may require cash bids
- Lending practices and products may not be meeting the need in the District

# Areas of opportunity

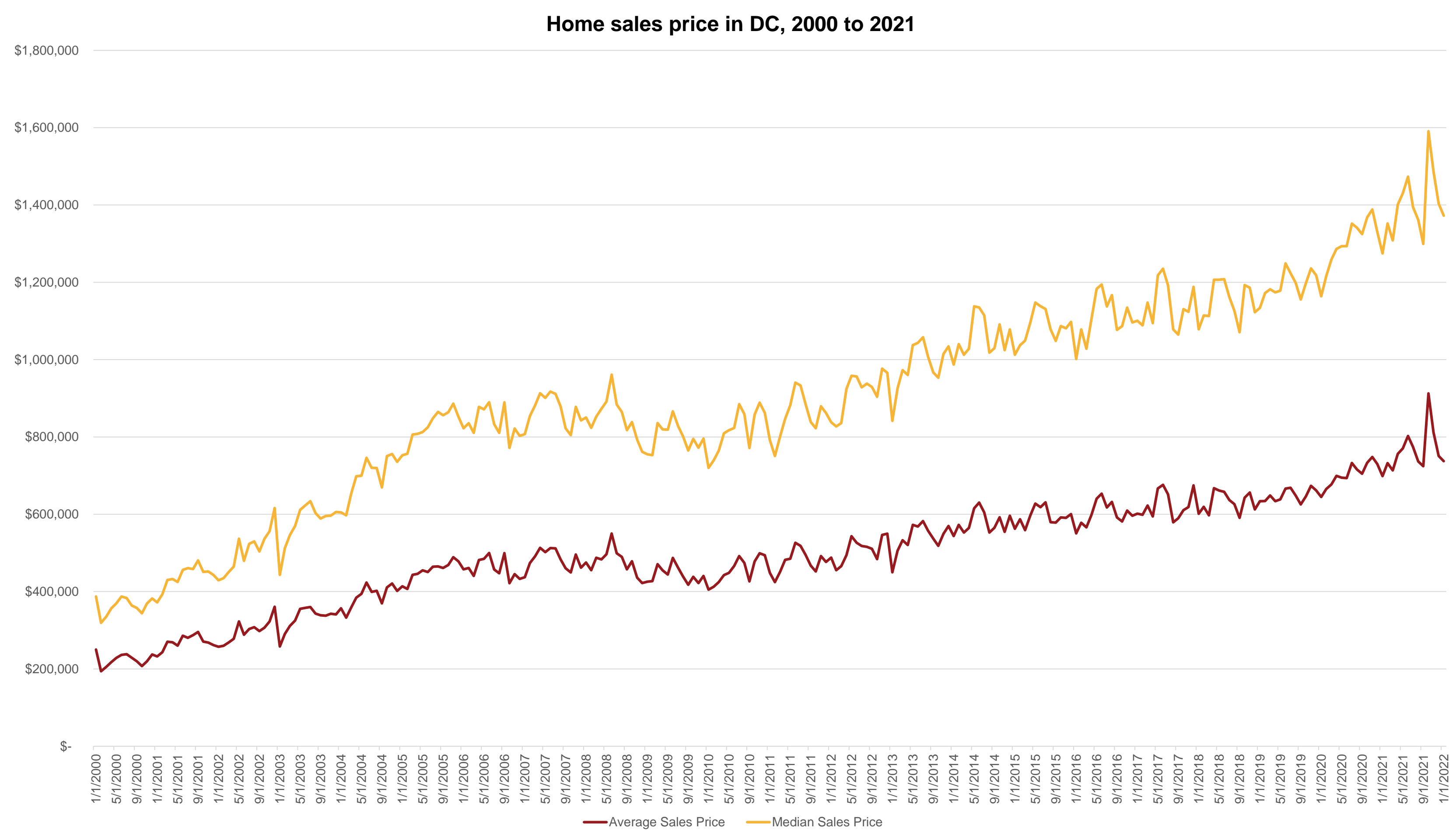
- Enhance anti-discrimination laws and enforcement
- Responsible financial education and housing counseling to encourage mortgage readiness
- Improve down payment assistance models and existing alternative mortgage products
- Expand existing programs, such as CDBG and HOME, HPAP, EAHP, Section 8 to Homeownership, IZ

# Supply and Black homeownership

# The number of home sales in DC has almost rebounded since the post-recession dip



# Housing prices have increased substantially over time

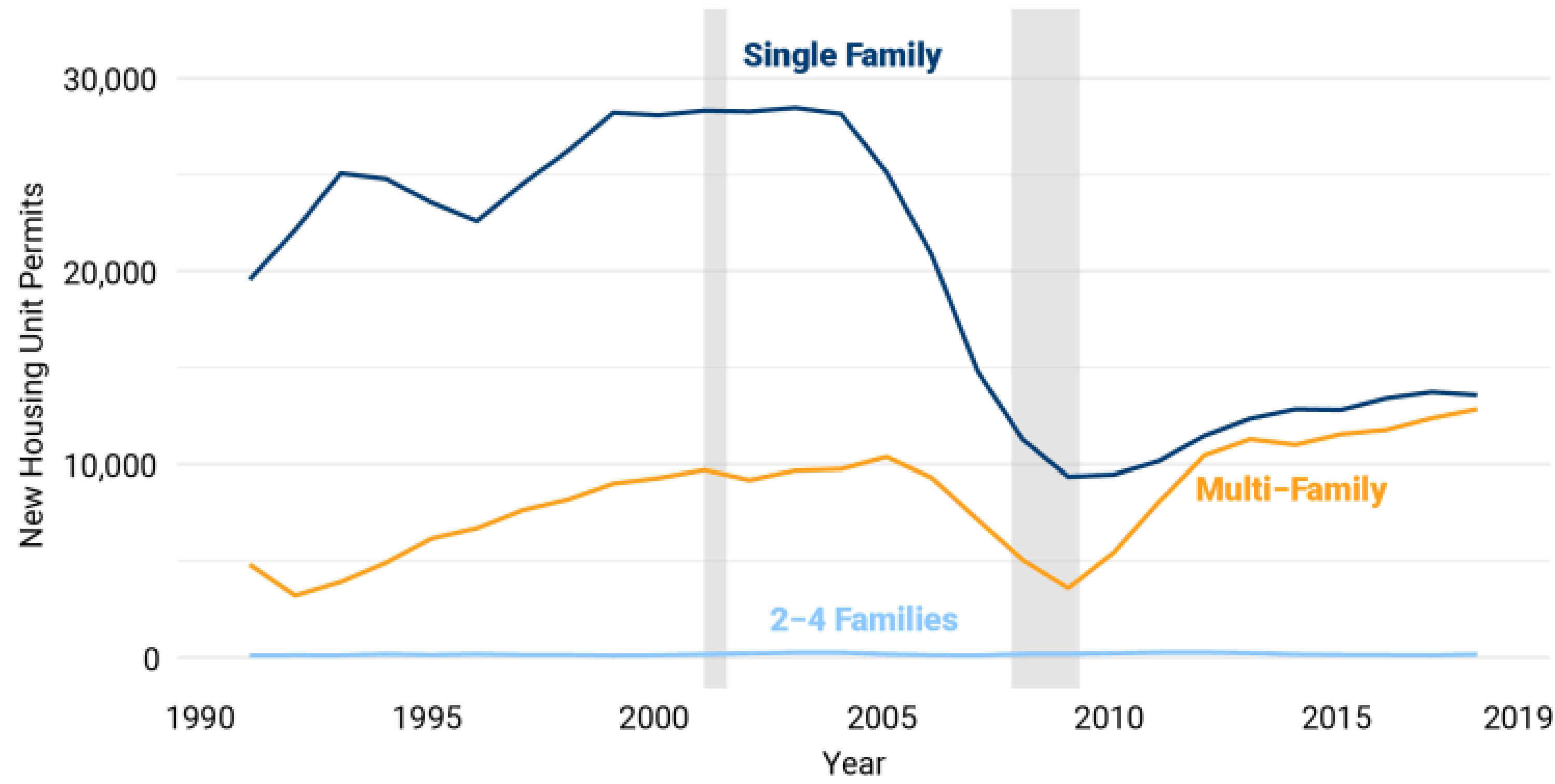


Source: CoreLogic Market Trends



# Construction has stagnated, especially for single family homes

New housing units permitted by structure type, 1990 - 2019



Source: Census Bureau New Residential Construction series.



Source: Census Bureau New Residential Construction series, analyzed by Brookings Metro Policy Program

# Ongoing challenges

- Zoning, development restrictions, and land availability limit supply
- Ongoing and historic segregation and discrimination impacts construction and development in neighborhoods with more Black households
- Gentrification and increases in short-term rentals and institutional investment in single family rental reduces the supply for purchase

# Areas of opportunity

- Update zoning codes and gradually increase density
- Leverage existing plans to equitably increase housing supply; expand financing for construction and reduce costs for building
- Expand programs that allow for conversion of rental to ownership
- Encourage housing preservation and production through repair and rehab
- Encourage owner occupancy and reduce investor conversion of ownership to rental



# Preserving Black homeownership

# The number of net new Black homeowners decreased from 2018

	All	Asian	Black	Hispanic	White	Other
New homeowners since 2018	(706)	374	(3,045)	1,529	1,863	(1,147)
Median gross housing cost (owners) (\$)	2,213	2,470	1,500	2,620	2,740	3,070
Housing cost burdened (owners)		35.3%	26.1%	24.9%	14.4%	42.4%



# Inequality in home valuation and appraisal limits wealth creation for Black homeowners

	All	Asian	Black	Hispanic	White	Other
Median home value (\$)	600k	525k	480k	600k	750k	600k
Value of median home price purchased (\$)	595,000	615,000	425,000	525,000	665,000	625,000
Total primary home wealth (\$ millions)*	93,840	3,420	26,800	7,200	54,300	2,120
Gaps in housing wealth* (average value vs. white value) (\$)*	(101,000)	(212,000)	(227,000)	(119,000)		(183,000)

Source: American Community Survey, 2019

\*Source: Urban Tracking Housing Wealth Feature <https://apps.urban.org/features/tracking-housing-wealth-equity/#:~:text=And%20the%20data%20bear%20that,the%20primary-residence%20housing%20wealth>

## Ongoing challenges

- High homeownership cost burden and associated homeowner costs, particularly a higher tax burden
- Laws may block inheritance and ability to pass down property to heirs
- Lenders are reluctant to make small dollar loans, impeding the ability of homeowners to upgrade and maintain homes.
- Public programs and appraisal practices limit the opportunity to build wealth for Black households

## Areas of opportunity

- Improve the property tax appeal system and encourage fair valuation and appraisal practices
- Create programs for rehabilitate and renovation of housing
- Expand income supports and financial assistance for housing costs.
- Integrate financial and savings interventions into existing housing programs and platforms
- Maintain affordability across a wide set of income groups



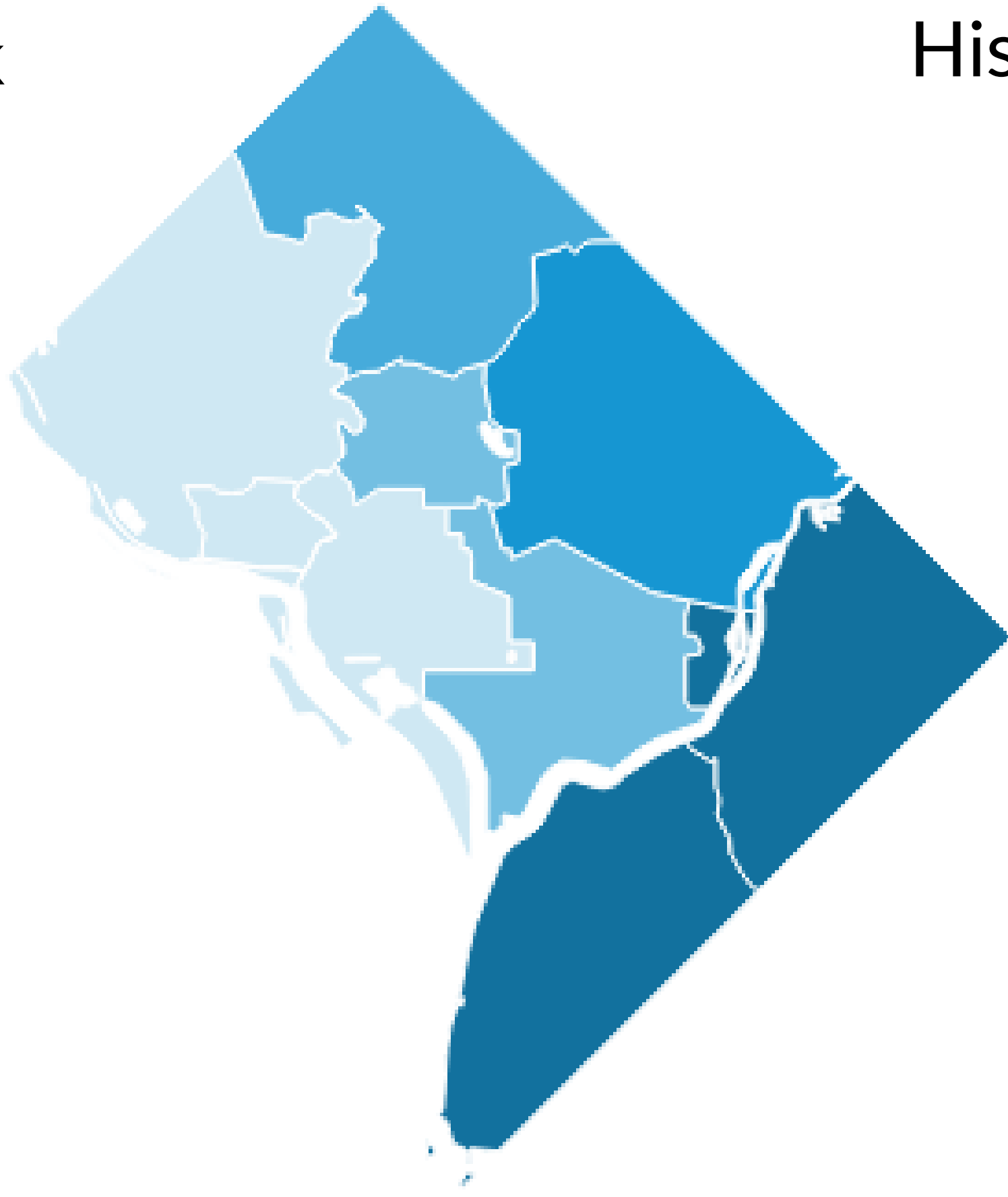
# Appendix

# An east-west racial divide: historical DC

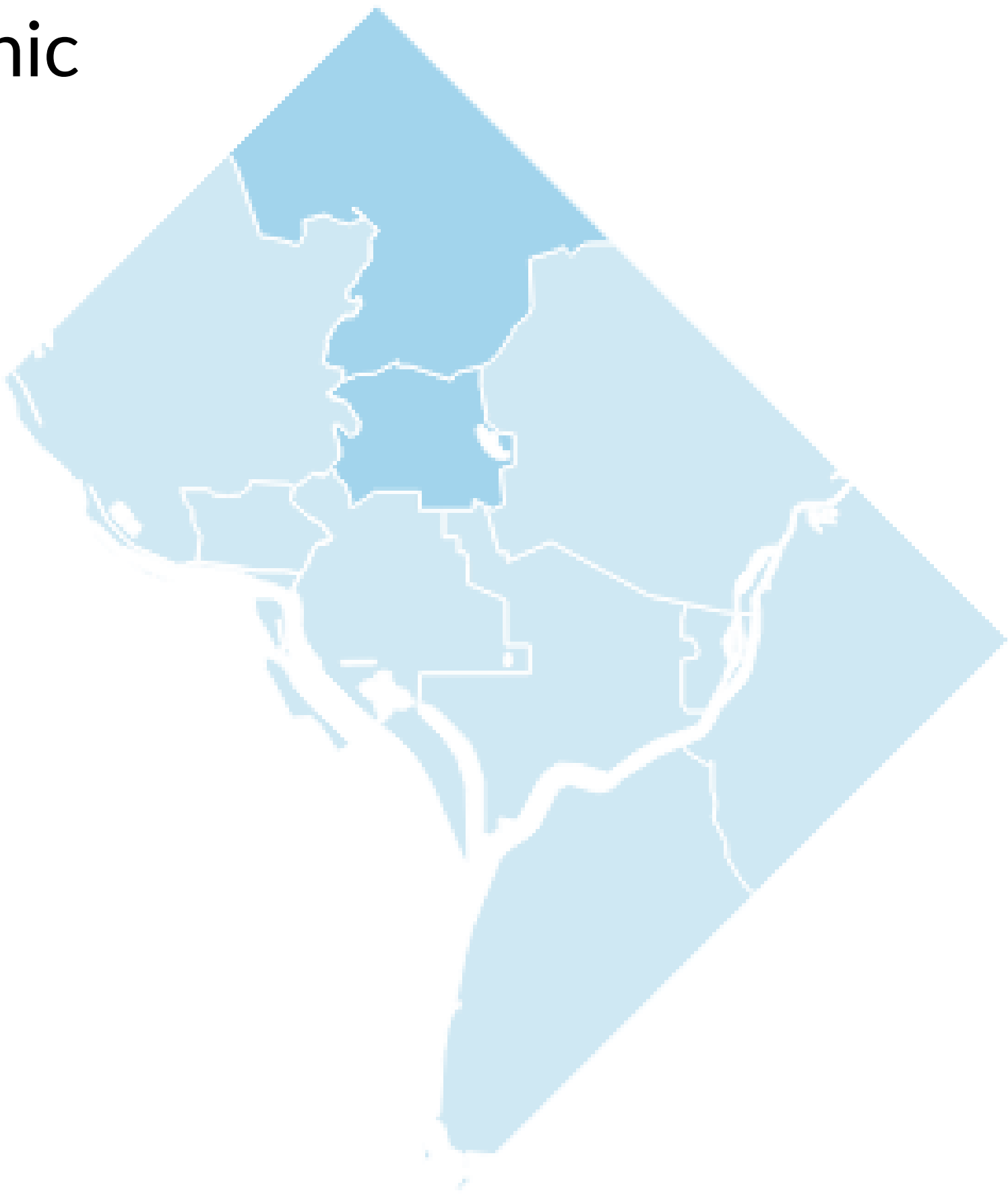
White



Black



Hispanic



15% 30% 45% 60% 75%



Share of Population by Race or Ethnicity by Ward, 2010–14

Source: American Community Survey tabulated by NeighborhoodInfo DC



# There are racial inequalities in income and wealth for potential homeowners

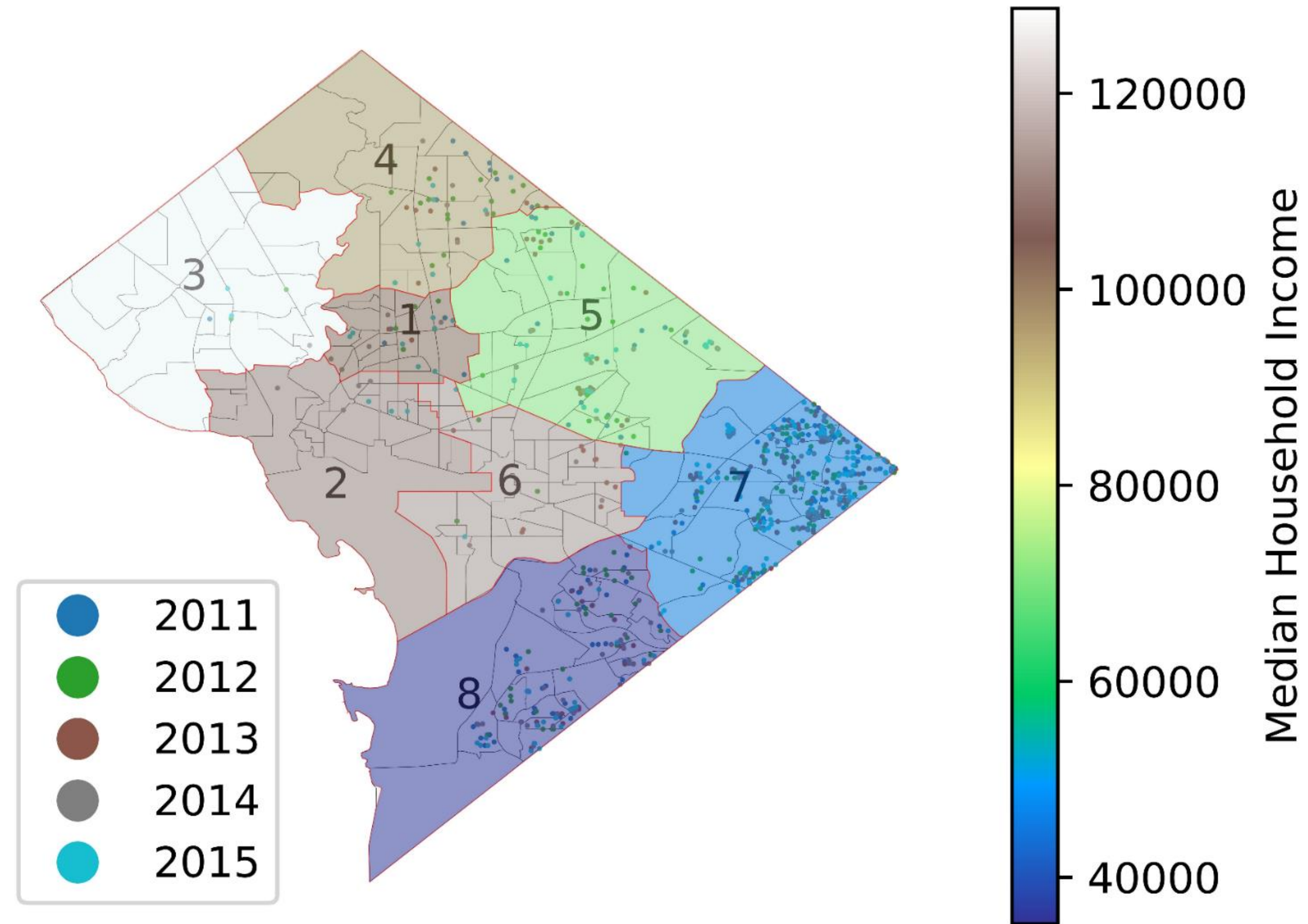
	Black	Hispanic	White
Median household income (\$)	48,000	101,000	154,000
Median renter income (\$)	34,000	77,000	112,000
Liquid assets ** (\$)	2,100		65,000
Median non-housing debt (\$) **	6,000	2,000	700
Median net wealth **	3,500	13,000	284,000

Source: American Community Survey, 2019

\*Source: Urban Tracking Housing Wealth Feature <https://apps.urban.org/features/tracking-housing-wealth-equity/#:~:text=And%20the%20data%20bear%20that,the%20primary-residence%20housing%20wealth>

\*\* . Kijakaz, R. Atkins, M. Paul, A. Price, D. Hamilton and W. Darity, “The Color of Wealth in the Nation’s Capital,” Urban Institute, November 2016.

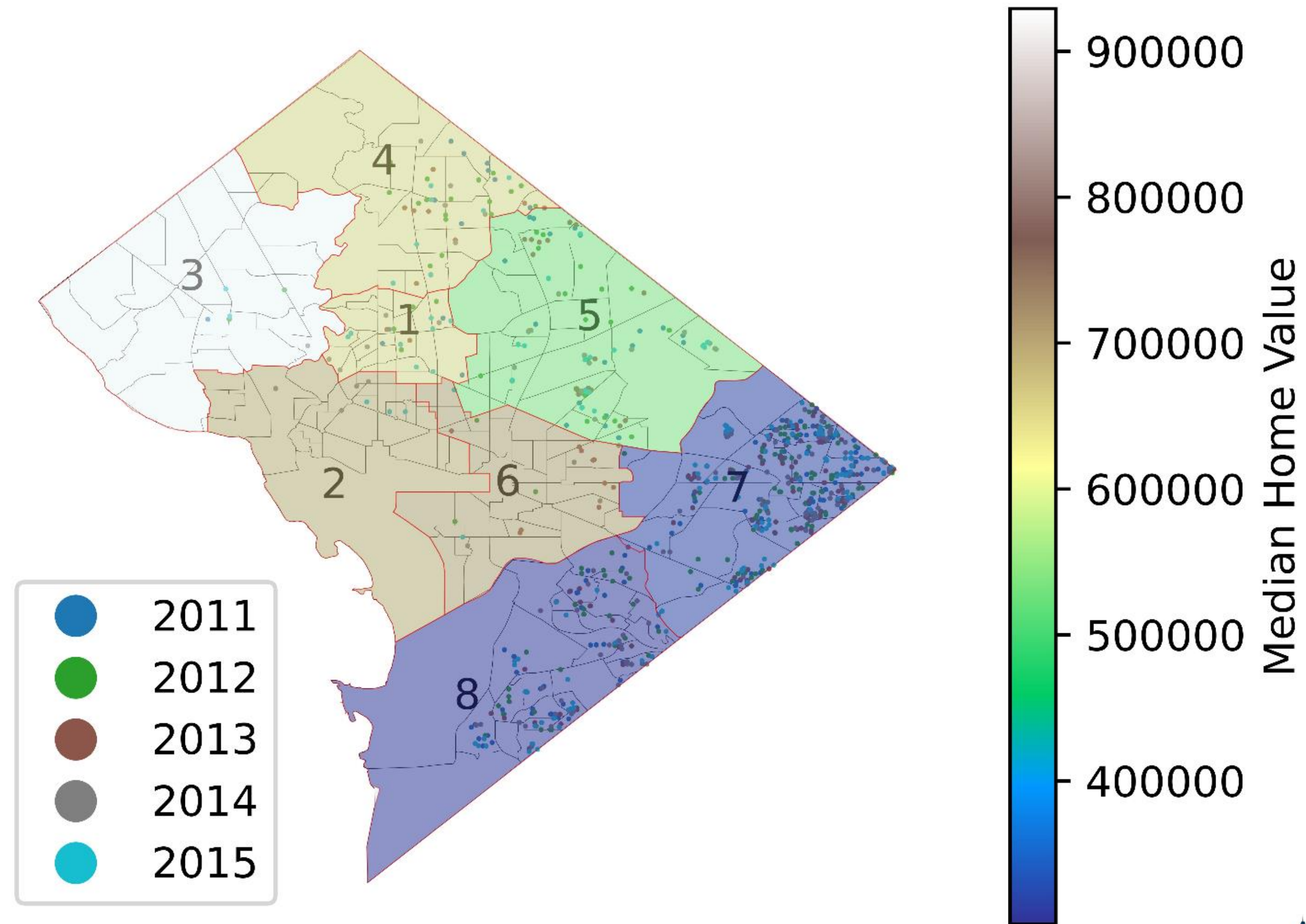
## Median Household Income



Map of DC by ward (red borders) and census tract (gray borders). Dots on the map show the location associated with each HPAP loan for the years 2011 through 2015. Dots are different colors reflecting the year of the loan (2011-2015). Each dot represents one HPAP loan. Wards (labelled 1-8) are colored based on the median household income within the ward.



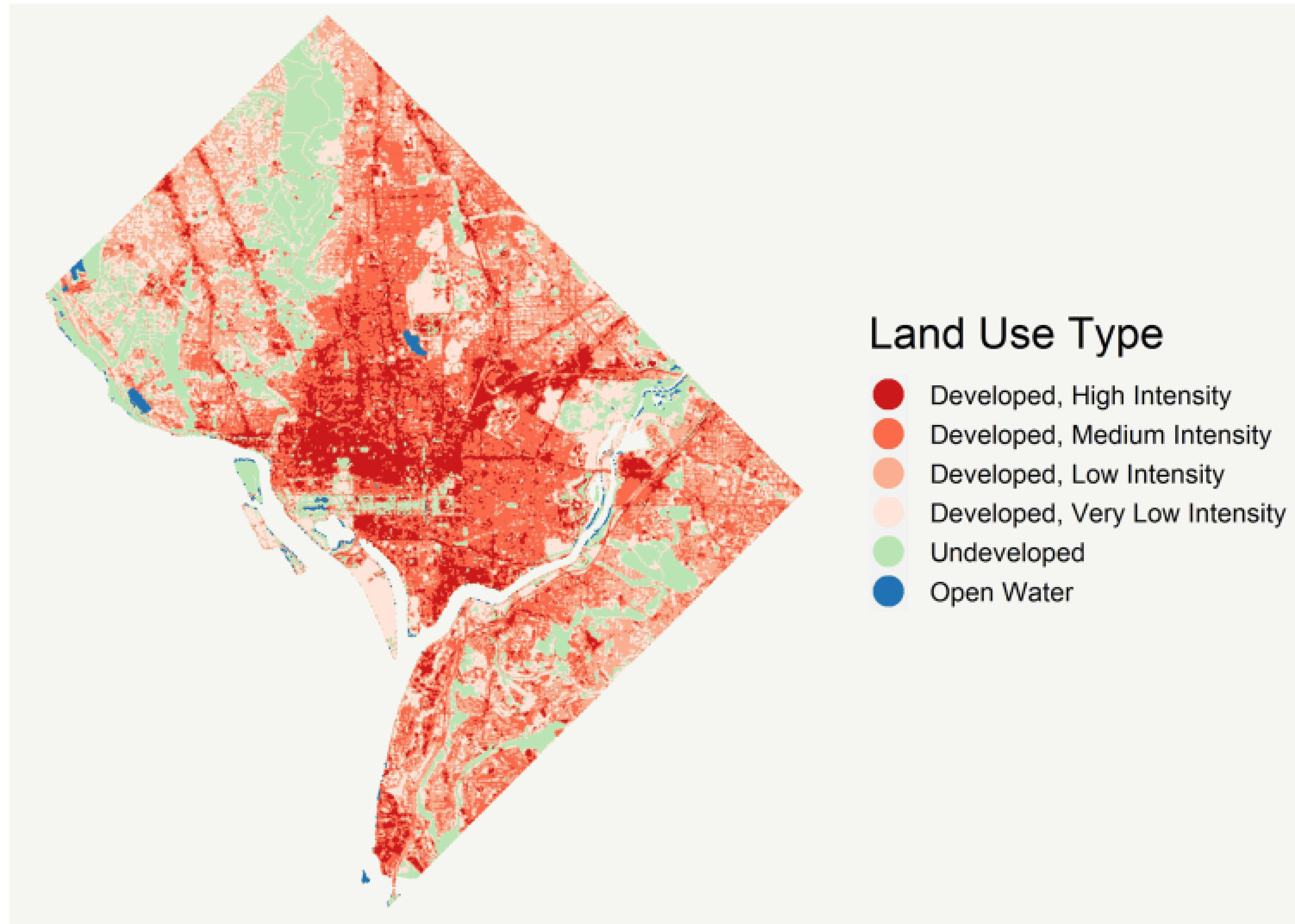
## Median Home Value



Map of DC by ward (red borders) and census tract (gray borders). Dots on the map show the location associated with each HPAP loan for the years 2011 through 2015. Dots are different colors reflecting the year of the loan (2011-2015). Each dot represents one HPAP loan. Wards (labelled 1-8) are colored based on the median home value within the ward.

## The District's land is mostly medium-density development, plus parks

Land use categorization for Washington, D.C.

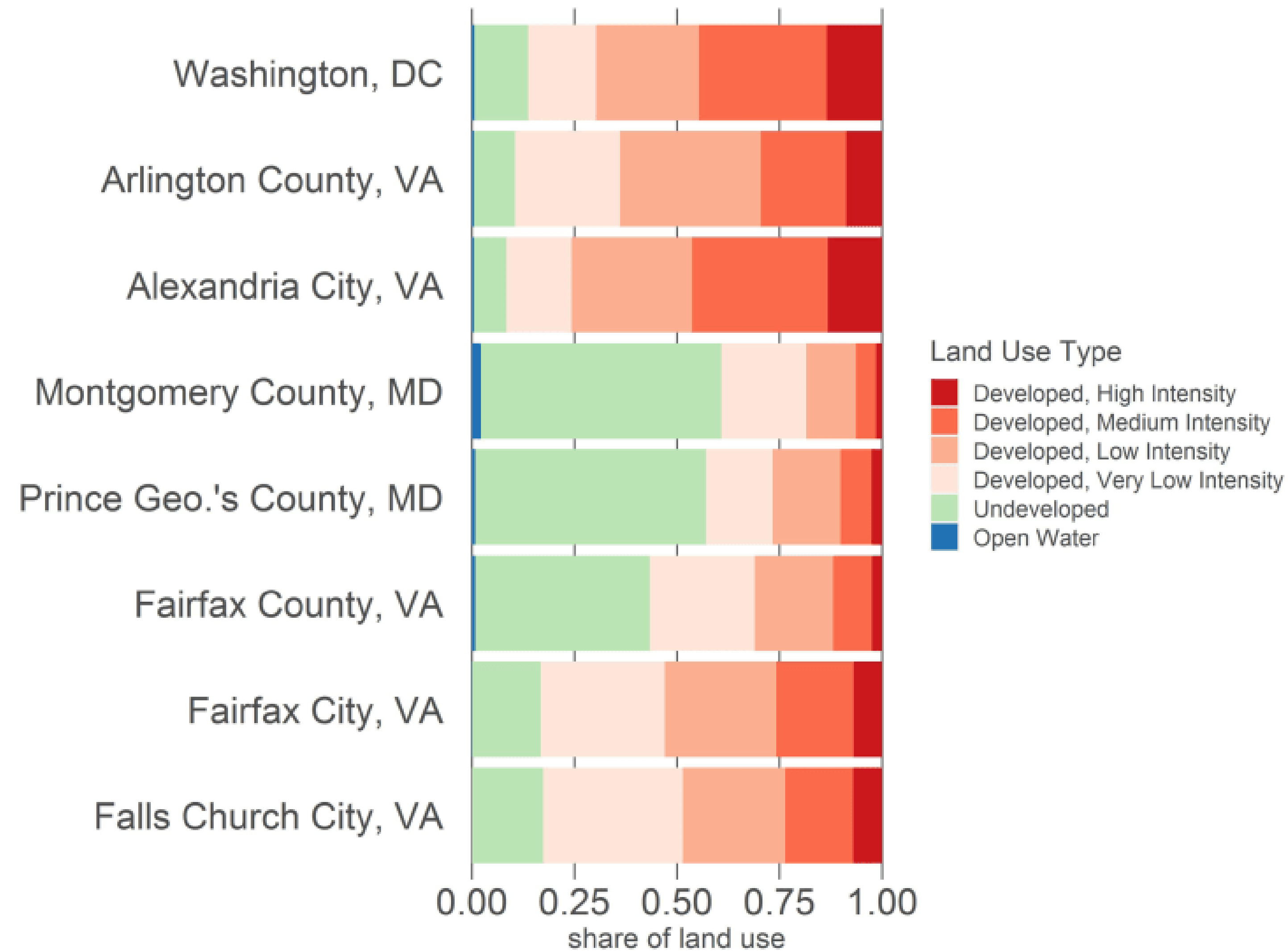


Source: NLCD.

FIGURE 4

## Suburbs have more undeveloped and low-density land than the urban core

Land use categories by county, Washington, D.C. metro area

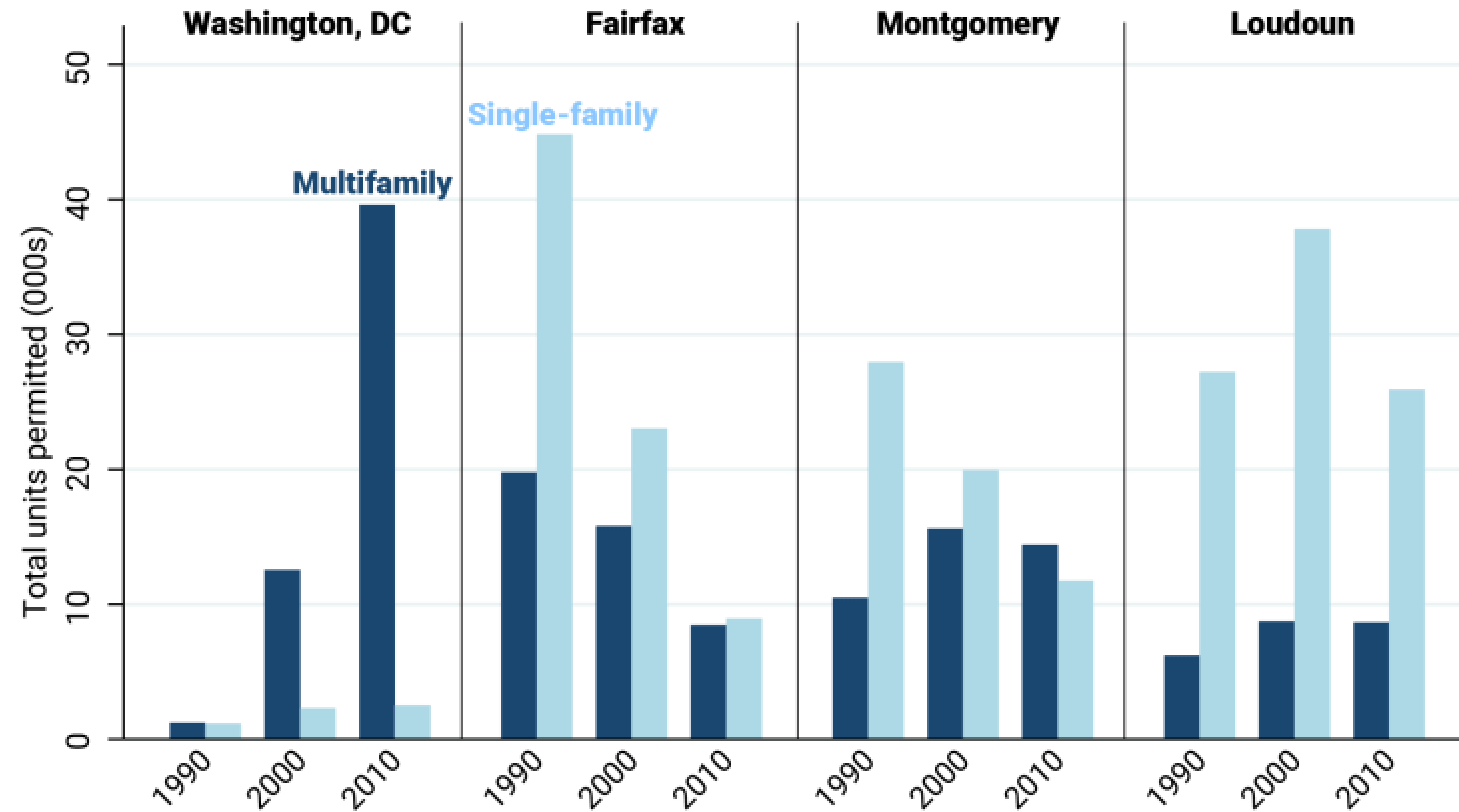


Source: NLCD.



**Figure 6. Within-county trends in housing composition vary**

Composition of new housing, selected jurisdictions



Source: Census Bureau residential construction series.

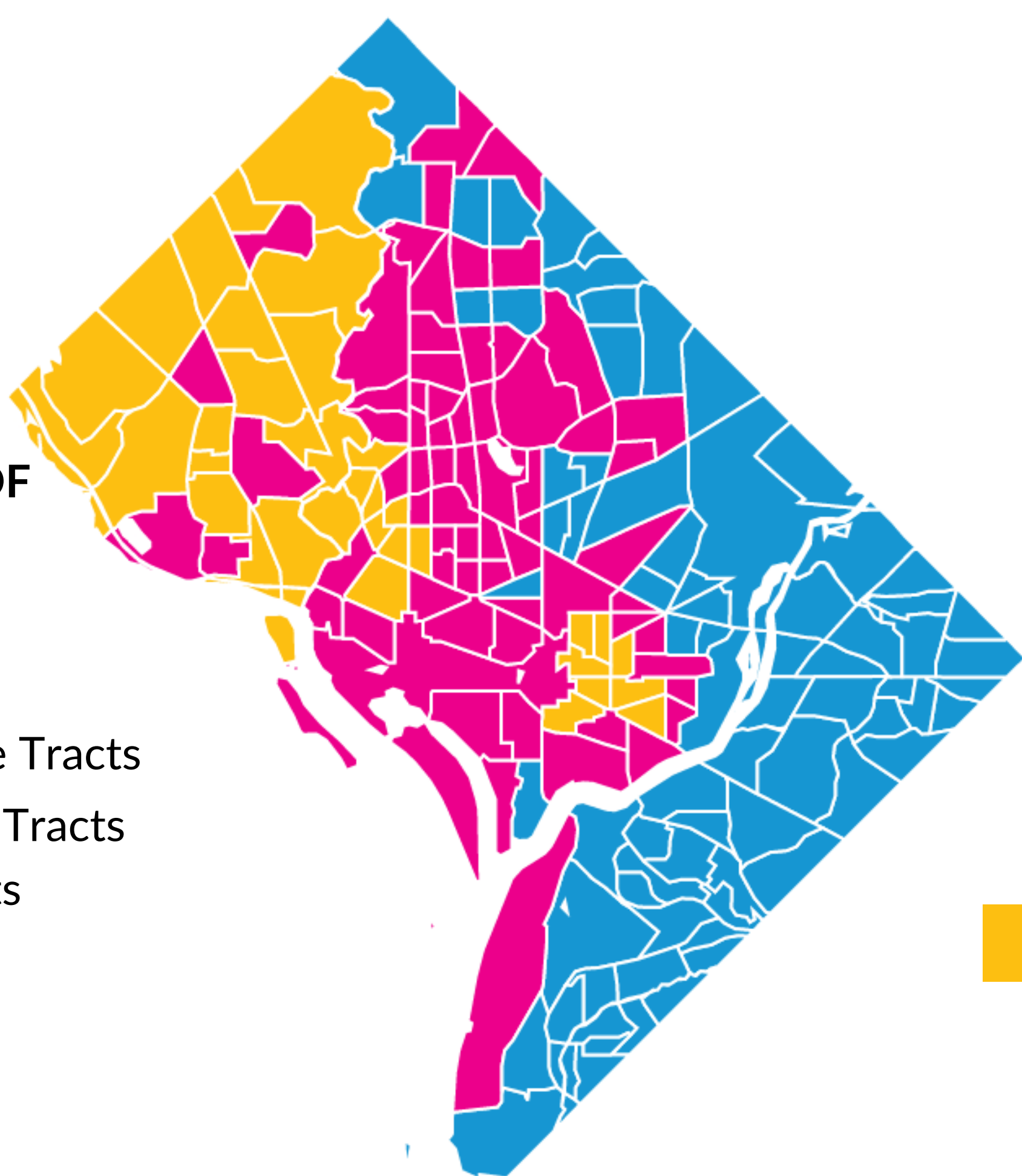
<b>Mortgage status</b>	<b>Count</b>
Pre foreclosure Filings	2,542
# of foreclosures	6,832
# of real estate owned (REO)	1023
# loans outstanding	1,055,636
Completed foreclosures	247
Foreclosure rates	0.65%
# of REO sales	201
# of Short sales	33
# Underwater mortgages	42,827
Negative equity share	4.06%
Average Equity Percentage	44.38%

Source: Market Trends, January 2022

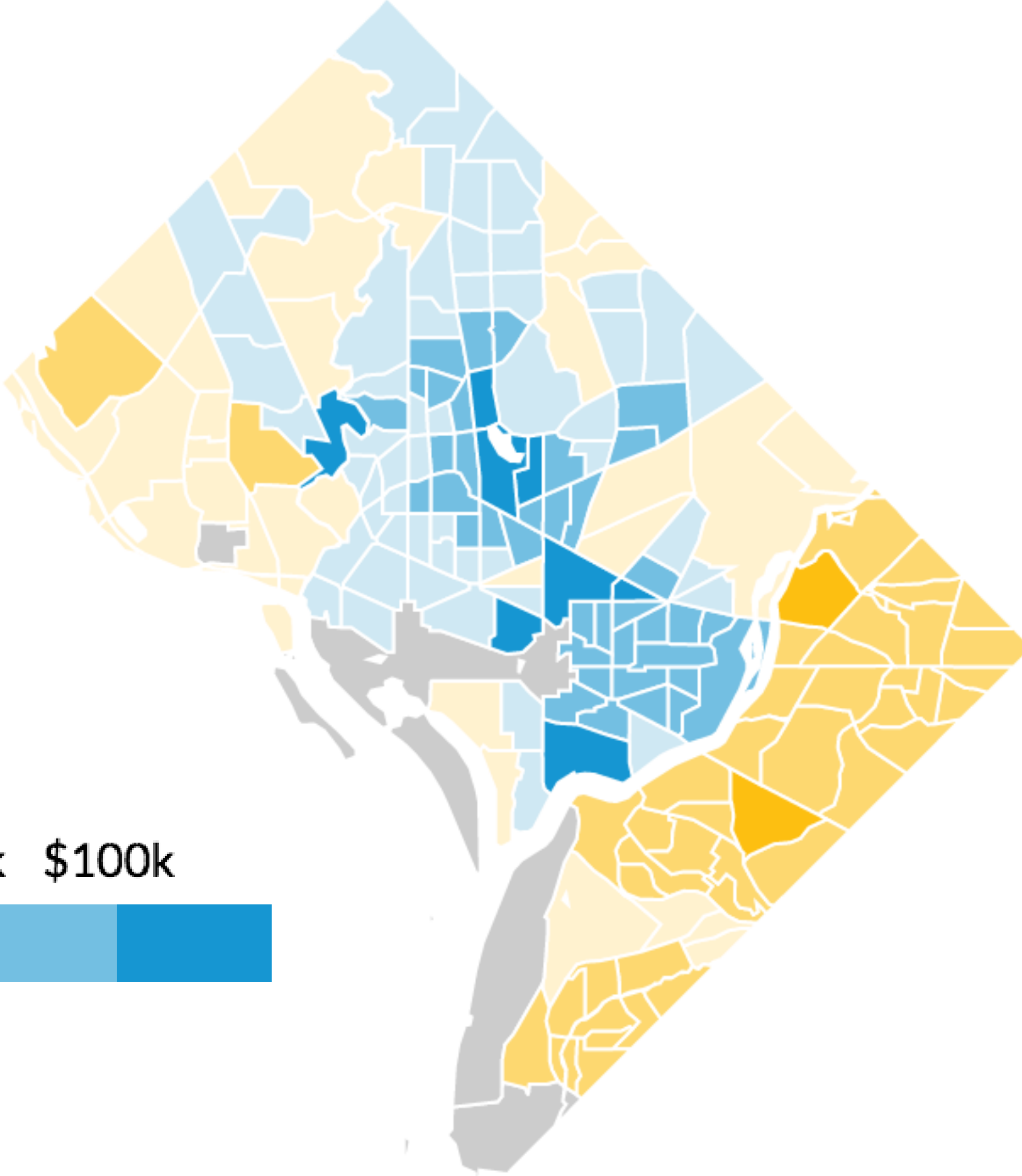
# Racial inequities in a home's wealth-building potential

RACIAL  
COMPOSITION OF  
CENSUS TRACTS

- Majority White Tracts
- Majority Black Tracts
- All Other Tracts



AVERAGE CHANGE IN  
ASSESSED VALUE  
BY CENSUS TRACT  
(in 2016 dollars), 2010-16



*Majority is defined as 75% + of tract population identifies as that race.*



# Potential Working Groups Topic Areas

- Preservation
- Financing
- Production and Supply





# Discussion





# 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

