



[www.legalaiddc.org](http://www.legalaiddc.org)  
1331 H Street, NW  
Suite 350  
Washington, DC 20005  
(202) 628-1161

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**Testimony of Mel Zahnd  
Supervising Attorney, Housing Law Unit  
Legal Aid DC**

**Before the Committee on Housing  
Council of the District of Columbia**

**Budget Oversight Hearing Regarding the Department of Housing and Community  
Development**

**May 12, 2026**

Legal Aid DC<sup>1</sup> submits the following testimony regarding the budget for the Department of Housing and Community Development (DHCD). In our work representing low-income tenants, we have seen the importance of District funding for affordable housing. This funding is necessary to prevent displacement and allow tenants to have a say over what happens to their homes. With this in mind, we are concerned about proposed cuts to Housing Preservation in DHCD's budget. We also emphasize the importance of transparency and accountability in the administration of all DHCD's affordable housing financing, particularly from the Housing Production Trust Fund (HPTF). Finally, we ask Council to maintain funding for Rent Control Administration to ensure continued investment in the Rent Registry Database.

**The Importance of Funding for Affordable Housing**

Government funding for affordable housing can be the difference between keeping low-income tenants in their homes and displacement. Legal Aid represents many tenant associations in affordable buildings. We have seen the significance of acquisition by

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<sup>1</sup> Legal Aid DC is the oldest and largest general civil legal services program in the District of Columbia. The largest part of our work is comprised of individual representation in housing, domestic violence/family, public benefits, and consumer law. We also work on immigration law matters and help individuals with the collateral consequences of their involvement with the criminal legal system. From the experiences of our clients, we identify opportunities for court and law reform, public policy advocacy, and systemic litigation. For more information, visit [www.LegalAidDC.org](http://www.LegalAidDC.org).

responsible – often nonprofit – developers who work with tenants to maintain high quality affordable housing. We have also seen what can go wrong when untrustworthy developers acquire these buildings and try to force tenants to leave. Often these untrustworthy developers have access to traditional financing that more responsible developers have a hard time competing to win. The funding administered by DHCD could make responsible developers competitive if effectively administered.

The Tenant Opportunity to Purchase Act (TOPA) is an invaluable tool. It can give tenants a seat at the table in negotiating the future of their homes. TOPA works best when responsible developers have a transparent and accountable way to access DC funding to finance acquisition and rehabilitation of affordable properties. A clear and predictable pathway to funding for developers who work with tenants would benefit the entire affordable housing ecosystem. Tenants would have a say over who owns their homes; responsible buyers would have confidence that they had a path to funding; and sellers would be able to more quickly sell their properties, knowing there was an efficient process for financing tenant-backed acquisitions.

For example, Legal Aid represented tenants in a four-unit building after they received an offer of sale. The tenants selected a purchaser who was willing to commit to repairs and affordable rent levels. Most importantly, the tenants felt that they could trust this developer. The tenants were right. Several years later, all the tenants are still in their homes, and their building is in good condition. If DHCD properly funds and administers money for affordable housing, we will continue to see more of these stories.

However, we cannot take this result for granted. Legal Aid has also seen what happens when affordable properties sell without TOPA, and the tenants have no say over who owns their home. At one rent stabilized property, the owner neglected the buildings, allowing them to fall into disrepair. The property was sold through foreclosure, so the tenants did not get to exercise their TOPA rights. The purchaser did not make any commitments to the tenants, and the tenant association likely would not have chosen this purchaser if they had the choice. Since this purchaser bought the building, it has removed essential services and facilities and has even begun litigation to try to force every single tenant at the property from their homes.

Traditional lenders are not in the business of maintaining affordability, ensuring habitability, or preventing displacement. If Council cares about these results, then Council needs to give tenants tools to pursue those goals. DHCD needs to have a quick and transparent path to funding developers who commit to keeping tenants in their homes.

### **Transparency and Accountability for the Housing Production Trust Fund (HPTF)**

We applaud Council for its focus on funding affordable housing preservation. This year, like last year, we ask that 30% of HPTF be set aside for housing preservation. We cannot afford to lose the precious affordable housing we currently have. HPTF dollars are most effective when spent on preserving existing affordable housing.

This money must be administered through a competitive process that prioritizes deep affordability and collaboration with tenants. DHCD needs increased transparency and accountability for how this money is spent. We worry that the proposed cuts to HPTF will undermine the District's mission to preserve affordable housing. We understand that DHCD may be able to claw back some unspent HPTF dollars to invest in other projects. While we welcome any funding that DHCD can mobilize for affordable housing, we also question why these dollars went unspent and urge more transparency and accountability for DHCD.

This is why Legal Aid continues to support passage of the Housing Production Omnibus Amendment Act of 2026. When a developer receives District funds to construct or preserve affordable housing, there should be clarity on exactly how the developer plans to use those funds. Everyone in the process – the agency, developers, and residents – should know the criteria used to judge development projects. The order in which projects are prioritized should be predictable, and those priorities should align with the goal of constructing and preserving affordable housing that prevents displacement. We expect the Housing Production Omnibus will further these goals.

To add more clarity to the Housing Production Omnibus, we recommend an amendment to define "Preservation" as "The repair and/or rehabilitation of an affordable unit that contributes to the health, safety, or well-being of the occupant, and contributes to the structural integrity or long-term preservation of the unit. Financial stabilization alone is not preservation." This definition of "Preservation" will ensure that all stakeholders know what this term means.

### **Cuts to Housing Preservation**

We are concerned that the Mayor's budget has proposed a \$1,272,000 cut to Housing Preservation outside of the HPTF fund.<sup>2</sup> The non-HPTF funding of Housing Preservation, while small, can provide essential bridge financing for affordable housing that needs

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<sup>2</sup> Government of the District of Columbia, FY2027 Proposed Budget and Financial Plan (Department of Housing and Community Development), Table DB0-4.

critical repairs or is otherwise at risk of loss. The Mayor's proposed cuts would further deplete the money available to finance preservation of affordable housing.

### **Rent Control Administration**

Finally, Legal Aid notes the importance of funding for Rent Control Administration. Last year, the Rental Accommodations Division (RAD) launched the Rent Registry database.<sup>3</sup> Council mandated this database and intended it to provide key information to tenants and advocates about the rent-controlled apartments in DC.<sup>4</sup> While RAD has made progress on making this information available to the public, the database requires more investment and maintenance to be a useful tool for DC tenants and advocates. We ask Council to maintain the proposed funding for Rent Control Administration.

### **Conclusion**

We ask Council to restore funding for Housing Preservation. We are concerned about the proposed cuts to both DHCD's Housing Preservation funding and to HTPF. While we appreciate that there may be more money available once DHCD claws back unused funds, we question why these dollars went unused in the first place and welcome the added transparency and accountability that the Housing Production Omnibus would require. Finally, we ask Council to maintain proposed funding for Rent Control Administration. Thank you for the opportunity to share our concerns about the FY2027 budget.

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<sup>3</sup> Rent Registry, <https://rentregistry.dc.gov/>  
[https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/page\\_content/attachments/2025-04-02%20RentRegistry%20Demonstration%20Powerpoint%20Slides.pdf](https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/page_content/attachments/2025-04-02%20RentRegistry%20Demonstration%20Powerpoint%20Slides.pdf).

<sup>4</sup> D.C. Code § 42-3502.03c.