

February 21, 2017

Mayor Muriel Bowser
Executive Office of the Mayor
1350 Pennsylvania Avenue, NW
John A. Wilson Building
Washington, DC 20004
eom@dc.gov

Dear Mayor Bowser:

Our organizations are part of the D.C. Rent Control Coalition, a group of tenant and community organizers, legal services attorneys representing tenants, and long-time tenant advocates supporting improvements to the District's rent control laws. We strongly supported enactment of Bill 21-0173: Elderly Tenant and Tenant with a Disability Protection Amendment Act of 2016 (now D.C. Act 21-655). The legislation protects tenants of rent controlled units who are elderly and/or have disabilities in the following ways:

- lowers the annual increase of general applicability that applies to elderly tenants and tenants with disabilities to reflect the lowest of the CPI-W or the Social Security COLA or 5%, better aligning these annual increases with the income sources on which many of these tenants rely;
- clarifies the process for elderly tenants and tenants with disabilities to qualify for these lower annual rent increases and allows them to apply via fax or email;
- exempts low-income (defined as 60 percent or below of the area median income in the Washington Metropolitan Statistical Area) elderly tenants or tenants with disabilities from rent adjustments pursuant to capital improvement, hardship, services and facilities, and substantial rehabilitation petitions; and
- provides housing providers with a tax credit for each unit occupied by a low-income elderly tenants or a low-income tenant with a disability to compensate for these petition exemptions and limits the total combined tax credits claimed by all housing providers for any fiscal year to a maximum of \$1.25 million.

The Bill's protections address important housing affordability concerns. Many elderly tenants and tenants with disabilities depend solely on Social Security retirement or disability benefits for their income. Over time, these tenants find that the annual rent increases on their rent control units tied to CPI-W outstrip annual increases in their income tied to the Social Security COLA. The exemption from petition-based rent increases for the most at-risk portion of the tenant community (low-income seniors and tenants with disabilities) is an essential part of the legislation that must be funded in order to protect these tenants from the extraordinarily high rent

increases that are often associated with housing provider petitions and can reach above 100% or more in some cases, more than doubling a tenant's rent. Bill 21-173 addresses each of these issues while also protecting housing provider interests.

In order for the exemptions from rent adjustments based on a variety of housing provider petitions to take full effect, the tax credit must be funded in the FY 2018 budget to account for the \$1.25 million cap on the combined tax credits for housing providers. The coalition wants to ensure that the Budget Office allocates funding for the new tax credit program established by the bill. We urge your office to finalize the Elderly Tenant and Tenant with a Disability Protection Amendment Act of 2016 by ensuring that the FY 2018 budget includes a provision for the tax credits for exemptions from housing provider petitions provided by the Act. Please ensure that the budget sets forth this tax credit to allow the tenants who most need exemptions from housing provider petitions to get the exemptions.

Thank you for your time and consideration.

Sincerely,

Jennifer Berger & Daniel Palchick, Legal Counsel for the Elderly

Talia Brock, Phillip Kennedy & Robert Wohl, Latino Economic Development Center

Beth Mellen Harrison and Evan Henley, Legal Aid Society of the District of Columbia

Jacob Feinspan and Sarah Novick, Jews United for Justice

Cynthia Pols, President, Briarcliff Tenants Association and long-time tenant advocate

Mary C. Young ANC3B04 Commissioner- SMD of only large multi-unit buildings

cc. Councilmember Charles Allen
Councilmember Anita Bonds
Councilmember Mary M. Cheh
Councilmember Jack Evans
Councilmember Vincent C. Gray
Councilmember David Grosso
Councilmember Phil Mendelson
Councilmember Kenyan McDuffie
Councilmember Brianne Nadeau
Councilmember Elissa Silverman
Councilmember Brandon T. Todd
Councilmember Robert C. White, Jr.
Councilmember Trayon White, Sr.