



An Equitable Housing Strategy for the District of Columbia

Margery Austin Turner

The District of Columbia should take advantage of the recent resurgence in housing demand and manage it more effectively so all residents and neighborhoods benefit.

For more than two decades, growth and economic prosperity in the Washington region have fueled a booming housing market. But until recently, the District of Columbia suffered from declining population and housing disinvestment. Beginning in the late 1990s, the District has experienced a surge in housing demand, bringing more fiscal, economic, and social resources to the city. Many neighborhoods are enjoying high levels of new housing construction, rising home sales and house values, and improvements to the existing housing stock. For the first time in decades, it is realistic to imagine that the District will share more fully in the region's growth and prosperity.

But renewed demand for D.C. housing also creates challenges for the city and its residents. Rising rents and house prices make it more difficult for low- and moderate-income families to find housing they can afford in the District. The District of Columbia is home to a disproportionate share of the region's very low income households, and these families and individuals face particular hardship in today's booming housing market.¹

The District must continue to grow, both by attracting new residents and by retaining those who already live here. But if population growth outpaces the capacity of the housing stock, it can create dislocation and distress. And unless the city's growth is properly managed, it may fail to benefit the city's most vulnerable residents and neighborhoods.

This spring, the District's Mayor and City Council will convene a distinguished

task force to assess the critical challenges facing the city's housing policymakers and propose a strategy for tackling them. This brief offers a framework for their deliberations. Drawing on research conducted at the Urban Institute over the past several years, it recommends a citywide strategy to promote equitable growth and revitalization over the coming years.²

Critical Challenges for D.C. Housing Policy

For many years, the primary problems facing D.C. housing policymakers were the city's declining population and low levels of residential investment. Some parts of the city still suffer from severe poverty, isolation, and disinvestment. But in much of the city, growth and reinvestment are creating a new set of challenges for housing policy.

Housing shortages and potential displacement. As the population of the District expands, housing demand exceeds the available supply in some neighborhoods. The city clearly needs more residents in order to thrive, but when population growth is concentrated in a relatively small group of neighborhoods and the housing stock in these neighborhoods is limited, the influx of wealthier households is likely to push up rents and house prices very rapidly. There is little solid evidence on the amount of displacement occurring in the District today. But some neighborhoods with high levels of investment activity have, until recently, provided significant amounts of affordable housing. Low- and moderate-income families may be unable

to remain in these neighborhoods, or may feel they are no longer welcome. If so, residents that suffered through the city's years of decline may suffer again from the city's renewal.

Weak market conditions in other parts of the city. While some D.C. neighborhoods are experiencing intense demand, others have more than enough affordable homes and apartments available for sale or rent, and desperately need growth and investment. Population continues to decline and vacancy rates remain high in many of the city's neighborhood clusters, especially east of the Anacostia River. Many properties in these neighborhoods are vacant or abandoned, and a substantial share shows signs of physical or financial distress. Moreover, the number of census tracts in the District of Columbia with high poverty rates climbed from 36 in 1990 to 43 in 2000, despite the city's overall prosperity. Thus, while some parts of the city are thriving, others are becoming more severely distressed.

Limited housing options for moderate- and middle-income homebuyers. When its population was shrinking, the District of Columbia primarily lost moderate- and middle-income homeowners. Lower-income households, whose options were limited, and higher-income households, who could afford to compensate for problems with city schools and services, were more likely to remain. Thus, for a long time there was little market for homes with prices in the intermediate range. As a result, D.C. has a relatively limited stock of homes in the \$100,000–\$300,000 range, giving households earning roughly \$40,000 to \$120,000 fewer options in the city than in the surrounding counties. Homes that are available in this price range tend to be located in neighborhoods that lack desirable services and amenities, making them less attractive for middle-income buyers.

Severe housing hardship among very low income residents. The District of Columbia needs to attract and retain more residents at moderate- and middle-income levels in order to fully regain its fiscal, social, and economic stability. However, housing subsidy resources are limited, and the people

facing the most widespread and severe housing hardship are those at the bottom of the income distribution. Most very low income households pay unaffordable housing cost burdens. In addition, an estimated 7,400 individuals are homeless in D.C. The city would need to address the housing needs of at least 3,600 households with incomes below \$50,000 (about 2,900 renters and 700 homeowners) annually over the next two decades to eliminate excess cost burdens and homelessness.

Geographic concentration of lower-cost housing and very low income households. Not only is low-cost housing in short supply in D.C., but it is also geographically clustered, limiting neighborhood options for very low income people and contributing to neighborhood distress and decline. Four of every 10 rental units that are affordable for very low income households are located east of the Anacostia River. Almost half the units affordable at higher incomes are located west of Rock Creek Park, where there is almost no very low income rental housing.

The geographic concentration of federally subsidized rental housing has played a major role in this outcome. Subsidized housing has been highly clustered since the 1960s, when low-income households were relocated from urban renewal areas of southwest Washington. This clustering has worsened the concentration of poverty in the city, trapping many vulnerable families and children in distressed and dangerous neighborhoods.

An Equitable Housing Strategy

The District of Columbia can take advantage of the ongoing resurgence in housing demand and manage it more strategically so all the city's residents and neighborhoods benefit. To address the challenges outlined above, the city's housing policy should focus on five fundamental goals:

1. **Expand the city's housing supply.** The city's housing stock needs to grow to accommodate more residents. Making more units available

for occupancy will also help moderate upward pressures on prices and rents, and help make the city's housing more affordable.

2. **Preserve and produce more affordable housing.** Regardless of whether its population grows, the city needs to preserve and expand the stock of affordable housing units for very low, low-, and moderate-income households. This should include housing that receives public subsidies, but also privately owned properties that provide moderately priced housing.
3. **Minimize displacement and housing hardship in revitalizing neighborhoods.** To ensure long-time residents do not suffer from revitalization, the city needs to moderate the market pressures in neighborhoods where prices are rising particularly quickly, by expanding the housing stock, preserving existing affordable housing, and diverting some of the demand pressure to other parts of the city.
4. **Catalyze neighborhood renewal in weaker areas.** As the city works to moderate demand pressures in its hottest markets, it needs to attract housing investment to neighborhoods where demand remains weak (and housing is more affordable), improving services, safety, and amenities so they become "neighborhoods of choice" for families and individuals at various income levels.
5. **Nurture racially, ethnically, and economically diverse communities.** Although the District as a whole is very diverse, encouraging and preserving diversity at the neighborhood level requires real effort. The city needs to focus explicitly on the goal of making all neighborhoods open and welcoming to a wide range of residents, and helping neighbors with different backgrounds work together to strengthen their communities.

To effectively pursue these goals, D.C. needs a citywide strategy that allows for different actions and approaches in different types of neighborhoods. This does not mean

that each neighborhood's housing problems or challenges should be addressed in a vacuum. In fact, neighborhood groups should be encouraged to think about their needs and priorities in the context of a citywide vision and strategy. Nonetheless, different neighborhood conditions call for different interventions, and the city's housing strategy should be explicit about these differences.

The District's Office of Planning has classified the city's neighborhoods into four broad categories, based on key demographic and social indicators. *Stable* neighborhoods have ample market-driven private investment and social indicators as high or higher than city averages. *Transitional* neighborhoods are revitalizing rapidly, with high-paced home sales, rising property values, and displacement pressures. *Emerging* neighborhoods have moderately positive indicators of health and well-being, but are underperforming relative to their market potential. *Distressed* neighborhoods face extreme challenges of low social indicators and private-sector disinvestment.³

Table 1 lists specific actions necessary in each type of neighborhood to achieve the city's broad goals. The remainder of this section reviews policies to address each goal in turn.

Expand the housing supply. The city's existing housing stock and land can absorb considerable growth. But to accommodate more residents, the city also needs to create conditions that allow the housing stock to expand in response to demand, and to promote the development of housing at a mix of income levels. Over the long term, the city needs to attract more families with children as well as individuals and childless households. To do so, attention to non-housing factors will be at least as important as housing policy. More specifically, the city should

- strengthen non-housing conditions citywide, especially schools, public services, and safety. It may be necessary to focus intensive attention and resources on a small number of neighborhoods where large new housing development is underway or planned.

- reduce regulatory barriers and delays that impede land assembly and new housing development, including excessive delays caused by neighborhood opposition. One potentially fruitful approach would be to make the citywide housing strategy explicit (through the comprehensive plan and zoning ordinances), work with neighborhood organizations to develop area plans consistent with the citywide vision and strategy, and then expedite the approval process for developments consistent with these area plans.
- create mixed-income urban neighborhoods on large underused sites. Ten publicly owned sites could become desirable new neighborhoods within the District. Not all these sites necessarily have to be used primarily for housing, but at least some should be designed to attract new residents and provide opportunities for existing households at the widest possible range of income levels.
- encourage higher density housing development along major transportation corridors and around Metro stations. This will increase the number of units produced within the city, encourage more residents to take advantage of public transportation, and preserve lower densities in most parts of every neighborhood.
- give priority to capital investments in infrastructure projects supporting new housing development. The city is faced with competing demands for limited capital investment resources. Because population growth is a priority and the city needs more housing to effectively accommodate growth, projects that support new housing development should receive priority.

These actions can and should be implemented in all types of neighborhoods citywide.

Produce affordable housing. The city has many of the programmatic tools it needs to preserve and expand the stock of affordable housing units, although substantially more resources would be required to fully address the needs of very low, low-,

and moderate-income people. The city's rent control program, which moderates the rate of rent increases for tenants that remain in place, plays an important, though limited, role.⁴ Different combinations of incentives and subsidies are needed to assist renters and homeowners, and to make housing affordable at different income levels. Meeting the needs of the lowest-income households is especially challenging, because of the large gap between the costs of building and maintaining decent housing and the amount these families and individuals can afford to pay. Moreover, some of the city's affordable housing (including transitional housing) must be linked with high-quality supportive services to effectively serve families and individuals with special needs.

Because low-cost housing is already overconcentrated in many of the city's distressed neighborhoods, most new affordable housing development should be targeted to the other neighborhood types. Specifically, in stable, transitional, and emerging neighborhoods, the city should

- implement inclusionary zoning requirements to include a reasonable share of moderate-cost units in all new construction and major rehabilitation projects. Numerous stakeholders are currently debating alternative approaches to inclusionary zoning for D.C. The city should make it a priority to design and implement a system that responds to local regulatory and market conditions.
- when PUD regulations (or inclusionary zoning) require a developer to include affordable housing units in a new project, limit opportunities for these units to be built in lower-income communities instead.
- subsidize the preservation of existing low-cost housing units so these critical resources are not permanently lost.
- subsidize the production of low-cost housing (affordable for households with incomes below \$35,000), including high-quality transitional and supportive housing.

TABLE 1. A Citywide Strategy for Targeted Neighborhood Action

Strategic goals	Stable neighborhoods	Transitional neighborhoods	Emerging neighborhoods	Distressed neighborhoods
Expand the housing supply	<ul style="list-style-type: none"> Strengthen non-housing conditions, especially schools, public services, and safety Reduce regulatory barriers and delays that impede land assembly and new housing development Create mixed-income urban neighborhoods on large underused sites Encourage higher density development along major transportation corridors and around Metro stations Give priority to capital investment in infrastructure projects that support housing development 	<ul style="list-style-type: none"> Implement inclusionary zoning for new construction and major rehab projects Limit opportunities for PUD developers to transfer their affordable housing obligations to lower-income communities Subsidize the production of low-cost housing units Subsidize some units targeted to very low, low-, and moderate-income households in new developments around Metro stations and on large underused sites 	<ul style="list-style-type: none"> Subsidize the preservation of existing affordable housing Subsidize some units targeted to very low, low-, and moderate-income households in new developments Link high-quality support services to existing affordable housing 	<ul style="list-style-type: none"> Subsidize the preservation of existing affordable housing Subsidize some units targeted to very low, low-, and moderate-income households in new developments Link high-quality support services to existing affordable housing
Preserve and produce more affordable housing	<ul style="list-style-type: none"> Link low-cost rehab financing with long-term affordability requirements to aggressive housing code enforcement Provide financing assistance to help low- and moderate-income households buy homes Help low- and moderate-income renters exercise their rights to purchase Target Section 8 vouchers to give very low and low-income households access to rental units Provide tax relief to help low- and moderate-income homeowners retain their homes Provide effective relocation assistance and housing search counseling 	<ul style="list-style-type: none"> Link low-cost rehab financing with long-term affordability requirements to aggressive housing code enforcement Provide financing assistance to help low- and moderate-income households buy homes Help low- and moderate-income renters exercise their rights to purchase Target Section 8 vouchers to give very low and low-income households access to rental units Provide tax relief to help low- and moderate-income homeowners retain their homes Provide effective relocation assistance and housing search counseling 	<ul style="list-style-type: none"> Strengthen non-housing conditions, especially schools, public services, and safety Expand and improve retail services Gain control of vacant and abandoned properties Link low-cost rehab financing with long-term affordability requirements to aggressive housing code enforcement Offer financing incentives to attract moderate- and middle-income homebuyers Link current residents to high-quality jobs 	<ul style="list-style-type: none"> Support resident organizations and community self-help activities Deliver effective job training and retention programs to help residents earn more
Minimize displacement and housing hardship in revitalizing neighborhoods	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Promote the use and acceptance of Section 8 vouchers Subsidize the preservation of existing low-cost housing units Ensure that any major new housing developments include at least some affordable units 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts
Catalyze neighborhood renewal in weaker areas	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Promote the use and acceptance of Section 8 vouchers Subsidize the preservation of existing low-cost housing units Ensure that any major new housing developments include at least some affordable units 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts
Nurture diverse communities	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Promote the use and acceptance of Section 8 vouchers Subsidize the preservation of existing low-cost housing units Ensure that any major new housing developments include at least some affordable units 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts 	<ul style="list-style-type: none"> Aggressively enforce fair housing protections Support community building activities that celebrate diversity and resolve conflicts

- subsidize some units targeted to very low, low-, and moderate-income households in new developments around Metro stations and on large underused sites.

In distressed neighborhoods, the city should avoid any additional concentration of subsidized housing. Initiatives to promote greater income-mixing in these communities are discussed further below. However, to preserve and improve the low-cost housing that remains in distressed neighborhoods, the city should

- subsidize the preservation of existing affordable housing (affordable for households with incomes below \$35,000).
- subsidize some units targeted to very low, low-, and moderate-income households as part of any *new* housing development so low-cost options expand with the housing stock.
- link high-quality supportive services to existing subsidized housing so families and individuals with special needs can get the help they need to achieve stability and become more self-sufficient. Housing providers do not necessarily need to deliver these services; often they can best be provided by proven organizations in the community. Nonetheless, it is critical for housing providers and service providers to coordinate their efforts to effectively help needy residents.

Taken together, these policies would further expand affordable housing options for the city's very low and low-income residents without exacerbating the concentration of poverty.

Minimize displacement. To minimize displacement and housing hardship in revitalizing neighborhoods, the city needs to target a specific set of interventions to transitional and emerging neighborhoods, in order to moderate market pressures and preserve affordable housing. In addition, existing residents of gentrifying neighborhoods need protection and direct assistance so they can remain

in their communities and share the benefits of revitalization. Therefore, in transitional and emerging neighborhoods, the city should

- link low-cost rehab financing (that imposes reasonable affordability requirements) with aggressive housing code enforcement so seriously deteriorated properties can be improved while continuing to serve very low, low-, and moderate-income residents.
- provide financing assistance (low-interest loans and down payment assistance) to help low- and moderate-income households buy homes.
- help low- and moderate-income renters living in these neighborhoods exercise their rights to purchase units being sold or redeveloped with low-cost loans, down payment assistance, and technical assistance.
- target Section 8 vouchers so very low and low-income households have access to moderately priced rental units. This means providing both effective outreach to landlords and housing search assistance to voucher recipients. In addition, all rental developments that receive city subsidies should be required to accept at least some voucher recipients, and this requirement should be enforced through a regular system of referrals.
- provide tax relief to low- and moderate-income homeowners in these neighborhoods so they can retain their homes, even as values and property tax obligations increase.
- provide effective and compassionate relocation assistance and housing search counseling to families and individuals that have to leave their units, so they can obtain new housing in neighborhoods that meet their needs.

Catalyze neighborhood renewal. As the city works to moderate market pressures in transitional and emerging neighborhoods, it needs to catalyze greater housing investment in weaker areas. But it should avoid further concentrating subsidized housing. Instead, by coordinating housing

policy with crime prevention, school improvements, and retail development, the city can attract new residents of all income levels to underinvested neighborhoods. Specifically, in emerging and distressed neighborhoods, the city should

- strengthen non-housing conditions, especially schools, public services, and safety. Because schools constitute a particularly daunting challenge, it may be necessary to target one or two neighborhoods for intensive reinvestment in *both* housing *and* schools to attract moderate- and middle-income families with children.
- expand and improve retail services, particularly restaurants, grocery stores, and businesses serving day-to-day needs.
- gain control of vacant and abandoned properties, transferring ownership to allow for prompt redevelopment and occupancy.
- link low-cost rehab financing (that imposes reasonable affordability requirements) with aggressive housing code enforcement so seriously deteriorated properties can be improved while continuing to serve very low, low-, and moderate-income residents.
- offer financing incentives to attract moderate- and middle-income homebuyers to the neighborhood. To be effective, these incentives would have to make it *more* financially attractive for a moderate- or middle-income household to buy a home in an emerging neighborhood than in a stable or transitional neighborhood.
- link current residents to high-quality jobs so they can increase their incomes and economic security.

These policies include non-housing interventions, which are critical to the effectiveness of housing policy. To revitalize emerging and distressed neighborhoods, the city needs to coordinate a range of policy and programmatic actions targeted to the particular needs and assets of each community. Regardless of the attractiveness of the housing stock, people with options will not move

into an emerging or distressed community unless they can see real potential for improvements in non-housing conditions.

Nurture neighborhood diversity.

Part of what makes the District attractive to both existing residents and newcomers is its tremendous diversity. Many initiatives outlined here would encourage greater income mixing by expanding the range of housing types and affordability levels in every type of community. But sustaining economic, racial, and ethnic diversity at the neighborhood level takes conscious effort, and ensuring the availability of affordable housing for different income levels is only part of the solution. Combating racial and ethnic discrimination in the housing market remains a significant challenge.⁵ And community building efforts, which help create lines of communication and collaboration among neighbors, can help overcome distrust and misunderstanding in diverse communities. In stable communities, many of which are currently inaccessible for lower-income and minority households, the city should

- aggressively enforce fair housing protections, including local prohibitions against discrimination based on source of income. This means dedicating more staff and financial resources to ensuring that housing providers know the law and the penalties for violating it.
- promote the use and acceptance of Section 8 vouchers so voucher recipients can gain access to reasonably priced rental housing city-wide.
- subsidize the preservation of any existing low-cost housing units that may be threatened by expiring subsidies or impending redevelopment.
- ensure that any new housing developed around Metro stations and on large underused sites includes at least some affordable units.

To promote and sustain diversity in transitional and emerging neighborhoods, the city should

- aggressively enforce fair housing protections.
- support community building activities that celebrate diversity and help residents from different backgrounds resolve conflicts.

In distressed neighborhoods, the city should

- support resident organizations and community self-help activities.
- deliver effective job training and retention programs to help residents earn more.

Priority Next Steps

The D.C. government possesses many of the regulatory and programmatic tools it needs, and is already using them to expand the housing stock, preserve and produce more affordable units, and revitalize neighborhoods. Limited resources—both from the federal government and from the city’s own funds—impose the most severe constraint on what can be accomplished. Because resources are so tight, it is particularly challenging to ensure that a reasonable share of subsidy resources goes to households with the greatest needs. Thus, over the medium to long term, the city should attempt to expand resources available for affordable housing as it builds a citywide consensus about a housing strategy and the best way to allocate limited resources—among neighborhoods, and across different income categories and household types. But, in addition, the city may lack the administrative capacity to effectively implement some dimensions of the strategy outlined here, and needs to invest over the long term in staff development, information systems, and management tools.

Within this longer-term framework, four tasks deserve priority action. The District should

1. enact an inclusionary zoning ordinance;
2. target highly coordinated housing and non-housing initiatives in a small number of “demonstration” neighborhoods;

3. strengthen administration of the Section 8 Housing Choice Voucher Program to make it a national model; and
4. assume a regional leadership role on affordable housing issues.

All these action areas clearly require more in-depth analysis and debate, but the rationale for focusing attention on each is presented here.

Inclusionary zoning. The recent surge in housing demand in the District of Columbia and the consequent production boom creates an opportunity for the city to expand the stock of moderate-cost housing in conjunction with higher-end, market-driven development. Inclusionary zoning ordinances can take various forms, but essentially require new housing development projects (and possibly substantial rehabilitation projects) to include some predetermined share of moderately priced units. In a hot market environment like D.C.’s, these requirements can add substantially to the affordable housing stock. Enacting inclusionary zoning in D.C. has been quite widely discussed, and specific proposals are under development.⁶ Reaching a consensus about a fair and effective approach should be a high priority for the city’s housing policy leadership in the months ahead. And once an inclusionary zoning ordinance has been adopted, implementing it promptly and effectively should also receive priority attention and sufficient staff and financial resources. In addition, the District could consider a commercial linkage policy under which developers of large commercial properties would be charged a fee, on a per square foot basis, that would be used to address the housing pressures created by commercial development.

Demonstration neighborhoods.

Given scarce resources, the city cannot possibly hope to tackle all its housing and neighborhood revitalization challenges simultaneously. Indeed, the mayor has indicated that his administration plans to target selected neighborhoods for coordinated reinvestment activities, in order to have a visible impact. This approach clearly makes sense, and

could be taken further. The city could select as few as two or three “demonstration” neighborhoods, and work in collaboration with nonprofit, philanthropic, advocacy, and private-sector stakeholders to link housing and non-housing interventions in order to achieve measurable benefits for existing residents as well as newcomers. At least one such neighborhood should focus on the link between housing and schools, developing rental and homeowner housing at various affordability levels suitable for families with children while upgrading the schools these children will attend. Other neighborhoods may be better suited for demonstration projects that link housing development with improvements in safety or parks and public spaces.

Housing voucher program.

Although the federal government’s commitment to addressing low-income housing needs seems to be at a low ebb, the Section 8 Housing Choice Voucher Program can be an extremely effective tool for pursuing local housing goals. Vouchers do more than enable very low income families and individuals to afford decent housing in the private rental stock. They can help families move from areas of high poverty and distress to healthy neighborhoods, assist families displaced (either temporarily or permanently) by redevelopment projects, and enable even the poorest households to afford to live in units that receive city development subsidies. If used effectively, vouchers can complement the city’s investments in moderately priced rental housing; assist households with very low incomes; and contribute to housing preservation, income mixing, and poverty deconcentration.

But vouchers cannot live up to this potential if landlords in healthy neighborhoods are unwilling to accept them, if the families who receive them cannot find qualifying units in neighborhoods where they want to live, or if owners of city-subsidized rental properties do not routinely serve at least some voucher holders. Anecdotal evidence suggests that administration of the District’s housing voucher program is not as

strong as it can and should be. In recent years, experience in cities around the country has shown that the combination of improvements in program management, aggressive landlord outreach, and hands-on search assistance for families can make a real difference.⁷ Building on this experience, the District’s voucher program should be substantially strengthened so landlords and participating households receive prompt, courteous, and effective service; landlords throughout the city feel a willingness and responsibility to accept voucher recipients; city-assisted rental properties automatically serve at least some voucher holders; and households that receive vouchers get hands-on assistance and support in finding the right unit in the right neighborhood. If the city and the housing authority made a real commitment to making the District’s voucher program a national model, it might be possible to obtain supplemental vouchers from the federal government and mobilize support from major foundations to help pay for enhanced services.

Regional leadership. The fundamental demographic and economic forces shaping the District’s housing market are regional, and the District government alone can neither control them nor fully solve the challenges they create for very low, low-, and moderate-income households. In recent years, D.C. has become among the region’s most active jurisdictions in addressing its affordable housing needs. But as the region’s economy continues to expand, all its component jurisdictions need to pitch in to ensure that more housing is available at a full range of rents and prices. The D.C. government can and should assume a leadership role in the development of a regional affordable housing strategy, encouraging other jurisdictions to join in creating or expanding initiatives to make decent housing available and affordable for families and individuals at every income level.

Notes

1. HUD defines four income eligibility categories based on the regional median income. As of 2000, these categories for the

Washington area were defined as follows: extremely low income (less than 30 percent of median)—\$24,800; very low income (less than 50 percent of median)—\$41,400; low-income (less than 80 percent of median) \$66,200; and moderate-income (less than 120 percent of area median)—\$99,400. Throughout this brief, references to very low income include both extremely low and very low income households.

2. The analysis presented here draws upon annual analyses of housing market conditions and trends in the Washington region conducted by the Urban Institute and sponsored by the Fannie Mae Foundation. See Margery Austin Turner et al., *Housing in the Nation’s Capital: 2003* (Washington, DC: Fannie Mae Foundation, 2003).
3. See Alice Rivlin, *Revitalizing Washington’s Neighborhoods: A Vision Takes Shape* (Washington, DC: The Brookings Institution, 2003).
4. For an analysis of how the District’s rent control program affects both affordability and availability, see Margery Austin Turner, *Housing Market Impacts of Rent Control: The Washington, D.C. Experience* (Washington, DC: The Urban Institute, 1990).
5. The most recent national paired-testing study of discrimination in urban housing markets finds that African Americans, Hispanics, and Asians all face significant levels of discrimination when they search for both rental and homeowner housing. See Margery Austin Turner et al., *Discrimination in Metropolitan Housing Markets: Phase I* (Washington, DC: U.S. Department of Housing and Urban Development, 2002).
6. For a thorough assessment of how inclusionary zoning applies to current D.C. market conditions, see Radhika K. Fox and Kalima Rose, *Expanding Housing Opportunity in Washington, DC: The Case for Inclusionary Zoning* (Oakland, CA: PolicyLink, 2003).
7. See Margery Austin Turner and Kale Williams, *Housing Mobility: Realizing the Promise* (Washington, DC: The Urban Institute, 1998).

About the Author



Margery Austin Turner is the director of the Urban Institute’s Metropolitan Housing and Communities Center and a nationally recognized

expert on urban policy and neighborhood issues. Much of her current work focuses on the Washington metropolitan area, investigating conditions and trends in neighborhoods across the region.

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