

## DCAR 2025 REALTOR® Advocacy Day

We are the Premier Voice of Real Estate. DCAR is our state association of REALTORS®. Our mission is to advocate, protect, and promote the interests of our approximately 3,000 members and their clients, who live in every ward of the District. Through our advocacy, we represent real estate professionals, small housing providers, homeowners, and renters.

REALTORS® are working with District residents every day as they make some of the largest decisions of their lives. Through our work, we are seeing the impact of recent federal and local policy changes and the broader housing crisis in our city. We are in an unprecedented situation, facing large-scale job losses, falling private-sector housing investment, and reduced local spending. During these uncertain times, we must ensure our residents have a viable path to homeownership, maintain competitive tax policy, and reevaluate laws and regulations that reduce the availability and affordability of housing. We are committed to partnering with the DC Council to achieve these shared goals.

## **Opening the Door to Homeownership**

Prioritizing District government investment in pathways to homeownership has been paramount to maintaining the stability of our communities. These investments pay dividends for decades, as it reduces displacement and bolsters the unique characteristics of our neighborhoods that make them desirable.

- Home Purchase Assistance Program (HPAP)
  - o In Fiscal Year 2025, the Mayor and the Council invested \$31.2 million in HPAP, a \$5 million increase from the prior year, but still more \$30 million below the Fiscal Year 2023 budget.
  - This investment led to homeownership for 283 District families last fiscal year and has already helped more than 157 District families so far this year.
  - The Council should maintain our investment in HPAP, while ensuring that staffing and oversight are in place to avoid the challenges faced by the program last year.
- Employer-Assisted Housing Program (EAHP)
  - o In Fiscal Year 2025, the Mayor and the Council invested \$5 million in EAHP, a \$1 million decline from the prior year.
  - This investment helped 81 District employees and their families purchase a home last fiscal year and has already helped more than 64 District families attain homeownership this fiscal year.
  - Councilmembers McDuffie and Nadeau have proposed legislation to expand home ownership assistance for first responders and transit workers.
  - The Council should sustain the existing investment in EAHP, while also funding the legislatively proposed expansions to better support homeownership for transit workers and first responders.
- Single Family Residential Rehabilitation Program (SFRRP)
  - In Fiscal Year 2025, the Mayor and the Council maintained our \$2 million annual investment in the Single-Family Rehabilitation Program.

- This funding has supported 134 rehabilitation projects in Fiscal Year 2024 and Fiscal Year 2025, which predominantly assisted African American residents with incomes under \$70,000 a year to keep their housing.
- The Council should continue its support for SFRRP to combat displacement.

## Fighting Displacement and Maintaining a Competitive Housing Market

The District is in constant competition with Maryland and Virginia every time a family is looking to purchase a home. As REALTORS®, we see families nearly every day who choose to leave the District because of the cost of purchasing a home and living in our city. In addition to losing those families, we see many long-term District residents who may not have high incomes but are struggling to maintain their family homes in our city, particularly as they age. Increases in property and transfer taxes would make the District less competitive for new residents and make it harder for families to maintain the homes they already have.

- Property Tax
  - The Council should maintain our competitive residential property tax rate at \$0.85 per \$100 and not reduce the homestead deduction during this period of economic instability and job loss.
  - The Council should invest the small amount necessary to fund Councilmember Nadeau's Spousal Homestead Exemption Amendment Act to allow surviving families of disabled veterans to keep their homes.
- Deed Recordation and Transfer Taxes
  - o The Council should not increase the Deed Recordation and Transfer Tax rates.

## **Solving the Housing Crisis**

The Mayor and the Council have recognized that our housing market is in crisis. Investment in new housing has precipitously declined and housing providers across the District are struggling to maintain their housing due to rising costs and falling revenues. In large part, this is because the District is facing the highest rent delinquencies in the nation due in large part to a slow and broken eviction process. Our competitiveness also suffers from housing policies that make buying and selling housing slow or impossible. All these issues have the biggest impact on our smallest housing providers, particularly those providing naturally affordable housing. Simply put, without quick and substantial reform, the quality, safety, and availability of housing in the District will rapidly decline.

- Eviction Reform
  - O Councilmember Frumin has worked with DCAR and other housing providers on a series of amendments to the Emergency Rental Assistance Reform Amendment Act, which will ensure the program works as intended for those who need it, without worsening our rent delinquency crisis or placing unnecessary burdens on housing providers.
  - In addition, both the Mayor and Chairman Mendelson have proposed comprehensive eviction reform intended to ensure that dangerous tenants can be removed from properties, housing providers to more quickly return housing to rent-paying tenants, and to avoid the dismissal of cases for minor technical violations.
  - o Finally, Councilmember Robert White has proposed potential reforms to address the impact of the lack of judges on the Superior Court on the eviction process.
  - The Council should support immediate reform of both ERAP and our eviction process with the goal of reducing rent delinquencies and ensuring housing providers can maintain safe, affordable housing.
- Tenant Opportunity to Purchase Act (TOPA)
  - The Mayor and Councilmembers Nadeau and Robert White have all proposed to modernize TOPA. Their proposed reforms reflect that the program is not working well for tenants, housing providers, or the housing market because TOPA is discouraging housing investment and the participation in the rental market of smaller housing providers.
  - The Council should advance the modernization of TOPA to allow a reasonable path to buying and selling residential properties quickly and to protect our smallest housing providers from unnecessary burdens under TOPA.