

HSG: Stabilizing the District's Affordable Housing

District of Columbia Housing Finance Agency
Special Achievement: COVID-19 Response

HFA Staff Contact

Yolanda McCutchen
ymccutchen@dchfa.org

DCHFA INNOVATES

In late November of 2020, DCHFA's Portfolio and Asset Management (PAM) group was tasked with distributing \$10.4 million of Housing Stabilization funds to the housing providers of Washington, D.C. The deadline date to issue the entirety of these funds was December 31, 2020. *The Agency faced what seemed an insurmountable challenge – to disburse nearly \$10 million made available by the Cares Act in the last three weeks of the tumultuous 2020 calendar year. Much was learned.*

ADDRESSING RESIDENTS' NEED FOR STABLE HOUSING

[Housing Stabilization Grants](#) (HSG) provided rent relief directly to landlords in Washington, D.C. The District contributed 80 percent of the relief, so long as the housing provider was willing to forgive the other 20 percent of rent. Though there are other rent relief programs available directly to tenants, they do not always have the access or resources to apply for these programs. Allowing housing providers to apply for assistance for their properties as a whole not only relieved the burden for many tenants, but also ensured landlords would have the funds to keep their properties in quality, suitable living condition.

DCHFA staff quickly gathered to determine the most effective and efficient way to distribute these funds. We determined the teams involved would be Legal, Finance, Portfolio and Asset Management (Property Management Group) and Public Relations (PR). Identifying what documentation was required to determine eligible recipients and funding amounts was critical to the process.

Senior management determined that:

- [Legal](#) would create the HSG Agreement with necessary language to safeguard the agency
- [PAM Group](#) would provide due diligence of reviewing submitted documentation from sister agency and property management partners.
- [Finance](#) would disburse funds at the appropriate time.
- [PR](#) would create a landing page on the agency's website about HSG to inform rental property owners about the program's terms, deadline and application process. In addition, the PR team used the agency's social media channels (Facebook, Instagram, LinkedIn and Twitter) to announce the program with an emphasis on LinkedIn outreach where the majority of stakeholders follow DCHFA.

RESULTS

To achieve the intended results, agency staff proceeded to the next step of the newly designed process. Using IT to expedite the process, staff created a DCHFA Housing Stabilization email portal for submission of the items listed below.

- Rent roll to cover Covid-19 Delinquency (March 2020 - November 2020),
- Rent Delinquency Report for (April 2020 - November 2020),
- Complete Delinquency Template (download from Agency website),
- Basic Business License,
- Clean Hands Certification,
- Property Insurance Certificate,
- Property Information: Property Name, Total Units/Unit Bedroom Sizes, Area Median Income ("AMI") Levels, Vacancy (Physical/Economic),
- Rental Income Property shown on 2019 Taxes (Federal and the District of Columbia),

District of Columbia Housing Finance Agency
HSG: Stabilizing the District's Affordable Housing
Special Achievement: COVID-19

- Resident Identifiers: Resident Name, Household Size, Address, Outstanding Balance, Local Rent Supplement Program ("LRSP"), Housing Choice Voucher and or COVID-19 Subsidy,
- Self-Certification that Grantee does NOT have any outstanding District of Columbia
- Department of Consumer and Regulatory Affairs ("DCRA") enforcements,
- Submission of all outstanding compliance items (i.e. registration in Agency Portal, submission of monthly, quarterly and year ending reporting),
- Attestation/Certification that documentation submitted for the Grant Award is true and correct. Any false statements may result in revocation of the Grant Award and reversion of funds to the Grantor, and W9

The PAM group performed a review of DCHFA HSG delinquent report, certificates, property delinquency reports, rent rolls, and other submitted items to determine eligible tenants and amounts to disburse to property management companies. Once calculated, PAM provided DCHFA's legal department with information for creation of a Housing Stabilization Grant agreement.

The agreement was then provided to the property management/borrower entity for execution. Once reviewed and executed, the agreement was returned through the HSG email portal, along with verified banking ACH and account information. A member from PAM then created an internal clearance form to be signed by persons from PAM, Legal, Finance, and Sr. Management for disbursement of funds. The DCHFA finance team efficiently conducted a final review of banking information provided, to ensure correct funding. Finance also maintained a tracking system of all disbursements and receiving entities.

BENEFITS OF HSG

As part of the Housing Stabilization Grant agreement, our property management partners agreed to provide close out information to ensure funds were distributed to eligible tenants. Requirements below:

- Report date of submission.
- Organization name and contact information (full address, including mailing address if different, telephone number, email and website, the name and contact information of the current CEO or executive (if different) and contact person for this report).
- EIN and/or federal tax-exempt number (if applicable).
- Signature of authorizing official.
- Spreadsheet that quantifies the dollar amount of the Grant Award and how Grant Award was applied to each delinquent resident account including, receipts, invoices, bank statements, copy of the front and back of check payments and any other supporting financial documentation.
- Statement that delinquent resident accounts are now current.
- Updated rent rolls, delinquency reports, and resident ledgers as well as monthly, quarterly and year ending reports.
- Current balance sheet for the property.

Closeout reports were due to the Housing Stabilization Grant email inbox no later than January 4, 2021. Upon receiving close out documents, DCHFA performed a review of submitted documents, then stored them in the new HSG portal. Because the agency was able to avert a larger housing crisis for residents in the District of Columbia, the benefits realized far outweigh the costs to the agency.

LESSONS LEARNED

The first lesson: An agency's ability to respond to a "Black Swan" like the COVID-19 pandemic or any emergency is proportionate to the capability of its technology and human capital. When the former is limited, the latter must accommodate the deficiency. Although difficult, multiple departments across the agency worked collaboratively to collect and process over 150 applications requesting more than \$9 million. In total, this effort supported over 30,000 units, which represents both individuals and families in need. Second: The power of an external facing portal is invaluable. A portal that allows partners to securely submit information to an agency is vital and warrants a sufficient investment. A flexible portal could have permitted the agency to customize a workflow to accommodate the anticipated application influx and track both the agency's progress and the social impact of every dollar disbursed.

Third: The reasoning that a customer facing portal is impractical in the face of competing objectives and finite resources collapses on itself, given a process managed by a portal can be replicated to serve different initiatives. Ultimately, a portal enhances an Agency's ability to convert a mission-crippling crisis into an opportunity to realize the agency's mission despite an ever-changing environment.

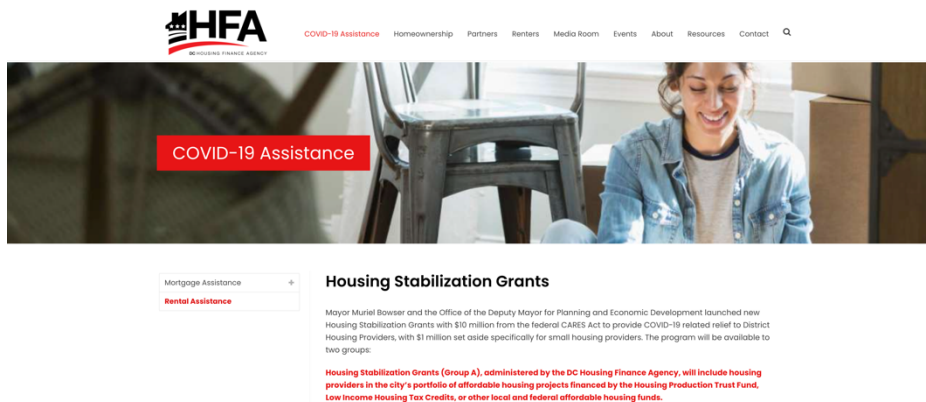
VISUAL AIDS & SUPPORTING MATERIALS

Media Coverage:

- [Mayor Bowser Announces \\$10 Million in Housing Stabilization Grants](#)
- [DC Tosses Smaller, Affordable Housing Providers a Lifeline With \\$10M in Grants](#)
- [New Rent Relief Program Will Give Grants Directly To D.C. Landlords](#)
- [Bowser Earmarks \\$10M for Housing Stabilization Grants](#)
- [DC Rolls Out Grant Program To Help Those Impacted By Coronavirus](#)
- [DC uses remaining CARES Act funds to help some landlords cancel back rent](#)
- [D.C. To Provide \\$10M In Grants For Apartment Landlords To Forgive Unpaid Rent](#)
- [DC Announces \\$10 Million Affordable Housing Rent Relief Program](#)
- [D.C. will give out \\$10 million in grants to help some landlords forgive back rent](#)
- [D.C. Deploys \\$13M In Rental Assistance, Allows Landlords To Apply For Additional Funds](#)



DCHFA Executive Director/CEO, Christopher E. Donald participated in a [tele-town hall](#) to announce the Housing Stabilization Grants program.



District of Columbia Housing Finance Agency
HSG: Stabilizing the District's Affordable Housing
Special Achievement: COVID-19



Photos from the tele-town hall

L2R: DHCD Director Polly Donaldson, Deputy Mayor for Planning & Economic Development John Falcicchio, DCHFA Executive Director/CEO Christopher E. Donald

 DC Housing Finance Agency (DCHFA) #StayHomeDC @DCHFA

Tune in today at 4 p.m. to learn about Housing Stabilization Grants administered by #DCHFA and @DCDHCD.
RSVP here: eventbrite.com/e/recovery-wee...

RECOVERY WEEKLY CHECK-IN WITH DMPED

Join us to learn about COVID-19 relief resources for local landlords and tenants.

FEATURING UPDATES FROM:
John Falcicchio, Deputy Mayor, DMPED
Polly Donaldson, Director, DC Department of Housing and Community Development, DHCD
Laura Zeilinger, Director, Department of Human Services, DHS
Christopher Donald, Interim Executive Director, DC Housing Finance Agency, DCHFA

SPECIAL GUEST
Artie L. Harris, Vice President of Real Estate, Montgomery Housing Partnership

Plus hear the experiences of DC renters who received renters assistance!


Tuesday, December 1 at 4:00 PM ET
You can view the presentation on Mayor Bowser's social media accounts or at mayor.dc.gov/live

RSVP
bit.ly/DERTCall1201

coronavirus.dc.gov/recovery

  MURIEL BOWSER, MAYOR

12:20 PM · Dec 1, 2020 · Hootsuite Inc.

 John J. Falcicchio @falcicchio

We miss Todd Lee every day and try to improve the lives of our residents like he did and would want us to do. To emulate Todd, we work harder to deliver on #36000by2025 & our pivots like the Housing Stabilization Grants

Glad @DCHFA made this moving video to honor the Lee Legacy



345 views 0:03 / 2:20