**Testimony of Mychal Cohen, Senior Housing Policy Analyst**
**B26-0597, "Housing Production Omnibus Amendment Act of 2026"**
**Committee on Housing, DC Council**
**October 19, 2026**

Chairman White and members of the Committee, thank you for the opportunity to testify. My name is Mychal Cohen, and I am a Senior Policy Analyst at the DC Fiscal Policy Institute (DCFPI) and a member of the Housing Action Coalition (HAC). DCFPI is a non-profit organization that shapes racially-just tax, budget, and policy decisions by centering Black and brown communities in our research and analysis, community partnerships, and advocacy efforts to advance an antiracist, equitable future. The HAC is a coalition of residents, organizers, advocates, and community leaders to build a radically just and inclusive housing system where housing security is accessible to everyone.

I am testifying today in support of the "Housing Production Omnibus Amendment Act of 2026" ("Production Omnibus"). The bill would modernize the Housing Production Trust Fund (HPTF), create new financing options for affordable housing, and expand the District's toolbox for leveraging public land for public good.[1]

My testimony will make the case for preservation as a key affordable housing strategy, explain why the HPTF is a boost to preservation efforts, emphasize the importance of investing in deeply affordable housing, and offer evidence in support of the Production Omnibus' provisions supporting community and public ownership of affordable buildings. I will also offer recommendations to strengthen the potential impact of the bill.

## The Production Omnibus Will Make Preserving Affordable Housing Easier and More Transparent

DCFPI has long called for a preservation set-aside within the HPTF that would prioritize affordable housing preservation as a cost-efficient and effective tool to fight displacement.[2,3] The Production Omnibus would create programs within the Trust Fund to focus on different aspects of affordable housing production:

- Housing Production Program: to attract and leverage investment to build new housing;
- Affordable Housing Subsidy Program: to finance and support operations of deeply affordable units and Permanent Supportive Housing;
- Preservation Program: to preserve and expand the existing stock of affordable housing;
- Tenant Purchase Support Program: to help tenants purchase and preserve their buildings under the "Tenant Opportunity to Purchase Act (TOPA);" and
- District Acquisition Program: to enable strategic use of public land for housing development.[4]

Under the proposed bill, the mayor would be required to propose a distribution of HPTF funds among the programs as part of the annual budget. The creation of these programs and a clear process for communicating the administration's priorities for HPTF will increase the predictability of HPTF funds.

While prescribed set-asides for each program were taken out of this version of the bill to allow for additional flexibility within the HPTF, having a program focused on preservation and an amount allocated for preservation each year should improve the likelihood that preservation projects are selected for funding. Preservation protects the District's previous investments in affordable housing, is generally less expensive than new production, and helps prevent displacement.[5]

The Preservation Program would also create a natural pipeline for the District's other key preservation funding, the Housing Preservation Fund (HPF). The HPF is a revolving loan fund for bridge (i.e. shorter-term) financing of affordable housing. Ideally, projects receive initial short-term financing from the HPF for site acquisition, pre-development, or other early costs, then transition to longer-term financing. This longer-term financing is usually a combination of public sources such as the HPTF and Low-Income Housing Tax Credit and private loans. This allows them to pay off their initial HPF loans, allowing those HPF funds to support the next project in the pipeline. Recently, developers that have received HPF financing have struggled to secure longer-term financing. The Production Omnibus includes a priority for projects that received bridge financing from the HPF. Prioritizing these projects ensures the HPF remains a viable pipeline for preservation projects, keeps these projects out of untenable financial situations, and helps improve living conditions throughout the District.

The Production Omnibus makes improvements related to preservation but only retains the HPTF minimum affordability period of 40 years. The Council could improve preservation efforts by requiring a longer affordability period. While projects would still need additional investment over time to retain affordability, longer covenants help prevent units from losing their affordability restrictions and becoming more expensive in the future.

## The Production Omnibus Would Create New Ways to Finance Affordable Housing

Capital flight and a lack of new permitting and construction of multifamily housing are negatively affecting DC's housing system.[6] Though the Council has taken several steps to reassure capital markets, including narrowing TOPA, shortening eviction timelines, and restricting access and funding for emergency rental assistance, capital investors have remained hesitant to reinvest in the District.[7,8]

Despite the slowdown in capital and newly constructed affordable housing, the need remains great. While rents at the high end of the market are starting to stabilize or fall, this has not yet yielded relief for the most vulnerable households.[9] For households making less than 30 percent of area median income (AMI), which is $49,150 for a family of four, there are very few housing options available, given high market rents, lack of investment in new vouchers, and the closed waitlist for federal tenant housing vouchers.[10] DC has historically struggled to build housing affordable to households making under 30 percent of AMI. If a household is making the minimum wage, it would require an 84-hour work week in order to afford a market rate one-bedroom.[11] For every 100 households at this income level, there are only 37 units available (compared to 64 units at 50 percent and 105 units at the median income).[12]

The District should take a larger role in jumpstarting investment into affordable housing through the budget. However, the fiscal year (FY) 2028 budget includes a large spending gap, and the Council has been hesitant to raise much needed revenue.[13] Creative means of funding DC's much needed affordable housing are necessary. The Production Omnibus bill does this through a provision that would allow DC's Retirement Fund Board to develop rules and procedures for investing in multifamily housing.

This would be the first step in unlocking potential capital infusion into DC's affordable housing system from a multi-billion dollar fund. This would allow DC to follow a growing trend of retirement funds investing capital in affordable housing. Pension funds in both California and New York have recently invested heavily into affordable housing.[14,15] Importantly, lessons learned from pension fund investment in affordable housing has emphasized that a focus on building conditions and resident satisfaction helps lower the risk level of the investment.[16] This means that improving resident experience is not only a moral imperative but also a financial one. Additional steps to stabilize renters with low incomes will also help stabilize developers, landlords, and the housing system overall.

## The Production Omnibus Would Pave the Way for Publicly Owned Land and Affordable Housing

At several points in the District's history, waves of land speculation and resulting gentrification have displaced long-term residents.[17] One of the most underused means of ensuring displacement does not occur as land value rises (along with resulting increases in rents and home prices), is for the District to ensure permanently affordable housing is constructed on publicly owned land. The Production Omnibus creates a District Acquisition Program, which the District could use to acquire land for the purpose of preservation and creation of affordable housing. This program would create a funding source for the District Opportunity to Purchase Act (DOPA), which has never been used, but could be a significant preservation tool. DOPA allows the District to purchase a for-sale affordable building, similarly to how TOPA works for tenants. This would allow the District to preserve buildings as affordable, even if the tenants are unable to use exercise their TOPA rights.

The Production Omnibus includes additional tools for innovative strategies to create and preserve affordable housing that would be publicly owned. The bill creates the Land Purchase Partnership Program, which would allow the District to purchase land that currently has or has planned affordable housing. This program would allow the District to retain ownership of publicly owned land while a partner develops and operates affordable housing on that land. Importantly, the current version of the bill calls for the affordability covenant to be in perpetuity, ensuring that the housing built on the land remains affordable.

---

[1] "Housing Production Omnibus Amendment Act of 2026," B26-0597, Introduced on February 18, 2026.
[2] Eliana Golding, "A Holistic and Reparative Agenda for Ending Displacement in DC," DC Fiscal Policy Institute, November 15, 2023.
[3] Mychal Cohen, "DC Council Can Expand Affordable Housing and Spur Investment Without Gutting Tenant Rights," DC Fiscal Policy Institute, April 14, 2025.
[4] "Housing Production Omnibus Amendment Act of 2026," B26-0597, Introduced on February 18, 2026.
[5] The National Housing Trust. "The Role of Rehabilitation in Housing Preservation," June 12, 2025.
[6] National Housing Trust. "At a Breaking Point: The Realities of Delivering Affordable Rental Housing in the District." May 2026.
[7] Mychal Cohen, "DC Council Can Expand Affordable Housing and Spur Investment Without Gutting Tenant Rights." DC Fiscal Policy Institute, April 14, 2025.
[8] Mychal Cohen, "ERAP Should Be a Critical Part of The District's Response to Housing Instability." DC Fiscal Policy Institute, May 11, 2026.
[9] Office of the Budget Director, "District of Columbia Economic Snapshot (September)," Accessed September 22, 2026.
[10] Department of Housing and Community Development, "Inclusionary Zoning Program 2026 Maximum Income, Rent and Purchase Price Schedule," Accessed March 26, 2026.

[11] National Low Income Housing Coalition, "Out of Reach," Accessed September 30, 2026
[12] National Low Income Housing Coalition, "The Gap," Accessed September 22, 2026
[13] Erica Williams, "DC Lawmakers Must Address Inadequate Revenue Growth Given Changes to the Economy." DC Fiscal Policy Institute, October 8, 2026.
[14] Office of the New York City Comptroller. "NYC Comptroller Mark Levine Launches the NYC Housing Investment Initiative, A $4 Billion Commitment to Finance Housing Across Five Boroughs." April 16, 2026.
[15] Bob Simpson, "Why Institutional Capital is Moving into Affordable Housing." The Affordable Housing Handbook. June 2, 2026.
[16] Ibid.
[17] Peace Gwam and Mychal Cohen, "Combating the Legacy of Segregation in the Nation's Capital," Urban Institute, Accessed March 24, 2026.