

COUNCIL OF THE DISTRICT OF COLUMBIA

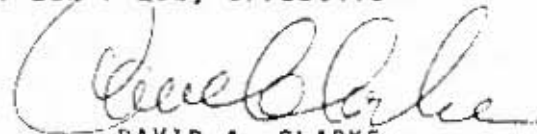
NOTICE

D.C. LAW 7-202

"Housing Production Trust Fund Act of 1988".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 7-264 on first and second readings November 29, 1988, and December 13, 1988, respectively. Following the signature of the Mayor on January 6, 1989, this legislation was assigned Act No. 7-273 published in the January 20, 1989, edition of the D.C. Register, (Vol. 36 page 444) and transmitted to Congress on January 23, 1989 for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 7-202, effective March 16, 1989.



DAVID A. CLARKE  
Chairman to the Council

Dates Counted During the 30-day Congressional Review Period:

January 24, 25, 26, 27, 30, 31  
February 1, 2, 3, 6, 7, 8, 9, 21, 22, 23, 24, 27, 28  
March 1, 2, 3, 6, 7, 8, 9, 10, 13, 14, 15

EFFECTIVE  
DATE MAR 16 1989

AN ACT

D.C. ACT 7 - 273

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JAN 06 1989

To establish a housing trust fund within the Department of Housing and Community Development to stimulate the production of housing for low- and moderate-income families and individuals, provide financial and technical assistance for housing developers, provide capitalization of the fund, and determine uses of the fund.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Housing Production Trust Fund Act of 1988".

Sec. 2. Definitions.

For the purposes of this act, the term:

- (1) "Department" means the Department of Housing and Community Development.
- (2) "District" means the District of Columbia.
- (3) "Child development facility" means a facility where a child development program is provided for infants and children, away from home, for less than 24 hours a day for each infant or child, and which is to be located on a proposed housing or commercial project under a linked development agreement. The term "child development facility" shall include a child development center, child development home, or infant care center, but does not include a public or private elementary school engaged in legally required education and related functions.
- (4) "Housing production" means the construction, rehabilitation, or preservation of decent, safe, and affordable housing.
- (5) "Fund" means the Housing Production Trust Fund established pursuant to section 3.
- (6) "Low-income" means a total income equal to less than 50% of the Standard Metropolitan Statistical Area median as certified by the Department.

(7) "Moderate-income" means a total income equal to between 50% and 80% of the standard Metropolitan Statistical Area median as certified by the Department.

(8) "Non-profit housing developer" means a housing developer who qualifies as a non-profit organization under section 501(c)(3) of the Internal Revenue Code of 1986, approved October 22, 1986 (68A Stat. 3; 26 U.S.C. 501(c)(3)).

(9) "Targeted population" means low- and moderate-income families and individuals, including the elderly, the disabled, and single-parent families.

(10) "WMATA" means Washington Metropolitan Area Transit Authority.

Sec. 3. Housing Production Trust Fund established.

(a) There is established the Housing Production Trust Fund as a permanent proprietary revolving fund of identifiable, renewable, and segregated capital, which shall be administered by the Department to provide assistance in housing production for targeted populations.

(b) The Fund shall be used to provide:

(1) Pre-development loans for non-profit housing developers;

(2) Grants for architectural designs for adaptive re-use of previously non-residential structures;

(3) Loans to develop housing and provide housing services for low- and moderate-income elderly persons who have special needs;

(4) Bridge loans and gap financing to reduce up-front costs and costs of residential development and to keep a housing project in operation, if circumstances change adversely during development;

(5) Loans for first-effort model projects;

(6) Financing for the construction of new housing, or rehabilitation or preservation of existing housing;

(7) Financing for site acquisition, construction loan guarantees, collateral, or operating capital;

(8) Loans or grants to finance on-site child development facilities for proposed housing or commercial development projects; and

(9) Other loans for housing production determined by the Department to be consistent with the purposes of this act.

(c) There shall be deposited in the Fund:

(1) Fee option contributions made by commercial developers under a commercial linked development policy to be established by statute by the Council;

(2) Community development program contributions made pursuant to the District of Columbia Regional

New, Section  
45-1202

Interstate Banking Act of 1985 Amendment Act of 1985, effective April 1985 (D.C. Law 6-107; D.C. Code, sec. 26-801 et seq.), as determined by the Superintendent of Banking and Financial Institutions in consultation with the Department;

- (3) Appropriated amounts;
- (4) Grants, fees, donations, or gifts from public and private sources;
- (5) Repayments of principal and interest on loans provided from the Fund;
- (6) Proceeds realized from the liquidation of security interests held by the District under terms of assistance provided from the Fund;
- (7) Interest earned from the deposit or investment of monies from the Fund;
- (8) All revenues, receipts, and fees of whatever source derived from the operation of the Fund;
- (9) Lease payments from loans received under the Land Acquisitions for Housing Development Opportunities program; and
- (10) Any fee or portion of an application fee that the Zoning Commission, by rule, may require an applicant for a Planned Unit Development to pay when the applicant proposes a housing production option or fee option in connection with a Planned Unit Development application, to the extent that the Zoning Commission designates that the fee or portion of that fee shall be allocable to the Fund.

(11) Available Community Development Block Grants.

(d) The Department shall:

- (1) Periodically review Fund revenue sources to determine what additional revenue sources may be required to assure the continuation of the Fund and its programs and shall request Council action to access revenue sources otherwise unavailable to the Department;
- (2) File with the Chairperson of the Committee on Housing and Economic Development quarterly reports on activities and expenditures;
- (3) Conduct annual audits, publish annual reports, hold public hearings, and make annual assessments of the continued housing needs of targeted populations;
- (4) Monitor for compliance written agreements entered into by the Department and commercial developers pursuant to this act;
- (5) Provide outreach and housing production counseling and technical assistance to individuals or groups interested in producing housing for targeted populations as provided in section 4(b);
- (6) Encourage profit and non-profit developers to produce housing units of 3 or more bedrooms designed to



accommodate large families and to produce child development facilities + a housing development; and

(7) Give priority to non-profit housing developers for receipt of loans from the Fund; and

(8) Include in the rules promulgated pursuant to section 5 provisions to assure that housing units produced pursuant to this act shall be affordable on a continuing basis for targeted populations.

Sec. 4. Coordination of housing programs for targeted populations; community outreach.

Sec. Section  
00-1101

(a) The Department shall establish a one-stop center to:

(1) Assist non-profit housing developers;

(2) Assist housing developers and commercial developers in housing production for targeted populations; and

(3) Provide to potential housing developers easy and adequate access to information on housing production programs.

(b) There is established, within the Department, the Nehemiah Community Housing Opportunity Program ("Nehemiah Program"), a pilot project to provide grants, loans, and available land to eligible non-profit organizations in accordance with this section.

(1) Real property shall be transferred from the District of Columbia Redevelopment Land Agency ("RLA") to qualified non-profit organizations ("qualified Applicants") pursuant to subsection (c) of this section.

(2) To be eligible, a non-profit organization shall:

(A) Comply with the guidelines and procedures established by the Nehemiah Program;

(B) Be a neighborhood-based non-profit organization;

(C) Propose to construct or substantially rehabilitate not less than 50 single family homes located in a targeted area;

(D) Provide for the involvement of local residents in the planning and construction of homes;

(E) Provide for a systematic effort of door-to-door canvassing in the immediate area where the non-profit organization is located to offer Nehemiah Program houses to residents for homeownership;

(F) Accumulate or establish a plan to accumulate \$300,000 in non-District funds through membership fees, donations, or gifts;

(G) Propose construction methods that will reduce the cost per square foot below the average per square foot construction cost in the market area involved;

(4) Demonstrate market demand by utilizing the residents of the neighborhood in which the non-profit organization is located as homebuyers of Nehemiah Program homes;

(1) Develop a marketing plan that includes a range of affordable prices that includes a 20% set aside for low income purchasers; and

(J) Provide technical assistance to the homebuyer in the areas of financial management, legal rights attendant to homeownership, and other aspects of homeownership.

(3) The Department shall grant a qualified applicant the exclusive right to develop land specified in the development plan submitted by the applicant.

(4) A qualified applicant shall be eligible for a \$1,000,000 loan, partially funded through loans from the fund, at a below market rate set by the Department.

(5) Each single family home sold through the Nehemiah Program shall be sold to a person who:

(A) Is a first-time homebuyer or who has not owned a home in the previous 3 years;

(B) Will occupy the home as his or her principal place of residence for at least 5 years; and

(C) Agrees not to sell, convey, lease, or otherwise alienate the home, or place liens or encumbrances on the home, for a 5-year period commencing on the date of property settlement and ending on the 5th anniversary of the settlement date without the written approval of the Mayor. The Mayor, by rule, shall establish appropriate alienation fees to be assessed against a homeowner who alienates a home purchased pursuant to the Nehemiah Program in violation of this paragraph. Alienation fees shall not take priority over mortgage liens.

(6) Qualified purchasers of Nehemiah Program homes shall be eligible for up to \$25,000 in grants or loans, depending on the income of the purchaser and purchase price of the home;

(7) Grants shall be repaid to the Fund if the purchaser sells, conveys, leases, or otherwise alienates the home.

(c) The Department shall develop an annual community outreach plan, which shall promote maximum visibility of the fund and its operations and full participation by District, developers, lenders, and District residents who request assistance under this act.

#### Sec. 5. Rules.


Rules to implement this act shall be promulgated by the Mayor pursuant to title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (87 Stat. 1203; D.C. Code, sec. 1-1801 et seq.), and submitted

New Section  
47-2101

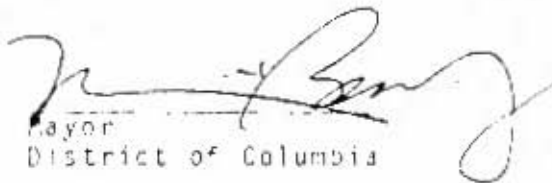
to the Council, within 95 days after the effective date of this act and for a 45-day review period, excluding Saturdays, Sundays, legal holidays, and days of Council recess. If the Council does not approve or disapprove the proposed rules, in whole or in part, within this 45-day review period, the proposed rules shall be deemed approved.

Sec. 6. Effective date.

This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)), and publication in either the District of Columbia Register, the District of Columbia Statutes-at-Large, or the District of Columbia Municipal Regulations.



Chairman  
Council of the District of Columbia



Mayor  
District of Columbia

APPROVED: January 5, 1989



COUNCIL OF THE DISTRICT OF COLUMBIA

Council Period Seven

RECORD OF OFFICIAL COUNCIL VOTE

Document No. 27-264

Item on Consent Calendar

X ACTION & DATE: Adopted First Reading, 11-29-88

X VOICE VOTE: Approved

Referred with no request

Absent: Rolark and Crawford

POLL CALL VOTE - RESULT

COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS SR				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH JR									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

*Rosemary Smith*  
Secretary to the Council

12-22-88  
Date

X Item on Consent Calendar

X ACTION & DATE: Adopted Final Reading, 12-13-88

X VOICE VOTE: Approved

Referred with no request

Absent: Wilson and Smith

POLL CALL VOTE - RESULT

COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS SR				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH JR									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

*Rosemary Smith*  
Secretary to the Council

12-22-88  
Date

Item on Consent Calendar

ACT ON & DATE

VOICE VOTE

Referred with no request

Absent

POLL CALL VOTE - RESULT

COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.	COUNCIL MEMBER	A YE	NAY	N.V.	A.B.
CHMN. CLARKE					NATHANSON					THOMAS SR				
CRAWFORD					RAY					WILSON				
JARVIS					ROLARK					WINTER				
KANE					SCHWARTZ									
MASON					SMITH JR									

X - Indicates Vote      A.B. - Absent      N.V. - Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date

27-264-111