

**Public Hearing on the Committee Print of the
Housing Production Omnibus Amendment Act of
2026, Bill 26-597**

**Before the
Committee on Housing
The Honorable Robert C. White, Jr., Chair
Council of the District of Columbia
Monday, October 19, 10:00 a.m.**



Comments from the Office of the Chief Financial Officer

**Glen Lee, Chief Financial Officer
Office of the Chief Financial Officer
Government of the District of Columbia**

The Office of the Chief Financial Officer (“OCFO”) is pleased to provide comments on the Committee Print of Bill 26-579, the “Housing Production Omnibus Amendment Act of 2026” (“Bill”).

These comments are provided by Kimberly Williams, Deputy Chief Financial Officer and Controller, Office of Finance Operations and Systems and Beth Spooner, Agency Fiscal Officer for the Department of Housing and Community Development. These comments and clarifications discussed below are needed for ease of administration and so the Bill can be implemented as intended. If you have any questions, please contact Patricia Gracyalny at Patricia.Gracyalny@dc.gov.

Please consider making this amendment to Section 102:

Section 102(4) ““Housing Production Trust Fund” or “Fund” means the ~~Housing Opportunity Fund~~ **Housing Production Trust Fund** as established in section 103, and all programs as established in section 104 and defined in Subtitle C.”

Section 103 states that the Housing Production Trust Fund (“Fund”) will “be administered by the Chief Financial Officer and made available for use by the Mayor.” It sounds as if many agencies may request monies from the Fund. If this is correct, this is a significant departure from the current management of the Fund and would require unique procedures in order to administer. Sections 103(e)(17) and 103(e)(18) describe conditions for the use of funds, not revenue sources. However, they appear under the revenue deposits/sources. We believe they should be relocated to make it clear.

Section 104(b) allows that the Fund “shall be used to pay reasonable costs of compliance monitoring and enforcement related to funding awards.” Would this include Department of Housing and Community Development’s (“DHCD”) in-house compliance/inspection staffing and loan servicing contract? The use of the Fund to address administrative costs should be clarified for ease of implementation.

Section 104(b) uses the term “sub-account.” Section 105 uses “program” and it appears to have the same meaning. Sub-account is also used in Section 106(b). If sub-account and program have the same meaning, please consider using “program” throughout the Bill. In the alternative, if it does not mean the same thing, we suggest including a definition of sub-account.

Section 106 could also benefit from clarification to ensure that the Bill is implemented as intended. For example, the use of “reallocation” is somewhat confusing. Current law establishes \$500,000 as the Council review threshold. Currently, reallocations, between services under a parent program, are exempt from Council review. However, the Bill would exempt reprogrammings between programs from Council review, and reprogrammings among these programs would almost always exceed \$500,000. Section 106(b) defines “restricted reprogramming,” as including a transfer “of the Fund to another budget category.” Does this mean out of the Fund or to another program altogether (e.g. a city-wide reprogramming)?

Section 107 requires the OCFO to select an external auditor to conduct an annual audit of the Fund. Currently, the Fund is part of the Annual Comprehensive Annual Report (“ACFR”) audit. Keeping the Fund as part of the ACFR helps ensure that the Fund is audited and stays in alignment with the ACFR numbers. Further, considering that the OCFO is traditionally completing the financial transactions and preparing the financial statements of the Fund, the OCFO should not also be in charge of selecting the external auditor. Note that the tracking and monitoring required by Section 131(d) will be performed by OFOS as part of the legislation transfers that are done at year end. Also, Section 107(c) requires the OCFO to commission reports on the Housing Production Trust Fund (“HPTF”) program. Is it the intent of this section to determine costs imposed on developers by delays caused by the District of Columbia government or the costs of every element built into project financing/budget assumptions?

Section 113(b) could create some administrability issues and the OCFO is happy to meet with you to discuss these potential issues.

A clarification of Section 116(b)(8) to remove the double negative could ensure that the administration complies with Council’s intent.

Section 117(b) requires the Mayor and the District of Columbia Housing Authority (“DCHA”) to provide quarterly reports to the Council and the OCFO. DCHA is also cited in Section 117(c)(2), Section 121(b)(1), Section 131(a), and Section 208. It is unclear what the role of DCHA has with reporting on the Fund. Given that Fund has been traditionally administered by DHCD, with financial oversight by OCFO, the reporting role of DCHA requires clarification. In addition, Section 117(b) will require both a contract modification to DHCD’s loan servicing contract and Section 17(c) will require additional FTEs to carry out the Bill’s mandate. Section 117(c)(1)(C) will make the OCFO part of the HPTF program, beyond the current role of financial oversight.

Please consider making this proposed amendment to Section 121:

Section 121(d) “The Mayor shall establish application criteria and scoring procedures for the ~~Production Fund~~ Housing Production Trust Fund with greater weight given to applications that:”

Is Section 122 intended to remove the Local Rent Supplement Program, Permanent Support Housing, and Long Term Subsidy Contract funding, currently budgeted in DHCD, the Department of Behavioral Health, the Department of Human Services, and DCHA and place it in the HPTF? In addition, please consider this proposed amendment to Section 122(1):

Section 122(1) “Shallow operating subsidy for units produced with support from the Housing Production Trust Fund to make such units available for very low income and extremely low-income household”

Does Single Family Rehabilitation qualify under Section 123(a)(1)(B)?

Section 131(h) would make conforming amendments to D.C. Official Code § 42-3509.10(d), however, this section of the D.C. Official Code has not been implemented and may be unadministrable.

The activity described in Section 132(a) represents activity currently performed by DHCD, with fractions of individual positions within DHCD that are in the HPTF program budget, not the DHCD budget. The OCFO is available to discuss how administrative costs of the Fund, both overhead/support and project delivery related costs are to be budgeted going forward.

Thank you for making the changes in Section 201(b), the Real Property Investment Policy for the District of Columbia Retirement Board. However, the language still introduces significant risk into pension financing and further revision should be considered.

Should the law referenced in Section 206(b) be the Housing Opportunity Fund Act of 2026, Housing Production Trust Fund Act of 2026, or the Housing Production Omnibus Amendment Act of 2026?

Thank you for the opportunity to comment on the “Housing Production Omnibus Amendment Act of 2026.”