

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. LAW 6-135

"Homestead Housing Preservation Act of 1986".

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. 6-168 on first and second readings, May 27, 1986 and June 10, 1986, respectively. Following the signature of the Mayor on June 13, 1986, this legislation was assigned Act No. 6-173, published in the June 27, 1986, edition of the D.C. Register, (Vol. 33 page 3771) and transmitted to Congress on June 16, 1986 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 6-135, effective August 9, 1986.



DAVID A. CLARKE  
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

June 16,17,18,19,20,23,24,25,26,27  
July 14,15,16,17,18,21,22,23,24,25,28,29,30,31  
August 1,4,5,6,7,8

EFFECTIVE DATE AUG 09 1986

AN ACT

D.C. ACT 6 - 173

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUN 13 1986

To establish a Homestead Housing Preservation Program under which the District may take title to certain property and transfer the title to individuals or organizations who agree to repair, occupy, maintain, manage, and pay taxes on the property pursuant to an abatement agreement; and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "Homestead Housing Preservation Act of 1986".

Sec. 2. Findings.

The Council of the District of Columbia ("Council") finds that:

- (1) There exists an immediate crisis regarding the critical shortage of decent and affordable low- and moderate-income housing resulting in significant measure from the lack of maintenance and the deterioration of rental housing, the lack of adequate financial investment in rental housing by owners and private investors, the abandonment of low- and moderate-income rental housing by owners resulting from outstanding government liens, the lack of incentives

Codification, new chapter 2 of title 45

New, D.C. Code, se 45-2601 (1987 supp.)

for tenants to improve the rental property, and the ineffectiveness of traditional means of abating housing code violations on rental property.

(2) Based on 1980 census data, there are approximately 9,800 units that are currently vacant and approximately 60,000 units in need of rehabilitation.

(3) There are numerous properties that, because of their deteriorating condition, adversely affect the health, comfort, safety, and welfare of those persons who reside in and around them.

Sec. 3. Purpose.

In enacting this act, the Council supports the following statutory purposes:

- (1) To provide homeownership opportunities to low- and moderate-income persons;
- (2) To enable organized groups of low- and moderate-income persons to obtain skills to repair, maintain, and manage residential property; and
- (3) To afford highly-motivated low- and moderate-income persons the opportunity to participate fully in the production of their own decent and affordable homes.

Sec. 4. Definitions.

For the purposes of this act, the term:

- (1) "Cooperative housing association" means an association that is incorporated in accordance with the

New,  
D.C. Code, sec.  
45-2602  
(1987 supp.)

New,  
D.C. Code, sec  
45-2603  
(1987 supp.)

District of Columbia Cooperative Association Act, approved June 19, 1940 (54 Stat. 480; D.C. Code, sec. 29-1101 et seq.), and organized for the purpose of owning and operating residential real property in the District of Columbia ("District"), the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a proprietary lease, or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement. To qualify for participation in the Program established pursuant to section 5 of this act, a cooperative housing association must be organized for the purpose of providing homeownership opportunities for low- or moderate-income persons.

(2) "Dwelling unit" means any room or group of rooms forming a single unit that is used or intended to be used for living, sleeping, and the preparation and eating of meals, and that is located within a building that is wholly or partially used or intended to be used for living and sleeping by human occupants.

(3) "Homesteader" means an individual or an organization representing an individual who is entitled to occupy a dwelling unit in a building that is included in the Program established under section 5 of this act and who is occupying or will occupy the dwelling unit under an

abatement agreement entered into between the Mayor and the individual or organization.

(4) "Low-income persons" means persons or families whose annual household income as determined by the Mayor does not exceed the limits for lower income families established by the Mayor for use in connection with the Tenant Assistance Program established pursuant to title III of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; to be codified at D.C. Code, sec. 45-2531 et seq.).

(5) "Mayor" means the Mayor of the District.

(6) "Moderate-income persons" means persons or families whose annual household income as determined by the Mayor does not exceed 120% of the lower income guidelines established pursuant to section 8 of the United States Housing Act of 1937, approved September 1, 1937 (50 Stat. 891; 42 U.S.C. 1437f), for the Washington Standard Metropolitan Statistical Area ("SMSA"), as the median is determined by the United States Department of Housing and Urban Development and adjusted yearly by historic trends of that median, and as may be further adjusted by an interim census of District incomes by local or regional government agencies.

(7) "Large multi-family dwelling" means a building containing 5 or more dwelling units each with

access to the outside directly or through a common stairway or hallway.

(8) "Nonprofit developer" means a corporation that has been approved by the Internal Revenue Service as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954, approved August 16, 1954 (68A Stat. 163; 26 U.S.C. 501(c)(3)), and that is organized for the purpose of developing housing for low- or moderate-income persons.

(9) "Single-family dwelling" means a building containing 1 dwelling unit.

(10) "Small multi-family dwelling" means a building containing 2 to 4 dwelling units each with access to the outside directly or through a common stairway or hallway.

(11) "Tenant association" means a cooperative housing association that represents a minimum of 51% of the households in a building, as determined by rules established by the Mayor.

Sec. 5. Homestead Housing Preservation Program and Homestead Program Administration established.

New,  
D.C. Code, s  
45-2604  
(1987 supp.)

(a) There is established a Homestead Housing Preservation Program ("Program") for the District, the purpose of which is to provide a program under which title to property acquired by the District pursuant to section 437

of the District of Columbia Real Property Tax Revision Act of 1974, approved September 3, 1974 (88 Stat. 1059; D.C. Code, sec. 47-847), may be transferred to organizations or individuals meeting the criteria established in sections 7, 8, and 9 of this act and any rules promulgated pursuant to this act. The Program shall not include owner-occupied, single-family dwellings.

(b) The Program established under this act shall be administered by the Administrator of the Homestead Program Administration.

(c) Within 90 days after the effective date of this act, the Mayor shall develop and transmit to the Council for consideration in accordance with this subsection rules to carry out the purposes of this act. At a minimum, the rules shall establish procedures for administering the Program, define terms not otherwise defined in this act, and formulate standards consistent with this act for participation in the Program. Simultaneous with transmittal of the rules, the Mayor shall transmit to the Council for approval under this section an administrative plan for the Program which shall contain, at minimum, the following information:

(1) A current list of all buildings that qualify for inclusion in the Program; a statement of the address, ward location, and condition of each building; and a

discussion of the suitability of each building for transfer to homesteaders;

(2) Notice provisions for owners of property to be included in the Program and samples of any notice that will be sent to owners of property to be included in the Program prior to the property becoming available for purchase by individuals or organizations under the Program;

(3) An explanation of any changes in existing notices to property owners necessitated by this act;

(4) A current dollar statement of family income limits for the Program;

(5) A sample Request for Proposals ("RFP") for buildings that are to be included in the Program;

(6) A sample RFP for the Technical Training Program described in section 10 of this act;

(7) A sample of the abatement agreement or agreements that will be used in the Program; and

(8) Samples of all loan application forms that will be used in the Program.

(d) All rules issued pursuant to this act and the administrative plan required by subsection (c) of this section shall be transmitted to the Council for a 45-day review period, excluding Saturdays, Sundays, legal holidays, and days when the Council is in recess. The Council may adopt a resolution disapproving the rules or administrative



plan, in whole or part, within the 45-day review period. If the Council, by resolution, does not approve or disapprove the rules or administrative plan before the expiration of the 45-day review period, the rules or administrative plan shall become effective at the expiration of the 45-day review period.

(e) There is hereby established within the District of Columbia Department of Housing and Community Development, a Homestead Program Administration, to be headed by an Administrator, to be appointed by the Mayor with the advice and consent of the Council. In nominating the Administrator, the Mayor shall give preference to a person who has demonstrated administrative experience with a homesteading program.

Sec. 6. Program inventory.

(a) The Mayor shall identify and publish in the D.C. Register on a semi-annual basis a list of properties, the titles to which are available for transfer under the Program. The properties shall be properties for which the statutory redemption period has lapsed. In addition to publication in the D.C. Register, the list shall be published in at least 2 major newspapers circulated in the District and through other reasonable methods determined by the Mayor and shall be transmitted to the Council, Advisory Neighborhood Commissions, Community Development

New,  
D.C. Code, sec  
45-2605  
(1987 supp.)