



**D.C. POLICY**  
**CENTER**

**PUBLIC HEARING ON**

**BILL 25-0576, “Protecting Historic Homes Amendment  
Act of 2023”**

Before the Committee of the Whole

Chairman Phil Mendelson

Wednesday March 27, 2024, 2:30 PM

Virtual Hearing via Zoom

Testimony of Emilia Calma

Director of Research and Policy

D.C. Policy Center

Good morning, Chairman Mendelson, and members of the Committee. My name is Emilia Calma, and I am the Director of Research and Policy of the D.C. Policy Center—an independent non-partisan think tank advancing policies for a strong, competitive, compelling, and vibrant District of Columbia. Thank you for the opportunity to testify on Bill 25-0576.

The Covid-19 pandemic has fundamentally changed the way in which people choose where to work and live. It used to be that residents came to D.C. for employment and then left for housing reasons such as wanting more affordable housing or more space.<sup>1</sup> Now, with telework, commute time is less important, and having a job in D.C. is not as compelling a reason to move as it was before.<sup>2</sup> As such, having attractive and affordable housing options in the District has become more important in making the District competitive. In other words, our housing policy is now an important economic development policy.

We believe that historic preservation should be viewed through this lens and that policy decisions should evaluate the costs associated with repairs and improvements in historic districts that may make D.C. neighborhoods more expensive, and therefore less attractive to new residents. Historic preservation presents a tradeoff between preserving neighborhood appearance and housing affordability and growth, and this tradeoff should be properly understood.

Currently, the Historic Preservation Review Board, within the Office of Planning (“OP”), reviews construction plans for “compatibility with the character of the historic district” and the Office of Planning is tasked with enforcement of these guidelines. Property

---

<sup>1</sup> Sayin, Yesim (2015). “Residents Move Into the City for Jobs, Move Out for Housing.” District Measured. Available at <https://ora-cfo.dc.gov/blog/residents-move-city-jobs-move-out-housing>

<sup>2</sup> Sayin Yesim (2021). “The declining importance of commute times.” D.C. Policy Center. Available at <https://www.dcpolicycenter.org/publications/the-declining-importance-of-commute/>. Additionally recent research shows that the distance between where people live and where they work increased considerably for those who have been hired since the COVID-19 pandemic began. The mean distance rose from 10 miles in 2019 to 27 miles in 2023, and the share of workers living more than 50 miles from their employer rose 7-fold from 0.8% to 5.5%. For details, see Akan, et. al. (2024). “Americans Now Live Farther from Their Employers.” WFH Research. Available at <https://wfhresearch.com/wp-content/uploads/2024/03/DistanceToWork.pdf>

owners without the necessary permits or whose construction falls outside the parameters of the permit may be subject to a fine of \$4,187 for civil infractions.<sup>3</sup> The Protecting Historic Homes Amendment Act of 2023 increases the penalties that can be imposed by the Historic Preservation Office to up to \$10,000 for civil infractions and creates a new penalty between \$10,000 to \$100,000 for demolition, alteration, or new construction.

The District of Columbia has 70 historic districts, 37 of which are residential neighborhoods.<sup>4</sup> Across all residential buildings in the District of Columbia, 17 percent are classified as historic. This share of properties under historic designation is far higher in D.C. than all other major cities in the United States.<sup>5</sup>

The stated goal of the proposed legislation is to limit the consequences of developer driven work. However, the bulk of the impact will be on homeowners, both current and future, as they must face higher repair costs and greater risk of fines. An owner of a historic property can change the interior of a building but is prohibited from changing any of the exterior of the building without historic review, including fixing brick work, repairing broken fences, or changing doorknobs. Some repairs even require period-appropriate materials for temporary structures which have no long-term bearing on the building's appearance such as historically accurate scaffolding.

Why is this important? Over 90 percent of the buildings in historic districts were built before 1950, and around 40 percent were built before 1900, making the need for external repairs commonplace. However, the additional review and rules imposed by historic designation make necessary repairs more costly to complete for property

---

<sup>3</sup> This is the fine imposed on Class 1 violations under the Department of Consumer and Regulatory Affairs Civil Infractions Act of 1985.

<sup>4</sup> The rest are within local parks, campuses, or military sites.

<sup>5</sup> Kathpalia, S., & Sayin, Y. (2022, April 13). Do residential properties in D.C.'s historic districts outperform the rest of the city in value appreciation? D.C. Policy Center. <https://www.dcpolicycenter.org/publications/historic-districts/>

owners.<sup>6</sup> This limits both who can own property in historic districts and who can afford the necessary repairs.

Instead of creating additional penalties for violating historic preservation rules, which may hamper future development and disproportionately affect homeowners in historic districts, the Historic Preservation Board should reevaluate its rules to best serve its residents and the future of the city.

We recommend that the Council consider the following:

- How do historic preservation goals fit into the city's other priorities such as increasing housing and continuing housing affordability? The Board's goal is to preserve the history and look of certain neighborhoods in the city, but this must be balanced by housing preservation goals, new housing development, and should not place undue costs on homeowners in these neighborhoods. Without consideration of these other issues, historic preservation designation can functionally downzone areas where development is allowed by the comprehensive plan and zoning code, decreasing the amount of housing we can build and contributing to segregation and gentrification.
- How does historic preservation status contribute to the costs of homeowners in D.C.? The costs associated with permitting and completing historically compatible repairs can significantly increase the costs of homeownership in the District. This can limit who is able to purchase homes in certain areas and make it harder for homeowners to make necessary repairs. However, these costs are not well documented or understood. We recommend that the council explore how historic preservation status contributes to housing values, repair costs, and neighborhood demographics.
- Does the enforcement mechanism for violating permits in historic districts produce the desired results? Currently, properties are not inspected unless

---

<sup>6</sup> In fact, repairs can become so costly that D.C. government provides income-targeted subsidies for the completion of needed exterior work.

neighbors or concerned parties call in problems. Currently, we do not know the rate at which permits are violated, but yearly revenue collections suggest that fines are infrequently levied.<sup>7</sup> There seems to be a disconnect between the permitting and construction processes. If this is the case, increasing the penalties for alterations and demolitions may not have the desired effect of preserving historic structures.

- What circumstances have previously led to demolition of properties without a permit and who has previously received fines for permit violations? This can help answer whether fines have previously been levied against developers or homeowners, as well as if the issue of demolition without a permit is pervasive.
- How will the Office of Planning determine the severity of the infraction and thereby the imposed fines? The legislation as written presents a very large range of outcomes without guidance on what actions will produce what penalties.

Thank you for the opportunity to testify and I welcome any questions you may have.

---

<sup>7</sup> In fiscal year 2023, a total of \$50k was recovered through fines and application fees. Office of the Chief Financial Officer. (n.d.). Annual Operating Budget and Capital Plan. <https://cfo.dc.gov/page/annual-operating-budget-and-capital-plan>