

Department of Housing and Community Development FY2018

Agency Department of Housing and Community Development

Agency Code DB0

Fiscal Year 2018

Mission The mission of the Department of Housing and Community Development (DHCD) is to create and preserve opportunities for affordable housing and economic development and to revitalize underserved communities in the District of Columbia.

2018 Strategic Objectives

Objective Number	Strategic Objective	# of Measures	# of Operations
1	Increase New Affordable Housing Opportunities.	12	3
2	Preserve Existing Affordable Housing Stock.	6	2
3	Promote community development activities.	8	7
4	Create and maintain a highly efficient, transparent and responsive District government.**	9	0
TOT		35	12

2018 Key Performance Indicators

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 Target	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target
1 - Increase New Affordable Housing Opportunities. (12 Measures)									
Percent of loans at least one year old in good standing	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	92%	87.5%	85%
Percent of development finance projects that close within 12 months of selection	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	80%	15%	50%
Percent of IZ lotteries held in 17 calendar days or less after receiving a notice of availability	<input type="checkbox"/>	100%	95%	67%	95%	81.5%	100%	97.3%	100%
Number of Homebuyer Purchase Assistance Program loans	<input type="checkbox"/>	130	210	187	225	212	225	307	225
Average number of days between Rental Housing Commission hearing a new case and final decision	<input type="checkbox"/>	471	90	89	90	30.8	50	45.8	60
Percent of HPAP loans that close within 60 calendar days after sales contract approval	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	80%	40.8%	80%
Percent of HPAP loans subordinated within 45	<input type="checkbox"/>	Not	Not	Not	Not	Not	80%	60.3%	80%

calendar days upon receipt of a complete subordination package	<input type="checkbox"/>	available	available	Available	Available	Available			
Number of total new construction affordable rental housing units funded	<input type="checkbox"/>	929	1405	401	900	895	500	554	500
Met HPTF Statutory Requirements - 30% AMI	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	40%	35.5%	40%
Met HPTF Statutory Requirements - 50% AMI	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	40%	31%	40%
Met HPTF Statutory Requirements - 80% AMI	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	20%	15%	20%
Number of affordable homeownership units produced or preserved	<input type="checkbox"/>	35	197	163	200	116	30	48	30
2 - Preserve Existing Affordable Housing Stock. (6 Measures)									
Average number of calendar days for compliance review	<input type="checkbox"/>	Not available	50	30	50	37	45	27	45
Percent of Single Family Rehabilitation/Lead Safe Washington projects that start construction within 6 months after DHCD receives the application	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	80%	67.5%	65%
Number of affordable single-family homeownership units rehabbed from Single Family Rehab/Lead Safe Programs	<input type="checkbox"/>	54	90	76	110	85	100	108	135
Number of affordable rental housing units preserved (rehabbed)	<input type="checkbox"/>	195	1005	816	1000	293	780	1417	780
Percent of hardship petitions processed within 90 calendar days	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	100%	100%	100%
Number of total affordable housing units preserved through OPA acquisition assistance program	<input checked="" type="checkbox"/>	Not available	Not available	Not Available	Not Available	New Measure	New Measure	New Measure	New Measure
3 - Promote community development activities. (8 Measures)									
Percent of Storefront Facade projects that complete within 10 weeks after pre-construction approval	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	80%	30%	75%
Number of Section 3 Jobs Created	<input type="checkbox"/>	23	25	24	25	29	25	27	25
Percent of required Asset Management site visits completed	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	100%	100%	100%
Median Number of Months Property is in DHCD's	<input type="checkbox"/>	63	Not	57	Not	Not	40	39	40

portfolio	<input type="checkbox"/>		available		Available	Available			
Number of storefront facades improved	<input type="checkbox"/>	26	40	36	40	26	40	32	40
Number of capacity-building workshops given to organizations	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	25	11	10
Number of properties disposed that were developed by DHCD (Turn-Key)	<input type="checkbox"/>	Not available	12	0	3	1	5	2	5
Percent of TOPA notices received listed in a published online report on DHCD's website within two weeks	<input type="checkbox"/>	Not available	Not available	Not Available	Not Available	Not Available	100%	100%	100%

**We've revisited a project to standardize District wide measures for the Objective "Create and maintain a highly efficient, transparent and responsive District government." New measures will be tracked in FY18 and FY19 and published starting in the FY19 Performance Plan.

2018 Operations

Operations Header	Operations Title	Operations Description	Type of Operations	# of Measures	# of Strategic Initiatives
1 - Increase New Affordable Housing Opportunities. (3 Activities)					
INCLUSIONARY ZONING PROGRAM	Inclusionary Zoning	Inclusionary Zoning requires that a certain percentage of units in a new development or a substantial rehabilitation that expands an existing building set aside affordable units in exchange for a bonus density. The Housing Regulation Administration Division at DHCD administers the Inclusionary Zoning program, including developer compliance, holding lotteries for District residents to occupy units, and general program policy development.	Daily Service	1	1
NEIGHBORHOOD BASED ACTIVITIES	Down Payment Assistance	The Home Purchase Assistance (HPAP) program, Employer Assisted Housing Program (EAHP) and the Negotiated Employer Assisted Housing Program (NEAHP) provides interest-free loans and closing cost assistance to qualified applicants to purchase single family houses, condominiums, or cooperative units. The loan amount is based on a combination of factors, including; income, household size, and the amount of assets that each applicant must commit towards a property's purchase.	Daily Service	1	1
AFFORDABLE HOUSING PROJECT FINANCING	Affordable Housing Project Financing	DHCD's Development Finance Division provides funding for the development of rental, homeownership and community facility projects that serve DC neighborhoods. As both the creation and preservation of affordable housing units are important to DHCD, DFD plays a prominent role in helping the agency achieve its annual affordable housing production and preservation goals.	Daily Service	2	6
TOT				4	8

2 - Preserve Existing Affordable Housing Stock. (2 Activities)

NEIGHBORHOOD BASED ACTIVITIES	Home Rehab Assistance	<p>Single Family Residential Rehabilitation (SFRRP) administers loans and/or grants for home repairs to alleviate DC building code violations and assists homeowners in repairing physical threats to health and safety, and modify and/or eliminate barriers to accessibility for persons with mobility or other physical impairments. SFRRP helps households finance minor home repairs that will; address building code violations, repair roofs, remove threats to health and safety, and modify and/or eliminate barriers to accessibility for persons with mobility or other physical impairments</p> <p>The Lead Safe Washington (LSW) Program provides grant funds for the identification and control of lead-based paint hazards. Deteriorated lead-based paint and lead-contaminated dust present significant health hazards to individuals of all ages, and children younger than six-years-old in particular. LSW provides funds to reduce lead-based paint hazards in eligible single and multi-family properties.</p>	Daily Service	2	2
RENTAL CONVERSION AND SALES DIVISION	Rental Conversion and Sales	<p>The Rental Conversion and Sale Division at DHCD administers the Rental Housing Conversion and Sale Act of 1980 and the Condominium Act of 1976. Through the Conversion Act, District tenants have the opportunity to purchase rights, tenant first rights of refusal, receipt of offer of sale notices, notices of transfer and the conversion of property to cooperatives or condominiums. The Condominium Act regulates condominium formation and registration of condominium units before a developer may offer units to interested buyers, including administration of the Structure Defect Warranty Claim Program.</p>	Daily Service	1	1
TOT				3	3

3 - Promote community development activities. (7 Activities)

PORTFOLIO AND ASSET MANAGEMENT	Portfolio and Asset Management	<p>The Portfolio and Asset Management Division (PMD) manages the allocation of Low Income Housing Tax Credits (LIHTC) and provides portfolio management oversight to outstanding loans in the division. The division monitors the status of existing loans to ensure compliance with loan covenants and collections of loans that are due and conducts the reviews of the risks and relationships of potential borrowers to protect the Department's assets.</p>	Daily Service	2	1
Housing Regulation Oversight	Housing Regulation Administration and Rental Housing Commission	<p>The Housing Regulation Administration (HRA) administers residential housing regulations relating to condominium and cooperative conversions, rent adjustment procedures, licensing and other related matters. It is composed of two divisions, the Rental Accommodation Division (RAD) and the Rental Conversion and Sales Division (CASD), and manages the DHCD Housing Resource Center.</p> <p>The Rental Housing Commission is charged with the responsibility of enforcing the Rental Housing Act of 1985 through statutory functions. Although the Commission is an independent quasi-judicial body, it has direct reporting responsibility to DHCD on administrative, management and budgetary</p>	Daily Service	2	0

		matters.			
Program Monitoring	Program Monitoring	<p>The Office of Program Monitoring (OPM) conducts oversight and reviews of DHCD projects and funding recipients. Its core functions include contract compliance, quality assurance to ensure compliance with federal and local regulations, and affordability covenant compliance to ensure project maintains compliance throughout the duration of the projects period of affordability.</p> <p>OPM staff performs project reviews of environmental standards, Davis Bacon, relocation, fair housing and Section 3 as each project relates to these programs. Project compliance takes the form of annual report reviews and on-site visits to properties where file reviews and physical inspections occur. As the monitoring entity for the IRS on the LIHTC Program and HUD on the HOME, CDBG and ESG Programs, DHCD reports directly to them on issues of non-compliance.</p>	Daily Service	2	1
COMMUNITY DEVELOPMENT	Foster Small Business Development	<p>Grantee organizations provide technical assistance, support and training to small and retail businesses focusing on neglected commercial corridors in low and moderate income areas in the District of Columbia. The program does not provide grants, loans, or direct subsidies to businesses. The neighborhood areas where grantees currently operate include, but are not limited to: Anacostia, Congress Heights, Columbia Heights, Adams Morgan, Mount Pleasant, Georgia Avenue, Petworth, Rhode Island Avenue NE, and Deanwood/Marshall Heights. Grantee organizations are also involved in business attraction and retention. Assistance provided includes micro-loan packaging, business planning, entrepreneurial training, one-on-one business technical assistance, tax preparation assistance, accounting assistance, or legal assistance. Grantee organizations also provide collective business support activities, such as the formation of business alliances, business corridor promotion, mass marketing, volume discount efforts, and collective space management. Through these organizations, DHCD is also heavily involved in neighborhood revitalization efforts in these areas, including major commercial project planning and interagency business development coordination.</p>	Daily Service	1	1
HOUSING RESOURCE CENTER	Housing Resource Center	<p>The DHCD Housing Resource Center is open Monday – Friday from 8:30 am – 3:30 pm for residents to obtain information about affordable housing options, attend events, and use computers to access DCHousingSearch.org, a free listing service that provides easy access to information about housing opportunities within the District of Columbia.</p>	Daily Service	1	1
NEIGHBORHOOD BASED ACTIVITIES	Housing Counseling	<p>Residential and Community Services works through Community Based Organizations (CBO) to provide comprehensive housing counseling services and other community economic development activities.</p>	Daily Service	1	0
PROPERTY MANAGEMENT	Maintain DHCD's property portfolio	<p>The Property Acquisition and Disposition Division (PADD) stabilizes neighborhoods by decreasing the number of vacant and abandoned residential properties in the District and transforming vacant and/or abandoned properties into productive use. PADD acquires vacant, abandoned and deteriorated properties through negotiated friendly sale, eminent domain,</p>	Daily Service	2	1

		donation or tax sale foreclosure when owners are unwilling or unable to maintain their properties; and it disposes of properties in the PADD inventory by selling the properties to individuals or developers to be rehabilitated into high quality affordable and market-rate single-family and/ or multifamily for-sale housing in District neighborhoods.			
TOT				11	5
TOT				18	16

2018 Workload Measures

Measure	New Measure/ Benchmark Year	FY 2014 Actual	FY 2015 Actual	FY2016 Actual	FY 2017 Actual
1 - Affordable Housing Project Financing (2 Measures)					
Number of loan closings	<input type="checkbox"/>	24	24	28	28
Number of financial applications submitted	<input type="checkbox"/>	23	31	43	48
1 - Down Payment Assistance (1 Measure)					
Number of HPAP applications received	<input type="checkbox"/>	565	578	661	767
1 - Inclusionary Zoning (1 Measure)					
Number of IZ units available for occupancy	<input type="checkbox"/>	34	124	191	149
2 - Home Rehab Assistance (2 Measures)					
Number of Single Family Rehab applications received	<input type="checkbox"/>	45	50	51	59
Number of Lead Safe Washington applications received	<input type="checkbox"/>	22	37	18	26
2 - Rental Conversion and Sales (1 Measure)					
Number of TOPA notices processed	<input type="checkbox"/>	1389	1558	1554	1345
3 - Foster Small Business Development (1 Measure)					
Number of small business technical assistance sessions	<input type="checkbox"/>	1525	5148	4077	10,503

3 - Housing Counseling (1 Measure)					
Number of housing counseling sessions given	<input type="checkbox"/>	21,960	30,267	32,736	24,281
3 - Housing Regulation Administration and Rental Housing Commission (2 Measures)					
Number of Rental Housing Commission appeals disposed	<input type="checkbox"/>	25	28	17	16
Number of hardship petitions received	<input type="checkbox"/>	5	1	Not Available	2
3 - Housing Resource Center (1 Measure)					
Number of customers who utilize the Housing Resources Center	<input type="checkbox"/>	5321	6589	6589	6338
3 - Maintain DHCD's property portfolio (2 Measures)					
Number of properties acquired	<input type="checkbox"/>	24	5	8	4
Number of total properties disposed	<input type="checkbox"/>	21	1	1	6
3 - Portfolio and Asset Management (2 Measures)					
Number of loans serviced by a third-party vendor	<input type="checkbox"/>	7514	7536	7744	31,380
Number of submitted financial reviews	<input type="checkbox"/>	10	15	145	285
3 - Program Monitoring (2 Measures)					
Number of compliance reviews completed	<input type="checkbox"/>	Not available	198	198	119
Number of Davis Bacon inspections	<input type="checkbox"/>	Not available	170	170	115

Initiatives

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
Increased EAHP Funding	<p>In FY18, DHCD will ensure the new program enhancements law and regulations will be in effect. DHCD in conjunction with the Office of the Deputy Mayor for Public Safety and Justice (DMPSJ), will implement housing program enhancements to the Employee Assistance Housing Program (EAHP) for first responders.</p> <p>In FY18, DHCD will increase the amount of EAHP funding available for eligible district employees to \$20,000 per case from</p>	09-30-2018

	<p>current \$10,000.</p> <p>In FY18, DHCD will implement the expansion of the Down Payment Matching Funds.</p> <p>In FY18, DHCD will make available a grant of up to \$10,000 to provide financial assistance for the purchase of a housing unit to each First-responder who is a Participant. The First-responder Participant must agree to a 5-year service obligation</p> <p>If FY18, DHCD will budget increased by \$1 million dollars for the implementation of these programs.</p>	
Establish a Preservation Unit	<p>In FY18, DHCD will establish a "Preservation Unit" located within a designated District agency that is tasked with being the District's central source to (a) preserve existing assisted affordable housing in the City, (b) identify opportunities to place "naturally affordable," unassisted units under covenant or to otherwise preserve their affordability, and (c) maintain comprehensive data on all affordable housing in the City.</p> <p>In FY18, DHCD will hire Preservation Officer & Program Analyst In FY18, DHCD will set-up program structure and operational guidelines</p>	09-30-2018
Commitment of local and Federal Resources	<p>In FY18, DHCD will continue to fully commit unprecedented local and federal resources towards affordable housing production and preservation. To ensure adequate flow of funds, the Development Finance Division will take the following measures in FY18:</p> <p>In FY18, DHCD will update Qualified Allocation Plan (QAP) annually to ensure that the allocation of its low income tax credits aligns with the market.</p> <p>In FY18, DHCD will release two Request for Proposals (RFP) per year, which will increase the number of potential applicants /projects requiring funding.</p> <p>In FY18, DHCD will expend enough funds to reduce its fund balance.</p>	09-30-2018
Public Private Preservation Fund	<p>In FY18, DHCD will provide seed funding to a Public-Private Preservation Fund to facilitate early investments while leveraging greater amounts of private capital to preserve affordable housing.</p>	09-30-2018
Small Properties Program	<p>In FY18, DHCD will redesign the current Small Buildings Program and use a less restrictive funding source, as the restrictions were a concern of potential applicants. This initiative will assist with smaller properties that have 5-50 units.</p> <p>Small Buildings Program Objective: The Department of Housing and Community Development (DHCD) and the Department of Consumer and Regulatory Affairs (DCRA) have joined together to minimize health risks in the home through Small Building Program.</p> <p>The partnership was created to improve housing conditions in the District by eliminating safety hazards and building sustainable housing choices. The program will enhance the existing services offered by the Department of Energy and Environment (DOEE) to reduce environmental hazards.</p>	09-30-2018
Implementation of DOPA	<p>In FY18, DHCD will identify funding for the implementation of the District Opportunity to Purchase Act or DOPA regulations. DOPA empowers the Mayor with the right to purchase housing accommodations consisting of 5 or more units and which 25% of the rental units are deemed affordable.</p>	09-30-2018
Improve TOPA	<p>In FY18, DHCD will improve preservation under the Tenant Opportunity to Purchase Act (TOPA) and TOPA exemptions by providing financial incentives for preservation in TOPA transactions, including predevelopment work, legal services, third-party reports and acquisition bridge financing.</p>	09-30-2018

Program Merger	In FY18, DHCD will collapse the Single Family Residential Rehabilitation Program (SFRRP), Lead Safe, Safe at Home and Healthy Homes programs to report to one manager to create program efficiency and effectiveness. In FY18, DHCD will develop and publish a new consolidated and streamlined application process.	09-30-2018
Revamp RCS Program	In FY18, DHCD will higher new Rental Conversion and Sales Administrator. In FY18, DHCD will evaluate current operational procedures and update, as needed. In FY18, DHCD will implement technology solutions to enhance program (on-line forms and upgraded systems). In FY18, DHCD will launch Quick base mail log. In FY18, DHCD will review current legislation and regulations and recommend revisions, as appropriate.	09-30-2018
Small Business Development Upgrades	In FY18, DHCD will implement Microsoft Gifts or Quick base solution to assist with accepting and monitoring application submissions from community based organizations.	09-30-2018
Upgrade Housing Resource Center	In FY18, DHCD will upgrade DCHousing Searches.org to increase functionality and contain more affordable housing information for individuals utilizing the system. In FY18, DHCD will work to automate the HRC systems and resources.	09-30-2018
Implement "Getting to Zero" program	In FY18, DHCD will launch online property tracker to improve transparency and education about DHCD's property inventory. In FY18, DHCD will collaborate with the Department of Consumer and Regulatory Affairs (DCRA) to enforce vacant/blighted properties. In FY18, DHCD will place every property in its PADD portfolio into disposition.	09-30-2018
Implement PMD changes	In FY18, DHCD will hire 5 FTE's, added in the FY18 budget to address deficiencies identified in the 2017 Office of the District of Columbia Auditor (ODCA) Housing Production Trust Fund (HPTF) audit findings. In FY18, DHCD will review current program structure and make the appropriate adjustments to accommodate new staff and increase program oversight and compliance.	09-30-2018
Program Monitoring	In FY18, DHCD will meet 2018 Community Development Block Grant (CDBG) spending test and 2018 HOME Investments Partnership (HOME) commitment test. In FY18, DHCD will reduce A-133 audit findings from two to zero.	09-30-2018
Inclusionary Zoning	DHCD submitted emergency regulations for the Inclusionary Zoning (IZ) Program in FY17. In FY18, DHCD will ensure completion of permanent regulations by 1st quarter.	09-30-2018