

Department of Housing and Community Development FY2023

Agency Department of Housing and Community Development

Agency Code DB0

Fiscal Year 2023

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.

Strategic Objectives

Objective Number	Strategic Objective
1	Increase New Affordable Housing Opportunities.
2	Preserve Existing Affordable Housing Stock.
3	Promote community development activities.
4	Create and maintain a highly efficient, transparent, and responsive District government.

Key Performance Indicators (KPIs)

Measure	Directionality	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY2022 Actual	FY 2023 Target
1 - Increase New Affordable Housing Opportunities. (13 Measure records)						
Percent of loans at least one year old in good standing	Up is Better	94%	85%	85%	84%	85%
Met HPTF Statutory Requirements - 30 percent AMI	Up is Better	18.8%	15.5%	50%	12.5%	50%
Number of Homebuyer Purchase Assistance Program (HPAP) only homebuyers assisted	Up is Better	376	342	325	211	325
Percent of HPAP loans that close within 60 days after final lender package is received.	Up is Better	100%	85%	80%	93.6%	85%
Percent of development finance projects closed within 12 months of selection	Up is Better	22%	7%	50%	0%	25%
Percentage of IZ lottery notifications sent to households within 7 days after receipt of confirmation from owner of satisfactory registration on dchousingsearch.org	Up is Better	100%	81.3%	100%	80%	75%
Number of affordable homeownership units produced or preserved	Up is Better	39	42	30	0	50
Met HPTF Statutory Requirements - 50 percent AMI	Up is Better	62.7%	55.8%	40%	41.8%	40%
Met HPTF Statutory Requirements - 80 percent AMI	Down is Better	18.3%	3.8%	10%	20%	10%
Number of new affordable rental housing units funded	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of Employer-Assisted Housing Program (EAHP) only homebuyers assisted	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of Employer-Assisted Housing Program (EAHP) only homebuyers assisted	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of households assisted with combined HPAP and EAHP assistance	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
2 - Preserve Existing Affordable Housing Stock. (15 Measure records)						
Percent of conversion applications reviewed and processed within 30 days to better Inform preservation initiatives and policy.	Up is Better	100%	100%	100%	100%	100%
Percent of risk ratings completed for multi-family projects	Up is Better	96%	98%	90%	81%	90%

Measure	Directionality	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY2022 Actual	FY 2023 Target
Percent of required audited financial statements collected for multi-family projects	Up is Better	95%	93.4%	90%	98%	90%
Percent of Single Family Residential Rehabilitation Program projects that start construction within 6 months after DHCD receives compliance approval.	Up is Better	32.8%	85.8%	65%	100%	100%
Percent of hardship petitions processed within 90 calendar days	Up is Better	75%	100%	100%	0%	100%
Number of affordable single-family homeownership units rehabbed from Single Family Residential Rehabilitation Program	Up is Better	20	23	135	65	70
Average number of calendar days for compliance review	Down is Better	28	29.5	45	24	43
Number of units repaired through the Small Buildings Program	Up is Better	12	29	75	0	50
Number of net new affordable units created through a Housing Preservation Fund (HPF) Covenant	Up is Better	New in 2022	New in 2022	New in 2022	New in 2023	0
Number of small buildings awarded funding for critical repairs	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of affordable rental housing units preserved	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of Single Family Residential Rehabilitation Program (SFRRP) projects completed within one year after final compliance approval	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of affordable housing units preserved or developed as a result of Affordable Housing Acquisition	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of affordable housing units preserved or developed as a result of Vacant Property Disposition	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
Number of affordable housing units preserved or developed as a result of Community Land Trust Grant	Up is Better	New in 2023	New in 2023	New in 2023	New in 2023	New in 2023
3 - Promote community development activities. (5 Measure records)						
Number of storefront facades improved	Up is Better	17	33	30	20	40
Number of properties awarded to pre-qualified developers (DOPA)	Up is Better	0	0	5	0	5
Number of properties developed by DHCD (Turn-Key)	Up is Better	3	2	10	1	3
Percent of Storefront Facade projects that are completed within 36 weeks after Notice to Proceed.	Up is Better	20%	87%	75%	75%	50%
Percent of Tenant Opportunity Purchase Assistance (TOPA) notices received listed in a published online report on DHCD's website within two weeks	Up is Better	100%	100%	100%	100%	100%

* Some measures are updated from previous Fiscal Year to better capture agency performance and program outputs. Please refer to the FY22 Performance Plan for historic data.

Operations

Operations Title	Operations Description	Type of Operations
1 - Increase New Affordable Housing Opportunities. (3 Activity records)		

Operations Title	Operations Description	Type of Operations
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
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
Affordable Housing Project Financing	DHCD's Development Finance Division (DFD) 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 - Preserve Existing Affordable Housing Stock. (3 Activity records)		
Small Building Program	Provides grants of up to \$200,000 to address code violations in small buildings of 5-20 units.	Daily Service
Rental Conversion and Sales	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.	Daily Service
Roof and Accessibility Assistance	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.	Daily Service
3 - Promote community development activities. (8 Activity records)		
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 Internal Revenue Service (IRS) on the Low Income Housing Tax Credits (LIHTC) Program and HUD on the HOME, Community Development Block Grant (CDBG) and ESG Programs, DHCD reports directly to them on issues of non-compliance.</p>	Daily Service
Implementation of DOPA (District Opportunity to Purchase Act)	Implementation of DOPA (District Opportunity to Purchase Act), which promotes affordable rental housing by maintaining the affordable status of existing affordable rental units as well as increasing the total number of affordable rental units within the District. DOPA requires rental property owners to provide the District of Columbia with the opportunity to purchase housing accommodations consisting of five or more rental units, as long as 25 percent or more of those rental units are deemed as "affordable."	Daily Service
Rental Accommodations Division	<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 matters.</p>	Daily Service
Foster Small Business Development	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.	Daily Service

Operations Title	Operations Description	Type of Operations
Portfolio and Asset Management	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.	Daily Service
Housing Resource Center	The DHCD Housing Resource Center is open Monday through 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.	Daily Service
Housing Counseling	Residential and Community Services works through Community Based Organizations (CBO) to provide comprehensive housing counseling services and other community economic development activities.	Daily Service
Maintain DHCD's property portfolio	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, 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.	Daily Service

Workload Measures (WMs)

Measure	FY 2020 Actual	FY 2021 Actual	FY2022 Actual
1 - Affordable Housing Project Financing (4 Measure records)			
Number of existing housing units converted to covenanted affordable housing units	Not Available	Not Available	Not Available
Number of affordable units preserved through the Housing Preservation Fund	63	72	399
Number of financial applications submitted	0	6	24
Number of affordable housing projects closed	23	25	11
1 - Down Payment Assistance (3 Measure records)			
Number of completed applications received by Administrators requesting combined HPAP and EAHP assistance	New in 2023	New in 2023	New in 2023
Number of Home Purchase Assistance Program (HPAP)-only completed applications received by Administrators	687	758	802
Number of Employer Assisted Housing Program (EAHP)-only completed applications received by Administrators	238	135	172
1 - Inclusionary Zoning (1 Measure)			
Number of IZ units available for occupancy	336	385	365
2 - Rental Conversion and Sales (1 Measure)			
Number of TOPA notices processed	1788	991	1383
2 - Roof and Accessibility Assistance (2 Measure records)			
Number of Single Family Residential Rehabilitation applications received	75	71	84
Number of Single Family Residential Rehabilitation Program (SFRRP) projects completed	20	23	66
2 - Small Building Program (2 Measure records)			
Number of applications processed for funding	1	5	0
Number of applications received per grant cycle	5	3	6
3 - Foster Small Business Development (1 Measure)			
Number of small business technical assistance sessions	5570	7461	Not Available

Measure	FY 2020 Actual	FY 2021 Actual	FY2022 Actual
3 - Housing Counseling (2 Measure records)			
Number of 8-hour homeownership education trainings completed	Not Available	Not Available	Not Available
Number of one on one housing counseling sessions given	16,500	53,035	Not Available
3 - Implementation of DOPA (District Opportunity to Purchase Act) (2 Measure records)			
Number of properties DHCD expresses interest in pursuing DOPA rights	0	0	0
Number of units pursued through the District Opportunity to Purchase Act	0	0	0
3 - Maintain DHCD's property portfolio (4 Measure records)			
Number of properties acquire or rehabilitated within the designated 151 blocks	Not Available	Not Available	Not Available
Number of properties rehabilitated	Not Available	Not Available	2
Number of total properties disposed	5	3	4
Number of properties acquired	0	0	0
3 - Portfolio and Asset Management (4 Measure records)			
Number of required Asset Management site visits completed	8	78	184
Number of submitted financial reviews	364	376	465
Number of loans serviced by a third-party vendor	34,103	34,906	34,568
Number of multi-family site inspections conducted for physical condition	22	21	161
3 - Program Monitoring (2 Measure records)			
Number of compliance reviews completed	155	90	91
Number of Davis Bacon inspections	30	16	42
3 - Rental Accommodations Division (3 Measure records)			
Number of hardship petitions received	8	4	1
Number of customers utilizing the Housing Resources Resource Center	2235	154	2322
Number of outreach sessions conducted	0	0	1

Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
Affordable Housing Project Financing (3 Strategic Initiative records)		
Cash 2 Covenant (C2C)	The Cash 2 Covenant (C2C) Pilot Program will provide financial subsidy to housing providers to covenant current rental units as affordable for families with incomes up to 60% MFI. The program is limited to Rock Creek West, Capitol Hill, Near Northwest and Central Washington planning areas. The level of financial subsidy that the District will be able to offer will be based on the proposed new affordable rent level of the vacant unit, the length of time the units will be under the affordability covenant, unit characteristics and property amenities, among other criteria. DHCD will conduct a lottery from its list of IZ-registered households to select possible tenants to fill the vacant units.	09-30-2023
Residential Accessory Apartment Program	The Residential Accessory Apartment Program (RAAP) will support the creation of residential accessory apartments in existing residential properties. The District will award a grant funds through a Grantee for outreach, application intake, evaluation, design, construction, and project management of a minimum of fifteen (15) existing basements or accessory apartments. For homeowners with incomes higher than 120% MFI, the accessory apartments will be covenanted as affordable.	09-30-2023
Douglass Community Land Trust	In FY23, DHCD will utilize \$2 million of funds to the Douglass Community Land Trust to acquire affordable commercial and residential properties to expand the permanently affordable housing stock in the District	09-30-2023

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
Down Payment Assistance (2 Strategic Initiative records)		
Market Study to Support Black Homeownership	To accomplish the goals set forth by the Black Homeownership Strike Force, DHCD will complete a market study to inform the paths and programs DHCD can undertake that will increase the number of black homeowners in the District by 20,000 by 2030.	09-30-2023
Implement Recommendation 10 of BHSF	Recommendation 10 of the Black Homeownership Strike Force (BHSF) is that the District should increase the effectiveness of all homeownership programs to increase ability of Black homebuyers using District programs to compete for homes in the current real estate with the market. One of these programs is Home Purchase Assistance Program (HPAP), and DHCD is standing up a working group with the goal of making the program more nimble and responsive to market conditions.	09-30-2023
Inclusionary Zoning (1 Strategic Initiative)		
IZ Purchase Program Pilot	DHCD will create a pilot program to allow the District to purchase Inclusionary Zoning (IZ) units and Affordable Dwelling Units (ADUs) where the seller has been unsuccessful selling the unit after exhausting best efforts. The District would then sell the unit to a qualified household, often increasing the affordability level, and preserving an affordable unit in the District that otherwise would convert to market rate.	09-30-2023
Small Building Program (1 Strategic Initiative)		
Enhancements to Expedite Project Close-out	The entirely new team became fully staffed in August 2022 and these staff members have completed their initial review of the program . The Strategic Initiative in FY23 is for the team to propose program modifications and a new set of administrative instructions to improve program efficiency and effectiveness..	09-30-2023