



FY 2014 PERFORMANCE PLAN

Department of Housing and Community Development

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 revitalize underserved communities in the District of Columbia.

SUMMARY OF SERVICES

DHCD's fundamental activities consist of financial operations, program delivery, administration of regulations, and support of the independent Rental Housing Commission. The specific strategic objectives that DHCD focuses on to stimulate economic development and spur the dream of home ownership in underserved communities is (1) Preserve and increase the supply of quality affordable housing throughout DC, (2) Increase homeownership opportunities to residents of low and moderate income households and (3) revitalization of D.C. neighborhoods by promoting community development that embraces economic opportunities for local businesses. DHCD creates and preserves affordable housing by providing low-cost gap financing and subsidies for single family residential rehabilitation and multi-family construction projects to garner affordable rental and homeownership opportunities throughout the city. DHCD also leverages its appropriated local and federal funding to help finance community facilities, acquire property, and administer disposition activities for vacant and abandoned properties to help stabilize D.C. neighborhoods and provide new local opportunities. DHCD partners with community based organizations city wide to implement residential and community services that include homeownership assistance programs, housing counseling services, storefront façade improvement initiatives, and small business technical assistance services. In addition, DHCD administers the rental housing regulations that govern condominium and cooperative conversions, rent control, inclusionary zoning, and affordable dwelling unit programs. The Affordable Housing Locator is also a service of DHCD and is available online at dchousingsearch.org. All of these programs and services can be accessed through DHCD's Housing Resource Center located in the Historic Anacostia neighborhood in Ward 8.

PERFORMANCE PLAN DIVISIONS:

- Office of the Director (OTD)
- Development Finance Division (DFD)
- Housing Regulation Administration (HRA)
- Office of Program Monitoring (OPM)
- Portfolio and Asset Management Division (PAMD)
- Property Acquisition and Disposition Division (PADD)
- Rental Housing Commission (RHC)
- Residential and Community Services Division (RCSD)



AGENCY WORKLOAD MEASURES

Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 YTD ¹
DFD: # of applications for financial assistance	40	39	39
HRA: # of customers who utilize Housing Resource Center services	6,399	6,750	4,889
OPM: # of internal and external environmental reviews requested	201	279	85
PADD: # of properties in PADD's inventory	634	160	151
PAMD: # of loans in portfolio	6,758	7144	7382
RHC: # of cases received	27	23	4
RCSA: # of HPAP applications	554	544	477

¹ As of June 20, 2013



Office of the Director

SUMMARY OF SERVICES

The Office of the Director (OTD) leads DHCD in meeting its mission to create and preserve opportunities for affordable housing and economic development and to revitalize underserved communities in the District of Columbia. DHCD has three strategic objectives: (1) preserving and increasing the supply of quality affordable housing; (2) increasing homeownership opportunities; and (3) revitalizing neighborhoods, promoting community development, and providing economic opportunities.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Execute the Fourth Year of DHCD's Five-Year Consolidated Plan.

Fiscal Year 2014 (FY14) will mark the fourth year of the FY11 – FY15 Five-Year Consolidated Plan (Plan). The overarching theme of the Plan is “Sustainable City, Complete Neighborhoods” and is embodied in the Six Livability Principles: Provide More Transportation Choices, Promote Equitable Affordable Housing, Enhance Economic Competitiveness, Support Existing Communities, Coordinate Policies and Leverage Investment and Value Communities and Neighborhoods. The FY14 Action Plan, which is also an application to the U.S. Department of Housing and Urban Development (HUD) for Federal FY13 funding, will serve as a strategic roadmap for the activities that each Division will perform and ensure that the Livability Principles are embodied in the services that are provided. **Completion date: September 30, 2014.**

INITIATIVE 1.2: Collaborate With District Agencies on Database Capturing Environmental Health Status of Affordable Housing (BE3.2).

Multiple District agencies have programs mitigating health risks posed by environmental contaminants such as lead, mold, and carbon monoxide. DHCD will work with DDOE, DCHA, FEMS, and other agencies to catalog and provide status on environmental health hazards in the District affordable housing stock. **Completion Date: September 30, 2014.**

OBJECTIVE 2: Increase Homeownership Opportunities.

INITIATIVE 2.1: Host the Sixth Annual D.C. Housing Expo.

As part of National Home-Ownership Month, DHCD has worked with community partners to host a housing expo each June for the last five years. The Expo provides resources for all residents of the District, including information for renters, homeowners, potential homeowners, landlords and residents facing foreclosure. Activities include hands on demonstrations, classes on financial and homeownership issues, presentations about DHCD programs and how to access them, and an exhibitor hall with private, public and community based organizations offering an array of products, services, and programs for District residents. **Completion date: June 30, 2014.**



OBJECTIVE 3: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 3.1: Develop a "Healthy by Design" Program for New Affordable Housing Projects (HW2.1).

In FY14, DHCD will bring together housing development government and non-governmental stakeholders to develop standards for site selection and urban design which meet the standards of Healthy by Design. DHCD will then implement Healthy by Design standards when evaluating and selecting projects for affordable housing. **Completion Date: September 30, 2014.**



Development Finance Division

SUMMARY OF SERVICES

DHCD's Development Finance Division (DFD) provides funding for the development of affordable rental and homeownership developments, as well as community facilities. As the key division for both the creation and preservation of affordable housing units, DFD plays a prominent role in helping the agency achieve its annual multifamily housing production goals.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Implement Tiered Target Area Investment Strategy.

DHCD has identified several areas for targeted investment through the Five-Year Consolidated Plan's city-wide citizen participation process. Tier One focuses on projects in Wards 5, 7, and 8 that complement DHCD's Livability Principles. Tier Two focuses on high priority projects while coordinating with other District agencies to leverage resources. Tier Three focuses on areas of general poverty and Tier Four focuses on distributing mixed income housing more equitably across the entire city. This initiative will be implemented through the prioritization of Tiered Target Areas in Requests for Proposals (RFPs) and other future funding opportunities, an increase in the percentage of dollars expended in the Tiered Target Areas. In effecting this tiered strategy, DFD's role will be to increase affordable housing by leveraging private investment and to cultivate vibrant and safe places to live by prioritizing projects that prevent further concentration of poverty. **Completion date: September 30, 2014.**

INITIATIVE 1.2: Reduce Loan Delinquency and Increase Collections (Joint Initiative with PAMD).

DFD, in conjunction with Portfolio and Asset Management Division (PAMD), has developed an efficient, cross-divisional, internal risk rating system that allows for a standardized, consistent and ongoing analysis of individual project and agency risk exposure. The Agency is working to improve documents that will mirror Federal reporting requirements to create reporting and monitoring efficiencies internally and externally. DHCD has created a Troubled Property List for increased analysis and repositioning. In FY14 DFD and PAMD will continue to implement these systems for increased monitoring, assessment and analysis of DHCD's loan portfolio. DHCD expects to reduce the loan delinquency rate to fewer than 2%. Further, this will result in an increase in collections of previously expended funds and allow for increased reinvestment into the supply of affordable housing units. **Completion date: September 30, 2014.**

INITIATIVE 1.3: Reduce the number of Stalled Projects in DFD Pipeline by Improving the Underwriting Process.

DFD has introduced a more rigorous process of Underwriting to review projects prior to award of funds to ensure the viability and feasibility of prospective projects. This include verification and confirmation of other sources of financing, financial strength, and organizational capability of the managing entity and its affiliates This will reduce the



length of time a project can remain in the pipeline without being ready to proceed to development stage. **Completion date: September 30, 2014.**

OBJECTIVE 3: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 3.1: Develop Active and Vibrant Neighborhoods to Create New Economic Opportunity and Support a High Quality of Life (BE2.5).

In conjunction with Mayor Gray’s Sustainable DC Plan, DFD will continue to work with developers to promote Transit Oriented Development in the affordable housing projects DHCD provides funding for. By creating affordable housing in areas with various public transportation options, DHCD will work to help District residents increase economic and quality of life opportunities by lowering both housing and transportation costs. **Completion date: September 30, 2014**

KEY PERFORMANCE INDICATORS – Development Finance Division

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ²	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Total affordable housing units funded (new and rehab)	879	900	659	1300	1300	1300
Total special needs housing units funded (elderly, disabled, and homeless units)	223	150	230	300	300	300
Total new homeownership units funded	223	80	24	100	100	100
Total First Right Purchase Assistance Program (tenant purchase) units funded – FRP New and Rehab Units	36	100	0	100	100	100
Total affordable housing units rehabilitated	459	200	311	500	500	500
Total affordable housing units preserved (via loan structuring, technical aid, etc.)	280	200	0	40	40	40
Percentage of new affordable housing units within an area with a WalkScore of 50 (tbd) or higher ³	n/a	n/a	n/a	100%	100%	100%
% of affordable housing units competitively evaluated and advancing to underwriting in the respective FY, that are highly sustainable and meet the Green Communities criteria	100%	100%	n/a ⁴	100%	100%	100%

² As of June 20, 2013

³ This is a new Key Performance Indicator based on the Sustainable DC report and recommendations. At the time this plan was drafted, there was no decision on what the WalkScore would be for this metric. DHCD will adjust the Performance Plan as this number becomes available

⁴⁴ This is an annual measure that is compiled after the end of the fiscal year



Housing Regulation Administration

SUMMARY OF SERVICES

The Housing Regulation Administration (HRA) administers residential housing regulations relating to condominium and cooperative conversions, condominium registration, sale of rental housing, rent adjustment procedures, licensing, affordable housing creation and preservation and other related matters. It is composed of three divisions, the Rental Accommodation Division (RAD), the Rental Conversion and Sales Division (CASD), and the Housing Resource Center (HRC). The HRC houses the housing provider ombudsman and RAD contact representatives. HRC staff administers the District's Inclusionary Zoning Program, monitors and enforces many of the District's affordable dwelling units (ADUs), and manages the Housing Resource Center, which is located on the first floor of DHCD's main office in Historic Anacostia.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing

INITIATIVE 1.1: Case Management Tracking System Implementation

DHCD will continue efforts to implement a Case Management Tracking System (CMTS) for HRA. A CMTS was created for HRA's Inclusionary Zoning program (IZ) in FY11. Creation of management and workflow requirements for RAD, CASD and the ADU program, which began with the assistance of the Office of the Chief Technology Officer (OCTO), will be completed in FY13. In FY13, DHCD continued CMTS implementation through presentations by and discussions with OCTO and CMTS vendors such as SOURCECORP Resolution Solutions and e-Court Systems in collaboration with the Office of Administrative Hearings, which currently uses the e-Court CMTS. In FY14, DHCD will complete implementation of the CMTS offered by OCTO or a vendor such as SOURCECORP or e-Court. CMTS will allow HRA to operate more efficiently, by providing better electronic access to documents, as well as, tracking cases, applications, petitions, and other processes. **Completion date: September 30, 2014.**

INITIATIVE 1.2: House Locator Enhancements

DCHousingSearch.org went live in the District in December 2009. Since that time, more than 276,000 searches are performed annually for affordable rental and sale properties in the District. In FY14, DHCD will continue to improve and enhance the housing locator to increase functionality and ensure available affordable housing in the District is captured in the housing locator. DHCD plans to expand the housing locator to include IZ registration and list management. **Completion date: September 30, 2014**

INITIATIVE 1.3: Housing Regulation Administration Electronic Information

In FY14, HRA will enhance its website to include education and information, with the end goal of providing stakeholders with a comprehensive understanding of HRA's processes and procedures. In particular, HRA's forms will be updated and available in PDF fillable forms online. Further, the website will include program descriptions, stakeholder guides regarding processes and procedures, answers to frequently asked questions, and lists of stakeholder resources. **Completion date: September 30, 2014**



OBJECTIVE 2: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities

INITIATIVE 2.1: Expand and Enhance Housing Provider Ombudsman Education Series

The housing provider ombudsman (HPO) assists small housing providers with understanding and complying with the District of Columbia's housing laws. To this end, the HPO explains HA notices, petitions and general forms. The HPO also provides technical assistance on rent control, tenant opportunity to purchase, and the sale and conversion process. In FY14, the HPO will continue education and outreach of stakeholders (e.g. small housing providers, small housing provider agents, and real estate agents) through seminars and inter-Agency coordination. The HPO will expand outreach efforts to include realty brokerage houses. **Completion date: September 30, 2014.**

INITIATIVE 2.2: Expand and Enhance the Housing Regulation Administration Education Series

In FY14, HRA will continue its regularly scheduled quarterly stakeholder meetings, as well as provide an array of educational opportunities regarding condominium and cooperative conversions, sale of rental housing, rent adjustment procedures, licensing, affordable housing creation and preservation, and other related matters. HRA's educational events are based upon stakeholder requests, legislative changes, market driven conditions, and coordinated efforts with other Agencies resulting in more comprehensive programs. **Completion date: September 30, 2014.**



KEY PERFORMANCE INDICATORS – Housing Regulation Administration

Measure	FY 2012 Actual	FY 2013 Projection	FY 2013 YTD ⁵	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
% of orders issued on voluntary agreement petitions within 45 calendar days	100%	90%	100%	90%	90%	90%
% of orders issued on hardship petitions within 90 calendar days of receipt	100%	90%	100%	90%	90%	90%
% of condo registration applications processed within 60 calendar days	92.10%	98%	97.14%	99%	99%	99%
% of structural defect warranty claim notices processed within 60 calendar days	29.17%	95%	100%	98%	98%	98%
% of complete housing assistance payment requests processed within 30 calendar days	0%	95%	100%	95%	95%	95%
# of inclusionary zoning units built ⁶	2	TBD	6	12	12	12
% of lotteries conducted for inclusionary units within 17 calendar days of receiving notice of availability	0%	95%	100%	95%	95%	95%

⁵ As of June 20, 2013

⁶ Number of inclusionary units built goals are still being compiled due to the number of agencies that are co-ordinating in the creation of these units. The Office of the Deputy Mayor for Planning and Economic Development is producing a database that tracks all these units, DHCD will update our numbers when DMPED completes this database.



Office of Program Monitoring

SUMMARY OF SERVICES

The Office of Program Monitoring (OPM) conducts oversight and reviews of DHCD projects and funding recipients. Its core functions include the following types of oversight: (1) contract compliance – completing various federally required compliance reviews as part of the underwriting and project development process; (2) quality assurance – monitoring the compliance of DHCD funded sub-recipients with federal HOME Investments Partnerships Program (HOME) and Community Development Block Grant Program (CDBG) Program funding requirements; and (3) compliance monitoring – ensuring projects developed by DHCD through the Housing Production Trust Fund (HPTF), CDBG, HOME and Low Income Housing Tax Credit (LIHTC) programs remain in compliance with federal and local program requirements throughout the duration of the projects' periods of affordability.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Ensure All Federal and Local Funds are Monitored and Reported Properly.

OPM will monitor all local and federal funds as they are received and expended by DHCD and will report on all areas required under all local and federal regulations. OPM will also ensure that all sub-recipients of these funds meet accountability and transparency standards, including all reporting requirements. Additionally, OPM will create a tracking system to ensure all federal and local reports are completed on time and submitted to the proper jurisdiction. **Completion date: September 30, 2014.**

OBJECTIVE 2: Increase Home Ownership Opportunities.

INITIATIVE 2.1: Hold Annual Fair Housing Symposium

DHCD will commence organizing fair housing activities for the 13th Annual Fair Housing Symposium to commemorate National Fair Housing Month in April 2014. The symposium will be a collaboration of government housing agencies and fair housing advocacy partners with the goal of educating the public and private sectors, industry and the general public on the national and local current fair housing issues in order to create more awareness, training to sub-recipients and staff on accessibility and affirmatively furthering fair housing in order to increase home ownership opportunities.

Completion date: April 30, 2014.

INITIATIVE 2.2: Monitor Analyses of Impediments to Fair Housing Choice (AI).

The District of Columbia must adhere to the Fair Housing Act which provides for Affirmatively Further Fair Housing (AFFH) [§808(e) (5)] in its activities. As part of this requirement, DHCD conducted an Analysis of Impediments to Fair Housing Choice (AI). This five-year document, mandated by regulation, was published in December 2012 and available in the agency's website. The District has created a task force through the Office of Human Rights to provide guidance and recommendations on mitigating the District's fair housing impediments and ensuring these are addressed by the proper bodies of government or the private sector. Continued and sustained collaboration among



private, public, and non-profit stakeholders will allow for increased management of impediments. District residents will be better served and have greater access to public and or privately financed housing, thereby affirmatively furthering fair housing. The Office of Human Right Task Force will provide their review of the AI's recommendations as well as provide its own recommendations to overcome the impediments to fair housing. DHCD in partnership with other housing and District enforcement agencies will monitor actions and recommendations taken to overcome the adverse effects of the impediment identified through the analysis. It will also coordinate and maintain records reflecting actions taken by the private, non-profit and other government sectors in this regard. **Completion date: September 30, 2014.**

OBJECTIVE 3: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 3.1: Increase Compliance of Section 3 Program.

The Section 3 Program within DHCD is aimed at creating greater opportunities for recruitment and employment of low- and very low-income residents and business interests by DHCD funded developers working on contracts partially or wholly funded through HUD. In order to achieve this goal OPM will continue to notify Section 3 residents about training and employment opportunities, notify Section 3 businesses of contracting opportunities generated by Section 3 covered assistance, and facilitate the training and employment of Section 3 residents for Section 3 covered projects. DHCD will host training on Section 3 compliance for recipients of Section 3 covered funds and their contractors. **Completion date: September 30, 2014.**



KEY PERFORMANCE INDICATORS – Office of Program Monitoring

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ⁷	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Total number of grant projects reviewed	105	95	69	115	115	115
% of DHCD environmental reviews ⁸ conducted within 45 calendar days	79.97%	80%	90.91%	95%	95%	95%
% of Fair Housing Reviews completed within stated Division timelines	100%	98%	100%	98%	98%	98%
#of Section 3 Business Concerns Certified	20	10	6	15	15	15
# of Section 3 Jobs Created	37	15	20	25	25	25
# of eligible Community Housing Development Organizations certified/recertified by fiscal year-end	6	6	6	6	6	6
# of required physical inspections and file reviews of units conducted annually for HOME and LIHTC properties	1757	1,000	878	1,000	1,000	1,000

⁷ As of June 20, 2013

⁸ OPM staff complete a HUD-approved checklist after it independently reviews all of the environmental information collected for each site. Additionally, in accordance with the National Environmental Protection Act (NEPA), OPM has provided public notice and reviewed the environmental effects of proposed housing related activities throughout the District and concluded that a broad range of activities will not have an adverse impact on the environment.



Portfolio and Asset Management Division

SUMMARY OF SERVICES

The Portfolio and Asset Management Division (PAMD) manages the allocation of Low Income Housing Tax Credits (LIHTC) and provides portfolio management oversight to outstanding loans in the division. Established in FY 2008, the division monitors the status of existing loans to ensure collections of loans that are due and compliance with loan covenants. PAMD also analyzes the risks and relationships of potential borrowers to protect the Department's assets.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Enhance Monitoring of the Multifamily Portfolio of the District of Columbia including Low Income Housing Tax Credits (LIHTC).

In FY14, PAMD will enhance monitoring of multifamily and single family housing, including LIHTC, through ongoing monitoring of financial performance and overall compliance with loan document requirements. PAMD will increase multifamily reporting to 60% through improved communication with stakeholders and internal divisions. PAMD will also develop an Audit Handbook for standardized multifamily financial reporting. **Completion date: September 30, 2014.**

INITIATIVE 1.2: Reduce Loan Delinquency and Increase Collections

PAMD, in conjunction with DFD, has developed an efficient, cross-divisional, internal risk rating system that will allow for a standardized, consistent and ongoing analysis of individual project and agency risk exposure. DHCD has created a Troubled Property List for increased analysis and repositioning. Increased monitoring, assessment, and analysis of DHCD's loan portfolio are expected to decrease the percentage of single family delinquent loans 25%. Additionally, 60% of multi-family loans are to be risk rated in FY14 This will result in an overall reduced loan delinquency, improved collections of previously expended funds and allow for increased reinvestment into the supply of affordable housing units. **Completion date – September 30, 2014.**

INITIATIVE 1.3: Preserve Affordable Housing

PAMD will partner with internal divisions, stakeholders and available affordable housing groups to provide clients access to affordable housing resources. PAMD will attend 80% of DC Preservation Network meetings to increase awareness projects at-risk of exiting the affordable housing stock in the District; **Completion date – September 30, 2014.**

OBJECTIVE 2: Increase Home Ownership Opportunities.

INITIATIVE 2.1: Assist Single Family Borrowers Maintain Home Ownership.

PAMD will begin an initiative to work with Community Based Organizations (CBO) to provide post-closing counseling as well as work with the Greater Washington Urban League (GWUL) to ensure client long-term success. **Completion date – September 30, 2014**



KEY PERFORMANCE INDICATORS – Portfolio and Asset Management Division

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ⁹	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
# of loans in portfolio	6,758	7,015	7,067	7,015	7,015	7,015
% of all required financial reviews completed	49.43%	50%	40.69%	50%	50%	50%
% of loans in good standing from previous quarter	94.45%	92%	93.12%	92%	92%	92%
% increase in # of loans in good standing from previous quarter	5.06%	1.55%	0.35%	1.55%	1.55%	1.55%
% of loans more than 30 calendar days delinquent	2.75%	1.91%	3.21%	1.91%	1.91%	1.91%
% of loans in default	4.22%	12%	6.88%	12%	12%	12%
# of loans moved from delinquent to correct status	62	60	20	60	60	60
% of multi-family loans risk rated	32.14%	50%	8.57%	50%	50%	50%
% of financial reports collected from existing borrowers ¹⁰	2.56%	2.50%	2.40%	2.5%	2.5%	2.5%
Percentage of DC Preservation Network meetings attended ¹¹	n/a	n/a	n/a	80%	80%	80%

⁹ As of June 20, 2013

¹⁰ PAMD collects this data in order to monitor the status of existing loans and to ensure compliance with loan covenants.

¹¹ This is a new metric that will be tracking in FY2014



Property Acquisition and Disposition Division

SUMMARY OF SERVICES

The Property Acquisition and Disposition Division (PADD) stabilizes and revitalizes neighborhoods by decreasing the number of vacant and abandoned residential properties in the District, and transforming vacant and/or abandoned residential properties into homeownership opportunities for District of Columbia residents at all income levels. PADD has three main functions: (1) encourage property owners to rehabilitate and/or occupy their vacant and abandoned residential property; (2) acquire vacant, abandoned and deteriorated properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure; and (3) dispose of properties in the PADD inventory for rehabilitation into high quality affordable and market-rate single-family and/or multifamily for-sale housing in District neighborhoods.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Reduce the Property Acquisition and Disposition Division Inventory

The Property Acquisition and Disposition Division will bundle properties within the PADD inventory by geographic area and other parameters derived from on-going market analysis to create a more strategic method of disposing of vacant lots and buildings. These bundles will be open to solicitation from developers on a quarterly basis. Also scattered site solicitation will be a viable strategy for disposing of properties in Anacostia. **Completion date: June 30, 2014.**

OBJECTIVE 2: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 2.1: Acquire Specific Commercial Properties in Historic Anacostia.

PADD has targeted three vacant commercial properties in Historic Anacostia for acquisition in order to further facilitate the neighborhood revitalization efforts and meet the objectives of “Sustainable City, Complete Neighborhoods.” These three properties will be up for competitive acquisition in the first or second quarter of FY14. DHCD would like to acquire these properties as it continues to revitalize the main commercial corridors of Historic Anacostia. **Completion date: March 31, 2014.**

OBJECTIVE 3: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 3.1: Identify Properties to be Considered for Business Incubation Centers. (BE2.3)

PADD will work with the Office of the Deputy Mayor for Planning and Economic Development (DMPED) to identify possible sites for business incubators as outlined in The 5 year Economic Development Plan. **Completion date: September 30, 2014.**



KEY PERFORMANCE INDICATORS – Property Acquisition and Disposition Division

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ¹²	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
# of properties acquired ¹³	6	15	0	3	0	0
# of total properties acquired in targeted neighborhoods (Ivy City/Trinidad, Historic Anacostia, & Washington Highlands)	3	10	0	3	0	0
# of properties recaptured from developers or transferees	0	10	0	5	10	10
# of properties for which disposition agreements were executed	33	55	2	3	55	55
# of housing units rehabilitated through acquisition of abandoned properties	51	45	0	2	45	45
# of affordable housing units created or rehabilitated through acquisition of abandoned properties	24	45	0	2	45	45
Average # of years of affordability for units created or rehabilitated through acquisition of abandoned properties	15	15	15	10	15	15
# of properties investigated that result in rehabilitation by the owner	2	5	6	0	0	0
Targeted Average cost per property of acquisitions	\$173,012	\$190,000	0	\$300,000	0	0

¹² As of June 20, 2013

¹³ In FY2013 DHCD imposed a moratorium on property acquisition in an attempt to focus on the disposition of properties in PADD's inventory and create a more strategic acquisition plan. DHCD will update future goals as they are developed.



Rental Housing Commission

SUMMARY OF SERVICES

The Rental Housing Commission (RHC) is charged with the responsibility of enforcing the Rental Housing Act of 1985, as amended (Act). The RHC has three statutory functions which preserve and increase the supply of quality affordable housing in the District: 1) to issue, amend and rescind regulations that are promulgated for enforcement of the Act; 2) to certify and publish the annual adjustment of general applicability to rents charged, which adjustment is based upon annual changes (if any) in the Consumer Price Index (CPI) for the applicable region in which the District of Columbia is located; and 3) decide appeals brought to the RHC from the Rent Administrator and the Office of Administrative Hearings (OAH). Although the RHC is an independent quasi-judicial body, whose members are appointed by the Mayor of the District of Columbia, the RHC has a unique relationship with the Department of Housing and Community Development (DHCD). Specifically, DHCD provides administrative support, management and budgetary assistance.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Create Standard Operating Procedures Manual.

A standard operating procedures manual (the manual) will serve as a guide for management while providing administrative procedures and a detailed outline of the procedural guidelines for processing rent control appeals. It will also serve to educate new Commissioners about D.C. Housing Regulations and the RHC internal case processing procedures. The manual will facilitate the uniformed procedures in the creation and processing of a streamlined RHC process. The new process will better serve the large number of District renters through the timely resolution of their legal appeals and will reduce government spending through processes and management efficiencies. The manual will also establish guidelines for process transparency and performance accountability. **Completion date: January 31, 2014.**

INITIATIVE 1.2: Implement Process to Streamline Case Resolution.

Appeals of landlords and tenants disputes are not decided on timely basis by the RHC. Between 2006 and 2009, the RHC on average decided about 11 cases annually (2006 to 2009 average) while receiving an average of 24 cases annually during the same timeframe. In conjunction with the creation of a standard operating procedures manual, a new case resolution process will be implemented whereby regular management meetings will be held for case assignment and review of case preparation/decision status. On a monthly basis, Commissioners will receive assignment for, and be responsible for review, drafting and disposition of, at least 2 cases at all times, one of which has been in Commission backlog for at least 2 years. Currently hearings are scheduled on the basis of mutual agreement between, and availability of, counsel for each litigant; Commission staff will attempt to implement a scheduling system based on fixed hearing dates, and require litigants to select an existing fixed hearing date for case argument. Cases in the backlog will be prioritized for review and preparation of final decisions primarily on the basis of their length of time in the backlog and their legal complexity; new cases will



only be placed in the backlog if they present complex legal issues, but otherwise decisions for new cases will be prepared and finalized within 2 months of their hearing date. Case assignment to a Commissioner will continue to operate on a rotating basis except when a Commissioner has demonstrated substantive knowledge of, and prior decision-writing experience in, a particular functional area of the Act (e.g., substantial rehabilitation petitions, capital improvements petitions, voluntary agreements, hardship petitions, etc.). RHC staff will refine and use the DHCD case tracking dashboard more efficiently by attempting to adapt it more readily and effectively to actual RHC procedures for case disposition. RHC, along with DHCD, will reconsider the purchase and implementation of the E-Court case management system (currently used by the Office of Administrative Hearings (OAH)) in FY'14 on the basis of its cost, its adaptability to RHC needs, and its capacity to increase the efficiency, accuracy and quality of the RHC's case processing and record-keeping systems. The timely resolution of appeals through a sustainable and transparent process will increase the RHC's credibility, improve customer satisfaction and prevent a future backlog. **Completion date: September 30, 2014.**

INITIATIVE 1.3: Update Rules and Regulations. One of the functions of the RHC is to issue, amend and rescind regulations that are promulgated for enforcement of the Act. To that end, the RHC is reviewing applicable regulations (14 DCMR §§ 3800-4300 (2004)) for the purposes of revising and amending them in order to comply with amendments to the Rental Housing act of 1985 and any other related laws that may affect the RHC's operations and responsibilities (for example, the 2006 amendment to the Act which abolishes rent ceilings). In addition, the RHC will continue to review all forms used and issued by the Rental Accommodations Division of DHCD and the Rent Administrator to housing providers and tenants under the Act. The RHC's regulatory review and amendment will be jointly carried out with OAH, the Rent Administrator and the office of the Attorney General to assure that the RHC's regulations meet all standards of legal sufficiency and are consistent with the regulations of other stakeholder agencies. **Completion date: September 30, 2014**

INITIATIVE 1.4: Reduction of Backlog. The RHC anticipates reducing the backlog by approximately 30 cases by the end of fiscal year 2013, from 64 to approximately 30 cases. The RHC intends to prepare and issue final decisions and orders in approximately 30 cases in FY 2014. The RHC is also exploring the development of administrative and management systems (like E-Court) to assist it in case processing, record-keeping and RHC operations. **Completion date: September 30, 2014**



KEY PERFORMANCE INDICATORS – Rental Housing Commission

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ¹⁴	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
# of appeals disposed	54	32	19	33	10	18
# of appeals cases > 3 years old	26	12	24	10	6	6
% of cases processed under 6 weeks (from date of commencement)	35%	55%	11.00%	60%	70%	80%
Average amount of time from receipt of case to assignment	9mo	5mo	2mo	4mo	2mo	2mo
% of hearings scheduled within 30 day requirement	100%	100%	100%	100%	100%	100%
Average # of calendar days between receipt of case and final decision	21	20	94	20	20	20

¹⁴ As of June 20, 2013



Residential and Community Services Division

SUMMARY OF SERVICES

The Residential and Community Services Division (RCSD) provides funding for programs that focus on neighborhood revitalization and housing needs for communities within the District. Funding consideration is based on needs within the community with purchase money assistance for homeownership and other assistance that must meet individual program requirements that is determined by household size and income. RCSD works through neighborhood-based organizations providing comprehensive housing counseling, small business technical assistance and façade improvement opportunities. RCSD administers the District's Home Purchase Assistance Program (HPAP), Employer Assisted Housing Program (EAHP), and the Negotiated Employee Assistance Home Purchase Program (NEAHP). The RCSD has available rehabilitation assistance through RCSD's Single Family Rehabilitation Program in the form of loans and grants to income-qualified owner-occupied D.C. homeowners. RCSD also provides grants for removal of lead-based paint hazards in eligible homes with children under the age of six years old. In summary, RCSD offers homeownership opportunities, stabilizes communities and provides healthy and safe living conditions for District residents.

OBJECTIVE 1: Preserve and Increase the Supply of Quality Affordable Housing.

INITIATIVE 1.1: Eliminate Environmental Health Threats Such as Lead Based Paint by Executing Second Year of Three-Year Lead Hazard Reduction Demonstration Grant (BE3.2).

In early 2012 DHCD was awarded at \$2.9 million Lead Hazard Reduction Demonstration Grant from HUD's Office of Healthy Homes and Lead Hazard Control (OHHLHC) with a District match of \$1.9 million of HPTF funds to certify 225 housing units lead-safe by FY2015. This grant will reduce lead-based paint hazards in housing built before 1978 that is occupied by or available for occupancy by low-income (<80% Area Median Income) households with children under the age of 6 years that live or frequently visiting the properties. The goal is to eliminate environmental health threats in over 50% of District affordable housing by 2032. **Completion date: September 30, 2014.**

OBJECTIVE 2: Increase Homeownership Opportunities.

INITIATIVE 2.1: Expand Use of FHA Insured 203(k) Streamlined Loans in Conjunction with the Home Purchase Assistance Program (HPAP).

DHCD provides a variety of homeownership assistance products to encourage homeownership and residency in the District. Allowing the use of FHA 203(k) Streamline Rehabilitation loans with these products permits homebuyers to finance an additional \$35,000 into their mortgage to improve or upgrade their home. Participation in homeownership programs will be increased by expanding outreach through increased training of Community Based Organizations (CBOs) and the Program Administrator. Enhance outreach by improving coordination with union groups, stakeholder groups, lenders and realtors through workshops and providing information and educational materials. The benefits of enhanced outreach, in particular the marketing of the FHA



203(k) Streamline loan in conjunction with HPAP is very important to the success of acquiring affordable homes that need minimal repairs. Outreach will improve program awareness on how to get help for home purchase assistance for low-income residents and encourage government employees to reside in the District and assist in the creation of generational wealth through homeownership. **Completion date: September 30, 2014.**

OBJECTIVE 3: Revitalize Neighborhoods, Promote Community Development and Provide Economic Opportunities.

INITIATIVE 3.1: Complete Overhaul of the Storefront Façade Development Process.

RCSD provides grants through non-profit partners to retail and commercial property owners to enhance retail and commercial façades in targeted areas of the District. Generally, a grant of up to 80% of construction costs for façade improvements is awarded. In FY14, RCSD will continue to improve the program through finalization of the policies and procedures for the program. In addition, we have added more flexibility to the budgeting process for this program by committing funds for projects as they complete pre-development and reach construction. . **Completion date: September 30, 2014.**



KEY PERFORMANCE INDICATORS – Residential and Community Services Division

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 YTD ¹⁵	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Total affordable housing units funded	338	425	272	425	425	425
Total Single Family Rehab units funded	49	75	40	75	75	75
Total Lead Multifamily units funded	42	60	15	80	85	85
Total Residential Rehab Elderly, Disabled, and Homeless units (special needs) funded	21	15	9	15	15	15
Total HPAP Elderly, Disabled, and Homeless units (special needs) funded	8	10	1	10	10	10
# of first-time homebuyers funded by HPAP	225	260	178	240	260	260
# of District employee homebuyers funded by EHAP	76	80	70	80	80	80
# of District employee homebuyers funded by NEAHP	19	25	22	35	50	50
# of Elevated Blood Level cases in the District	48	30	165	30	30	30
# of storefront façades improved	12	40	15	40	40	40

¹⁵ As of June 20, 2013