

**FY2011 PERFORMANCE PLAN**  
**Deputy Mayor for Planning and Economic Development, Office of the**

**MISSION**

The Office of the Deputy Mayor for Planning and Economic Development (DMPED) supports the Mayor in developing and executing the District's economic development vision.

**SUMMARY OF SERVICES**

DMPED assists the Mayor in the coordination, planning, supervision, and execution of programs, policies, proposals, and functions related to economic development in the District of Columbia. DMPED sets development priorities and policies, coordinates how the District markets itself to businesses and developers, and recommends and ensures implementation of financial packaging for District development, attraction, and retention efforts. DMPED also works to achieve its mission by focusing on outreach to the business community and neighborhood stakeholders, and by forging partnerships between government, business and communities to foster economic growth for residents of the District of Columbia.

**AGENCY WORKLOAD MEASURES**

<b>Measure</b>	<b>FY2009 Actual</b>	<b>FY2010 YTD</b>
Total square footage of federal government agencies within the District (owned and leased)	55 million square feet	55 million square feet
Number of "Ask the Director" emails received	88	53
Active business relocation/expansion leads	N/A	160

**OBJECTIVE 1: Manage and deliver the District's economic development programs and projects.**

**INITIATIVE 1.1: Increase Business Development Capacity for the District.**

DMPED will undertake a variety of projects to ensure that the District's business development efforts are consistent, transparent, and professional in order to maximize and diversify the District's tax base and employment base. The specific metrics to be completed by September 2011 include the following:

- **Encourage Non-Profits to Locate in Emerging Areas.** DMPED will administer and allocate a \$500,000 non-profit tax abatement program for non-profit organizations that lease or purchase space in emerging office neighborhoods such as: NoMa, Capitol Riverfront, Mount Vernon Triangle, Anacostia, and Minnesota-Benning).
- **Interact with District's Largest Real Estate User.** DMPED will continue to prioritize and encourage federal tenancy opportunities by engaging General Services Administration (GSA) and other federal government executives in detailed discussions and tours of emerging District neighborhoods. DMPED staff will distribute strategic marketing materials and make personal presentations to 5 major local real estate brokerage houses, in an effort to explain the services DMPED can offer to assist federal tenants in the District.
- **Encourage Occupancy In Core Markets.** DMPED will develop new marketing materials and gather at least 20 brokers, property

owners, retailers, and Downtown DC leaders to “relaunch” the Downtown Retail TIF program.

- **Market the District and Potential Incentives.** DMPED will ensure that at least 75 retailers (or retail brokers) receive up-to-date information about District real estate opportunities. At least half these interactions will occur outside the District at regional and/or national conventions in order to reach retailers that are unfamiliar with the District’s opportunities. In addition, DMPED will develop and place on its website online GIS-based maps for all geography-specific business incentives (i.e., NET2000, Supermarket Tax Exemption, etc) and publicize these maps to brokers and site selection consultants.

**INITIATIVE 1.2: Increase portfolio of industrial revenue bond transactions.**

The District of Columbia Industrial Revenue Bond (IRB) Program provides below market interest rate loans to qualified private enterprises located in the Enterprise Zone as well as non-profit and manufacturing organizations throughout the District of Columbia. The IRB program anticipates underwriting and closing 10 to 12 bond transactions in Fiscal Year 2011 and will continue to take advantage of any Federal Stimulus incentives that are extended by Congress by September 2011. The IRB program anticipates 5 to 8 conversions. These conversions are subject to current market conditions. IRB transactions approaching 10 years will be reevaluated and possibly/refinanced, which may increase financing available to underwrite and close other transactions in FY11. The current economy and lending capacity of financial institutions, is increasing and more options are available for potential borrowers. As indicated in DMPEDs FY10 performance plan, Bank Qualified (BQ) Loans serve as an important tool to finance projects in lieu of the limited lending capacity of financial institutions. DMPED will continue to promote this financing vehicle in FY11. This Bank Qualified Loan Structure has been considered as one of the incentives that will be extended by Congress. The IRB program will continue to identify how to further leverage the Enterprise Zone Bonds, as Congress is also considering this incentive program for extension. In FY 11, The program will target GAP financing for current projects that reside in the District, as well as a major tool for business attraction. DMPED will continue to collaborate with Bond Counsel and the Office of the Attorney General(OAG) to determine how the District can obtain perpetual authority to issue bonds for For-Profit entities in District Enterprise Zones. In addition, the IRB Program will also investigate be seeking the potential for the financing options for International Projects residing in the District. The fundamental goal of this initiative is to bring additional Services, Jobs, Contracting and Revenue to the District.

**INITIATIVE 1.3: Monitor recipients of Neighborhood Investment Fund (NIF) grants to ensure compliance with grant agreement.**

The Neighborhood Investment Fund (NIF) is an annual fund that finances economic development and neighborhood revitalization in the following twelve

(12) targeted areas throughout the District: - Shaw - Logan Circle - Deanwood Heights - Washington Highlands - Columbia Heights - Bellevue - Congress Heights - H Street - Anacostia - Brookland & Edgewood - Bloomingdale and Eckington - Brightwood and Upper Georgia. NIF issues grants through a competitive process on a cyclical basis. For FY11, NIF will initiate a “Go Green” approach by allowing applicants to apply for the NIF grant through an online grant application. Additionally, applicants will also be able to submit financial reports through the online grant application. In order to ensure that the funds are spent in a fiscally responsive manner, the grant recipients will be monitored on both a monthly and quarterly basis. A site visit for each grant recipient is conducted before the initial disbursement of grant funds, when the first quarterly report is due, and after the second and or final disbursement is due as a means of ensuring compliance with both procedures and stated objectives. By the use of NIF Grantee education and periodic grant updates, NIF has established a 95% Grantee reporting and compliance goal.

**INITIATIVE 1.4: Continue Progress on the Great Streets Program.**

The Great Streets Initiative is a multi-year, multiple agency effort to transform under- invested corridors into thriving and inviting neighborhood centers using public actions and tools to leverage private investment. As an example, in FY10 the Great Streets Program issued grants to numerous property owners along the H Street Corridor. The program will attract at least one new sit down restaurant to Great Streets corridors in eastern Washington. Four additional property owner grants will be issued and completed on the corridors by September 2011. Additionally, up to \$10,000,000 in TIF authorization will be committed to development projects on the Great Streets corridors.

**INITIATIVE 1.5: Continue making progress relative to the New Communities.**

The goal of the initiative is to redevelop targeted neighborhoods (Barry Farm, Lincoln Heights/Richardson Dwellings, Northwest One and Park Morton) into healthy, vibrant communities for current and future residents. Progress is measured through: (1) identification of offsite housing, (2) site redevelopment and (3) human capital outreach resulting in gains in health, education, jobs and public safety. Important milestones that will be met during FY11 are as follows:

- Northwest One (Site 2): Closing/Groundbreaking for
- Sheridan Station (Barry Farm): Phase I project completion Substantial Ongoing construction for Phase I of Sheridan Station (Barry Farm) which commenced April 2010.
- Construction of Matthews Memorial Terrace (Barry Farm)-which is scheduled to commence July/August 2010
- Closing/Groundbreaking for Park Morton – OffSite
- Negotiation of Master Development Agreement for Park Morton – OnSite (in conjunction w/ DCHA)
- Final Developer Selection/Negotiation of Land Disposition and Development Agreement for 5201 Hayes St (Lincoln Heights/Richardson Dwellings)

- Relocate 9 Lincoln Heights households to 4427 Hayes Street, NE (scheduled for completion in Late summer 2010)
- Commencement of Construction at 4800 Block of Nannie Helen Burroughs Ave, NE (subject to PUD approval)
- Commencement of Construction of Barry Farm Recreation Center
- Human Capital:
  - Economic Development - °Of the residents that have enrolled in case management, 66% will be registered with DOES One Stops. °100 residents will be linked to employment or training that leads to a career. ° At least 100 New Communities residents will open Bank on DC accounts and 25% of those will be owned by youth.
  - Youth Employment and Education - ° We plan to increase the number of youth engaged in job training, academic enrichment, college preparation, computer literacy and life skills programs. °At least 75% of the youth that are engaged in youth programs will proceed to the next grade level.
  - Safety & Security - °A residents' Safety and Security Task Force will be established in each New Community.
  - Physical and Mental Health - °Of the residents identified with substance abuse issues, 100% will be connected to substance abuse treatment.
  - Senior Health and Programming - °All seniors enrolled in case management will have a medical treatment plan.
  - Community Technology Access - °We will begin operating at least one adult technology laboratory in each New Community to provide access to computers, internet and technology training. °At least 75% of residents who participate in case management will have an email account.
  - Community Participation - °We will increase community meeting attendance by 20%.

**INITIATIVE 1.6: Continue progress on key projects within the Anacostia Waterfront.**

DMPED will continue to focus its attention on implementing the Anacostia Waterfront Initiative (AWI) Framework Plan, the guiding document for the river's restoration and revitalization. Progress is tracked through key milestones such as (1) the execution of legal documents (e.g., Land Disposition Agreements, Ground Leases, Development Agreements), (2) Ground Breaking ceremonies, and (3) completion of construction. In FY10 DMPED also produced a 10 year anniversary report describing some of the successes of the AWI and some important milestones going forward. Important milestones that will be met during FY11 are as follows: • Hill East – demolition and construction of temporary improvements • Southwest Waterfront – completion of design for utility relocation – completion of fish market plan – • Kingman Island- completion of design for trail construction.

**INITIATIVE 1.7: Submit for Federal approval for the Walter Reed Local Redevelopment Authority Reuse plan.**

The goal of the DMPED-led project team supporting the Walter Reed Local Redevelopment Authority (LRA) is to create a financially feasible reuse plan for the 62.5 surplus acres of the Walter Reed Army Medical Center Campus that meets community needs and complies with all Base Realignment and Closure (BRAC) laws and regulations. This will be accomplished through: (1) completion of a series of public community meetings designed to effectively engage area residents, business and property owners, neighborhood and business associations, District agencies, and other critical stakeholders and incorporation of their questions and concerns; and (2) regular communication with Federal partners such as Walter Reed BRAC Staff, United States Army, Department of Defense, and Housing and Urban Development among others. In FY11, the following items will be completed: final selection of the 23 Notices of Interest (NOI) applicants • completion of final reuse plan and approval by the Local Redevelopment Authority (LRA) • timely submission of reuse plan to the U.S. Department of Housing and Urban Development.

**INITIATIVE 1.8: Continue making progress relative to the disposition of excess schools.**

The goal of the initiative is to enhance the safety, attractiveness, and vibrancy of several neighborhoods and communities through the adaptive reuse or redevelopment of excess school properties that (i) District of Columbia Public Schools has previously identified as appropriate for reuse or redevelopment into non-government uses and (ii) Department of Real Estate Services has previously determined have no viable use by the District. Progress is measured through: (1) site redevelopment, (2) public benefits (e.g.,affordable housing), and (3) job creation. Important milestones that will be met during FY11 are as follows: • Submission for Planned Unit Development or Board of Zoning Appeals approval for MM Washington Career High School • Planned Unit Development Submission for Hine Junior High School • Request For Proposal solicitation for Grimke Elementary School • Execute term sheet for Rudolph Elementary School • Re-solicitation and Award of Randle Highlands Elementary School • Finalized plan for future re-use of Young Elementary School.

**OBJECTIVE 2: Increase Public Access and Exposure to Economic Development Information.**

**INITIATIVE 2.1: Provide forums for regular economic development updates on projects to communities across Washington, D.C.'s eight wards.**

DMPED will continue to engage neighborhoods and residents across all eight wards on updates to existing development projects via regular attendance at various ANC and civic association meetings across the city and with DMPED led meetings on various projects. Work collaboratively within those groups to identify new or proposed development opportunities in each ward. Different then FY10, in FY11 DMPED will engage the community in the determination of

surplus properties as a part of the disposition process. Attendees at DMPED led meetings will also be added to our newsletter/agency distribution list to ensure wider participation in future community meetings and DMPED sponsored events.

### **OBJECTIVE 3: Add to the District's Portfolio of Affordable Housing Stock.**

#### **INITIATIVE 3.1: Promote the preservation of affordable housing through the rehabilitation and new construction of housing that includes affordable units for District residents of all incomes.**

As a part of deal negotiations in the disposition of DMPED parcels, DMPED will work to include affordable housing requirements (i.e. where applicable, affordable dwelling unit restrictive covenants and/or Inclusionary Zoning Program requirements) in residential /mixed-use projects. This is an ongoing process that is contingent upon economic conditions, the ability of parties to negotiate the legal agreements in a reasonable time frame, and the availability of funding from local and federal sources. It should be noted that a majority of DMPED's projects are large mixed-use developments which require a longer lead time than strictly residential development and are reliant on other funding sources. During this unpredictable economic climate both traditional capital sources along with District revenues are significantly impacted. These factors have caused numerous delays in projects thereby producing less affordable housing in the near term and pushing out the delivery of affordable units.

#### **INITIATIVE 3.2: Promote compliance with the Affordable Housing Clearing House Directory Act of 2008.**

The purpose of the Affordable Housing Clearing House Directory Act of 2008 is to create and maintain a computer database that identifies all rental and for-sale units in the District that have been made or will be made affordable by federal or District subsidy. DMPED will work with the cluster housing agencies to track affordable housing units that are delivered/added to the District's affordable housing stock in the fiscal year reporting period. DMPED will conduct meetings on a quarterly basis to ensure affordable housing numbers reported are accurate. DMPED will work with the Department of Housing and Community Development's Housing Regulation Administration to develop a process of ensuring all applicable DMPED projects are included in the Housing Locator at [DCHousingSearch.org](http://DCHousingSearch.org) (objective to be met by the end of FY10 for implementation within projects going forward in FY11). This initiative will ensure District residents are aware of DMPED project that have available units to purchase or rent.

## PROPOSED KEY PERFORMANCE INDICATORS

Measure	FY 2009 Actual	FY2010 Target	FY2010 YTD	FY2011 Projection	FY2012 Projection	FY2013 Projection
Ratio of private funds to public funds leveraged through DMPED projects <sup>1</sup>	8:1	3:1	Not Available	3:1	3:1	3:1
# of community economic development meetings held	23	25	35	45	55	65
# of units of affordable housing developed	1154	300	2386	TBD	TBD	TBD
# of jobs created for DC residents	Not Available	Not Available	Not Available	TBD	TBD	TBD
# of sq ft of retail space created	Not Available	Not Available	180,000	200,000	300,000	400,000
# of Grocery stores per capita <sup>2</sup>	1:12,238	Not Available	1:11,820	TBD	TBD	TBD
Square footage of shopping center retail space per capita <sup>3</sup>	---	Not Available	8.67:1	TBD	TBD	TBD
% of subgrantee's budget spent on programmatic costs <sup>4</sup>	Not Available	Not Available	Not Available	65%	65%	65%
% of scheduled monitoring reports as defined in agency monitoring plan completed for each grant award <sup>5</sup>	Not Available	Not Available	Not Available	100%	100%	100%

<sup>1</sup> Measured by ratio of public funds (contributions by DC local government) to private investment (private monies from private sector investors or lenders). Funds from federal government sources should be excluded from the formula.

<sup>2</sup> Industry Standard Measure: The national benchmark for grocery stores per capita is one "large" (50,000-100,000 sf) store per 10,000 people as cited by the New York City Department of City Planning in a report entitled, "Going to Market", <http://www.nyc.gov/html/dcp/html/supermarket/index.shtml>. Assuming that there are an equal number of "large" and "small" (10,000 to 50,000 sf) stores, the national ratio would be one overall grocery store per 5,000 people.

<sup>3</sup> Industry Standard Measure: The national benchmark for square footage of shopping center retail space per capita is 23.4:1 as defined by the Delta Associates Spring 2010 Retail Outlook Report.

<sup>4</sup> The Wise Giving Alliance of the Better Business Bureau identifies 65% to be an industry standard for this measure <http://www.bbb.org/us/Charity-Standards/>. This metric measures all subgrantees' programmatic costs as a percentage of their overall costs.

<sup>5</sup> Pursuant to 11.4 of the Grants Manual and Source Book all District agencies must complete monitoring reports. All District agencies should be in compliance with this standard. The standard is 100%.