



## Office of the Deputy Mayor for Planning and Economic Development DMPED (EB)

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### 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 policy.

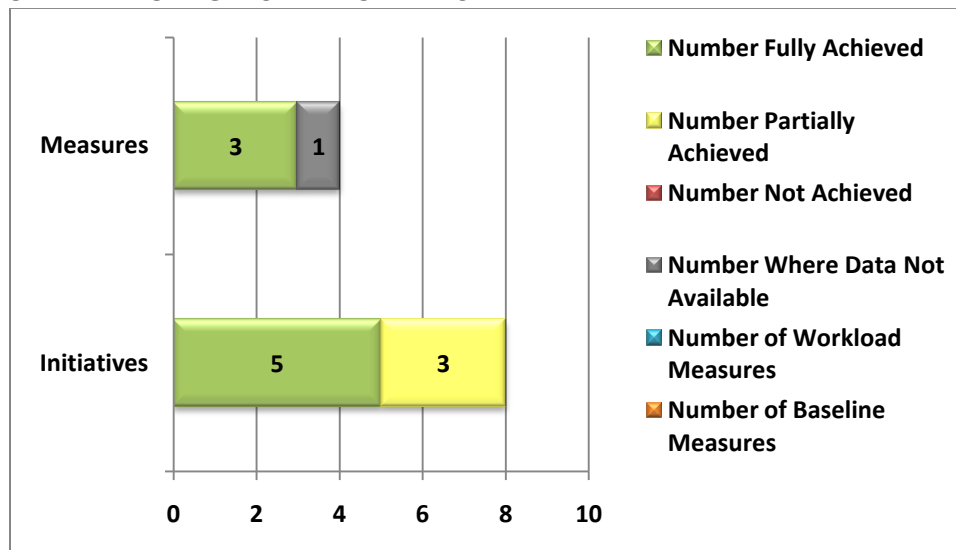
### SUMMARY OF SERVICES

DMPED assists the Mayor in the coordination, planning, supervision, and, in some cases, execution of all 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.

### ACCOMPLISHMENTS

- ✓ Achieved substantial completion of the proposed Re-Use Plan for 63 acres at the Walter Reed Army Medical Center site in conjunction with the Local Re-Development Authority.
- ✓ Completed a \$187 million dollar financing agreement with Council which allowed for groundbreaking of new 1,100 room Convention Center Hotel.
- ✓ Successfully broke ground on multiple development projects: The Park at LeDroit; Howard Theater; Rhode Island Station; Inaugurated such projects as: Park at the Yards, 6425 14th Street NW; Waterfront Station Re-development.

### OVERVIEW OF AGENCY PERFORMANCE





## Performance Initiatives – Assessment Details

### Performance Assessment Key:



Fully achieved



Partially achieved



Not achieved



Data not reported

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

- **INITIATIVE 1.1: Increase portfolio of industrial revenue bond transactions.**  
The District of Columbia Revenue Bond Program provides below market interest rate loans to qualified private enterprises located in the Enterprise Zone as well as non-profit and manufacturing organizations citywide. The industrial revenue bond team closed 17 new bond deals, and 5 conversions by the end of FY10. Factors that influenced the volume in FY10 include; favorable bond interest rates, aggressiveness of banking institutions, IRB Bond Seminars and creative usage of the Stimulus Package incentives. We should close another 7 to 9 new deals and conversions by the end of the calendar year. Congressional decisions related to the extension of the Stimulus Package will greatly impact our deal volume in FY11.

- **INITIATIVE 1.2: Monitor recipients of Neighborhood Investment Fund (NIF) grants to ensure compliance with grant agreement.**  
In FY 2010, there were there were 19 organizations that participated in the New Communities Human Capital Program that received grant funding under the Neighborhood Investment Fund (NIF) Program. The grant recipients were required to attend a mandatory reporting session prior to launching their program. The New Communities Project Manager met with grantees monthly to discuss programmatic concerns; and quarterly, to ensure fiscal management of the funds. Grantees were required to submit both monthly and quarterly reports as mandated by the NIF program.

Also In FY 2010, there were 65 organizations throughout the 12 target areas that received grant funding under the Neighborhood Investment Fund (NIF) Target Area Program Grant (TAPG). The grant recipients were required to attend a mandatory orientation session which provided the breakdown of important dates, requirements, and expectations. Due to the small award amounts this fiscal year, it was required that all grantees submit monthly and quarterly reporting via the new email account (nifgrantreport@dc.gov) by the mandated deadlines. If the grantee misses two consecutive reporting periods, grant funds will be subject to suspension and/or termination. To date, there has been a 90% success rate of on-time reporting by the grantees. The remaining 10% of the grantees requested extensions for the grant program due to the unforeseeable financial constraints caused by the current economic climate.

Additionally in FY 2010 DMPED, through the Neighborhood Investment Fund Implementation Plan Amendment Act of 2009, funded the Career Technical Training Fund which provided for several 24-hour vocational educational programs at area high schools. The operating costs for the DC USA parking facility were also funded through the NIF program in FY 2010.



● **INITIATIVE 1.3: Continue Progress on the Great Streets Program.**

A total of five grants were issued from the Great Streets Initiative in FY 2010. The economic development strategy for the North Capitol and Florida Avenue areas will be completed in FY 2011. In FY 2010, the Great Street program provided a \$900,000 grant which enabled the opening of the first organic market in east Washington on Pennsylvania Avenue SE. The store opened in August 2010. Additionally, the program provided an approximately \$400,000 grant to rehabilitate the Fort Davis Shopping Center. Construction is completed. Another property owner grant of \$70,000 also facilitated the opening of a new sit down restaurant along the Minnesota Avenue and Benning Road corridors in east Washington. Grants of up to \$20,000 each were also issued to improve 1224 and 1340 H Street NE. Additionally, up to \$9,000,000 in TIF authorization was committed to development projects on two Great Streets corridors on H Street and Georgia Avenue in FY2010.

● **INITIATIVE 1.4: Continue making progress relative to the New Communities initiative.**

A number of measures were accomplished in FY10 relating to the identification of offsite housing and accomplishment of New Communities site development milestones. Specifically:

- New Communities (collectively): Successfully raised approximately \$54M via the second New Communities HPTF Bond Issuance – successfully refund advances provided by the OCFO and to fund on-going development in conjunction with New Communities Initiative;
- Barry Farm: o Groundbreaking at two separate housing developments: Sheridan Station – Phase I & Matthews Memorial Terrace. Together, they will provide 65 offsite housing replacement units for Barry Farm Phase I on-site residents. o Successfully deployed funding from 2010 New Communities Bond Issuance to contract design services for the Barry Farm recreation center (MOU w/ OPEFM);
- Lincoln Heights: o Continued redevelopment of 4427 Hayes Street (scheduled to deliver December 2010) – will have 26 affordable units (9 of which will be Lincoln heights replacement units);
- Park Morton: o Negotiated terms of a Development Finance Agreement with the selected Park Morton development partner for a privately-controlled parcel at 3810 Georgia Avenue. Continued ongoing negotiations between DMPED, DCHA and DCHFA.;
- Northwest One: o Groundbreaking at the first phase of redevelopment of Golden Rule Center aka The SeVerna. The SeVerna will provide 60 replacement units for former Golden Rule and Temple Courts residents. o Ensured that selected developer for Northwest One - Site 2 achieved predevelopment milestones (3rd party permit review, submission of financing package to HUD) in order to achieve Spring 2011 groundbreaking.;
- o Grand Openings of Northwest One Public Library and Recreation Center.

For human capital outreach, a number of measurable steps were accomplished in FY 2010. Specifically:

- Over 300 residents were engaged and enrolled in case management (an increase of more than 60 residents from FY'09);
- Over 96 residents were linked to job training and employment leading to career pathways (an increase of more than 50 residents from FY'09);
- Over 75 residents officially enrolled at the DOES One Stop Center and met with assigned (DOES) case manager (an increase of more than 55 residents from FY'09);
- Over 250 children were engaged and/or enrolled in after-school and summer programs;
- Over 60 children and youth were engaged and/or enrolled in community health and wellness programs;

- Over 200 youth were engaged in life skills, financial literacy, academic enrichment, college preparatory and job training/employment programs;
- Over 480 children and youth received book bags complete with school supplies at the beginning of the 2010-2011 school year;
- Over



85 families were referred to substance abuse and mental health treatment.

● **INITIATIVE 1.5: Continue progress on key projects within the Anacostia Waterfront.**

A total of five grants were issued from the Great Streets Initiative in FY 2010. The economic development strategy for the North Capitol and Florida Avenue areas will be completed in FY 2011.

In FY 2010, the Great Street program provided a \$900,000 grant which enabled the opening of the first organic market in east Washington on Pennsylvania Avenue SE. The store opened in August 2010. Additionally, the program provided an approximately \$400,000 grant to rehabilitate the Fort Davis Shopping Center. Construction is completed. Another property owner grant of \$70,000 also facilitated the opening of a new sit down restaurant along the Minnesota Avenue and Benning Road corridors in east Washington. Grants of up to \$20,000 each were also issued to improve 1224 and 1340 H Street NE. Additionally, up to \$9,000,000 in TIF authorization was committed to development projects on two Great Streets corridors on H Street and Georgia Avenue in FY2010.

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

● **INITIATIVE 2.1: Enhance the scope of [www.dcbiz.dc.gov](http://www.dcbiz.dc.gov) (DMPED website) to provide a more comprehensive understanding of the agency's role in transforming development across Washington, D.C. and latest project information to residents**

Our new website was unveiled in September. The new site utilizes the framework of most re-designed agency websites, but allows for a simpler way to access neighborhood project and initiative information. Additionally, each project is now tied into three or more specific milestones so that residents and development partners can better determine what stage projects are at. Additionally, our initiatives are more clearly visible at the main site, thus allowing for better functionality for most users who visit our site for the purpose of finding information on these efforts.

● **INITIATIVE 2.2: Provide forums for regular economic development updates on projects to communities across Washington, D.C.'s eight wards.**

We exceeded our economic development meeting goal in large part by a more focused engagement effort on all of our projects. However, our efforts related to the Walter Reed LRA process created almost 50 stand-alone meetings with all parts of the Ward 4 community. As a result, our target goal was exceeded almost three times over. DMPED will continue to actively engage with all communities where our projects exist

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

● **INITIATIVE 3.1: Promote the construction of new housing that is affordable to people of all incomes.**

In FY2010, DMPED continued to work on negotiating/finalizing LDA's for a number of residential/mixed use projects. DMPED, in partnership with other pertinent agencies, worked to ensure the applicable affordability covenants were included in development projects. DMPED continues to have a standard of requiring at least thirty (30%) percent of the total units to be set-aside for persons at or below 80 percent area median income. In addition, DMPED continues to follow local and/or federal affordable housing requirements, where applicable, in



residential development deals. Success with this initiative is contingent upon the economic conditions and ability of parties to negotiate legal agreements in a reasonable timeframe.

In FY2010, DMPED in coordination with DHCD and OAG also worked on developing standard affordability covenant language for rental and for-sale development projects. The purpose is to ensure affordable housing units (rental or for-sale) are created and preserved and where Inclusionary Zoning is not applicable, there is a standard to follow. This process is still going on and all parties hope to finalize this document within the first quarter of FY2011.





In FY2010 2,565.00 units were created in preserved in the District. This number includes DHCD, DCHA, DCHFA and DMPED projects and is based on the data collected in the DMPED affordable housing database. Of this amount DMPED delivered 26 units and began construction on 467 units.



## Key Performance Indicators – Details

### Performance Assessment Key:

 Fully achieved       Partially achieved       Not achieved       Data not reported

	Measure Name	FY2009Y E Actual	FY2010 YE Target	FY2010 YE Actual	FY2010 YE Rating	Budget Program
	1.1 Ratio of private funds to public funds leveraged through DMPED projects	7.98	3	5.14	171.48%	ECONOMIC DEVELOPMENT FINANCING
	2.1 Number of community economic development meetings held	16	18	115	638.89%	
	2.2 Number of agency website traffic (website hits)	0	0	Not Available		OFFICE-WIDE OPERATIONS
	3.1 Units of affordable housing under construction through DMPED projects/Land Disposition Agreements	1154	200	467	233.50%	ECONOMIC DEVELOPMENT FINANCING