

# Department of Housing and Community Development FY2021

**Agency** Department of Housing and Community Development

**Agency Code** DBO

**Fiscal Year** 2021

**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

Measure	Directionality	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Target
<b>1 - Increase New Affordable Housing Opportunities. (10 Measures)</b>					
Percent of loans at least one year old in good standing	Up is Better	90%	90.5%	94%	85%
Number of total new construction affordable rental housing units funded	Up is Better	609	682	162	525
Number of affordable homeownership units produced or preserved	Up is Better	64	12	39	30
Percent of development finance projects closed within 12 months of selection	Up is Better	19.2%	36%	22%	50%
Met HPTF Statutory Requirements - 30 percent AMI	Up is Better	76.8%	12%	18.8%	40%
Met HPTF Statutory Requirements - 50 percent AMI	Up is Better	109.5%	76.5%	62.7%	40%
Met HPTF Statutory Requirements - 80 percent AMI	Down is Better	13.8%	11.8%	18.3%	20%
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	89.3%	100%	100%	100%
Number of Homebuyer Purchase Assistance Program (HPAP) loans	Up is Better	351	351	376	325
Percent of HPAP loans that close within 60 days after final lender package is received.	Up is Better	New in 2020	New in 2020	100%	80%
<b>2 - Preserve Existing Affordable Housing Stock. (11 Measures)</b>					
Average number of calendar days for compliance review	Down is Better	38.25	25.25	28	45
Number of affordable single-family homeownership units rehabbed from Single Family Rehab/Lead Safe Programs	Up is Better	61	26	20	135
Number of affordable rental housing units preserved (rehabbed)	Up is Better	895	532	782	780
Percent of hardship petitions processed within 90 calendar days	Up is Better	100%	100%	75%	100%

Measure	Directionality	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Target
Percent of Single Family Rehabilitation/Lead Safe Washington projects that start construction within 6 months after DHCD receives compliance approval.	Up is Better	5%	61.5%	32.8%	65%
Number of small buildings awarded funding to abate code violations	Up is Better	New in 2020	New in 2020	1	5
Number of affordable units preserved and/or rehabilitated through the program	Up is Better	New in 2020	New in 2020	12	75
Percent of required audited financial statements collected for multi-family projects	Up is Better	New in 2020	New in 2020	95%	90%
Percent of risk ratings completed for multi-family projects	Up is Better	New in 2020	New in 2020	96%	90%
Percent of conversion applications reviewed and processed within 30 days to better inform preservation initiatives and policy.	Up is Better	New in 2020	New in 2020	100%	100%
Number of Residential Rehabilitation Program (SFRRP) projects completed this FY that started construction within 6 months after SFRRP received final compliance approval.	Up is Better	New in 2020	New in 2020	14	30
<b>3 - Promote community development activities. (8 Measures)</b>					
Number of Section 3 Jobs Created	Up is Better	28	35	133	25
Median Number of Months Property is in DHCD's portfolio	Down is Better	40	40	38	40
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%
Percent of Storefront Facade projects that are completed within 10-24 weeks after Notice to Proceed.	Up is Better	0%	65%	20%	75%
Number of properties developed by DHCD (Turn-Key)	Up is Better	0	5	3	10
Number of storefront facades improved	Up is Better	58	41	17	30
Number of properties awarded to pre-qualified developers (DOPA)	Up is Better	New in 2020	New in 2020	0	5
Number of developers selected for DHCD DOPA pre-qualified developers pool	Up is Better	New in 2020	New in 2020	0	20

## Operations

Operations Header	Operations Title	Operations Description	Type of Operations
<b>1 - Increase New Affordable Housing Opportunities. (3 Activities)</b>			
INCLUSIONARY ZONING PROGRAM	Inclusionary Zoning	Inclusionary Zoning requires that a certain percentage of units in a new development or a substantial rehabilitation that expands an existing building set aside affordable units in exchange for a bonus density. The Housing Regulation Administration Division at DHCD administers the Inclusionary Zoning program, including developer compliance, holding lotteries for District residents to occupy units, and general program policy development.	Daily Service
NEIGHBORHOOD BASED ACTIVITIES	Down Payment Assistance	The Home Purchase Assistance (HPAP) program, Employer Assisted Housing Program (EAHP) and the Negotiated Employer Assisted Housing Program (NEAHP) provides interest-free loans and closing cost assistance to qualified applicants to purchase single family houses, condominiums, or cooperative units. The loan amount is based on a combination of factors, including; income, household size, and the amount of assets that each applicant must commit towards a property's purchase.	Daily Service

Operations Header	Operations Title	Operations Description	Type of Operations
AFFORDABLE HOUSING PROJECT FINANCING	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
<b>2 - Preserve Existing Affordable Housing Stock. (3 Activities)</b>			
Small Properties Program	Small Properties Program	Small Properties Program	Daily Service
RENTAL CONVERSION AND SALES DIVISION	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
NEIGHBORHOOD BASED ACTIVITIES	Home Rehab 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
<b>3 - Promote community development activities. (8 Activities)</b>			
Program Monitoring	Program Monitoring	<p>The Office of Program Monitoring (OPM) conducts oversight and reviews of DHCD projects and funding recipients. Its core functions include contract compliance, quality assurance to ensure compliance with federal and local regulations, and affordability covenant compliance to ensure project maintains compliance throughout the duration of the projects period of affordability.</p> <p>OPM staff performs project reviews of environmental standards, Davis Bacon, relocation, fair housing and Section 3 as each project relates to these programs. Project compliance takes the form of annual report reviews and on-site visits to properties where file reviews and physical inspections occur. As the monitoring entity for the 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)	Implementation of DOPA (District Opportunity to Purchase Act)	Daily Service
Housing Regulation Oversight	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

Operations Header	Operations Title	Operations Description	Type of Operations
COMMUNITY DEVELOPMENT	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
PORTFOLIO AND ASSET MANAGEMENT	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	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
NEIGHBORHOOD BASED ACTIVITIES	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
PROPERTY MANAGEMENT	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

Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
<b>1 - Affordable Housing Project Financing (4 Measures)</b>			
Number of affordable housing projects closed	28	18	23
Number of financial applications submitted	64	71	37
Number of affordable units preserved through the Housing Preservation Fund	New in 2020	New in 2020	63
Number of total affordable housing units preserved through TOPA acquisition assistance program	393	22	0
<b>1 - Down Payment Assistance (2 Measures)</b>			

Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
Number of Home Purchase Assistance Program (HPAP) completed applications received by Administrators	904	1305	687
Number of Employer Assisted Housing Program (EAHP) completed applications received by Administrators	New in 2020	New in 2020	238
<b>1 - Inclusionary Zoning (1 Measure)</b>			
Number of IZ units available for occupancy	134	252	336
<b>2 - Home Rehab Assistance (2 Measures)</b>			
Number of Single Family Rehab applications received	99	132	75
Number of Single Family Residential Rehabilitation Program (SFRRP) projects completed	New in 2020	New in 2020	20
<b>2 - Rental Conversion and Sales (1 Measure)</b>			
Number of TOPA notices processed	1620	1420	1788
<b>2 - Small Properties Program (3 Measures)</b>			
Number of applications received per grant cycle	New in 2020	New in 2020	5
Number of applications processed for funding	New in 2020	New in 2020	1
Number of affordable units repaired through the Small Building Program	New in 2020	New in 2020	12
<b>3 - Foster Small Business Development (1 Measure)</b>			
Number of small business technical assistance sessions	11,963	6873	5570
<b>3 - Housing Counseling (1 Measure)</b>			
Number of housing counseling sessions given	36,255	34,324	16,500
<b>3 - Implementation of DOPA (District Opportunity to Purchase Act) (3 Measures)</b>			
Number of DOPA properties reviewed for DOPA eligibility	New in 2020	New in 2020	52
Number of properties DHCD expresses interest in pursuing DOPA rights	New in 2020	New in 2020	0
Number of units pursued through the District Opportunity to Purchase Act	New in 2020	New in 2020	0
<b>3 - Maintain DHCD's property portfolio (2 Measures)</b>			
Number of properties acquired	2	0	0
Number of total properties disposed	18	20	5
<b>3 - Portfolio and Asset Management (4 Measures)</b>			
Number of loans serviced by a third-party vendor	32,067	33,079	34,103
Number of submitted financial reviews	1121	338	364
Number of multi-family site inspections conducted for physical condition	New in 2020	New in 2020	22
Number of required Asset Management site visits completed	New in 2020	New in 2020	8
<b>3 - Program Monitoring (2 Measures)</b>			
Number of compliance reviews completed	106	112	155
Number of Davis Bacon inspections	139	140	30

Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual
<b>3 - Rental Accomodations Division (3 Measures)</b>			
Number of customers utilizing the Housing Resources Resource Center	5475	6304	2235
Number of hardship petitions received	2	3	8
Number of outreach sessions conducted	New in 2020	New in 2020	0

## Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
<b>Affordable Housing Project Financing (1 Strategic Initiative)</b>		
Affordable Housing Loan Fund Authorization Amendment Act of 2020 application to provide a gap subsidy resource source for Community Development Block Grant-eligible affordable housing acquisition and rehabilitation projects	DHCD has initiated the process to apply for the Department of Housing and Urban Development's (HUD) Section 108 loan guarantee program to support the acquisition and preservation of affordable housing: 1) DHCD submitted an application requesting \$38.5 million to support the "New City" mixed use development project in Ward 5. DHCD and HUD are engaged in an iterative process to refine the proposal to meet the eligibility requirements of the funding source. 2) DHCD is preparing to request \$38.5 million that would be an additional source to help move projects in the District's affordable housing pipeline forward and possibly provide an avenue to bring more affordable housing projects into the pipeline. This represents the balance of the available Section 108 funds that the District is eligible to request.	09-30-2021