

Department of Housing and Community Development FY2022

Agency Department of Housing and Community Development

Agency Code DB0

Fiscal Year 2022

Mission The mission of the Department of Housing and Community Development (DHCD) is to create and preserve opportunities for affordable housing and economic development and to revitalize underserved communities in the District of Columbia.

Strategic Objectives

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

Key Performance Indicators (KPIs)

Measure	Directionality	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target
1 - Increase New Affordable Housing Opportunities. (11 Measures)					
Percent of loans at least one year old in good standing	Up is Better	90.5%	94%	85%	85%
Number of total new construction affordable rental housing units funded	Up is Better	682	447	908	525
Number of affordable homeownership units produced or preserved	Up is Better	12	39	42	30
Met HPTF Statutory Requirements - 30 percent AMI	Up is Better	12%	18.8%	15.5%	50%
Met HPTF Statutory Requirements - 50 percent AMI	Up is Better	76.5%	62.7%	55.8%	40%
Met HPTF Statutory Requirements - 80 percent AMI	Down is Better	11.8%	18.3%	3.8%	10%
Percentage of IZ lottery notifications sent to households within 7 days after receipt of confirmation from owner of satisfactory registration on dchousingsearch.org	Up is Better	100%	100%	81.3%	100%
Percent of development finance projects closed within 12 months of selection	Up is Better	36%	22%	7%	50%
Percent of HPAP loans that close within 60 days after final lender package is received.	Up is Better	New in 2020	100%	85%	80%
Number of Homebuyer Purchase Assistance Program (HPAP) loans	Up is Better	351	376	342	325
Number of properties acquired?	Up is Better	New in 2022	New in 2022	New in 2022	New in 2022
2 - Preserve Existing Affordable Housing Stock. (12 Measures)					
Average number of calendar days for compliance review	Down is Better	25.25	28	29.5	45
Number of affordable single-family homeownership units rehabbed from Single Family Rehab/Lead Safe Programs	Up is Better	26	20	23	135
Number of affordable rental housing units preserved (rehabbed)	Up is Better	532	782	360	780
Percent of hardship petitions processed within 90 calendar days	Up is Better	100%	75%	100%	100%
Percent of Single Family Rehabilitation/Lead Safe Washington projects that start construction within 6 months after DHCD receives compliance approval.	Up is Better	61.5%	32.8%	85.8%	65%
Number of small buildings awarded funding to abate code violations	Up is Better	New in 2020	1	2	5
Number of affordable units preserved and/or rehabilitated through the program	Up is Better	New in 2020	12	29	75
Percent of required audited financial statements collected for multi-family projects	Up is Better	New in 2020	95%	93.4%	90%
Percent of risk ratings completed for multi-family projects	Up is Better	New in 2020	96%	98%	90%
Percent of conversion applications reviewed and processed within 30 days to better inform preservation initiatives and policy.	Up is Better	New in 2020	100%	100%	100%
Number of Residential Rehabilitation Program (SFRPP) projects completed this FY that started construction within 6 months after SFRPP received final compliance approval.	Up is Better	New in 2020	14	20	30
Number of Tenant Opportunity to Purchase Act (TOPA) Study- Grant agreement executed and relevant grant monitoring	Up is Better	New in 2022	New in 2022	New in 2022	New in 2022
3 - Promote community development activities. (9 Measures)					
Number of Section 3 Jobs Created	Up is Better	35	133	62	25
Median Number of Months Property is in DHCD's portfolio	Down is Better	40	38	39.3	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	65%	20%	87%	75%
Number of properties developed by DHCD (Turn-Key)	Up is Better	5	3	2	10
Number of properties awarded to pre-qualified developers (DOPA)	Up is Better	New in 2020	0	0	5
Number of developers selected for DHCD DOPA pre-qualified developers pool	Up is Better	New in 2020	0	0	20
Number of storefront facades improved	Up is Better	41	17	33	30

Measure	Directionality	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target
Number of net new affordable units created by a Small Building Program (SBP) covenant	Up is Better	New in 2022	New in 2022	New in 2022	New in 2022

Operations

Operations Title	Operations Description	Type of Operations
1 - Increase New Affordable Housing Opportunities. (3 Activities)		
Inclusionary Zoning	Inclusionary Zoning requires that a certain percentage of units in a new development or a substantial rehabilitation that expands an existing building set aside affordable units in exchange for a bonus density. The Housing Regulation Administration Division at DHCD administers the Inclusionary Zoning program, including developer compliance, holding lotteries for District residents to occupy units, and general program policy development.	Daily Service
Down Payment Assistance	The Home Purchase Assistance (HPAP) program, Employer Assisted Housing Program (EAHP) and the Negotiated Employer Assisted Housing Program (NEAHP) provides interest-free loans and closing cost assistance to qualified applicants to purchase single family houses, condominiums, or cooperative units. The loan amount is based on a combination of factors, including; income, household size, and the amount of assets that each applicant must commit towards a property's purchase.	Daily Service
Affordable Housing Project Financing	DHCD's Development Finance Division (DFD) provides funding for the development of rental, homeownership and community facility projects that serve DC neighborhoods. As both the creation and preservation of affordable housing units are important to DHCD, DFD plays a prominent role in helping the agency achieve its annual affordable housing production and preservation goals.	Daily Service
2 - Preserve Existing Affordable Housing Stock. (3 Activities)		
Small Building Program	Small Building Program	Daily Service
Rental Conversion and Sales	The Rental Conversion and Sale Division at DHCD administers the Rental Housing Conversion and Sale Act of 1980 and the Condominium Act of 1976. Through the Conversion Act, District tenants have the opportunity to purchase rights, tenant first rights of refusal, receipt of offer of sale notices, notices of transfer and the conversion of property to cooperatives or condominiums. The Condominium Act regulates condominium formation and registration of condominium units before a developer may offer units to interested buyers, including administration of the Structure Defect Warranty Claim Program.	Daily Service
Roof and Accessibility Assistance	Single Family Residential Rehabilitation (SFRRP) administers loans and/or grants for home repairs to alleviate DC building code violations and assists homeowners in repairing physical threats to health and safety, and modify and/or eliminate barriers to accessibility for persons with mobility or other physical impairments. SFRRP helps households finance minor home repairs that will; address building code violations, repair roofs, remove threats to health and safety, and modify and/or eliminate barriers to accessibility for persons with mobility or other physical impairments.	Daily Service
3 - Promote community development activities. (8 Activities)		
Program Monitoring	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. 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.	Daily Service
Implementation of DOPA (District Opportunity to Purchase Act)	Implementation of DOPA (District Opportunity to Purchase Act)	Daily Service
Rental Accommodations Division	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. 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.	Daily Service
Foster Small Business Development	Grantee organizations provide technical assistance, support and training to small and retail businesses focusing on neglected commercial corridors in low and moderate income areas in the District of Columbia. The program does not provide grants, loans, or direct subsidies to businesses. The neighborhood areas where grantees currently operate include, but are not limited to: Anacostia, Congress Heights, Columbia Heights, Adams Morgan, Mount Pleasant, Georgia Avenue, Petworth, Rhode Island Avenue NE, and Deanwood/Marshall Heights. Grantee organizations are also involved in business attraction and retention. Assistance provided includes micro-loan packaging, business planning, entrepreneurial training, one-on-one business technical assistance, tax preparation assistance, accounting assistance, or legal assistance. Grantee organizations also provide collective business support activities, such as the formation of business alliances, business corridor promotion, mass marketing, volume discount efforts, and collective space management. Through these organizations, DHCD is also heavily involved in neighborhood revitalization efforts in these areas, including major commercial project planning and interagency business development coordination.	Daily Service
Portfolio and Asset Management	The Portfolio and Asset Management Division (PMD) manages the allocation of Low Income Housing Tax Credits (LIHTC) and provides portfolio management oversight to outstanding loans in the division. The division monitors the status of existing loans to ensure compliance with loan covenants and collections of loans that are due and conducts the reviews of the risks and relationships of potential borrowers to protect the Department's assets.	Daily Service
Housing Resource Center	The DHCD Housing Resource Center is open Monday through Friday from 8:30 am – 3:30 pm for residents to obtain information about affordable housing options, attend events, and use computers to access DCHousingSearch.org, a free listing service that provides easy access to information about housing opportunities within the District of Columbia.	Daily Service
Housing Counseling	Residential and Community Services works through Community Based Organizations (CBO) to provide comprehensive housing counseling services and other community economic development activities.	Daily Service
Maintain DHCD's property portfolio	The Property Acquisition and Disposition Division (PADD) stabilizes neighborhoods by decreasing the number of vacant and abandoned residential properties in the District and transforming vacant and/or abandoned properties into productive use. PADD acquires vacant, abandoned and deteriorated properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure when owners are unwilling or unable to maintain their properties; and it disposes of properties in the PADD inventory by selling the properties to individuals or developers to be rehabilitated into high quality affordable and market-rate single-family and/or multifamily for-sale housing in District neighborhoods.	Daily Service

Workload Measures (WMs)

Measure	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual
1 - Affordable Housing Project Financing (3 Measures)			
Number of affordable units preserved through the Housing Preservation Fund	New in 2020	63	72
Number of financial applications submitted	71	37	6
Number of affordable housing projects closed	18	23	25
1 - Down Payment Assistance (2 Measures)			
Number of Home Purchase Assistance Program (HPAP) completed applications received by Administrators	1305	687	758

Measure	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual
Number of Employer Assisted Housing Program (EAHP) completed applications received by Administrators	New in 2020	238	135
1 - Inclusionary Zoning (1 Measure)			
Number of IZ units available for occupancy	252	336	385
2 - Rental Conversion and Sales (1 Measure)			
Number of TOPA notices processed	1420	1788	991
2 - Roof and Accessibility Assistance (2 Measures)			
Number of Single Family Rehab applications received	132	75	71
Number of Single Family Residential Rehabilitation Program (SFRRP) projects completed	New in 2020	20	23
2 - Small Building Program (2 Measures)			
Number of applications processed for funding	New in 2020	1	5
Number of applications received per grant cycle	New in 2020	5	3
3 - Foster Small Business Development (1 Measure)			
Number of small business technical assistance sessions	6873	5570	7461
3 - Housing Counseling (3 Measures)			
Number of homeownership education trainings	New in 2022	New in 2022	New in 2022
Number of 8 week homebuyer clubs with up to 40 participants in each club quarterly	New in 2022	New in 2022	New in 2022
Number of housing counseling sessions given	34,324	16,500	53,035
3 - Implementation of DOPA (District Opportunity to Purchase Act) (3 Measures)			
Number of DOPA properties reviewed for DOPA eligibility	New in 2020	52	0
Number of properties DHCD expresses interest in pursuing DOPA rights	New in 2020	0	0
Number of units pursued through the District Opportunity to Purchase Act	New in 2020	0	0
3 - Maintain DHCD's property portfolio (3 Measures)			
Number of properties rehabilitated	New in 2022	New in 2022	New in 2022
Number of total properties disposed	20	5	3
Number of properties acquired	0	0	0
3 - Portfolio and Asset Management (4 Measures)			
Number of required Asset Management site visits completed	New in 2020	8	78
Number of submitted financial reviews	338	364	376
Number of loans serviced by a third-party vendor	33,079	34,103	34,906
Number of multi-family site inspections conducted for physical condition	New in 2020	22	21
3 - Program Monitoring (2 Measures)			
Number of compliance reviews completed	112	155	90
Number of Davis Bacon inspections	140	30	16
3 - Rental Accommodations Division (3 Measures)			
Number of hardship petitions received	3	8	4
Number of customers utilizing the Housing Resources Resource Center	6304	2235	154
Number of outreach sessions conducted	New in 2020	0	0

Strategic Initiatives

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
Affordable Housing Project Financing (3 Strategic initiatives)		
One-time funding for Accessory Dwelling Unit pilot program	In FY22, DHCD Development Finance Division (DFD) will utilize \$5 million to support the conversion of existing rental housing units to covenanted, affordable units.	09-30-2022
Douglass Community Land Trust Grant	In FY22, DHCD will utilize \$2 million of funds to the Douglass Community Land Trust to acquire affordable commercial and residential properties.	09-30-2022
GAIN Act support	In FY22, DHCD will utilize \$5 million to support the conversion of existing rental housing units to covenanted, affordable units.	09-30-2022
Housing Counseling (1 Strategic Initiative)		
Outreach and capacity building program to promote home ownership.	In FY22, Residential and Community Services will work with community based organizations (CBO) to provide comprehensive housing counseling services and other community economic development activities, focusing on Ward 7 and 8.	09-30-2023

Strategic Initiative Title	Strategic Initiative Description	Proposed Completion Date
Inclusionary Zoning (1 Strategic Initiative)		
Inclusionary Zoning (IZ) Program Equity Boost	In FY22, the Inclusionary Zoning (IZ) program will look to improve the IZ lottery process to accelerate the placement of households in affordable IZ units and increase homeownership rates for households from Wards 7 and 8 using updated software. This updated technology will ideally allow the program to track demographic data, allow preference points for historically disadvantaged groups (including households from Wards 7 and 8) and could more equitably allocate IZ units and Affordable Dwelling Units (ADUs) to households from Wards 7 & 8. This process would also require technical changes to the current program regulations.	09-30-2022
Maintain DHCD's property portfolio (2 Strategic initiatives)		
Property Acquisition	In FY22, DHCD will purchase or redevelop existing properties such as vacant hotels for temporary and permanent affordable housing, including for singles and those receiving permanent supportive housing services. This initiative will assist at least 50 residents.	09-30-2022
Vacant Property Disposition	In FY22, DHCD partnership with Building Blocks, DHCD will acquire and rehabilitate vacant properties into affordable housing units within the designated 151 blocks. This initiative will acquire 5 smaller properties or fewer, larger ones.	09-30-2022
Portfolio and Asset Management (1 Strategic Initiative)		
Asset Management Data Solution Implementation	In FY22, DHCD will implement an industry best-practice data management solution. This signature project will majorly change the agency's current operation of collecting data and evaluating the integrity of its portfolio. The Multi-Family Asset Management, Compliance and Inspections modules will be implemented by the end of FY22. Underwriting and Single-Family modules will begin in FY22 and be completed by the end of FY23.	09-30-2022
Program Monitoring (1 Strategic Initiative)		
Neighborhood Revitalization Strategy Areas (NRSA) Plan	In FY22, DHCD will use the Neighborhood Revitalization Strategy Areas (NRSA) designation for the development of revitalization strategies in the agency Community Development Block Grant CDBG designated target zones; Wards 7 and 8. The HUD-approved NRSA will allow these programs to not be subject to the statutory 15% public service cap when these activities are carried out by DHCD designated Community Based Development Organizations (CBDO) undertaking a neighborhood revitalization, community economic development, or energy conservation project under 24 CFR 570.204(b)(2)(ii).	09-30-2022
Rental Conversion and Sales (1 Strategic Initiative)		
Rent Control Database Development and Implementation	In FY22, Rental Accommodations Division (RAD) will work with the Office of the Tenant Advocate (OTA) and the Department of Consumer and Regulatory Affairs to develop the rent control database. Once the OTA transfer the database to DHCD, RAD will work with the Rental Housing Commission and the Office of Administrative Hearings to implement the database. RAD will conduct public outreach to train stakeholders on using the database and continue to development features and expand the use of the database to capture all programmatic activity. This endeavor is a multiyear project.	09-30-2022
Roof and Accessibility Assistance (1 Strategic Initiative)		
Enhance Single Family Residential Rehabilitation Program (SFRRP) contractor selection	In FY22, DHCD Single Family Residential Rehabilitation Program (SFRRP) will work with the Office of Contracting and Procurement (OCP) to complete more projects in FY22 by improving the contractor selection process. The program has worked with OCP to migrate to a Request for Proposal (RFP) process that has been designed to increase the number of qualified contractors the program works with by selecting contractors based on a full technical review of qualifications and pricing for each bid.	09-30-2022
Small Building Program (3 Strategic initiatives)		
FY22-Enhancements to expedite project close out	In FY22, DHCD Housing Preservation Unit (HPU) Small Building team will improve the efficiency of the project formulation process and explore changing program parameters to expedite project/ grant completion.	09-30-2022
Housing Preservation Fund (HPF)	In FY22, DHCD will award FY22 Housing Preservation Fund (HPF) funds to the three fund managers selected from the FY20 Request for Application (RFA) process, who will underwrite and finance preservation activities in the District. DHCD expects to preserve another 500 units.	09-30-2022
TOPA Study Grant	In FY22, DHCD will work with the Coalition for Non-Profit Housing and Economic Development to conduct a study of Tenant Opportunity to Purchase Act outcomes. CNHED shall complete and deliver the report to the DC Council by 9/30/2022.	09-30-2022

American Rescue Plan Act KPIs

Measure	Directionality	ARPA Expenditure Code	ARPA Initiative	ARPA Sub-Initiative	ARPA Project Name	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target
1 - Increase New Affordable Housing Opportunities. (1 Measure)									
Number of net new affordable units created through a GAIN covenant	Up is Better	3.1	Build and Preserve Affordable Housing	Housing Preservation	Housing Preservation Fund (HPF)	New in 2022	New in 2022	New in 2022	New in 2022
2 - Preserve Existing Affordable Housing Stock. (1 Measure)									
Number of net new affordable units created through a Housing Preservation Fund (HPF) Covenant	Up is Better	3.1	Build and Preserve Affordable Housing	Housing Preservation	Housing Preservation Fund (HPF)	New in 2022	New in 2022	New in 2022	New in 2022

American Rescue Plan Act WMs

Measure	ARPA Expenditure Code	ARPA Initiative	ARPA Sub-Initiative	ARPA Project Name	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual
1 - Affordable Housing Project Financing (1 Measure)							
Number of existing housing units converted to covenanted affordable housing units	3.1	Build and Preserve Affordable Housing	Housing Preservation	GAIN Act	New in 2022	New in 2022	New in 2022
3 - Maintain DHCD's property portfolio (1 Measure)							
Number of properties acquire or rehabilitated within the designated 151 blocks	3.1	Build and Preserve Affordable Housing	Housing Preservation	Vacant Property Disposition	New in 2022	New in 2022	New in 2022