

# Office of the Deputy Mayor for Planning and Economic Development FY2017

## FY2017 Performance Accountability Report

The Performance Accountability Report (PAR) measures each agency's performance for the fiscal year against the agency's performance plan and includes major accomplishments, updates on initiatives, and key performance indicators (KPIs).

## 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.

## FY17 Top Accomplishments

Accomplishment	Impact on Agency	Impact on Residents
Launch of Neighborhood Prosperity Fund	The Neighborhood Prosperity Fund supports mixed-use, real estate, or retail development projects in targeted census tracts where unemployment is at 10 percent or higher. The \$3 million grants provide necessary gap funding for the commercial component of development projects and will help create job opportunities and new food options in Wards 7 and 8.	The agency awarded \$2.1 million for the Penn Hill project located at 3200 Pennsylvania Avenue, SE in Ward 7 and \$880,000 for the South Capitol Affordable Housing project located at the intersection of Atlantic and South Capitol Streets, SW in Ward 8. Both projects will provide grocery options in areas identified as food deserts.
Growing Affordable Housing Stock	The agency announced the developer selected to redevelop the historic Hebrew Home at 1125 Spring Road NW in Ward 4. The property had been vacant for an extended period of time. The agency worked closely with the community to identify the best use for the project.	The redevelopment of the project will produce 187 residential units with 80 percent of the units as affordable housing for seniors and families.
Attracting global technology company	DMPED worked to attract Yelp, a global technology company, to sign a lease for a new office in the District.	The expansion will bring 500 new jobs over a five-year period with at least half of the jobs targeted for DC residents.
Continued growth of the Great Streets program	The agency continued its effort to amplify the Great Streets program which helps accelerate the growth of emerging corridors. The Great Streets team worked closely with small businesses along 13 corridors to inform and provide technical assistance when applying for Great Streets grants.	In FY17, the Bowser Administration awarded \$4.7 million in grants that helped small businesses create jobs and grow their business. For the first time, the grants were awarded to a business on all 13 corridors.
DC's Economic Strategy report released	The economic development strategy serves as a north star for economic growth and development for the District. It created a framework for action for DMPED and other stakeholders, identifying economic development priorities for the next 2-3 years.	The economic strategy outlines not only how we will grow DC's economy, but how we will ensure that growth benefits all Washingtonians. By executing it, we will diversify our economic base and reduce employment disparities. It also serves as a tool for engaging partners in our efforts.

Walter Reed Campus transfer from Federal Government & Historic Groundbreaking	The Walter Reed site has been acquired from the Army and then disposed of to the Master Developer, through a 29 year lease. Now the development team has begun implementing the first phase of horizontal development, and two schools have opened on the site.	At full buildout, the 3.1 million SF development will offer: over 5,000 jobs, over \$1 billion of tax generated revenue over 30 years, 2,100 residential units, of which no fewer than 432 affordable units at varying levels of affordability, and inclusive of senior housing.
DC's First Inclusive Innovation Incubator Officially Opens	Last year, Howard University and Mayor Bowser selected Luma Lab to operate the new DC-based incubator. The mayor's office provided \$1 million in grant funding to construct the incubator, and its opening marks a successful first-of-its kind proof of concept for DC.	Located on the edge of Howard University's campus, it will support entrepreneurs and businesses from underrepresented communities that provide products and services benefitting underserved communities.

## 2017 Strategic Objectives

Objective Number	Strategic Objective
1	Deliver high-quality economic development & affordable housing opportunities that meet the needs of residents and the business community across all 8 Wards.
2	Increase job creation in DC by attracting & retaining businesses, thereby growing tax revenue, particularly in Wards 7 & 8.
3	Improve public engagement by creating more opportunities for community participation & feedback and by highlighting the economic climate and development of DC.
4	Utilize tech innovation & open data to drive positive change and good government for DC residents.
5	Create and maintain a highly efficient, transparent and responsive District government.**

## 2017 Key Performance Indicators

Measure	Freq	Target	Q1	Q2	Q3	Q4	FY 2017	KPI Status	Explanation
<b>1 - Deliver high-quality economic development &amp; affordable housing opportunities that meet the needs of residents and the business community across all 8 Wards. (2 Measures)</b>									
Number of affordable housing units yielded	Annually	2870	Annual Measure	Annual Measure	Annual Measure	Annual Measure	4104	Met	
Share of DMPED project square footage in Wards 7 & 8	Annually	20%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	24.8%	Neutral Measure	
<b>2 - Increase job creation in DC by attracting &amp; retaining businesses, thereby growing tax revenue, particularly in Wards 7 &amp; 8. (5 Measures)</b>									
ROI of retention or attraction initiatives finalized (where DMPED negotiated incentives)	Annually	3	Annual Measure	Annual Measure	Annual Measure	Annual Measure	7.6	Met	
Percentage of Great Streets grant funding expended	Annually	75%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	83%	Met	
Square footage of space occupied by	Annually	250000	Annual	Annual	Annual	Annual	88000	Unmet	

companies whose attraction/relocation was supported by DMPED			Measure	Measure	Measure	Measure			
Unemployment decrease in Wards 7 & 8 (compared to overall DC unemployment rate decrease)	Annually	-0.7%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	Data Forthcoming		
Net number of jobs created in DC	Annually	7500	Annual Measure	Annual Measure	Annual Measure	Annual Measure	18700	Met	
<b>3 - Improve public engagement by creating more opportunities for community participation &amp; feedback and by highlighting the economic climate and development of DC. (3 Measures)</b>									
Number of unique Economic Intelligence dashboard visitors	Quarterly	750	461	747	494	977	2679	Met	
Number of unique visitors to online business development tools	Quarterly	500	0	0	468	368	836	Met	
Number of participants in Our RFP workshops	Annually	100	Annual Measure	Annual Measure	Annual Measure	Annual Measure	83.3	Unmet	
<b>4 - Utilize tech innovation &amp; open data to drive positive change and good government for DC residents. (3 Measures)</b>									
Number of economic indicators tracked regularly on an open dashboard	Annually	18	Annual Measure	Annual Measure	Annual Measure	Annual Measure	18	Neutral Measure	
Participants at DMPED-supported tech & innovation events	Annually	500	Annual Measure	Annual Measure	Annual Measure	Annual Measure	1150	Met	
Number of tech & innovation sector active prospects	Annually	35	Annual Measure	Annual Measure	Annual Measure	Annual Measure	17	Unmet	

We've revisited a project to standardize District wide measures for the Objective "Create and maintain a highly efficient, transparent and responsive District government." New measures will be tracked in FY18 and FY19 and published starting in the FY19 Performance Plan.

## 2017 Workload Measures

Measure	Freq	Q1	Q2	Q3	Q4	FY 2017
<b>1 - Industrial Revenue Bond (2 Measures)</b>						
Number of IRB projects closed	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	14
Total bond financing issued	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	876960633
<b>1 - Real Estate Development and Disposition (3 Measures)</b>						
Number of projects under construction or in DMPED's pipeline	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	43
Number of RFPs Awarded	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	6
Number of financial closings for DMPED projects	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	4

<b>2 - Business Development (1 Measure)</b>						
Number of active business relocation/expansion prospects	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	22
<b>2 - Great Streets Initiative (1 Measure)</b>						
Number of GS Applications	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	98
<b>2 - International Business Development (1 Measure)</b>						
Number of international business development missions	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	2
<b>2 - Retail and Business Partnerships (2 Measures)</b>						
Needs-assessments Performed	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	40
Number of grants/contracts/agreements with partners	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	130
<b>3 - Community Outreach (1 Measure)</b>						
Number of Community Meetings held	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	211
<b>4 - Economic Intelligence (1 Measure)</b>						
Number of Economic Indicator dashboards produced	Annually	Annual Measure	Annual Measure	Annual Measure	Annual Measure	53

## 2017 Strategic Initiatives

Title	Description	Complete to Date	Status Update	Explanation
<b>BUSINESS DEVELOPMENT (6 Strategic initiatives)</b>				
Economic Development Strategy	Develop and implement a new economic development strategy that will serve as a north star for economic growth and development for the District. The strategy will focus on how to foster economic growth that benefits all residents. The strategy will: <ul style="list-style-type: none"> <li>Align public and private stakeholders with a common vision for economic growth that benefits all residents</li> <li>Create a framework for actions that can be taken by various stakeholders</li> <li>Identify economic development priorities for the next 2-3 years</li> </ul>	Complete	We completed and released the new economic strategy in March 2017. It is available at <a href="http://www.DCEconomicstrategy.com">www.DCEconomicstrategy.com</a> or in print by request.	
Inclusive Tech & Innovation	Promote the District as an inclusive tech and innovation hub : Cut the ribbon on the District's first inclusive innovation hub that will support the city's	75-99%	Most of these were complete, except Pathways Implementation. The In3 is	Implementation of the recommendations is an ongoing process.

	<p>growing technology and innovation startup ecosystem and create a destination for underrepresented entrepreneurs seeking to transform ideas into viable products and scalable companies.</p> <ul style="list-style-type: none"> <li>• Implement strategic initiatives from the District's Technology Inclusion report</li> <li>• Highlight and promote the Qualified High Tech Company (QHTC) incentives to attract, retain and expand technology companies in the District</li> <li>• Strengthen, showcase and support the District's innovation ecosystem through initiatives such as innoMAYtion and SXSW.</li> </ul>		<p>open. Implementation of the Pathways recommendations is underway with partners such as Beacon, Fiscal Note, and WDCEP. We continue to work with the ITIC to identify other ways to make these recommendations actionable.</p>	<p>Implementation of these goals is underway as seen by partnerships with Beacon, to provide funding for projects that will support women entrepreneurs; Fiscal Note, to provide tech apprenticeship training; and WDCEP, where a pilot program called the Pathways Scholarship has been developed to provide funding to train a small cohort of District residents for entry-level tech roles, and connect them with tech businesses for employment opportunities.</p>
Business Incentives	<p>Leverage incentive tools to attract and/or retain corporations through corporate assistance efforts: Develop a database of local, federal and private incentive programs, grants and investors to share with businesses interested in locating to the District. The primary goal of the incentive tools is to provide clear, concise, and easy access to information to help attract, retain and provide a valuable service to DC businesses.</p> <ul style="list-style-type: none"> <li>• Work collaboratively with other agencies such as OCTO, DSLBD, DHCD, OCTFME, and other organizations which have incentive programs, to develop a system of processes to pre-qualify and track business information.</li> <li>• Through incentive tools, such as the Creative and Open Space Modernization Grant, QHTC incentives, and other performance-driven incentives proactively seek out major non-local companies to locate in the District.</li> </ul>	75-99%	<p>Currently looking at growing functionality. Future functionality would include, but limited to, which agencies are trending along with the incentives themselves including locational incentives. A list of federal incentives, private incentives and local investor information has been compiled. COSM tax abatements have been approved for one DC company, and another company announced a new DC office after being attracted by COSM benefits.</p>	<p>Currently awaiting review and approval of Federal incentives for website.</p>
Retail & Business Partnerships	<p>Partner with the DC Chamber of Commerce to retain and expand medium sized businesses (employing 50 or more employees) in the District:</p> <ul style="list-style-type: none"> <li>• Conduct an analysis of existing investments and programs for business retention and expansion.</li> <li>• Develop and survey companies on business operations and projected growth.</li> <li>• Convene businesses on behalf of DMPED in city quadrants to determine issues and challenges for growth and retention in the District of Columbia.</li> <li>• Create outreach information and develop a mechanism linking expanding businesses with public programs designed responding to mitigate growth challenges and regulatory issues.</li> </ul>	Complete	<p>DMPED partnered with the DC Chamber to commission a study on the DC small to medium sized businesses (50-150 employees). During the FY17 fiscal year, the Chamber successfully conducted an environmental scan of the DC business community and convened businesses across the city. To date, the Chamber has completed the final draft and design of the Small to Medium-Sized Business Report.</p>	

DC China Center	In FY17, DMPED will work more closely with the DC business community to promote the DC China Center and its services to DC businesses. In addition, DMPED and the China Center will encourage Chinese businesses and investors to locate in the District. Outreach efforts will include new marketing materials about the China Center, a new social media strategy that will utilize popular Chinese platforms and new profile sheets about the District's international business initiatives, such as InvestDC. implement its new Foreign Direct Investment (FDI) strategy, which will be a component of the overall economic development strategy to encourage more investment in the District's economy.	75-99%	DMPED in cooperation with the DC Chamber and WDCEP have continued to promote China Center services to DC businesses. We attended SelectUSA and co-hosted a regional Potomac River cruise with Arlington and Prince George's; Ning Shao held a seminar for DC businesses via the DC Chamber; and WDCEP has completed the revised promotional materials.	1) DMPED was intent on having DC Water participate to sell their water sanitation design/build services and the Administrator's schedule was tight, and  2) the Canada mission steered the focus of the International Director for the remainder of the fiscal year. The regional Canada mission was an originally unplanned event and took place September 25 – 26.
International Mission	Complete one mission to a new strategic market to open up new channels for foreign direct investment in DC businesses.	Complete	We coordinated two trade missions, to Canada and the Middle East, encouraging bi-lateral trade and investment.	

**COMMUNITY OUTREACH (2 Strategic initiatives)**

Public Engagement Tracking	Create a better system to track DMPED public engagement and feedback we receive from the public in a universal internal system. The system will help us be more consistently responsive and ensure our community engagement records are used more effectively.	Complete	Tracker created and continues to be updated on a bi-weekly basis and/or as speaking opportunities are identified by DMPED employees.	
Branded Months	<p>Expand on existing branded-month initiatives that highlight and strengthen specific DMPED and Bowser Administration priorities.</p> <p>Examples include innoMAYtion which focuses on inclusive innovation and technology, June Housing Bloom which concentrates on affordable housing, and an initiative launched in the fall that centers around the District's creative economy.</p> <p>For each initiative we will:</p> <ul style="list-style-type: none"> <li>- Create a dedicated website that informs residents and stakeholders of the mission and goals of the initiative and public-sector &amp; private-sector-hosted activities occurring throughout the month, which showcase the Administration's priorities</li> <li>- Release at least one progress report that highlights the District's growth and development in these priority areas</li> <li>- Create hashtags with a goal to get them trending to assist in branding</li> </ul>	Complete	InnoMAYtion and June Housing Bloom built upon past successes, supporting more engagement than ever in 2017. There were 42 events held throughout the month of May, including five led by DMPED staff. We achieved 13 million impressions on social media for the #innoMAYtion brand.	

**DEVELOPMENT AND DISPOSITION (4 Strategic initiatives)**

Compliance	<p>DMPED will implement a new compliance monitoring system that allows the office to track compliance across all real estate projects within the existing project database. This new system includes tracking the affordable housing, CBE, First Source, and environmental requirements of DMPED projects. DMPED plans to work with DSLBD to ensure that its new database talks to DMPED's database. This will simplify the reporting requirements and ensure data integrity across agencies. Beyond the database, DMPED will implement its new protocol to ensure the maintenance of updated records and to track compliance across all projects. This new protocol includes a Compliance Officer who will act as the central point of contact with our partner agencies – DHCD, DSLBD, DOES, and DOEE – on compliance matters.</p>	Complete	<p>Waiting on DSLBD to create a database prior to assessing the ability for integration and programmable compatibility and access. DMPED's new Compliance Officer [Patrick Smith] has engaged DHCD, DSLBD, DOES, and DOEE and initiated a streamlined Project Compliance Monitoring system now fully integrated into PPD compliance monitoring.</p>	
New Communities	<p>i. The NCI team will accomplish the following goals, by neighborhood:</p> <p>Barry Farm:</p> <ul style="list-style-type: none"> <li>• Continue relocation of remaining households</li> <li>• Secure second phase of appropriate rezoning for onsite development</li> <li>• Begin demolition and infrastructure activities in the phase 1 footprint of the onsite development pending federal approval</li> </ul> <p>Lincoln Heights/Richardson Dwellings:</p> <ul style="list-style-type: none"> <li>• Apply for appropriate rezoning on an additional offsite parcel</li> <li>• Issue an RFP to select a master developer for the onsite parcel</li> <li>• Select a master developer for the onsite parcel</li> </ul> <p>Northwest One:</p> <ul style="list-style-type: none"> <li>• Select a development team (s) to develop the onsite (and adjacent, city-owned) parcel</li> <li>• Begin updating the master plan for the onsite (and adjacent, city-owned) parcel</li> <li>• Issue an RFP to select a development team to develop the (final) offsite parcel</li> </ul> <p>Park Morton:</p> <ul style="list-style-type: none"> <li>• Secure appropriate rezoning on offsite and onsite developments</li> <li>• Apply for approval from the DC Council for disposition of the offsite parcel</li> <li>• Apply for approval from HUD for the demolition/disposition of the onsite parcel</li> <li>• Apply for appropriate permitting on the offsite parcel.</li> </ul> <p>Human Capital:</p> <ul style="list-style-type: none"> <li>• Use the FY16 human capital evaluation results to implement a new plan for human capital expansion focused on NCI's 100% Resident Success platform.</li> <li>• Increase and improve NCI's media and social media presence by providing content that portrays a realistic picture of NCI's successes as well as its challenges.</li> <li>• Continue implementing plans for greater community</li> </ul>	75-99%	<p>NCI has: received HUD demo/dispos approval at Barry Farm &amp; begun relocation, aiming for early 2018 start; received council &amp; zoning approvals for Park Morton/Bruce Monroe; secured 4 offsite projects for Lincoln Heights/Richardson Dwellings to make it a full build first; set selection for NW1 developer for Fall/Winter; launched human capital revamp for 100% Resident Success platform; and launched new community building and engagement model in NCI neighborhoods.</p>	<p>DMPED milestones depend on DCHA timelines (for example, relocation at Barry Farm, Park Morton Demo/Dispo Application submission to HUD, and release of an RFP for Master Developer for Lincoln Heights). When DCHA's timeline changes for these items, DMPED's change as well.</p>

	engagement NCI-wide as well as community specific engagement.			
Walter Reed	In FY 17, DMPED will create a financially feasible implementation strategy 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, and (2) regular communication with partners such as US Army BRAC Staff, U.S. Department of Defense, the U.S. Department of State, the selected Public Health User and the development team, TPWR. Additionally, the following tasks will also be accomplished in FY 17: <ul style="list-style-type: none"> <li>• Acquisition and disposition of the Local Redevelopment Authority portion of the site</li> <li>• Groundbreaking and construction start on initial uses</li> <li>• Activation of the site through periodic temporary uses</li> </ul>	Complete	The LRA expects the development team TPWR, to implement the first phase of horizontal development this year. It will include upgrading the existing Water main line under Aspen Street. Additional project updates include demolition of Building 2 this summer.	
St. Elizabeths	The St. Elizabeths team will negotiate and complete all Infrastructure Stage 1-Phase 2 and Entertainment & Sports Arena inter-agency MOUs. These agreements will facilitate the construction of transportation and utility improvements.	75-99%	Phase 1 infrastructure is on track to be complete by late summer 2018. Construction on ESA started in July 2017. Affordable housing scheduled to start construction 1Q 2018.	The remaining MOUs will be executed in 2018.
<b>GREAT STREETS INITIATIVE (1 Strategic Initiative)</b>				
Great Streets	The Great Streets team will: Create public facing dashboard illustrating Great Streets impact by corridor, ward, and industry; perform an Independent Great Streets Assessment; procure new grant management tool to enhance applicant experience and ease; and implement new disbursement process which included quarterly advances to grantees.	75-99%	The new disbursement process including quarterly advances to grantees was implemented with FY17 grantees. The new grants management tool is now currently being used. We plan to go live with the dashboard after our FY18 Grantees have been awarded (mid-November). The independent Great Streets Assessment is currently under final review and edits.	Dashboard delayed to include new grantees. Independent assessment is currently under final review and will be released when approved.
<b>INDUSTRIAL REVENUE BOND (1 Strategic Initiative)</b>				
Industrial Revenue Bond	The IRB team will develop a Small Loan IRB Program. This initiative should allow organizations with smaller loan amount for qualified projects would be able to take advantage of Tax-Exempt bond rates and terms for projects under a \$500,000 threshold. As part of the initiative, the team will develop templates of the needed documents for an IRB Transaction and look to minimize and cap all the issuance fees and costs.	75-99%	This initiative is still on hold pending favorable market changes. We will keep this project on our plate so we can move quickly when the market allows.	Banking relationships are very important for this initiative and the interest rates are close as it pertains to Taxable and Tax Exempt rates. so this initiative is still on hold pending favorable market changes. We will keep this project on our plate so we can move quickly



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