

Department of Housing and Community Development

www.dhcd.dc.gov

Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$59,919,861	\$145,265,281	\$195,009,842	34.2
FTEs	114.53	135.0	135.0	0.0

The mission of the Department of Housing and Community Development (DHCD) is to be a catalyst in neighborhood revitalization by strategically leveraging public funds with private and non-profit partners for low-to-moderate income D.C. residents to promote the preservation, rehabilitation and development of affordable housing, increase home ownership and support community and commercial initiatives.

The agency plans to fulfill its mission by achieving the following strategic result goals:

- Increase home ownership for low-to-moderate income residents by providing 240 Home Purchase Assistance Program (HPAP) loans, assisting 150 tenant families become homeowners and providing comprehensive housing counseling services to almost 8,000 residents.
- Preserve and increase the supply of affordable housing for low-to-moderate-income residents by financing rehabilitation and/or new construction of 1,508 units and providing 30 single-family loans/grants for owner-occupied units.
- Meet District and federal program spending requirements by committing 75 percent and spending 45 percent of funds for Development Finance Projects (DFP) within each fiscal year; committing Home Investment Partnership Program (HOME) funds within two years (of receipt) and spending HOME funds within five years; maintaining the Community Development Block Grant (CDBG) Letter of Credit (LOC) balance so that it does not exceed 1.5 times the CDBG yearly grant allocation annually, and spending Emergency Shelter Funds (ESG) within two years of receipt.
- Spur neighborhood revitalization by providing technical assistance to 1,500 neighborhood businesses, assisting five businesses with micro-loans through the H Street Community Development Corporation (CDC), and creating 2,000 jobs through DHCD-funded construction projects.
- Improve the reliability of information by establishing a communications system that includes reviewing all Service Level Agreements (SLAs) and Memorandums of

Understanding (MOUs) between DHCD and support agencies on an ongoing basis, providing quarterly information sessions for all employees on agency finance and performance, continuing weekly financial coordination sessions, participating in interagency workgroups to address ongoing or developing issues with the DHCD Housing Data System (HDS) and federal IDIS system.

- Continue to retain, reward and recruit a well-trained workforce to meet customer expectations by continuing to offer a full spectrum of training opportunities in FY 2006, identifying skill sets needed, assessing employee knowledge, skills and abilities annually, review two divisions' job descriptions during the fiscal year and implement all employee Individual Development Plans (IDPs) in 2006 (70 percent were implemented in 2004).
- Ensure that 100 percent of employees receive a performance evaluation rating of satisfactory or above and meet their training goals by the end of FY 2006.

Gross Funds

The proposed budget is \$195,009,842, representing an increase of \$49,744,561 or 34.2 percent, over the FY 2005 approved budget of \$145,265,281. There are 135 FTEs for the agency, unchanged from FY 2005.

General Fund

Local Funds. The proposed budget is \$2,030,870, a decrease of \$309,090 or 13.2 percent from the FY 2005 approved budget of \$2,339,960. There are 5 FTEs, unchanged from the FY 2005 level.

Changes from the FY 2005 approved budget are:

- An increase of \$45,000 for office supplies.
- A decrease of \$32,549 in personal services to reflect agency requirements.
- A decrease of \$342,717 in projected fixed costs, which includes a reallocation of \$64,048 to other fund areas in order to better reflect costs between agency budget/funding centers.
- A net increase of \$21,176 in contractual ser-

vices and other services and charges to reflect agency operation requirements.

Special Purpose Revenue Funds. The proposed budget is \$108,684,599, an increase of \$13,744,796, or 14.5 percent, over the FY 2005 approved budget of \$94,939,802. There are 4 FTEs, no change from FY 2005.

Changes from the FY 2005 approved budget are primarily due to:

- An increase of \$13,382,886 in the projected amount of funds available for use by the Housing Production Trust Fund (see section below).
- An increase of \$361,910 due to the collection and use of fees from the granting of Low Income Housing Tax Credits (LIHTC) to District developers.

Housing Production Trust Fund

The **Housing Production Trust Fund (HPTF)**, established in FY 2002, is administered by the Department of Housing and Community Development (DHCD) to provide financial assistance to a variety of affordable housing programs and opportunities across the District. The HPTF funds initiatives to build affordable rental housing, preserve expiring federal-assisted housing, and help provide affordable homeownership opportunities for low-income families.

Budget authority for all expenditures from this fund is located within DHCD's gross funds annual budget. In FY 2001, the sale of the Department of Employment Services building to the Newseum provided the initial funding to the Housing Production Trust Fund, totaling \$25 million. In FY 2002, the Housing Act earmarked 15 percent of deed recordation and transfer taxes for the HPTF with the intent of establishing ongoing appropriations.

In FY 2006, the proposed budget for the HPTF is \$100,886,473, an increase of \$13,382,886 or 15.3 percent over the FY 2005 approved budget of \$87,503,587. This proposed level is supported by an anticipated carry-over revenue fund balance at the end of FY 2005 of \$63,013,826 and FY 2006 new projected revenue from tax receipts of \$37,872,648.

DHCD, as the agency that oversees the

Funding by Source

Tables DB0-1 and 2 show the sources of funding and FTEs by fund type for the Department of Housing and Community Development.

Table DB0 -1
FY 2006 Proposed Operating Budget, by Revenue Type
 (dollars in thousands)

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
Local Fund	5,787	4,025	2,340	2,031	-309	-13.2
Special Purpose Revenue Funds	4,395	12,563	94,940	108,685	13,745	14.5
Total for General Fund	10,182	16,587	97,280	110,715	13,436	13.8
Federal Payments	63	1,587	0	0	0	0.0
Federal Grant Fund	42,520	41,412	47,986	84,294	36,309	75.7
Total for Federal Resources	42,582	42,999	47,986	84,294	36,309	75.7
Intra-district Funds	0	334	0	0	0	0.0
Total for Intra-District Funds	0	334	0	0	0	0.0
Gross Funds	52,765	59,920	145,265	195,010	49,745	34.2

Table DB0-2
FY 2006 Full-Time Equivalent Employment Levels

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
General Fund						
Local Fund	12	4	5	5	0	0.1
Special Purpose Revenue Funds	0	0	4	4	0	0.0
Total for General Fund	12	4	9	9	0	0.0
Federal Resources						
Federal Grant Fund	102	110	126	126	0	0.0
Total for Federal Resources	102	110	126	126	0	0.0
Total Proposed FTEs	114	115	135	135	0	0.0

Expenditures by Comptroller Source Group

Table DB0-3 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table DB0 -3

FY 2006 Proposed Operating Budget, by Comptroller Source Group

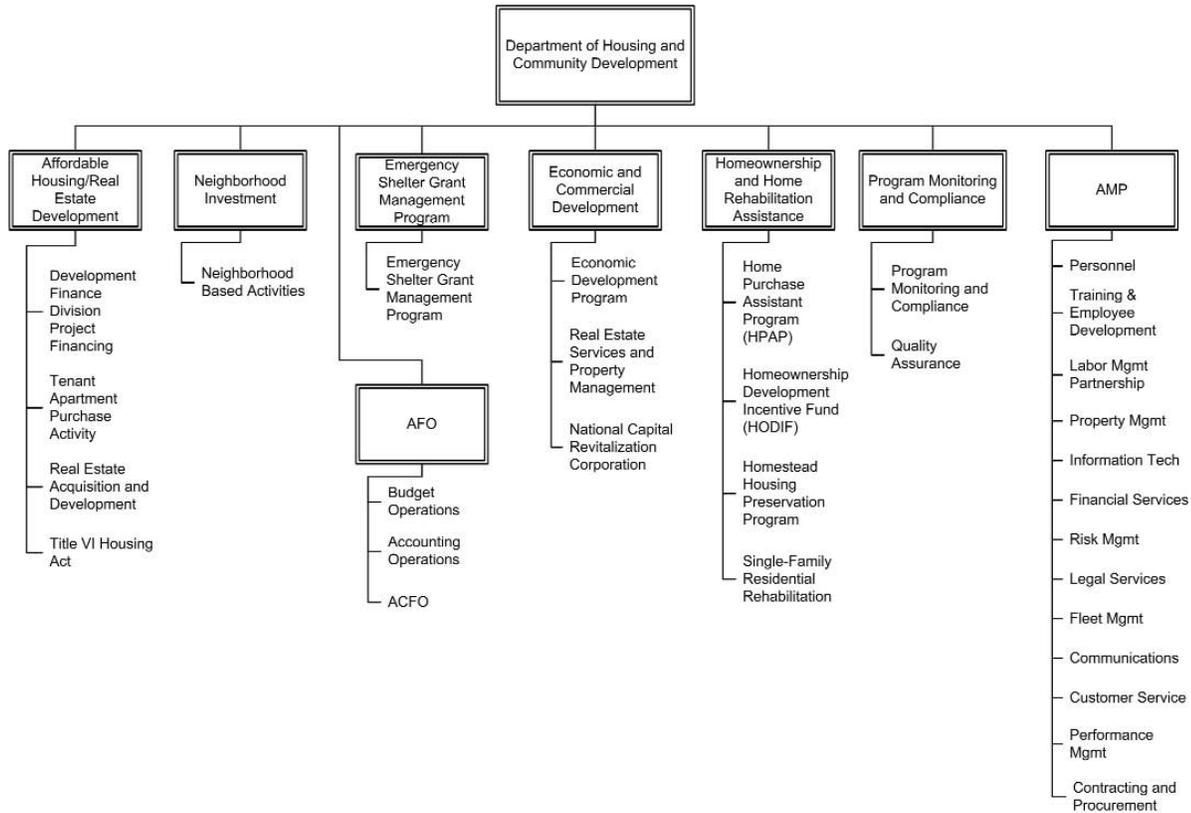
(dollars in thousands)

Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
11 Regular Pay - Cont Full Time	6,573	6,567	7,823	8,551	728	9.3
12 Regular Pay - Other	170	721	999	1,066	66	6.6
13 Additional Gross Pay	49	71	102	78	-24	-23.8
14 Fringe Benefits - Curr Personnel	1,019	1,182	1,293	1,460	167	12.9
15 Overtime Pay	25	20	53	49	-3	-6.1
Subtotal Personal Services (PS)	7,835	8,562	10,270	11,204	934	9.1
20 Supplies and Materials	46	67	130	200	70	53.9
30 Energy, Comm. and Bldg Rentals	16	0	47	0	-47	-100.0
31 Telephone, Telegraph, Telegram, Etc	140	123	151	128	-22	-14.8
32 Rentals - Land and Structures	1,510	1,506	2,672	1,720	-952	-35.6
33 Janitorial Services	75	0	0	0	0	0.0
34 Security Services	0	85	93	97	4	4.0
40 Other Services and Charges	3,277	975	2,779	3,130	351	12.6
41 Contractual Services - Other	2,763	5,294	6,494	7,902	1,408	21.7
50 Subsidies and Transfers	36,883	43,201	122,582	170,446	47,864	39.0
70 Equipment & Equipment Rental	219	108	49	183	134	271.6
Subtotal Nonpersonal Services (NPS)	44,930	51,358	134,995	183,806	48,811	36.2
Total Proposed Operating Budget	52,765	59,920	145,265	195,010	49,745	34.2

Expenditure by Program

The agency is budgeted by program and the Department of Housing and Community Development has the following program structure:

Figure DB0-1
Department of Housing and Community Development



Fund, establishes spending plans for the use of these funds, and they range across a wide variety of housing programs. The Housing Act legislates that funds be equally shared to promote and enable affordable rental housing and residential housing in the District. Eighty percent of the funds are targeted to households with incomes of 50 percent of area median income or less.

The funds support numerous housing initiatives in the District. Under DHCD's current spending plan, uses for the HPTF include tenant and third party nonprofit purchase and rehabilitation of multifamily buildings, the development of elderly and special needs barrier-free housing units, and the development of rental and for-sale housing.

Federal Funds

Federal Grants. The proposed budget is \$84,294,374, an increase of \$36,308,855, or 75.7 percent, over the FY 2005 approved budget of \$47,985,519. There are 126 FTEs, unchanged from FY 2005.

Changes from the FY 2005 approved budget are:

- An increase of \$38,138,397 in the agency CDBG budget, which includes \$27,961,212 due to the collection of program income generated from the sale of RLA Redevelopment Corporation properties. These funds will be received in FY 2005, with a portion available for use as carry over funds in FY 2006. Also, there is a projected increase of \$10,177,185

- in other available CBDG funding.
- A decrease of \$1,496,715 in funds available for the two three-year federal grants addressing lead based paint safety issues. This reduction reflects projected expenditures to be made in the grant programs in FY 2005.
- An increase of \$26,555 in available funding for the emergency shelter grant.
- A decrease of \$359,382 in available funding for the HOME grant.

Programs

The **Department of Housing and Community Development** is committed to the following programs:

Affordable Housing/Real Estate Development

	FY 2005	FY 2006
Budget	\$107,774,465	\$128,781,068
FTEs	43.0	47.0

Program Description

The purpose of the **Affordable Housing and Real Estate Development** program is to provide financial resources to complement those available in the private sector to private and non-profit developers and tenant associations in order to build and/or rehabilitate affordable rental and ownership housing.

During FY 2004, DHCD provided funding for the new development or rehabilitation of 1,521 multi/single-family housing units and seven community/commercial facilities; and assisted in the conversion of 109 rental units for tenant ownership. DHCD financed housing counseling to over 6,665 tenants in tenant associations with housing counseling to prepare them for ownership of their units, and in management of converted apartments. Additionally DHCD led an interagency task force on implementation of the HUD Lead-Safe Housing Rule, and implemented two lead-safe grants to provide Lead Safe Housing. During 2004, additional funding provided by the locally funded HPTF provided a dependable source of funds to support housing for extremely low, very low and low-income residents and those with special

needs. During FY 2004, DFD improved its service delivery on development projects through a successful competitive funding process, by leveraging \$7.60 private dollars for each public dollar, and closing development loans within five months of issuance of a letter of commitment.

Key Result Goals:

- Fund rehabilitation and/or new construction of 1,508 affordable housing units.
- Commit 75 percent and spend 45 percent of available funds during the fiscal year.
- Assist 150 tenant families in conversion of rental apartments to ownership.
- Provide housing counseling to 4,000 tenants.

This program has four activities:

- **Development Finance Division (DFD) Project** - provides funding through a competitive Request for Proposal (RFP) funding process that targets communities and types of development needed to revitalize neighborhoods. This activity also provides development financing and regulatory oversight to non-profit and for-profit developers so that they can develop properties as affordable ownership and rental units and neighborhood community/commercial facilities. This activity includes the preparation of the Notice of Funding Availability and RFP documents, management of the application and selection process, project management meetings, construction overviews, underwriting, architectural reviews, monitoring reports, funding request presentations, loan closings and project monitoring services.
- **Tenant Apartment Purchase Assistance (TAPP)** - 1) provides organizational and development assistance to tenant organizations expressing interest in purchasing their buildings after receiving a Right of First Refusal notice; and education and below-market management services to tenant organizations that have purchased their buildings, and 2) provides financial assistance in the form of seed money, earnest money deposit and acquisition, loans to low-moderate income tenant organizations wishing to pur-

chase their buildings after receiving the Right of First Refusal notice. Additional services provided in the TAPP program include housing counseling services, contract management and monitoring.

- **Real Estate Acquisition and Disposition** - provides disposition management of District-owned parcels to developers so that they can fulfill pre-determined development purposes/priorities (i.e. affordable housing units, retail/commercial space, cultural/entertainment facilities, job and revenue creation, etc.).
- **Title VI Housing Act** - provides for assistance to the D.C. Housing Authority in funding and implementing its HOPE VI affordable housing redevelopments under Title VI of the Housing Act of 2002.

Program Budget Summary

The proposed Affordable Housing and Real Estate Development program gross funds budget is \$128,781,068, an increase of \$21,003,603, or 19.5 percent over the FY 2005 approved budget of \$107,774,465. The gross budget supports 47 FTEs; an increase of 4 FTEs over the FY 2005 approved level.

Significant changes from the FY 2005 approved budget include:

- An increase of \$20,950,240 in allocated CDBG funds due to the collection of program income generated from the sale of RLA Redevelopment Corporation properties. These funds will be received in FY 2005 with any uncommitted funds carried over for use in FY 2006.
- An increase of \$56,363 primarily due to available funding from projected collections of HPTF revenues.

Key Result Measures

Program 1: Affordable Housing/Real Estate Development

Citywide Strategic Priority Area(s): Promoting Economic Development

Manager(s): Lawrence Cager, Deputy Director for Development Finance

Supervisor(s): Jalal Greene, Acting Director

Measure 1.1: Percent of RFP funds allocated by end of fiscal year

	Fiscal Year			
	2004	2005	2006	2007
Target	75	90	90	90
Actual	97.6	-	-	-

Note: New measure in FY 2004.

Measure 1.2: Percent of affordable housing units funded

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	N/A	100	100
Actual	N/A	-	-	-

Note: New measure in FY 2006 referring to 1508 units. Formerly KRMs 2.2 annually.

Measure 1.3: Percent of target number families assisted to convert apartments

	Fiscal Year			
	2004	2005	2006	2007
Target	200	100	100	100
Actual	109	-	-	-

Note: Key Result Measure was modified from a number to a percent (4/04). The FY 2005-2006 targets refer to 100% of 150 units.

Measure 1.4: Percent of tenant organizations and households provided training, management and other assistance for first right to purchase and apartment conversion

	Fiscal Year			
	2004	2005	2006	2007
Target	4000	100	100	100
Actual	6665	-	-	-

Note: Key Result Measure was modified from a number to a percent (4/04). The FY 2005-2006 targets refer to 100% of 4000 households reached through tenant organizations

Neighborhood Investments Program

	FY 2005	FY 2006
Budget	\$8,750,555	\$8,801,063
FTEs	12.0	11.0

Program Description

The purpose of the Neighborhood Investments program includes a broad range of programmatic initiatives carried out through neighborhood-based organizations working in their local communities. Grants are tailored to match community needs.

During 2004, Neighborhood Based Services

funded technical assistance in response to over 1,581 businesses and comprehensive housing counseling to 9,331 tenants, potential homeowners and current homeowners. Counseling includes a range of assistance with managing personal credit, applying for program assistance, managing the home purchase process, homeowner training, apartment locating and other services that help residents with housing needs.

Key Result Goals:

- Provide direct technical assistance and support through neighborhood-based programs to 1,500 neighborhood businesses.
- Provide housing counseling services to 8,000 residents.

Program Budget Summary

The proposed Neighborhood Investments program gross funds budget is \$8,801,063, an increase of \$50,508, or 0.6 percent over the FY 2005 approved budget of \$8,750,555. The gross budget supports 11 FTEs, a decrease of 1 FTE from the FY 2005 approved level.

Significant changes from the FY 2005 approved budget include:

- An increase of \$50,508 in allocated CDBG funds due to the collection of program income generated from the sale of RLA Redevelopment Corporation properties.

This program has one activity:

- For FY 2006, Neighborhood-Based activities funded by DHCD includes the following six programmatic components:
 1. Comprehensive housing counseling performed by housing counseling agencies to assist tenants and homeowners to achieve or maintain safe, decent and affordable housing;
 2. Commercial Corridor development in neighborhoods that have experienced economic decline. Projects will help to support and strengthen existing businesses, roaden the commercial mix of stores, restaurants and services; and provide technical assistance for small businesses;
 3. Affordable housing preservation through early intervention with tenants in properties for which federal housing subsidies are due to expire. Approximately 40

properties with nearly 4,500 residents are targeted for services in FY 2006;

4. Affordable housing development through funding community development organizations' pre-development and project delivery costs for selected affordable housing developments;
 5. Storefront facade development in commercial corridors that have experienced significant decline and need assistance to participate in the overall economic rebirth of the District; and
 6. Crime Prevention Targeted efforts to reduce crime in designated "Hot Spots" high crime areas in the District.
- The Neighborhood-Based activities also include awarding grants and monitoring financial and outcome performance; managing grants for storefront improvement, small business development; providing housing counseling services; and predevelopment of affordable housing.

Key Result Measures

Program 2: Neighborhood Investment

Citywide Strategic Priority Area(s): Promoting Economic Development

Manager(s): Robert Mulderig, Deputy Director for Residential & Community Services; Lamont Lee, Manager Community Services Program

Supervisor(s): Jalal Greene, Acting Director

Measure 2.1: Percent of businesses applying for technical assistance services to those for which services are successfully provided

	Fiscal Year			
	2004	2005	2006	2007
Target	300	98	95	95
Actual	1581	-	-	-

Note: Key Result Measure was modified from a number to a rate (4/04). The FY 2004 target and actual are straight numbers. The FY 2005-2006 targets reflect a percent value on a projected target base of 1500 businesses.

Measure 2.2: Percent of households applying for housing counseling services to those for which services are successfully provided

	Fiscal Year			
	2004	2005	2006	2007
Target	4000	96	95	95
Actual	9331	-	-	-

Note: Key Result Measure was modified from a number to a rate (4/04). The FY 2004 target and actual are straight numbers. The FY 2005-2006 targets are percent values on a projected target base of 7992 households counseled.

Emergency Shelter Grant Management Program

	FY 2005	FY 2006
Budget	\$795,000	\$821,555
FTEs	0.0	0.0

Program Description

The Emergency Shelter Grant (ESG) Management program is to provide oversight, funding and compliance monitoring services to the Community Partnership for the Prevention of Homelessness (the Partnership) in order to prevent homelessness and enable individuals and families to move toward independent living. The ESG grant is passed from the federal government through DHCD to the Partnership. In FY 2004, the ESG grant provided emergency service and eviction prevention for 395 individuals and families, supported one 45-family shelter that served 209 families; and renovated 1,399 homeless shelter beds.

Key Result Goals:

- Ensure that 100 percent of ESG funds are appropriately spent within two years of receipt.
- Provide homelessness prevention and emergency assistance to 271 families/individuals.

This program has one activity:

- Emergency Shelter Grant Management which includes analyses of homeless needs for selecting annual measures, monitoring the appropriate spending of grant funds by the service providers within two years of receipt, and monitoring annual performance targets and compliance with federal laws and regulations.

Program Budget Summary

The proposed Emergency Shelter Grant Management Program gross funds budget is \$821,555, an increase of \$26,555 or 3.3 percent over the FY 2005 approved budget of \$795,000. There are no FTEs supported by this program.

Significant changes from the FY 2005 approved budget are:

- An increase of \$26,555 for the Emergency Shelter Grant.

Key Result Measures

Program 3: Emergency Shelter Grant Management

Citywide Strategic Priority Area(s): Promoting

Economic Development; Strengthening Children, Youth, Families, and Elders

Manager(s): Lawrence Cager, Deputy Director for Development Finance

Supervisor(s): Jalal Greene, Acting Director

Measure 3.1: Percentage of Emergency Shelter Grant (ESG) funds appropriately spent within two years of receipt

	Fiscal Year			
	2004	2005	2006	2007
Target	100	100	100	100
Actual	100	-	-	-

Measure 3.2: Percentage of households assisted with emergency eviction prevention grants

	Fiscal Year			
	2004	2005	2006	2007
Target	281	100	100	100
Actual	395	-	-	-

Note: Key Result Measure was modified from a number to a percent (4/04). The FY 2004 target and actual are straight numbers. The FY 2005-2006 targets refer to 100% of 271 households.

Economic and Commercial Development

	FY 2005	FY 2006
Budget	\$2,206,968	\$31,342,489
FTEs	3.0	0.0

Program Description

The Economic and Commercial Development program includes activities to promote economic development, to manage the acquisition, disposition and maintenance of property and to

participate with the National Capital Revitalization Corporation (NCRC) in certain development funding activity.

Key services provided within this program include information services for potential business loan clients, preparing, processing, underwriting and servicing business loans; providing environmental assessments; managing contracts for appraisals, title searches, maintenance and security services and relocation; and monitoring compliance.

Key Result Goals:

- Assist 5 small businesses through the H Street Community Development Corporation (CDC).
- Perform maintenance services on 80 percent of property in the DHCD property inventory on schedule, and
- Manage fund transfers and accountability with NCRC under the inter-agency agreement.

This program has three activities:

- **Economic Development** - provides HUD Section 108 loans and micro business loans to small businesses and commercial developers in order to create jobs, neighborhood retail/service opportunities and business financial support.
- **Real Estate Services and Property Management** - provides appraisals, title searches and property management services to DHCD so that they can have the timely and necessary information to purchase property for development.
- **National Capital Revitalization Corporation (NCRC)** - transfers funds to the NCRC as authorized under the inter-agency agreement between DHCD and NCRC.

Program Budget Summary

The proposed Economic and Commercial Development program gross funds budget is \$31,342,489, an increase of \$29,135,521 or 1,320.2 percent over the FY 2005 approved budget of \$2,206,968. The gross budget supports 0 FTEs, a decrease of 3 FTEs from the FY 2005 approved level.

Significant changes from the FY 2005 approved budget are:

- An increase of \$29,135,521 primarily due to the availability of funds received from the sale of RLA Redevelopment Corporation assets in FY 2005. These funds represent the projected uncommitted funds available for expenditure by the RLA Redevelopment Corporation and DHCD in FY 2006.

Key Result Measures

Program 4: Economic and Commercial Development

Citywide Strategic Priority Area(s): Promoting Economic Development

Manager(s): Lawrence Cager, Deputy Director for Development Finance; Laverne Law, Administrative Services Officer

Supervisor(s): Jalal Greene, Acting Director

Measure 4.1: Percent of micro-loan applications approved through H Street CDC

	Fiscal Year			
	2004	2005	2006	2007
Target	100	100	100	100
Actual	80	-	-	-

Note: Key Result Measure was modified from a number to a percent (4/04). The FY 2004-2006 targets refer to 100% of 5 applications.

Measure 4.2: Percent inventory of properties maintained on schedule

	Fiscal Year			
	2004	2005	2006	2007
Target	75	80	90	90
Actual	87.2	-	-	-

Note: FY 2005 target increased from 75 to 80 at the request of the agency (1/10/05).

Homeownership and Home Rehabilitation Assistance

	FY 2005	FY 2006
Budget	\$15,648,070	\$15,094,060
FTEs	15.0	16.0

Program Description

The Homeownership and Home Rehabilitation Assistance program is to provide financial assistance for low and moderate-income households for the purpose of first-time home purchase and/or home rehabilitation and preservation. This program provides down-payment and closing cost loans to first-time home buyers; rehabilitation loans/grants to owner-occupants of single-family homes; small Home Ownership Development Incentive Fund (HODIF) loans to developers of multi-unit ownership housing to reduce unit prices; and tax-delinquent, abandoned properties to first-time home purchasers for a modest cost through Homestead sales and lottery.

During FY 2004, DHCD assisted 231 residents with Home Purchase Assistance program (HPAP) loans to become first-time homeowners and provided 29 single-family loans and/or grants to assist owner-occupants in rehabilitating their homes to housing code standards.

This program has four activities:

- **Home Purchase Assistance Program (HPAP)** - provides down payment and closing cost assistance to low to moderate income District residents so that they can become first-time homebuyers in the District of Columbia. The proposed HPAP program budget includes \$4,579,326 in Federal grant and \$6,124,215 in Special Purpose Revenue funds for a total proposed budget of \$10,703,541.

- **Homeownership Development Incentive Fund (HODIF)** - provides grants to non-profit housing providers so that they can build or rehabilitate affordable homeowner units.
- **Homestead Housing Preservation** - provides funding for single and multi-family tax delinquent properties for non-profit redevelopers and income-qualified D.C. residents in order to increase the number of affordable units, providing additional opportunities for home ownership.
- **Single Family Residential Rehabilitation** - provides rehabilitation loans and grants to income-qualified owner-occupant D.C. residents in order to preserve homeownership in the District.

Program Budget Summary

The proposed Homeownership and Home Rehabilitation Assistance program gross funds budget is \$15,094,160, a decrease of \$554,010, or 3.5 percent from the FY 2005 approved budget of \$15,648,070. The gross budget supports 16 FTEs, an increase of 1FTE over the FY 2005 approved level.

Significant changes from the FY 2005 approved budget are:

- An increase of \$359,248 in federal grant funding available for the HPAP program.
- An increase of \$495,748 in federal grant funding available for Single Family Residential Rehabilitation.
- A decrease of \$1,410,006 in federal grant funding available for Homestead Housing Preservation.

Key Result Measures

Program 5: Homeownership and Home Rehabilitation Assistance

Citywide Strategic Priority Area(s): Promoting Economic Development

Manager(s): Robert Mulderig, Deputy Director for Residential & Community Services

Supervisor(s): Jalal Greene, Acting Director

Measure 5.1: Rate of households receiving Home Purchase Assistance (HPAP) down payment and closing cost assistance

	Fiscal Year			
	2004	2005	2006	2007
Target	240	33	31	31
Actual	231	-	-	-

Note: FY 2004 actual is based on the measure, "Number of Home Purchase Assistance Program (HPAP) loans awarded to first-time homeowners". Key Result Measure was modified from a number to a rate (4/04). Beginning in FY 2005, agency will report on rate.

Measure 5.2: Rate of households receiving single-family home rehabilitation assistance to new qualified applications for assistance

	Fiscal Year			
	2004	2005	2006	2007
Target	35	50	60	60
Actual	29	-	-	-

Note: FY 2004 target and actual reflect measure "Number of single-family owner-occupied homes funded through rehabilitation loans/grants." Key Result Measure was modified from a number to a rate (4/04). Beginning in FY 2005, agency will report on rate based on 30 households assisted

Program Monitoring and Compliance

	FY 2005	FY 2006
Budget	\$684,528	\$769,233
FTEs	7.0	6.8

Program Description

The **Program Monitoring and Compliance** program primarily provides oversight of DHCD programs and projects in order to ensure compliance and overall effectiveness of operations. Contract compliance monitors DHCD projects to ensure that use of project funds fully complies with HUD and District regulations. Quality Assurance activities provide review and performance evaluation to DHCD and contractors so that they can operate in full compliance with regulations in the most effective and efficient manner possible.

Key Result Goals:

- Complete 80 percent of environmental reviews within 45 days; and
- Reduce program-related CAFR, A133, and HUD findings by 50 percent.

Program Budget Summary

The proposed Program Monitoring and Compliance program gross funds budget is \$769,233, an increase of \$84,705, or 12.4 percent over the FY 2005 approved budget of \$684,528. The gross budget supports 7 FTEs, unchanged from the FY 2005 approved level.

Significant changes from the FY 2005 approved budget are:

- An increase of \$84,705 in available grant funding.
- Contract Compliance activity provides oversight and monitoring services of DHCD projects to ensure the Department's use of project funds fully complies with HUD and District regulations.
- Quality Assurance activity provides program review and performance evaluation to DHCD and contractors so that they can operate in full compliance regulations in the most effective and efficient manner possible.

Key actions performed in these activities include development project environmental reviews, compliance checklists, site visits to sub-contractors and grantees, Fair Housing education and outreach services and equal opportunity compliance, compliance and progress payment reviews, monitoring review reports, HUD / Inspector General responses and audit liaison services.

Key Result Measures

Program 6: Program Monitoring and Compliance

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Wilma Matthias, Director, Office of Program Monitoring

Supervisor(s): Jalal Greene, Acting Director

Measure 6.1: Percent of Environmental Reviews (ERs) completed within 45 days

	Fiscal Year			
	2004	2005	2006	2007
Target	80	80	80	80
Actual	94	-	-	-

Measure 6.2: Percent reduction of CAFR, A133 and HUD findings

	Fiscal Year			
	2004	2005	2006	2007
Target	50	50	50	50
Actual	53	-	-	-

Agency Management Program

	FY 2005	FY 2006
Budget	\$8,592,339	\$8,518,733
FTEs	44.0	43.0

Program Description

The Agency Management program provides operational support and the required tools to achieve operational and programmatic results. This program is standard for all Performance-Based Budgeting agencies. More information about the Agency Management program can be found in the Strategic Budgeting chapter.

Program Budget Summary

The proposed Agency Management program gross funds budget is \$8,518,733, a decrease of \$73,606, or 0.9 percent from the FY 2005 approved budget of \$8,592,339. The gross budget supports 43 FTEs, a decrease of 1 FTE from the FY 2005 approved level.

Significant changes from the FY 2005 approved budget are:

- A net increase of \$538,004 in personal services costs to fund base pay and scheduled step increases.
- A net decrease of \$986,758 in fixed costs, which includes a decrease of \$958,427 in rent, a decrease of \$3,000 in energy, a decrease of \$29,051 in telecommunications and an increase of \$3,720 in security.
- An increase of \$70,000 in supplies to reflect agency operational requirements.
- An increase of \$159,900 in other services and charges for the Office of the Chief Technology Officer's IT seat management costs.
- An increase of \$133,000 in equipment for additional file cabinets to expand document

retention capability, and document imaging equipment to provide for electronic storage of agency project related documents, furniture and new IT equipment.

- An increase of \$12,248 in miscellaneous contractual services costs.

Key Result Measures

Program 7: Agency Management

Citywide Strategic Priority Area(s): Making Government Work

Manager(s): Robert Trent, Chief of Staff

Supervisor(s): Jalal Greene, Acting Director

Measure 7.1: Percent variance of estimate to actual expenditure (over/under)

	Fiscal Year			
	2004	2005	2006	2007
Target	5	5	5	5
Actual	N/A	-	-	-

Note: Agency performance on this measure cannot be reported until after the completion of the CAFR in early February 2005. Final results for this measure will be updated in the FY 2006 Operating Budget and Financial Plan, due to be submitted to Council in late March 2005.

Measure 7.2: Cost of Risk

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	N/A	N/A	N/A
Actual	N/A	-	-	-

Note: This measure replaces "Percent reduction of employee lost work-day injury cases." Agencies established baselines for Cost of Risk in cooperation with the Office of Risk Management during FY 2004. The final baseline figures and FY 2005 targets will be published in the FY 2006 Operating Budget and Financial Plan, due to be submitted to Council in late March 2005. Cost of Risk is a comprehensive measure of a wide range of risks confronting each agency, including but not limited to safety issues, financial risks, and potential litigation.

Measure 7.3: Percent of the Mayor's Customer Service Standards Met

	Fiscal Year			
	2004	2005	2006	2007
Target	N/A	63	63	63
Actual	N/A	-	-	-

Measure 7.4: Percent of Key Result Measures Achieved

	Fiscal Year			
	2004	2005	2006	2007
Target	70	70	70	70
Actual	77.8	-	-	-

Agency Financial Operations

	FY 2005	FY 2006
Budget	\$813,356	\$881,641
FTEs	11.0	11.0

Program Description

The purpose of the **Agency Financial Operations** program is to provide comprehensive and efficient financial management services to and on behalf of District agencies so that the financial integrity of the District of Columbia is maintained. More information about the Agency Financial Operations program can be found in the Strategic Budgeting Chapter.

Program Budget Summary

The proposed Agency Financial Operations program gross funds budget is \$881,641, an increase of \$68,285, or 8.4 percent over the FY 2005 approved budget of \$813,356. The budget increase reflects approved base pay and step increases. The gross budget supports 11 FTEs, which is unchanged from the FY 2005 approved level.

For more detailed information regarding the proposed funding for the activities within this program please see schedule 30-PBB in the FY 2006 Operating Appendices volume.