

# Department of Housing and Community Development

[www.dhcd.dc.gov](http://www.dhcd.dc.gov)

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Table DB0-1

Description	FY 2020 Actual	FY 2021 Actual	FY 2022 Approved	FY 2023 Approved	% Change from FY 2022
OPERATING BUDGET	\$87,804,069	\$77,106,174	\$150,231,601	\$99,811,720	-33.6
FTEs	148.4	161.0	170.2	84.3	-50.5
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

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.

## Summary of Services

DHCD's fundamental activities consist of financial operations, program delivery, and administration of regulations. The specific strategic objectives that DHCD focuses on to stimulate economic development and spur the dream of home ownership in underserved communities are (1) preserve and increase the supply of quality affordable housing throughout the District, (2) increase homeownership opportunities to residents of low and moderate income households, and (3) revitalize District neighborhoods by promoting community development that embraces economic opportunities for local businesses. DHCD creates and preserves affordable housing by providing low-cost gap financing and subsidies for single-family residential rehabilitation and multi-family construction projects to garner affordable rental and homeownership opportunities throughout the city. DHCD also leverages its appropriated local and federal funding to help finance community facilities, acquire property, and administer disposition activities for vacant and abandoned properties to help stabilize District neighborhoods and provide new local opportunities. DHCD partners with community-based organizations citywide to implement residential and community services that include homeownership assistance programs, housing counseling services, storefront facade improvement initiatives, and small business technical assistance services. In addition, DHCD administers the rental housing regulations that govern condominium and cooperative conversions, rent control, inclusionary zoning, and affordable dwelling unit programs. The Affordable Housing Locator is also a service of DHCD and is available online at [dchousingsearch.org](http://dchousingsearch.org). All of these programs and services can be accessed through DHCD's Housing Resource Center located in the historic Anacostia neighborhood in Ward 8.

The agency's FY 2023 approved budget is presented in the following tables:

## FY 2023 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table DB0-2 contains the approved FY 2023 budget by revenue type compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 actual data.

**Table DB0-2**

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	% Change*	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	% Change
<b>GENERAL FUND</b>												
Local Funds	29,053	15,317	33,447	35,468	2,021	6.0	58.4	62.5	56.6	63.3	6.6	11.7
Special Purpose Revenue Funds	2,184	3,907	6,100	6,912	812	13.3	0.0	0.0	0.0	0.0	0.0	N/A
<b>TOTAL FOR GENERAL FUND</b>	<b>31,238</b>	<b>19,224</b>	<b>39,547</b>	<b>42,380</b>	<b>2,833</b>	<b>7.2</b>	<b>58.4</b>	<b>62.5</b>	<b>56.6</b>	<b>63.3</b>	<b>6.6</b>	<b>11.7</b>
<b>FEDERAL RESOURCES</b>												
Federal Payments	0	7,280	48,158	0	-48,158	-100.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	40,012	37,527	47,527	57,432	9,905	20.8	28.1	24.2	34.0	21.0	-12.9	-38.1
<b>TOTAL FOR FEDERAL RESOURCES</b>	<b>40,012</b>	<b>44,807</b>	<b>95,684</b>	<b>57,432</b>	<b>-38,253</b>	<b>-40.0</b>	<b>28.1</b>	<b>24.2</b>	<b>34.0</b>	<b>21.0</b>	<b>-12.9</b>	<b>-38.1</b>
<b>INTRA-DISTRICT FUNDS</b>												
Intra-District Funds	16,554	13,076	15,000	0	-15,000	-100.0	61.9	74.4	79.6	0.0	-79.6	-100.0
<b>TOTAL FOR INTRA-DISTRICT FUNDS</b>	<b>16,554</b>	<b>13,076</b>	<b>15,000</b>	<b>0</b>	<b>-15,000</b>	<b>-100.0</b>	<b>61.9</b>	<b>74.4</b>	<b>79.6</b>	<b>0.0</b>	<b>-79.6</b>	<b>-100.0</b>
<b>GROSS FUNDS</b>	<b>87,804</b>	<b>77,106</b>	<b>150,232</b>	<b>99,812</b>	<b>-50,420</b>	<b>-33.6</b>	<b>148.4</b>	<b>161.0</b>	<b>170.2</b>	<b>84.3</b>	<b>-85.9</b>	<b>-50.5</b>

\*Percent change is based on whole dollars.

**Note:** If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2023 Operating Appendices** located on the Office of the Chief Financial Officer's website.

In FY 2023, the Intra-District process will be eliminated, and the duplicated budget in the agencies providing services (seller agencies), known as Intra-District budget, will no longer be required. This process will be replaced by a new interagency process, which will enable seller agencies to directly charge interagency projects funded by the agencies receiving the services (buyer agencies). For more detailed information regarding the approved funding for interagency projects funded within this agency, please see Appendix J, FY 2023 Interagency Budgets, in the Executive Summary budget volume.

## FY 2023 Approved Operating Budget, by Comptroller Source Group

Table DB0-3 contains the approved FY 2023 budget at the Comptroller Source Group (object class) level compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 actual expenditures.

**Table DB0-3**

(dollars in thousands)

Comptroller Source Group	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Percentage Change*
11 - Regular Pay - Continuing Full Time	15,374	15,459	16,888	8,038	-8,851	-52.4
12 - Regular Pay - Other	194	496	614	524	-90	-14.6
13 - Additional Gross Pay	154	185	132	88	-44	-33.1
14 - Fringe Benefits - Current Personnel	3,460	3,430	3,763	1,842	-1,922	-51.1
15 - Overtime Pay	2	6	8	0	-8	-100.0
<b>SUBTOTAL PERSONAL SERVICES (PS)</b>	<b>19,184</b>	<b>19,575</b>	<b>21,405</b>	<b>10,492</b>	<b>-10,914</b>	<b>-51.0</b>
20 - Supplies and Materials	26	60	45	5	-40	-88.2
30 - Energy, Communication and Building Rentals	2	2	61	160	99	160.2
31 - Telecommunications	167	175	179	117	-62	-34.7
32 - Rentals - Land and Structures	2,483	2,728	3,778	3,908	131	3.5
34 - Security Services	58	25	96	96	0	0.2
35 - Occupancy Fixed Costs	57	21	8	0	-8	-100.0
40 - Other Services and Charges	740	1,536	1,777	1,284	-493	-27.8
41 - Contractual Services - Other	7,219	3,709	41,508	3,242	-38,267	-92.2
50 - Subsidies and Transfers	57,656	49,033	78,149	77,418	-732	-0.9
70 - Equipment and Equipment Rental	211	240	225	91	-134	-59.7
80 - Debt Service	0	0	3,000	3,000	0	0.0
<b>SUBTOTAL NONPERSONAL SERVICES (NPS)</b>	<b>68,620</b>	<b>57,531</b>	<b>128,826</b>	<b>89,320</b>	<b>-39,506</b>	<b>-30.7</b>
<b>GROSS FUNDS</b>	<b>87,804</b>	<b>77,106</b>	<b>150,232</b>	<b>99,812</b>	<b>-50,420</b>	<b>-33.6</b>

\*Percent change is based on whole dollars.

## FY 2023 Approved Operating Budget and FTEs, by Division/Program and Activity

Table DB0-4 contains the approved FY 2023 budget by division/program and activity compared to the FY 2022 approved budget. It also provides FY 2020 and FY 2021 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

**Table DB0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022
<b>(1000) AGENCY MANAGEMENT</b>										
(1010) Personnel	275	291	412	384	-28	1.8	2.0	2.0	2.0	0.0
(1015) Training and Employee Development	235	185	316	241	-75	0.9	1.0	1.0	1.0	0.0
(1030) Property Management	3,503	3,878	5,156	4,858	-298	5.4	5.9	7.0	7.0	0.0
(1040) Information Technology	1,156	1,248	1,201	1,269	68	4.5	5.9	6.0	6.5	0.5
(1050) Financial Management	165	0	58	25	-33	0.0	0.0	0.0	0.0	0.0

**Table DB0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022
(1060) Legal	1,971	1,984	2,257	935	-1,322	12.3	13.9	14.5	5.9	-8.6
(1070) Fleet Management	0	16	0	21	21	0.0	0.0	0.0	0.0	0.0
(1080) Communications	765	858	1,173	351	-822	4.5	2.9	5.0	2.1	-2.9
(1087) Language Access	1	0	5	0	-5	0.0	0.0	0.0	0.0	0.0
(1090) Performance Management	1,773	1,770	2,137	369	-1,768	11.4	12.1	13.2	2.1	-11.2
<b>SUBTOTAL (1000) AGENCY MANAGEMENT</b>	<b>9,843</b>	<b>10,230</b>	<b>12,714</b>	<b>8,452</b>	<b>-4,262</b>	<b>41.0</b>	<b>43.7</b>	<b>48.8</b>	<b>26.6</b>	<b>-22.2</b>
<b>(100F) AGENCY FINANCIAL OPERATIONS</b>										
(110F) Budget Operations	557	529	526	87	-439	3.5	3.7	4.0	0.6	-3.4
(120F) Accounting Operations	952	1,018	956	205	-751	7.0	7.5	8.0	1.7	-6.3
(130F) Fiscal Officer	233	252	236	50	-185	0.9	0.9	1.0	0.2	-0.8
<b>SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS</b>	<b>1,742</b>	<b>1,799</b>	<b>1,718</b>	<b>343</b>	<b>-1,376</b>	<b>11.4</b>	<b>12.1</b>	<b>13.0</b>	<b>2.5</b>	<b>-10.5</b>
<b>(2000) DEVELOPMENT FINANCE DIVISION</b>										
(2010) Affordable Housing Project Financing	13,526	8,239	24,261	16,399	-7,861	16.4	18.2	18.5	0.6	-17.9
(2015) Community Facilities Project Financing	461	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(2025) Preservation Financing	10,659	400	19,302	2,099	-17,203	1.8	3.9	4.0	5.0	1.0
(2030) Real Estate Acquisition and Development	0	0	3,000	3,000	0	0.0	0.0	0.0	0.0	0.0
(2035) Accessory Dwelling Units	0	0	1,500	1,236	-264	0.0	0.0	0.0	0.0	0.0
(2045) Local Rent Supplement	0	0	0	9,655	9,655	0.0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (2000) DEVELOPMENT FINANCE DIVISION</b>	<b>24,647</b>	<b>8,639</b>	<b>48,062</b>	<b>32,389</b>	<b>-15,673</b>	<b>18.2</b>	<b>22.1</b>	<b>22.5</b>	<b>5.6</b>	<b>-16.9</b>
<b>(3000) RESIDENTIAL AND COMMUNITY SERVICE DIVISION</b>										
(3010) Neighborhood-Based Activities	9,094	20,519	7,845	13,287	5,443	6.9	4.7	7.0	8.0	1.0
(3015) Small Business Technical Assistance	4,215	3,107	2,800	4,128	1,328	0.0	0.0	0.0	0.0	0.0
(3020) Community Services - Comm Revitalization	1,176	637	2,245	2,245	0	0.0	0.0	0.0	0.0	0.0
(3030) Residential Services - HPAP	18,199	16,437	18,835	21,154	2,319	4.8	6.0	5.0	8.0	3.0
(3035) Residential Services - NEAHP	208	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(3040) Residential Services - EAHP	4,266	3,738	5,000	6,000	1,000	0.0	0.0	0.0	0.0	0.0
(3060) Residential Services - Single Family Rehab	1,230	1,184	994	3,000	2,006	8.7	12.1	10.0	0.0	-10.0
<b>SUBTOTAL (3000) RESIDENTIAL AND COMMUNITY SERVICE DIVISION</b>	<b>38,388</b>	<b>45,621</b>	<b>37,718</b>	<b>49,814</b>	<b>12,096</b>	<b>20.4</b>	<b>22.7</b>	<b>22.0</b>	<b>16.0</b>	<b>-6.0</b>
<b>(4100) PROPERTY ACQUISITION AND DISPOSITION DIVISION</b>										
(4110) Property Acquisition and Disposition	919	1,143	7,076	1,543	-5,533	6.8	8.0	8.0	4.0	-4.0
(4120) Property Acquisition	0	1	31,000	0	-31,000	0.0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (4100) PROPERTY ACQUISITION AND DISPOSITION DIVISION</b>	<b>919</b>	<b>1,144</b>	<b>38,076</b>	<b>1,543</b>	<b>-36,533</b>	<b>6.8</b>	<b>8.0</b>	<b>8.0</b>	<b>4.0</b>	<b>-4.0</b>

**Table DB0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022	Actual FY 2020	Actual FY 2021	Approved FY 2022	Approved FY 2023	Change from FY 2022
<b>(4500) PORTFOLIO AND ASSET MANAGEMENT DIVISION</b>										
(4510) Portfolio and Asset Management	8,246	5,075	5,990	2,312	-3,678	15.8	16.8	18.0	3.4	-14.6
<b>SUBTOTAL (4500) PORTFOLIO AND ASSET MANAGEMENT DIVISION</b>	<b>8,246</b>	<b>5,075</b>	<b>5,990</b>	<b>2,312</b>	<b>-3,678</b>	<b>15.8</b>	<b>16.8</b>	<b>18.0</b>	<b>3.4</b>	<b>-14.6</b>
<b>(7000) PROGRAM MONITORING DIVISION</b>										
(7010) Contract Compliance	743	1,098	830	143	-686	6.1	6.5	7.0	1.1	-5.9
(7020) Quality Assurance	844	1,031	2,230	1,780	-450	6.1	5.6	6.0	1.1	-4.9
<b>SUBTOTAL (7000) PROGRAM MONITORING DIVISION</b>	<b>1,587</b>	<b>2,129</b>	<b>3,060</b>	<b>1,923</b>	<b>-1,137</b>	<b>12.2</b>	<b>12.1</b>	<b>13.0</b>	<b>2.3</b>	<b>-10.7</b>
<b>(8100) HOUSING REGULATION ADMINISTRATION</b>										
(8110) Rental Conversion and Sales Division	720	699	897	870	-27	6.4	6.8	7.0	7.0	0.0
(8120) Housing Resource Center	0	0	5	5	0	0.0	0.0	0.0	0.0	0.0
(8130) Inclusionary Zoning Program	617	664	790	657	-134	7.1	5.9	7.0	6.0	-1.0
(8140) Rental Accommodations Division	1,100	1,112	1,200	1,504	303	9.1	10.8	11.0	11.0	0.0
<b>SUBTOTAL (8100) HOUSING REGULATION ADMINISTRATION</b>	<b>2,438</b>	<b>2,474</b>	<b>2,893</b>	<b>3,036</b>	<b>143</b>	<b>22.6</b>	<b>23.5</b>	<b>25.0</b>	<b>24.0</b>	<b>-1.0</b>
<b>(9100) RENTAL HOUSING COMMISSION</b>										
(9110) Rental Housing Commission	-1	0	0	0	0	0.0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (9100) RENTAL HOUSING COMMISSION</b>	<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>(9960) YR END CLOSE</b>										
(9961) Yr End Close	-4	-5	0	0	0	0.0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (9960) YR END CLOSE</b>	<b>-4</b>	<b>-5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL APPROVED OPERATING BUDGET</b>	<b>87,804</b>	<b>77,106</b>	<b>150,232</b>	<b>99,812</b>	<b>-50,420</b>	<b>148.4</b>	<b>161.0</b>	<b>170.2</b>	<b>84.3</b>	<b>-85.9</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2023 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

## Division Description

The Department of Housing and Community Development operates through the following 8 divisions:

**Development Finance Division (DFD)** – provides funding for the development of rental, homeownership, and community facility developments that serve District of Columbia 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 multifamily housing production goals.

This division contains the following 5 activities:

- **Affordable Housing Project Financing** – 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 nonprofit and for-profit developers so that they can develop properties as affordable ownership and rental units. This activity includes the preparation of 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;
- **Preservation Project Financing** – allocates funds toward preserving affordable housing units for residents with low-to-moderate income across the District. These units were previously subsidized through federal housing programs, and as the subsidies expire, homeowners will be able to maintain affordability in their communities;
- **Real Estate Acquisition and Development** – provides funding for required debt service payments to the U.S. Department of Housing and Urban Development (HUD) for development loans taken out under the Section 108 program. The District borrows funds under this program, which are then loaned again to developers of affordable housing for specific projects. The District is obligated to budget these debt service payments separately in order to secure the HUD loan, but will ultimately recover the funds in the form of loan repayments from project developers;
- **Accessory Dwelling Units** – provides incentives to homeowners in targeted areas to convert a portion of their existing property or build a stand-alone accessory dwelling unit, such as a garage or basement apartment, to increase the total number of affordable housing units available in these areas; and
- **Local Rent Supplement** – provides project-based rental subsidies to qualified persons or households.

**Residential and Community Services Division (RCS D)** – provides funding for programs focused on household-level housing needs and neighborhood revitalization. RCS D works through neighborhood-based organizations providing comprehensive housing counseling, small business technical assistance, and facade improvement opportunities. RCS D administers the agency’s Affordable Housing Initiative through its Community and Residential Services activities, including the District’s Home Purchase Assistance Program and Employer Assisted Housing Program, which provide financial assistance for low and moderate-income households and District government employees for the purpose of first-time home purchase. The division also provides rehabilitation resources, including grants for lead hazard remediation to eligible units and loans as well as grants to income-qualified owner-occupant District residences in order to preserve homeownership in the District.

This division contains the following 5 activities:

- **Community Services - Housing Counseling (Neighborhood Based Activities)** – provides funding for counseling services to tenants, potential homeowners, and current homeowners;
- **Community Services - Small Business Technical Assistance** – provides technical assistance to small businesses in support of various DHCD programs; ·
- **Community Services - Commercial Revitalization** – provides grants to neighborhood-based organizations for storefront facade improvements in commercial corridors;
- **Residential Services - Home Purchase Assistance Program (HPAP)** – provides down payment and closing cost assistance to low and moderate income District residents so that they can become first-time home-buyers in the District of Columbia; and
- **Residential Services - Employer Assisted Housing Program (EAHP)** – provides down payment and closing cost assistance to qualified District of Columbia government employees.

**Property Acquisition and Disposition Division (PADD)** – stabilizes neighborhoods by decreasing the number of vacant and abandoned residential properties in the District and transforming vacant, blighted and/or abandoned residential properties into homeownership opportunities for District of Columbia residents

at all income levels. PADD has three main functions: (1) encourage property owners to rehabilitate and/or occupy their vacant and abandoned residential property; (2) acquire vacant, blighted, 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 (3) dispose 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.

**Portfolio and Asset Management Division (PAMD)** – provides portfolio management and oversight of outstanding loans to DHCD and manages the allocation of Low Income Housing Tax Credits (LIHTC). Established in FY 2008, 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.

**Program Monitoring Division (PMD)** – conducts oversight and reviews of DHCD projects and funding recipients. Its core functions include the following types of oversight: (1) contract compliance – completing various federally required compliance reviews as part of the underwriting and project development process; (2) quality assurance – monitoring the compliance of DHCD funded sub-recipients with federal HOME Investments Partnership Program (HOME) and Community Development Block Grant Program (CDBG) funding requirements; and (3) compliance monitoring – ensuring projects developed by DHCD through the Housing Production Trust Fund (HPTF), CDBG, HOME and Low Income Housing Tax Credit (LIHTC) programs remain in compliance with federal and local program requirements throughout the duration of the project’s period of affordability.

This division contains the following 2 activities:

- **Contract Compliance** – provides oversight and monitoring services of DHCD projects to ensure that the department’s use of project funds fully complies with HUD and District regulations; and
- **Quality Assurance** – provides program 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.

**Housing Regulation Administration (HRA)** – administers residential housing regulations relating to condominium and cooperative conversions, rent adjustment procedures, licensing, and other related matters. It includes the Rental Accommodation Division and the Rental Conversion and Sales Division and manages the DHCD Housing Resource Center.

This division contains the following 4 activities:

- **Rental Conversion and Sales Division (CASD)** – administers the District’s tenant opportunity to purchase program, regulates the conversion of property to condominiums and cooperatives, registers condominium and cooperative projects, and administers the structural defect warranty claim program;
- **Housing Resource Center (HRC)** – provides rental housing services to landlords and tenants as well as information to the public on all of the department’s services for first-time home-buyers, developers of affordable housing projects, and low-income homeowners. The Housing Resource Center also includes access to the Affordable Housing Locator and an office of University Legal Services for on-site housing counseling;
- **Inclusionary Zoning/Affordable Dwelling Units (IZ/ADU)** – provides subject matter focus in the administration of the District’s Inclusionary Zoning and Affordable Dwelling Unit programs; and
- **Rental Accommodations Division (RAD)** – administers the District’s rent stabilization program, including registering and licensing rental housing, administering rent adjustment procedures, processing landlord and tenant petitions, providing conciliation services, and acting as a repository for notices to vacate and all rental property records.

**Agency Management** – provides for administrative support and the required tools to achieve operational and programmatic results. This division is standard for all agencies using performance-based budgeting.

**Agency Financial Operations** – provides 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. This program/division is standard for all agencies using performance-based budgeting.

### Division Structure Change

The Department of Housing and Community Development has no division structure changes in the FY 2023 approved budget.

## FY 2022 Approved Budget to FY 2023 Approved Budget, by Revenue Type

Table DB0-5 itemizes the changes by revenue type between the FY 2022 approved budget and the FY 2023 approved budget. For a more comprehensive explanation of changes, please see the FY 2023 Approved Budget Changes section, which follows the table.

**Table DB0-5**

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2022 Approved Budget and FTE</b>		<b>33,447</b>	<b>56.6</b>
Removal of One-Time Costs	Multiple Programs	-2,224	-1.2
Removal of Non-Recurring ARPA Funding	Multiple Programs	-16,000	0.0
<b>LOCAL FUNDS: FY 2023 Recurring Budget</b>		<b>15,223</b>	<b>55.4</b>
Increase: To support the costs of pre-existing programmatic initiatives	Multiple Programs	7,962	0.0
Increase: To align Fixed Costs with proposed estimates	Agency Management	1,045	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	597	4.9
Decrease: To realize programmatic cost savings in nonpersonal services	Multiple Programs	-278	0.0
Enhance: To support the Employer Assisted Home Purchase program (one-time)	Residential and Community Service Division	5,000	0.0
Enhance: ARPA - Federal Funds for Local Revenue Replacement to support District Recovery Plan initiatives	District Recovery Plan	3,000	0.0
Enhance: To support the Local Rent Supplement program	Development Finance Division	1,579	0.0
Enhance: To support Heirs Property Legal Services for multi-generational families to maintain their homeownership	Residential and Community Service Division	1,000	0.0
Enhance: To support the Rent Control Housing Clearinghouse database	Housing Regulation Administration	365	1.0
<b>LOCAL FUNDS: FY 2023 Mayor's Proposed Budget</b>		<b>35,493</b>	<b>61.3</b>
Enhance: ARPA - Federal Funds for Local Revenue Replacement funding to support the Single Family Residential Rehabilitation program	Residential and Community Service Division	3,000	0.0
Enhance: To support a Compliance Specialist and Inspector (one-time)	Residential and Community Service Division	199	2.0
Enhance: To support DHCD's preservation financing subsidies (one-time)	Development Finance Division	40	0.0
Reduce: To align resources with operational spending goals	Development Finance Division	-264	0.0
Reduce: To reallocate ARPA funding	District Recovery Plan	-3,000	0.0
<b>LOCAL FUNDS: FY 2023 District's Approved Budget</b>		<b>35,468</b>	<b>63.3</b>
<b>FEDERAL PAYMENTS: FY 2022 Approved Budget and FTE</b>		<b>48,158</b>	<b>0.0</b>
Removal of Non-Recurring ARPA Funding	Multiple Programs	-48,158	0.0
<b>FEDERAL PAYMENTS: FY 2023 Mayor's Proposed Budget</b>		<b>0</b>	<b>0.0</b>
No Change		0	0.0
<b>FEDERAL PAYMENTS: FY 2023 District's Approved Budget</b>		<b>0</b>	<b>0.0</b>



## Table DB0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>FEDERAL GRANT FUNDS: FY 2022 Approved Budget and FTE</b>		<b>47,527</b>	<b>34.0</b>
Increase: To align budget with projected grant awards	Multiple Programs	9,905	-12.9
<b>FEDERAL GRANT FUNDS: FY 2023 Mayor's Proposed Budget</b>		<b>57,432</b>	<b>21.0</b>
No Change		0	0.0
<b>FEDERAL GRANT FUNDS: FY 2023 District's Approved Budget</b>		<b>57,432</b>	<b>21.0</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2022 Approved Budget and FTE</b>		<b>6,100</b>	<b>0.0</b>
Increase: To align budget with projected revenues	Multiple Programs	812	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2023 Mayor's Proposed Budget</b>		<b>6,912</b>	<b>0.0</b>
No Change		0	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2023 District's Approved Budget</b>		<b>6,912</b>	<b>0.0</b>
<b>INTRA-DISTRICT FUNDS: FY 2022 Approved Budget and FTE</b>		<b>15,000</b>	<b>79.6</b>
Eliminate: To reflect the elimination of Intra-District funds budget and FTEs, as part of the new interagency process	Multiple Programs	-15,000	-79.6
<b>INTRA-DISTRICT FUNDS: FY 2023 Mayor's Proposed Budget</b>		<b>0</b>	<b>0.0</b>
No Change		0	0.0
<b>INTRA-DISTRICT FUNDS: FY 2023 District's Approved Budget</b>		<b>0</b>	<b>0.0</b>
<b>GROSS FOR DB0 - DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT</b>		<b>99,812</b>	<b>84.3</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the approved funding for interagency projects funded within this agency, please see Appendix J, FY 2023 Interagency Budgets, in the Executive Summary budget volume.

## FY 2023 Approved Operating Budget Changes

Table DB0-6 contains the approved FY 2023 budget by fund compared to the FY 2022 approved budget.

### Table DB0-6

Appropriated Fund	FY 2022 Approved	FY 2023 Approved	% Change from FY 2022
Local Funds	\$33,447,132	\$35,467,870	6.0
Federal Payments	\$48,157,624	\$0	-100.0
Federal Grant Funds	\$47,526,845	\$57,431,850	20.8
Special Purpose Revenue Funds	\$6,100,000	\$6,912,000	13.3
Intra-District Funds	\$15,000,000	\$0	-100.0
<b>GROSS FUNDS</b>	<b>\$150,231,601</b>	<b>\$99,811,720</b>	<b>-33.6</b>

### Recurring Budget

The FY 2023 budget for DHCD includes a Local funds reduction of \$2,224,000 and 1.2 FTEs across multiple divisions to account for the removal of one-time funding appropriated in FY 2022, which was comprised of \$1,500,000 to support the Affordable Dwelling Unit program for low- and moderate-income District residents; \$500,000 in the Residential and Community Service division in Wards 7 and 8; \$174,000 and 1.2

FTEs to support the Reentry Housing and Services Pilot Act of 2021; and \$50,000 to support a grant for a Tenant Opportunity to Purchase Assistance (TOPA) study.

The FY 2023 Local funds budget for DHCD includes a reduction of \$16,000,000 to account for the removal of ARPA-Federal Funding for Local Revenue Replacement funding appropriated in FY 2022, of which \$5,000,000 supported the Building Blocks DC program; \$5,000,000 supported the Generating Affordability in Neighborhoods (GAIN) Act; \$4,000,000 supported the Employer - Assisted Home Purchase (EAHP) program for District employees; and \$2,000,000 supported the Douglas Community Land Trust grant.

The FY 2023 Federal Payments budget for DHCD includes a reduction of \$48,157,624 to account for the removal of ARPA Federal funding appropriated in FY 2022, including \$31,000,000 of ARPA – Municipal funding to fund the acquisition and redevelopment of large-scale properties for affordable transitional housing for qualified residents awaiting permanent housing and \$17,157,624 of ARPA – State funding to provide development funding resources to the Housing Preservation Fund.

### **Mayor’s Proposed Budget**

**Increase:** DHCD’s proposed Local funds budget includes a net increase of \$7,961,855 across multiple divisions, primarily to support the project-based Local Rent Supplement vouchers program. An additional increase of \$1,045,211 in the Agency Management division aligns the fixed costs budget with estimates provided by the Department of General Services. The proposed Local funds budget includes another increase of \$596,551 and 4.9 Full Time Equivalents (FTEs) across multiple divisions to align personal services and Fringe Benefits with projected costs.

The proposed Federal Grant funds budget includes a net increase of \$9,905,005, which includes a decrease of 12.9 FTEs across multiple divisions to align the budget with projected grant awards, and to account for anticipated carryover balances from the National Housing Trust, the Community Development Block grant, and the Home Investment Partnership program.

In Special Purpose Revenue funds, the proposed budget includes a net increase of \$812,000 that aligns the budget with projected revenue.

**Decrease:** DHCD’s proposed Local funds budget reflects a reduction of \$278,059 across multiple divisions to recognize savings in professional fees and contractual services.

In FY 2023, the prior Intra-District process, which required District agencies to account for negotiated service agreements with other District agencies in a buyer agency-seller agency arrangement, will be eliminated. This process required duplicated budget in the seller agencies, known as Intra-District budget, which will no longer be used. This process will be replaced by a new interagency process, which will enable the agencies providing services (seller agencies) to finance the services by directly charging interagency projects funded by the agencies receiving the services (buyer agencies).

**Eliminate:** The impact of the elimination of the seller agencies’ budgets will be reflected as a reduction of the proposed FY 2023 budget of \$15,000,000 and 79.6 FTEs in the Intra-District budget for DHCD in comparison to FY 2022.

**Enhance:** In Local funds, a proposed one-time increase of \$5,000,000 will enable the agency to support the high demand for the Employer-Assisted Home Purchase (EAHP) program. In Local funds, DHCD’s proposed budget includes an increase of ARPA – Federal Funds for Local Revenue Replacement funding in the amount of \$3,000,000 to support the Single Family Residential Rehabilitation Program. This increase in spending is supported by Coronavirus Relief funds from the American Rescue Plan Act. Additionally, a proposed Local funds increase of \$1,579,209 in the Development Finance division will provide additional funding for Local Rent Supplement Vouchers. The Local funds budget also proposes increases of \$1,000,000 in the Residential and Community Service division to provide income-eligible heirs with the necessary legal assistance to maintain their family’s property; and \$365,310 and 1.0 FTE to support the maintenance and administration of the Rent Control Housing Clearinghouse database that was developed by the Office of Tenant Advocate.

## District's Approved Budget

**Enhance:** The approved Local funds budget for DHCD includes the reallocation of \$3,000,000 in ARPA - Federal Funds for Local Revenue Replacement funding to the Residential and Community Service division, from the District Recovery Plan division, to support the Single Family Residential Rehabilitation Program. This increase in spending is supported by Coronavirus Relief Funds from the American Rescue Plan Act. Additionally, the Local funds budget includes a one-time increase of \$198,661 and 2.0 FTEs. These positions will assist in administering the essential repairs component of the HPAP program. Lastly, the Development Finance division includes a one-time Local funds increase of \$40,000 to support DHCD's preservation financing initiatives.

**Reduce:** The approved Local funds budget includes a one-time reduction of \$264,000 in the Development Finance Division. In addition, the Local funds budget is reduced by \$3,000,000 to reflect the reallocation of ARPA – Federal Funds for Local Revenue Replacement funding from the District Recovery Plan division to the Residential and Community Service division.

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## FY 2023 Approved Full-Time Equivalents (FTEs)

Table DB0-7 contains the summary of FY 2023 Approved Budgeted Full-Time Equivalents (FTEs).

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### Table DB0-7

<b>Total FY 2023 Approved Budgeted FTEs</b>	<b>84.3</b>
<b>Less: Interagency FTEs budgeted in this agency but employed by other agencies:</b>	
TO0-Office of the Chief Technology Officer	(0.5)
<b>Total Interagency FTEs budgeted in this agency, employed by other agencies</b>	<b>(0.5)</b>
<b>Add: Interagency FTEs budgeted in other agencies but employed by this agency:</b>	
UZ0-Housing Production Trust Fund	90.3
<b>Total Interagency FTEs budgeted in other agencies, employed by this agency</b>	<b>90.3</b>
<b>Total FTEs employed by this agency</b>	<b>174.1</b>

**Note:** Table DB0-7 displays the impact of the buyer agencies budgets funding the seller agencies FTEs in the FY 2023 budget, compared to how FTEs were budgeted in FY 2022.

-It starts with the FY 2023 budgeted FTE figure, 84.3 FTEs.

-It subtracts 0.5 FTEs budgeted in DB0 in FY 2023 who are employed by another agency.

-It adds 90.3 FTEs budgeted in other agencies in FY 2023 who are employed by DB0.

-It ends with 174.1 FTEs, the number of FTEs employed by DB0, which is the FTE figure comparable to the FY 2022 budget.