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# Office of the Deputy Mayor for Planning and Economic Development

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Description	FY 2013 Actual	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$20,543,478	\$36,102,016	\$37,046,425	2.6
FTEs	60.7	79.0	83.0	5.1

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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 coordinating, planning, supervising, and executing 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.

The agency’s FY 2015 proposed budget is presented in the following tables:

## FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table EB0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

**Table EB0-1**  
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
<b>General Fund</b>						
Local Funds	9,687	11,877	13,328	14,714	1,386	10.4
Special Purpose Revenue Funds	6,102	7,684	20,400	20,088	-312	-1.5
<b>Total for General Fund</b>	<b>15,789</b>	<b>19,561</b>	<b>33,728</b>	<b>34,803</b>	<b>1,074</b>	<b>3.2</b>
<b>Federal Resources</b>						
Federal Grant Funds	1,959	672	1,800	1,800	0	0.0
<b>Total for Federal Resources</b>	<b>1,959</b>	<b>672</b>	<b>1,800</b>	<b>1,800</b>	<b>0</b>	<b>0.0</b>
<b>Intra-District Funds</b>						
Intra-District Funds	137	311	574	444	-130	-22.6
<b>Total for Intra-District Funds</b>	<b>137</b>	<b>311</b>	<b>574</b>	<b>444</b>	<b>-130</b>	<b>-22.6</b>
<b>Gross Funds</b>	<b>17,885</b>	<b>20,543</b>	<b>36,102</b>	<b>37,046</b>	<b>944</b>	<b>2.6</b>

\*Percent change is based on whole dollars.

**Note:** If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2015 Proposed Full-Time Equivalents, by Revenue Type

Table EB0-2 contains the proposed FY 2015 FTE level compared to the FY 2014 approved FTE level by revenue type. It also provides FY 2012 and FY 2013 actual data.

**Table EB0-2**

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change
<b>General Fund</b>						
Local Funds	28.2	49.5	65.0	69.0	4.0	6.2
Special Purpose Revenue Funds	22.0	8.1	10.0	10.0	0.0	0.0
<b>Total for General Fund</b>	<b>50.2</b>	<b>57.6</b>	<b>75.0</b>	<b>79.0</b>	<b>4.0</b>	<b>5.3</b>
<b>Intra-District Funds</b>						
Intra-District Funds	0.0	3.2	4.0	4.0	0.0	0.0
<b>Total for Intra-District Funds</b>	<b>0.0</b>	<b>3.2</b>	<b>4.0</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed FTEs</b>	<b>50.2</b>	<b>60.7</b>	<b>79.0</b>	<b>83.0</b>	<b>4.0</b>	<b>5.1</b>

## FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table EB0-3 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

**Table EB0-3**  
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
11 - Regular Pay - Continuing Full Time	2,870	3,669	5,032	4,929	-104	-2.1
12 - Regular Pay - Other	1,931	1,912	2,487	2,958	470	18.9
13 - Additional Gross Pay	26	34	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	911	1,092	1,612	1,546	-66	-4.1
15 - Overtime Pay	0	0	0	0	0	N/A
<b>Subtotal Personal Services (PS)</b>	<b>5,738</b>	<b>6,708</b>	<b>9,132</b>	<b>9,432</b>	<b>301</b>	<b>3.3</b>
20 - Supplies and Materials	17	20	40	31	-9	-22.5
30 - Energy, Comm. and Building Rentals	0	16	740	0	-740	-100.0
31 - Telephone, Telegraph, Telegram, Etc.	65	64	65	12	-53	-81.5
32 - Rentals - Land and Structures	233	243	905	0	-905	-100.0
34 - Security Services	6	10	13	0	-13	-100.0
35 - Occupancy Fixed Costs	0	0	1,655	0	-1,655	-100.0
40 - Other Services and Charges	7,640	8,993	8,025	10,754	2,730	34.0
41 - Contractual Services - Other	1,765	2,759	2,302	3,302	1,000	43.4
50 - Subsidies and Transfers	2,419	1,722	13,200	13,500	300	2.3
70 - Equipment and Equipment Rental	2	10	25	15	-10	-40.0
<b>Subtotal Nonpersonal Services (NPS)</b>	<b>12,147</b>	<b>13,836</b>	<b>26,970</b>	<b>27,614</b>	<b>644</b>	<b>2.4</b>
<b>Gross Funds</b>	<b>17,885</b>	<b>20,543</b>	<b>36,102</b>	<b>37,046</b>	<b>944</b>	<b>2.6</b>

\*Percent change is based on whole dollars.

## Program Description

The Office of the Deputy Mayor for Planning and Economic Development operates through the following 3 programs:

**Deputy Mayor for Planning and Economic Development** – provides specialized and strategic economic development assistance. This includes program and policy development and inter-agency coordination services between businesses, developers, and community stakeholders to enable them to pursue ventures that revitalize neighborhoods, expand and diversify the local economy, and provide economic opportunity for District residents.

This program contains the following 4 activities:

- **Agency Oversight** – monitors agency performance and provides resources or direction to mayoral agencies so that they can overcome obstacles and achieve their strategic goals;
- **Community Outreach** – provides information and referrals to individuals, businesses, and organizations so that raised issues are resolved by the appropriate economic development cluster agency in accordance with District customer service standards;
- **Economic Development Financing** – provides gap financing and other economic assistance services to businesses and organizations to leverage private sector investment in neighborhood retail, commercial, employment, and housing opportunities for District residents; and
- **H Street Retail Area Grant** – supports small business development, increases the tax base, and creates new jobs for District residents along the H Street corridor.

**Instrumentality Economic Development** – implements neighborhood revitalization and economic development projects. This program includes the projects of the former National Capital Revitalization Corporation and Anacostia Waterfront Corporation (such as the Southwest Waterfront, Hill East, Poplar Point, the Ballpark District, Skyland Shopping Center, and the former McMillan Reservoir Sand Filtration site), and it coordinates the implementation of the Anacostia Waterfront Initiative, which supports the District's goals of promoting environmentally and socially responsible redevelopment along the Anacostia River and increasing public access to the river and riverfront parks.

**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 is standard for all agencies using performance-based budgeting.

## Program Structure Change

The Office of the Deputy Mayor for Planning and Economic Development has no program structure changes in the FY 2015 proposed budget.

## FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table EB0-4 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

**Table EB0-4**

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
<b>(100F) Agency Financial Operations</b>								
(110F) Budget Operations	275	264	280	16	1.9	2.0	2.0	0.0
<b>Subtotal (100F) Agency Financial Operations</b>	<b>275</b>	<b>264</b>	<b>280</b>	<b>16</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>0.0</b>
<b>(2000) Deputy Mayor for Planning and Economic</b>								
(2010) Agency Oversight	996	324	335	11	1.9	2.0	2.0	0.0
(2020) Community Outreach	2,578	2,256	802	-1,454	5.1	6.0	6.0	0.0
(2030) Economic Development Financing	12,412	11,856	18,096	6,240	20.5	37.0	25.0	-12.0
(2080) H Street Retail Area Grant	521	5,000	5,000	0	0.0	0.0	0.0	0.0
<b>Subtotal (2000) Deputy Mayor for Planning and Economic</b>	<b>16,507</b>	<b>19,436</b>	<b>24,233</b>	<b>4,798</b>	<b>27.4</b>	<b>45.0</b>	<b>33.0</b>	<b>-12.0</b>
<b>(4000) Instrumentality Economic Development</b>								
(4020) Development and Disposition Activity	3,762	16,402	12,533	-3,869	31.4	32.0	48.0	16.0
<b>Subtotal (4000) Instrumentality Economic Development</b>	<b>3,762</b>	<b>16,402</b>	<b>12,533</b>	<b>-3,869</b>	<b>31.4</b>	<b>32.0</b>	<b>48.0</b>	<b>16.0</b>
<b>Total Proposed Operating Budget</b>	<b>20,543</b>	<b>36,102</b>	<b>37,046</b>	<b>944</b>	<b>60.7</b>	<b>79.0</b>	<b>83.0</b>	<b>4.0</b>

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

**Note:** For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## **FY 2015 Proposed Budget Changes**

The Office of the Deputy Mayor for Planning and Economic Development's (DMPED) proposed FY 2015 gross budget is \$37,046,425, which represents a 2.6 percent increase over its FY 2014 approved gross budget of \$36,102,016. The budget is comprised of \$14,714,264 in Local funds, \$1,800,000 in Federal Grant funds, \$20,088,271 in Special Purpose Revenue funds, and \$443,890 in Intra-District funds.

### **Current Services Funding Level**

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DMPED's FY 2015 CSFL budget is \$13,714,264, which represents a \$385,824, or 2.9 percent, increase over the FY 2014 approved Local funds budget of \$13,328,440.

### **CSFL Assumptions**

The FY 2015 CSFL calculated for DMPED included adjustment entries that are not described in detail on table 5. These adjustments include a reduction of \$250,000 to account for the removal of one-time funding appropriated in FY 2014 to finance a neighborhood stabilization loan that supports affordable housing in the Nannie Helen Burroughs community, which is part of the Great Streets Initiative. Additionally, adjustments were made for increases of \$256,915 in personal services to account for Fringe Benefit costs based on trend and comparative analyses and the impact of cost-of-living adjustments implemented in FY 2013, and \$128,909 in nonpersonal services based on the Consumer Price Index factor of 2.4 percent. Additionally, DMPED's CSFL funding for the removal of one-time salary lapse, which is not listed in detail on table 5, reflects an increase of \$250,000 to account for a one-time adjustment of personal services in FY 2014.

### **Agency Budget Submission**

**Increase:** The proposed budget includes a net increase to Local funds in the amount of \$912,332. This includes an increase of \$899,869 in Regular Pay – Other to accommodate for a shift of 7.0 FTEs from Regular Pay – Continuing Full Time to Regular Pay – Other, the addition of 4.0 additional FTEs, and an increase of \$12,463 due to an adjustment in the agency's Fringe Benefit rate.

Special Purpose Revenue funds were increased by \$3,048,532 in Other Services and Charges, which is made possible because the agency's Fixed Costs were transferred to the Department of General Services (DGS) Local funds budget. Originally these funds were allocated across several Fixed Cost commodities within DMPED's Special Purpose Revenue budget. The reallocation to DGS resulted in a savings that redistributed to Other Services and Charges to support the agency's professional service needs, including the operating costs associated with the St Elizabeths East Campus project. Subsidies and Transfers were increased by \$300,000 in the Deputy Mayor for Planning and Economic Development program to support citywide economic development initiatives. Additionally, personal services were increased by \$235,004 to support the transfer of 4.0 FTEs from Regular Pay – Other to Regular Pay – Continuing Full Time.

Intra-District funds had net increase of \$92,109 in personal services. This is the result of projected salary increases and the reallocation of funding from Regular Pay – Other to Regular Pay – Continuing Full Time to support 1.0 FTE.

**Decrease:** The proposed budget includes a net reduction to Local funds in nonpersonal services in the amount of \$61,511 to offset the increased costs of projected salary increases and additional personnel. Local funds also includes a decrease of \$850,820 due to the shift in funding of 7.0 FTEs from full time to term.

Special Purpose Revenue funds were decreased by \$15,000 due to a reduction in the agency's need for certain items. This includes reductions of \$10,000 in Equipment and Equipment Rental and \$5,000 in Supplies and Materials. In addition, the Special Purpose Revenue funds budget realized a decrease of \$513,551 in personal services in the Deputy Mayor for Planning and Economic Development program to offset the increase to Regular Pay – Continuing Full Time. This includes a reduction of \$450,843 in Regular Pay – Other and \$62,708 in Fringe Benefits. Both reductions are due to the transfer of 4.0 FTEs and the reduced availability of funds in Regular Pay – Other. The agency's Special Purpose Revenue Fixed Costs budget reflects an overall decrease of \$3,366,713, as a result of DGS assuming the responsibility for managing the agency's Fixed Costs. As such, all Fixed Costs, with the exception of telecommunication service costs, were reduced by 100 percent. These reductions include \$13,122 in Security Services, \$52,847 in telecommunication services, \$740,447 in Energy, Communications, and Building Rentals, \$904,969 in Rentals – Land and Structures, and \$1,655,329 in Occupancy Fixed Costs. The remaining telecommunication services budget will support the RTS (a “request for telecommunication service”) for work on the circuit board in the building.

Intra-District funds were reduced by \$4,000 in Supplies and Materials due to the reduced need in the Deputy Mayor for Planning and Economic Development program. Additionally, Intra-District funds reflects a net decrease of \$81,166 and 1.0 FTE in personal services in the Deputy Mayor for Planning and Economic Development program to offset the increase to Regular Pay – Continuing Full Time. This includes a reduction of \$77,308 in Regular Pay – Other and \$3,858 in Fringe Benefits. Other Services and Charges were also reduced by \$136,629 to support the personal services increase.

**Technical Adjustment:** The proposed budget includes an increase of \$1,000,000 in Local funds due to the transfer of the Poplar Point project from the Capital budget to the operating budget.

### **Mayor's Proposed Budget**

**No Change:** The Office of the Deputy Mayor for Planning and Economic Development's budget proposed reflects no change from the agency budget submission to the Mayor's proposed budget.

## FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table EB0-5 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

**Table EB0-5**  
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
<b>LOCAL FUNDS: FY 2014 Approved Budget and FTE</b>		<b>13,328</b>	<b>65.0</b>
Removal of One-Time Funding	Multiple Programs	-250	0.0
Other CSFL Adjustments	Multiple Programs	636	0.0
<b>LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)</b>		<b>13,714</b>	<b>65.0</b>
Increase: To adjust temporary full time personal services and Fringe Benefits with projected costs	Multiple Programs	912	11.0
Decrease: To offset projected increases in personal services	Deputy Mayor for Planning and Economic	-62	0.0
Decrease: To recognize savings from a reduction in FTEs	Multiple Programs	-851	-7.0
Technical Adjustment: Capital to Operating Shift - Projects	Deputy Mayor for Planning and Economic	1,000	0.0
<b>LOCAL FUNDS: FY 2015 Agency Budget Submission</b>		<b>14,714</b>	<b>69.0</b>
No Change		0	0.0
<b>LOCAL FUNDS: FY 2015 Mayor's Proposed Budget</b>		<b>14,714</b>	<b>69.0</b>
<b>FEDERAL GRANT FUNDS: FY 2014 Approved Budget and FTE</b>		<b>1,800</b>	<b>0.0</b>
No Change		0	0.0
<b>FEDERAL GRANT FUNDS: FY 2015 Agency Budget Submission</b>		<b>1,800</b>	<b>0.0</b>
No Change		0	0.0
<b>FEDERAL GRANT FUNDS: FY 2015 Mayor's Proposed Budget</b>		<b>1,800</b>	<b>0.0</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE</b>		<b>20,400</b>	<b>10.0</b>
Increase: To realize programmatic cost savings in nonpersonal services	Multiple Programs	3,049	0.0
Increase: To support new program initiatives	Deputy Mayor for Planning and Economic	300	0.0
Increase: To adjust personal services	Deputy Mayor for Planning and Economic	235	4.0
Decrease: To align resources with operational goals	Deputy Mayor for Planning and Economic	-15	0.0
Decrease: To adjust temporary full time personal services and Fringe Benefits with projected costs	Deputy Mayor for Planning and Economic	-514	-4.0
Decrease: To align funding with nonpersonal services costs	Multiple Programs	-3,367	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission</b>		<b>20,088</b>	<b>10.0</b>
No Change		0	0.0
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Mayor's Proposed Budget</b>		<b>20,088</b>	<b>10.0</b>

(Continued on next page)

**Table EB0-5 (Continued)**  
(dollars in thousands)

<b>DESCRIPTION</b>	<b>PROGRAM</b>	<b>BUDGET</b>	<b>FTE</b>
<b>INTRA-DISTRICT FUNDS: FY 2014 Approved Budget and FTE</b>		<b>574</b>	<b>4.0</b>
Increase: To adjust personal services	Deputy Mayor for Planning and Economic	92	1.0
Decrease: To align funding with nonpersonal services costs	Deputy Mayor for Planning and Economic	-4	0.0
Decrease: To adjust temporary full time personal services and Fringe Benefits with projected costs	Deputy Mayor for Planning and Economic	-81	-1.0
Decrease: To offset projected increases in personal services	Deputy Mayor for Planning and Economic	-137	0.0
<b>INTRA-DISTRICT FUNDS: FY 2015 Agency Budget Submission</b>		<b>444</b>	<b>4.0</b>
No Change		0	0.0
<b>INTRA-DISTRICT FUNDS: FY 2015 Mayor's Proposed Budget</b>		<b>444</b>	<b>4.0</b>
<b>Gross for EB0 - Office of the Deputy Mayor for Planning and Economic Development</b>		<b>37,046</b>	<b>83.0</b>

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

## Agency Performance Plan

The agency's performance plan has the following objectives for FY 2015:

**Objective 1:** Manage and deliver the District's economic development programs and projects.

**Objective 2:** Help businesses relocate to and expand within the District of Columbia, generating jobs for District residents.

**Objective 3:** Promote the development of an integrated workforce investment system, delivering high-quality services that help District residents gain skills that meet business needs.

**Objective 4:** Communicate DMPED projects and priorities to internal and external stakeholders.

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## KEY PERFORMANCE INDICATORS

Measure	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Projection	FY 2015 Projection	FY 2016 Projection
Number of RFPs issued	7	9	7	7	5	5
Number of project closings	5	8	7	5	5	2
Value of projects under construction	Not Available	\$1.9 billion	\$3.7 billion	\$1.8 billion	\$1.0 billion	\$6.3 billion
Number of affordable housing units for DMPED projects currently under construction	Not Available	510	1,140	450	700	2,500
Number of site tours conducted to market District-wide projects	Not Available	Not Available	17	5	6	7
Number of community economic development meetings held	50	65	55	65	65	65
Number of new units of affordable housing developed (One City Action Plan Indicator 3B) <sup>1</sup>	600	Not Available	850	1,300	1,050	1,250

### Performance Plan Endnotes:

<sup>1</sup>Data for this KPI is collected from the Office of the Deputy Mayor for Planning and Economic Development, the Department of Housing and Community Development, the District of Columbia Housing Finance Agency, and the District of Columbia Housing Authority. The data only includes units financed by one of these agencies; units created through regulation (e.g. Inclusionary Zoning, Affordable Dwelling Units, etc.) are excluded from the count. "Developed" means delivered (i.e. construction completed and units occupied). Fiscal year calculations for data that is tracked by calendar year account for three months of the preceding calendar year and nine months of the calendar year in question.