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Office of the Deputy Mayor for Planning and Economic Development

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Description	FY 2011 Actual	FY 2012 Approved	FY 2013 Proposed	% Change from FY 2012
Operating Budget	\$19,288,367	\$16,218,505	\$42,322,649	161.0
FTEs	54.2	56.0	61.0	8.9

The Office of the Deputy Mayor for Planning and Economic Development (DMPED) supports the Mayor in developing and executing the District's economic development vision.

Summary of Services

DMPED assists the Mayor in the coordination, planning, supervision, and execution of programs, policies, proposals, and functions related to economic development in the District of Columbia. DMPED sets development priorities and policies, coordinates how the District markets itself to businesses and developers, and recommends and ensures implementation of financial packaging for District development, attraction, and retention efforts. DMPED also works to achieve its mission by focusing on outreach to the business community and neighborhood stakeholders, and by forging partnerships between government, business and communities to foster economic growth for residents of the District of Columbia

The agency's FY 2013 proposed budget is presented in the following tables:

FY 2013 Proposed Gross Funds Operating Budget, by Revenue Type

Table EB0-1 contains the proposed FY 2013 agency budget compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

Table EB0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
General Fund						
Local Funds	3,841	2,158	8,239	11,753	3,514	42.7
Dedicated Taxes	17,152	5,500	0	0	0	N/A
Special Purpose Revenue Funds	6,680	7,998	4,979	17,431	12,452	250.1
Total for General Fund	27,673	15,656	13,219	29,184	15,966	120.8
Federal Resources						
Federal Payments	0	0	0	9,565	9,565	N/A
Federal Grant Funds	3,157	3,439	3,000	3,000	0	0.0
Total for Federal Resources	3,157	3,439	3,000	12,565	9,565	318.8
Intra-District Funds						
Intra-District Funds	885	193	0	574	574	N/A
Total for Intra-District Funds	885	193	0	574	574	N/A
Gross Funds	31,714	19,288	16,219	42,323	26,104	161.0

*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 2013 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2013 Proposed Full-Time Equivalents, by Revenue Type

Table EB0-2 contains the proposed FY 2013 FTE level compared to the FY 2012 approved FTE level by revenue type. It also provides FY 2010 and FY 2011 actual data.

Table EB0-2

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change
General Fund						
Local Funds	14.8	10.8	30.0	52.0	22.0	73.3
Dedicated Taxes	3.8	3.8	0.0	0.0	0.0	N/A
Special Purpose Revenue Funds	39.3	39.7	26.0	6.0	-20.0	-76.9
Total for General Fund	57.9	54.2	56.0	58.0	2.0	3.6
Intra-District Funds						
Intra-District Funds	0.0	0.0	0.0	3.0	3.0	N/A
Total for Intra-District Funds	0.0	0.0	0.0	3.0	3.0	N/A
Total Proposed FTEs	57.9	54.2	56.0	61.0	5.0	8.9

FY 2013 Proposed Operating Budget, by Comptroller Source Group

Table EB0-3 contains the proposed FY 2013 budget at the Comptroller Source Group (object class) level compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

Table EB0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
11 - Regular Pay - Continuing Full Time	2,349	2,452	2,978	2,815	-163	-5.5
12 - Regular Pay - Other	2,619	2,161	2,222	2,757	535	24.1
13 - Additional Gross Pay	48	177	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	885	896	975	1,159	184	18.9
Subtotal Personal Services (PS)	5,901	5,686	6,175	6,731	556	9.0
20 - Supplies and Materials	13	25	20	25	5	25.0
30 - Energy, Comm. and Building Rentals	0	0	1	11	10	1,897.4
31 - Telephone, Telegraph, Telegram, Etc.	152	59	53	53	0	0.0
32 - Rentals - Land and Structures	483	438	292	248	-44	-15.1
34 - Security Services	0	0	6	10	3	49.9
35 - Occupancy Fixed Costs	6	0	0	0	0	N/A
40 - Other Services and Charges	7,287	5,402	4,561	9,288	4,727	103.6
41 - Contractual Services - Other	5,172	1,259	1,210	12,597	11,386	940.7
50 - Subsidies and Transfers	12,641	6,370	3,900	13,350	9,450	242.3
70 - Equipment and Equipment Rental	59	51	0	10	10	N/A
Subtotal Nonpersonal Services (NPS)	25,813	13,603	10,044	35,591	25,548	254.4
Gross Funds	31,714	19,288	16,219	42,323	26,104	161.0

*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 3 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; and
- **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.

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 2013 proposed budget.

FY 2013 Proposed Operating Budget and FTEs, by Program and Activity

Table EB0-4 contains the proposed FY 2013 budget by program and activity compared to the FY 2012 approved budget. It also provides FY 2011 actual data.

Table EB0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012
(1000) Agency Management								
(1040) Information Technology	58	0	0	0	0.0	0.0	0.0	0.0
(1080) Communications	0	0	0	0	0.9	0.0	0.0	0.0
Subtotal (1000) Agency Management	58	0	0	0	0.9	0.0	0.0	0.0
(100F) Agency Financial Operations								
(110F) Budget Operations	253	248	259	11	1.9	2.0	2.0	0.0
Subtotal (100F) Agency Financial Operations	253	248	259	11	1.9	2.0	2.0	0.0
(2000) Deputy Mayor for Planning and Economic Development								
(2010) Agency Oversight	330	308	1,024	716	1.8	2.0	2.0	0.0
(2020) Community Outreach	287	2,369	2,839	471	1.8	2.0	5.0	3.0
(2030) Economic Development Financing	5,916	6,369	12,925	6,556	12.1	17.0	19.0	2.0
(2070) Public/Private Partnerships	0	1	0	-1	0.0	0.0	0.0	0.0
(2080) Neighborhood Investment Fund	5,500	0	0	0	3.8	0.0	0.0	0.0
Subtotal (2000) Deputy Mayor for Planning and Economic Development	12,033	9,047	25,539	16,492	19.5	21.0	26.0	5.0
(4000) Instrumentality Economic Development								
(4020) Development and Disposition	6,825	6,923	16,525	9,602	31.9	33.0	33.0	0.0
Subtotal (4000) Instrumentality Economic	6,825	6,923	16,525	9,602	31.9	33.0	33.0	0.0
(7000) Intra-District Agreements								
(7011) Economic Develop CFO Indirect Costs	119	0	0	0	0.0	0.0	0.0	0.0
Subtotal (7000) Intra-District Agreements	119	0	0	0	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	19,288	16,219	42,323	26,104	54.2	56.0	61.0	5.0

(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 2013 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2013 Proposed Budget Changes

The Office of the Deputy Mayor for Planning and Economic Development's (DMPED) proposed FY 2013 gross budget is \$42,322,649, which represents a 161.0 percent increase over its FY 2012 approved gross budget of \$16,218,505. The budget is comprised of \$11,753,464 in Local funds, \$9,564,777 in Federal Payments, \$3,000,000 in Federal Grants funds, \$17,430,832 in Special Purpose Revenue funds, and \$573,576 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 2012 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2013 CSFL budget and not necessarily changes made to the FY 2012 Local funds budget. The FY 2013 CSFL adjustments to the FY 2012 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 2013 CSFL budget is \$8,380,353, which represents a \$141,098, or 1.7 percent, increase over the FY 2012 approved Local funds budget of \$8,239,255.

Initial Adjusted Budget

Create: \$573,000 and 3 FTEs in Intra-District funds as a result of an intra-District agreement with the Department of Employment Services (DOES) to support the Workforce Investment Council program.

Cost Increase: Contractual Services and Equipment and Equipment Rental increased by \$33,000 in Local funds to align the budget with cost estimates. Special Purpose Revenue increased by \$5,904,000 due to an increase in the projected revenue estimate.

Cost Decrease: The proposed budget includes a decrease of \$2,193,000 in Local funds in Other Services and Charges to offset the increase in personal services created by the shift from Special Purpose Revenue. Special Purpose Revenue funds were reduced by \$44,000 to align the budget with the decrease in Rent due to a recent move to space with less square footage.

Shift: DMPED's budget includes a shift of \$2,160,000 in personal services and 20.0 FTEs from Special Purpose Revenue funds to Local funds in the Instrumentality Economic Development program.

Additionally Adjusted Budget

Technical Adjustment: Adjustment of Fringe Benefits to restore the District Government contribution for employee health insurance from 72 percent, implemented in the FY 2011 budget, to 75 percent in FY 2013, resulting in an increase of \$21,111 in Local funds, \$1,582 in Special Purpose Revenue funds, and \$576 in Intra-District funds.

Policy Initiatives

Create: A Federal Payment in the amount of \$9,564,777 will be issued for DMPED's Instrumentality Economic Development program to support the redevelopment efforts at the site of the former St. Elizabeths Hospital.

Enhance: Local funds increased by \$1,600,000 due to the creation of the Workforce Intermediary, a pilot program to target specific employment sectors with potential District resident employees through specialized training and improved coordination.

Cost Increase: Adjustments in DMPED's Local funds budget include increases of \$350,000 to continue to support a competitive grant to promote local businesses, \$100,000 to continue the Eds and Meds program, \$75,000 to continue to support the competitive grant for regional economic growth, and \$50,000 to support the Bank On program. Additional funding proposed for the Local funds budget includes increases of \$700,000 in one-time funding to support economic development in the Pennsylvania Avenue SE Properties region, by providing incentives for an entity to open a sit-down restaurant at the site of the Penn Branch Shopping Center; \$107,000 to support funding for neighborhood parades and festivals; and \$100,000 to support the Skyland Clean Team.

Technical Adjustment: An adjustment to annualize funding for 2.0 FTEs increased Local funds by \$270,000.

FY 2012 Approved Budget to FY 2013 Proposed Budget, by Revenue Type

Table EB0-5 itemizes the changes by revenue type between the FY 2012 approved budget and the FY 2013 proposed budget.

Table EB0-5

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2012 Approved Budget and FTE		8,239	30.0
Fringe Benefit Rate Adjustment	Multiple Programs	39	0.0
Consumer Price Index	Multiple Programs	87	0.0
Personal Services Growth Factor	Multiple Programs	15	0.0
FY 2013 Current Services Funding Level Budget (CSFL)		8,380	30.0
Cost Increase: In Contractual Services and Equipment	Deputy Mayor for Planning and Economic	33	0.0
Cost Decrease: In Other Services and Charges to offset the increase in personal services	Multiple Programs	-2,193	0.0
Shift: Convert funding from Special Purpose Revenue for FTEs to Local funds	Instrumentality Economic Development	2,160	20.0
Cost Increase: In Contractual Services and Equipment	Deputy Mayor for Planning and Economic	33	0.0
FY 2013 Initial Adjusted Budget		8,380	50.0
Technical Adjustment: Health insurance contribution	Multiple Programs	21	0.0
FY 2013 Additionally Adjusted Budget		8,401	50.0
FY 2013 Policy Initiatives			
Enhance: Creation of Workforce Intermediary	Deputy Mayor for Planning and Economic	1,600	0.0
Cost Increase: Continue competitive grant to promote local businesses	Deputy Mayor for Planning and Economic	350	0.0
Cost Increase: Continue Eds and Meds program	Deputy Mayor for Planning and Economic	100	0.0
Cost Increase: Continue competitive grant for regional economic growth	Deputy Mayor for Planning and Economic	75	0.0
Cost Increase: Continue Bank On program	Deputy Mayor for Planning and Economic	50	0.0
Cost Increase: To support economic development in the Pennsylvania Avenue SE Properties region (one-time funding)	Deputy Mayor for Planning and Economic	700	0.0
Cost Increase: To support funding for neighborhood parades and festivals	Deputy Mayor for Planning and Economic	107	0.0
Cost Increase: To support the Skyland Clean Team	Deputy Mayor for Planning and Economic	100	0.0
Technical Adjustments: Annualize funding for FTEs added in FY 2012	Deputy Mayor for Planning and Economic	270	2.0
LOCAL FUNDS: FY 2013 Proposed Budget and FTE		11,753	52.0
FEDERAL PAYMENTS: FY 2012 Approved Budget and FTE		0	0.0
Create: To support redevelopment efforts at the site of the former St. Elizabeths Hospital	Instrumentality Economic Development	9,565	0.0
FY 2013 Initial Adjusted Budget		9,565	0.0
FEDERAL PAYMENTS: FY 2013 Proposed Budget and FTE		9,565	0.0

(Continued on next page)

Table EBO-5 (cont.)
(dollars in thousands)

	PROGRAM	BUDGET	FTE
FEDERAL GRANT FUNDS: FY 2012 Approved Budget and FTE		3,000	0.0
No Changes		0	0.0
FY 2013 Initial Adjusted Budget		3,000	0.0
FEDERAL GRANT FUNDS: FY 2013 Proposed Budget and FTE		3,000	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Approved Budget and FTE		4,979	26.0
Cost Increase: To align budget with increase projected revenue	Multiple Programs	5,904	0.0
Cost Decrease: To reduce Rent due to move to offices with smaller square footage	Instrumentality Economic Development	-44	0.0
Shift: Convert funding of FTEs from Special Purpose Revenue to Local funds	Instrumentality Economic Development	-2,160	-20.0
FY 2013 Initial Adjusted Budget		8,679	6.0
Technical Adjustment: Health insurance contribution	Multiple Programs	2	0.0
FY 2013 Additionally Adjusted Budget		8,681	6.0
FY 2013 Policy Initiatives			
Cost Increase: To support economic development in the H Street NE Retail Incentive Priority Area	Instrumentality Economic Development	8,750	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Proposed Budget and FTE		17,431	6.0
INTRA-DISTRICT FUNDS: FY 2012 Approved Budget and FTE		0	0.0
Create: MOU with DOES for the Workforce Investment Council program	Deputy Mayor for Planning and Economic	573	3.0
FY 2013 Initial Adjusted Budget		573	3.0
Technical Adjustment: Health insurance contribution	Multiple Programs	1	0.0
FY 2013 Additionally Adjusted Budget		574	3.0
INTRA-DISTRICT FUNDS: FY 2013 Proposed Budget and FTE		574	3.0
Gross for EBO - Office of the Deputy Mayor for Planning and Economic Development		42,323	61.0

(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 2013:

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 that can be held by District residents.

Objective 3: Demonstrate the viability of the communications department as a means to better manage internal communications, affect media coverage and influence stakeholder management.

Agency Performance Measures

Measure	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	FY 2012 Projection	FY 2013 Projection	FY 2014 Projection
Ratio of private funds to public funds leveraged through DMPED projects ¹	3:1	TBD	3:1	3:1	3:1	Not Available
Number of community economic development meetings held	35	45	80	55	65	65
Number of units of affordable housing developed	2386	TBD	TBD	TBD	TBD	TBD
Number of jobs created for DC residents	TBD	TBD	1,240	5,973	TBD	TBD
Number of square feet of retail space created	180,000	200,000	337,600	300,000	400,000	400,000
Number of grocery stores per capita ²	1:11,820	TBD	1:12,360	TBD	TBD	TBD
Square footage of shopping center retail space per capita ³	8.67:1	TBD	8.6:1	TBD	TBD	TBD
Percentage of subgrantee's budget spent on programmatic costs	Not Available	65%	85%	65%	65%	65%
Percentage of scheduled monitoring reports as defined in agency monitoring plan completed for each grant award	Not Available	100%	95%	100%	100%	100%

Performance Plan Endnotes:

1. Measured by ratio of public funds (contributions by the District local government) to private investment (private monies from private sector investors or lenders). Funds from federal government sources should be excluded from the formula.
2. Industry Standard Measure: Industry Standard Measure: The national benchmark for grocery stores per capita is one "large" (50,000-100,000 sf) store per 10,000 people as cited by the New York City Department of City Planning in a report entitled, "Going to Market", <http://www.nyc.gov/html/dcp/html/supermarket/index.shtml>. Assuming that there are an equal number of "large" and "small" (10,000 to 50,000 sf) stores, the national ratio would be one overall grocery store per 5,000 people.
3. Industry Standard Measure: The national benchmark for square footage of shopping center retail space per capita is 23.4:1 as defined by the Delta Associates Spring 2010 Retail Outlook Report.