

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

BROWNFIELDS REDEVELOPMENT PROGRAM

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
Strategic Goal C: Strengthen communities.			
Discretionary BA (Dollars in Thousands)	\$25,000	\$25,000	\$0
FTE			
Headquarters	7	6	6
Field	1	1	...
Subtotal	8	7	6
S&E Cost (Dollars in Thousands)			
Personal Services	\$671	\$694	\$638
Travel	7	6	6
Printing	5	4	3
Other Services	21	20	23
Supplies	1
Subtotal	705	724	670
Strategic Objective C.1: Provide capital and resources to improve economic conditions in distressed communities.			
Indicator: Brownfields Economic Development Initiative grants combined with Section 108 loan guarantees will support the creation of 4,968 jobs.	4,968 (Estimate)	4,968	NA

NA = Not Available.

EXPLANATION OF PERFORMANCE

Performance/Means and Strategies

The Department is not requesting funding for Brownfields in fiscal year 2004 but Brownfields activities remain an eligible use of Community Development Block Grants(CDBG) funds. A separate Brownfields program is not being retained in large part because program performance was not deemed sufficiently effective. The program to-date has reflected: (1) lower than expected subscription, (2) slow expenditure of funding and (3) very lengthy time frames to produce actual results. Reliance on the Community Development Block Grant program is expected to emphasize very high priority needs with a propensity for projects that are more "ready to go." Performance results of the existing rounds of Brownfields grants will be pursued and will track not just estimated but actual accomplishments.

Performance Reporting and Evaluation

Performance data is tabulated from grantee applications. As noted above, 2002 and 2003 job projections of 5,400 per funding round now appear too high because: (1) they likely ascribed some of these jobs to Section 108 funds and (2) some projections were speculative over as many as 20 years, hence, under optimal circumstances. Based on fiscal year 2002 grants, it is estimated that the fiscal year 2003 grants will support 4,968 jobs. Field staff monitor grantees to ensure that they are meeting the objectives identified in their applications. There is presently an

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ongoing evaluation by the Urban Institute on the performance of HUD's economic development programs, including BEDI.

This is an ongoing effort to develop meaningful performance measures, identifying the best source for the needed data, and developing a plan to collect the data. Drawdown rates among BEDI grantees vary since the role that BEDI funds will play in redevelopment varies, be it land acquisition, infrastructure, technical assistance, construction or debt service. BEDI funds held for debt service may not be drawn down for as long as 5 years, if at all.

In addition, the Office of Economic Development is in the process of adding several output and outcome measures of grantee performance. Actual accomplishments, rather than the current reliance on estimates in grant applications, will be tracked and monitored in the short-term by means of a survey conducted in conjunction with the Section 108 Loan program. The common existing measures (jobs and housing units provided), another survey using the new measures, and planned improvements to the Integrated Disbursement and Information System (IDIS) will measure grantee performance.

It should also be noted that reporting and collection of actual performance in the types of economic development projects funded with BEDI/Section 108 dollars will take 3-5 years to accumulate since most of the accomplishments do not begin to appear until after project completion. The first survey will begin to collect data from all open (active) projects, with the expectation that the fiscal years 1998 and 1999 grants will be the first to show results.

Resource Management Information

No new funding is requested in fiscal year 2004 and staff and related expenses will begin to decline in future years as grant rounds from fiscal year 1998 and after mature and reach completion.