



# Housing Production Trust Fund Advisory Board

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Department of Housing and Community Development  
February 1, 2024

# Agenda

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WELCOME & Roll Call

Susanne Slater, Chairperson

ADOPTION

Prior Meeting Minutes  
Meeting Schedule for 2024

REMARKS FROM THE DIRECTOR

Colleen C. Green, Director

LEGISLATIVE UPDATE

Alicia Shames, Program Analyst

HPTF UPDATE:

Joe Knackstedt, Manager, DFD

DISCUSSION:

Results and observations from the  
most recent Consolidated RFP

ANNOUNCEMENTS AND UPCOMING EVENTS



# HPTF Advisory Board meeting schedule for 2024



## All meetings 12:30-2:00pm EST:

February 1	July 25
February 29	August 29
March 28	September 26
April 25	October 31
May 30	November 21
June 27	December 19

### Zoom Meeting information:

- <https://dc.gov.zoom.us/j/81267353532?pwd=OTdjamtSelJEdGNTb2ZtZEV2UEM5QT09>
- Meeting ID: 812 6735 3532
- Passcode: 192054
- One tap mobile
  - +13017158592,,81267353532#,,,,\*192054# US (Washington DC)
  - +13052241968,,81267353532#,,,,\*192054# US



- **Committee on Housing's Performance Oversight Hearing for both the Department of Housing and Community Development and the Housing Production Trust Fund**
  - Thursday, February 15, 2024, 9:30 am to 6 pm.
  - Virtual Meeting Platform B
  - This hearing can be viewed live at <https://www.youtube.com/channel/UCPIZbHhKFbnyGeQclJxQk0g/live>.
- **Greener Government Buildings Amendment Act of 2022**, A24-0755, introduced on April 22, 2022 (enacted January 12, 2023)
  - L24-0306 Effective from Mar 10, 2023
  - Requires new or substantially improved District government buildings to comply with net zero energy building standards.
- **Green Housing Transition Extension Emergency Amendment Act of 2023**, A25-0336, introduced on December 4, 2023 (enacted on December 21, 2023, Expires March 20, 2024)
  - Among other provisions, the Greener Government Buildings Act of 2022 requires government-financed residential projects to maintain net zero energy compliance. In June, the Council passed the Green Housing Transition Emergency Amendment Act of 2023 to exempt from the net zero mandate those District-financed affordable housing projects that had funding commitments prior to December 31, 2023. This legislation contains the same provisions exempting such projects from the net zero mandate but extends the exemption to projects with funding commitments prior to March 31, 2024. As with the June legislation, these projects still must comply with other building energy mandates.

- **Protecting Adjacent and Adjoining Property Owners from Construction Damage Temporary Amendment Act of 2023**, Bill 25-653, introduced on January 4, 2024 (engrossed on January 9, 2024).
  - Emergency legislation (Bill 25-652) introduced on January 4, 2024 (enacted on January 25, 2024, as **Act 25-0373**, expires April 24, 2024)
  - Adds insurance requirements for certain types of permits issued by the Department of Buildings (DOB). Specifically, permits for alteration and repair permits for construction work involving underpinning or related construction activity; foundation permits; and new building permits that require insurance coverage. Including these permit types, along with other safeguards passed in 2022, will close a significant gap in the legal protections afforded to adjacent and adjoining property owners. This legislation will also clarify legislative requirements to allow the Department DOB to promulgate rulemaking.
- **Housing in Downtown Tax Abatement Technical Amendment Temporary Act of 2024**, Bill 25-657, introduced on January 4, 2024 (engrossed on January 9, 2024).
  - Emergency legislation (Bill 25-656) introduced on January 4, 2024 (currently under Mayoral review- Response due February 5, 2024)
  - Supports the revitalization of downtown DC. Specifically, the bill will amend the law authorizing tax abatements for housing in downtown by: authorizing the abatements to be awarded through a competitive process, extending the timeframe for applicants to obtain certificates of occupancy, and requiring that the Tenant Opportunity to Purchase Act exemption be recorded in the covenants required to receive the tax abatement. These small but critical amendments are necessary to successfully implement the abatement program and advance our shared goal of re-energizing downtown DC and advancing our comeback plan.

# HPTF Update



## 4<sup>th</sup> Quarter FY23

Quarter	Starting Balance	Recordation & Transfer Tax	Other Income	Loan Repayments	Transfers from Mayor's Office *	Disbursements	Ending Balance
Oct-Dec 2022	403,001,905	14,236,723	-	3,434,549	-	(21,699,275)	398,973,902
Jan-Mar 2023	398,973,902	7,026,794	-	8,229,876	-	(38,655,506)	375,575,067
Apr-Jun 2023	375,575,067	13,404,357	12,951,837	(647,635)	(8,697,000)	(35,386,887)	357,199,738
Jul-Sep 2023	357,199,738	11,778,388	1,076,773	6,142,454	354,197,901	(80,245,821)	650,148,832



# HPTF Update



- Total available HPTF resources, including accumulated Fund Balance, as of September 30, 2023, was \$650,148,832.
  - \$259,587,281 of this was obligated to projects underway at the end of the fourth quarter.
  - \$390,561,551 was reserved by 28 projects selected for further underwriting (“in the pipeline” with “active requests”)
  - Projects in the underwriting pipeline are expected to close at various points during the next two fiscal years.
- In the 4<sup>th</sup> quarter of 2023, 4 projects closed using totaling \$144,752,165 (funds are “obligated” when project financing closes).

Project Name	Address	Ward	Project Type	Closing Date	Affordable Units	Net New Affordable Units	Preserved Affordable Units	HPTF Loan Amount
Dix Street Residences	338 58th St NE	7	New Construction	8/4/2023	47	47	0	\$28,965,442
H.R. Crawford Gardens	737 50th St NE	7	New Construction	9/7/2023	76	76	0	\$15,735,547
Lisner Independent Affordable	5455 Western Avenue	3	New Construction	9/15/2023	93	93	0	\$26,608,777
Ontario Place	2400 Ontario Road NW	1	New Construction	9/20/2023	52	52	0	\$23,868,549

# Recent HPTF Closings



- DHCD closed on two additional HPTF projects in FY24
- Edgewood V is a bond transaction with DCHFA.
- Ridgecrest Phase II is the first 501(c)3 bond transaction issued through DMPED.

Project Name	Address	Ward	Project Type	Closing Date	Affordable Units	Net New Affordable Units	Preserved Affordable Units	HPTF Loan Amount
Edgewood Commons V		5	New Construction	11/30/2023	150	150	0	\$26,572,556
Ridgecrest Phase II	2112 Ridgecrest Court SE	8	Substantial Rehabilitation	1/31/2024	128	64	64	\$28,870,213*





# HPTF Update: Observations from the 2023 Consolidated RFP

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- 48 applications requested \$880 million in HPTF funding.
- Most projects also requested 9% LIHTC:
  - Over \$35MM in 9% LIHTC was requested.
  - DC received \$3.6MM in 9% LIHTC from the federal government.
- Next RFP: July 2024
  - DHCD funding will be awarded (9% LIHTC, HPTF, LRSP, Etc.)
  - Projects applying for 4% LIHTC/Tax-Exempt Bonds can submit for an evaluation score – No determination has been made at this time if DHCD financing can be combined with 4% LIHTC/Tax-Exempt Bonds.
  - Projects take scores to DCHFA for entry to bond allocation process.
- January 4% LIHTC application window open now:
  - Projects without gap financing that will apply to DCHFA for bond allocation in July.
  - Closes April 15, 2024.



# HPTF Update: Useful approaches & opportunities for project sponsors

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- New sources of First Trust Mortgages
  - 501(c)3 bonds issued by DMPED for housing projects: <https://dmped.dc.gov/dc-revenue-bond-program>
  - Federal Financing Bank pilot: <https://www.ncsha.org/blog/white-house-reinstates-the-ffb-risk-sharing-program/>
  - TIFIA financing for transit-oriented projects: <https://www.transportation.gov/buildamerica/TOD>
- LIHTC legislation moving in Congress to expand access to LIHTC
  - Lowers amount of private activity bonds required to access 4% LIHTC from 50% to 30% of project cost, effectively increasing the number of projects.
  - Provides additional 9% LIHTC allocations.
- Local Rent Supplement Program (LRSP)
  - Project based vouchers allocated through RFP.
  - New DCHA rent reasonableness assessments during underwriting and pre-closing.
  - Projects must make market-based assumptions regarding voucher rents.
- Homeownership strategies – Looking at recommendations from the Black Homeownership Strikeforce (Precommitment of HPAP, Community Land Trusts, etc.)
- Land partnership (sale/lease-back) structures – 5 requested, totaling ~\$32.6MM

## Events and Announcements

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- DHCD Performance Oversight Hearing: February 15
- DOPA RFP deadline for 801-811 R St, NW: February 16  
<https://dhcd.dc.gov/node/1699436>
- Housing In Downtown regulations – public comment: February 26  
<https://dcregs.dc.gov/Common/noticedetail.aspx?noticeId=N13466>  
All feedback should be provided by email with the subject line “Comments on HID Proposed Rules”
- Healthy Homes Fair April 6  
[www.healthyhomesfair.org](http://www.healthyhomesfair.org)
- 4% LIHTC application window: April 15