



Housing Production Trust Fund Advisory Board

Department of Housing and Community Development
March 28, 2024

Agenda



WELCOME & Roll Call

Susanne Slater, Chairperson

ADOPTION

Prior Meeting Minutes

REMARKS FROM THE DIRECTOR

Colleen C. Green, Director

BI-MONTHLY LEGISLATIVE UPDATE

Alicia Shames, Program Analyst

HPTF UPDATE:

Chris Earley, Deputy Director

DISCUSSION:

Ridgecrest Phase II: combining 501(c)3 bonds with environment & energy funding in HPTF projects

ANNOUNCEMENTS AND UPCOMING EVENTS



Legislative Update



Title	Description	Notes
<p>Green Building Requirements Amendment Act of 2024 (B25-0697)</p>	<p>Amends the Green Building Act of 2006 to repeal the requirement that residential projects that are District-owned or District instrumentality-owned, or where at least 15% of the total cost is District-financed or District instrumentality-financed, “maintain net zero energy compliance. Has the effect of imposing this requirement on affordable housing at the same time as other residential projects, when building code changes are enacted in 2026.</p>	<p>Introduced on February 14, 2024</p>
<p>Energy Benchmarking Reporting Extension Emergency Amendment Act of 2024 (B25-0729)</p> <p>Energy Benchmarking Reporting Extension Temporary Amendment Act of 2024 (Bill 25-730)</p>	<p>Privately-owned buildings must benchmark their energy use and report it to the Department of Energy and Environment (DOEE) by April 1, 2024. This legislation postpones the submission deadline in 2024 to July 1.</p>	<p>Emergency Amendment-under mayoral review (response due on March 29, 2024)</p> <p>Temporary Amendment-under council review</p>
<p>Housing in Downtown Tax Abatement Technical Amendment Emergency Act of 2024 (Bill 25-656)</p> <p>Housing in Downtown Tax Abatement Technical Amendment Temporary Act of 2024 (Bill 25-657)</p>	<p>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. The small but critical amendments are necessary to implementing the abatement program and advancing the goal of re-energizing downtown DC and advancing our comeback plan.</p>	<p>Emergency Amendment-Enacted (expires May 1, 2024)</p> <p>Temporary Amendment-under congressional review (Projected Law Date is May 02, 2024)</p>



Legislative Update



Title	Description	Notes
<p>Protecting Adjacent and Adjoining Property Owners from Construction Damage Emergency Amendment Act of 2023 (Bill 25-652)</p> <p>Protecting Adjacent and Adjoining Property Owners from Construction Damage Temporary Amendment Act of 2023 (Bill 25-653)</p>	<p>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.</p>	<p>Emergency Amendment- Enacted (expires April 24, 2024)</p> <p>Temp Amendment- under congressional review (projected law date is May 2, 2024)</p>
<p>Proactive Inspection Program Act of 2023 (Bill 25-0048)</p>	<p>Requires the DC Department of Buildings to set up a Proactive Inspection Program to: 1) proactively identify and address housing code violations in the District’s multifamily rental housing properties; 2) ensure significant compliance with the housing code in multifamily rental housing properties; and 3) preserve and enhance the quality of life for District residents. In the bill, multifamily rental housing properties are defined as, “residential real property consisting of 3 or more dwelling units that are rented or offered for rent for residential occupancy, including an apartment, efficiency apartment, room, suite of rooms, a single-family home, or duplex.”</p>	<p>Enacted- under congressional review (projected law date is April 12, 2024)</p>



Please see a PDF document, which will be shown in the meeting and posted separately with meeting materials, for the March 28 HPTF update.

Continuous updates on HPTF projects that have been completed, are in underwriting, or are under construction can be found on the DHCD website at any time:

- Navigate to dhcd.dc.gov
- Click on “Builders and Developers”
- Click on “Current Projects”
- Click on the appropriate buttons to see projects and locations in the following categories:
 - Completed projects
 - Underwriting pipeline
 - Construction pipeline
 - 9% Low Income Housing Tax Credit Allocations

Phase I

140 units

2019 RFP

Closed September
2022

HPTF+ 4% LIHTC +
DCHFA Tax Exempt
Bonds

Phase II

128 units + 4
nonresidential units

2021 RFP

Closed January
2024

HPTF + DC Green Bank
+ 501(c)3 bonds +
BEPS Compliance Fund



2000 Ridgecrest Ct SE, Washington, DC 20020
Ward 8
Substantial Rehabilitation Preservation
272 total units

- Phase II Highlights
 - Non-LIHTC structure
 - First 501(c)3 Industrial Revenue Bond issuance for affordable housing in DC
 - Energy efficiency upgrades + transition site to full electrification



Ridgecrest Phase I Development Budget



Sources of Funds	Amount
First Trust Debt	\$13,900,000
DHCD HPTF Loan	\$16,200,000
4% LIHTC Equity	\$14,000,000
DC LIHTC Equity	\$2,800,000
Deferred Developer Fee	\$1,500,000
Developer Equity - Interim Income	\$500,000
Total Sources	\$48,900,000

Uses of Funds	Amount
Acquisition Costs	\$16,400,000
Construction Costs	\$18,000,000
Soft Costs	\$5,000,000
Financing Costs	\$4,100,000
Developer's Fee	\$3,800,000
Guarantees and Reserves	\$1,600,000
Total Uses	\$48,900,000



Ridgecrest Phase II Development Budget



Sources of Funds	Amount
First Trust Debt	\$13,250,000
DHCD HPTF Loan	\$23,300,000
DC Green Bank Loan	\$2,250,000
DOEE/DHCD BEPS Compliance Fund Loan	\$5,000,000
HOME Grant	\$900,000
Deferred Developer Fee	\$2,100,000
Developer Equity - Interim Income	\$500,000
Total Sources	\$47,300,000

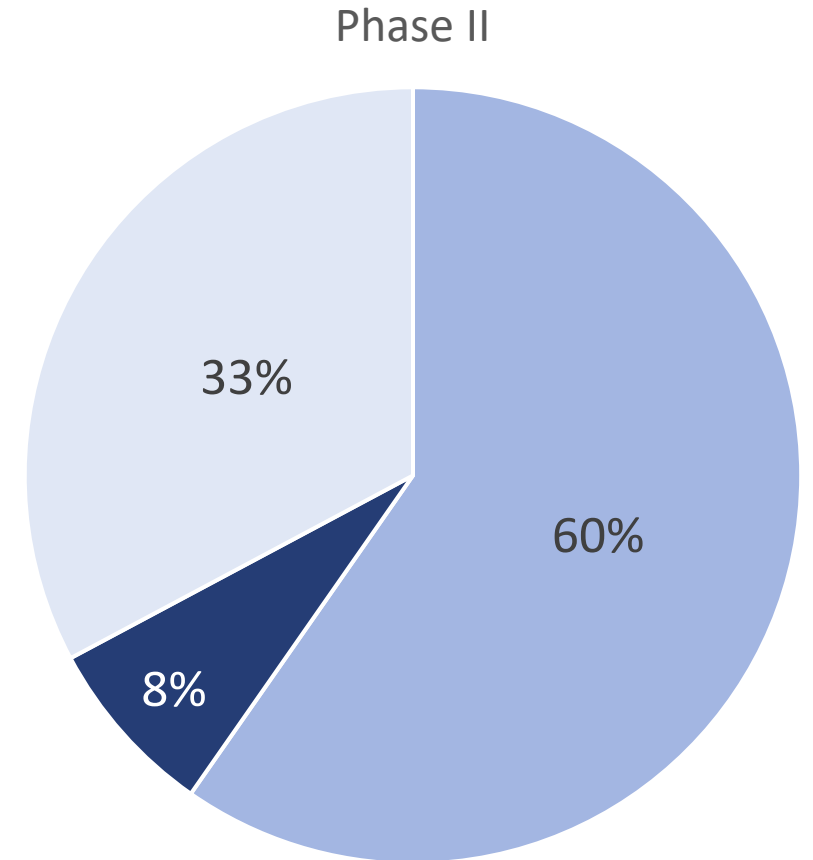
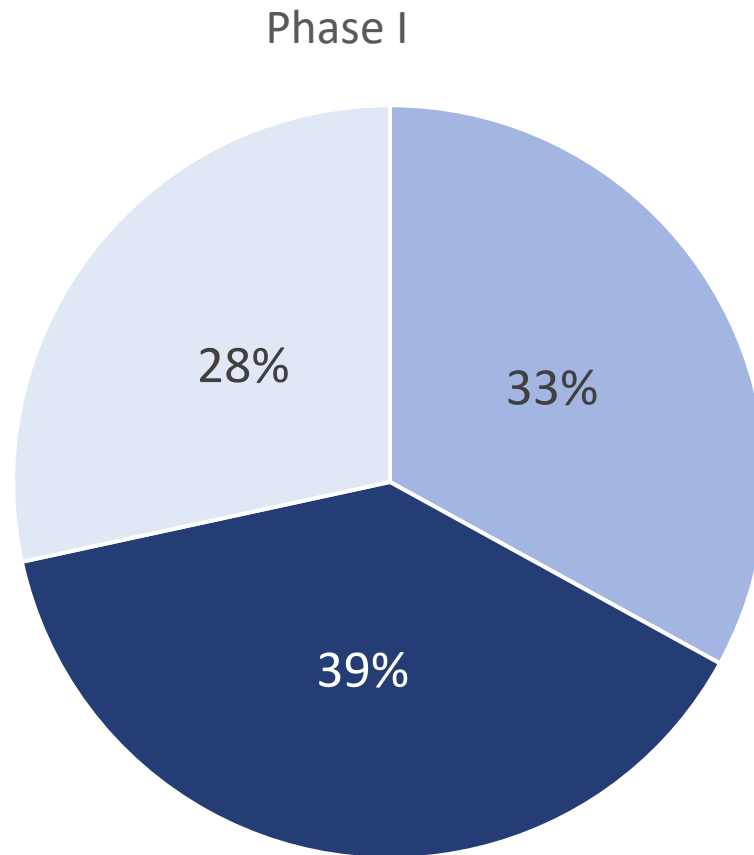
Uses of Funds	Amount
Acquisition Costs	\$15,500,000
Construction Costs	\$20,300,000
Soft Costs	\$4,300,000
Financing Costs	\$1,700,000
Developer's Fee	\$4,000,000
Guarantees and Reserves	\$1,500,000
Total Uses	\$47,300,000



Ridgecrest Phase I & II Sources of Funds Comparison



- Non-Amortizing Debt (cash flow contingent/balloon payment)
- No payments required from project cash flow
- Amortizing Debt



Ridgecrest Phase II District Funding Sources



Housing Production
Trust Fund & Federal
HOME funds



DC Affordable Housing
Retrofit Accelerator &
BEPS Compliance Fund



Construction to
Permanent Loan at 2%
interest



501(c)3 Industrial
Revenue Bond Issuance
for Affordable Housing



- Electrification of HVAC and hot water systems is a model case of how affordable housing can be retrofitted to meet future energy needs that align with District green building priorities and regulations.
- Residents will have lower monthly utility bills and no gas bill at all, owed to the transition from gas-intensive heating and cooling systems to all-electric systems.
- Leveraged federal funding to bring local District climate priorities to low – income residents that are usually the last to benefit from decarbonization.
- Close partnership between DHCD, DOEE, DMPED and DC Green Bank sets an exciting blueprint for innovative ways the District finances green affordable housing retrofits.

Events and Announcements



- Updated Small Buildings Programs announced: Contact sbp.dhcd@dc.gov
 - Small Housing Provider Grants (2-50 units) now available
 - Small Properties Loans (5-50 units) to become available spring 2024

- Healthy Homes Fair (www.healthyhomesfair.org) April 6

- DHCD Grand Opening: April 25
 - 1909 Martin Luther King, Jr. Avenue SE, 11am

- 4% LIHTC application window: April 15
 - Projects without gap financing that are applying to DCHFA for bonds in July or later.

- Neighborhood Based Activities programs funding solicitation May
 - Housing counseling services, small business technical assistance

- Six properties will be made available by PADD via RFP: Spring
 - Preferences for equity and inclusion, capacity building, and homeownership in three to four unit buildings

- Next DHCD Consolidated RFP: July
 - DHCD funding expected to be awarded (9% LIHTC, HPTF, LRSP, Etc.)
 - Projects applying for 4% LIHTC/Tax-Exempt Bonds can submit for an evaluation score.



REMINDER: 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

