

HOUSING PRODUCTION TRUST FUND

FISCAL YEAR 2018 FIRST QUARTER REPORT

October 1, 2017 - December 31, 2017

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Overview

The Housing Production Trust Fund (HPTF or “the Fund”) is authorized under the Housing Production Trust Fund Act of 1988, D.C. Law 7- 202. Section 4102.9(a) of the D.C. Municipal Regulations requires the DC Department of Housing and Community Development (DHCD) to file with the Chairperson of the Council Committee on Housing and Neighborhood Revitalization¹ quarterly reports on Fund activities and expenditures.

This report on HPTF activities and expenditures covers the First Quarter of FY 2018 from October 1, 2017 to December 31, 2017.

First Quarter FY 2018 HPTF Summary

The Fund Balance at the beginning of FY18 was \$236,988,404 (Table 1). An additional \$99,155,000 was available in DHCD’s FY18 Budget for all agency HPTF programs and activities.

Table 1: Summary of Revenue and Disbursements

FY2018 QUARTERLY ACTIVITIES							
Quarter	Starting Balance	Recordation and Transfer Tax	Other Income	Loan Repayments	Transfers from Mayor's Office	Disbursements	Ending Balance
Oct-Dec 2017	236,988,404	16,979,379	2,954,942	527,783	-	(18,985,733)	238,464,775

Revenue from recordation and transfer taxes, other income (interest income and Inclusionary Zoning contributions), and loan repayments totaled \$20,462,104 for the quarter. Project expenditures for all DHCD HPTF activities in the First Quarter of FY18 totaled \$18,895,733 (Table 2). Expenditures are comprised of Multi-Family project expenditures, DHCD administrative expenditures, and project expenditures for the Single Family Residential Rehabilitation Program (shown as “Other Project Related Expenditures” in Table 2).

¹ Previously titled the Council Committee on Housing and Economic Development.

Table 2: Statement of Revenues and Expenditures

STATEMENTS OF REVENUES AND EXPENDITURES					
October 1, 2017 - September 30, 2018					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY 2018
REVENUE					
Revenue from Recordation and Deed Taxes	16,979,379				16,979,379
Loan Repayment	527,783				527,783
Other Income	2,954,920				2,954,920
Miscellaneous Interest	22				22
Total Revenues	20,462,104	-	-	-	20,462,104
EXPENDITURES					
Project Expenditures (Multi-family)	(17,475,106)				(17,475,106)
Administrative Expenses	(1,028,450)				(1,028,450)
Other Project Related Expenditures	(482,177)				(482,177)
Total Expenditures	(18,985,733)	-	-	-	(18,985,733)
Excess/(Deficiency) Revenue over Expenditure	1,476,371	-	-	-	1,476,371
OTHER FINANCING SOURCES (Uses)					
Transfers in					-
Total Other Financing Sources and (Uses)	-	-	-	-	-
NET REVENUES OVER/(UNDER) EXPENDITURES	1,476,371	-	-	-	1,476,371

Multi-Family HPTF Activities

HPTF multi-family affordable housing projects fall into one of four funding stages:

1. Active Requests are those projects selected for further underwriting and accepted into the Development Finance Division's (DFD) underwriting pipeline.
2. Available Funds are the amount of funds available in the HPTF Fund Balance and the DFD budget.
3. Obligated Funds are the amount of funds obligated to specific HPTF affordable housing projects. Obligations occur at the execution of final legal documents and the financial closing for the project.
4. Expended Funds are the funds disbursed to projects that have obligated funds. The majority of these disbursements occur during construction.

In the First Quarter of FY18, \$74,675,103 was obligated to multi-family affordable housing projects and related activities. Project and related expenditures in the First Quarter of FY18 totaled \$17,475,106 (Table 3).

Table 3: Multi-Family Projects - Cash Disbursements/Expenditures and Obligations

FY2018 1ST QUARTER CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY)					
October 1, 2017 - December 31, 2017					
Multi-Family Project Activities					
Project Name	Developer/Owner	Ward	Expenditure Amount	Remaining Obligation	Total Activity
Maple View Flats	2228 MLK LLC	Ward 8	1,324,838	13,581,571	14,906,409
3534 East Capitol St., NE	3534 EAST CAP VENTURE, LLC	Ward 7	8,139,221	11,526,412	19,665,633
SOME Benning Road (The Conway Center)	BENNING RESIDENTIAL, LLC	Ward 7	1,403,449	7,488,769	8,892,217
Hilltop Apartments	EASTERN AVENUE REVELOPMENT	Ward 7	724,865	648,801	1,373,666
Plaza West	PLAZA WEST LLC	Ward 6	2,250,000	7,005,451	9,255,451
West End - Square 50	SQUARE 50 AFFORDABLE HOUS	Ward 2	455,414		455,414
Square 769N	SQUARE 769N AFFORDABLE LP	Ward 6	210,975	185,314	396,288
Tivoli Gardens Apartments	TIVOLI GARDENS OWNER LLC	Ward 5	2,572,500		2,572,500
1164 Bladensburg Rd	1164 BLADENSBURG LLC	Ward 5		10,833,567	10,833,567
4040 8th Street, NW	4040 8TH STREET NW,LLC	Ward 4		150,267	150,267
49-53 Missouri Ave, NW	49-53 MISSOURI AVENUE NW, LLC	Ward 4		203,043	203,043
NCCLT - 905 R St. NW	ANSWER TITLE AND ESCROW	Ward 2		19,497	19,497
Archer Park	ARCHER PARK LP	Ward 8		701,431	701,431
The Beacon Center	BEACON CENTER HOUSING LLC	Ward 4		4,962,151	4,962,151
4000 Kansas	CAS 4000 KANSAS LLC	Ward 4		429,568	429,568
7440 Georgia Ave NW	DIVERSITY COOPERATIVE, INC	Ward 4		280,941	280,941
Glen Arms	GLENN ARMS PRESERVATION, LP	Ward 1		275,601	275,601
Hedin House	HEDIN HOUSE PRESERVATION LP	Ward 5		1,134,089	1,134,089
Luzon Cooperative	LUZON COOPERATIVE @6323	Ward 4		176,286	176,286
8th & T	MANNA INC	Ward 1		508,950	508,950
Meadown Green Court/Milestone Senior	MILESTONE SENIOR OWNER LLC	Ward 7		6,909,668	6,909,668
Residence at Minnesota Gardens	THE RESIDENCE AT MINNESOTA GAR	Ward 7		258,130	258,130
United 2nd Street Cooperative	UNITED 2ND STREET COOPERATIVE, INC	Ward 8		507,225	507,225
Maplewood Courts	VESTA MAPLEWOOD, LLC	Ward 8		6,695,000	6,695,000
	Subtotal, Multi-Family Project Activities		17,081,261	74,481,732	91,562,993
Other Related Multi-Family Activities					
Supplemental Legal Counsel	PALMER STAFFING SERVICES, INC			24,000	24,000
Legal	BALLARD SPAHR LLP			169,371	169,371
Subscription	RS MEANS COMPANY INC		6,452		6,452
	Subtotal, Other Related Multi-Family Activities		6,452	193,371	199,823
Multi-Family Administrative Expenses					
	DEVELOPMENT FINANCE DIVISION PAYROLL		387,393	-	387,393
	Total, Development Finance Project Costs		17,475,106	74,675,103	92,150,209

Three projects closed using HPTF loans in the First Quarter of FY18 totaling \$29,147,801 in Obligated Funds (Table 4):

Table 4: Projects Closed Using HPTF Funds First Quarter FY18

Project Name	Address	Ward	Project Type	Number of Units	Closing Date	HPTF Loan Amount
3534 East Capitol Street NE	3534 E. Capitol Street NE	Ward 7	New Construction	137	11/02/17	\$19,665,633
Meadow Green Court/Milestone Senior	3539 A Street SE	Ward 7	Substantial Rehabilitation	60	11/09/17	\$6,909,668
Tivoli Gardens	4811-4819 N. Capitol Street NE	Ward 5	Acquisition	49	12/22/17	\$2,572,500

Inclusive of the DFD's FY18 HPTF budget authority (\$82,392,815), First Quarter FY18 expenditures and obligations, and the HPTF Fund balance, a total of \$227,424,381 in HPTF was available as of December 31, 2017. At the end of the First Quarter of FY18, there were 35 projects the multi-family underwriting pipeline with HPTF funding requests, totaling approximately \$225,000,000 in Active Requests. Projects in the underwriting pipeline are expected to close over the next two fiscal years.