

# **HOUSING PRODUCTION TRUST FUND**

## **FISCAL YEAR 2017 ANNUAL REPORT INITIAL SUBMISSION**

October 1, 2016 - September 30, 2017

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## Review of the Housing Production Trust Fund Fiscal Year 2017

The Housing Production Trust Fund (HPTF) is the major local financing tool used to produce and preserve affordable housing in the District of Columbia. The HPTF is a permanent, revolving revenue fund that provides gap financing to nonprofit and for-profit developers for the production and preservation of rental and homeownership housing projects affordable to low- and moderate-income households. It was created by the Housing Production Trust Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801 et seq.) and requires that funded affordable housing projects provide units for household incomes that are at or below 80% of the Washington Metropolitan Statistical Area Median Family Income (MFI), previously referred to as Area Median Income (AMI).

In 2017, the MFI per the U.S. Department of Housing and Urban Development (HUD), was \$110,000.

The HPTF is competitively allocated through the District's Consolidated Request for Proposals for Affordable Housing ("RFP"), which DHCD administers and includes funding from multiple District agencies. Applicants must submit funding proposals that respond to all RFP requirements. Once a project is selected for further underwriting, the DHCD Development Finance Division thoroughly reviews and underwrites the project to ensure an efficient allocation of the funding required for financial feasibility of the project.

In each fiscal year:

- At least 40% of obligations must serve households with incomes at 0% - 30% of MFI.
- At least 40% of obligations must serve households with incomes at 31% - 50% of MFI.
- At least 20% of obligations can serve households with incomes up to 51% - 80% of MFI.

DHCD is required to complete quarterly HPTF reports, an annual report, and annual audits, all of which are posted to the DHCD website at:

- <https://dhcd.dc.gov/page/housing-production-trust-fund-reports>

## Housing Production Trust Fund Annual Report Fiscal Year 2017

Housing Production Trust Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801 et seq.) requires that no later than April 1 of each fiscal year, the Mayor shall transmit to the Council a Housing Production Trust Fund Annual Report for the prior fiscal year. Unless otherwise specified, amounts and percentages reflect project expenditures (excluding administrative costs) for Multifamily, Lead Safe Washington, Single Family Residential Rehabilitation, Property Acquisition and Disposition Division, and Department of General Services Permanent Supportive Housing projects.

The annual report shall include the following information:<sup>1</sup>

1. The amount of money expended from the Housing Production Trust Fund during the fiscal year.

\$124,487,250 was expended from the HPTF in FY17. This is inclusive of Multifamily, Lead Safe Washington, Single Family Residential Rehabilitation, Property Acquisition and Disposition Division, and Department of General Services Permanent Supportive Housing projects.

2. The number of loans and grants made during the fiscal year.

Seventy- three (73) loans, grants, or transfers to other District agencies were made during FY17. This is inclusive of Multifamily, Lead Safe Washington, Single Family Residential Rehabilitation, Property Acquisition and Disposition Division, and Department of General Services Permanent Supportive Housing projects.

3. The number of low-income, very low-income, and extremely low-income households and individuals assisted through Fund expenditures.

MFI Levels	Households Assisted	*Estimated Number of Individuals Assisted
0% - 30%	601	1,249
31% - 50%	552	1,149
51% - 80%	1,626	3,383

*\* The number of households assisted was multiplied by the average number of 2.08 people per household:  
<https://www.census.gov/quickfacts/DC>*

4. A list of each project on which funds from the Fund were legally expended, including, for each project:

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<sup>1</sup> § 42-2803.01. Annual report by Mayor.

- a. A brief description of the project, including the name of the project sponsor.
- b. The amount of money expended to the project.
- c. Whether the money was expended in the form of a loan or a grant.
- d. The general terms of the loan or grant.

### FISCAL YEAR 2017 HPTF ANNUAL REPORT

<b>Project Name</b>	<b>Sponsor</b>	<b>Expenditures</b>	<b>Grant/Loan</b>	<b>Grant/Loan Term &amp; Interest Rate</b>
1314 K Street Cooperative	1314 K STREET SE COOPERATIVE	462,476	Loan	40 years/1.5% interest
Maple View Flats	2228 MLK LLC	1,656,482	Loan	40 years/3% interest
2321 4th Street	2321 4TH STREET LLC	254,186	Loan	40 years/1% interest
4000 Benning Road	4000 BENNING ROAD LLC	1,032,901	Loan	40 years/3% interest
4000 Benning Road (DBH)	4000 BENNING ROAD LLC (DBH)	653,257	Grant	n/a
4040 8th Street, NW	4040 8TH STREET NW, LLC	3,223,224	Loan	40 years/3% interest
49-53 Missouri Ave, NW	49-53 MISSOURI AVENUE NW, LLC	1,105,359	Loan	40 years/0% interest
NCCLT - 905 R St. NW	ANSWER TITLE AND ESCROW LLC	180,165	n/a	n/a
Manna Brightwood TOPA Pool	ATHENA LLC	230,660	Loan	40 years/1% interest
Barlee Cooperative	BARLEE COOPERATIVE ASSOCIATION	115,078	Loan	40 years/0% interest
The Beacon Center (Residential)	BEACON CENTER HOUSING LLC	5,639,824	Loan	99 years/4.5% interest
Benning Heights Apartments	BENNING HEIGHTS INVESTOR	5,012,387	Loan	40 years/3% interest
The Conway Center	BENNING RESIDENTIAL, LLC	7,204,026	Loan	40 years/0% interest
Building 25 Unity/ Mi Casa/ Mercy	BUILDING 25 UNITY COOPERATIVE	990,000	Loan	40 years/1% interest
4000 Kansas	CAS 4000 KANSAS LLC	1,385,879	Loan	40 years/1% interest
North Capitol Commons (DBH)	COMMON GROUND COMMUNITIES, INC	1,190,000	Grant	n/a
5422 Blair Road NE (DBH)	COMMUNITY CONNECTIONS INC	43,424	Grant	n/a
DCHA Repairs Pilot	DC HOUSING AUTHORITY	378,269	n/a	n/a
7440 Georgia Ave NW TOPA	DIVERSITY COOPERATIVE, INC.	2,828,887	Loan	40 years/0% interest
WDC1 - TOPA	EAST RIVER PRESERVATION PARTNERS	6,435,061	Loan	40 years/3% interest
Hilltop Apartments	EASTERN AVENUE REDEVELOPMENT	11,550,709	Loan	40 years/3% interest

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Project Name	Sponsor	Expenditures	Grant/Loan	Grant/Loan Term & Interest Rate
Fort Stevens Place Apartments	FT. STEVENS PLACE, LLC	3,429,709	Loan	40 years/3% interest
Glenn Arms	GLENN ARMS PRESERVATION, LP	1,397,299	Loan	40 years/3% interest
The Kingston	HAMPSTEAD KINGSTON PARTNERS, L	2,711,669	Loan	40 years/1% interest
Hanover Court	HANOVER COURTS OWNER LLC	2,888,130	Loan	40 years/3% interest
1428 Chapin St NW/3003 11th St NW	HOPE AND A HOME INC.	62,755	Loan	40 years/0% interest
1445 SPRING RD NW	HOPE COOPERATIVE ASSOCIATION	1,264,409	Loan	40 years/0% interest
Maycroft Apartments	JUBILEE HOUSING INC. (Maycroft)	11,335	Loan	40 years/1% interest
Kara House	KARA HOUSE COOPERATIVE	207,106	Loan	40 years/0% interest
Mass Place Apartments	MASS PLACE APARTMENTS LLC	10,740,829	Loan	40 years/3% interest
1847-49 Good Hope Road, SE	MI CASA MY HOUSE INC. (GOOD HOPE)	1,445,856	Loan	40 years/1% interest
Parkway Overlook	PARKWAY OVERLOOK LP	5,000	Loan	3 years/1% interest
Phyllis Wheatly YWCA (DBH)	PHYLLIS WHEATLEY YMCA INC	218,800	Grant	n/a
1035 4th St/307 K St NW	PLAZA WEST LLC	6,013,736	Loan	40 years/3% interest
1035 4th St/307 K St NW (DBH)	PLAZA WEST LLC (DBH)	495,000	Grant	n/a
Grandview Estates	RIVER EAST AT ANACOSTIA, LLC	346,146	Loan	40 years/3.5% interest
2551 17th St NW (DBH)	SARAH'S CIRCLE	75,600	Grant	n/a
Spring Road (DBH)	SOME INC./SO OTHERS MIGHT	84,000	Grant	n/a
Spring Road	SPRING ROAD LLC	4,900,000	Loan	40 years/2% interest
1211 23rd St NW	SQUARE 50 AFFORDABLE HOUSING	1,065,037	Loan	40 years/3% interest
1100 2nd Place SE	SQUARE 769N AFFORDABLE LP	1,456,847	Loan	40 years/3% interest
Takoma Place	TAKOMA PLACE INVESTOR, LLC	13,712,505	Loan	40 years/2% interest
The Langdon Apartments	THE LANGDON APARTMENTS	1,808,235	Loan	40 years/2% interest
The Luzon Cooperative	THE LUZON COOPERATIVE @6323	31,760	Loan	40 years/0% interest
3501 Minnesota Ave SE	THE RESIDENCE AT MINNESOTA GAR	3,647,373	Loan	40 years/0% interest

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Project Name	Sponsor	Expenditures	Grant/Loan	Grant/Loan Term & Interest Rate
3719 2nd St SE	UNITED 2ND STREET COOPERATIVE	2,126,081	Loan	40 years/1% interest
The Gregory Apartments	VESTA D.C. III LLC	30,871	Loan	40 years/3% interest
<b>TOTAL</b>		<b>\$111,748,341</b>		

5. The amount and percentage of funds expended on homeownership projects.

\$2,729,065 (2%) of HPTF project expenditures (excluding administrative costs) were on homeownership projects and \$10,683,170 (9%) (excluding administrative costs) were on Cooperative projects in FY17.

6. The amount and percentage of funds expended on rental housing projects.

\$100,955,749 (88%) was expended from HPTF funds for predevelopment or construction loans for rental housing projects in FY17.

7. The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 30% of the area median income.

\$23,782,432 (21%) of HPTF multifamily project expenditures were spent on rental housing or homeownership opportunities for households with incomes at or below 30% of the area median income.

8. The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 50% of the area median income.

\$21,872,476 (19%) of HPTF multifamily project expenditures were spent on rental housing or homeownership opportunities for households with incomes at or below 50% of the area median income.

9. The amount and percentage of funds expended on rental housing or homeownership opportunities for households with incomes at or below 80% of the area median income.

\$64,398,909 (56%) of multifamily HPTF project expenditures were spent on rental housing or homeownership opportunities for households with incomes at or below 80% of the area median income.

10. The number of housing units assisted, including the number of rental housing units assisted and the number of homeownership units assisted.

- Total Units: 2,898
  - Rental: 2,609
  - Homeownership: 80
  - Cooperative: 209
  - Other: N/A

11. The amount expended on administrative costs during the prior fiscal year.

Administrative expenses totaled \$9,740,997 for FY17.