

# **HOUSING PRODUCTION TRUST FUND**

## **FISCAL YEAR 2018 ANNUAL REPORT**

### **INITIAL SUBMISSION**

October 1, 2017 - September 30, 2018

**Table of Contents**

**Review of the Housing Production Trust Fund Fiscal Year 2018 ..... 2**  
**Housing Production Trust Fund Annual Report Fiscal Year 2018..... 3**

## **Review of the Housing Production Trust Fund Fiscal Year 2018**

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 2018, the MFI per the U.S. Department of Housing and Urban Development (HUD), was \$117,200.

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 FY18, for 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 2018

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.

\$154,240,683 was expended from the HPTF in FY2018. 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.

Twenty-five (25) loans, grants, or transfers to other District agencies were made during FY18. 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%	630	1,310
31% - 50%	1,521	3,163
51% - 80%	767	1,596

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

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

4. A list of each project on which funds from the Fund were expended, including, for each project:<sup>2</sup>
- A brief description of the project, including the name of the project sponsor.
  - The amount of money expended on the project.
  - Whether the money was expended in the form of a loan or a grant.
  - The general terms of the loan or grant.

<b>FISCAL YEAR 2018 HPTF ANNUAL REPORT</b>				
<b>Project Name</b>	<b>Sponsor</b>	<b>Expenditures</b>	<b>Grant/Loan</b>	<b>Grant/Loan Term &amp; Interest Rate</b>
1035 48th Street NE	1035 48TH LLC	765,442	Loan	40 years/3% interest
1164 Bladensburg Rd	1164 BLADENSBURG LLC	7,655,332	Loan	40 years/3% interest
22 Atlantic Street SE	22 ATLANTIC COOPERATIVE ASSOC.	169,250	Loan	40 years/1% interest
Maple View Flats	2228 MLK LLC	11,312,262	Loan	40 years/3% interest
301 Delafield Place NW	301 DELAFIELD PLACE NW LLC	2,673,824	Loan	40 years/3% interest
3534 East Capitol St., NE	3534 EAST CAP VENTURE LLC	16,587,027	Loan	40 years/1% interest
4000 Benning Road	4000 BENNING ROAD LLC	1,702,007	Loan	40 years/3% interest
4040 8th Street, NW	4040 8TH STREET NW, LLC	104,921	Loan	40 years/3% interest
5400 5th Street NW	5400 5TH STREET, NW	1,327,554	Loan	40 years/3% interest
710 Jefferson Street NW	710 UNIDOS COOPERATIVE	1,826,272	Loan	40 years /0% interest
Abrams Hall Senior	ABRAMS HALL SENIOR LP	8,888,750	Loan	40 years/3% interest
Amber Overlook	AMBER OVERLOOK LLC	1,058,933	Loan	15 years/0% interest
Archer Park	ARCHER PARK LP	701,431	Loan	40 years/0% interest
Archer Park	ARCHER PARK LP (DBH)	40,000	Grant	N/A
Manna Brightwood TOPA Pool	ATHENA LLC	25,529	Loan	40 years/1% interest
Barlee Cooperative	BARLEE COOPERATIVE ASSOCIATION	25,430	Loan	40 years/0% interest
Park Place Apartments	BCC PRESERVATION FUND I, LLC	865,000	Loan	40 years/3% interest

<sup>2</sup> Multifamily projects only

## FISCAL YEAR 2018 HPTF ANNUAL REPORT

Project Name	Sponsor	Expenditures	Grant/Loan	Grant/Loan Term & Interest Rate
Belmont Crossing	BELMONT CROSSING PARTNERS LLC	7,500,000	Loan	40 years/3% interest
Ben E Cooperative	BEN-E GROUP COOPERATIVE ASSOC.	2,205,576	Loan	40 years/0% interest
The Conway Center	BENNING RESIDENTIAL LLC	7,630,998	Loan	40 years/0% interest
4000 Kansas	CAS 4000 KANSAS LLC	137,353	Loan	40 years/1% interest
28th Place	DC HABITAT FOR HUMANITY (28TH PLACE)	213,020	Loan	2 years/0% interest
7440 Georgia Ave NW TOPA	DIVERSITY COOPERATIVE, INC.	19,296	Loan	40 years/0% interest
E Street Cooperative	E STREET COOPERATIVE ASSOC.	132,609	Loan	40 years/0% interest
Hilltop Apartments	EASTERN AVENUE REDEVELOPMENT	1,373,666	Loan	40 years/3% interest
Glenn Arms	GLENN ARMS PRESERVATION, LP	108,311	Loan	40 years/3% interest
The Kingston	HAMPSTEAD KINGSTON PARTNERS, L	120,318	Loan	40 years/1% interest
Hedin House	HEDIN HOUSE PRESERVATION LP	1,020,680	Loan	40 years/3% interest
1445 SPRING RD NW	HOPE COOPERATIVE ASSOCIATION	225,060	Loan	40 years/0% interest
Maycroft Apartments (DBH)	JUBILEE HOUSING, INC.	270,000	Grant	N/A
Liberty Place	LIBERTY PLACE APARTMENTS LLC	183,044	Loan	40 years/3% interest
8th & T	MANNA INC (8TH & T)	384,313	Loan	15 years/0% interest
1847-49 Good Hope Road, SE	MI CASA MY HOUSE INC. (GOOD HOPE)	103,217	Loan	40 years/1% interest
Meadown Green Court/Milestone Senior	MILESTONE SENIOR OWNER LLC	3,711,300	Loan	40 years/3% interest
Parkway Overlook II	PARKWAY OVERLOOK II LP	18,848,919	Loan	40 years/3% interest
Phoenix Cooperative	PHOENIX COOPERATIVE ASSOCIATION	1,301,422	Loan	40 years /0% interest
1035 4th St/307 K St NW	PLAZA WEST LLC	9,255,451	Loan	40 years/3% interest

## FISCAL YEAR 2018 HPTF ANNUAL REPORT

Project Name	Sponsor	Expenditures	Grant/Loan	Grant/Loan Term & Interest Rate
1035 4th St/307 K St NW (DBH)	PLAZA WEST LLC (DBH)	55,000	Grant	N/A
4001 South Capitol St SW	SOUTH CAPITOL IMPROVEMENTS, LLC	2,043,241	Loan	40 years/1% interest
1211 23rd St NW	SQUARE 50 AFFORDABLE HOUSING	455,414	Loan	40 years/3% interest
1100 2nd Place SE	SQUARE 769N AFFORDABLE LP	210,975	Loan	40 years/3% interest
Abrams Hall Senior (DBH)	THC AFFORDABLE HOUSING INC	168,000	Grant	N/A
The Langdon Apartments	THE LANGDON APARTMENTS	785,412	Loan	40 years/2% interest
The Luzon Cooperative	THE LUZON COOPERATIVE @6323	25,200	Loan	40 years/0% interest
3501 Minnesota Ave SE	THE RESIDENCE AT MINNESOTA GAR	122,772	Loan	40 years/0% interest
4811-4819 North Capitol St NE	TIVOLI GARDENS OWNER LLC	2,572,500	Loan	40 years/3% interest
Partner Arms II	TRANSITIONAL HOUSING CORP	1,073,350	Loan	40 years/3% interest
Partner Arms II (DBH)	TRANSITIONAL HOUSING CORP (DBH)	457,801	Grant	N/A
3719 2nd St SE	UNITED 2ND STREET COOPERATIVE	104,777	Loan	40 years/1% interest
Maplewood Courts	VESTA MAPLEWOOD LLC	3,782,931	Loan	40 years/3% interest
700 Madison St NW	VOICES OF MADISON COOPERATIVE	125,336	Loan	40 years/2% interest
Wesley Brookland	WESLEY BROOKLAND LLC	6,874,186	Loan	40 years/3% interest
<b>TOTAL</b>		<b>\$129,330,413</b>		

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

\$7,016,366 (5%) of HPTF project expenditures (excluding administrative costs) were on homeownership projects and \$6,190,241 (4%) (excluding administrative costs) were on cooperative projects in FY18.

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

\$127,783,073 (91%) was expended from HPTF funds for predevelopment or construction loans for rental housing projects which closed in FY18.

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.

\$29,060,251 (21%) of HPTF project expenditures (excluding administrative costs) 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.

\$70,189,066 (50%) of HPTF project expenditures (excluding administrative costs) 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.

\$35,409,985 (25%) of HPTF project expenditures (excluding administrative costs) 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: 3,055
  - Rental: 2,742
  - Homeownership: 50
  - Cooperative: 263

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

Administrative expenses totaled \$10,341,157 for FY18.