

HOUSING PRODUCTION TRUST FUND

FISCAL YEAR 2022 SECOND QUARTER REPORT

January 1, 2022 - March 31, 2022

John Falcicchio
Deputy Mayor for Planning and Economic Development

Drew E. Hubbard, Interim Director
Department of Housing and Community Development

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 encompasses the Second Quarter of FY2022 – January 1, 2022 – March 31, 2022.

Second Quarter FY 2022 HPTF Summary

The HPTF fund balance at the beginning of the Second Quarter of FY 2022 was \$277,063,520 (Table 1). Expenditures by the HPTF occur for Multi-Family projects, the Single-Family Residential Rehabilitation Program, DHCD administrative support, and other project expenses.

Table 1: Summary of Quarterly Activities

FY2022 QUARTERLY ACTIVITIES							
Quarter	Starting Balance	Recordation and Transfer Tax	Other Income	Loan Repayments	Transfers from Mayor's Office	Disbursements	Ending Balance
Oct-Dec 2021	266,439,580	20,590,522	670,173	651,348		(11,288,103)	277,063,520
Jan-Mar 2022	277,063,520	17,150,463	5,725,975	3,852,919		(18,487,723)	285,305,153
Apr-Jun 2022							
Jul-Sep 2022							

Revenue from recordation and transfer taxes, other income (interest income, Inclusionary Zoning contributions), and loan repayments totaled \$26,729,357 for the quarter. Project expenditures for all agency HPTF activities in the Second Quarter of FY22 totaled \$18,487,723 (Table 2), next page.

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

Table 2: Statements of Revenues and Expenditures

STATEMENTS OF REVENUES AND EXPENDITURES					
January 1, 2022 – March 31, 2022					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY 2022 to Date
REVENUE					
Revenue from Recordation and Deed Taxes	20,590,522	17,150,463			37,740,985
Loan Repayment	651,348	3,852,919			4,504,267
Other Income	670,173	5,725,974			6,396,147
Miscellaneous Interest	-	1	-	-	1
Total Revenues	21,912,043	26,729,357	-		48,641,400
EXPENDITURES					
Project Expenditures (Multi-family)	(8,640,900)	(15,494,835)			(24,135,735)
Administrative Expenses	(2,635,452)	(2,857,573)			(5,493,025)
Single Family Residential Rehabilitation Program	(11,751)	(79,354)			(91,105)
Other Project Expenses	-	(55,962)			(55,962)
Total Expenditures	(11,288,103)	(18,487,723)	-	-	(29,775,827)
Excess/(Deficiency) Revenue over Expenditure	10,623,940	8,241,633	-	-	18,865,573
OTHER FINANCING SOURCES (Uses)					
Transfers in	-	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-	-
NET REVENUES OVER/(UNDER) EXPENDITURES	10,623,940	8,241,633	-	-	18,865,573

Multi-Family HPTF Activities

The HPTF fund balance discussed above represents the funds available for eligible activities at the beginning and end of each quarter. HPTF multi-family affordable housing projects, administered by DHCD's Development Finance Division (DFD), represent the largest use of the fund and, with generally large capital projects that can take years to complete, the funding for these projects falls into one of three funding stages, chronologically:

1. **Active Requests** are projects selected for further underwriting and accepted into DFD's underwriting pipeline. Active requests represent reserved fund balance and are expected to close and begin drawing funds over the next two to three fiscal years.
2. **Obligated Funds** represent contractual obligations on the fund balance and are obligated to specific HPTF affordable housing projects when the financial closing for the project has occurred and final legal documents have been executed. Obligated funds continue to appear in the fund balance and can be expected to be disbursed within the next fiscal year or two as the construction for the project is completed.
3. **Expenditures** are funds disbursed to projects at or after closing, primarily during construction.

Total Activity and Active Requests

The total available HPTF resources, including accumulated Fund Balance, as of March 31, 2022 was \$486,663,753, of which \$155,862,143 was obligated to or expended on projects underway at the end of the quarter.

The remaining available balance of \$330,801,610 was reserved by 40 projects in the multi-family underwriting pipeline with approximately \$405 million in Active Requests for HPTF. Projects in the underwriting pipeline are expected to close over the next two fiscal years.

Obligated Funds and Expenditures

One project closed using HPTF in the Second Quarter of FY22 totaling \$10,304,506 in Obligated Funds (Table 3).

Table 3: HPTF Loans Closed in Second Quarter of FY22

Project Name	Address	Ward	Project Type	Number of Units	Closing Date	HPTF Loan Amount
Cascade Park 2019 4%	4232-4234 4 th Street SE	8	Substantial Rehabilitation	59	1/7/22	\$10,304,506
Total				59		10,304,506

Inclusive of this Second Quarter project closing, project and related expenditures through the Second Quarter of FY22 totaled **\$24,135,735** and remaining obligations for multifamily projects totaled **\$96,568,364** (Table 4).

Table 4: Multi-Family Projects - Cash Disbursements/Expenditures and Obligations

FY2022 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY)					
October 1, 2021 – March 31, 2022					
Multi-Family Project Activities					
Project Name	Developer/Owner	Ward	Remaining Obligation	Expenditure Amount	Total Activity
The Kingston	HAMPSTEAD KINGSTON PARTNERS, L	4			-
Hope Cooperative	HOPE COOPERATIVE ASSOCIATION	4	251,448	69,819	321,266
Maycroft	JUBILEE HOUSING, INC.	1	30,000		30,000
Kenilworth 166 Phase 1	KENILWORTH REVITALIZATION 1 JV	7	12,289,040	4,684,093	16,973,133
809-813 Kennedy Street NW	KENNEDY STREET COMMUNITY PARTNERS	4	835,274		835,274
Liberty Place	LIBERTY PLACE APARTMENTS LLC	6	1,108,000		1,108,000
Luzon Cooperative	LUZON COOPERATIVE @6323	4	77,388		77,388
1847-49 Good Hope Road, SE	MI CASA MY HOUSE INC.	8	-	54,653	54,653
Homes within Reach	MI CASA MY HOUSE INC.	8	52,062	(72,051)	(19,989)
Park 27	PARK 27	7	392,526		392,526
1301-1305 Savannah St SE	NEW SAVANNAH PRESERVATION PARTNERS	8	503,295		503,295
Liberty Place (DBH)	NATL HOUSING TRUST-ENT PRES CO	6			-
HanTiv	PB HANTIV OWNER LLC	8 and 5	950,736		950,736
Petworth Station	PETWORTH STATION LP	4	17,179		17,179
505 Jefferson St NW	PHOENIX COOPERATIVE ASSOCIATIO	4	70,491		70,491
Randle Hill	RANDLE HILL	8	-	500,000	500,000
SOME Scattered Site III	SCATTERED SITE III LLC	2	187,623		187,623
South Capitol	SOUTH CAPITOL IMPROVEMENTS, LL	8	2,746,577	(2,746,577)	-
Spring Flats Family - Affordable	SPRING FLATS FAMILY LLC	4	904,134	1,291,380	2,195,514
Spring Flats Senior 4%	SPRING FLATS SENIOR 4 LLC	4	414,919		414,919
Spring Flats Senior 9%	SPRING FLATS SENIOR 9 LLC	4	91,465		91,465
St Elizabeth's	ST ELIZABETH 1 LP	8	99,168	2,655,348	2,754,517
Stanton Square Apartments	STANTON HOUSING LLC	8	1,993,378	4,491,552	6,484,931
Clara on Martin Luther King	THE CLARA ON MLK LLC	8	14,008,973		14,008,973

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1550 First Street SW	TM DBT LIMITED PARTNERSHIP	6	637,502		637,502
MDXL Flats	TM JACOB 1530 LLC	6	4,323,707	760,158	5,083,865
United 2nd Street Cooperative	UNITED 2ND STREET COOPERATIVE, INC	8	36,151		36,151
49-53 Missouri Ave, NW	49-53 MISSOURI AVENUE NW, LLC	4	185,343		185,343
5400-5408 5th St Acquisition	5400 5TH STREET, NW	4	427		427
NCCLT - 905 R St. NW	ANSWER TITLE AND ESCROW	2	2,589		2,589
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Total, Multi-family Project Disbursement Activities			96,568,364	24,135,735	110,399,593