

HOUSING PRODUCTION TRUST FUND

FISCAL YEAR 2022 FOURTH QUARTER REPORT

July 1, 2022 – September 30, 2022

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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 encompasses the Fourth Quarter of FY2022 – July 1, 2022 - September 30, 2022.

Fourth Quarter FY 2022 HPTF Summary

The HPTF fund balance at the beginning of the Fourth Quarter of FY 2022 was \$275,098,574 (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 | 285,305,153 | 29,606,739 | 1,331,883 | 713,197 | | (41,858,398) | 275,098,574 |
| Jul-Sep 2022 | 275,098,574 | 28,145,411 | 693,552 | 3,974,143 | 166,684,444 | (71,594,218) | 403,001,905 |

Revenue from recordation and transfer taxes, other income (interest income, Inclusionary Zoning contributions), and loan repayments totaled \$32,813,105 for the quarter. An additional \$166,684,444 of federal American Rescue Plan Act (ARPA) was transferred into the fund in the fourth quarter. Project expenditures for all agency HPTF activities in the Fourth Quarter of FY22 totaled \$71,594,218 (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 | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| October 1, 2021 - September 30, 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 | 29,606,739 | 28,145,411 | 95,493,134 |
| Loan Repayment | 651,348 | 3,852,919 | 713,197 | 3,974,143 | 9,191,607 |
| Other Income | 670,173 | 5,725,974 | 1,331,883 | 693,552 | 8,421,583 |
| Miscellaneous Interest | - | 1 | - | - | - |
| Total Revenues | 21,912,043 | 26,729,357 | 31,651,819 | 32,813,105 | 113,106,324 |
| EXPENDITURES | | | | | |
| Project Expenditures (Multi-family) | (8,640,900) | (15,494,835) | (36,117,688) | (62,851,678) | (123,105,100) |
| Administrative Expenses | (2,635,452) | (2,857,573) | (4,534,309) | (7,134,445) | (17,161,778) |
| Single Family Residential Rehabilitation Program | (11,751) | (79,354) | (1,070,017) | (883,587) | (2,044,709) |
| Other Project Expenses | - | (55,962) | (136,384) | (724,508) | (916,854) |
| Total Expenditures | (11,288,103) | (18,487,723) | (41,858,398) | (71,594,218) | (143,228,442) |
| Excess/(Deficiency) Revenue over Expenditure | 10,623,940 | 8,241,633 | (10,206,579) | (38,781,113) | (30,122,119) |
| OTHER FINANCING SOURCES (Uses) | | | | | - |
| Transfers in | - | - | | 166,684,444 | 166,684,444 |
| Total Other Financing Sources and (Uses) | - | - | - | 166,684,444 | 166,684,444 |
| NET REVENUES OVER/(UNDER) EXPENDITURES | 10,623,940 | 8,241,633 | (10,206,579) | 127,903,331 | 136,562,325 |

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 September 30, 2022 was \$403,001,905, of which \$119,830,923 was obligated to projects underway at the end of the quarter.

The remaining available balance of \$283,170,982 was reserved by 48 projects in the multi-family underwriting pipeline with approximately \$470 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

Six projects closed using HPTF in the Fourth Quarter of FY22 totaling \$76,253,494 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 |
|---|----------------------------|----------|----------------------------|-----------------|--------------|---------------------|
| Faith Based Development Initiative | N/A | Multiple | Seed Money Only | N/A | 9/30/2022 | \$1,000,000 |
| Deanwood Station Pre-Development Only | 4726 Sheriff Rd NE | Ward 7 | Pre-Development Only | N/A | 9/26/2022 | \$100,000 |
| 1711 28th Street Apartments -Pre-Development Only | 1711 28th Street Southeast | Ward 8 | Pre-Development Only | N/A | 9/22/2022 | \$100,000 |
| Ridgecrest Village Apartments - Ph 1 | 2200-O6 Savannah St, SE | Ward 8 | Substantial Rehabilitation | 140 | 9/20/2022 | \$16,133,487 |
| Benning Road | 1603 Benning Road NE | Ward 6 | New Construction | 148 | 8/31/2022 | \$29,016,797 |
| Terrace Manor Apartments | 3301 23rd St SE | Ward 8 | New Construction | 130 | 8/4/2022 | \$29,903,210 |
| Total | | | | 418 | | \$76,253,494 |

Inclusive of this Fourth Quarter project closing, project and related expenditures through the Fourth Quarter of FY22 totaled \$123,105,000 and remaining obligations for multifamily projects totaled \$119,830,923 (Table 4).

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

| FY2022 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY) | | | | | |
|---|--------------------------------|------|----------------------|--------------------|----------------|
| October 1, 2021 - September 30, 2022 | | | | | |
| Multi-Family Project Activities | | | | | |
| Project Name | Developer/Owner | Ward | Remaining Obligation | Expenditure Amount | Total Activity |
| 1100 Eastern Avenue | 1100 EASTERN AVENUE NE | 7 | 343,438 | | 343,438 |
| SOME 1515 North Capitol | 1515 NORTH CAPITOL LLC | 5 | 4,408,278 | 3,652,359 | 8,060,638 |
| | SOME NORTH CAPITOL (DBH) | 5 | 42,000 | 378,000 | 420,000 |
| 17 Mississippi Avenue | 17 MISSISSIPPI OWNER LLC | 8 | 1,457,020 | 5,986,179 | 7,443,198 |
| 218 Vine Street | 218 Vine Street | 4 | 1,766,155 | 6,825,197 | 8,591,352 |
| 22 Atlantic Cooperative Association | 22 ATLANTIC COOPERATIVE | 8 | 92,677 | (37,133) | 55,544 |
| 2442 MLK | 2442 MLK LLC | 8 | 1,064,314 | | 1,064,314 |
| 301 Delafield Place, NW | 301 DELAFIELD PLACE NW LLC | 4 | 102,450 | 127,415 | 229,865 |
| 3500 East Capitol St, NE | 3500 EAST CAPITOL | 7 | | 105,444 | 105,444 |
| 3534 East Capitol St., NE | 3534 EAST CAP VENTURE, LLC | 7 | | 10,000 | 10,000 |
| Crawford Landing | 49TH STREET DEVELOPER LLC | 7 | 995,776 | 7,301,195 | 8,296,971 |
| 555 E Street | 555 E STREET SW SENIORS LLC | 6 | - | 796,018 | 796,018 |
| 5610 COLORADO AVE | 5610 COLORADO AVE COOPERATIVE | 4 | 2,715,643 | | 2,715,643 |
| 5912 14th Street, NW | 5912 MISSOURI COOPERATIVE ASSC | 4 | 195,654 | | 195,654 |
| 710 Jefferson Street, NW | 710 UNIDOS COOPERATIVE | 4 | 79,978 | | 79,978 |
| Park Southern Apartments | 800 SOUTHERN AVENUE LLC | 8 | 2,024,503 | 9,074,107 | 11,098,610 |
| 10 PARK SOUTHERN (DMH) | 800 SOUTHERN AVENUE LLC | 8 | 530,000 | | 530,000 |
| Abrams Hall North | ABRAMS HALL NORTH LP | 4 | - | 1,329,254 | 1,329,254 |
| Amber Overlook | AMBER OVERLOOK LLC | 7 | 348,054 | | 348,054 |
| Anacostia Gardens | ANACOSTIA GARDENS OWNER LLC | 8 | 872,176 | | 872,176 |
| Cedar Street | ANCHOR PRESERVATION LLC | 6 | - | 451,821 | 451,821 |
| Barlee Cooperative | BARLEE COOPERATIVE ASSOCIATION | 4 | 148,450 | | 148,450 |
| BCC Preservation Fund I | BCC PRESERVATION FUND I, LLC | 7 | 35,000 | | 35,000 |

| FY2022 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY) | | | | | |
|---|------------------------------------|---------|----------------------|--------------------|----------------|
| October 1, 2021 – September 30, 2022 | | | | | |
| Multi-Family Project Activities | | | | | |
| Project Name | Developer/Owner | Ward | Remaining Obligation | Expenditure Amount | Total Activity |
| Belmont Crossing Phase 1A | BCP I LLC | 8 | | 14,200,000 | 14,200,000 |
| Belmont Crossing Partners | BELMONT CROSSING PARTNERS LLC | 8 | 42,822 | (60,656) | (17,834) |
| Ben-E Group Cooperative | BEN-E GROUP COOPERATIVE ASSOC. | 7 | 173,886 | | 173,886 |
| Benning Road | BENNING CORRIDOR TITLEHOLDER | 7 | 8,842,026 | 21,740,143 | 30,582,169 |
| Brightwood Gardens | BRIGHTWOOD GARDENS | 4 | 27,358 | 1,069,228 | 1,096,586 |
| Cascade Park 2019 9% | CASCADE PARK COMMUNITY PARTNERS | 8 | 10,304,506 | | 10,304,506 |
| 28th Place SE | DC HABITAT FOR HUMANITY | 8 | 40,000 | | 40,000 |
| Delta Towers | DELTA SENIOR HOUSING OWNER LLC | 5 | 10 | 2,165,777 | 2,165,787 |
| 7440 Georgia Ave NW | DIVERSITY COOPERATIVE, INC | 4 | 246,926 | | 246,926 |
| Hope Cooperative | HOPE COOPERATIVE ASSOCIATION | 4 | 202,772 | 118,494 | 321,266 |
| Hyacinths Way - Predevelopment | INSTITUTE OF URBAN LIVING | 8 | | 25,340 | 25,340 |
| Jubilee Euckal | JUBILEE HOUSING, INC. | 1 | 16,278,810 | | 16,278,810 |
| Maycroft | JUBILEE HOUSING, INC. | 1 | 30,000 | | 30,000 |
| Kenilworth 166 Phase 1 | KENILWORTH REVITALIZATION I JV | 7 | 12,273,726 | 4,699,407 | 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 |
| Park Place - Predevelopment | MANNA INC | 7 | - | 100,000 | 100,000 |
| Deanwood Station - Predevelopment | MEDICI ROAD | 7 | - | 100,000 | 100,000 |
| 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 | (65,132) | (13,070) |
| Park 27 | PARK 27 | 7 | - | 392,526 | 392,526 |
| 1301-1305 Savannah St SE | NEW SAVANNAH PRESERVATION PARTNERS | 8 | 503,295 | | 503,295 |
| HanTiv | PB HANTIV OWNER LLC | 8 and 5 | 950,736 | | 950,736 |
| Petworth Station | PETWORTH STATION LP | 4 | | 17,179 | 17,179 |

| FY2022 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY) | | | | | |
|---|------------------------------------|------|----------------------|--------------------|----------------|
| October 1, 2021 – September 30, 2022 | | | | | |
| Multi-Family Project Activities | | | | | |
| Project Name | Developer/Owner | Ward | Remaining Obligation | Expenditure Amount | Total Activity |
| 505 Jefferson St NW | PHOENIX COOPERATIVE ASSOCIATION | 4 | 70,491 | | 70,491 |
| Randle Hill | RANDLE HILL | 8 | - | 500,000 | 500,000 |
| Ridgecrest Village Apartments | RIDGECREST PHASE 1 OWNER, LLC | 8 | 2,713,266 | 14,520,138 | 17,233,404 |
| SOME Scattered Site III | SCATTERED SITE III LLC | 2 | - | 187,623 | 187,623 |
| Lock 7 (7428-34 Georgia Ave) | SHEPHERD PARK OWNER, LLC | 4 | 4,994,761 | 6,228,148 | 11,222,909 |
| 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 I LP | 8 | 99,168 | 2,655,348 | 2,754,517 |
| Stanton Square Apartments | STANTON HOUSING LLC | 8 | - | 6,484,931 | 6,484,931 |
| Terrace Manor Apartments | TERRACE MANOR REDEVELOPMENT | 8 | 23,603,710 | 7,453,714 | 31,057,424 |
| Clara on Martin Luther King | THE CLARA ON MLK LLC | 8 | 14,008,973 | | 14,008,973 |
| 1550 First Street SW | TM DBT LIMITED PARTNERSHIP | 6 | 637,502 | | 637,502 |
| MDXL Flats | TM JACOB 1530 LLC | 6 | 4,001,013 | 1,082,852 | 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 |
| Faith-Based Initiative Grant | ENTERPRISE COMMUNITY PARTNERS | | | 1,000,000 | 1,000,000 |
| Total, Multi-family Project Disbursement Activities | | | 119,830,923 | 123,105,100 | 242,936,023 |