

# Housing Production Trust Fund

## Fiscal Year 2019 First Quarter Report

October 1, 2018-December 31, 2018

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## Overview

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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 Revitalization<sup>1</sup> quarterly reports on Fund activities and expenditures.

This report on HPTF activities and expenditures covers the First Quarter of FY 2019 from October 1, 2018 to December 31, 2018.

## First Quarter FY 2019 HPTF Summary

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The HPTF fund balance at the beginning of the First Quarter of FY 2019 was \$167,396,867 (Table 1). Expenditures by the HPTF occur for Multi-Family projects, the Single Family Residential Rehabilitation Program, DHCD administrative support, and other project expenses. Expenditures for all these activities in the First Quarter of FY 2019 totaled \$16,279,995.

**Table 1: Summary of Revenue and Disbursements**

| FY2019 QUARTERLY ACTIVITIES |                    |                              |                  |                  |                               |                     |                    |
|-----------------------------|--------------------|------------------------------|------------------|------------------|-------------------------------|---------------------|--------------------|
| Quarter                     | Starting Balance   | Recordation and Transfer Tax | Other Income     | Loan Repayments  | Transfers from Mayor's Office | Disbursements       | Ending Balance     |
| Oct-Dec 2018                | 167,396,867        | 16,795,542                   | 2,059,957        | 2,931,618        | -                             | (16,279,995)        | 172,903,988        |
| Jan-Mar 2019                |                    |                              |                  |                  |                               |                     |                    |
| Apr-Jun 2019                |                    |                              |                  |                  |                               |                     |                    |
| Jul-Sep 2019                |                    |                              |                  |                  |                               |                     |                    |
| <b>FY19</b>                 | <b>167,396,867</b> | <b>16,795,542</b>            | <b>2,059,957</b> | <b>2,931,618</b> | <b>-</b>                      | <b>(16,279,995)</b> | <b>172,903,988</b> |

Revenue from recordation and transfer taxes, other income (interest income, Inclusionary Zoning contributions), and loan repayments totaled \$21,787,117 for the quarter. Project expenditures for all agency HPTF activities in the First Quarter of FY19 totaled \$16,279,995 (Table 2).

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<sup>1</sup> Previously titled the Council Committee on Housing and Economic Development.  
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**Table 2: Statement of Revenues and Expenditures**

| STATEMENTS OF REVENUES AND EXPENDITURES          |                     |             |             |             |                     |
|--|---------------------|-------------|-------------|-------------|---------------------|
| October 1, 2018 - September 30, 2019             |                     |             |             |             |                     |
|  | 1st Quarter         | 2nd Quarter | 3rd Quarter | 4th Quarter | FY 2019             |
| <b>REVENUE</b>                                   |                     |             |             |             |                     |
| Revenue from Recordation and Deed Taxes          | 16,795,542          |             |             |             | 16,795,542          |
| Loan Repayment                                   | 2,931,585           |             |             |             | 2,931,585           |
| Other Income                                     | 2,059,957           |             |             |             | 2,059,957           |
| Miscellaneous Interest                           | 33                  |             |             |             | 33                  |
| <b>Total Revenues</b>                            | <b>21,787,117</b>   | -           | -           | -           | <b>21,787,117</b>   |
| <b>EXPENDITURES</b>                              |                     |             |             |             |                     |
| Project Expenditures (Multi-family)              | (12,369,544)        |             |             |             | (12,369,544)        |
| DGS Project                                      | (2,035,701)         |             |             |             | (2,035,701)         |
| Administrative Expenses                          | (1,873,289)         |             |             |             | (1,873,289)         |
| Single Family Residential Rehabilitation Program | (8,629)             |             |             |             | (8,629)             |
| Other Project Expenses                           | 7,168               |             |             |             | 7,168               |
| <b>Total Expenditures</b>                        | <b>(16,279,995)</b> | -           | -           | -           | <b>(16,279,995)</b> |
| Excess/(Deficiency) Revenue over Expenditure     | 5,507,123           | -           | -           | -           | 5,507,123           |
| <b>OTHER FINANCING SOURCES (Uses)</b>            |                     |             |             |             |                     |
| Transfers in                                     |                     |             |             |             | -                   |
| <b>Total Other Financing Sources and (Uses)</b>  | -                   | -           | -           | -           | -                   |
| <b>NET REVENUES OVER/(UNDER) EXPENDITURES</b>    | <b>5,507,123</b>    | -           | -           | -           | <b>5,507,123</b>    |

## 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 final legal documents have been executed and the financial closing for the project has occurred. 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.

In the First Quarter of FY19, \$153,915,261 was obligated to multi-family affordable housing projects and related activities. Project and related expenditures in the First Quarter of FY19 totaled \$12,869,288 (Table 3).

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

| FY 2019 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY) |  |      |                    |                      |                    |
|--|--|------|--------------------|----------------------|--------------------|
| October 1, 2018 through December 31, 2018                              |  |      |                    |                      |                    |
| <b>Multi-Family Project Activities</b>                                 |  |      |                    |                      |                    |
| Project Name   | Developer/Owner  | Ward | Expenditure Amount | Remaining Obligation | Total Activity     |
| 1035 48th Street   | 1035 48TH LLC  | 7    | -                  | 86,568               | 86,568             |
| 1164 Bladensburg Rd  | 1164 BLADENSBURG LLC                                       | 5    | 1,313,906          | 1,864,329            | 3,178,235          |
| 22 Atlantic Cooperatie Association                                     | 22 ATLANTIC COOPERATIVE                                    | 8    | -                  | 2,500,674            | 2,500,674          |
| Maple View Flats   | 2228 MLK LLC   | 8    | 745,330            | 2,348,817            | 3,094,147          |
| 301 Delafield Place, NW  | 301 DELAFIELD PLACE NW LLC                                 | 4    | -                  | 322,788              | 322,788            |
| 3534 East Capitol St., NE  | 3534 EAST CAP VENTURE, LLC                                 | 7    | -                  | 3,078,606            | 3,078,606          |
| 4040 8th Street, NW  | 4040 8TH STREET NW, LLC                                    | 4    | -                  | 45,346               | 45,346             |
| 49-53 Missouri Ave, NW   | 49-53 MISSOURI AVENUE NW, LLC                              | 4    | -                  | 203,043              | 203,043            |
| 5400-5408 5th St Acquisition   | 5400 5TH STREET, NW  | 4    | -                  | 67,532               | 67,532             |
| 555 E Street   | 555 E STREET SW SENIORS LLC                                | 6    | 3,026,485          | 7,920,610            | 10,947,095         |
| 710 Jefferson Street, NW   | 710 UNIDOS COOPERATIVE                                     | 4    | -                  | 79,978               | 79,978             |
| Abrams Hall  | ABRAMS HALL SENIOR   | 4    | 676,445            | 187,843              | 864,287            |
| Ainger Place   | AINGER PLACE ASSOCIATES LLC                                | 8    | 2,451,092          | 8,240,150            | 10,691,242         |
| Amber Overlook   | AMBER OVERLOOK LLC   | 7    | 486,433            | 4,327,065            | 4,813,498          |
| NCCLT - 905 R St. NW   | ANSWER TITLE AND ESCROW                                    | 2    | -                  | 19,497               | 19,497             |
| Atlantic Gardens   | ATLANTIC GARDENS REDEVELOPMENT                             | 8    | 1,064,765          | -                    | 1,064,765          |
| Atlantic Terrace   | ATLANTIC TERRACE LIMITED                                   | 8    | 1,520,248          | -                    | 1,520,248          |
| Barlee Cooperative   | BARLEE COOPERATIVE ASSOCIATION                             | 4    | -                  | 207,126              | 207,126            |
| BCC Preservation Fund I  | BCC PRESERVATION FUND I, LLC                               | 7    | -                  | 35,000               | 35,000             |
| The Beacon Center  | BEACON CENTER HOUSING LLC                                  | 4    | -                  | 4,962,151            | 4,962,151          |
| Belmont Crossing Partners  | BELMONT CROSSING PARTNERS LLC                              | 8    | -                  | 500,000              | 500,000            |
| Ben-E Group Cooperative  | BEN-E GROUP COOPERATIVE ASSOC.                             | 7    | -                  | 312,020              | 312,020            |
| SOME Benning Road (The Conway Center)                                  | BENNING RESIDENTIAL, LLC                                   | 7    | -                  | 1,266,609            | 1,266,609          |
| Capitol Vista  | CAPITOL VISTA COMMUNITY PART                               | 6    | -                  | 18,006,741           | 18,006,741         |
| City View (DBH)  | CITY VIEW REDEVELOPMENT                                    | 8    | -                  | 252,000              | 252,000            |
| 28th Place SE  | DC HABITAT FOR HUMANITY                                    | 8    | -                  | 186,980              | 186,980            |
| Delta Towers   | DELTA SENIOR HOUSING OWNER LLC                             | 5    | -                  | 23,261,307           | 23,261,307         |
| 7440 Georgia Ave NW  | DIVERSITY COOPERATIVE, INC                                 | 4    | -                  | 261,645              | 261,645            |
| E Street Cooperative   | E STREET COOPERATIVE ASSOC.                                | 6    | 130,044            | 958,608              | 1,088,652          |
| The Beacon Center  | EMORY BEACON OF LIGHT, INC.                                | 4    | 138,405            | 577,019              | 715,425            |
| Glenn Arms   | GLENN ARMS PRESERVATION, LP                                | 1    | -                  | 167,290              | 167,290            |
| The Kingston   | HAMPSTEAD KINGSTON PARTNERS, L                             | 4    | -                  | 89,885               | 89,885             |
| Hedin House  | HEDIN HOUSE PRESERVATION LP                                | 5    | -                  | 113,409              | 113,409            |
| Hope Cooperative   | HOPE COOPERATIVE ASSOCIATION                               | 4    | -                  | 48,676               | 48,676             |
| Maycroft   | JUBILEE HOUSING, INC.                                      | 1    | -                  | 30,000               | 30,000             |
| Liberty Place  | LIBERTY PLACE APARTMENTS LLC                               | 6    | 46,788             | 9,018,599            | 9,065,387          |
| Luzon Cooperative  | LUZON COOPERATIVE @6323                                    | 4    | -                  | 151,086              | 151,086            |
| 8th & T  | MANNA INC  | 1    | 83,742             | 40,895               | 124,637            |
| Hunter Place   | MANNA INC  | 8    | -                  | 1,744,021            | 1,744,021          |
| 1847-49 Good Hope Road, SE   | MI CASA MY HOUSE INC.                                      | 8    | -                  | 230,445              | 230,445            |
| Meadown Green Court/Milestone Senior                                   | MILESTONE SENIOR OWNER LLC                                 | 7    | -                  | 1,700,862            | 1,700,862          |
| Liberty Place (DBH)  | NATL HOUSING TRUST-ENT PRES CO                             | 6    | -                  | 294,000              | 294,000            |
| Parkway Overlook   | PARKWAY OVERLOOK II LP                                     | 8    | -                  | 1,251,081            | 1,251,081          |
| 505 Jefferson St NW  | PHOENIX COOPERATIVE ASSOCIATIO                             | 4    | -                  | 70,491               | 70,491             |
| Sarah's Circle   | SARAH'S CIRCLE   | 1    | -                  | 8,400                | 8,400              |
| South Capitol  | SOUTH CAPITOL IMPROVEMENTS, LL                             | 8    | 608,394            | 22,486,922           | 23,095,316         |
| Square 769N  | SQUARE 769N AFFORDABLE LP                                  | 6    | -                  | 185,314              | 185,314            |
| St Elizabeth's   | ST ELIZABETH 1 LP  | 8    | -                  | 28,792,923           | 28,792,923         |
| Residence at Minnesota Gardens   | THE RESIDENCE AT MINNESOTA GAR                             | 7    | -                  | 135,358              | 135,358            |
| Partner Arms II  | TRANSITIONAL HOUSING CORP                                  | 4    | 26,581             | 55,437               | 82,019             |
| United 2nd Street Cooperative  | UNITED 2ND STREET COOPERATIVE, INC                         | 8    | 74,448             | 338,254              | 412,702            |
| Maplewood Courts   | VESTA MAPLEWOOD, LLC                                       | 8    | -                  | 2,912,069            | 2,912,069          |
| Voices of Madison Cooperative  | VOICES OF MADISON COOPERATIVE                              | 4    | -                  | -                    | -                  |
| Brookland Place Apartments   | WESLEY BROOKLAND LLC                                       | 5    | -                  | 1,950,814            | -                  |
|  | <b>Subtotal, Multi-Family Project Disbursements</b>        |      | <b>12,393,108</b>  | <b>153,896,281</b>   | <b>164,338,575</b> |
| <b>Other Related Activities</b>  |  |      |                    |                      |                    |
| Legal  | BALLARD SPAHR LLP  |      | 7,204              | 18,980               | 26,183             |
| Other Adjustments  |  |      | (30,767)           |                      | (30,767)           |
|  | <b>Subtotal, Other Related Activities</b>                  |      | <b>(23,564)</b>    | <b>18,980</b>        | <b>(4,584)</b>     |
|  | <b>Total, Multi-family Project Disbursement Activities</b> |      | <b>12,369,544</b>  | <b>153,915,261</b>   | <b>164,333,991</b> |
|  | DEVELOPMENT FINANCE DIVISION PAYROLL                       |      | 499,744            | -                    | 499,744            |
|  | <b>Total, Development Finance Project Costs</b>            |      | <b>12,869,288</b>  | <b>153,915,261</b>   | <b>164,833,735</b> |

Three projects closed using HPTF loans in the First Quarter of FY19 totaling \$50,431,260 in Obligated Funds: (Table 4).

**Table 4: Projects Closed Using HPTF Funds First Quarter FY19**

| Project Name                | Address                       | Ward | Project Type               | Number of Units | Closing Date | HPTF Loan Amount |
|-----------------------------|-------------------------------|------|----------------------------|-----------------|--------------|------------------|
| Ainger Place                | 2412 Ainger Place Southeast   | 8    | New Construction           | 72              | 10/25/2018   | \$10,691,242     |
| St. Elizabeths East Housing | 1100 Alabama Avenue Southeast | 8    | Substantial Rehabilitation | 202             | 10/26/2018   | \$28,792,923     |
| 555 E Street SW             | 555 E St SW                   | 6    | New Construction           | 58              | 12/14/2018   | \$10,947,095     |

Inclusive of the Development Finance Division's (DFD) FY19 HPTF budget authority (\$83,363,386), First Quarter FY19 expenditures and obligations, and the HPTF Fund balance, a total of \$83,975,704 in HPTF was available as of December 31, 2018. At the end of the First Quarter of FY19, there were 26 projects in the multi-family underwriting pipeline with HPTF funding requests, totaling approximately \$143,000,000 in Active Requests. Projects in the underwriting pipeline are expected to close over the next two fiscal years.