

Housing Production Trust Fund

Fiscal Year 2019 Fourth Quarter Report

July 1, 2019-September 30, 2019

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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 on HPTF activities and expenditures covers the Fourth Quarter of FY2019 from July 1, 2019-September 30, 2019

Fourth Quarter FY 2019 HPTF Summary

The HPTF fund balance at the beginning of the Fourth Quarter of FY 2019 was \$165,321,811 (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 Fourth Quarter of FY 2019 totaled \$77,195,441.

Table 1: Summary of Revenue and Disbursements²

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	2,931,619	-	(16,279,995)	172,903,989
Jan-Mar 2019	172,903,989	11,190,857	871,175	344,523		(30,690,471)	154,620,073
Apr-Jun 2019	154,620,073	20,683,161	5,003,518	1,508,713	9,899,000	(26,392,654)	165,321,811
Jul-Sep 2019	165,321,811	25,651,979	1,366,505	1,543,302	26,251,839	(77,195,441)	142,939,993
FY19	167,396,867	74,321,539	9,301,155	6,328,156	36,150,839	(150,558,561)	142,939,993

Revenue from recordation and transfer taxes, other income (interest income, Inclusionary Zoning contributions), and loan repayments totaled \$28,561,785 for the quarter. Project expenditures for all agency HPTF activities in the Fourth Quarter of FY19 totaled \$ 77,195,441 (Table 2).

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

² Unaudited totals

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
REVENUE					
Revenue from Recordation and Deed Taxes	16,795,542	11,190,857	20,683,161	25,651,979	74,321,539
Loan Repayment	2,931,585	344,515	1,461,243	1,532,104	6,269,447
Other Income	2,059,957	871,175	5,003,518	1,366,505	9,301,155
Miscellaneous Interest	33	8	47,470	11,198	58,709
Total Revenues	21,787,117	12,406,555	27,195,392	28,561,785	89,950,849
EXPENDITURES					
Project Expenditures (Multi-family)	(12,369,544)	(25,679,619)	(22,073,220)	(68,406,521)	(128,528,904)
DGS Project	(2,035,701)	(265,026)	(657,736)	(777,614)	(3,736,077)
Administrative Expenses	(1,873,289)	(2,978,187)	(3,117,022)	(5,634,459)	(13,602,957)
Single Family Residential Rehabilitation Program	(8,629)	(184,747)	(135,683)	(131,150)	(460,209)
Other Project Expenses	7,168	(1,582,891)	(408,993)	(2,245,698)	(4,230,415)
Total Expenditures	(16,279,995)	(30,690,471)	(26,392,654)	(77,195,441)	(150,558,561)
Excess/(Deficiency) Revenue over Expenditure	5,507,122	(18,283,916)	802,738	(48,633,656)	(60,607,712)
OTHER FINANCING SOURCES (Uses)					
Transfers in			9,899,000	26,251,839	36,150,839
Total Other Financing Sources and (Uses)	-	-	9,899,000	26,251,839	36,150,839
NET REVENUES OVER/(UNDER) EXPENDITURES	5,507,122	(18,283,916)	10,701,738	(22,381,817)	(24,456,873)

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.

At the end of the Fourth Quarter of FY19, \$103,551,882 was obligated to multi-family affordable housing projects and related activities. Project and related expenditures through the Fourth Quarter of FY19 totaled \$130,560,854 (Table 3).

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

FY2019 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY)					
October 1, 2018 through September 30, 2019					
Multi-Family Project Activities					
Project Name	Developer/Owner	Ward	Expenditure Amount	Remaining Obligation	Total Activity
1035 48th Street	1035 48TH LLC	7	37,419	49,149	86,568
1164 Bladensburg Rd	1164 BLADENSBURG LLC	5	2,639,374	538,861	3,178,235
1736 Rhode Island	1736 RHODE ISLAND AVENUE LLC	5	6,429,939	1,518,420	7,948,359
22 Atlantic Cooperative Association	22 ATLANTIC COOPERATIVE	8	602,187	1,915,340	2,517,527
Maple View Flats	2228 MLK LLC	8	3,094,147	-	3,094,147
301 Delafield Place, NW	301 DELAFIELD PLACE NW LLC	4	92,923	229,865	322,788
3500 East Capitol St, NE	3500 EAST CAPITOL	7	6,963,589	2,172,347	9,135,936
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	43,771	1,575	45,346
49-53 Missouri Ave, NW	49-53 MISSOURI AVENUE NW, LLC	4	17,700	185,343	203,043
5400-5408 5th St Acquisition	5400 5TH STREET, NW	4	67,104	427	67,532
555 E Street	555 E STREET SW SENIORS LLC	6	7,092,904	3,854,191	10,947,095
5912 14th Street, NW	5912 MISSOURI COOPERATIVE ASSC	4	3,263,718	195,654	3,459,372
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	9,440,036	1,251,206	10,691,242
Amber Overlook	AMBER OVERLOOK LLC	7	4,465,444	349,785	4,815,229
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	58,676	148,450	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	396,522	103,478	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	1,419,985	331,791	1,751,776
Brightwood Gardens	BRIGHTWOOD GARDENS	4	-	2,581,255	2,581,255
Capitol Vista	CAPITOL VISTA COMMUNITY PART	6	2,252,652	15,754,089	18,006,741
The Grove at Parkside	CIGD PARKSIDE 7 LLC	7	193,663	655,663	849,326
City View (DBH)	CITY VIEW REDEVELOPMENT	8	-	252,000	252,000
28th Place SE	DC HABITAT FOR HUMANITY	8	146,980	162,226	309,206
Delta Towers	DELTA SENIOR HOUSING OWNER LLC	5	1,928,831	21,332,476	23,261,307
7440 Georgia Ave NW	DIVERSITY COOPERATIVE, INC	4	14,719	246,926	261,645
E Street Cooperative	E STREET COOPERATIVE ASSOC.	6	1,088,652	(0)	1,088,652
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
Jubilee Euclid	JUBILEE EUCLID LLC	1	100,000	-	100,000
Maycroft	JUBILEE HOUSING, INC.	1	-	30,000	30,000
Jubilee Kalorama	JUBILEE KALORAMA LLC	1	100,000	-	100,000
Liberty Place	LIBERTY PLACE APARTMENTS LLC	6	1,626,049	7,439,338	9,065,387
Luzon Cooperative	LUZON COOPERATIVE @6323	4	73,698	77,388	151,086
8th & T	MANNA INC	1	124,637	-	124,637
Hunter Place	MANNA INC	8	474,377	1,444,046	1,918,423
Homes within Reach	MI CASA MY HOUSE INC.	8	104,348	473,071	577,419
1847-49 Good Hope Road, SE	MI CASA MY HOUSE INC.	8	37,903	192,542	230,445
Meadown Green Court/Milestone Senior	MILESTONE SENIOR OWNER LLC	7	-	1,700,862	1,700,862
Milestone Senior 4% Owner	MILESTONE SENIOR 4% OWNER LLC	7	875,828	825,034	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
Petworth Station	PETWORTH STATION LP	4	6,280,000	1,692,536	7,972,536
505 Jefferson St NW	PHOENIX COOPERATIVE ASSOCIATIO	4	-	70,491	70,491
Randle Hill	RANDLE HILL	8	12,500,000	500,000	13,000,000
Sarah's Circle	SARAH'S CIRCLE	1	8,400	-	8,400
South Capitol	SOUTH CAPITOL IMPROVEMENTS, LL	8	5,658,185	17,437,131	23,095,316
Square 769N	SQUARE 769N AFFORDABLE LP	6	185,314	-	185,314
St Elizabeth's	ST ELIZABETH 1 LP	8	26,038,406	2,754,517	28,792,923
Stanton Square Apartments	STANTON HOUSING LLC	8	6,229,636	11,459,051	17,688,687
Residence at Minnesota Gardens	THE RESIDENCE AT MINNESOTA GAR	7	135,358	-	135,358
1550 First Street SW	TM DBT LIMITED PARTNERSHIP	6	-	1	1
Partner Arms II	TRANSITIONAL HOUSING CORP	4	82,019	-	82,019
Partner Arms II (DBH)	TRANSITIONAL HOUSING CORP	4	46,199	-	46,199
United 2nd Street Cooperative	UNITED 2ND STREET COOPERATIVE, INC	8	280,053	47,946	327,999
Maplewood Courts	VESTA MAPLEWOOD, LLC	8	2,912,069	630,000	3,542,069
Voices of Madison Cooperative	VOICES OF MADISON COOPERATIVE	4	14	-	14
Brookland Place Apartments	WESLEY BROOKLAND LLC	5	1,435,249	515,565	1,950,814
	Subtotal, Multi-Family Project Disbursements		128,528,184	103,551,422	232,079,606
Other Related Activities					
Legal	BALLARD SPAHR LLP		21,087	-	21,087
Other Adjustments			(20,366)	-	(20,366)
	Subtotal, Other Related Activities		721	-	721
	Total, Multi-family Project Disbursement Activities		128,528,905	103,551,422	232,080,327
	DEVELOPMENT FINANCE DIVISION PAYROLL		1,998,384		1,998,384
	Other		33,566		33,566
	Total, Development Finance Project Costs		130,560,854	103,551,422	234,112,277

Table 4: Projects Closed Using HPTF Funds Fourth Quarter FY19

Seven projects closed using HPTF loans in the Fourth Quarter of FY19 totaling \$35,953,982 in Obligated Funds: (Table 4).

Project Name	Address	Ward	Project Type	Number of Units	Closing Date	HPTF Loan Amount
Jubilee Kalorama	1724 Kalorama Road Northwest	1	Pre-development Only	N/A	07/10/19	\$100,000
Jubilee- Euclid	1460 Euclid Street Northwest	1	Pre-development Only	N/A	07/19/19	\$100,000
5912 14th Street NW	5912 14th Street NW	4	Acquisition and Critical Repairs	22	07/26/19	\$3,459,372
3500 East Capitol Street NE (Phase II)	3500 East Capitol Street NE	7	New Construction	95	08/29/19	\$16,135,936
Randle Hill Apts.	3300 6th Street Southeast	8	Substantial Rehabilitation	195	09/27/19	\$13,000,000
Homes within Reach, Historic Anacostia	1928 15th Street, SE	8	New Construction	2	09/30/19	\$577,419
Brightwood Gardens	931 Longfellow Street NW	4	Substantial Rehabilitation	51	09/30/19	\$2,581,255

Inclusive of the Development Finance Division's (DFD) FY19 HPTF budget authority (\$83,363,386), Fourth Quarter FY19 expenditures and obligations, and the HPTF Fund balance, a total of \$16,417,532 in HPTF was available as of September 30, 2019. At the end of the Fourth Quarter of FY19, there were 13 projects in the multi-family underwriting pipeline with HPTF funding requests, totaling approximately \$75,895,358 in Active Requests. Projects in the underwriting pipeline are expected to close over the next two fiscal years.