

HOUSING PRODUCTION TRUST FUND

FISCAL YEAR 2018 SECOND QUARTER REPORT

January 1, 2018 - March 31, 2018

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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 Second Quarter of FY 2018 from January 1, 2018 to March 31, 2018.

Second Quarter FY 2018 HPTF Summary

The Fund Balance at the beginning of the Second Quarter of FY18 was \$238,217,277 (Table 1). DHCD’s FY18 Budget for all agency HPTF programs and activities is \$99,155,000, of which \$31,443,294 has been recorded as revenue through the end of the second quarter. Collections through the end of the fiscal year, along with a transfer to fund balance from the FY 2017 surplus, are projected to meet or slightly exceed the budgeted amount.

Table 1: Summary of Revenue and Disbursements

FY2018 QUARTERLY ACTIVITIES							
Quarter	Starting Balance	Recordation and Transfer Tax	Other Income	Loan Repayments	Transfers from Mayor's Office	Disbursements	Ending Balance
Oct-Dec 2017	236,988,404	16,979,379	2,954,942	256,601	-	(18,962,050)	238,217,277
Jan-Mar 2018	238,217,277	9,612,866	58,977	1,580,528		(34,861,584)	214,608,064
Apr-Jun 2018							
Jul-Sep 2018							

Revenue from recordation and transfer taxes, other income (interest income and Inclusionary Zoning contributions), and loan repayments totaled \$11,252,372 for the quarter. Project expenditures for all DHCD HPTF activities in the Second Quarter of FY18 totaled \$34,861,584 (Table 2). Expenditures are comprised of Multi-Family project expenditures, Single Family Residential Rehabilitation Program expenditures, and DHCD administrative expenditures.

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

Table 2: Statement of Revenues and Expenditures

STATEMENTS OF REVENUES AND EXPENDITURES					
October 1, 2017 - September 30, 2018					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY 2018
REVENUE					
Revenue from Recordation and Deed Taxes	16,979,379	9,612,866			26,592,246
Loan Repayment	256,601	1,580,528			1,837,129
Other Income	2,954,920	50,172			3,005,092
Miscellaneous Interest	22	8,806			8,828
Total Revenues	20,190,922	11,252,372	-	-	31,443,294
EXPENDITURES					
Project Expenditures (Multi-family)	(17,409,256)	(32,154,725)			(49,563,981)
Administrative Expenses	(1,047,400)	(2,100,586)			(3,147,986)
Single Family Residential Rehabilitation Program	(505,394)	(606,273)			(1,111,666)
Total Expenditures	(18,962,050)	(34,861,584)	-	-	(53,823,634)
Excess/(Deficiency) Revenue over Expenditure	1,228,873	(23,609,212)	-	-	(22,380,339)
OTHER FINANCING SOURCES (Uses)					
Transfers in					-
Total Other Financing Sources and (Uses)	-	-	-	-	-
NET REVENUES OVER/(UNDER) EXPENDITURES	1,228,873	(23,609,212)	-	-	(22,380,339)

Multi-Family HPTF Activities

HPTF multi-family affordable housing projects fall into one of three funding stages:

1. Active Requests are those projects selected for further underwriting and accepted into the Development Finance Division's (DFD) underwriting pipeline.
2. Obligated Funds are the amount of funds obligated to specific HPTF affordable housing projects. Obligations occur at the execution of final legal documents and the financial closing for the project.
3. Expended Funds are the funds disbursed to projects that have obligated funds. The majority of these disbursements occur during construction.

DFD's FY18 HPTF current budget for multi-family projects is \$306,784,310 (including the HPTF Fund balance). Less FY18 expenditures, obligations and commitments to date, a total of \$130,339,653 in HPTF was available as of March 31, 2018. At the end of the Second Quarter of FY18, there were 36 projects in the multi-family underwriting pipeline with HPTF funding requests, totaling approximately \$225,000,000 in Active Requests. Projects in the underwriting pipeline are expected to close over the next two to three fiscal years.

In the Second Quarter of FY18, \$107,318,411 was obligated to multi-family affordable housing projects and related activities (funding stage 2). This amount includes projects that had a

financial closing through Q2 FY18 or in previous fiscal years and are currently under construction. Project and related expenditures (funding stage 3) in the Second Quarter of FY18 totaled \$49,563,981 (Table 3).

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

FY2018 CASH DISBURSEMENTS/EXPENDITURES AND OBLIGATIONS (MULTI-FAMILY)					
First and Second Quarters - October 1, 2017 through March 31, 2018					
Multi-Family Project Activities					
Project Name	Developer/Owner	Ward	Expenditure Amount	Remaining Obligation	Total Activity
1164 Bladensburg Rd	1164 BLADENSBURG LLC	Ward 5	5,438,161	5,395,406	10,833,567
Maple View Flats	2228 MLK LLC	Ward 8	3,113,631	11,792,778	14,906,409
3534 East Capitol St., NE	3534 EAST CAP VENTURE, LLC	Ward 7	9,252,967	10,412,666	19,665,633
4000 Benning Road	4000 BENNING ROAD LLC	Ward 7	1,269,040	459,587	1,728,627
4040 8th Street, NW	4040 8TH STREET NW,LLC	Ward 4		150,267	150,267
49-53 Missouri Ave, NW	49-53 MISSOURI AVENUE NW, LLC	Ward 4		203,043	203,043
Amber Overlook	AMBER OVERLOOK LLC	Ward 7		5,588,431	5,588,431
NCCLT - 905 R St. NW	ANSWER TITLE AND ESCROW	Ward 2		19,497	19,497
Archer Park	ARCHER PARK LP	Ward 8		701,431	701,431
Manna Brightwood TOPA Pool	ATHENA LLC	Ward 4		25,529	25,529
Barlee Cooperative	BARLEE COOPERATIVE ASSOCIATION	Ward 4		232,556	232,556
The Beacon Center	BEACON CENTER HOUSING LLC	Ward 4		4,962,151	4,962,151
SOME Benning Road (The Conway Center)	BENNING RESIDENTIAL, LLC	Ward 7	5,775,369	3,116,849	8,892,217
4000 Kansas	CAS 4000 KANSAS LLC	Ward 4		429,568	429,568
7440 Georgia Ave NW	DIVERSITY COOPERATIVE, INC	Ward 4		280,941	280,941
Hilltop Apartments	EASTERN AVENUE REVELOPMENT	Ward 7	1,373,666		1,373,666
The Beacon Center	EMORY BEACON OF LIGHT, INC.	Ward 4	238,843	-	238,843
Glen Arms	GLENN ARMS PRESERVATION, LP	Ward 1	108,311	167,290	275,601
Hedin House	HEDIN HOUSE PRESERVATION LP	Ward 5	981,409	152,680	1,134,089
Hope Cooperative	HOPE COOPERATIVE ASSOCIATION	Ward 4	201,252	72,483	273,735
Luzon Cooperative	LUZON COOPERATIVE @6323	Ward 4		176,286	176,286
8th & T	MANNA INC	Ward 1		508,950	508,950
1847-9 Good Hope Rd., SE	MI CASA MY HOUSE INC.	Ward 8		333,662	333,662
Meadown Green Court/Milestone Senior	MILESTONE SENIOR OWNER LLC	Ward 7	432,765	6,476,903	6,909,668
Parkway Overlook	PARKWAY OVERLOOK II LP	Ward 8	10,461,896	9,638,104	20,100,000
Plaza West	PLAZA WEST LLC	Ward 6	5,768,579	3,486,873	9,255,451
South Capitol	SOUTH CAPITOL IMPROVEMENTS, LL	Ward 8		25,138,557	25,138,557
West End - Square 50	SQUARE 50 AFFORDABLE HOUS	Ward 2	455,414		455,414
Square 769N	SQUARE 769N AFFORDABLE LP	Ward 6	210,975	185,314	396,288
The Langdon Apartments	THE LANGDON APARTMENTS	Ward 5	785,412	-	785,412
Residence at Minnesota Gardens	THE RESIDENCE AT MINNESOTA GAR	Ward 7		258,130	258,130
Tivoli Gardens Apartments	TIVOLI GARDENS OWNER LLC	Ward 5	2,572,500	-	2,572,500
Partner Arms II	TRANSITIONAL HOUSING CORP	Ward 4	355,464	799,905	1,155,369
United 2nd Street Cooperative	UNITED 2ND STREET COOPERATIVE, INC	Ward 8		507,225	507,225
Maplewood Courts	VESTA MAPLEWOOD, LLC	Ward 8		6,695,000	6,695,000
Voices of Madison Cooperative	VOICES OF MADISON COOPERATIVE	Ward 4		125,350	125,350
Brookland Place Apartments	WESLEY BROOKLAND LLC	Ward 5		8,825,000	8,825,000
	Subtotal, Multi-Family Project Disbursements		48,795,654	107,318,411	156,114,065
Other Related Activities					
Project Support Activities	Supplemental legal services, subscriptions, training		28,324	173,784	202,108
	Subtotal, Other Related Activities		28,324	173,784	202,108
	Total, Multi-family Project Disbursement Activities		48,823,978	107,492,195	156,316,173
	DEVELOPMENT FINANCE DIVISION PAYROLL		740,003	-	740,003
	Total, Development Finance Project Costs		49,563,981	107,492,195	157,056,176

Four projects closed using HPTF funds in the Second Quarter of FY18 totaling \$38,783,936 in Obligated Funds (Table 4).

Table 4: Projects Closed Using HPTF Funds Second Quarter FY18

Project Name	Address	Ward	Project Type	Number of Units	Closing Date	HPTF Loan Amount
Maplewood Courts	2306 Hartford St. SE	Ward 8	Substantial Rehabilitation	94	01/09/18	\$6,695,000
1164 Bladensburg Road	1164 Bladensburg Rd. NE	Ward 5	New Construction	65	1/11/18	\$10,833,567
Parkway Overlook Apartments	Robinson Pl. SE	Ward 8	Substantial Rehabilitation/ New Construction	220	02/07/18	\$20,100,000
Partner Arms 2	4506 Georgia Ave. NW	Ward 4	Substantial Rehabilitation	12	03/13/18	\$1,155,369