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# Housing Finance Agency

[www.dchfa.org](http://www.dchfa.org)

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Description	FY 2012 Approved	FY 2013 Proposed	% Change from FY 2012
Operating Budget	\$8,884,000	\$8,734,900	-1.7

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The Housing Finance Agency (HFA) was established in 1979 as a corporate body with a legal existence separate from the government of the District of Columbia to stimulate and expand homeownership and rental housing opportunities for low-and moderate-income families in the District. HFA issues taxable and tax-exempt mortgage revenue bonds to lower the costs of financing single-family housing and of acquiring, constructing, and rehabilitating rental housing. In addition, HFA administers the issuance of 4-percent low-income housing tax credits to achieve its affordable housing preservation, rehabilitation, and development objectives on behalf of the Department of Housing and Community Development (DHCD).

The agency's FY 2013 proposed budget is presented in the following tables:

## FY 2013 Proposed Gross Funds Operating Budget, by Revenue Type

Table HF0-1 contains the proposed FY 2013 agency budget compared to the FY 2012 approved budget.

**Table HF0-1**  
(dollars in thousands)

Appropriated Fund	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
<b>General Fund</b>				
Special Purpose Revenue Funds	8,884	8,735	-149	-1.7
<b>Total for General Fund</b>	<b>8,884</b>	<b>8,735</b>	<b>-149</b>	<b>-1.7</b>
<b>Gross Funds</b>	<b>8,884</b>	<b>8,735</b>	<b>-149</b>	<b>-1.7</b>

\*Percent change is based on whole dollars.

**Note:** If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2013 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2013 Proposed Operating Budget, by Comptroller Source Group

Table HF0-2 contains the proposed FY 2013 budget at the Comptroller Source Group (object class) level compared to the FY 2012 approved budget.

**Table HF0-2**  
(dollars in thousands)

Comptroller Source Group	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
11 - Regular Pay - Continuing Full Time	4,552	4,699	147	3.2
14 - Fringe Benefits - Current Personnel	1,185	1,000	-185	-15.6
15 - Overtime Pay	38	32	-6	-14.7
<b>Subtotal Personal Services (PS)</b>	<b>5,775</b>	<b>5,731</b>	<b>-44</b>	<b>-0.8</b>
20 - Supplies and Materials	116	110	-6	-5.2
30 - Energy, Comm. and Building Rentals	144	140	-4	-2.8
31 - Telephone, Telegraph, Telegram, Etc.	66	68	2	2.3
33 - Janitorial Services	50	56	6	12.2
34 - Security Services	0	18	18	N/A
40 - Other Services and Charges	1,300	1,170	-130	-10.0
41 - Contractual Services - Other	946	1,018	72	7.6
70 - Equipment and Equipment Rental	300	185	-115	-38.5
80 - Debt Service	187	240	53	28.2
<b>Subtotal Nonpersonal Services</b>	<b>3,109</b>	<b>3,004</b>	<b>-105</b>	<b>-3.4</b>
<b>Gross Funds</b>	<b>8,884</b>	<b>8,735</b>	<b>-149</b>	<b>-1.7</b>

\*Percent change is based on whole dollars.

## Program Description

Although the Housing Finance Agency appears as a single entity in the District's financial system, it operates through the following 3 programs:

**Multi-Family Development** - provides tax-exempt and taxable bonds, tax credits, and McKinney Act Savings Loan funds as financial tools that are integral to development of the community's ability to provide affordable, safe and decent housing to low-income and special needs populations. The multi-family mortgage revenue bond and tax credit products serve as vehicles for developers to access low-cost institutional debt and equity tools that enhance return on investment. When combined with 4-percent Low-Income Housing Tax Credits and other subsidies, the HFA's mortgage revenue bond product, which is offered in enhanced structures, provides competitive, below-market rate pricing and helps to preserve, rehabilitate, or construct affordable and mixed-income housing in the District.

This program contains the following 2 activities:

- **Technical Assistance** - provides technical assistance on all aspects of underwriting to developers who produce affordable housing, and acts as facilitators with city and federal government agencies to help expedite the permitting process and other approvals. In addition, HFA's staff provides ongoing construction monitoring to ensure construction is successfully completed and properly managed; and
- **Financing Assistance** - provides several financing programs, including the Multi-family Mortgage Revenue Bond Program, Low-Income Housing Tax Credit Program, and McKinney Act Savings Loan Fund. Depending on a project's eligibility, tax-exempt bonds, taxable bonds or low-interest loans can be used for pre-development activities, as well as the acquisition, construction and renovation of multi-family buildings. Financing can be used for the rehabilitation or construction of rental housing, cooperatives, assisted-living facilities, and transitional housing.

**Single Family Development** - provides low-interest mortgages for persons purchasing a home in the District at or below the national and local conventional rates.

This program contains the following 2 activities:

- **Homebuyer Assistance** - provides 30-year fixed rate mortgages and assistance with down payment and closing costs, as funds are available; and
- **Homeownership Education** - provides regular seminars and community outreach in an effort to empower persons seeking to become homeowners in the District. Through the HFA, information is made available to residents on the Single Family Bond products, financing options, the District government's employer assistance program, tax credits, tax abatements, the Home Purchase Assistance Program (HPAP), other programs to help with closing costs, and other incentives for homebuyers.

**HomeSaver Program** - This is a U.S. Treasury Hardest Hit Fund Initiative, which is federally funded and provides forgivable mortgage loans to the homeowners of the District of Columbia who are at risk of foreclosure and who have experienced involuntary job loss.

## Program Structure Change

The Housing Finance Agency has no program structure changes in the FY 2013 proposed budget.

## FY 2013 Proposed Operating Budget and FTEs, by Program and Activity

Table HF0-3 contains the proposed FY 2013 budget by program and activity compared to the FY 2012 approved budget.

**Table HF0-3**

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Approved FY 2012	Proposed FY 2013	Change from FY 2012
<b>(1000) Housing Finance Agency</b>						
(1100) Housing Finance Agency	8,884	8,735	-149	0.0	0.0	0.0
<b>Subtotal (1000) Housing Finance Agency</b>	<b>8,884</b>	<b>8,735</b>	<b>-149</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Proposed Operating Budget</b>	<b>8,884</b>	<b>8,735</b>	<b>-149</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

**Note:** For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2013 Operating Appendices** located on the Office of the Chief Financial Officer's website.

### FY 2013 Proposed Budget Changes

The Housing Finance Agency's proposed FY 2013 gross budget is \$8,734,900, which represents a 1.7 percent decrease from its FY 2012 approved gross budget of \$8,884,000. The budget is comprised entirely of Special Purpose Revenue funds.

#### Initial Adjusted Budget

**Cost Increases:** The proposed budget includes increases of \$146,900 in Regular Pay for non-District government staff increases; \$71,900 in Contractual Services – Other to accommodate the projected increase in Contractual Services necessary for the financing needs of the agency; \$52,801 to cover the projected debt service cost; and \$21,600 in fixed costs in multiple commodities.

**Cost Decreases:** The proposed budget includes a decrease of \$185,300 in Fringe Benefits; a \$130,000 decrease in Other Services and Charges due to a reduced need for these services; a \$115,400 decrease in equipment cost; a \$6,000 decrease in Supplies and Materials cost; and a reduction of \$5,600 in Overtime Pay.

## FY 2012 Approved Budget to FY 2013 Proposed Budget, by Revenue Type

Table HF0-4 itemizes the changes by revenue type between the FY 2012 approved budget and the FY 2013 proposed budget.

**Table HF0-4**

(dollars in thousands)

	PROGRAM	BUDGET	FTE
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Approved Budget and FTE</b>		<b>8,884</b>	<b>0.0</b>
Cost Increase: Regular Pay - Continuing Full Time	Housing Finance Agency	147	0.0
Cost Increase: Contractual Services-Other	Housing Finance Agency	72	0.0
Cost Increase: Cover debt service cost	Housing Finance Agency	53	0.0
Cost Increase: Fixed cost for multiple commodities	Housing Finance Agency	22	0.0
Cost Decrease: Fringe Benefits - Current Personnel	Housing Finance Agency	-185	0.0
Cost Decrease: Reduction to Other Services and Charges	Housing Finance Agency	-130	0.0
Cost Decrease: Reduction to equipment cost	Housing Finance Agency	-115	0.0
Cost Decrease: Reduction to Supplies and Materials cost	Housing Finance Agency	-6	0.0
Cost Decrease: Reduction to Overtime Pay	Housing Finance Agency	-6	0.0
<b>FY 2013 Initial Adjusted Budget</b>		<b>8,735</b>	<b>0.0</b>
<b>SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Proposed Budget and FTE</b>		<b>8,735</b>	<b>0.0</b>
<b>Gross for HF0 - Housing Finance Agency</b>		<b>8,735</b>	<b>0.0</b>

(Change is calculated by whole numbers and numbers may not add up due to rounding)

