
Housing Finance Agency

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Table HF0-1

Description	FY 2016	FY 2017	FY 2018	FY 2019	% Change
	Actual	Actual	Approved	Proposed	from FY 2018
OPERATING BUDGET	\$0	\$0	\$12,320,210	\$13,460,432	9.3
FTEs	0.0	0.0	0.0	0.0	N/A

Note: Prior year actuals are not reported for the Housing Finance Agency, because the agency does not use the District's financial system for its actual transactions.

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 home-ownership and rental housing opportunities for low-and moderate-income families in the District.

The Housing Financing Agency 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 four 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 2019 proposed budget is presented in the following tables:

FY 2019 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HF0-2 contains the proposed FY 2019 budget by revenue type compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data.

Table HF0-2

(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change*	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change
Appropriated Fund												
ENTERPRISE AND OTHER												
Enterprise and Other Fund												
- O Typess	0	0	12,320	13,460	1,140	9.3	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR ENTERPRISE AND OTHER	0	0	12,320	13,460	1,140	9.3	0.0	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	0	0	12,320	13,460	1,140	9.3	0.0	0.0	0.0	0.0	0.0	N/A

*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 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2019 Proposed Operating Budget, by Comptroller Source Group

Table HF0-3 contains the proposed FY 2019 budget at the Comptroller Source Group (object class) level compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual expenditures.

Table HF0-3

(dollars in thousands)

	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Percentage Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	0	0	5,588	5,952	363	6.5
14 - Fringe Benefits - Current Personnel	0	0	1,714	1,826	111	6.5
15 - Overtime Pay	0	0	30	30	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	0	0	7,333	7,808	475	6.5
20 - Supplies and Materials	0	0	113	117	3	3.0
30 - Energy, Communication and Building Rentals	0	0	139	143	4	3.0
31 - Telephone, Telegraph, Telegram, Etc.	0	0	103	106	3	3.0
33 - Janitorial Services	0	0	84	103	18	21.8
34 - Security Services	0	0	26	27	1	3.0
40 - Other Services and Charges	0	0	1,854	1,910	56	3.0
41 - Contractual Services - Other	0	0	2,472	2,546	74	3.0
50 - Subsidies and Transfers	0	0	0	500	500	N/A
70 - Equipment and Equipment Rental	0	0	196	202	6	3.0
SUBTOTAL NONPERSONAL SERVICES (NPS)	0	0	4,987	5,653	666	13.3
GROSS FUNDS	0	0	12,320	13,460	1,140	9.3

*Percent change is based on whole dollars.

FY 2019 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HF0-4 contains the proposed FY 2019 budget by division/program and activity compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table HF0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018
(1000) HOUSING FINANCE AGENCY										
(1100) Housing Finance Agency	0	0	12,320	13,460	1,140	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (1000) HOUSING FINANCE AGENCY	0	0	12,320	13,460	1,140	0.0	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	0	0	12,320	13,460	1,140	0.0	0.0	0.0	0.0	0.0

(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 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

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 multifamily 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.

Home Saver Program – is a U.S. Treasury Hardest Hit Fund Initiative, which is federally funded and provides forgivable mortgage loans to 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 2019 proposed budget.

FY 2018 Approved Budget to FY 2019 Proposed Budget, by Revenue Type

Table HF0-5 itemizes the changes by revenue type between the FY 2018 approved budget and the FY 2019 proposed budget. For a more comprehensive explanation of changes, please see the FY 2019 Proposed Budget Changes section, which follows the table.

Table HF0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUND - O TYPES: FY 2018 Approved Budget and FTE		12,320	0.0
Agency Request-Increase: To align personal services and Fringe Benefits with projected costs	Housing Finance Agency	475	0.0
Agency Request-Increase: To align resources with operational spending goals	Housing Finance Agency	139	0.0
Agency Request-Increase: To align Fixed Costs with proposed estimates	Housing Finance Agency	26	0.0
ENTERPRISE AND OTHER FUND - O TYPES: FY 2019 Mayor’s Proposed Budget		12,960	0.0
Enhance: To support the Reverse Mortgage Foreclosure Prevention Act	Housing Finance Agency	500	0.0
ENTERPRISE AND OTHER FUND - O TYPES: FY 2019 District’s Proposed Budget		13,460	0.0
GROSS FOR HF0 - HOUSING FINANCE AGENCY		13,460	0.0

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

FY 2019 Proposed Budget Changes

The Housing Finance Agency’s (HFA) proposed FY 2019 gross budget is \$13,460,432, which represents a 9.3 percent increase over its FY 2018 approved gross budget of \$12,320,210. The budget is comprised entirely of Enterprise and Other funds.

Mayor's Proposed Budget

Agency Request – Increase: The HFA's budget reflects net increases of \$474,692 in personal services to cover Fringe Benefits and support the higher cost of non-District government staff; \$139,050 in nonpersonal services to support ongoing operations; and \$26,481 in Fixed Costs due to higher projections across all commodities.

District's Proposed Budget

Enhance: HFA's proposed budget includes an enhancement in the amount of \$500,000 to support the Reverse Mortgage Foreclosure Prevention Act of 2018. This initiative will aid seniors facing foreclosure because of the impact of reverse mortgages.