

Housing Production Trust Fund Subsidy

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Description	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	% Change from FY 2015
Operating Budget	\$38,966,000	\$0	\$50,179,389	N/A

The subsidy account previously reflected the total Dedicated Taxes (General Fund) transfer to the Housing Production Trust Fund (HPTF) to fulfill its operational obligations during a budgetary year. It now reflects any Local funds transfer to the HPTF.

The HPTF, which is administered by the District of Columbia's Department of Housing and Community Development (DHCD), is a legally separate entity for which the elected officials of the District of Columbia are financially accountable. Details of the HPTF's operating budget are provided in the Enterprise and Other Funds section of the budget document.

In FY 2007, a subsidy account for this entity was created to show the annual transfer of dedicated deed recordation and deed transfer taxes from the District's General Fund to the HPTF. In total, 15 percent of these tax revenues are dedicated to the HPTF. This 15 percent share was budgeted in two agencies. First, the amount required for debt service on borrowing for New Communities projects was budgeted in the Repayment of Revenue Bonds agency, in the Financing and Other appropriation title. Second, the remaining amount of the 15 percent share was budgeted in the HPTF Subsidy agency, to be transferred to the HPTF. Beginning in FY 2013, these funds were deposited directly into the HPTF; thus, there is no transfer of Dedicated Taxes through the General Fund. There was a transfer of Local funds to the HPTF through this agency in FY 2013 and FY 2014, and a Local funds transfer is also budgeted in FY 2016.

The agency's FY 2016 proposed budget is presented in the following tables:

FY 2016 Proposed Gross Funds Operating Budget, by Revenue Type

Table HP0-1 contains the proposed FY 2016 agency budget compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table HP0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
General Fund						
Local Funds	66,931	38,966	0	50,179	50,179	N/A
Total for General Fund	66,931	38,966	0	50,179	50,179	N/A
Gross Funds	66,931	38,966	0	50,179	50,179	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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Operating Budget, by Comptroller Source Group

Table HP0-2 contains the proposed FY 2016 budget at the Comptroller Source Group (object class) level compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table HP0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
50 - Subsidies and Transfers	66,931	38,966	0	50,179	50,179	N/A
Subtotal Nonpersonal Services (NPS)	66,931	38,966	0	50,179	50,179	N/A
Gross Funds	66,931	38,966	0	50,179	50,179	N/A

*Percent change is based on whole dollars.

Program Description

The Housing Production Trust Fund Subsidy operates through the following program:

Housing Production Trust Fund (Subsidy) – provides funds to fulfill operational obligation for the Housing Production Trust Fund.

Program Structure Change

The Housing Production Trust Fund Subsidy has no program structure changes in the FY 2016 proposed budget.

FY 2016 Proposed Operating Budget and FTEs, by Program and Activity

Table HP0-3 contains the proposed FY 2016 budget by program and activity compared to the FY 2015 approved budget. It also provides the FY 2014 actual data.

Table HP0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015
(1000) Housing Production Trust Fund (Subsidy)								
(1100) Housing Production Trust Fund (Subsidy)	30,227	0	50,179	50,179	0.0	0.0	0.0	0.0
(1102) Housing Production Trust Fund (Subsidy)	8,739	0	0	0	0.0	0.0	0.0	0.0
Subtotal (1000) Housing Production Trust Fund (Subsidy)	38,966	0	50,179	50,179	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	38,966	0	50,179	50,179	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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Budget Changes

The Housing Production Trust Fund Subsidy's proposed FY 2016 gross budget is \$50,179,389, which represents an increase of \$50,179,389 over its FY 2015 approved gross budget. The budget is comprised entirely of Local funds.

Agency Budget Submission

The Housing Production Trust Fund Subsidy's budget proposal in Local funds reflects no change from the FY 2015 approved budget to the agency budget submission.

Mayor's Proposed Budget

Enhance: The Local funds budget includes an increase of \$50,179,389 in Subsidies and Transfers in the Housing Production Trust Fund (Subsidy) program to reflect an adjustment to nonpersonal services costs. These funds provide financial assistance to non-profit and for-profit developers that support the rehabilitation and acquisition of affordable housing for rental or homeownership in the District of Columbia.

District's Proposed Budget

No Change: The Housing Production Trust Fund Subsidy's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.

FY 2015 Approved Budget to FY 2016 Proposed Budget, by Revenue Type

Table HP0-4 itemizes the changes by revenue type between the FY 2015 approved budget and the FY 2016 proposed budget.

Table HP0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2015 Approved Budget and FTE		0	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2016 Current Services Funding Level (CSFL) Budget		0	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2016 Agency Budget Submission		0	0.0
Enhance: Funding to enhance affordable housing initiatives	Housing Production Trust Fund (Subsidy)	50,179	0.0
LOCAL FUNDS: FY 2016 Mayor's Proposed Budget		50,179	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2016 District's Proposed Budget		50,179	0.0
Gross for HP0 - Housing Production Trust Fund Subsidy		50,179	0.0

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

Note: The total going to the HPTF in the FY 2016 budget is \$107.8 million. There is \$57.7 million of dedicated revenue for affordable housing, and to this the Mayor added \$50.1 million of Local funds to further stimulate the production of affordable housing. By law, \$7.8 m of the total is used to pay debt service on borrowing for New Communities projects (see the Debt Service chapter in "Financing and Other"). The remaining \$100 million goes directly into the Housing Production Trust Fund, as shown here.