

Housing Production Trust Fund Subsidy

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Table HP0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$0	\$50,179,389	\$55,054,224	9.7

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.

Summary of Services

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, FY 2014, and FY 2016, and a Local funds transfer is also budgeted in FY 2017.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HP0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table HP0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual	Approved	Proposed	Change		Actual	Approved	Proposed	Change	
	FY 2015	FY 2016	FY 2017	FY 2016	Percentage Change*	FY 2015	FY 2016	FY 2017	FY 2016	Percentage Change
GENERAL FUND										
LOCAL FUNDS	0	50,179	55,054	4,875	9.7	0.0	0.0	0.0	0.0	N/A
TOTAL FOR GENERAL FUND	0	50,179	55,054	4,875	9.7	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	0	50,179	55,054	4,875	9.7	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 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table HP0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table HP0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
50 - SUBSIDIES AND TRANSFERS	38,966	0	50,179	55,054	4,875	9.7
SUBTOTAL NONPERSONAL SERVICES (NPS)	38,966	0	50,179	55,054	4,875	9.7
GROSS FUNDS	38,966	0	50,179	55,054	4,875	9.7

*Percent change is based on whole dollars.

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HP0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table HP0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(1000) HOUSING PRODUCTION TRUST FUND (SUBSIDY)								
(1100) HOUSING PRODUCTION TRUST FUND (SUBSIDY)	0	50,179	55,054	4,875	0.0	0.0	0.0	0.0
SUBTOTAL (1000) HOUSING PRODUCTION TRUST FUND (SUBSIDY)	0	50,179	55,054	4,875	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	0	50,179	55,054	4,875	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 2017 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

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

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

Program Structure Change

The Housing Production Trust Fund Subsidy has no program structure changes in the FY 2017 proposed budget.

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table HP0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table HP0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2016 Approved Budget and FTE		50,179	0.0
Removal of One-Time Funding	Housing Production Trust Fund (Subsidy)	-50,179	0.0
LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget		0	0.0
Increase: Affordable housing initiatives funding (one-time)	Housing Production Trust Fund (Subsidy)	55,054	0.0
LOCAL FUNDS: FY 2017 Agency Budget Submission		55,054	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2017 Mayor's Proposed Budget		55,054	0.0
GROSS FOR HP0 - HOUSING PRODUCTION TRUST FUND SUBSIDY		55,054	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 2017 budget is \$100 million. There is \$52.8 million of dedicated revenue for affordable housing, and to this the Mayor added \$55.1 million of Local funds to further stimulate the production of affordable housing. By law, \$7.8 million of the total is used to pay debt service on borrowing for New Communities projects (see the Debt Service chapter in "Financing and Other").

FY 2017 Proposed Budget Changes

The Housing Production Trust Fund Subsidy's proposed FY 2017 gross budget is \$55,054,224, which represents a 9.7 percent increase over its FY 2016 approved gross budget of \$50,179,389. The budget is comprised entirely of Local funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2017 CSFL adjustments to the FY 2016 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

HPTF's FY 2017 CSFL budget is \$0, which represents a \$50,179,389, or 100 percent, decrease from its FY 2016 approved Local funds budget of \$50,179,389.

CSFL Assumptions

The FY 2017 CSFL calculated for HPTF included adjustment entries that are not described in detail on table 5. These adjustments include a reduction of \$50,179,389 to account for the removal of one-time funding appropriated in FY 2016 for affordable housing initiatives.

Agency Budget Submission

Increase: The Housing Production Trust Fund Subsidy's budget proposal in Local funds reflects a one-time increase of \$55,054,224 allocated in support of the District's affordable housing initiatives.

Mayor's Proposed Budget

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