
Housing Finance Agency

www.dchfa.org

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Description	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$9,339,000	\$8,884,000	-4.9

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 2012 proposed budget is presented in the following tables:

FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table HF0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget.

Table HF0-1
(dollars in thousands)

Appropriated Fund	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
General Fund				
Special Purpose Revenue Funds	9,339	8,884	-455	-4.9
Total for General Fund	9,339	8,884	-455	-4.9
Gross Funds	9,339	8,884	-455	-4.9

*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 2012 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table HF0-2 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget.

Table HF0-2
(dollars in thousands)

Comptroller Source Group	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	4,535	4,552	17	0.4
14 - Fringe Benefits - Curr Personnel	1,110	1,185	75	6.8
15 - Overtime Pay	38	38	0	0.0
Subtotal Personal Services (PS)	5,683	5,775	92	1.6
20 - Supplies and Materials	110	116	6	5.5
30 - Energy, Comm. and Building Rentals	131	144	13	9.9
31 - Telephone, Telegraph, Telegram, Etc.	63	66	3	4.8
33 - Janitorial Services	49	50	1	2.0
34 - Security Services	10	0	-10	-100.0
40 - Other Services and Charges	900	1,300	400	44.4
41 - Contractual Services - Other	910	946	36	4.0
70 - Equipment and Equipment Rental	1,300	300	-1,000	-76.9
80 - Debt Service	183	187	4	2.2
Subtotal Nonpersonal Services	3,656	3,109	-547	-15.0
Gross Funds	9,339	8,884	-455	-4.9

*Percent change is based on whole dollars.

Program Description

The Housing Finance Agency operates through the following 2 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.

Program Structure Change

The Housing Finance Agency has no program structure changes in the FY 2012 Proposed Budget.

FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table HF0-3 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget.

Table HF0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Approved FY 2011	Proposed FY 2012	Change from FY 2011
(1000) Housing Finance Agency						
(1100) Housing Finance Agency	9,339	8,884	-455	0.0	0.0	0.0
Subtotal (1000) Housing Finance Agency	9,339	8,884	-455	0.0	0.0	0.0
Total Proposed Operating Budget	9,339	8,884	-455	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 2012 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Budget Changes

The FY 2012 budget for HFA includes a net decrease of \$455,000 in Special Purpose Revenue funds due to a \$1,000,000 decrease in the equipment upgrade costs, partially offset by an increase of \$92,000 in personal services for salary and benefits; an increase of \$6,000 in supplies; an increase of \$13,000 in fixed cost estimates for multiple commodities; a net

increase of \$394,000 in other services and charges due to additional services, higher cost and a broader scope in the services utilized by the agency; an increase of \$36,000 in contractual services due to additional software development and automation expenses to automate operations and processes; and an increase of \$4,000 in debt service.

FY 2011 Approved Budget to FY 2012 Proposed Budget, by Revenue Type

Table HF0-4 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

Table HF0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Approved Budget and FTE		9,339	0.0
Cost Increase: Contractual services	Housing Finance Agency	36	0.0
Cost Increase: Cover debt service cost	Housing Finance Agency	4	0.0
Cost Increase: Fixed cost for multiple commodities	Housing Finance Agency	13	0.0
Cost Increase: General supplies	Housing Finance Agency	6	0.0
Cost Increase: Other services and charges	Housing Finance Agency	394	0.0
Cost Decrease: Reduction to equipment cost	Housing Finance Agency	-1,000	0.0
Cost Increase: Salary and corresponding benefits	Housing Finance Agency	92	0.0
FY 2012 Initial Adjusted Budget		8,884	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Proposed Budget and FTE		8,884	0.0
Gross for HF0 - Housing Finance Agency		8,884	0.0

