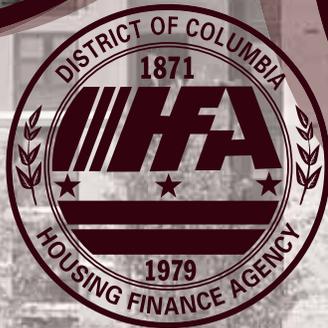


# *Affordable Capital*

FOR

# *Affordable Housing*



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**ANNUAL REPORT 2009**



## BOARD OF DIRECTORS

Michael L. Wheet, Chairman  
Jacque D. Patterson, Vice Chairman  
Buwa Binitie, Member  
Derek Ford, Member

## DEDICATION

The District of Columbia Housing Finance Agency report for the fiscal year ending September 30, 2009 is respectfully submitted to:

The Honorable Adrian M. Fenty  
*Mayor, District of Columbia*

The Honorable Vincent C. Gray  
*Chair, Council of the District of Columbia*

The Honorable Marion Barry  
*Chair, Committee on Housing and Workforce Development*

The Honorable Kwame R. Brown  
*At-Large*

The Honorable Michael A. Brown  
*At-Large*

The Honorable David A. Catania  
*At-Large*

The Honorable Phil Mendelson  
*At-Large*

The Honorable Jim Graham  
*Councilmember, Ward 1*

The Honorable Jack Evans  
*Councilmember, Ward 2*

The Honorable Mary M. Cheh  
*Councilmember, Ward 3*

The Honorable Muriel Bowser  
*Councilmember, Ward 4*

The Honorable Harry Thomas, Jr.  
*Councilmember, Ward 5*

The Honorable Tommy Wells  
*Councilmember, Ward 6*

The Honorable Yvette Alexander  
*Councilmember, Ward 7*

The Honorable Marion Barry  
*Councilmember, Ward 8*



A MESSAGE FROM

## *the Chairman*

Greetings!

It has been an honor to serve as the Chairman of the District of Columbia Housing Finance Agency during this 30th Anniversary Year.

The record of success demonstrated by this Agency during the past thirty years is a legacy of the many who have been active in providing housing for residents of the District—members of the Board in prior years, as well as those who have worked for the Agency throughout its history. That legacy continued this year through the leadership of my fellow Board members, the current Executive Director, Harry D. Sewell, the senior management team and the rest of the staff. While this past fiscal year proved challenging, the staff continued to develop innovative ways to be the leader in providing affordable housing in the District.

From the partnership with the Harvard University Kennedy School of Government and their analysis of mixed income housing development in the District, to serving as the District's Information Resource Center for the President's stimulus bills as they related to affordable housing finance, to working tirelessly to implement the Treasury supported bond financing program enacted this year by Congress, to the redesigning of the Agency's website ([www.dchfa.org](http://www.dchfa.org)) launched this past year, we had to be innovators to ensure our lasting viability in the District despite the market slowdown.

Each day we are reminded of the impact we have on the lives of individuals, families and children. Be it a groundbreaking for new affordable rental units for seniors or a ribbon cutting for a mixed use development in a transitioning neighborhood, to a phone call with an individual who wants to buy their first home, we are proud to make an impact.

Thank you for your support over the years! We look forward to continuing along this journey started thirty years ago: to provide affordable housing for every resident of the District.

Michael L. Wheet

CHAIRMAN





A MESSAGE FROM

# *the Executive Director*

Welcome!

It's been an incredible 30 years of affordable housing development in the Nation's Capital. The District of Columbia Housing Finance Agency is proud to present this Annual Report highlighting 30 years of successes and accomplishments and spotlighting the great work in Fiscal Year 2009.

During the last 30 years, the Agency has invested over \$2.5 billion across all eight wards of the city financing tens of thousands of affordable rental developments and homeownership opportunities. The billions of dollars invested have changed the physical character of communities, the face of neighborhoods, and the lives of thousands of families.

This past year was challenging given the national and local economic conditions. However, an engine that boosted the District's initiatives was President Barack Obama's economic stimulus bills—the *Housing and Economic Recovery Act* (HERA) and the *American Recovery and Reinvestment Act* (ARRA). Through the President's initiatives, the District was able to secure funds to finance "shovel ready" affordable housing developments and preserve private and local investments.

As we look towards the future, we are proud to announce the Agency's participation in the U.S. Treasury's New Issue Bond Program (NIBP) whereby the Agency received over \$193 million for the financing of affordable housing in the District. Next year, we will rely on our partners to assist us in utilizing this valuable resource to catapult the District to higher levels of success in affordable housing development.

Harry D. Sewell  
EXECUTIVE DIRECTOR



## EXECUTIVE LEADERSHIP TEAM

Harry D. Sewell  
*Executive Director*

Fran D. Makle  
*Deputy Executive Director*

Allison Ladd  
*Associate Executive Director*

Anthony Waddell  
*Director, Public Finance*

Gwen Adams\*  
*Director, DC Home Resource Center*

David Jefferson  
*Director, Compliance and Asset Management*

Harry T. Alexander, Jr.\*  
*General Counsel*

Sergei V. Kuzmenchuk  
*Chief Financial Officer*

\*former employee

### Cover Page

*Upper Left Photo: Residences at Georgia Avenue*

*Upper Right Photo: The Overlook at Oxon Run*

*Graphic Design by: MOSAIC*

*Photos by: Terri J. Copeland*





# 30 YEARS

OF

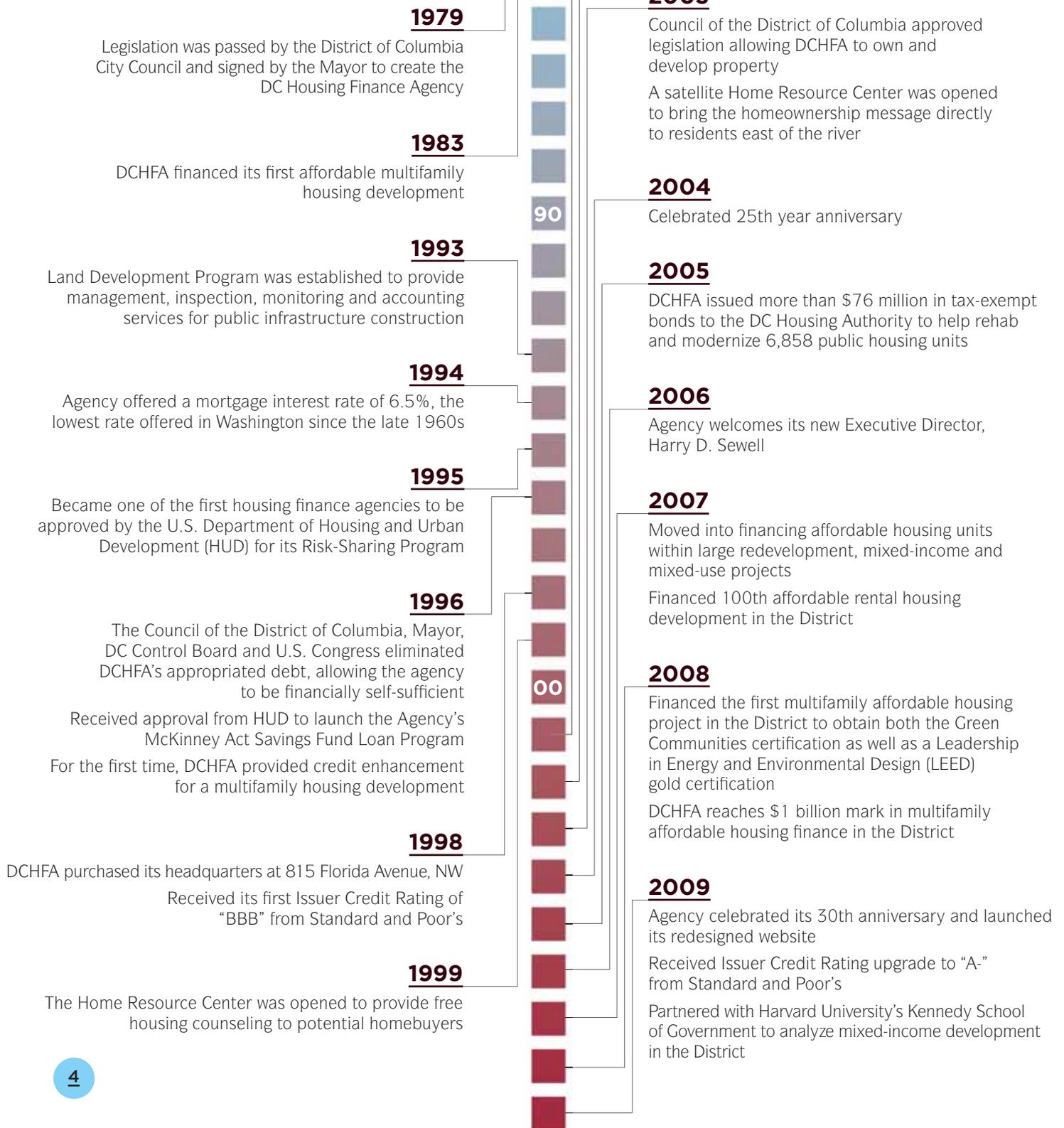
## *Affordable Housing*

BUILDING NEIGHBORHOODS,  
GROWING COMMUNITIES

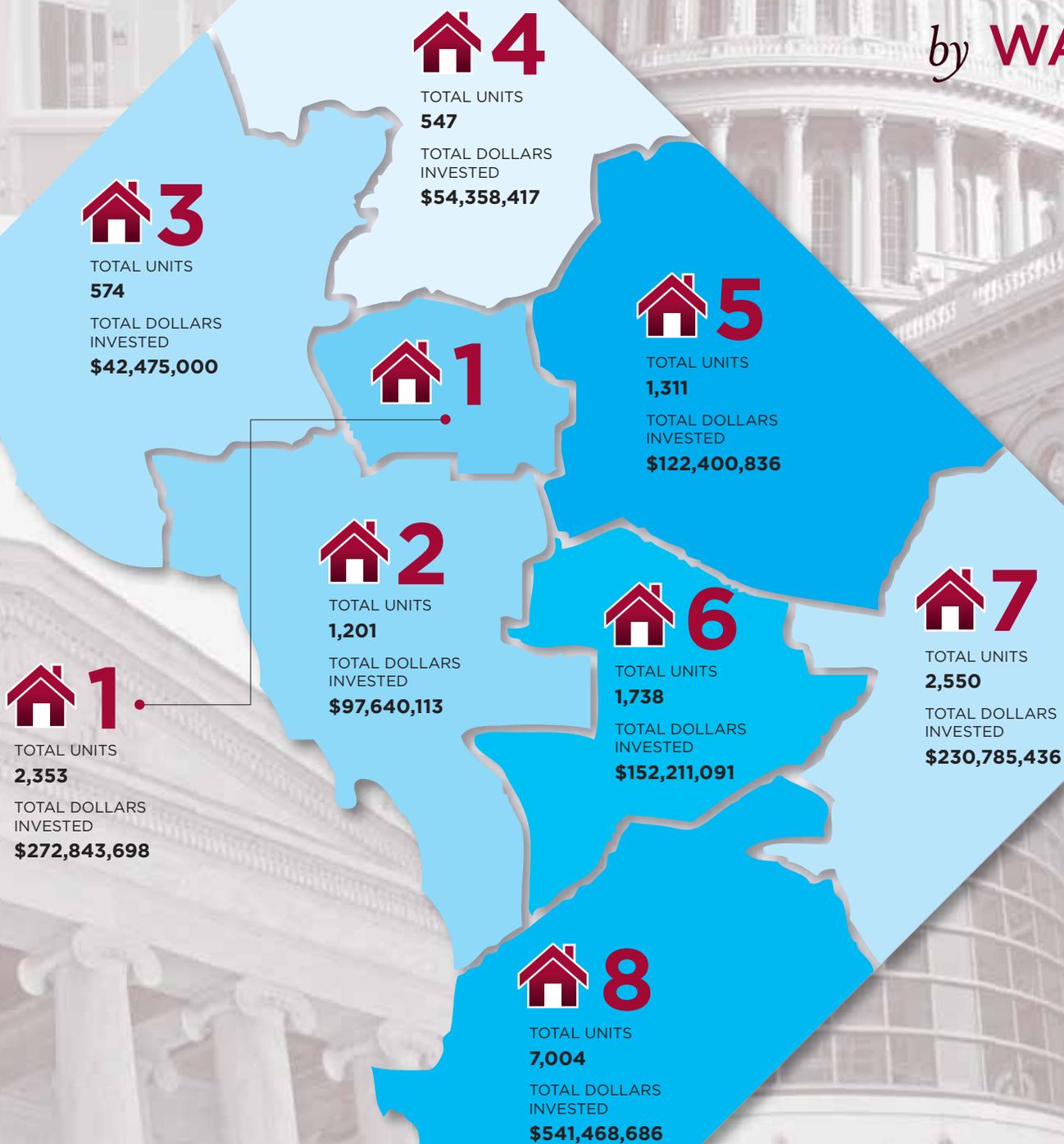


# 30 OF Affordable YEARS Housing Development

## WHERE WE ARE, HOW WE GOT HERE



# DOLLARS INVESTED *and* MULTIFAMILY RENTAL UNITS CREATED *and/or* PRESERVED *by* WARD



1 Based on data available

2 In addition to numbers indicated, DCHFA issued \$76 million in tax-exempt bonds to the DC Housing Authority in 2005 to modernize 6,858 units of public housing units in various wards of the city.

# COMMUNITY PRESERVATION

## *R Street Apartments* AND THE *Five Voices* OF *R Street Tenant Association*

*R Street Apartments* should serve as a testimony to the power of the human spirit. When the historic building located in Logan Circle, a coveted neighborhood of the city, came up for sale, the tenants didn't know what would be their fate. Considering home values in the area at the time, this 124 unit affordable rental property was sure to be purchased by a for-profit developer anxious to turn the five historic buildings into condominiums. But when *The Five Voices of R Street Tenant Association* joined forces with the *National Housing Trust/Enterprise Preservation Corporation* and the *Hampstead Development Group* (the Partnership) their futures looked much brighter.

Through the Partnership's guidance, the Five Voices of R Street Tenant Association exercised their right of first refusal to acquire the property through a District law called the Tenant Opportunity to Purchase Act (TOPA). They were then successful in obtaining a \$6.5 million acquisition loan from the DC Department of Housing and Community Development (DHCD) and a \$12.3 million rehabilitation loan from the DC Housing Finance Agency (DCHFA) to breathe new life

into their homes. The 124 units of housing affordable to low and moderate income families were given a new 40 year term of affordability thus stabilizing the lives of its residents. "We're excited about the renovations and we look forward to living a better life" said Cassandra Witt, president of the Five Voices of R Street Tenant Association, during the ribbon-cutting ceremony of the newly renovated buildings.

In addition to the difficult task of acquiring the building, the Partnership faced another challenge as well. Specifically, how they were going to successfully merge the desire for green building development with historic preservation requirements. Built in 1912, the property was listed on the National Register and therefore included very stringent rules for renovations. Despite these challenges, the Partnership was successful in providing a green roof with solar reflective materials, new bathrooms and kitchens using energy star appliances and low-flow fixtures, rain barrels to harvest water, a new heating and cooling system, new site lighting, an upgraded security system, ADA accessible units, a renovated community room and free high-speed internet for all residents.



(left and right)  
Photos of the  
buildings' front  
exteriors after  
renovation

(right) Interior hallway after renovation



(below) Interior hallway before renovation



# THE RESIDENCES at Georgia Avenue

Developed by the *Neighborhood Development Company*, a DC-based real estate development company, *The Residences at Georgia Avenue* is a 72-unit, residential/retail mixed-use, transit-connected development project located in the Petworth neighborhood of Ward 4 in the District. With underground parking and environmentally green features included, this 100% affordable property encompasses the best of urban affordable housing development.



(above) *Yes! Organic's* produce aisle

(above, right) *Yes! Organic's* entrance

(below) Aerial view from green roof

Providing more than bricks and mortar to its residents, the building also houses an organic grocer on its ground level. The *Yes! Organic* grocery store provides fresh, organic vegetables, meats, supplements

and more to encourage healthy lifestyles to the building's residents as well as to the surrounding neighborhood. Additionally, *The Residences at Georgia Avenue* offers tenants a green roof with a spectacular view. Other benefits of the green roof include reduced heating and cooling costs for residents, and improved storm water management for the neighborhood and city at-large.

When taking into account the much needed cost savings that accrue to low and moderate income



families from having access to transit service, today's urban affordable housing development model should always include this critical component. Research shows that families living in auto-dependent neighborhoods spend an average of 25% of their income on transportation while those living near transit spend an average of just 9% of their income on transit. Located within a quarter mile of the Petworth metro rail station and with frequent service bus routes right outside the door, *The Residences at Georgia Avenue* offers its residents these savings.

Through the issuance of both short term and long term tax-exempt bonds and syndicated low income housing tax credits, the DC Housing Finance Agency provided \$17 million in net proceeds toward the project's \$25.6 million total development cost. The DC Department of Housing and Community Development added \$6.7 million in subordinate debt from its Housing Production Trust Fund to other sources to round out the project's financing.



*(right) Yes! Organic's  
supplements aisle*

*(middle) Aerial view from  
green roof*

*(bottom) The Residences at  
Georgia Avenue*



# Capitol Quarter: LIFE AT THE RIVER'S EDGE

*Capitol Quarter* is a mixed-income, smart growth, green community in the re-developed Capitol Riverfront neighborhood of Washington, DC. *Capitol Quarter* is being developed through a public/private partnership that includes, among others, the DC Housing Finance Agency (DCHFA), the DC Housing Authority (DCHA), the DC Department of Housing and Community Development (DHCD), the U.S. Department of Housing and Urban Development (HUD) and EYA, an award-winning developer and new home builder.

numerous courtyard areas provide outdoor living space for neighborly interactions.

*Capitol Quarter*, the townhomes portion of the overall HOPE VI redevelopment project, is an EYA neighborhood that offers 'life within walking distance.' EYA is rebuilding what was once over 100 outdated public housing units into a vibrant, mixed-income neighborhood that represents a national model for sustainable growth. And for the first time since the HOPE VI Program's inception, the redevelopment plan includes a one-to-one replacement of all demolished public housing units.

As an urban infill location with environmentally-friendly construction, *Capitol Quarter* achieved a Silver LEED for Homes certification making it the largest LEED for Homes certified community in the country. Additionally, by offering smartly designed home sizes, the project achieves an impressive density of 37 units per acre supporting the proposition of this being the highest and best use of valuable city land. Furthermore, by providing a variety of housing choices for people of all income levels, *Capitol Quarter* brings the District's workers closer to employment and recreation centers, reducing strain on city roadways as well as limiting automobile emissions.

The District of Columbia Housing Finance Agency has invested close to \$42 million in phase one of this HOPE VI redevelopment effort. As a result, 341 affordable units of senior, workforce and public rental housing have been created.

(below) A bathroom with tub and stand alone shower as featured in one of the model units



(above)  
A view of the Dining and Living Rooms as featured in one of the model units

The implementation of the Arthur Capper/Carrollsborg Dwellings revitalization plan, of which *Capitol Quarter* is a part, was spurred by a \$34 million HOPE VI grant from HUD to DCHA to rebuild the former 23-acre, 707 unit public housing complex. Once completed, the grant will have leveraged approximately \$700 million for the development of over 1,600 newly built market rate townhomes, affordable workforce homes and public rental apartments situated within walking distance of three metro stations. Streets and home locations are pedestrian-friendly and



# RETURNING FAMILIES

## Bonita Holbrook

Bonita Holbrook (right), a returning resident from the former *Arthur Capper/Carrollsbury Dwellings*, speaks during the ribbon-cutting ceremony.



The anguish of a mother recounting the constant fear of her little boys becoming victims of random violence or being recruited by the drug dealers who claimed the neighborhood . . .



The joy, relief and gratitude of a mother embracing the new, safe, clean neighborhood to which she is returning to raise her sons.



Ms. Holbrook gets a first look at a unit similar to the one she will occupy.

## ★ ★ ★ The Abrahams

The Abraham Family visits the model unit as they plan for their introduction to homeownership in *Capitol Quarter's* phase two. As the eighth child of nine, Kivette Abraham recalls that her family was the first to move into the brand new *Arthur Capper/Carrollsbury Dwellings (The Dwellings)* when they were first constructed back in the 1950s. "I was born in this neighborhood and all of my siblings were raised here" says Kivette as she thinks back on her history in the neighborhood. "I loved my neighborhood and I didn't want to leave" she said. Although she did acknowledge that things changed a lot over time. "It was a good family-based community when I was growing up but the sense of community was lost over the years as people moved away and others moved in. Even still, it was always home for me and my family," she recalls.

Kivette never left the *The Dwellings*. She lived there with her mother and her two daughters until her mother passed away in 2001. That event made her the head of the household and Kivette took seriously her role of holding down the home front. So much so that she and her two daughters, Aisa and Kevaghna, were among the last two families to move out of the 707-unit *Dwellings* just before demolition was to begin. Kivette recounted how she learned of the plan to rebuild her community, "Aisa had a fifth grade class assignment to go to Union Station to see a replica of a rebuilt DC. As we looked at the replica,

we were shocked to see a park in the place where our house was located. That was around 1998."

Today, the Abrahams anticipate the day they will move back and into a newly built and their first-ever, owned home. Back in 2004 when posed with the choice of either coming back to a public housing unit or obtaining a Section 8 voucher to be used for lease/purchase, Kivette opted for the latter. However, as a result of an improvement in her economic condition, she no longer qualifies for Section 8 and therefore must wait a little longer to purchase one of the workforce for-sale townhomes in phase 2 of the project. The DCHFA Single Family Mortgage Program will be made available to buyers of these homes who are interested and qualify.

In the meantime, she continues to keep her daughters grounded as she puts Aisa through North Carolina Central University and helps Kevaghna adjust to her new life at Duke Ellington's School of the Arts. Kevaghna, a freshman at Ellington, is a very talented music major.



Kevaghna (bed) and Aisa (chair) imagine studying together in Kevaghna's room.



Daughters, Kevaghna (left) and Aisa (right) explore the kitchen as Mom, Kivette Abraham (far right) looks on.

# THE OVERLOOK at Oxon Run

*The Overlook at Oxon Run*, a newly renovated, 316 unit apartment tower formerly known as *Parkside Terrace* is a beautifully appointed multifamily building, targeting a mixed-tenant population of families and seniors. Perched on a hill, *The Overlook* immediately captures and holds one's view as you drive along Wheeler Road in the Washington Highlands neighborhood of Southeast Washington.

*The Overlook* is part of significant and recent revitalization activities in Ward 8 neighborhoods east of the Anacostia River. East of the River was an area of the city that had been neglected for decades until local non-profits and the HUD HOPE VI program began to breathe life back into it. With the successful rebuilding of Valley Green—previously one of the worst public housing complexes of the city—into what is now known as *The Wheeler Creek Estates*, the rebirth of Ward 8 began. It was the city's first HOPE VI project and *The Overlook at Oxon Run* sits adjacent.

Offering remarks during the ribbon-cutting ceremony, the Samayoa family expressed excitement about their new home. "It is just wonderful to have a 2 bedroom apartment that we can actually afford

(left) Talise Samayoa, 2, appears to be in the happiest place she can imagine as she relaxes in dad, Fernando Samayoa's arms.



in the city. And being a stay at home mom, to have a washer and dryer in my unit and a playground for my children is like a dream come true” said Tantillya Samayoa. Her husband, Fernando added “I love the security; it’s really nice to have somewhere you can call home and be safe.” Their 2 year old daughter, Talise, was just happy to be in her daddy’s arms as she endured the ceremony.

The Developer of *The Overlook*, the Community Preservation Development Corporation (CPDC) is one of the partners in that neighborhood’s overall redevelopment effort. With a second redevelopment project underway just two blocks from *The Overlook*, CPDC can be credited with having a vested interest in the success of the community. CPDC, a DC-based nonprofit developer of affordable housing throughout the Mid-Atlantic region, has successfully developed and/or managed over 20 communities consisting of over 3,500 units of affordable housing.

The eighty-seven million dollars in total development cost for the acquisition and complete renovation of *The Overlook* was financed through a combination of \$64 million in DC Housing Finance Agency issued tax-exempt bonds and syndicated low income housing tax credits, a \$21.5 million loan from the DC Department of Housing and Community Development Housing Production Trust Fund and a deferred developers’ fee totaling \$2.6 million.



Talise Samayoa, 2, represents the most important reason for the redevelopment activities underway in the Ward 8 community, the children.

Tantillya and Fernando Samayoa share their joy of having a clean, safe, affordable place to live in the city.



# 30 YEARS

## CELEBRATING THE PAST

*DCHFA Kicks Off Its 30 Year Anniversary Celebration*



(above) Ward 8 Councilman and Housing & Workforce Development Committee Chair, Marion Barry, joined DCHFA Chairman, Michael L. Wheat and Executive Director, Harry D. Sewell to help kick-off the agency's 30 year anniversary celebration.

DC Housing Finance Agency hosted a reception to kick-off a year-long celebration. The celebration, attended by 200 of its industry partners, was held in the atrium of DCHFA's headquarters and featured the sultry songs of *Legacy Jazz Quartet*. And while the reception was truly intended to celebrate and have a good time, it also included two ceremonial resolutions and a Mayoral congratulatory letter to acknowledge the agency's accomplishments over the years.



(above) DCHFA Executive Director, Harry D. Sewell, signs a ceremonial resolution during the 30 year anniversary kick-off reception.

## PREPARING FOR THE FUTURE



### *DCHFA Launches Its Newly Redesigned Website*

As part of its thirtieth anniversary celebration, the DC Housing Finance Agency launched its redesigned website. The timing of the redesign was prompted, in part, by the paradigm shift happening in the economy overall and the mortgage revenue bond industry more specifically. The start of DCHFA's thirtieth anniversary year confirmed that change would remain a constant companion to the industry for the foreseeable future. As a result, both availability and access to information would be critical for any business seeking to effectively adapt and remain competitive.

Consistent with that principle, DCHFA identified 2009 as an ideal time to enhance the way it communicated with its partners.

By launching its newly redesigned website ([www.dchfa.org](http://www.dchfa.org)), its goal was to expand the availability of and ease of access to information that directly impacts housing development and ownership in Washington, D.C. From its developers' page to its resource center, one finds not only information about the programs offered by DCHFA but information about other industry partners or policies that might impact his/her housing project as well.



# 30<sup>TH</sup> ANNIVERSARY BREAKFAST SYMPOSIUM

## FROM IDEAS TO ACTION *Implementing a Mixed-Income Housing Strategy in Washington, DC in a Tough Economic Climate*

(below)  
DCHFA  
Executive  
Director, Harry  
D. Sewell,  
opens the  
30th Year  
Anniversary  
Breakfast  
Symposium.



As part of its 30th anniversary celebration activities, the District of Columbia Housing Finance Agency competed for and won the opportunity to have Harvard University's Kennedy School of Government Graduate Program to research the District's mixed-income housing strategy. Over the course of the school year, two second-year graduate students from the Kennedy School analyzed the District's housing policies, researched national best practices and interviewed key development partners—including developers, government officials, and representatives from the financial industry. From that analysis, the students produced a paper with strategic recommendations for improving the District's mixed-income housing strategy.

The Agency celebrated the release of the research with a breakfast symposium designed to stimulate discussion around this very important, timely topic. A few of the recommendations from the papers served as the foundation for the symposium's three panel discussions. The panels were entitled: *Maximizing Interagency Collaboration to Overcome Present Market Realities*; *Nonprofit Developers: Who is Better Positioned to Meet the District's Mixed-Income Housing Needs*; and *Financing & Integrating Resident Services into the Development Model in Today's Challenging Environment*.



(above)  
Calvin Gladney, as Moderator, is joined by J. Michael Pitchford, Pam Askew and Richard Mostyn on a panel entitled *Nonprofit vs. For-profit Developers: Who is Better Positioned to Meet the District's Mixed-Income Housing Needs*.

## EFFECTIVE STRATEGIES FOR MANAGING URBAN PROPERTIES

The Agency's Compliance and Asset Management Group hosted a conference entitled *Effective Strategies for Managing Urban Properties*. Topics covered by the conference included: *Strategies for Lease Enforcement*, *Strategies for Marketing Affordable Properties*, *Strategies to Prepare for the Annual Physical Inspection*, *Strategies for Securing and Maintaining Urban Properties* and *LIHTC Policy Updates*. In addition, an introduction to the new Property Managers' page on the agency's redesigned website was provided by David L. Jefferson, Director of the Compliance and Asset Management Group. Conference speakers represented government agencies such as the U.S. Department of Justice and the D.C. Department of Housing and Community Development and companies including the Jair Lynch Development Partners, Hunter Homes, LLC and Housing Opportunities Commission of Montgomery County, Maryland.

The presentation on effective marketing strategies inspired a lively discussion on the changing demographics and new marketing methods for attracting audiences eligible for and/or seeking access to the affordable rental market.



Reginald Hunter of Hunter Homes, LLC shares REAC protocols with the audience during the *Preparing for Annual Physical Inspections* presentation.



CAM Director, David L. Jefferson shares with the audience, the ease of access the new website provides to information and forms required to maintain properties in compliance.

# INDEPENDENT AUDITOR'S REPORT

Board of Directors  
District of Columbia Housing Finance Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheets of the District of Columbia Housing Finance Agency, (the Agency) as of September 30, 2009, and the related consolidated statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended (not presented herein); and in our report dated December 31, 2009, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

Washington, DC *Thompson, Cobb, Bazilio & Associates, P.C.*  
December 31, 2009

**TCBA**

**THOMPSON, COBB, BAZILIO & ASSOCIATES, PC**

1101 15th Street, NW Suite 400 Washington, DC 20005  
PH 202.737.3300 FX 202.737.2684 [www.tcba.com](http://www.tcba.com)

**DISTRICT of COLUMBIA HOUSING FINANCE AGENCY BALANCE SHEETS**  
**SEPTEMBER 30, 2009 and 2008**

**ASSETS**

<b>CURRENT ASSETS</b>	<b>2009</b>	<b>2008</b>
<b>Unrestricted current assets:</b>		
Cash and cash equivalents	\$ 25,435,434	\$ 22,690,359
Other receivables	6,391,318	4,116,041
Total unrestricted current assets	31,826,752	26,806,400
<b>Restricted current assets:</b>		
Restricted cash and cash equivalents	62,093,229	53,420,054
Accrued interest receivable	5,386,540	6,475,777
Total restricted current assets	67,479,769	59,895,831
<b>TOTAL CURRENT ASSETS</b>	99,306,521	86,702,231
<b>NON-CURRENT ASSETS</b>		
<b>Unrestricted non-current assets:</b>		
Investments	4,843,169	7,262,835
Loans receivable	140,000	140,000
Prepaid expenses	138,926	195,983
Total unrestricted non-current assets	5,122,095	7,598,818
<b>Restricted non-current assets:</b>		
Investments held in trust	94,077,508	436,868,129
Mortgage backed securities at fair value	294,144,361	268,076,621
Mortgage and construction loans receivable	573,549,989	525,920,915
Loans receivable	2,276,709	2,017,593
McKinney Act loans receivable	2,340,254	2,698,089
Other receivables	174,951	139,903
Bond issue costs, net	2,062,755	2,068,923
Total restricted non-current assets	968,626,527	1,237,790,173
<b>Capital assets:</b>		
Land	573,000	573,000
Property and equipment	3,709,208	3,630,909
Leasehold improvements	1,528,294	1,524,389
Less accumulated depreciation and amortization	(3,248,299)	(3,081,160)
Total capital assets, net	2,562,203	2,647,138
<b>TOTAL NON-CURRENT ASSETS</b>	976,310,825	1,248,036,129
<b>TOTAL ASSETS</b>	\$ 1,075,617,346	\$ 1,334,738,360

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	<b>2009</b>	<b>2008</b>
<b>Current liabilities payable from unrestricted assets:</b>		
Accounts payable and accrued liabilities	\$ 2,322,846	\$ 932,797
Accrued salary and vacation payable	196,849	201,857
Deferred revenue	1,092,997	1,489,849
Total current liabilities payable from unrestricted assets	3,612,692	2,624,503
<b>Current liabilities payable from restricted assets:</b>		
Tenant subsidy funds	542,927	542,927
Escrow deposits	5,862,976	7,220,898
Deferred credits	44,365,572	52,494,654
Deferred revenue	901,377	1,007,242
Interest payable	10,712,813	12,195,365
Bonds payable	57,295,264	98,442,558
Certificates of participation	115,000	110,000
Total current liabilities payable from restricted assets	119,795,929	172,013,644
<b>TOTAL CURRENT LIABILITIES</b>	123,408,621	174,638,147
<b>NON-CURRENT LIABILITIES</b>		
<b>Non-current liabilities payable from restricted assets:</b>		
Loans payable	457,027	459,779
Bonds payable	845,930,393	1,067,208,732
Certificates of participation	1,175,000	1,290,000
Total non-current liabilities payable from restricted assets	847,562,420	1,068,958,511
<b>TOTAL LIABILITIES</b>	970,971,041	1,243,596,658
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	1,272,205	1,247,139
Restricted for:		
Bond Fund and Risk Share	60,111,331	56,512,995
McKinney Act Fund	8,532,925	8,413,903
Total restricted net assets	68,644,256	64,926,898
Unrestricted net assets	34,729,844	24,967,665
<b>TOTAL NET ASSETS</b>	104,646,305	91,141,702
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 1,075,617,346	\$ 1,334,738,360

**DISTRICT of COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS of REVENUES, EXPENSES AND CHANGES in NET ASSETS**  
*Years Ended* **SEPTEMBER 30, 2009** and **2008**

	<b>2009</b>	<b>2008</b>
<b>OPERATING REVENUES</b>		
Investment interest income	\$ 6,752,586	22,040,323
Mortgage-backed security interest income	15,366,924	14,457,485
Interest on mortgage and construction loans	28,092,842	21,889,031
McKinney Act interest revenue	182,634	223,027
Application and commitment fees	47,923	75,685
HUD Section 8 housing assistance receipts	10,264	53,815
Service project receipts	6,828,403	6,425,565
Other	18,584,574	15,467,560
Total operating revenues	75,866,150	80,632,491
<b>OPERATING EXPENSES</b>		
General and administrative	7,106,049	7,525,221
Personnel and related costs	3,932,732	3,760,497
Interest expense	49,943,907	58,320,535
Depreciation and amortization	161,597	201,275
Service project payments	6,731,294	6,428,175
Bond cost of issuance amortization	570,241	606,833
Trustee fees and other expenses	8,019,926	806,038
Total operating expenses	76,465,746	77,648,574
<b>OPERATING INCOME (LOSS)</b>	(599,596)	2,983,917
<b>NON-OPERATING REVENUES/EXPENSES</b>		
Increase in fair value of mortgage-backed securities	14,104,199	2,752,208
<b>CHANGE IN NET ASSETS</b>	13,504,603	5,736,125
Net assets, beginning of year	91,141,702	85,405,577
Net assets, end of year	\$ 104,646,305	\$ 91,141,702

# DISTRICT of COLUMBIA HOUSING FINANCE AGENCY

## STATEMENTS of CASH FLOWS

Years Ended **SEPTEMBER 30, 2009** and **2008**

	2009	2008
<b>Cash Flows From Operating Activities</b>		
Interest and principal received on loans	\$ 20,497,050	\$ 17,013,351
Other cash receipts	24,755,484	20,281,628
Payments to vendors	(7,356,741)	(7,701,522)
Payments to employees	(3,937,740)	(3,846,864)
Net mortgage and construction loans disbursed	(47,888,190)	(61,228,001)
Receipts of service project income	6,838,667	6,479,380
Payments of service project expenses	(6,732,794)	(6,429,675)
Principal and interest received on mortgage-backed securities	26,652,209	31,931,093
Purchase of mortgage-backed securities	(39,648,177)	(15,687,693)
Other cash payments	(6,541,596)	(13,966,443)
<b>Net cash used in operating activities</b>	(33,361,828)	(33,154,746)
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition of fixed assets	(82,202)	(366,950)
Payments of bonds and long-term debt	(110,000)	(125,000)
<b>Net cash used in capital and related financing activities</b>	(192,202)	(491,950)
<b>Cash Flows From Non-Capital Financing Activities</b>		
Funds disbursed for multi-family projects	(59,242,089)	(85,780,285)
Interest paid on bonds	(51,211,864)	(57,327,147)
Proceeds from tax credit equity	48,878,648	65,311,919
Proceeds from bond issuances	79,328,778	154,760,807
Principal payments on issued debt	(341,971,756)	(125,801,392)
<b>Net cash used in non-capital financing activities</b>	(324,218,283)	(48,836,098)
<b>Cash Flows From Investing Activities</b>		
Interest received on investments	10,143,320	20,827,347
Sale of investments	453,527,071	305,651,836
Purchase of investments	(94,479,828)	(221,125,059)
<b>Net cash provided by investing activities</b>	369,190,563	105,354,124
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	11,418,250	22,871,330
Cash and cash equivalents, beginning of year	76,110,413	53,239,083
Cash and cash equivalents, end of year	\$ 87,528,663	\$ 76,110,413
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating income	\$ (599,596)	\$ 2,983,917
Depreciation	167,137	201,275
Amortization	568,326	(268,071)
Interest on bonds	49,943,907	57,327,148
(Decrease) Increase in mortgage and construction loans	(47,888,190)	(61,228,001)
Decrease in mortgage-backed securities	13,580,440	14,721,400
Purchase of mortgage-backed securities	(39,648,177)	(15,687,693)
Investment interest income	(6,752,586)	(22,040,323)
Decrease (increase) in assets:		
Receivables	(2,321,106)	2,009,956
Other current assets	57,056	(443,231)
Other receivables	10,781	-
Accrued interest received	(2,301,502)	-
Increase (decrease) in liabilities:		
Payables	1,165,989	861,007
Deferred revenue and credits	2,013,616	(11,221,687)
Escrow deposits	(1,357,923)	(370,443)
<b>Net cash used in operating activities</b>	\$ (33,361,828)	\$ (33,154,746)

# BOARD *of* DIRECTORS



*(left to right)* Buwa Binitie, Jacque D. Patterson (Vice Chairman),  
Michael L. Wheet (Chairman), Derek Ford, and Harry D. Sewell (Secretary)

# DCHFA *Employees*

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Abiy Tamrat  
Anita Thomas  
Marcus Thompson  
Anthony Turner  
Anthony Waddell

Tameka Webb  
Sandy Whitehorn  
Mitria Wilson\*  
Michael Winter  
Birol Yilmaz  
Connell Young

\*FORMER EMPLOYEE

# 30 YEARS

OF

## *Affordable Housing*

BUILDING NEIGHBORHOODS,  
GROWING COMMUNITIES





## DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY

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