

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
BOARD OF DIRECTORS MEETING**

May 12, 2015
815 Florida Avenue, NW
Washington, DC 20001
5:30 p.m.

Draft Minutes

I. Call to order and verification of quorum.

The Presiding Member, Mr. Derek Ford, called the meeting to order at 5:53 p.m. and asked the Interim Secretary to the Board, Ms. Maria K. Day-Marshall, Esq., to verify a quorum. With three members present, the Board of Directors (“the Board”) had a quorum, and the meeting continued. The members present included Mr. Derek Ford, Ms. Leila Batties and Mr. Stanley Jackson.

The Presiding Member asked the Board to review the agenda. A motion was made by Ms. Batties to approve the agenda as presented and seconded by Mr. Jackson. The agenda was approved by voice vote.

II. Approval of the minutes from the April 27, 2015 Board Meeting.

The Presiding Member asked the Board present to review the draft minutes of the April 27, 2015 meeting.

- Ms. Batties asked for clarification regarding the ability of owners in the for sale town homes at Archer Park to sell while the affordability covenants were still in place. Mr. Ford responded that it was based on a percentage of the years remaining and the amount outstanding.

Mr. Charles Lowery joined the meeting during this discussion. A motion was made by Ms. Batties to approve the minutes as presented and seconded by Mr. Jackson. The minutes were approved as presented by voice vote.

III. Vote to close the meeting to discuss the approval of the North LIHTC Residential project and bond transaction and the selection of a vendor for the Agency’s Financial Management Software.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting in order to discuss, establish, or instruct the Agency’s staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of the North

LIHTC Residential project and bond transaction and the selection of a vendor for the Agency's Financial Management Software. An open meeting would adversely affect the bargaining position or negotiation strategy of the Agency. (D.C. Code §2-575(b)(2)).

A motion to close the meeting was made by Ms. Batties and seconded by Mr. Jackson. The motion was approved by voice vote.

IV. The meeting re-opened at 6:25 p.m.

V. Consideration of DCHFA Resolution No. 2015-09, a Final Bond Resolution for North LIHTC Residential.

Ms. Batties recused herself from participation in the discussion and voting on Resolution No. 2015-09 as she represents East Bank on non-related matters. Ms. Day-Marshall then introduced DCHFA Resolution No. 2015-09 to the Board for consideration and introduced Mr. Anthony Waddell, Director of Public Finance. Mr. Waddell introduced Mr. Dante Thomas, Development Officer, who provided a brief description of the project. The project is expected to be located at 770 C Street, SE, in Ward 6. The development at the site will consist of the new construction of one building containing thirty four affordable housing units with one above grade and below grade level of retail. The project has been divided into two projects. In the first project, seventeen of the units will be set aside for seniors ages 55 and older and the remaining seventeen units in the second project will have no age restriction. The projects are part of the larger master redevelopment project of the former Hine Junior High School. Matt Harris of East Bank and Buwa Binitie and Corey Powell of Dantes Partners were introduced and provided a presentation. Also present and available for questions were co-bond counsel for the project, Michael McKenzie of McKenzie and Associates, and Charles Treece, associate at Ballard Spahr.

Mr. Ford inquired whether the term "workforce housing" was the appropriate term to describe that the units would be targeting families earning up to 60 percent of the Area Median Income. Mr. Thomas replied that the term "workforce housing" in his experience was used interchangeably with affordable housing and those terms were being used interchangeably here. Mr. Ford inquired how the developer would be advertising so that members of the community would have knowledge of the new units. Mr. Powell replied that the intent was to work with local community groups to release information about the new units as well as take advantage of the fact that members of the community would see the new construction as it took place. Mr. Powell added that the intent is to get the word out broadly so that everyone, in addition to the community, would know about the new units. Mr. Lowery asked what tenant services were expected to be provided. Mr. Powell responded that for the senior portion of the project they would work with Seabury Resources to provide free services, but that for both the senior and affordable portions of the project they would wait until they understood the unit mix to begin providing more extensive tenant services. Mr. Powell added that they would be additionally taking advantage of the resources in the surrounding Capitol Hill neighborhood and the city in

general and work with local groups depending on the ultimate tenant mix. Mr. Jackson asked what were the primary factors resulting in the total development cost per unit being \$442,000. Mr. Binitie responded that with smaller projects there are fewer economies of scale to take advantage of regarding the cost of materials. Additionally, there were very strict design standards imposed on the project due to the fact that it is in an historic district and costs associated with the fact that the site is so near a metro station.

The Resolution was moved by Mr. Jackson and seconded by Mr. Lowery. The Resolution was approved three votes to zero with Ms. Batties abstaining.

VI. Consideration of DCHFA Resolution Number 2015-04(G) Regarding the Selection of a Vendor for the Agency's Financial Management Software and Accounting Suite.

Ms. Day-Marshall introduced DCHFA Resolution Number 2015-04(G) for consideration and then introduced Mr. Thurston Ramey. Mr. Ramey provided a brief description of the process the Agency's staff went through in selecting a vendor for the Agency's Financial Management Software and Accounting Suite. Mr. Ramey noted that the Agency had engaged CohnReznick as a consultant to provide advice and assistance in the evaluation and documentation of the Agency's current financial business processes, participate and provide feedback on all binder presentations and participate in individual recommendations to the Interim Executive Director. Mr. Calvin Patterson, representing CohnReznick, was in attendance to take any questions. Mr. Ford asked Mr. Patterson whether implementation of this new software would allow the Agency to close its financial books faster. Mr. Patterson answered that would be a question for the Agency's management, however, he has no concern about the early decisions that were made throughout the process and that the questions CohnReznick raised were answered throughout the vetting process. Mr. Kuzmenchuck then answered that the initial focus will first be to ensure that co-operations are taken care of first. The eleven modules will be rolled out over time and will require live environment testing. Given the fact that it is the second half of the fiscal year, there is no guarantee that all modules will be implemented by the end of this fiscal year.

The Resolution was moved by Mr. Jackson and seconded by Ms. Batties. The Resolution was approved unanimously.

VII. Interim Executive Director's Report.

- The Agency's Single Family Program reached \$112,000,000 in mortgage loans in only a year and a half of operation. Additionally, the Agency received verbal approval from the U.S. Treasury department to expand the Agency's Home Saver Program to include properties that have been sold at tax sale along with applicable attorney's fees. The Agency would like to target properties that have gone to tax sale but have not yet reached

the 6 month period where the purchaser has a right to move to extinguish the right to redeem the property.

- The Agency has closed nine transactions this fiscal year. When North LITHC Residential closes, the Agency will have met its fiscal year goal with several months still remaining in the fiscal year.
- The Interim Executive Director interviewed with a member of the Washington Post regarding affordable housing in the city and the Agency's accomplishments with such a small staff. A separate interview with a member of the Washington Post Express is scheduled for next week. Additionally, there was an inquiry from a reporter of the Time Warner Company who will be interviewing one of the Agency's Hardest Hit Fund recipients.
- The Agency has received four awards for Agency financed projects, two for House of Lebanon, one for The Yards Parcel D and one for Bass Circle.

Mr. Ford asked for an update on the Conference in Miami. Ms. Day-Marshall responded that there is a considerable amount of focus on recruiting young members to the group and industry given that in general affordable housing does not interest that target group. Mr. Ford asked about whether the Agency had an intern policy. Ms. Day-Marshall responded that while there is no official intern policy currently, there is money in the budget to hire an intern and that she is very interested in pursuing one. The Agency has reached out to the Colvin Institute of Real Estate Development at the University of Maryland and Georgetown University to identify people who may want to intern. Mr. Ford requested that the Agency reach out to the University of the District of Columbia and Howard University as well.

VIII. Vote to Close Meeting to consult with the Board's Counsel, Mr. Thorn Pozen.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting in order to consult with the Board's Attorney, Mr. Thorn Pozen, to obtain legal advice and preserve the attorney-client privilege between Mr. Pozen and the Agency. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(4)(A)). A motion was made by Ms. Batties and seconded by Mr. Jackson. The meeting was closed at 7:40 p.m.

IX. The meeting was re-opened at 8:10 p.m.

X. The meeting was adjourned at 8:11 p.m.

Submitted by Maria K. Day-Marshall, Esq., Interim Secretary to the Board of Directors on May 29, 2015.

Approved by the Board of Directors on June 9th, 2015.