

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

September 15, 2015
815 Florida Avenue, NW
Washington, DC 20001
5:30 p.m.

Minutes

I. Call to order and verification of quorum.

The Chairman, Mr. Buwa Binitie, called the meeting to order at 5:45 p.m. and asked the Interim Secretary to the Board of Directors, Ms. Maria K. Day-Marshall, to verify a quorum. With four members present, the Board of Directors (the “Board”) had a quorum, and the meeting continued. The members present included, Mr. Buwa Binitie, Mr. Stephen M. Green, Mr. Stanley Jackson and Mr. Bryan Scottie Irving.

II. Vote to approve the minutes from the August 17, 2015 meeting.

Mr. Jackson asked that the minutes from the August 17, 2015 Board Meeting be approved as presented. The motion was seconded by Mr. Green. The minutes were unanimously approved by a chorus of ayes.

III. Vote to close the meeting to discuss the approval of the Pomeroy Gardens, N Street Village and Parkchester Apartments transactions.

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 Pomeroy Gardens, N Street Village and Parkchester Apartments transactions. 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 Mr. Green and seconded by Mr. Jackson. The motion was approved by voice vote.

IV. The meeting re-opened at 6:28 p.m.

V. Consideration of DCHFA Resolution No. 2015-13, an Eligibility Resolution for Pomeroy Gardens (\$11,500,000).

Ms. Day-Marshall introduced the resolution and then introduced Mr. Waddell, Director of Public Finance, who then introduced Edward Pauls, Senior Development Officer for the Pomeroy Gardens transaction. Mr. Pauls provided a brief overview of the project. The Pomeroy Gardens Limited Partners is controlled by the Nonprofit Community Development Corporation (“NPCDC”). The project is located at 2400 Pomeroy Road, Southeast, as well as surrounding addresses in the Barry Farm neighborhood of Southeast Washington, D.C. The project will consist of the acquisition and rehabilitation of an existing five building garden apartment complex totaling sixty (60) units, made up of fifty (50) 2-bedroom units and ten (10) 3-bedroom units, all of which will be set aside for persons and families earning sixty percent (60%) of area median income (“AMI”) or less.

The following people were present at the meeting in support of the project: Matt Sislen of Audobon Enterprises, advisor to the developer; Mitch Greenstein of Communities by Design Development; Walter Johnson and Michele Owens of NPCDC; and Margie Proctor, President of the Pomeroy Gardens Tenants Association.

After a brief presentation from Mr. Sislen, Mr. Jackson asked Ms. Proctor if the tenants were happy with the proposed relocation plan and the plan for tenant-in-place rehabilitation. Ms. Proctor replied that the developer has been very honest and has been very responsive to the desires of the tenants.

Mr. Green inquired about tenant services. Mr. Greenstein replied that there is a psychologist on staff who works with residents. There are three staff members who are responsible for tenant relocation, one of whom has a master’s degree in special education and another of whom is a social worker. The social worker will have an office onsite with the construction of the new office space and will work between this development and Douglas Knoll, a nearby property owned by the developer. Services will be closely tailored to the needs of the tenants, and the developer has promised to hire two tenants.

The Resolution was moved by Mr. Green and seconded by Mr. Irving. Ms. Day-Marshall called the roll, and with four votes in the affirmative, the Resolution was approved.

VI. Consideration of DCHFA Resolution No. 2015-14, an Eligibility Resolution for N Street Village (\$10,500,000).

Mr. Binitie disclosed that the service providers at N Street Village also have a contract to provide services on an unrelated project on which his company is a developer. Mr. Green moved that any apparent conflict be waived and that Mr. Binitie be allowed to participate in the discussion and vote on this matter. The motion was seconded by Mr. Irving. The motion to waive any apparent conflict and to allow Mr. Binitie to participate and vote on this matter was approved unanimously.

Ms. Day-Marshall introduced Mr. Waddell, Director of Public Finance, who then introduced Danté Thomas, Development Officer for the N Street Village transaction. The principal developer and sponsor of the project is N Street Village II, LLC which will be controlled by N Street Village, Inc. The property is located at 1333 N Street, Northwest, in Ward 2 in Logan Circle. The project represents the acquisition, construction and rehabilitation of an existing eight story apartment building currently comprised of ninety-three (93) affordable housing units, 25,000 square feet of office and programming space and an underground parking garage. After the project is complete, the unit mix will be configured to add two additional units leading to a total unit count of ninety-five (95). The proposed bedroom mix is as follows: forty-four (44) single room occupancy units, ten (10) one-bedrooms; thirty-two (32) two-bedrooms, and nine (9) three-bedrooms, for a total of ninety-five (95) units, all of which will be affordable to residents earning sixty percent (60%) of AMI or less.

The following people were present at the meeting in support of the project: Gerry Joseph, development consultant; Tracy Cecil, Deputy Executive Director of N Street Village; and Aaron O'Toole, partner at Klein Hornig LLP, counsel to the Borrower. Ms. Cecil provided an overview of the project, which primarily targets homeless and low-income women and families.

Mr. Jackson asked for an update of the status of the developer in their negotiations with the Chief Financial Officer ("CFO") of the District regarding tax abatements. Mr. Joseph replied that there will be legislation presented to the Council of the District of Columbia within the next two months that would decouple fiscal considerations from the exemption from the Tenant Opportunity to Purchase Act which was originally passed by the Council in combination with the granting of a tax abatement. The negotiations with the CFO's office only relate to the tax abatement. Negotiations with the CFO's office have resulted in the CFO acknowledging a negative fiscal impact of \$35,000. This would need to be presented in an approved budget or an amendment to an approved budget.

Mr. Green asked how such an extensive rehabilitation is being planned with tenants in place. Mr. Joseph explained that there will be hospitality suites for those residents who are not out working during the day. The contractor will be obligated to ensure that there is a working bathroom and kitchen in each unit at the end of every day. The majority of the relocation budget is for movers to move furniture back and forth every day. The in-place rehabilitation for each unit averages approximately two weeks.

Mr. Jackson asked for clarification about whether the development only houses women. Ms. Cecil replied that the single room occupancy units serve mostly women and transgender citizens at this time.

Mr. Binitie again encouraged the developer to confirm whether or not they will have to comply with the Uniform Relocation Act and also to revisit their plans to perform a tenant-in-place

rehabilitation, especially if the residents will be highly inconvenienced for approximately two weeks.

Mr. Green moved the Resolution, which motion was seconded by Mr. Jackson. Ms. Day-Marshall called the roll and the Resolution was unanimously approved.

VII. Consideration of DCHFA Resolution No. 2015-15, an Eligibility Resolution for Parkchester Apartments (\$13,290,000).

Mr. Green disclosed that he is employed by the nonprofit sponsor of the developer of this transaction and that he would, therefore, recuse himself from consideration of and voting on this Resolution. He left the room during the discussion and vote. Ms. Day-Marshall introduced the Resolution for consideration and then introduced Mr. Waddell. Mr. Waddell then introduced Martin Lucero, the Development Officer responsible for underwriting this transaction. Mr. Lucero described that the project involved the acquisition and rehabilitation of eleven (11) existing buildings located at and near 2704 Wade Road, SE in the Barry Farm neighborhood. The principal developer and sponsor of the project is Wade Road Investor LLC, which is controlled by the NHP Foundation. The unit mix of the ninety-three (93) units is as follows: sixty-three (63) 1-bedrooms, nineteen (19) 2-bedrooms, and eleven (11) 3-bedrooms. All units will be set aside for residents earning at or below sixty percent (60%) of AMI.

The following people were present at the meeting in support of the project: Mansur Abdul-Malik and Joe Wiedorfer of The NHP Foundation; Oscar Maccio with Hamel Builders; and Zina Moore, president of the Parkchester Tenant Association. Mr. Abdul-Malik provided a presentation and answered questions.

Mr. Jackson asked for Ms. Moore to speak about her experience with the developer. Ms. Moore indicated that the developer came in and immediately enhanced security measures and has delivered on its promises to the residents. Residents are happy with the development partner that they chose and are excited for renovations to begin.

Mr. Irving asked the representative from the contractor if they intend to use Ward 8 subcontractors. Mr. Maccio replied that Hamel fully intends to do so. Mr. Irving also asked construction-related questions regarding the electrical capacity and sustainability of the use of certain materials for countertops. The developer, Mr. Wiedorfer and Mr. Maccio committed to maximizing the energy efficiency and sustainability of the project and ensuring that the Board's concerns would be addressed before Final Bond Resolution consideration.

Mr. Jackson moved the Resolution for consideration, which was seconded by Mr. Irving. Ms. Day-Marshall called the roll. With three votes in the affirmative and one abstention, the Resolution was approved.

VIII. Interim Executive Director's Report.

- National Council of State Housing Agencies will hold its annual conference in Nashville, Tennessee September 26th -29th. Interested Board Members should inform the Interim Executive Director so that travel arrangements can be made.
- Several events related to projects are upcoming: The North Capitol Commons topping off ceremony will be Friday, September 18th, at 10:30 a.m. The Eastbrooke grand opening is scheduled for September 25th at 10:30 a.m. The Sheridan Station III ribbon cutting will take place on September 28th at 11:00 a.m.
- Board Orientation is scheduled for October 26, 2015 from noon until 2:00 p.m.
- MANNA will host its annual 5 kilometer run on Saturday, September 19th, at 8:00 a.m. Mr. Irving indicated that he planned to participate.

IX. Discussion of the Agency's Fiscal Year 2016 Budget.

The Board asked various questions regarding various aspects of the Fiscal Year 2016 budget. Issues raised included, but were not limited to, the following: not understanding some of the inner workings of some of the Agency's business units and revenue generation; concerns about the adequacy of staffing, salaries and benefits, timing of the receipt of the proposed budget, understanding the net revenues of the Agency, understanding the Agency's diversified portfolio of investments, understanding the insurance coverages that exists, budgeted multifamily projects in the FY 2016 pipeline, and concerns about increasing the Agency's marketing efforts with respect to its multifamily unit production. Ms. Fran Makle, Deputy Executive Director, and Ms. Day-Marshall addressed all of the issues and concerns raised.

X. Vote to close the meeting in order to discuss a personnel matter.

Pursuant to the District of Columbia Administrative Procedure Act, the meeting was closed in order to discuss the appointment, employment, assignment, promotion, performance evaluation, compensation, discipline, demotion, removal, or resignation of government appointees, employees or officials. (D.C. Code §2-575(b)(10)).

The meeting was closed at 8:31 p.m.

VIII. Adjournment.

The meeting was re-opened and then adjourned at 8:45 p.m.

Submitted by Maria K. Day-Marshall, Esq., Interim Secretary to the Board of Directors on October 9, 2015.

Approved by the Board of Directors on October 13th, 2015.