

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

**July 12, 2022**

**5:30 p.m.**

**Minutes**

Join Zoom Meeting

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**I. Call to order and verification of quorum.**

District of Columbia Housing Finance Agency (“DCHFA” or the “Agency”) Board Vice Chairperson, Mr. Stephen Green, called the meeting to order at 5:31 p.m. and asked the Secretary to the Board of Directors (the “Board”), Mr. Christopher Donald, to verify a quorum. The Board reached a quorum and the meeting continued.

The following members were present via Zoom: Mr. Stephen Green, Mr. Brian “Scottie” Irving, Mr. Stanley Jackson and Ms. Heather Howard.

**I. Vote to approve the minutes from the May 24, 2022 and June 14, 2022 board meetings.**

A motion was called to approve the minutes of the May 24, 2022 and June 14, 2022 board meetings by Mr. Green. Ms. Howard made a motion to approve the minutes. The motion was properly seconded by Mr. Irving. Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

Mr. Jackson made an announcement recusing himself from the Terrace Manor transaction. He then exited the meeting. Mr. Jackson did not participate in any discussions or votes regarding the Terrace Manor transaction.

**II. Vote to close meeting to discuss Terrace Manor.**

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors called a vote to close the meeting in order to discuss, establish, or instruct the public body’s staff or negotiating agents concerning the position to be taken in negotiating **Terrace Manor**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

Mr. Green called for a motion to close the meeting. Mr. Irving made a motion to close the meeting. The motion was properly seconded by Ms. Howard. The motion passed by a chorus of ayes.

The meeting was closed at 5:34 p.m. and re-opened at 5:46 p.m.

**III. Consideration of DCHFA Final Bond Resolution No. 2022-20 for Terrace Manor.**

Ms. Linda Hartman, Multifamily Loan Underwriter, Multifamily Neighborhood Lending & Investments (“MLNI”), presented the transaction to the Board. The MLNI team presents its recommendation to authorize the final bond issuance of tax-exempt bonds for Terrace Manor in an amount not to exceed \$36,990,000 (the “Project”).

The Project is in the Randle Heights neighborhood of Southeast Washington, D.C., in Ward 8 and is 0.7 miles away from the Southern Avenue Metro Station.

The Project will be a new construction development with one hundred forty (140) units. The unit mix of the proposed development will be seventy-five (75) one-bedroom units, forty-seven (47) two-bedroom units and eight (8) three-bedroom units. The Project will replace sixty-one units from the Terrace Land Development, as well as create an additional sixty-nine (69) units in the market. Fourteen (14) units will be restricted at thirty percent (30%) of the Area Median Income (“AMI”). The units will also benefit from the local rent subsidy program (“LRSP”). Additionally, the Project will include one hundred sixteen (116) units restricted at fifty percent (50%) and sixty percent (60%) of the AMI.

Property amenities include 24-hour front desk security, a free shuttle service and access to the Parkland Splash Park.

The Project is evaluated as a risk share permanent loan under the Agency’s HUD 50/50 Risk Share Initiative Program. The capital stack for the development will consist of permanent financing in the amount of \$12,750,000 as a DCHFA first mortgage loan and a \$24,960,000 loan from the DC Department of Housing and Community Development (“DHCD”) Housing Production Trust Fund (“HPTF”) loan. The total development cost is \$82,440,000 or \$634,000 per unit. The federal low-income housing tax credit (“LIHTC”) investor is Wells Fargo Affordable Community Lending Investment, and the DC LIHTC investor is Surety Capital.

The sponsor team consists of WC Smith and AEDC. Other members of the development team are WCS Construction, LLC as general contractor, Stoiber & Associates as architect, and WC Smith as property manager.

Ms. Hartman concluded the presentation and introduced Ms. Sara Mohamed, Ms. Alison Ritz, Mr. Xavier Rathlev, and Mr. Ryan Lepine from WC Smith, along with Mr. Oke Anyaegunam. Ms. Hartman opened the floor up for questions.

Mr. Irving inquired about the factors that contributed to the material increase in construction costs. Ms. Mohamed stated that construction costs were priced in 2019, and prices have since risen due to lumber increases and supply chain demands. Mr. Irving asked what specific areas had increased in price since November 2021. Ms. Mohamed replied that concrete, lumber, electrical items, plumbing and mechanical had all increased. Mr. Irving asked if WC Smith

was performing any of the construction services. Ms. Mohamed replied that all services would be performed by subcontractors. Mr. Irving asked if there had been any changes to the number of Certified Business Enterprises (“CBE”). Ms. Mohamed replied that numbers for CBEs had increased.

Ms. Howard asked if there had been any changes to the construction schedule because of the uncertainty about subcontractors. Ms. Mohamed replied that to mitigate uncertainties, suppliers were being contacted ahead of time so that the developer can anticipate expected supply chain issues. Ms. Howard asked if any additional time had been built into the construction schedule. Ms. Mohamed replied that no additional time had been built into the construction schedule to anticipate delays. Ms. Howard asked if demolition at the building site had begun. Ms. Mohamed replied that demolition began on June 1, 2022.

Mr. Green asked where current residents had been relocated. Ms. Mohamed said they were all relocated to other WC Smith properties.

In response to Ms. Howard’s earlier question related to the construction schedule, Mr. Lepine stated that contingency had been built into the financing schedule for the Project, and any delays in construction would not have a material impact on anything else with the Project.

Mr. Green inquired about the lease-up schedule. Mr. Lepine replied that the average lease-up is nineteen (19) months.

There were no further questions.

Mr. Green called for a vote to approve DCHFA Final Bond Resolution No. 2022-20 for Terrace Manor. Mr. Irving made a motion to approve the resolution and it was properly seconded by Ms. Howard. Mr. Donald took a poll vote because the Agency is issuing volume cap. The resolution was approved.

Mr. Green made an announcement recusing himself from The Strand transaction. He then exited the meeting. Mr. Green did not participate in any discussions and/or votes regarding The Strand transaction.

Mr. Jackson rejoined the meeting.

**IV. Vote to close meeting to discuss The Stand – Additional Bonds.**

Pursuant to the District of Columbia Administrative Procedure Act, the Secretary of the Board of Directors called a vote to close the meeting in order to discuss, establish, or instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating **The Strand – Additional Bonds**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

Mr. Donald called for a motion to close the meeting. Mr. Irving made a motion to close the meeting. The motion was properly seconded by Ms. Howard. The motion passed by a chorus of ayes.

The meeting was closed at 6:06 p.m. and re-opened at 6:14 p.m.

**V. Consideration of DCHFA Resolution No. 2022-21 for The Strand – Additional Bonds.**

Ms. Linda Hartman, Multifamily Loan Underwriter, Multifamily Neighborhood Lending & Investments ("MLNI"), presented the transaction to the Board. The MLNI team presents its recommendation to authorize the issuance of tax-exempt bonds for The Strand – Additional Bonds in an amount not to exceed \$2,600,000 (the "Project").

The Agency bonds in 2019 in the amount of \$19,500,000 for the financial closing of the project in July 2019.

The Strand Project is a proposed eighty-six (86) unit affordable housing development in the Deanwood neighborhood of Washington, D.C. The proposed development will consist of a six-story multifamily building, and approximately 2,450 square feet of first floor retail.

The Project's amenities include two (2) multipurpose rooms located on the first and second floors of the property, dedicated resident services, a library and a gym. The Project is a new community initiative, also known as NCI. The development team is a partnership of the NHP Foundation, The Wellington Group and the Washington Metropolitan Community Development Corporation.

As of April 2022, the Project has received a certificate of occupancy and is completing final tasks. The projected service date is September 2022. The Project has experienced schedule

delays due to staffing deficiencies associated with the COVID-19 pandemic and construction delays.

The short-term bonds will be cash collateralized by a Citibank construction loan. The additional bonds are supported by an increase in the federal LIHTC equity as the equitable base increased from 3.25 to 4 percent.

Commented [TGP1]: Is it "a" or "The"?

Ms. Hartman concluded the presentation and introduced Mr. Scott Barkan from the NHP Foundation and opened the floor up for questions.

Ms. Howard asked for an update on the dispute resolution of the change order. Mr. Barkan said NHP was in a good position. Mr. Jackson asked if the projected service date was still September 22, 2022. Mr. Barkan said he believed they would remain on schedule.

There were no further questions.

Mr. Donald called for a vote to approve DCHFA Eligibility Resolution No. 2022-21 for The Strand – Additional Bonds. Mr. Jackson made a motion to approve the resolution and it was properly seconded by Ms. Howard. Mr. Donald took a poll vote because the Agency is issuing volume cap. The resolution was unanimously approved.

Mr. Green rejoined the meeting.

**VI. Vote to close meeting to discuss the Disposition of 815 Florida Avenue NW.**

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors will call a vote to close the meeting in order to discuss, establish, or instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating the **Disposition of 815 Florida Avenue NW**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

Mr. Donald called for a motion to close the meeting. Ms. Howard made a motion to close the meeting. The motion was properly seconded by Mr. Irving. The motion passed by a chorus of ayes.

The meeting was closed at 6:23 p.m. and re-opened at 7:28 p.m.

Mr. Green stated that the Board decided to table DCHFA Resolution No. 2022-08(G) regarding the Disposition of 815 Florida Avenue NW and would revisit the matter at the July 26, 2022 Board meeting.

**VII. Other Business.**

There was no other business.

**VIII. Executive Director's Report.**

There was no Executive Director's Report.

**IX. Adjournment.**

Mr. Donald called for a motion to adjourn the meeting. Mr. Irving made a motion to adjourn the meeting, which was seconded by Mr. Jackson.

Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

The meeting was adjourned at 7:31 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on August 9, 2022.