

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

April 27, 2016
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 5:35 p.m. and asked the Acting Secretary to the Board of Directors, Mr. Todd A. Lee, 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. Binitie, Mr. Stephen M. Green, and Mr. Bryan Scottie Irving.

II. Approval of minutes from the April 12, 2016 special board meeting.

Mr. Binitie asked the Board if they had any comments to the April 12, 2016 Special Board Meeting minutes. A motion to approve the minutes as presented was made by Mr. Irving and seconded by Mr. Green. The minutes were approved by a chorus of ayes.

III. Vote to close meeting to discuss the approval of a McKinney Act Savings Loan associated with the Beacon Center transaction.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting 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 a McKinney Act Savings Loan for the Beacon Center transaction. An open meeting would adversely affect the bargaining position or negotiating 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. Irving. The motion was approved by a chorus of ayes.

The meeting was re-opened at 5:54 p.m.

IV. Consideration of DCHFA Resolution No. 2016-06(G) regarding the use of a McKinney Act Savings Loan for the Beacon Center transaction.

Mr. Lee introduced the resolution and then introduced Mr. Anthony Waddell, Director of Public Finance, who then introduced Mr. Martin Lucero, the Development Officer for this transaction. The master development will consist of a single newly-constructed mixed-use building with three distinct components, each with its own financing plan and distinct owner. The Agency will be financing the housing component of the master development.

The principal developer and sponsor of the project is Beacon Center Housing LLC, a single purpose entity controlled by The Community Builders, Inc. (“TCB”), a national affordable

housing developer, and Emory Beacon of Light, Inc. (“EBOL”), a nonprofit affiliate of Emory United Methodist Church that specializes in community development.

The project will be located at 6100 Georgia Avenue, N.W., in the Brightwood Neighborhood of Washington, D.C. It will include ninety-nine (99) units of affordable housing and eighty-seven (87) parking spaces. The bedroom mix will include seven (7) studio units, sixty-one (61) one-bedroom units, twenty-seven (27) two-bedroom units and four (4) three-bedroom units.

The sponsor has elected to set aside one hundred percent (100%) of the units at or below sixty percent (60%) of the area median income (AMI), including eight (8) units further restricted at thirty percent (30%) of AMI for permanent supportive housing. Three (3) of these eight (8) units will satisfy the McKinney Act very low income set aside requirements.

To date, the sponsor has used approximately \$1.2 million in pre-development funding from the Local Initiatives Support Corporation, \$1.1 million from the United Methodist Development Fund and \$200,000 from a TCB corporate line of credit. The McKinney Act loan of \$1 million will be used to pay for additional architectural expenses, archaeological mitigation, legal fees and other pre-development expenses for the project.

Members of the development team who were present in support of the project included Ms. Jacqueline Alexander of TCB, Ms. Hazel Broadnax of EBOL, Mr. Sherief Elfar of Torti Gallas and Partners, Inc., and Ms. Gina Merritt, of Northern Real Estate Urban Ventures. Mr. Elfar provided a brief presentation of the drawings and the site plan.

Mr. Binitie asked how Ellisdale Construction became involved in the project. Ms. Alexander replied that Hamel Builders was the original contractor, but when the prices continued to escalate, the new contractor was selected. Mr. Irving asked if Ellisdale was able to hold its pricing under the new Department and Small and Local Business Development (DSLBD) and First Source laws. Ms. Alexander replied that this project has been grandfathered in under the prior laws. Ms. Merritt added that Ellisdale has demonstrated a capacity for compliance with the District’s local hiring laws in the past. Mr. Green inquired as to whom the construction monitoring fee would be paid. Ms. Alexander replied that the fee was for JDC Construction.

Mr. Binitie then noted for the record that while he is an active business partner with TCB on another transaction, he will not be receiving any financial benefit from TCB’s participation on this transaction, and asked that he be allowed to participate in voting. Mr. Irving made a motion to vote that any apparent conflict of interest be waived and that Mr. Binitie be allowed to vote. Mr. Green seconded the motion. Mr. Irving and Mr. Green voted in favor of that motion, thus allowing Mr. Binitie to participate in voting on the Resolution.

The motion to vote to approve the Resolution was moved by Mr. Green and seconded by Mr. Irving. The roll was called, and with three votes in the affirmative, the Resolution was approved.

V. Acting Executive Director's Report.

- The Langdon Apartments transaction has been dry closed. Funding is expected by the end of the week.
- On April 20th, the Agency was awarded an additional \$3 million dollars under the Hardest Hit Funds program. When combined with the \$5 million that the Agency was awarded in Phase 1 of the Fifth Round, this gives the Agency a total of \$8 million dollars for its HomeSaver Program products (HomeSaver Phase I Mortgage Payment Assistance Program and HomeSaver Phase II Tax Lien Extinguishment Program). Board Members asked staff several detailed questions regarding the eligibility of District residents for its two HomeSaver Program products, and staff provided those detailed answers. Mr. Binitie asked staff if the Agency will be able to use all of the funds before the spending deadline of 2020, and staff replied yes. Mr. Binitie also asked how the program's re-launch will be marketed, and staff replied that there will be a large marketing push in June during Homeownership Month in the District including at the District's annual Housing Expo.
- The Office of Public Finance is preliminarily underwriting the twenty-three (23) proposed projects that were received in response to the most recent RFP from the DC Department of Housing and Community Development. Staff will be estimating the debt-sizing for each project between now and May 22nd. Mr. Irving requested the total dollar volume that was requested by the responders. Staff will present that number at the next Board Meeting.
- The Board Meetings in May will be on the 10th and the 26th. The Board requested that Outlook calendar invitations be sent.

The meeting was adjourned at 6:36 p.m.

Submitted by Todd A. Lee, Acting Secretary to the Board of Directors on May 6, 2016.

Approved by the Board of Directors on May 10, 2016.