

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

October 10, 2017

815 Florida Avenue, NW

Washington, DC 20001

5:30 p.m.

Minutes

I. Call to order and verification of quorum

DCHFAs Board Chair, Mr. Buwa Binitie, called the meeting to order at 5:36 p.m. and asked the Secretary to the Board, Mr. Todd A. Lee to verify a quorum. With three members present, the Board of Directors had a quorum, and the meeting continued.

The following members were present at roll call: Buwa Binitie, Stephen M. Green, Sheila Miller, Bryan "Scottie" Irving (telephonically).

Mr. Green discussed his intention to recuse himself from deliberation of the Woodmont Crossing transaction.

II. Discussion of Section 542(c) of the risk share program with HUD

Intended as part of his Director's Report, Mr. Lee gave a presentation on the Agency's planned participation in the HUD 542 (c) risk share program. (see attached) Board Member Stanley Jackson joined the conversation during the discussion. After presentation and lengthy discussion amongst the Board and Mr. Lee, the following directives emerged:

- Mr. Green requested that staff examine how the Agency's transaction fee structure compares to housing finance agencies nationwide, with Mr. Binitie specifying the need for staff to revise its formulation of fees on origination and cost of issuance.
- Mr. Binitie requested an explanation of methodology for calculating the loan/loss reserves based on what he termed as "market intelligence."
- Mr. Binitie requested detailed information on the proposed risk share underwriting process and asset management, as well as any changes in associated staffing and/or technology needs.
- Making a connection to the human capital and overall time/resource expenditure issue raised by Mr. Binitie, Mr. Green requested data on whether availability of the program

will increase the number of Agency-executed deals over a 12-month period. Mr. Lee provided an estimate of 45-days.

- Ms. Miller inquired on whether guidelines have been established for the selection of sponsors under the program. Mr. Lee indicated that he did not want to be overly prescriptive, but stressed the need to select “seasoned, experienced, and financially strong sponsors.”
- Mr. Binitie inquired on whether the Agency plans to contract with construction monitors on program transactions. Mr. Lee responded in the negative, and specified that existing in-house construction monitors would be utilized.

Mr. Binitie concluded the conversation by charging the Agency in advancing the program to consider “every aspect” of transactions under the program.

Mr. Green exited the room in anticipated deliberation of the Woodmont Crossing transaction.

III. Vote to close meeting to discuss the approval of the Woodmont Crossing transaction.

Pursuant to the District of Columbia Administrative Procedure Act, Mr. Binitie 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 price and other material terms of the Woodmont Crossing transaction. An open meeting would adversely affect the bargaining position or negotiation strategy of the public body.

A motion to close the meeting was made by Ms. Miller, seconded by Mr. Jackson and was followed by a chorus of ayes.

The meeting was closed by unanimous consent at 6:56p.m and resumed at 7:14p.m.

IV. Consideration of Eligibility Resolution Number 2017-25 for the Woodmont Crossing transaction.

The following members of the development team introduced themselves:

Neal Drobenare, Senior Vice President, the NHP Foundation (NHP); Tim Pryor, Senior Development Acquisition Analyst with the NHP; Chaco Luz, President of Woodmont Crossing Tenant Association. Mr. Pryor provided a history of NHP.

He then provided the following overview of the planned transaction: Developer hopes to close at the very beginning of January, 2018, with anticipated construction period in roughly a year.

There is roughly six million dollars of construction cost with more in overall costs. It's a 42 million dollar project overall.

The scope is light renovation, HVAC upgrade the units, bathrooms, kitchens mostly. Ms. Luz then discussed her tenure at the property through acquisition by NHP. Mr. Binitie thanked her for her presentation.

With no further discussion Mr. Binitie called for a motion to approve the resolution.

A motion to approve the resolution was made by Ms. Miller and seconded by Mr. Irving. Mr. Lee then took a roll call vote. All present members voted in the affirmative. The motion carried.

There was then discussion primarily between Ms. Miller and Mr. Binitie regarding the maximum DCHFA-issued transaction fees allowable under applicable federal tax regulations.

Mr. Green rejoined the meeting.

V. Executive Director's Report

- Staff will be attending the NCHSA Conference in Denver during the early part of next week, the 13th through the 17th.
- City First Community Development Finance Conference is being held on October 17.
- DC HFA's Fall Forum, Advancing Housing Affordability through Smart Energy Investment is going to be held on October 26 at Georgetown University.
- HAND is having its local real estate trends and market condition panel on November 1.
- We've bought a table to the African American Real Estate Professionals organization Gala at the Reagan Building on November 9.
- So Others Might Eat (SOME) is having their 5K Turkey Trot on November 23.
- DC HFA's holiday party is scheduled for December 8.

VI. Procurement Manager's Report

Keami Estep, DCHFA's new Procurement Manager provided an outline of revised Procurement Policy to be deliberated and acted upon at the next board meeting.

VII. Vote to close the meeting to consult with the Board's attorney.

Pursuant to the District of Columbia's Administrative Procedure Act, Mr. Binitie called for a vote to close the meeting in order to consult with attorney to obtain legal advice and preserve the attorney client privilege between and attorney and a public body or to approve settlement agreements provided that upon request, the public body may decide to waive such a privilege. An open meeting would adversely affect matters related to the Agency.

Mr. Binitie then called for a vote to close the meeting. A motion to close the meeting was made by Ms. Miller and seconded by Mr. Green. The motion was approved by a chorus of ayes.

The meeting was closed at 7:26 p.m. and resumed at 7:43 p.m.

VIII. Adjournment

Mr. Binitie called for a motion to adjourn.

A motion to adjourn the meeting was made by Mr. Green and seconded by Ms. Miller.

The motion was approved by a chorus of ayes.

The meeting adjourned at 7:44 p.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on November 14, 2017.

Approved by the Board of Directors on November 14, 2017.