

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

May 30, 2018

815 Florida Avenue, NW

Washington, DC 20001

10:00 a.m.

Minutes

I. Call to order and verification of quorum.

DCHFA Board Chair, Mr. Buwa Binitie, called the meeting to order at 10:04 a.m. and asked the Secretary to the Board, Mr. Todd A. Lee to verify a quorum. With five members present, the Board of Directors had a quorum, and the meeting continued.

The following members were present at roll call: Buwa Binitie, Sheila Miller, Bryan “Scottie” Irving (telephonically), Stanley Jackson (telephonically), Stephen Green.

II. Vote to close meeting to discuss a Final Bond Resolution for Liberty Place, an Eligibility Resolution for Savannah Apartments, and a New Line of Credit with PNC Bank in an Amount not to Exceed \$75 Million.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson 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 approval of a Final Bond Resolution for Liberty Place, an Eligibility Resolution for Savannah Apartments, and a New Line of Credit with PNC Bank in an Amount not to Exceed \$75 Million. 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 Mr. Irving, seconded by Mr. Green and was followed by a chorus of ayes.

The meeting was closed by unanimous consent at 10:06 a.m. and resumed at 11:01 a.m.

III. Consideration of DCHFA Resolution No. 2018-11(G) Authorizing a new line of credit with PNC Bank in an amount not to exceed \$75 Million.

Mr. Binitie called for a motion to approve resolution 2018-11(G) regarding a new line of credit with PNC Bank in an amount not to exceed \$75 Million.

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

III. Consideration of DCHFA Final Bond Resolution No. 2018-05 for Liberty Place.

DCHFA Underwriter, Ugonna Ibebuchi Duru presented the following information to the Board:

- A major change to the deal was the structure of the financing, due to a substantial user issue. Liberty Place will no longer use the private placement structure. Instead, DCHFA will issue approximately 16.4 million in tax-exempt financing, tax-exempt bonds for the construction period. These bonds will be sold in a limited offering by placement agent Stifel Nicolaus & Co.
- The permanent portion of the transaction will be a Freddie Mac taxable loan issued by Pillar Financial, a subsidiary of SunTrust Bank.

Ms. Duru introduced the developers and sponsors for the transaction who were present in the open session:

- Kevin White of NHT Enterprise
- Rob Richardson of IBF Development

Mr. Binitie asked if there were any questions from the members present. No additional questions were asked by the members.

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. Jackson. Mr. Lee then took a roll call vote. All present members voted in the affirmative. The motion carried.

IV. Consideration of DCHFA Eligibility Resolution No. 2018-06 for Savannah Apartments.

DCHFA Underwriter, Calvin Jones presented the following information to the Board:

- The subject transaction is a TOPA deal.
- The underwriting staff is presenting this transaction for eligibility resolution to preserve the acquisition credits. The deadline for reservation of the acquisition credits would be June 13th.
- NHTE is the developer of the transaction. The total estimated development budget is \$20.6 million inclusive of acquisition, hard costs, soft costs, and financing fees.

Financing

- The estimated capital stack will consist of permanent financing in the amount \$3.2 million from a to-be-determined lender.
- Estimated \$9.8 Million from DHCD proceeds.
- \$5 million from a to-be-determined LIHTC investor.

- \$1 million from the share fund.
- Estimated \$700,000 from the community land trust, and an estimated \$700,000 in deferred developer fees.

Mr. Jones introduced members of the development team present in the open session:

- JT Enghardt with NHT Enterprise
- Kevin White with NHT Enterprise

Mr. Binitie led a discussion with the development team regarding the relocation plan, and the financing of the project, specifically concerning the actual gap and contingency plan if aspects of the financing do not take place. Regarding the relocation plan Mr. Binitie suggested that the plan should be revised to provide deeper details, and Mr. Irving inquired about the relationship of the developer's priorities and assignment of families with children in the units in question. In response, Mr. Enghardt stated that the development team is still in the process of surveying the families on site.

Mr. Binitie indicated that the developers will need to resolve outstanding issues/questions before the project comes before the board again.

Mr. Binitie asked if there were any questions from the members present. No additional questions were asked by the members.

Mr. Binitie called for a motion to approve the resolution.

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

III. Executive Director's Report

- Brian Montgomery confirmed by Senate to become the FHA Director.
- HFA is relaunching a recast product in our Single-Family Business. HFA's original HomeSaver Program targeted District residents who lost their jobs, and as a result at risk of losing their homes during the Great Recession. The new program broadens the eligibility and will allow more people to gain access to HFA's Hardest Hit funds to save their homes. HFA will announce the recast program in June, Homeownership Month.
- Councilmember Anita Bonds included \$500,000 in the FY19 Budget Support Act of 2018 for DCHFA to administer a pilot program to assist senior citizen homeowners in the District who are having financial issues with their reverse mortgages.
- The National Community Reinvestment Coalition (NCRC) has committed to invest \$1Million to the Oramenta Newsome Pre-development Fund for Not-For-Profits. DCHFA committed \$1Million of our McKinney Act funds. Currently, the fund has \$3

Million total including these commitments. DHCD is administering the fund, and it will be opened the first week in June for applications.

- DCHFA will launch a new website and unveiled a new logo.
- The Senior Team participated in a staff retreat a few weeks ago, part two will take place two weeks from now.
- A Board retreat will take place in August.
- Announcement of Public Relations intern.

Thorn Pozen led a brief discussion regarding concerns with the BEGA Financial Disclosure Forms that the Board Members are required to complete. Mr. Pozen stated he will raise the concerns to the BEGA Board, and BEGA Staff.

IV. 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 11:40 a.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on June 21, 2018.

Approved by the Board of Directors on June 26, 2018.