

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

**December 12, 2017
815 Florida Avenue, NW
Washington, DC 20001
5:30 p.m.**

Minutes

I. Call to order and verification of quorum

DCHFHA Board Chair, Mr. Buwa Binitie, called the meeting to order at 5:35 p.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 (telephonically), Bryan “Scottie” Irving, Sheila Miller, Stanley Jackson.

II. Approval of Minutes from September 26, 2017 Board Meetings.

A motion was erroneously made to approve the minutes from the October 10, 2017 Board Meeting by Mr. Jackson.

Mr. Stephen M. Green then signaled his presence (telephonic) in the meeting before seconding the motion. The motion approved by a chorus of ayes.

Mr. Lee made clarification that the minutes under consideration were for September 26, 2017.

A motion to make a corrective modification to the approval was made by Mr. Jackson and seconded by Mr. Irving. The minutes were approved by a chorus of ayes.

III. Consideration of DC HFA's Resolution number 2017-21(G) regarding the approval of the Agency's revised procurement policies

Fran Makle, DCHFHA Chief Administration Officer discussed that guidelines used to that point were drafted in 2013. She then introduced DCHFHA Procurement Officer, Keami Estep, who presented.

- The title was changed from Procurement Guidelines to Procurement Policy.

- A Definitions section was added. All definitions are consistent with the procurement industry.
- The Procurement Manager replaces the Executive Director as the party designated to facilitate the process, and has the authority to make some changes involving the method of solicitation (i.e. via website, or publications, the procurement timeline, RFP process, cancellation and amendments, bid openings, establishment of evaluation committees, and the procurement file maintenance).
- The Agency increased the small purchase threshold from \$250 to \$500, which allows for micro purchases under \$500.

Mr. Lee asked for an example of a micro purchase?

Ms. Estep responded that an examples of a micro purchases include credit card purchases for office supplies required outside of the Agency's standard monthly purchase , special events, catering events, and other "small things."

Mr. Jackson asked how the Agency defines small things, by dollar amount. Ms. Estep responded, \$500, an increase up from \$250.

- The dollar threshold beyond which publicized RFPs are required has changed. The previous threshold required publication to the Agency's website and the Washington Post if the anticipated value of the contract award was expected to be over \$5,000. Because many standard purchases are slightly higher than \$5,000, the revised threshold is \$25,000.
- Mr. Irving expressed his desire for Small Business Enterprise (SBE) participation at levels above and below the \$25,000 threshold. Ms. Estep discussed DCHFA's targeted outreach to SBEs in its solicitations. Mr. Lee asked whether SBE participation is included in the policy. Ms. Estep answered in the affirmative and directed the Board's attention to a section of the document that explicitly discusses SBE-related requirements (e.g. subcontracting requirements).
- Increased dollar threshold for Board approval from \$25,000 to \$50,000. Mr. Irving asked whether a contractor that received multiple awards under the threshold should receive approval by the Board after a specified contract count. Ms. Estep responded that multiple contracts for an identical service would not occur in practice. In the case of increased work, a contract would be amended, and Board approval required once the aggregate dollar amount increases beyond the established threshold.

Mr. Irving asked that the Board approve dollar amounts over the threshold irrespective of the identity of scope. Ms. Makle stated that in her time at the Agency, she has not seen a vendor bid on or receive award for multiple RFPs outside of its line of work. Mr. Irving discussed the possibility of that scenario and restated his request. Ms. Makle reiterated her experience on the matter before agreeing to bring items within the discussed scenario before the Board.

- Mr. Green inquired on the rationale for what he understood to be five, one-year option periods for contractors. Ms. Estep stated that the policy was modified to provide for one base year with five, one-year option periods. Mr. Jackson audibly attempted to locate the relevant language in the document. Ms. Estep indicated that the rationale for the option year periods allows for control based on performance of the contractor. After discussing the prior policy, it was revealed that the intended option period was not written in the document. Ms. Estep clarified that the base contract term as written should have been three years with two one-year extensions (5 year total). She promised to make the correction.

Mr. Green inquired on the definition of Officers in a section of the document that limits contracting with the Agency post-tenure. Ms. Estep responded that Officers include Senior Leadership and Board Members.

Mr. Irving inquired on the time frame provided in pre-existing policy. Ms. Estep responded that the period at issue was reduced from two years to six months.

Citing current business interaction by Board Members with the Agency, Mr. Green asked for a definition of contracts. He and Ms. Estep then referred to the definitions section, which as read by Ms. Estep discusses “persons providing non-personal personnel service.” Mr. Green asked for confirmation that items such as “legal services ordered in accounting, appraisal, consulting, engineering, management consultant, financial advice, and other personal services” are contemplated under the definition. Ms. Estep responded in the affirmative.

- Mr. Green asked whether the Agency currently does sole-source contracting. Ms. Estep responded in the negative, and explained that the sole source provision replaced the “critical contracts” designation and is intended to allow for contract with a party possessing unique experience or expertise.
- Mr. Green revisited the conversation regarding the increased Board approval dollar threshold and openly asked for the opinions of other Board members on the matter. Mr. Irving expressed his lack of opposition to the increased threshold, but expressed concern

over the definition of “former employee.” He also asked whether consulting services to developers seeking DCHFA-financing are included in the list of prohibited services within the aforementioned six month window. Ms. Estep responded in the negative.

Counsel to the Board, Mr. Thorn Pozen suggested clarifying language with specifics prohibited contracts as those “limited to matters over which former employee or Board member exercises decision-making power.” Ms. Estep confirmed that Mr. Pozen’s language accurately captured the intent behind the provision at issue.

Mr. Jackson expressed his lack of opposition to the increased dollar threshold for Board approval. Ms. Miller also expressed her lack of opposition to the increase.

Mr. Pozen then summarized the parameters of activity and participants covered by the provision at issue. Mr. Jackson then discussed the rule in relation to developer consultation by Board Members with valuable industry expertise.

Referring to his question posed to the Board, Mr. Green expressed his lack of opposition to the increased threshold.

A motion to approve the resolution was made by Mr. Jackson and seconded by Ms. Miller, and was followed by a chorus of ayes. The motion carried.

IV. Executive Director’s Report

- The Housing Association of Nonprofit Developers (HAND) is holding their local real estate trends and market conditions panel on the first of November. Mr. Lee was slated to speak on an event panel.
- The Agency received some national press coverage in Bond Buyer Magazine last week. And what they featured, you know, was the refunding that this Board approved, and that the staff closed on through our new parity indenture. Mr. Binitie requested a copy of the article.
- The developer at Mapleview Apartments is marketing to “big box” retailers. Mr. Lee discussed the Office of the Deputy Mayor for Planning and Economic Development’s “Prosperity Fund,” which provides deal subsidy to items (i.e. retail) that cannot be funded by DCHFA or Housing Production Trust Fund dollars.
- DCHFA is holding its fall symposium on October the 26th, from 9:00 a.m. to 12:00 p.m., which is this Thursday, at the Georgetown University School of Continuing Studies at 640 Mass Avenue.
- DCHFA staff is working to provide Thanksgiving dinner at the Agency and invited Board Members to participate.

VIII. Adjournment

Mr. Binitie called for a motion to adjourn.

A motion to adjourn the meeting was made by Mr. Irving and seconded by Mr. Jackson.

The motion was approved by a chorus of ayes.

The meeting adjourned at 6:15 p.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on December 12, 2017.

Approved by the Board of Directors on December 12, 2017.