

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

September 9, 2014  
815 Florida Avenue, NW  
Washington, DC 20001  
5:30 pm

Approved Minutes, As Amended

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

The Chairperson, Derek Ford, called the meeting to order at 5:44 PM and asked the Interim Secretary of the Board, Maria K. Day-Marshall, Esq., to verify a quorum. Mr. Stanley Jackson and Mr. M. Craig Pascal were not present during the roll call. With three members present, the Board of Directors (the “Board”) had a quorum and the meeting continued.

The Chairperson asked the Board Members present to review the agenda. The Chairperson asked to amend the agenda to include a closed session following Other Business to consult with the Board’s attorney. The agenda was unanimously approved, as amended.

**II. Approval of minutes from the August 12, 2014 board meeting.**

The Chairperson asked the Board Members present to review the draft minutes of the August 26, 2014 meeting. A motion was made by Ms. Leila Batties, Vice Chairperson, to approve the minutes, as presented, and seconded by Mr. Charles Lowery, Jr. The minutes were unanimously approved.

Mr. Jackson joined the meeting at 5:55 PM.

**III. Vote to close meeting to discuss the approval of the Beacon Center project and bond transaction.**

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 the price and other material terms of the Beacon Center project and bond transaction. An open meeting would adversely affect the bargaining position or negotiation strategy of the public body. (D.C. Code §2-575(b)(2)).

A motion to close the meeting was made by Ms. Batties, Vice Chairperson, and seconded by Mr. Charles Lowery, Jr. The motion was approved by voice vote. The Chairperson moved the meeting into a closed session at which time the DCHFA staff presented the matters to the Board of Directors, and the Board of Directors asked questions regarding the matters presented.

#### **IV. Re-open meeting.**

The Chairperson reopened the meeting at 6:06 PM.

#### **V. Consideration of DCHFA Final Bond Resolution No. 2014-11 for the Beacon Center Project and Bond Transaction**

Prior to the consideration of DCHFA Eligibility Resolution No. 2014-11 for the approval of Beacon Center, Ms. Leila Batties, Vice Chairperson, stated that Holland & Knight, LLP is working with the developer on certain development approvals related to the project and that she would recuse herself from participating in the discussion and from voting on the matter to avoid any appearance of a conflict of interest.

Ms. Day-Marshall, Interim Secretary to the Board, introduced the resolution to the Board for their consideration. Ms. Day-Marshall then introduced Mr. Anthony Waddell to present the matter to the Board. Mr. Anthony Waddell then asked that Mr. Dante Thomas, the Development Officer on the transaction, to present the matter to the Board. Representatives from the development team that were present at the meeting included Patrick Wagner, The Community Builders, Jacqueline Alexander, The Community Builders, Hazel Broadnax, Emory Beacon of Light, Karen Cunningham, Capitol Hill Group Ministry, Tammy Hunter, Capitol Hill Group Ministry, and Dr. Joseph Daniels, Emory United Methodist Church.

Mr. Thomas stated that the principal developer and sponsor of this project is the Beacon Center Housing, LLC, which is controlled by the Community Builders, Incorporated and Emory Beacon of Light, Incorporated. The project itself will be located at 6100 Georgia Avenue, Ward 4, in the Brightwood neighborhood. This project represents the acquisition and construction of a mixed-use apartment community that will include 99 units, approximately 3,500 square feet of retail, renovations of Emory United Methodist Church, along with associated offices, community and recreational space, and two levels of structured parking. The sponsor has elected to set aside 100 percent of the units at or below 60 percent of Area Median Income (AMI).

In terms of the project, 18 units have been designated as permanent supportive housing that will serve formerly homeless individuals. These units will be restricted to tenants earning 30 percent or less of the AMI. The units will also be subsidized through the Local Rent Supplement Program. The remaining units will be affordable to persons earning at or below 60% AMI.

In terms of financing, the total development cost is projected at \$34.7 million, and it will be financed from a combination of short- and long-term tax-exempt bonds through the DCHFA, Low Income Housing Tax Credit equity, subordinate financing from the Department of Housing and Community Development (DHCD) through the Housing Production Trust Fund (HPTF), and Neighborhood Investment Funds from the Deputy Mayor for Planning and Economic Development (DMPED).

Questions asked by the Board of Directors included the following:

- Please discuss the permanent supportive housing portion of the project. The development team stated that the permanent supportive housing units are all studios and that the units are located adjacent to each other to allow for the ease of service delivery to the residents.
- Please discuss the possible retail on the property. The development team responded that after discussions with the community, the number one request is for a sit down restaurant. Additional retail options are still under discussion.
- Please discuss the services that will be provided. The development team responded that Capitol Hill Group Ministry will provide services at the property. They will provide case management, life skills workshops, employment services and other services that will assist the residents. The Capitol Hill Group Ministry has been providing services to homeless families/individuals in DC for years and they provide street outreach, rapid rehousing and permanent supportive housing services.
- How long will the construction period last? The development team responded 18 months.
- Please discuss the amenities at the site. The development team responded that there will be a community clubhouse, a fitness center and computer room. In addition, there will be a half basketball court on site as well.
- Please discuss the \$350,000 total development cost per unit. The development team explained that the development cost per unit includes the construction of two levels of structured parking and a significant amount of excavation that will need to occur due to the topography of the site.
- Please discuss the parking spaces and how they will be allocated to the retail and residential. The development team responded that 63 parking spaces will be allotted to the apartment community and 39 spaces are designated as commercial for use by the church and retail space.

A motion to approve the transaction was made by Mr. Jackson and seconded by Mr. Lowery, Jr. The Interim Secretary called the roll, and the motion carried with 3 votes in the affirmative and one abstention (Ms. Batties, Vice Chairperson).

## **VI. Interim Executive Director's Report.**

- **New Communities Initiative Report** – DMPED worked with Quadel/CSG and released a New Community Initiative Report. In the report, there is a discussion of the DCHFA fees.
- **PNC Credit Card** – The new credit card arrived and the DCHFA will close the American Express account once all of the charges have been paid.
- **Fraud Hotline** – The Fraud Hotline is available and materials have been distributed to staff. A modification to a report earlier given about who receives the complaints was provided. Thorn Pozen will receive the complaints first and Chairman Ford will serve as the back up to Mr. Pozen.

- **RFP for Real Estate Advisory Services** – A walk-through was held on Friday, September 5, 2014 and three individuals were in attendance, aside from the DCHFA staff.

## **VII. Other Business.**

- **Update – DCHFA Government Affairs** – At the Chairman’s request, the Government Affairs update was tabled.
- **Update - Parkway Overlook** - The Interim Secretary provided an update on Parkway Overlook.
  - Disposition - Draft Purchase and Sale Agreement – The District of Columbia Housing Authority (“DCHA”) provided comments to the DCHFA on September 3, 2014. The DCHFA team discussed the comments and will provide a response to the DCHA by the end of the week, if not sooner. The goal is to have the Agreement signed in September with a settlement to follow shortly thereafter.
  - DCHA, DHCD and DCHFA met yesterday to discuss the status of the predevelopment loan. The next steps have been developed and a status update call is scheduled for tomorrow. The goal is to have the predevelopment funds by the end of the month or shortly thereafter.
  - Real Property Taxes – DCHFA is working with the Office of Tax and Revenue (“OTR”) to ensure that the property is classified as tax-exempt, per DCHFA statute. In addition, DCHFA is working with OTR to ensure that the balance owed on the property, prior to the tax-exempt classification is zeroed out. The goal is to have the tax matter resolved prior to settlement with DCHA.
  - DC WASA Easement – DCHFA received the draft DC WASA/DCHFA Easement on September 5, 2014. The DCHFA team will discuss the draft easement on September 11th with comments submitted to DC WASA shortly thereafter.
  - City Council Request for Information – Councilmember Muriel Bowser’s staff requested an update on Parkway Overlook. A response was sent to Council staff on 9/2 and previously on 8/14. The questions were related to the status of the disposition of Parkway Overlook.
  - RFP for Security and Protective Services – As reported at the last Board meeting in August, the RFP closed on August 25, 2014. Also, as reported at the last Board meeting, the Agency received 4 responses.
- **Proposed Fiscal Year 2015 Budget** – The Interim Secretary provided the proposed FY2015 Budget to the Board Members. Sergei Kuzmenchuk, Chief Financial Officer provided the budget highlights to the Board. The Board will consider the approval of the proposed FY2015 Budget at the next Board Meeting.
- **Next Meeting** – The next meeting will be held on September 23, 2014.

**VIII. Vote to close meeting to consult with an attorney to obtain legal advice and to preserve attorney-client privilege.**

Pursuant to the District of Columbia Administrative Procedures Act, the Chairperson of the Board of Directors called a vote to close the meeting in order to consult with an attorney to obtain legal advice and to preserve the attorney-client privilege between an attorney and a public body, or to approve settlement agreements; provided that, upon request, the public body may decide to waive the privilege. An open meeting would adversely affect the attorney-client privilege of the Agency. (D.C. Code §2-575(b)(4)(A)).

A motion to close the meeting was made by Ms. Batties, Vice Chairperson, and seconded by Mr. Jackson. The Chairperson then moved the meeting into a closed session.

**IX. Re-open meeting.**

The Chairperson reopened the meeting at 8:00 PM.

**X. Adjournment.**

The meeting adjourned at 8:00 PM.

Submitted by Maria K. Day Marshall, Esq., Interim Secretary to the Board of Directors  
September 19, 2014

Approved by the Board of Directors on \_\_\_\_\_