

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

August 14, 2018

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 5:31 p.m. and asked the Secretary to the Board, Mr. David Watts 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, Steven Green (telephonically), Bryan "Scottie" Irving (telephonically), Stanley Jackson (telephonically), and Sheila Miller.

II. Approval of the Minutes from the July 10th and July 24th Board Meetings.

A motion was made to approve the minutes from the July 10th and July 24th Board Meetings by Mr. Jackson. The motion was properly seconded by Ms. Miller.

The motion passed by a chorus of ayes.

III. Vote to close meeting to discuss a Final Bond for Takoma Place and an Equity Investment to the Agency's Housing Investment Platform Single Family Pilot Program for the Gales Street Condominiums Project.

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 Final Bond for the Takoma Place transaction and an equity investment to the Agency's Housing Investment Platform Single Family Pilot Program for the Gales Street Condominiums Project. An open meeting would adversely affect the bargaining position or negotiation strategy of the public body.

Mr. Green disclosed that the Takoma Place transaction involves the NHP Foundation, which is Mr. Green's employer. Mr. Green stated that he has not personally benefited from the transaction and recused himself from the transaction.

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

The meeting was closed by unanimous consent at 5:36 p.m. and resumed at 5:47 p.m.

IV. Gales Street Condominiums

DCHFA Director of Housing Investment, Christopher Miller, presented the transaction and information to the Board.

The Gales Street Condominiums is the Agency's fourth project through the Housing Investment Platform ("HIP"). The subject transaction is in an equity investment amount not to exceed \$300,000. The project will be a joint venture with partner HEP construction, led by Saud Jabali-Nash. HIP selected HEP via the DCHFA Single Family Developer Slate. The project will consist of 4 two-floor condo units in Kingman Park, in Ward 6. The condos will be approximately 1,500 square feet and priced affordable for workforce individuals and families. HIP will invest 80% of the required equity and HEP will invest the balance of 20%.

Mr. Miller introduced Mr. Mohammad Khokar as a member of the development team.

Mr. Binitie inquired about the comps, the product type and the anticipated timeline. Mr. Miller stated that they will be 2-floor condos with 3 bedrooms and at least 2 bathrooms and will be underwritten at 15 months to take into account the city disposition process.

Mr. Khokar stated that he appreciated the support from the Agency.

Mr. Binitie called for a motion to approve DCHFA Resolution No. 2018-13(G) for an Equity Investment through the Agency's Housing Investment Platform's Single Family Pilot Program for the Gales Street Condominiums Project.

A motion to approve the resolution was made by Ms. Miller and seconded by Mr. Jackson. Mr. Watts called for a voice vote. The motion was approved by a chorus of ayes.

V. Final Bond - Takoma Place

DCHFA Underwriter, Ugonna Duru, presented the Takoma Place transaction and information to the Board.

Ms. Duru introduced Mansur Abdul-Malik as a representative from NHP.

Takoma Place Apartments is seeking a final bond resolution in an amount not to exceed \$19.3 million. The property was purchased by NHP from CCA-ASPEN Court, L.P. for \$14 million. The current owner and borrowing entity for the property is Takoma Place Investor, LLC. The managing member of the borrower is Takoma Place GP, LLC, of which NHP is a 79% member and Takoma Place Tenant Association is a 21% member. NHP will be the developer and guarantor for the project. Other members of the development team include WCS Construction, LLC, Studio K Architecture, and WinnResidential, as property manager. The development is located less than 1 mile from Takoma Metro Station. The unit mix will be 1 non-revenue unit and 106 revenue units, with 8 one-bedroom units and 98 two-bedroom units. All of the units will be restricted to residents with incomes of 60% of AMI or less.

The capital stack for the development will consist of permanent financing in the amount of \$10.9 million from R4 Capital Funding, \$13.7 million in DHCD HPTF funds, \$385,000 in interim income, \$200,250 in existing replacement reserves, \$11.7 million in LIHTC equity, and approximately \$1.6 million in deferred developer fees. The total development cost is \$38.6 million, or \$364,386 per unit.

Mr. Abdul-Malik stated that the building is in dire need of substantial renovation and that the property is right across the street from Walter Reed, so the preservation of affordable housing in that area would be a win for the tenants, the City, and DCHFA.

The Board members did not have any questions for Mr. Abdul-Malik.

Mr. Binitie called for a motion to approve DCHFA Final Resolution No. 2018-08 for Takoma Place.

A motion to approve the resolution was made by Ms. Miller and seconded by Mr. Irving. Mr. Watts called for a voice vote. The motion was approved by a chorus of ayes.

VI. Executive Director's Report.

- Mr. Watts informed the Board that in its community engagement efforts, that the Agency is holding chess camp in the auditorium. Mr. Donald read a letter from the father of one of the chess camp attendees and stated that attendance ranged from 6 to 15 kids. The Agency plans to hold the chess camp next year and will increase participation by possibly moving the camp to locations that are closer to the communities that the Agency is trying to reach.

VII. Adjournment

Mr. Binitie called for a motion to adjourn.

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

The motion was approved by a chorus of ayes.

The meeting adjourned at 6:19 p.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on August 24, 2018.

Approved by the Board of Directors on August 28, 2018.