

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

**September 25, 2018
815 Florida Avenue, NW
Washington, DC 20001
5:30 p.m.**

Minutes

I. Call to order and verification of quorum.

DCHFAs Board Member Mr. Buwa Binitie, called the meeting to order at 5:30 p.m. and asked the Secretary to the Board, Mr. Todd 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: Bryan "Scottie" Irving, Stanley Jackson (telephonically), Sheila Miller, Stephen Green, and Buwa Binitie.

II. Approval of the Minutes from the September 11, 2018 Board Meeting.

A motion was made to approve the minutes from the September 11, 2018 Board Meeting by Mr. Jackson. The motion was properly seconded by Mr. Green.

The motion passed by a chorus of ayes.

III. Vote to close the meeting to discuss a McKinney Act Loan associated with the Stack Eight project and to discuss the Agency's Fiscal Year 2019 Budget.

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 Agency's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of a McKinney Act Loan associated with the Stack Eight project because an open meeting would adversely affect the bargaining position or negotiation strategy of the Agency. Additionally, Mr. Binitie called a vote to close the meeting to discuss the Agency's fiscal year 2019 budget, which includes matters regarding the employment and compensation of Government appointees, employees, or officials because 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 Ms. Miller and was followed by a chorus of ayes.

The meeting was closed by unanimous consent at 5:35 p.m. and resumed at 6:42 p.m.

IV. Consideration of DCHFAs Resolution No. 2018-15 for regarding the use of a McKinney Act Savings Loan in an amount not to exceed \$700,000 for predevelopment costs associated with Stack Eight.

DCHFADirector of Housing Investment, Christopher Miller (“Mr. C.Miller”), presented the transaction and information to the Board.

Stack Eight will be eighteen units located in the Congress Heights neighborhood of the District of Columbia and the Agency is requesting the approval of a McKinney Act Loan not to exceed \$700,000 for associated predevelopment costs. The following Developers for the transaction were present and introduced themselves:

John Miller (“Mr. J.Miller”), Flywheel Development
Jessica Pitts, Flywheel Development

Mr. J.Miller stated that the project is not far from the metro station and will achieve what is known as net zero energy production. Net zero energy production means is that each house will produce the amount of energy that it will need to consume over the course of 1 year. This is achieved through the passive housing method which requires extensive insulation, triple paned window, high performance equipment, etc. This will effectively lower the energy consumption of the buildings and will be a significant benefit to low and moderate income families due to reduced energy bills.

Mr. Green asked what the total hard costs per square foot would be. Mr. J.Miller stated that the cost per square foot, including construction contingencies is \$188.

Mr. Binitie asked what would be the total cost per square foot if none of the additional energy saving features were included. Ms. Pitts did not have a hard cost breakdown. Mr. Green stated that while we may not know the hard costs that the soft costs would be reduced in this project.

Ms. Miller stated that Pennsylvania Housing Authority has completed passive housing projects at similar price points.

Mr. Green asked about fresh air intake into the homes. Mr. J.Miller responded that an energy recovery ventilator will be installed with an air filter, which will bring in fresh air continuously through a dedicated intake.

Mr. Binitie asked how the company will hold others accountable if there is a shortage in achieving project goals and a synopsis of the company’s Mount Rainier project.

Mr. J.Miller stated that the GC and builder are held accountable through fixed pricing contracts and establishing a passive house planning package where a building’s energy use is modeled and tracked. Regarding the Mount Rainier project, Mr. J.Miller shared that it is a successful 4 townhome project using the same modular builder with net zero energy production.

Mr. Green asked where the Stack Eight modular homes will be built and who will be assembling them. Mr. J.Miller stated that they are being constructed in Delaware and will be assembled by an Amish company. Mr. Lee clarified that the Board is interested in learning whether the project would employ local contractors. Mr. J.Miller said that they plan to use a construction manager who will hire local contractors to for tiling, woodwork, etc.

Mr. Binitie inquired about the Lots. Mr. J. Miller responded that they plan to subdivide the Lot into 3 smaller Lots.

Mr. Jackson asked if training will be provided to the new homeowners. Ms. Pitts informed the Board that there will be one-on-one training regarding how the homes function and how to best use them.

Mr. Green asked if there was any consideration for hiring a general contractor to reduce risk. Ms. Pitts stated that because the homes are modular, it is a rehab project and therefore less risky.

Mr. Binitie called for a motion to approve DCHFA Resolution No. 2018-15(G) for regarding the use of a McKinney Act Savings Loan in an amount not to exceed \$700,000 for predevelopment costs associated with Stack Eight.

A motion to approve the resolution was made by Mr. Green and seconded by Ms. Miller.

Mr. Lee called for a roll call vote:

Mr. Jackson – Yes

Mr. Green – Yes

Mr. Irving – Yes

Ms. Miller – Yes

Mr. Binitie – Yes

The resolution was approved by unanimous consent.

V. Consideration of DCHFA Resolution No. 2018-17(G) regarding the approval of the Agency's Fiscal Year 2019 Budget.

Mr. Binitie called for a motion to approve DCHFA Resolution No. 2018-17(G) regarding the approval of the Agency's Fiscal Year 2019 Budget.

A motion to approve the resolution was made by Mr. Green and seconded by Ms. Miller.

Mr. Lee called for a roll call vote:

Mr. Jackson – Yes

Mr. Green – Yes

Mr. Irving – Yes

Ms. Miller – Yes

Mr. Binitie – Yes

VI. Consent Vote to Approve a Contract Renewal with Goldblatt Martin Pozen LLP to Serve as Outside Legal Counsel to the Board of Directors for FY 2019.

Mr. Lee asked if a resolution was necessary. Ms. Parker responded that the Board could vote by consent vote on the matter right now and ratify their action at the next Board meeting with a formal resolution.

Mr. Binitie called for a motion to approve the contract renewal with Goldblatt Martin Pozen LLP to serve as outside legal counsel to the Board of Directors for FY2019.

A motion to approve the resolution was made by Mr. Green and seconded by Ms. Miller.

Mr. Lee called for a roll call vote:

Mr. Jackson – Yes

Mr. Green – Yes

Mr. Irving – Yes

Ms. Miller – Yes

Mr. Binitie – Yes

VII. Executive Director's Report.

- The HIP program has been successful and also allowed the Agency to support an emerging homebuilder (H2 Design).
- The Agency intends to continue to grow its Risk Share Program.
- Thank you to the staff and to the Board for a successful Fiscal Year 2018.

VIII. Other Business

IX. 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 7:09 p.m.

Submitted by Todd A. Lee, Secretary to the Board of Directors on October 7, 2018.

Approved by the Board of Directors on October 9, 2018.