

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

January 13, 2015  
815 Florida Avenue, NW  
Washington, DC 20001  
5:30 pm

**Minutes**

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

The Chairperson, Mr. Derek Ford, called the meeting to order at 5:43 PM and asked the Interim Secretary of the Board, Ms. Maria K. Day-Marshall, Esq., to verify a quorum. With four members present, the Board of Directors (the “Board”) had a quorum, and the meeting continued. The members present included Mr. Ford, Ms. Leila Batties, Vice Chairperson, Mr. Charles R. Lowery, Jr., and Mr. Stanley Jackson.

The Chairperson asked the Board Members present to review the agenda. Mr. Jackson made a motion to remove Item IV, DCHFA Annual Meeting and Elections, from the agenda and to hold a meeting on January 22, 2015 to discuss the matter. Ms. Batties, Vice Chairperson, seconded the motion. The motion was unanimously approved by voice vote.

Ms. Day-Marshall asked that Item VII, Consideration of DCHFA Final Bond Resolution No. 2015-01 for Channing Phillips be removed from the agenda and that Item V, be modified to remove the discussion about Channing Phillips. The Chairperson then asked for a motion to approve the amended agenda. A motion was made by Mr. Jackson to approve the agenda as amended and seconded by Ms. Batties, Vice Chairperson. The amended agenda was unanimously approved.

**II. Presentation – CohnReznick auditors.**

The Interim Secretary, Maria K. Day-Marshall stated that the Agency’s audit was completed on time, and it was submitted to the Mayor and City Council prior to the end of the calendar year, as required by the Agency’s statute. Ms. Day-Marshall commended the staff for their work and thanked the auditors for working expeditiously. Ms. Day-Marshall introduced the team that performed the audit. The team was comprised of CohnReznick and Walker & Company. The representatives that were present at the meeting included Dan Kenney, CohnReznick, Bryan Benson, CohnReznick and Ronald P. Walker, Walker & Company LLP. The representatives provided the Board with a brief presentation and overview of their findings.

**III. Approval of minutes from the December 9, 2014 and the December 16, 2014 Board meetings.**

The Chairperson asked the Board Members present to review the draft minutes of the December 9 and December 16, 2014 meetings.

- Please add the names of the Board Members that are present when the roll call is made to verify a quorum.

A motion was made by Ms. Batties, to approve the December 9, 2014 minutes as amended, and seconded by Mr. Lowery, Jr. The minutes, as amended, were unanimously approved.

A motion was made by Ms. Batties, to approve the December 16, 2014 minutes as amended, and seconded by Mr. Lowery, Jr. The minutes, as amended, were unanimously approved.

#### **IV. Vote to close meeting to discuss a McKinney Act Loan associated with the Deanwood Hills project.**

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 a McKinney Act Loan associated with the Deanwood Hills project. 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 Ms. Lowery, Jr. The motion was approved by voice vote.

#### **V. Re-open meeting.**

A motion to re-open the meeting was made by Mr. Lowery, Jr. and seconded by Ms. Batties, Vice Chairperson. The motion was approved by voice vote.

#### **VI. Consideration of DCHFA Resolution No. 2015-01(G) for a McKinney Act Loan associated with Deanwood Hills.**

Prior to the consideration of DCHFA Final Bond Resolution No. 2014-01 (G) for the approval of a McKinney Act Loan associated with Deanwood Hills, Ms. Batties, Vice Chairperson, recused herself from the discussion and from voting on the project.

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. Waddell introduced Patience Dean, Development Analyst, as the development officer for the project. The development team present included Ivy Carter, Pennrose Properties, Inc.

The principal company executing the development of the project is Deanwood Hills, LLC, a joint venture partnership between Pennrose Properties, LLC and the Warrenton Group, LLC.

The project involves the new construction of 150 units, in which 100 units will be set aside for households earning up to 60 percent Area Median Income (AMI). And the remaining 50 units will be provided as replacement units for the Lincoln Heights and Richardson Dwellings public

housing development for households earning up to 30 percent of AMI. The project will include one four-story elevator building with 119 one and two-bedroom units, and 31 three and four-bedroom townhomes. The bedroom mix is as follows: 69 one-bedroom units, 50 two-bedroom units, 28 three-bedroom units and three four-bedroom units for a total of 150 units.

To date, the sponsor has contributed \$389,805 of developer equity to begin the pre-development of the project. It is anticipated that the McKinney Act Loan will be paid off with tax-exempt bond proceeds at closing of permanent bond financing. The sources of the funds from the McKinney Act will be used to pay fees associated with architectural and engineering services, permitting costs, zoning and planning unit and development, legal costs and third party services.

Questions asked by the Board of Directors included the following:

- Mr. Ford, Chairperson, asked if the public alley is going to separate the church from the parking lot. The development team responded yes.
- Mr. Ford, Chairperson, asked how many parking spaces were going to be on site. The development team responded 79 spaces.
- Mr. Ford, Chairperson, asked if the development team anticipated any major problems because the site was a trash transfer site. The development team responded that they are working on some geotechnical testing now so that they can determine if there are any soil issues.
- Mr. Lowery, Jr. asked a question regarding the type of security that will be on the property, physical presence versus cameras. The development team responded that in their experience, security cameras provide a better job for the sites that they develop.
- Mr. Jackson asked if there were any anomalies in the environmental and geotechnical testing that the development team has performed thus far. The development team responded that they could not specifically speak to that question, however, they have budgeted \$250,000 for site remediation.

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. Ms. Batties, Vice Chairperson abstained from voting.

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

- FY2014 Audit – Ms. Day-Marshall applauded the finance team and other staff for their work on the FY2014 Audit.
- Barry Farm project – Ms. Day-Marshall reconfirmed her email that was sent to the Board Members earlier in the day. The DC Housing Authority's time table for submitting a grant application for the project has been delayed, so there is no need for the Board to consider the project until further notice.
- NCSHA Legislative Conference – Ms. Day-Marshall stated that the conference will be held in DC on March 2-4, 2015. Ms. Day-Marshall asked that the Board Members let her know if they would like to attend the conference.

## **VIII. Other Business.**

- Revised Investment Policy – Ms. Day-Marshall, the Board Members, and Mr. Thorn Pozen, Attorney to the Board, discussed the Revised Investment Policy. Two changes will be made the Revised Investment Policy, as drafted by the staff.
  - i. Removal of the Investment Manager - The Investment Committee is authorized to take corrective action by replacing an investment manager, at any time, for the reasons including but not limited to, significant turnovers, significant loss of business, etc.
  - ii. Disclosure – The Investment Committee will disclose any financial or personal relationship with the individuals or companies with which the Agency is doing business.

A motion was made by Ms. Batties, Vice Chairperson, to approve the Revised Investment Policy, as amended by the two items listed above. The motion was seconded by Mr. Lowery, Jr. The motion was unanimously approved by voice vote.

- Update – Financial Management Software Proposals – Ms. Fran D. Makle, Deputy Executive Director, provided a brief update to the Board of Directors and then requested that the more detailed update be provided to the Board at the next meeting.
- Next Meeting – The Board will meet on Thursday, January 22, 2015 and again on January 27, 2015.

## **IX. Adjournment.**

The meeting adjourned at 7:27 PM.

Submitted by Maria K. Day Marshall, Esq., Interim Secretary to the Board of Directors  
January 23, 2015

Approved by the Board of Directors on January 27, 2015