

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

July 23, 2024

5:30 p.m.

Minutes

Join Zoom Meeting

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I. Call to order and verification of quorum.

District of Columbia Housing Finance Agency (“DCHFA” or the “Agency”) Board Chairperson, Mr. Stephen Green, called the meeting to order at 5:37 p.m. and asked the Secretary to the Board of Directors (the “Board”), Mr. Christopher Donald, to verify a quorum. The Board reached a quorum and the meeting continued. The following members were present via Zoom: Mr. Stephen

Green, Mrs. Heather Wellington, Mr. Bryan “Scottie” Irving, Mrs. Carri Robinson, and Mr. Stanley Jackson.

I. Vote to approve minutes from the June 11, 2024 board meeting.

Mr. Stephen Green asked the board members if they had any additions or corrections to the June 11, 2024 minutes. Mr. Jackson responded that he had none and made a motion to accept the minutes. The motion was properly seconded by Mr. Irving. The motion passed by a chorus of ayes.

II. Vote to close meeting to discuss a contract with Emphasys Software and DC Open Doors 10% DPAL Pilot Program.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors called for a motion to close the meeting to discuss, establish, or instruct the public body’s staff or negotiating agents concerning the position to be taken in a contract with Emphasys Software and DC Open Doors 10% DPAL Pilot Program. An open meeting would adversely affect matters related to the Agency. (DC Code §2-575(b)(2)).

Mr. Green called for a motion to close the meeting. Mr. Jackson made a motion to close the meeting. The motion was properly seconded by Mrs. Robinson. The motion passed by a chorus of ayes.

The meeting was closed at 5:40 p.m. and re-opened at 6:27 p.m.

III. Consideration of DCHFA Resolution No. 2024-07(G) for the Sole Source Selection of Emphasys Software to create software suites for MLNI and PAM.

Ms. Tara Sigamoni, Vice President of Procurement and Administrative Services, presented a proposal to enter into a sole source contract with Emphasys Software (“Emphasys”) to continue the Agency’s goal of business systems modernization and workflow automation. The Agency intends to add software suites to its enterprise system for Multi-Family Lending (“MLNI”) and Portfolio and Asset Management (“PAM”).

In 2018, after competitive procurement, a contract was awarded to Prolink Solutions, Inc. (“Prolink”) to create the Agency’s PAM and MLNI suite. In 2020, the Agency terminated its contract with Prolink because it was clear that Prolink’s solution did not deliver the required functionality to adequately support the Agency. The software also did not provide the necessary data driven information to support informed decision making.

The Agency began discussions with Emphasys in 2021 regarding an ongoing creation of an enterprise-wide solution and after thorough evaluation, arrived at a comprehensive scope of work and set of requirements to meet the Agency’s needs for the MLNI and PAM business areas. The Agency has been pleased with its partnership with Emphasys related to its Single Family and Finance software. The contractor has accommodated special requests, been amenable to system changes, implemented regular system updates, and provided in-person and virtual trainings as needed.

The Agency requests approval to move forward with Emphasys software for MLNI and PAM under a sole source contract to develop a complete software suite for the Agency. The MLNI and PAM suites will bring much needed functionality to the Agency, included but not limited to, funding applications, funds allocation, construction inspection, compliance, physical inspections, asset management, and an executive portal.

Ms. Sigamoni completed the presentation and opened the floor for questions.

Mr. Green asked if any members of the board had any questions.

Mrs. Wellington asked about the type of platform—whether it was a computer or cloud-based software. Ms. Sigamoni responded that it is a cloud-based system.

Mr. Green commented stating that in public procurement the most inexpensive vendor does not always mean the best vendor. He also stated that as computer systems become increasingly sophisticated, it is useful to integrate systems on one platform.

There were no additional questions.

Mr. Green called for a vote to approve DCHFA Resolution No. 2024-07(G) for the sole source selection of Emphasys Software to create software suites for PAM and MLNI. Mrs. Wellington made a motion to approve the resolution and it was properly seconded by Mrs. Robinson. Mr. Donald took a poll vote. The resolution was unanimously approved.

IV. Consideration of DCHFA Resolution No.2024-08(G) for Approving a DC Open Doors 10% Down Payment Assistance Loan Pilot Program.

Mr. Steve Clinton, Chief Financial Officer, presented the DC Open Doors 10% Down Payment Assistance Loan Pilot Program (“10% DPAL Pilot Program”) to expand housing opportunities for families seeking ownership of single-family residences.

The pilot program will be administered in partnership with the Agency’s top producing approved lender, Capital Bank, N.A., who will be launching a \$2,500.00 subsidy grant to recipients of the 10% DPAL Pilot Program. The DCOD/DC4ME 1st and 2nd trust mortgages will mirror our current DCOD/DC4ME guideline and eligibility criteria to mitigate risk and allow for the sale of the 1st trust loan to our Master Servicer, Lakeview Loan Servicing, LLC. The 10% DPAL will be a 0% interest, non-amortizing loan repayable upon refinance, payoff, or if the property ceases to be the borrower’s primary residence.

The requested budget of \$3MM will be funded from the DCHFA balance sheet; a daily rate sheet will be produced outlining an increased market driven rate to aid in offsetting the cost of funds for an increased DPAL. The loans are repayable, and a lien is placed on the property to protect our interests. The Agency will collect some fees up front by charging a higher rate on the 1st trust and monetizing that rate premium by selling into the secondary market. The current proposal is to offer the 10% DPAL Pilot Program until the \$3MM has been fully expended.

The Agency would like to do its part in making homeownership in the District more attainable. The implementation of an expanded DPAL pilot product consequently aligns with the Mayor's goal to make 20,000 additional Black DC residents homeowners by 2030.

Mr. Clinton completed the presentation and opened the floor for questions.

Mr. Green asked Mr. Clinton whether the Agency is using the same program that provides three percent down payment assistance and increasing it to ten percent. Mr. Clinton responded affirmatively stating that it is the same program and that the three percent program will be operating in addition to the ten percent program. Mr. Green asked a clarifying question regarding whether the pilot program will help address some of the Home Purchase Assistance Program ("HPAP") buyers who did not receive funds since the HPAP program's funds were depleted.

Mr. Clinton responded affirmatively stating that the HPAP Fiscal Year '24 funding has been exhausted.

Mr. Green commented that the Agency will run its 10% DPAL Pilot Program until the \$3MM has been funded and will reevaluate it in the future to determine its effectiveness.

There were no additional questions.

Mr. Green called for a vote to approve DCHFA Resolution No. 2024-08(G) for the DC Open Doors 10% DPAL Pilot Program to expand housing opportunities in the District. Mr. Irving made a motion to approve the resolution and it was properly seconded by Mr. Jackson. Mr. Donald took a poll vote. The resolution was unanimously approved.

VI. Other Business.

Mr. Donald noted that upcoming there will be a strategic session to discuss tenant vacancy and delinquency. There will also be a presentation from the Agency's PAM group.

VII. Executive Director's Report.

There was no Executive Director's Report.

VIII. Adjournment.

Mr. Green called for a motion to adjourn the meeting. Mrs. Robinson made a motion to adjourn the meeting, which was seconded by Mr. Jackson. Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

The meeting was adjourned at 6:43 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on August 27, 2024.