

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

January 14, 2025

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 5:33 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, and Mr. Yohance Fuller.

II. DCHFA Annual Meeting and Elections.

Mr. Green asked for nominations for officers of the Board of Directors.

There were no additional nominations.

Mr. Green called for a motion to nominate the current slate of Board officers. Mr. Irving made a motion and the motion was properly seconded by Mr. Fuller. The motion passed by a chorus of ayes.

III. Vote to close meeting to discuss Credit Review of Harvard Court Apartments and Portfolio Stabilization Grant Program updates.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors will call 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 the **Credit Review of Harvard Court Apartments and Portfolio Stabilization Grant Program updates**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

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

Mr. Green recused himself from discussion about the Harvard Court Apartments transaction because he is employed by a member of the development team. After the briefing on the Portfolio Stabilization Grant Program, Mr. Green left the closed session before discussion about the transaction.

Mr. Irving recused himself from discussion about the Harvard Court Apartments transaction because his business partner is general contractor. After the briefing on the Portfolio Stabilization Grant Program, Mr. Irving left the closed session before discussion about the transaction.

The meeting was closed at 5:39 p.m. and re-opened at 6:06 p.m.

IV. Credit Review of Harvard Court Apartments.

Ms. Kadija Sow, Underwriter, Multifamily Lending and Neighborhood Investment (“MLNI”) presented the transaction to the Board. MLNI presented Harvard Court Apartments for initial credit review.

The MLNI team presents its credit review to authorize the issuance of taxes and bonds in an amount not to exceed \$45,210,000 for Harvard Court Apartments (“the Project”). The Project site is in the Columbia Heights neighborhood of Ward 1 and it is located within 0.2 miles from the Columbia Heights Metro Station, which serves the Green Line, and is also within 0.1 miles from various bus stops.

The Project site is currently improved with an existing surface parking lot with sixty-five (65) spaces near its adjacent sister property, Columbia Heights Village Apartments. Prior to the construction of the Project, the surface parking lot will be demolished. The Project will be a new construction high-rise building, with an underground parking garage. The secured underground parking garage will consist of eighty-five (85) parking spaces, and sixty-five (65) will be reserved for Columbia Heights Village tenants, to replace those lost during the construction of the Project.

The Project's one hundred eight (108) affordable units will be restricted at the thirty percent (30%) and fifty percent (50%) Area Median Income (AMI) levels. Of those units, twenty-eight (28) will be Permanent Supportive Housing (PSH) units, and they will operate with Local Rental Subsidy Program (LRSP) subsidies. The sponsors intend to select Community Connections as the PSH service provider.

The total development cost is \$86,700,000, or approximately \$803,000 per unit. Additionally, the hard construction costs of the Project are \$51,600,000, or \$478,000 per unit. This transaction is being evaluated as a U.S. Department of Housing and Urban Development (HUD) Risk Share permanent loan under DCHFA's HUD 50/50 Risk Share program. The capital stack for the Project will include, but is not limited to, a \$11,800,000 HUD Risk Share loan, \$23,800,000 D.C. Department of Housing and Community Development (DHCD) Housing Production Trust Fund (HPTF) loan, \$32,000,000 in Federal Low Income Housing Tax Credit (LIHTC) Equity, and \$6,200,000 in DC LIHTC Equity.

Bank of America will be providing the construction loan, and Hudson Housing Capital, LLC will be the Federal and DC LIHTC Equity investor. The sponsors for the Project are the NHP Foundation, the Columbia Heights Village Tenant's Association, and Change All Souls Housing Corporation. The remaining members of the development team consists of McCullough Construction as general contractor, Shalom Baranes Associates as architect, and Franklin Group as property manager.

Ms. Sow concluded her presentation and members of the development team were introduced.

Those present were Brett Ruby, Senior Project Manager, NHP Foundation; Paul Jones, President, Columbia Heights Village Tenant's Association; Cynthia Hall, Chief Operating Officer, Columbia Heights Village Tenant's Association; Patricia Jenkins, Vice President, Columbia Heights Village Tenant's Association; Terry Green, Executive Director; Change All Souls Housing; Evan Eyo, Asset Manager, NHP Foundation; Ari Blumenthal, Shalom Baranes; J.R. Russell, McCullough

Construction; Laurie Arehart, Franklin Group; Ken White, Operation Pathways; and Gianna Nilio, Community Connections.

Mrs. Wellington asked whether there was a plan for the parking lot that would be taken away from the neighboring building. Mr. Ruby responded that there is an agreement with the nearby DC USA mall to replace all sixty-five (65) parking spaces during the construction period.

Mrs. Wellington asked about the security plan. Mr. Ruby responded stating that in partnership with the Tenant's Association at Columbia Heights Village, Change All Souls Housing, and the Franklin Group, they are currently underwriting \$160,000 in security costs. There will be one armed security guard from 5:00 p.m. to 1:00 a.m., Sunday through Thursday, and two armed guards from 5:00 p.m. to 1:00 a.m., Friday and Saturday. Mr. Ruby stated that there will also be a robust camera system. Mrs. Wellington asked whether there would be an on-site property manager. Mr. Ruby responded in the affirmative.

Mr. Fuller asked how confident the developer was in securing Federal and D.C. LIHTC equity. Mr. Ruby stated that they were very confident because there are firm commitments from Hudson Housing and Bank of America both for Federal LIHTC and DC LIHTC. Mr. Fuller responded asking whether they anticipated any risks with respect to syndication of the equity. Mr. Ruby responded that they do not anticipate risks because they have been in communication for some time with the equity providers.

Mr. Fuller asked about the environmental considerations, specifically the presence of the underground storage tank (UST). Mr. Ruby responded that they received a proposal from I-CORPS for the removal and remediation of UST. They also conducted tests around the UST and found no evidence of significant soil impacts. Mr. Fuller asked when they received the proposal. Mr. Ruby responded that it was received in September 2024.

Mr. Fuller asked how the team would ensure that the units are leased up to its intended population, specifically PSH. Mr. Ruby stated that the leasing up effort will be between DC Housing Authority and the Franklin Group and Community Connections. Mr. Fuller asked what services the tenants will be receiving. Ms. Nilio stated that residents will be provided housing assistance, mental health services, and resource development. Mr. Fuller asked if they anticipated issues with leasing up the PSH units. Ms. Nilio stated that she does not anticipate any issues because they have an eligibility process to ensure that there are participants ready for lease-up.

There were no additional questions.

V. Other Business.

There was no other business.

VI. Executive Director's Report.

There was no Executive Director's Report.

VII. Adjournment.

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

The meeting was adjourned at 6:17 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on February 7, 2025.