

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

May 13, 2025

5:30 p.m.

Minutes

Join Zoom Meeting

<https://dchfa.zoom.us/j/85646838566?pwd=BXLmV8PdVi6JXFEEUe8OgV8tVzuh27.1>

Meeting ID: 856 4683 8566

Passcode: 651025

One tap mobile

+16469313860,,85646838566#,,, *651025# US

+19292056099,,85646838566#,,, *651025# US (New York)

Dial by your location

- +1 646 931 3860 US
- +1 929 205 6099 US (New York)
- +1 301 715 8592 US (Washington DC)
 - +1 305 224 1968 US
 - +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 669 900 6833 US (San Jose)
 - +1 689 278 1000 US
 - +1 719 359 4580 US
 - +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)
 - +1 360 209 5623 US
 - +1 386 347 5053 US
 - +1 507 473 4847 US
 - +1 564 217 2000 US
 - +1 669 444 9171 US

Meeting ID: 856 4683 8566

Passcode: 651025

Find your local number: <https://dchfa.zoom.us/u/kbdZLqrkAq>

I. Call to order and verification of quorum.

District of Columbia Housing Finance Agency (“DCHFA” or the “Agency”) Board Chairperson, Mrs. Heather Wellington, called the meeting to order at 5:35 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: Mrs. Heather Wellington, Mr. Bryan “Scottie” Irving, and Mr. Yohance Fuller.

II. Vote to close meeting to discuss MOA for Volume Cap Allocation, Mckinney Act Loan for Flats at South Capitol, Henson Ridge II, REMIT Program and 2025 Multifamily Pipeline Inducement Extensions.

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 **MOA for Volume Cap Allocation, Mckinney Act Loan for Flats at South Capitol, Henson Ridge II, REMIT Program and 2025 Multifamily Pipeline Inducement Extensions**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

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

The meeting was closed at 5:37 p.m. and re-opened at 6:17 p.m.

III. Credit Review—Henson Ridge II

Ms. Kira Antoine, Underwriter, Multifamily Lending and Neighborhood Investments (MLNI), presented the transaction to the board.

The eligibility resolution for the project was approved on April 22, 2024, and extended on December 12, 2024 authorizing the issuance of tax-exempt bonds in an amount not to exceed \$54.4 million for the substantial rehabilitation of one hundred seventy-eight (178) units.

The development is located in the Douglass neighborhood of Southeast DC in a mixed-use area. The project’s surrounding uses include single and multi-family housing, commercial uses and access to transportation. The development is a half mile from the Congress Heights Metro Station which services the Green Line and one-tenth of a mile to multiple bus stops. The development unit mix will be a total of one hundred seventy-eight (178) units including fifty-two (52) one-bedroom units, twenty-eight (28) two-bedroom units, fifty (50) three-bedroom units, thirty-eight (38) four-bedroom units, and ten (10) five-bedroom units.

The development consists of thirty-two (32) single-story flats, twenty (20) single-story stack flats, and one hundred twenty-six (126) three-story townhouses that will be restricted to residents in

thirty percent (30%) and sixty percent (60%) Area Median Income (AMI) or less. The one hundred fourteen (114) units restricted to thirty percent (30%) AMI will benefit from project-based vouchers. Residents will have access to high-speed internet throughout the renewed Low-Income Housing Tax Credit (LIHTC) compliance period and access to the common areas in Henson Ridge I such as the clubhouse and community playground.

The co-developers for the project are Urban Atlantic and Capital House Partners, a subsidiary of the District of Columbia Housing Authority (DCHA). Other members of the development team include Marous Brothers as the general contractor and architect, The Franklin Group as the property managers and Equity Plus as the development consultant.

Ms. Antoine concluded her presentation and asked the board if there were any questions.

Mrs. Wellington asked members of the development team to introduce themselves.

Those present were Andrew Gaffney, Finance Associate, Urban Atlantic; Kelly Brooks, Managing Director of Finance, Urban Atlantic; and Bradley Lockhart, Development Manager.

Mrs. Wellington asked for the status of the project. Specifically, she asked how the extension will benefit the project. Mr. Gaffney responded that they are negotiating the final joint venture agreement between Urban Atlantic and DCHA. They are also working towards closing with NewPoint, the lender, and The Richman Group, the tax credits syndicator. Mr. Lockhart, General Contractor, stated that the design components for the building have been prepared and Housing to Home, the relocation specialist, is on-site working with residents to understand their needs. Further, permits are ongoing and moving along well.

Mr. Fuller asked how the development team plans to manage relocation efforts. Mr. Lockhart stated that they are first communicating with residents by providing notice of relocation. There are three notices: a 120-day notice, a 90-day notice, and a 30-day notice. A move date is set with residents and before move day, packing materials are provided and if there are health or mobility issues, packing services are provided. Residents are moved at no cost to a vacant unit that's been turned, with utilities, cable, and internet included. Additionally, residents receive notice of when they will be moving into their new unit and similar services are provided.

Mr. Fuller asked if the units where residents will be relocated will be renovated first. Mr. Lockhart responded that they will be moving residents based on availability. Residents will be relocated to units with the same number of bedrooms but most of those units will be renovated at the end of the project. Mr. Lockhart stated that they expect some wear and tear from moving residents in and out of those units. Since two- and three-bedrooms units are most common, they anticipate renovating one- and five-bedroom units first.

Mr. Fuller asked whether a Guaranteed Maximum Price (GMP) contract has been executed. Mr. Lockhart stated that the GMP contract has not been executed but they have a number that is

comfortable and includes cost escalation. Additionally, they have leverage with subcontractors working on Henson Ridge I, who would like to have the scope of work.

Mr. Fuller asked whether the GMP would be signed by the expiration of the extension. Mr. Lockhart answered affirmatively stating that it is dependent on determining the final timelines so that they feel comfortable with the values.

Mr. Fuller asked how they plan to manage the property with large family units. Ms. Arehart, Senior Vice President of Property Operations, responded that they are very familiar with these types of buildings and have extensive experience managing twenty-eight (28) other properties in DC. She stated that they have already been on-site and have a relationship with most of the residents.

Mrs. Wellington asked whether the property management team was familiar with rental delinquencies. Ms. Arehart answered in the affirmative.

There were no additional questions.

IV. Consideration of DCHFA Resolution No. 2025-06(G) regarding the approval of a McKinney Act Loan for Flats at South Capitol.

James Grisham, Senior Underwriter, MLNI, presented the transaction to the board.

The MLNI team presents its recommendation for the approval of funding on the McKinney Act loan in an amount not to exceed \$1 million for the Flats at South Capitol project located in the Congress Heights neighborhood of Southeast, Washington, D.C. The project is one and a half miles away from the Congress Heights Metro Station which services the Green Line.

The development is near closing on construction financing and is requesting McKinney Act loan funds to complete the outstanding site work to receive the raze permit. The raze permit allows sponsors to demolish their existing buildings in preparation for the new construction project.

The unit mix of the development consists of one hundred six (106) units including twenty (20) efficiency units, thirty-four (34) one-bedroom units, twenty (20) two-bedroom units, and thirty-two (32) three-bedroom units. Twenty-two (22) units are thirty-six percent (36%) of AMI. Seventy-two (72) units are restricted to fifty percent (50%) AMI and the remaining twelve (12) units are restricted to sixty percent (60%) AMI.

The project amenities will include washers and dryers, dishwashers, walk-in closets and patios. Additionally, the project amenities will include a clubhouse room, fitness center, business center, bike storage, media room, and parking garage. The parking garage will have seventeen (17) below-ground parking spaces for residents and parking will be on a first-come, first-serve basis at no cost to the residents.

The borrower's proposed development plan is to finance pre-development activities with approximately \$1 million in McKinney Act loan funds and \$1.9 million of sponsor's equity. The

borrower has already received Housing Production Trust Fund (HPTF) financing, and the McKinney Act loan is expected to be repaid upon closing of the construction financing.

The borrower for the project is Flats at South Capitol LLC and the guarantor will be Dantes Partners. Other members of the development team will include Bozzuto as the general contractor, Torto Gallas as architects, and Faria Management as the property manager.

Mr. Grisham concluded his presentation and introduced members of the development team.

Those present were Joel Patterson, Christopher Jones, and Buwa Binitie.

Mr. Fuller asked about the status of the GMP contract and the contingency amount to be included in the contract. Mr. Patterson responded that they are aware of the macroeconomics and are taking precautions to ensure that they are building cost escalations into their numbers. Once the final bond is approved, they will be able to lock in pricing.

Mr. Fuller asked for a target timeline for lease up and any assumptions around absorption. Mr. Patterson stated that at around fifty percent (50%) completion of the project, they do a soft launch and do a first round of marketing when the project is close to finished. He stated that one hundred twenty (120) days prior to completion, they begin pre-leasing with the subsidized units and LIHTC units.

Mr. Binitie commented that they have all funds available to move forward with the site work, but they are caught in the bureaucratic process of waiting on the raze permit. He stated that he is aware of projects that have closed without the raze permit, so he wanted to understand why this project is subjected to the additional layer of bureaucracy.

Mr. Donald responded that he is not aware of projects that have closed without building permits since he has been with the Agency. Further, the financing partners for the project are not prepared to close without the raze permit. Mr. Grisham clarified that they are waiting for the equity partners to confirm whether they can close without the raze permit. All of the other financing partners have confirmed that they would not need it to close. Mr. Grisham stated that once confirmation is received from the equity partners, the parties can proceed to closing without it.

There were no additional questions.

Mrs. Wellington called for a motion to approve DCHFA Resolution No. 2025-06(G) for the approval of a McKinney Act loan for Flats at South Capitol. Mr. Irving made a motion, which was properly seconded by Mr. Fuller. Mr. Donald took a poll vote. The motion passed by a chorus of ayes.

V. Consideration of DCHFA Resolution No. 2025-07(G) regarding the approval of supplemental funds for the REMIT Program.

Ms. Tikisha Wilson, Director, Single Family Programs, made a presentation to the board.

The Reverse Mortgage Insurance and Tax Payment Program, also known as ReMIT, originally piloted in 2019 and was relaunched with a remaining temporary allocation of \$204,000 in August 2024. The program to prevent foreclosure for seniors in reverse mortgages who are delinquent on taxes, insurance, condo or HOA fees. The current funds are now fully exhausted due to overwhelming demand, and we are requesting a one-time allocation of \$123,781 to provide final assistance to fourteen (14) eligible senior homeowners currently in the ReMIT program pipeline.

This final allocation will fulfill the program's intended reach, prevent imminent foreclosure and ensure housing stability for vulnerable seniors without reopening or expanding the initiative.

Ms. Wilson concluded her presentation and asked the Board for any questions.

There were no additional questions.

Mrs. Wellington called for a motion to approve DCHFA Resolution No. 2025-07(G) for the approval of supplemental funds for the ReMIT program. Mr. Fuller made a motion, which was properly seconded by Mr. Irving. Mr. Donald took a poll vote. The motion passed by a chorus of ayes.

VI. Consideration of DCHFA Resolution No. 2025-05(G) regarding the approval of an amended MOA with DMPED and DHCD for Volume Cap Allocation.

Mr. Marcus Ervin, Vice President, MLNI, presented the 2025 Memorandum of Agreement (MOA) to the board.

The Agency is requesting approval to authorize the Executive Director to execute the calendar year 2025 MOA among the District of Columbia Housing Finance Agency (DCHFA), the Department of Housing and Community Development (DHCD), and the Deputy Mayor's Department of Planning and Economic Development (DMPED) regarding the allocation of the District's private activity bond cap.

The MOA continues a coordinated approach to managing bond cap which has become increasingly critical with rising development costs and four percent (4%) low-income housing tax credits. The 2025 MOA reflects updates based on lessons learned in the prior year with key changes including readiness-based sequencing, which projects will proceed individually based on DCHFA's readiness guidelines. The maximum capital project has increased to \$77.7 million up from \$75.6 million and DCHFA may grant an additional six-day extension at its discretion for delays outside of the sponsor's control.

Mr. Ervin concluded his presentation and asked the Board for any questions.

There were no additional questions.

Mrs. Wellington called for a motion to approve DCHFA Resolution No. 2025-05(G) for the approval of an amended MOA with DMPED and DHCD for volume cap allocation. Mr. Irving

made a motion, which was properly seconded by Mr. Fuller. Mr. Donald took a poll vote. The motion passed by a chorus of ayes.

VII. Consideration of DCHFA Resolution Nos. 2025-03 through 2025-06 regarding the approval of the 2025 Multifamily Pipeline Inducement Extensions.

Mr. Marcus Ervin, Vice President, MLNI, presented the transactions for a second eligibility extension to the board.

The Agency is requesting the Board's consideration of approval of 180-day inducement resolution extension for four major projects in our 2024 multi-family pipeline. These extensions are critical to ensuring these deals continue progressing and can close within the fiscal year.

In April of 2024 the Board approved the initial inducement resolutions for the 2024 multifamily pipeline, and in December recognized the on-going market volatility, and a 180-day extension for several of those transactions was approved. We are pleased to report that since that time, our projects including S Street Village, 2911 Rhode Island, Belmont Crossing II, and Henson Ridge I have successfully closed.

Today, there are four projects from the 2024 pipeline which include The Flats at South Capitol, Benning Road Metro, Wagner Senior Apartments, and Henson Ridge Phase II that have already gone through inducement. These projects are substantially underway with public funding certification and investor shifts but need more time to reach the finish line. Collectively, these projects represent over three hundred ninety (390) units of affordable housing in our pipeline and the Agency recommends the approval of another 180-day eligibility extension.

Mr. Ervin concluded his presentation and asked the Board for any questions.

There were no additional questions.

Mrs. Wellington called for a motion to approve DCHFA Resolution Nos. 2025-03 through 2025-06 for the approval of the 2025 Multifamily Pipeline Inducement Extensions. Mr. Fuller made a motion, which was properly seconded by Mr. Irving. Mr. Donald took a poll vote. The motion passed by a chorus of ayes.

VIII. Other Business.

There was no other business.

IX. Executive Director's Report.

There was no Executive Director's Report.

X. Adjournment.

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

The meeting was adjourned at 6:48 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on June 6, 2025.