

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

April 25, 2023

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 Vice Chairperson, Mr. Stephen Green, called the meeting to order at 5:40 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, Ms. Heather Wellington, Mr. Bryan “Scottie” Irving, Mr. Stan Jackson, and Ms. Carrie Cowan.

II. Vote to close meeting to discuss Ontario Place and Fort Totten Senior.

Pursuant to the District of Columbia Administrative Procedure Act, the Vice Chairperson of the Board of Directors will call a vote to close the meeting in order to discuss **Ontario Place and Fort Totten Senior**. 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. Ms. Wellington made a motion, and it was properly seconded by Mr. Jackson. The motion passed by a chorus of ayes.

The meeting was closed at 5:44 p.m. and re-opened at 7:02 p.m.

III. Consideration for DCHFA Eligibility Resolution No. 2023-09 for Ontario Place.

Ms. Linda Hartman, Senior Underwriter, Multifamily Lending and Neighborhood Investment (“MLNI”) presented the transaction to the Board. MLNI presented its recommendation to authorize the issuance of tax-exempt bonds in an amount not to exceed \$30,580,000 for Ontario Place (the “Property” or “Development”).

The Property site is located in the Adams Morgan neighborhood of Northwest Washington DC in Ward 1. The Property will be within walking distance of Jubilee’s other properties in the local area. Therefore, Jubilee’s core tenant services, such as case management, financial literacy and management programs, will be easily accessible to the Project’s residents.

The Property will be a new construction development consisting of fifty-two (52) efficiency, one, two, and three-bedroom affordable housing units restricted at thirty percent (30%) and fifty percent (50%) of Area Median Income (“AMI”). It will consist of one (1) four-story residential building with a cellar level that is partially below and above ground level. It will also offer nineteen (19) parking spaces.

The Property will support Jubilee’s Justice Housing and Reentry/Supportive Housing programs. Of the fifty-two (52) units at the Property, twenty-six (26) units will be set aside for returning citizens and returning citizens with their families. The returning citizens for the twenty-six (26) units will be former residents of Jubilee’s proposed King Emmanuel Baptist church development that is outside the scope of this Development, participants of Jubilee’s existing supportive housing programs, or graduates of similar non-profit led re-entry programs. Units will be leased on an annual basis.

The remaining twenty-six (26) units at the Property that are not set aside for returning citizens will be available for households earning thirty percent (30%) and fifty percent (50%) of AMI. Additionally, there will be a total of twenty-three (23) District of Columbia Housing Authority (“DCHA”) Local Rent Subsidy Program (“LRSP”), and Permanent Supportive Housing (“PSH”) units at the Property. Tenants in the subsidized LRSP units will contribute thirty percent (30%) of their income towards rent.

Property amenities will include a community room, elevators, central laundry facilities, courtyard, and exercise facility. In-unit amenities will include blinds, central heat and air conditioning system, exterior storage, ovens, vinyl flooring, dishwashers, microwaves, and refrigerators. The Property’s nineteen (19) parking spaces will be free to tenants and on a first come, first served basis. The Property will also offer twenty-four (24) bike spaces.

Jubilee Housing, Inc. will be the sponsor, guarantor, and property manager of the Development. The remaining members of the development team consist of Whiting-Turner as general contractor and PGN Architect as architect.

Ms. Hartman concluded her presentation and introduced the members of the development team: Mr. Jim Knight and Mr. Avram Fechter.

Mr. Knight thanked the Board for their support for the development and provided a brief summary. Mr. Green inquired about the cost per unit. Mr. Knight addressed the difficulty in finding subcontractors which has increased the costs for the project. Mr. Holloman, project manager for Whiting-Turner, discussed the contractor's alternative plans after not finding success with finding Certified Business Enterprises ("CBE") to employ. Mr. Irving expressed his concerns about the size of the project and an inability to find CBEs. Mr. Irving encouraged Whiting-Turner to conduct more research into ABC because ABC provides a 10-week training course that leads to apprenticeship and long-term employment. Mr. Irving reiterated that because Whiting-Turner expects to continue to conduct business in the District of Columbia, that he expects the company to engage more with the citizens and not request alternative plans from the District of Columbia Department of Employment Services.

Mr. Irving asked whether the removal of the rooftop aquaponic would create more residential units. Mr. Knight responded that zoning prohibits any housing above the third level. Mr. Irving asked about communications with the planned restaurants and whether there will be an opportunity to provide fresh food to the community. Mr. Knight responded that they anticipate creating community-supported opportunities for farmers markets and hope that restaurants will participate in the process. Mr. Donald asked if residential units can be constructed in the basement of the property. Mr. Wheeler responded that housing units were considered for the cellar area and that is why the cost of the project has increased to address environmental remediation work. Mr. Green asked whether the aquaponics and other amenity spaces are part of the capital for which tax credits are being awarded. Mr. Hutter responded that aquaponics are included in the eligible basis for the project and will generate low-income housing tax credits.

Ms. Wellington commented that in general the project is quite expensive and expressed support for the project but also wanted to clarify that the Board wanted to make sure that residential units were not lost as a result of the building amenities. Mr. Green emphasized Ms. Wellington's point and that the building, from a cost-per-person view, is high and that he would like to see some of the costs brought down slightly when the deal returns for a final bond approval.

There were no further questions.

Mr. Green called for a vote to approve the DCHFA Eligibility Resolution No. 2023-09 for Ontario Place. Ms. Wellington 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.

IV. Consideration for DCHFA Final Bond Resolution No. 2023-10 for Fort Totten Senior.

Mr. James Holley-Grisham, Underwriter, Multifamily Lending and Neighborhood Investment (“MLNI”) presented the transaction to the Board. MLNI presented its recommendation to authorize the issuance of tax-exempt bonds in an amount not to exceed \$35,640,000 for Fort Totten Senior (the “Property” or “Development”).

This Property has received all approvals except for the District of Columbia Department of Housing and Community Development (“DHCD”) Housing Production Trust Fund (“HPTF”) loan approval, which is anticipated to be provided within the next week. The Agency will not proceed with the posting of the Preliminary Offering Statement (“POS”) until the HPTF loan package has been submitted and checked in to the Council of the District of Columbia.

The Property is in the Fort Totten neighborhood of Northeast Washington, DC and is 0.3 miles away from Fort Totten Metro Station, which services both the Green and Yellow Line. The site is part of a Land Disposition and Development Agreement (“LDDA”). The LDDA was awarded to FT Associates. FT Associates is a joint venture between EYA, JBG Smith, and Paramount Development. Paramount Development is the Certified Business Enterprise (“CBE”) for this LDDA. The principal of Paramount Development is Benjamin Soto. FT Associates structured a contribution agreement to transfer the land for the subject site to Fort Totten Limited Partnership.

The Property has a senior tenancy. The unit mix of the Development consists of ninety-three (93) units, including three (3) studio units, eighty-three (83) one-bedroom units, and six (6) two-bedroom units. Fifty-two (52) units are restricted to thirty percent (30%) of the Area Median Income (“AMI”) and forty-one (41) units are restricted to fifty percent (50%) of AMI. Thirty-nine (39) of the fifty-two (52) units at thirty percent (30%) of AMI will benefit from LRSP contracts.

In unit amenities will include will refrigerators, range/ovens, garbage disposals, dishwashers, microwaves, in-unit washer and dryers, carpeting and vinyl flooring, blinds, walk-in closets, coat closets, and most units will have a Juliet balcony or patio. All units will have free internet. Property amenities will include a meeting room, exercise room, lounge/wellness suite, library, on-site resident service coordinator, on-site management, and on-site maintenance.

The capital stack for the Development consists of permanent financing in the approximate amount of \$6.4 million as a Freddie Mac Immediate loan originated by GrandBridge Real Estate Capital, a \$25.5 million DHCD HPTF loan, a \$2 million Sponsor loan, \$20.2 million in Federal low-income housing tax credit (“LIHTC”) equity, \$3.6 million in DC LIHTC Equity, \$446,000 in 45L tax credit equity, \$1.4 million in HPTF capitalized interest, \$140,000 in Solar ITC credits, and a \$1 million Deferred Developer Fee. The total development cost is \$61 million or approximately \$656,000 per unit.

The lead developer is Arlington Partnership for Affordable Housing. Other members of the Development team include Davis Construction as the general contractor, Torti and Gallas as the architect, and SL Nusbaum as the property manager.

Mr. Holley-Grisham concluded his presentation and introduced the members of the Development team: Mr. Mitch Crispell and Ms. Joanna Shin.

Mr. Crispell provided an overview of the project and asked if there were any questions. Mr. Jackson asked about the nature of the LDDA amendments. Mr. Crispell responded that the LDDA had been amended a number of times due to various factors, such as clarifying covenants that were requested by partners on the transaction and to clean up certain items to appease the debt partner. He also stated that he expects the LDDA to be finalized by mid-May. Ms. Cowan asked for more information regarding the relationships for senior services. Mr. Crispell responded that they have worked with Food and Friends, which is located directly across the street from the development, and he expects it to be a great partnership. They have also connected with the Capital Area Food Bank for food delivery services and expect to partner with more entities that can provide senior services. Mr. Green asked for more information regarding the environmental issues associated with the site. Mr. Crispell responded

that the environmental remediation is minimal and that the site does not have a history of heavy uses that could have contaminated the soil.

There were no further questions.

Mr. Green called for a vote to approve the DCHFA Final Bond Resolution No. 2023-10 for Fort Totten Senior. Mr. Jackson made a motion to approve the resolution and it was properly seconded by Ms. Wellington. Mr. Donald took a poll vote. The resolution was unanimously approved.

V. DCHFA Annual Meeting and Board Elections.

Mr. Hentrel, DCHFA General Counsel, stated that it was time for the Board to nominate a new Chairperson and Vice Chairperson for the Board. Mr. Jackson moved to nominate Ms. Wellington to serve as Vice Chairperson of the Board.

Mr. Irving moved to nominate Mr. Green to serve as Chairperson of the Board. Ms. Wellington properly seconded the motion. Mr. Irving called for a vote to approve the election of Mr. Green as Chairperson of the Board. Mr. Hentrel took a poll vote. The nomination was approved, and Mr. Green was elected as Chairperson of the Board.

Mr. Hentrel called for a restatement of the nomination of Ms. Wellington to serve as Vice Chairperson of the Board. Mr. Irving moved to nominate Ms. Wellington and it was properly seconded by Mr. Jackson. Mr. Hentrel took a poll vote. The nomination was approved, and Ms. Wellington was elected as Vice Chairperson of the Board.

VI. Other Business.

There was no other business.

VII. Executive Director's Report.

Mr. Donald informed the Board that the Agency's credit rating was raised from A minus (-) to AA minus (-).

VIII. Adjournment.

Mr. Green called for a motion to adjourn the meeting. Mr. Irving made a motion to adjourn the meeting, which was seconded by Ms. Wellington.

Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

The meeting was adjourned at 7:56 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on June 9, 2023.