

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

**January 11, 2022**

**5:30 p.m.**

**Minutes**

**Public Access via Zoom**

Join Zoom Meeting

<https://dchfa.zoom.us/j/89479023243?pwd=NENwNzBvN1RLV3YxcFIFRWNxTWWhyZz09>

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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. Buwa Binitie, called the meeting to order at 5:32 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: Buwa Binitie, Stephen M. Green, Bryan “Scottie” Irving, and Heather Howard.

**I. DCHFA Annual Meeting and Elections.**

Mr. Donald opened the floor for nominations for the role of DCHFA Board of Directors positions for 2022. After nominations, Mr. Buwa Binitie was unanimously elected by acclamation for the role of DCHFA Board Chairperson and Mr. Green was unanimously elected by acclamation for the role of DCHFA Board Vice-Chairperson.

Mr. Binitie made a statement on the record recusing himself from discussions regarding the Delta Towers/Capitol Vista transactions. He then left the meeting. He did not participate in any discussions or votes relating to the transactions.

## **II. Vote to close meeting to discuss Delta Towers/Capitol Vista.**

Pursuant to the District of Columbia Administrative Procedure Act, the Vice Chairperson 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 **Delta Towers/Capitol Vista**. 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. Howard 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 5:49 p.m. and re-opened at 5:57 p.m.

## **III. Consideration of DCHFA Final Bond Resolution No. 2022-01 for Delta Towers/Capitol Vista.**

Ms. Linda Hartman, Multifamily Loan Underwriter, Multifamily Neighborhood Lending & Investments ("MLNI"), presented the transaction to the Board. The MLNI team recommends the authorization of the issuance of a supplemental issuance of tax-exempt bonds in an amount not to exceed \$1.5 million for Capitol Vista ("Project").

The Project is located in the Old City neighborhood in Northwest Washington, D.C. in Ward 6, near the H Street corridor. The Project consists of one hundred four (104) studio, one bedroom and two-bedroom units. The units are low-income housing tax credit ("LIHTC") restricted at thirty percent (30%) and fifty percent (50%) of the area median income ("AMI"). All units restricted to thirty percent (30%) AMI are permanent supportive housing units, which operate with a local rent supplement subsidy. The Project began leasing in October 2020.

The initial bond issuance for \$25,640,000 closed in September 2018.

Between September 2018 and October 2020, the rents for the project's unsubsidized units increased. The supplemental bonds will be used to pay down a portion of the Housing Production Trust Fund ("HPTF") loan, while the remaining amount will be used to pay out a portion of the deferred developer fee. The additional bonds will be privately placed with Arc 70, a structured capital investment firm that focuses on affordable housing.

Additionally, the MLNI team requested the approval of a supplemental final bond resolution in an amount not to exceed \$2.42 million to finance an increase to the HUD 50/50 risk share permanent loan at Fortitude at Delta Towers ("Project"). The initial total tax-exempt bond issuance for the Project was \$48.87 million and closed in September 2018.

The Project is in the Trinidad neighborhood of Ward 5 in Northeast Washington, DC, along the H Street corridor. The Project began leasing in November 2020. It preserved the one hundred forty-

nine (149) senior units at the Delta Towers development, which is proposed for renovation and created thirty (30) new senior units. The projected closing date is January 15, 2022, and the projected conversion date is March 1, 2022.

Between September 2018 and the Project's leasing date in November 2020, the housing assistance payment ("HAP") contracts for the Project's Section 8 units increased. The Project's increased net operating income can support a HUD 50/50 Risk Share permanent loan of \$26.70 million, which is an increase of \$2.10 million or 4.4%. The total tax-exempt bond amount for the Project will now be \$50.97 million. The supplemental bonds of \$2.10 million will also be privately placed with Arc 70.

The Sponsor will split the supplemental bond proceeds with the Department of Housing and Community Development ("DHCD"). Fifty percent (50%) of the supplemental bond proceeds will be used to pay down a portion of the Housing Production Trust Fund ("HPTF") loan, while the remaining fifty percent (50%) will be used to pay out a portion of the deferred developer fee.

All one hundred seventy-nine (179) units at the Project are low-income housing tax credit ("LIHTC") units restricted at thirty percent (30%) of the area median income level and will operate with subsidies. The housing assistance payment ("HAP") contract from the Delta Towers development transferred to the Project, providing for one hundred forty-nine (149) units to operate with HAP. Additionally, thirty (30) units at the Project operate with a Local Rent Supplement Program ("LRSP") subsidy, with eighteen (18) of those thirty (30) units designated as permanent supportive housing. Overall, tenants at the Project contribute thirty percent (30%) of their income towards rent.

Ms. Hartman concluded her presentation and introduced Corey Powell, Stephen Vassor and Joel Patterson from the developer, Dantes Partners. Additionally, Blaise Rastello from Gilbane Development also joined. Mr. Green opened the floor for questions from the Board. There were no questions.

Mr. Donald called for a vote to approve DCHFA Final Bond Resolution No. 2022-01 for Delta Towers/Capitol Vista. Mr. Irving made a motion to approve the resolution and it was properly seconded by Ms. Howard. Mr. Donald took a poll vote because the Agency is committing volume cap.

The resolution was unanimously approved.

Mr. Donald made a statement that the transaction would be returning almost \$2,000,000 to the HPTF, due in part to the Agency's ability to issue additional bonds.

#### **IV. Executive Director's Report.**

There was no Executive Director's Report.

#### **V. Other Business.**

There was no other business.

## **VI. Adjournment**

Mr. Green called for a motion to adjourn the meeting. Mr. Irving made a motion to adjourn the meeting and that motion was properly seconded by Ms. Howard.

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

The meeting was adjourned at 6:06 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on January 21, 2022.

Approved by the Board of Directors on January 25, 2022.