

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

May 10, 2022

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. Buwa Binitie, called the meeting to order at 5:31 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. Buwa Binitie, Mr. Stephen M. Green, Mr. Brian “Scottie” Irving, Mr. Stanley Jackson, and Ms. Heather Howard.

I. Vote to approve the minutes from the April 12, 2022 board meeting.

A motion was called to approve the minutes of the April 12, 2022 board meeting by Mr. Binitie. Ms. Howard made a motion to approve the minutes. The motion was properly seconded by Mr. Green. Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

II. Vote to close meeting to discuss River Terrace Apartments and the DCHFA Multifamily Pipeline.

Pursuant to the District of Columbia Administrative Procedure Act, the Chairperson of the Board of Directors 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 **River Terrace Apartments and the DCHFA Multifamily Pipeline**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

Mr. Binitie called for a motion to close the meeting. Mr. Jackson made a motion to close the meeting. The motion was properly seconded by Ms. Howard. The motion passed by a chorus of ayes.

The meeting was closed at 5:36 p.m. and re-opened at 6:37 p.m.

III. Consideration of DCHFA Resolution No. 2022-16 for River Terrace Apartments.

Mr. Scott Hutter, Deputy Director, Multifamily Neighborhood Lending & Investments (“MLNI”), presented the transaction to the Board. The MLNI team presents its recommendation to authorize the issuance of tax-exempt bonds for River Terrace Apartments in an amount not to exceed \$21,135,000 (the “Project”).

The project site is currently a vacant lot and was acquired for \$2.7 million. The site is located in Ward 7 and is approximately 0.6 miles southwest of the Minnesota Avenue Metro Station.

The project will consist of one four-story mid-rise elevator service building. The unit mix of the 49-unit project will include 32 one-bedroom units, 9 two-bedroom units, and 8 three-bedroom units. The project units will be restricted to residents earning thirty, fifty, sixty, and eighty percent of Area Median Income (“AMI”) or less.

In-unit amenities will include vinyl wood plank flooring, central air conditioning, walk-in closets, washers and dryers, dishwashers, disposals, microwaves, ovens, and refrigerators. Property amenities will include a community room, as well as on-site management.

The capital stack for the Project will include permanent financing in the approximate amount of \$4.7 million as a Fannie Mae loan; \$17.15 million as a DC Department of Housing and Community Development (“DHCD”) Housing Production Trust Fund (“HPTF”) loan; \$11.13 million in federal low-income housing tax credit (“LIHTC”) equity, \$2.23 million in DC LIHTC equity, and an \$815,000 deferred developer fee. Enterprise Housing Credit Investments is the federal LIHTC equity investor for the project. The total development cost is approximately \$36 million, or \$735,000 per unit.

The sponsor for the project is Neighborhood Development Company. The remaining members of the development team consist of Platform, LLC and MCN Build as general contractors. Dallas Urban is the architect and Residential One is the property manager.

Mr. Hutter concluded the presentation and introduced the sponsor team from the Neighborhood Development Company present on the Zoom call: Adrian Washington, JingJing Liu, and Lisa Wiersma.

Mr. Jackson asked if the Project’s construction site work was a driver of the total unit cost. Ms. Wiersma responded stating that the construction site work is one of the factors relating to total unit cost, she also mentioned the Project is “Passive House” compliant which requires more up-front costs. She also mentioned that the installation of solar panels on the project requires more costs, but those will pay themselves back.

Ms. Howard asked the sponsor team to discuss the two general contractors on the Project. Ms. Wiersma responded stating the two contractors are Platform USA and MCN Build. Platform is a part of Neighborhood Development Company and is the contractor doing the site work; once the Project obtains grade then MCN will take over. Ms. Wiersma explained that both

companies have been actively involved in the design process and talk to each other regularly to coordinate.

Ms. Howard also asked about the hierarchy between the two general contractors and if they are on site. Ms. Wiersma responded stating that both companies are professional and have not had any issues to date. Ms. Wiersma also stated that she suspects that both companies will be working at the site at the same time at some point.

Mr. Irving asked about the construction process. Ms. Wiersma explained that the development team is still working on the details, but that Platform will build the platform for the building and the lower level, then it will transition to MCN.

A discussion continued regarding the ownership responsibilities of the general contractors. Mr. Washington explained that the concept behind Platform is that they are specialists in terms of the underground. Once Platform excavates and completes foundation to grade, then its work is over.

Mr. Binitie asked if the project is slab on grade or wood over podium. Ms. Wiersma responded that part of the Project is slab on grade. Mr. Binitie asked if there is a reason the development team is using two general contractors as opposed to MCN hiring a regular contractor. Mr. Washington stated that there is less overhead. A discussion continued regarding the savings to the Project.

There were no further questions.

Mr. Binitie called for a vote to approve DCHFA Eligibility Resolution No. 2022-16 for River Terrace Apartments. Ms. Howard made a motion to approve the resolution and it was properly seconded by Mr. Jackson. Mr. Donald took a poll vote. The resolution was approved.

IV. Vote to close meeting to discuss Park Morton (Phase I).

Mr. Binitie disclosed that his firm Dantes Partners is involved in the Park Morton (Phase I) project and recused himself from the vote and discussion of the project. Mr. Binitie exited the Zoom call.

Mr. Green also exited the Zoom call.

Pursuant to the District of Columbia Administrative Procedure Act, the Secretary of the Board of Directors 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 **Park Morton (Phase I)**. An open meeting would adversely affect matters related to the Agency. (D.C. Code §2-575(b)(2)).

Mr. Donald 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 7:01 p.m. and re-opened at 7:21 p.m.

V. Consideration of DCHFA Resolution No. 2022-17 for Park Morton (Phase I).

Mr. Scott Hutter, Deputy Director, Multifamily Neighborhood Lending & Investments ("MLNI"), presented the transaction to the Board. The MLNI team presents its recommendation to authorize the issuance of tax-exempt bonds in an amount not to exceed \$52,035,000 for the Park Morton (Phase I) (the "Project").

The 148-unit Project will be new construction and will consist of two buildings. The first building will be a 142-unit five-story mid-rise building with an underground parking garage. The second building will be a three-story residential building with six townhome flat units.

The project's 148 units will be LIHTC restricted at thirty, fifty, sixty, and eighty percent of AMI. Additionally, the project will offer studio through four-bedroom units. Out of the 148 units of the project, there will be 43 one, two, three, and four-bedroom replacement public housing units. The replacement public housing units will be restricted at thirty and fifty percent of AMI and will operate with federal project-based vouchers. The tenants and the replacement public housing units will contribute thirty percent of their income not to exceed the maximum allowable rent at thirty and fifty percent of AMI.

The project in-unit amenities will include ovens, refrigerators, dishwashers, microwaves, garbage disposals, quartz countertops, in-unit washers and dryers, and balconies in select units. The appliances will be stainless steel. Other amenities will include a rooftop lounge, fitness room, courtyard space, meeting lounges, pet grooming areas, and bike storage.

The capital stack for the project will consist of permanent financing in the approximate amount of \$18.27 million as a Freddie Mac senior loan, \$18.72 million as a Deputy Mayor for Planning and Economic Development New Communities Initiative (“DMPED NCI”) vertical construction loan, \$31.7 million in federal LIHTC equity, \$5.66 million in DC LIHTC equity, a \$3.3 million deferred developer fee, \$14.83 million District of Columbia Housing Authority New Communities Initiative (“DCHA NCI”) infrastructure loan, which will be restructured as a permanent loan, and a \$2.6 million DMPED NCI predevelopment to permanent loan. The total development cost for the project is \$95.1 million, or approximately \$640,000 per unit.

The sponsors for the project are The Community Builders and Dantes Partners. The remaining members of the development team consist of Hamel Builders as general contractor, Soto Architecture and Urban Design as architect, and The Community Builders as the property manager.

Mr. Hutter introduced members of the development team present via Zoom: Quinn Geisler with The Community Builders and Andre Gould with the DC Housing Authority.

There were no questions.

Mr. Donald called for a vote to approve DCHFA Eligibility Resolution No. 2022-17 for Park Morton (Phase I). 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 reserving volume cap. The resolution was unanimously approved.

VI. Other Business.

VII. Executive Director’s Report.

Mr. Donald stated that the Agency will respond to requests from the Board regarding business items as quickly as possible. Mr. Donald also stated that Agency staff will be presenting on the Agency’s financials at the first meeting in June.

VIII. Adjournment.

Mr. Donald called for a motion to adjourn the meeting. Ms. Howard 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 7:29 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on June 10, 2022.