DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MEETING OF THE BOARD OF DIRECTORS
August 9, 2022
5:30 p.m.

Minutes

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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 5:32 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: Mr. Stephen Green, Mr. Bryan "Scottie" Irving, and Mr. Stanley Jackson.

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

Mr. Jackson asked to revise the minutes to make changes to pages three and seven to list the total number of units for the Terrace Manor project as 130 instead of 140.

A motion was called to approve the minutes of the July 12, 2022 board meeting by Mr. Irving. The motion was properly seconded by Mr. Jackson. Mr. Donald took a voice vote. The motion passed by a chorus of ayes.

II. Vote to close meeting to discuss Paxton and The Asberry.

Pursuant to the District of Columbia Administrative Procedure Act, the Vice 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 **Paxton and The Asberry**. 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. Jackson 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 6:16 p.m.

III. Consideration of DCHFA Final Bond Resolution No. 2022-24 for The Asberry.

Ms. Linda Hartman, Multifamily Loan Underwriter, 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 The Asberry in an amount not to exceed $33,700,000 (the "Project").

The Project is being presented to the DCHFA Board of Directors for final bond resolution approval as the Agency received the required final bond checklist items, which includes the following: Mixed-Finance Proposal and Evidentiary Approval from the U.S. Department of Housing and Urban Development ("HUD"), final approvals from all financing partners, a fully executed District of Columbia Certified Business Enterprise ("CBE") agreement, and building permits issued on June 16, 2022. The Project's projected closing date is the week of August 15, 2022.

The greater Barry Farm site, which includes the Project site, will be redeveloped through the District of Columbia Deputy Mayor for Planning and Economic Development's ("DMPED") New Communities Initiative ("NCI") program. The site is in Ward 8, and it is located within 0.2 miles of the Anacostia Metro station and Barry Farm Recreation Center. The Barry Farm site is currently owned by the District of Columbia Housing Authority ("DCHA"). It was previously improved with the former 432-unit Barry Farm Dwellings and 12-unit Wade Road Apartments. Former Barry Farm Dwellings and Wade Road Apartment tenants were relocated offsite between the second quarter of 2017 and the second quarter of 2019. The 12-unit Wade Road Apartments, as well as most of the Barry Farm Dwellings buildings, were demolished between the second quarter of 2018 and January 2021. Overall, the greater Barry Farm redevelopment will provide 380 replacement public housing units, 520 new units of mixed-income rental housing, a central park and green space, the Barry Farm Cultural and Community Center, and up to 40,000 square feet of ground level commercial/retail space.

The Project site will be the first phase of the greater Barry Farm redevelopment. It is currently vacant, and the sponsor currently has access to the Project site. The Project's owner will have a ground lease with DCHA and the ground lease interest for the Project site will be paid through a loan from DCHA, referred to as the "Land Loan". The Project will be a new construction, age-restricted development with 108 units. There will be 77 replacement public housing units, which consist of DCHA Local Rent Supplement Program ("LRSP") and Project Based Voucher units at the 30 and 50 percent Area Median Income ("AMI") levels. The remaining 31 units restricted at the 60 and 80 percent AMI levels represent additions to the market.

Property amenities will include a community room, fitness center, business center, bike storage area, central laundry facilities, courtyard, and garage parking. In-unit amenities will include vinyl "wood" plank flooring, quartz countertops, dishwasher, garbage disposal, oven, and refrigerator. The Project site will offer limited access/FOB electronic access entry system, video surveillance, and partial perimeter fencing. Additionally, a private security firm will patrol the Project site.

This Project is being evaluated as a private placement transaction. The capital stack for the development will consist of, but it is not limited to, permanent financing in the approximate amount of $9.49 million as senior mortgage loan and a $10 million DMPED loan. National Affordable Housing Trust ("NAHT") is the federal and DC low income housing tax credit ("LIHTC") investor for the Project. The total development cost is $64 million or $594,000 per unit. The sponsor for the Project is Preservation of Affordable Housing ("POAH"). The remaining members of the development team consist of Hamel Builders as general contractor, Environmental Design Group as architect, and POAH Communities, LLC as property manager.

Ms. Hartman concluded the presentation, opened the floor for questions, and introduced members of the development team present on the Zoom call: Director Brenda Donald, Executive Director, DCHA, John Stringfield, DCHA, Office of Capital Programs, Andre Gould, DCHA Office of Capital Programs, Carlos Grey, DCHA Office of Capital Programs, Maia Shanklin Roberts, Vice-President Real Estate Development, POAH, Kristel Salinas, Project Manager, POAH, Roger Brown, Managing Director, POAH and Sheila Miller, Director, NCI DMPED.

Mr. Green asked about the timing for completion of the next phase of the Project. Director Brenda Donald stated that Phase 1 is the first step that includes three (3) multifamily buildings including both rental and for-sale townhomes. She added that the next building will include a multifamily building with 184 units, which is expected to close in quarter two or three of next year.

There were no further questions.

Mr. Donald called for a vote to approve DCHFA Final Bond Resolution No. 2022-24 for The Asberry. Mr. Jackson made a motion to approve the resolution and it was properly seconded by Mr. Irving. Mr. Donald took a poll vote because the Agency is issuing volume cap. The resolution was unanimously approved.

IV. Consideration of DCHFA Final Bond Resolution No. 2022-23 for Paxton.

Ms. Linda Hartman, Multifamily Loan Underwriter, Multifamily Neighborhood Lending & Investments (“MLNI”), presented the transaction to the Board. The MLNI team presents its recommendation to authorize the final bond issuance of tax-exempt bonds for Paxton in an amount not to exceed $51,885,000 (the “Project”).

The Project is being presented to the DCHFA Board of Directors for final bond resolution approval as the Agency received the required final bond checklist items, which includes the following: initial Freddie Mac Forward TEL loan commitment, final approvals from all financing partners, a fully executed CBE agreement, and building permits issued on July 29, 2022. The Project’s projected closing date is August 24, 2022, and the projected construction start date is September 1, 2022.

The Project is in the Old City neighborhood of Ward 7 in Northeast Washington, DC. It is located approximately 0.1 miles from the H Street corridor. A local bus stop and streetcar station are also located 0.1 miles from the Project site.

The Project site was previously improved with an abandoned two-story house of worship, asphalt parking lot, and a small one-story office building. The Project received raze permits in April 2022, and the previously noted improvements were demolished. The Project will be a new construction development with 148 units. The unit mix of the proposed Project will be 8 efficiency, 87 one-bedroom units, 16 two-bedroom units, and 37 three-bedroom units.

Fifteen units at the Project will be restricted at 30 percent of AMI. The 30 percent AMI units will operate with the DCHA LRSP subsidy. The supportive services for these units will be paid by the District of Columbia Department of Human Services (“DHS”). Additionally, the Project will also offer 133 unsubsidized units restricted at 50 percent of AMI.

Property amenities will include clubhouse, business center, landscaped courtyard at the center of the Project building, elevators, exercise facility, garage parking, bike storage, tenant storage units, free common area Wi-Fi, a courtyard on the penthouse/rooftop level, and on-site management.

The security amenities at the Project will include a concierge services area, armed on-site security guard, limited access, digital FOB access control system, video surveillance, and 24-hour emergency call system. The management company for the Project, TM Associates, will respond to calls placed through the 24-hour emergency call system. In-unit amenities will include blinds, central air-conditioning, coat closets, dishwashers, garbage disposals, microwaves, ovens, refrigerators, and in-unit washer/dryers.

The capital stack for the Project will consist of, but it is not limited to, permanent financing in the approximate amount of $19.08 million as Freddie Mac Forward TEL permanent mortgage loan (through Capital One) and $30.58 million District of Columbia Department of Housing and Community Development (“DHCD”) Housing Production Trust Fund (HPTF”) loan. The total development cost is $101,000,000 or $683,000 per unit.

The sponsor team for the entire project will consist of Foulger-Pratt Development, LLC and Enduring Affordable Housing Corporation. Enduring Affordable Housing Corporation is the non-profit sponsor for the Project. Of note, most of the principals of Enduring Affordable Housing Corporation have extensive multifamily experience in their current or previous work with Foulger-Pratt, LLC.

Other members of the development team consist of Foulger-Pratt Contracting, LLC as general contractor, Hickok Cole Architects as architect, and TMA Management and Foulger-Pratt Residential, LLC as property managers. TMA Management will be responsible for all management tasks, except those related to accounting, and FG Residential will be responsible for accounting related tasks.

Ms. Hartman concluded the presentation introduced the Foulger-Pratt and Enduring Affordable Housing Corporation teams: Bob Tengen, Brad Steven, Sandy Paik, Rebecca Kelly, and Kofi Meroe.

Mr. Jackson asked when the armed security guard will be present. Mr. Tengen clarified that an armed security guard will be present at the property Monday-Sunday.

Mr. Green asked about the debt provider. Mr. Tengen responded that Capital One is providing the debt via Freddie Mac, the federal LIHTC is through Hudson, and the state LIHTC investor is Monarch Private Capital.

Mr. Irving asked about CBE participation on the Project. Mr. Tengen responded that the development team engaged Loretta Caldwell to help meet their CBE goals. Mr. Irving expressed the importance of building a community when executing development deals in the District. He stated that often times when apartment buildings are constructed, the surrounding community disappears, and it is important that it is addressed and remedied by meaningful CBE participation, especially for companies led by women and people of color.

There were no further questions.

Mr. Green called for a vote to approve DCHFA Final Bond Resolution No. 2022-23 for Paxton. Mr. Irving made a motion to approve the resolution and it was properly seconded by Mr. Jackson. Mr. Donald took a poll vote because the Agency is issuing volume cap. The resolution was approved.

V. Other Business.

Mr. Irving stated that he wants to make sure that there is oversight regarding enforcement of compliance with the District's CBE rules. Additionally, Mr. Green stated he would like to discuss the construction inspection fees.

VI. Executive Director's Report.

There was no Executive Director's Report.

VII. Adjournment.

Mr. Donald called for a motion to adjourn the meeting. Mr. Green made a motion to adjourn the meeting, which was seconded by Mr. Jackson.

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

The meeting was adjourned at 6:58 p.m.

Submitted by Christopher E. Donald, Secretary to the Board of Directors on September 9, 2022.