

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

February 24, 2015
815 Florida Avenue, NW
Washington, DC 20001
5:30 pm

Draft Minutes

I. Call to order and verification of quorum.

The Presiding Member, Mr. Derek Ford, called the meeting to order at 5:37 pm and asked the Interim Secretary to the Board, Ms. Maria K. Day-Marshall, Esq., to verify a quorum. With four members present, the Board of Directors (“the Board”) had a quorum, and the meeting continued. The members present included Mr. Derek Ford, Ms. Leila Batties, Mr. Charles R. Lowery, Jr., and Mr. Stanley Jackson. Ms. Polly Donaldson, Acting Director of the Department of Housing and Community Development (DHCD), was also present as an observer.

The Presiding Member asked the Board Members to review the agenda. A motion was made by Ms. Batties to approve the agenda as presented and seconded by Mr. Lowery, Jr. The agenda was approved by voice vote.

II. Approval of the minutes from the January 27, 2015 Board Meeting

The Presiding Member asked the Board Members present to review the draft minutes of the January 27, 2015 meeting.

A motion was made by Mr. Lowery, Jr. to approve the minutes and seconded by Ms. Batties. The minutes were approved by voice vote.

III. Vote to close the meeting to discuss a Draw on a PNC Line of Credit.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called 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 the price and other material terms of a draw on a PNC Line of Credit. An open meeting would adversely affect the bargaining position or negotiation strategy of the public body. (D.C. Code §2-575(b)(2)).

A motion to close the meeting was made by Mr. Lowery, Jr. and seconded by Ms. Batties. The motion was approved by voice vote.

IV. The meeting re-opened at 6:02 p.m.

V. Consideration of DCHFA Resolution No. 2015-02(G) authorizing a draw on the Agency's Line of Credit with PNC Bank for Single Family Program Needs and Refunding Certificates of Participation Issued by the DC Building Finance Corporation.

Ms. Day-Marshall, introduced the resolution to the Board for consideration and then introduced Mr. Craig Small and Mr. Jeff Humber, representatives from PNC Bank.

Mr. Ford inquired about the increase in the Agency's fee paid on the unused balance from 5 basis points to 15 basis points. Mr. Humber replied that the fee was industry standard and that fee increases related to Dodd-Frank requirements. Mr. Jackson moved the approval of the Resolution, and Ms. Batties seconded. The Resolution was approved unanimously.

VI. Vote to close the meeting to discuss The Atlantics and Benning Heights Apartments developments.

Pursuant to the District of Columbia Administrative Procedure Act, a vote was called to close the meeting in order to discuss, establish or instruct the Agency staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of The Atlantics project and bond transaction and the Benning Heights Apartments project and bond transaction because an open meeting would adversely affect the bargaining position or negotiating strategy of the Agency. D.C. Code 2-575(b)(2).

A motion to close the meeting was made by Ms. Batties and seconded by Mr. Lowery. The motion was approved by voice vote.

VII. The Meeting re-opened at 6:36 p.m.

VIII. Consideration of DCHFA Resolution 2015-03, an Eligibility Resolution for The Atlantics.

Ms. Day-Marshall introduced the resolution and then introduced Mr. Anthony Waddell, Director of Public Finance. Mr. Waddell provided a brief overview of the development. The Atlantics is a 303-unit development combining two existing Section 8-assisted projects in the Washington Highland neighborhood of Ward 8. The acquisition and rehabilitation of the properties will result in preservation of the Section 8 contracts. The principal developer of The Atlantics is the Winn Companies, primarily represented at the meeting by Mr. Brett Meringoff. Other members of the development team who were present included Mr. Jack Terry, also of the Winn Companies, Rick Eisen of Eisen and Rome, and Matt Sislen of Audobon Enterprises, a development consultant on the transaction. Ms. Mary Ford Tumor was also present on behalf of the tenants. Mr. Meringoff provided a presentation.

Mr. Ford asked if there were plans to hire Certified Business Enterprises, given that the construction company is based in Massachusetts. Mr. Meringoff replied that the developer intends to exceed its 35% goal, as they did on the Samuel Kelsey Apartments, which was also financed by the Agency. Additionally, the developer has a policy of trying to hire residents for construction and management jobs.

Ms. Batties asked about the demographic makeup of the tenants. The development team replied that there is a true mix of families and seniors and added that the average income was approximately 10 to 12% of AMI. The developer works very closely with the United Planning Organization to provide services to help residents improve upon their incomes. Services will include early childhood education, financial literacy, job training, and health and wellness education.

Ms. Batties asked how long residents would need to be relocated and if the relocation will be offsite. Mr. Meringoff replied that the plan is to relocate residents on campus within the project for a period of 45 to 60 days. If it is necessary to relocate residents offsite, then the developer has a nearby property that could be used.

The Resolution was moved by Ms. Batties and seconded by Mr. Jackson. The Resolution was unanimously approved.

IX. Consideration of DCHFA Resolution 2015-04, an Eligibility Resolution for the Benning Heights Apartments.

Ms. Maria Day-Marshall, Interim Secretary to the Board, introduced the resolution to the Board for consideration. Ms. Day-Marshall then introduced Mr. Anthony Waddell to present the matter to the Board. Mr. Waddell introduced Mr. Edward Pauls, Senior Development Officer, as the development officer for the project.

The project is a rehabilitation of 11 garden style buildings in the Benning Ridge neighborhood of Southeast. There are 148 total units all of which are covered by a Section 8 contract. The principal developer is controlled by NHP Foundation, which was represented by Mr. Mansur Abdul-Malik and Mr. Joe Wiedorfer. Members of the board from the tenants association who attended the meeting included: Ms. Brenda Williams, President, Ms. Jacqueline Bland, Secretary, Ms. Leukina White, and Ms. Gladys Norman, Treasurer.

Mr. Abdul-Malik reported that there will be particular attention paid to improving the delivery of services to the residents.

Mr. Jackson asked the developer how the challenges that the residents discussed are being addressed and if there were sufficient funds in the budget to address those challenges.. Staff and

Ms. Day-Marshall replied that staff will ensure that the scope of work will be adequate prior to bringing the matter back to the Board for Final Bond consideration.

Ms. Batties moved approval of the Resolution, and Mr. Jackson seconded. The Resolution was unanimously approved.

X. Vote to close the meeting to consult with Green Door Advisors, real estate advisory services consultants.

Pursuant to the D.C. Administrative Procedure Act, a vote was called to close the meeting in order to discuss, establish or instruct the Agency staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms related to Green Door Advisors real estate advisory consultant report because an open meeting would adversely affect the bargaining position or negotiating strategy of the Agency. D.C. Code 2-575(b) Section 2.

Ms. Batties made a motion to close the meeting, which was seconded by Mr. Jackson.

XI. The meeting was re-opened at 8:14 p.m.

XII. Interim Executive Director's Report.

- The NCSHA Legislative Conference will be next Monday through Wednesday at the Hyatt Regency on New Jersey Avenue.
- Financial Disclosure statements from Board Members should be submitted to BEGA.
- The Brightwood Portfolio transaction was closed at the end of January, and staff intends to close Channing Phillips next week.
- The Agency's performance oversight hearing will be this Thursday, February 26th.

XIII. Report on the Financial Management Software.

- Mr. Thurston Ramey reported that the team has met with both vendors who replied to the Request for Proposals, and they have provided demonstrations of the software's capabilities. Although the demonstrations were each 3 hours, there is a need for both vendors to return for a second three-hour demonstration. The team hopes to bring a recommendation to the Board by the end of March. Mr. Ford inquired about the timeframe for full implementation. Mr. Ramey said that neither vendor has supplied a clear answer to that question, but they have both been informed that the Agency would prefer to have implementation by September 30th or, at the latest, December 31st of this

year. Ms. Day-Marshall said that she has asked the team to ensure that the selected vendor provide a solution that meets the Agency's needs, because many agencies have spent millions of dollars on systems that do not work to meet their needs.

XIV. Other Business.

- Next Meeting – The Board will meet on Tuesday, March 10, 2015.
- Mr. Ford asked that staff address the graffiti on the Agency's sign at its headquarters building. Ms. Makle replied that she will address the matter.

XV. Vote to Close Meeting to consult with the Board's counsel, Mr. Thorn Pozen.

Pursuant to the Administrative Procedure Act, a vote was called to close the meeting in order to consult with the Board's Attorney, Mr. Thorn Pozen (D.C. Code §2-575(b)(4)(A)). A motion was made by Ms. Batties and seconded by Mr. Jackson. The meeting went off the record at 8:26 p.m.

XVI. The meeting was re-opened at 8:50 p.m.

XVII. The meeting was adjourned at 9:00 p.m.

Submitted by Maria K. Day-Marshall, Esq., Interim Secretary to the Board of Directors on March 20, 2015

Approved by the Board of Directors on March 24, 2015