

HOUSING PRODUCTION TRUST FUND BOARD
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA

Meeting Minutes

Thursday, December 17, 2020
12:30 PM
WebEx:

WELCOME

Susanne Slater, Chairperson

The DHCD Housing Production Trust Fund Board convened virtually on WebEx, pursuant to notice at 12:40 pm, Susanne Slater, Chairperson, presiding.

Board Members Present:

Susanne Slater
Lynn French
Jim Knight
Stan Jackson
Charles Lowery (joined 12:47 pm)

Also present:

Polly Donaldson - DHCD Director
Tsega Bekele – DHCD Chief of Staff
Richard Livingstone - DHCD Deputy Chief of Staff and Communications Director
Erin Wilson - DHCD DFD Deputy Manager
Reshma Holla – DHCD DFD Deputy Manager
Danilo Pelletiere – DHCD Housing Development/Policy Advisor
Joe Knackstedt – DHCD DFD Project Manager
Chapman Todd – HPTF Board Member Nominee

MINUTES

Members of the board reviewed minutes from the October Housing Production Trust Fund (HPTF) board meeting. Lynn French motioned to approve the October 2020 minutes. The motion was seconded by Stan Jackson. The motion carried unanimously and was conducted by roll call vote.

DHCD UPDATE

Polly Donaldson, Director

The Director began her update by noting the agency finished Fiscal Year (FY) 20 having expended \$114M on 22 projects for over 1,000 units.

She then went on to discuss agency related COVID relief programming including rent assistance. She reported that since the board last met, DHCD has stepped up a couple of new programs designed to help housing providers, in addition to the Coronavirus Housing Assistance Program (CHAP). These programs became possible with the identification of \$10M in US Treasury CARES Act funds. Both programs, one for housing providers in the city's portfolio of affordable housing projects and one for small landlords with 20 or fewer units, proved popular and we received requests for more than we have funding to assist. The Director also shared the agency plans to open CHAP applications for landlords in January. For landlord CHAP she noted the intent is to target low- and moderate-income census tracts to ensure funds are getting to the neediest, but also in keeping with Community Development Block Grant (CDBG) guidelines from which the program is funded.

Susanne asked if we have estimates on the amount of need and whether there's enough resources to help those with need and the Director asked Danilo to provide an update on the agency's efforts to survey housing providers and others during his legislation update.

The Director provided further updates on the agency's operating status including that the agency remains in full telework with occasional trips to the office for wet signatures. The agency is ready to open when the time comes with appropriate PPE, social distancing, etc.

She went on to discuss FY22 budgets, noting the agency was asked as were other agencies to make cuts. The agency limited the impact of the cuts on programs, by cutting travel and training for example, and using unified funds to offset cuts. She noted the budget process continues into the new year.

She transitioned her updated by discussing the Single Family Residential Rehabilitation Program which is funded by HPTF. She noted the agency had to put projects on hold for the early part (6 months) of the pandemic but reopened. The agency used this time to retool the program. 26 projects are in various stages of completion with 4 recently completed. She stated there is still a que of 150 projects.

The Director concluded her updated by discussing Section 108, including that the agency continues to pursue this opportunity with a project called New City DC and a loan fund. Both applications for use of Section 108 for these purposes are pending by the United States Department of Housing and Urban Development (HUD).

Susanne Slater took the time to ask board members how the pandemic affecting development community noting nonprofits are key partners in carrying out the mission of HPTF and its impacted them severely.

Board members discussed major shifts they're seeing including a consensus update on food insecurity as big driver of business practice changes as well as the impact of the eviction moratorium on the inability for housing providers to address public safety issues with residents.

HOUSING PRODUCTION TRUST FUND UPDATE

Erin Wilson
Deputy Manager, DFD

Erin Wilson provided a brief update on the HPTF pipeline, noting that since the board's last meeting in October, the agency is well into FY21. She presented information on the pipeline for FY21, noting her information does not take into account Section 108, which will allow for some projects to be swapped out with HPTF for Section 108. She noted the agency and her division have done a lot of work to strategize which funding source is best for which project. She reported that the agency has not closed any new projects since the board last met, however there are number of closings scheduled soon. She concluded by noting The New Hampshire is the last Oramenta Newsome Predevelopment loan application to be funded.

Jim requested clarification on whether the agency is projecting more closings since the last meeting even without new resources. Erin clarified that no, a portion of the projected HPTF closings will be switched over to Section 108. As soon as the agency an approval from HUD for Section 108, some of these projects will fall off and the pipeline will better match the HPTF budget.

LEGISLATIVE UPDATE

Danilo Pelletiere, Senior Advisor

Danilo focused his legislation update on recent survey's conducted by the agency. For the first survey, a survey of the agency's affordable housing providers conducted in November (as follow up to one conducted in June), in general providers said COVID would increase demand for their services (54%) while 13% said it would decrease. He also found that where in June people were on the fence about impact to operating expenses, 75% said it would increase operating expenses. Still providers felt they were not going to make any staffing changes (increase or decrease). The main item he noted was that rent assistance continued to be of strong interest to our portfolio clients,

For the survey of all housing providers in the District, also conducted in November, he shared many of the observation are similar to the affordable housing provider survey, but a majority of landlords there said the eviction moratorium was not affecting their business. When you break this down by demographic, a majority of respondents who said it was not affecting them were White owners who owned one unit. Whereas African American owners were more likely to say it effected their business and owned a larger number of units. He also found that of those who had mortgages, about 35% had difficulty paying their mortgage; here again of White owners only 14% had difficulty, but African American owners were at 50% for difficulty in paying mortgage. He noted the agency intends to post reports on these surveys shortly.

Stan Jackson asked if the agency saw any geographic differences in the results? Danilo shared that the survey as designed did not ask much about geography because we wanted to encourage greater response. He did note however that for Class C apartments which he noted are in the eastern part of the city, there was not a vacancy concern. Class A however had significant vacancy. He concluded by noting there probably is a geographic difference, but he will have to dig more into the data.

Concerning legislation related to HPTF, he noted there was nothing new to discuss. He shared Council actions have been focused on rent control and other emergency items. The agency is looking to January to see what gets reintroduced in the new session, including work on the District Opportunity to Purchase Act (DOPA), HPTF reporting and other items.

ADJOURNMENT

Lynn French motioned to adjourn the meeting. The motion was seconded by Charles Lowery. Everyone voted in favor via roll call vote. The meeting was adjourned at 1:49 pm. The next HPTF board meeting will be held January 21st at 12:30 pm.