

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

Meeting Minutes

THURSDAY, June 18, 2020

12:30 PM

WebEx:

WELCOME

Susanne Slater, Chairperson

The DHCD Housing Production Trust Fund Board convened in Room 318, 1800 Martin Luther King Jr. Ave. SE, Washington, DC., pursuant to notice at 12:36 pm, Susan Slater, Chairperson, presiding.

Board Members Present:

Susanne Slater

Jim Knight

Lynn French

Charles Lowery (joined at 12:43)

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

Reuben Forman- DHCD Special Assistant to the Director

Matthew Neundorf – Member of the Public

MINUTES

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

DHCD UPDATE

Polly Donaldson, Director

Director Donaldson provided an agency update stating she testified on behalf of DHCD to the Committee on Housing & Neighborhood Revitalization on Monday, June 15th for the agency's annual budget oversight hearing. Even though the budget had changed with the health emergency, the Director mentioned the important priority the Mayor has committed to HPTF by consecutively allocating a minimum of \$100 million in the FY21 budget for the 6th year in a row. The Director also spoke and advocated for the budget at CNHED, the Fair Budget Coalition, HAND, and ANC 3F.

Next, the Director provided an update on the Tenant Based Rental Assistance (TBRA) Program. The Director then informed the board that DHCD was launching the COVID-19 Housing Assistance Program (CHAP). The program will provide 3 months of back rent and is open to all households making up to 80% of the Median Family Income (MFI). The program will be administered by three local community-based organizations who currently also administer the Emergency Rental Assistance Program (ERAP).

Director Donaldson then continued that if the case number continued to go down, the city would be going into the second phase of the reopening process. DHCD will continue to be on a modified status with telework. The Director elaborated on how documents are still being processed and that all agency operations are still moving forward. Then the Director announced the closing of Park Southern, which is a project many years in the making. The Director reminded the board of the ability to select projects for further underwriting based on estimated future deed and recordation tax revenue. Lastly, the Director mentioned a change in how the Local Rental Supplement Program (LRSP) will be budgeted in the future such that it better matches projects selected.

Jim Knight brought up the idea of a State Tax Credit. Danilo Pelletiere responded by outlining a study on the implication of State Tax Credits. The study implicated that tax credits have seen success at the federal level, but it is difficult to find successful state tax credit programs.

HOUSING PRODUCTION TRUST FUND UPDATE

Erin Wilson, Deputy Manager, DFD

Erin Wilson provided an update on the HPTF pipeline. She discussed two recent closings. One project being Park Southern and the second is Cedar Street apartment, a preservation project that preserved 3 units of existing affordable housing. Erin mentioned Park Southern closed within an hour of the meeting. This project has been in the pipeline for a while. Susan Slater congratulated the agency on Park Southern, with 330 units of affordable housing being created.

Jim Knight asked if the proposed funding level was approved, would there be more money for projects in the available 2019 RFP selections? Erin echoed the Director that they agency is looking into other options and advocating for additional Federal resources.

LEGISLATIVE UPDATE

Danilo Pelletiere, Senior Advisor

Danilo Pelletiere provided a legislative report. He explained that he continuing to work on how COVID legislation impacts affordable housing and current projects. He mentioned a bill introduced last year that would place a fee on developers that reduce the number of units. He continued saying if the bill is passed, this would possibly add some money for affordable housing initiatives.

Susan Slater asked if there is any estimate on how the recession will hurt the recordation tax. Danilo answered that the current budget goes off the Chief Financial Officers (CFO) estimate and that he would follow up on the numbers. Jim knight mentioned that in his advocacy to the Council, there wasn't an understanding of the true utilization of the trust fund and how vital the program has been to affordable housing providers. Susan echoed this notion and that the board should continue to advocate. Jim continued the department has closed so many projects that it shows the importance of maintaining to add money to HPTF.

Susan asked the Director if there is anything else the board can do. The Director responded that there is a shared sacrifice with COVID 19. Before the emergency, the District was expecting a surplus. With a \$1.5B expected loss in revenue, any more moving of local money would be cut from other priorities. She continued it being a dry year; as a city, we need to be creative with future projects and advocating for federal funds.

The Director elaborated that when DHCD looks at funding projects, the department is carefully looking at future years, and maximizing units. If projects are not planning to close in FY21, they can still go through the underwriting process. The Director continued saying we need to promote housing when the public emergency is over. Since DC wasn't treated as a state in federal relief, that is another pot of money not receive. Susan, thanked the Director of explaining the big picture. The Director reiterated how significant the 100 million commitment during these difficult times, and how it is recognized by housing agencies across the country.

Charles Lowery motioned to adjourn the meeting. The motion was seconded by Jim Knight. All voted in favor via roll call vote. The meeting was adjourned at 1:25 pm.