

1 GOVERNMENT OF THE DISTRICT OF COLUMBIA
2 Department of Housing and Community Development

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Housing Production Trust Fund

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Advisory Board Meeting

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ORIGINAL

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14

10:09 to 11:24 a.m.

15

Monday, January 5, 2015

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DHCD, Housing Resource Center

19

1800 Martin Luther King Avenue, S.E.

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Washington, D.C. 20020

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1 APPEARANCES:

2 Board Members:

3 DAVID C. BOWERS, Chairman

4 POLLY DONALDSON, ex-officio

5 JIM KNIGHT

6 SUE ANN MARSHALL

7 ORAMENTA NEWSOME

8 CRAIG PASCAL

9 ROBERT POHLMAN

10 DAVID ROODBERG

11

12 DHCD:

13 NATHAN SIMMS

14 VONDA ORDERS

15 OKE ANYAEGBUNAM

16 BEATRIX "BEA" FIELDS

17 SANDY ALLEN

18 MARTHINE BARTEE-WILLIAMS

19 AYESHA TRAYNHAM

20 BOOKER ROARY, JR.

21

22

1 P R O C E E D I N G S

2 CHAIRMAN BOWERS: All right. Good
3 morning, everybody.

4 ATTENDEES: Good morning.

5 CHAIRMAN BOWERS: Happy New Year. Happy
6 2015. It's Monday, January 5th, 2015. I'm David
7 Bowers, the Chairman of the District of Columbia
8 Housing Production Trust Fund Advisory Board. We
9 are, at 10:09 a.m., called to order. I want to
10 welcome everybody and, again, say Happy New Year
11 to everyone. I hope everyone is doing well.

12 We are excited today to be joined for our
13 word of welcome from the House by the new
14 Director of the department, a good friend for
15 many of us, for many years, Polly Donaldson. So,
16 madam of the record, we turn it over to you for
17 any words of welcome.

18 MS. DONALDSON: Thank you. Thank you.

19 [Applause.]

20 MS. DONALDSON: I was saying to David
21 that I would be very brief because it's only day
22 two, and I barely know my way around the

1 building, but I will say, really, very much, to
2 all the DHCD staff here, thank you. It's been a
3 very warm welcome and very helpful. Stanley,
4 nice to see you, as always, as now I know who
5 owns a building.

6 [Laughter.]

7 MS. DONALDSON: [Comment inaudible over
8 laughter.] I will say if there had to be a first
9 meeting, it would be with this -- what do you
10 call it? -- the friendly confines --

11 [Laughter.]

12 MS. DONALDSON: -- and that this is
13 really wonderful to see all of you. There's so
14 much to do, and you all know, because we all have
15 been doing it together for several years, and I
16 look forward to it, and I'm going to stop there
17 because I want to hear what you all are thinking,
18 as well. So thank you, David.

19 CHAIRMAN BOWERS: Great. Thank you.
20 Thank you. Welcome again. We are all excited
21 about the opportunity, I know, various ways to
22 work with you, Polly, so it's great to have you

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1 on board.

2 So we will dive in. First of all, let's
3 make sure we have a quorum here. So if we can go
4 around and just have members of the Board
5 announce themselves, so we'll make sure, and,
6 Bob, why don't we start with you.

7 MR. POHLMAN: Bob Pohlman.

8 MR. ROODBERG: David Roodberg.

9 MS. NEWSOME: Oramenta Newsome.

10 MR. KNIGHT: Jim Knight.

11 MS. MARSHALL: Sue Marshall.

12 MR. PASCAL: Craig Pascal.

13 MR. JACKSON: Stan Jackson.

14 CHAIRMAN BOWERS: So we do have a quorum.
15 Having been established, we will move forward.

16 So for item number two on our agenda,
17 consider and approval of prior meeting summaries,
18 I'm going to ask Bea Fields, if the counselor can
19 kind of walk us through how we need to handle
20 this.

21 MS. FIELDS: At our last meeting in
22 December, we attempted to clean up all of the

1 outstanding meeting highlights, and we provided
2 you with four different meetings. They were
3 November 2014, February 2014, December 2013, and
4 November 2013, because there were recommendations
5 in those meetings that are a continuation of our
6 most recent discussions.

7 At the time, we tentatively approved
8 them. They were placed on the website, so that
9 the public would have some idea of what we had
10 been doing over the past year. We asked that you
11 look at them. We gave you copies last time. We
12 asked you to look at them and see if there were
13 any corrections. I did not receive any
14 corrections.

15 I don't know -- are there any corrections
16 at this time? And, if not, I would ask that you
17 would approve those four, so that we can finalize
18 them and place them on the website.

19 CHAIRMAN BOWERS: Any corrections from
20 the meeting summaries that were sent out after
21 the last meeting? Any? If not, we will
22 entertain a motion that they are finally

1 approved. Is there a motion?

2 MS. MARSHALL: [Inaudible comment.]

3 MR. JACKSON: [Inaudible comment.]

4 CHAIRMAN BOWERS: Moved by Sue Marshall.

5 Is that seconded by Stan Jackson? All right.

6 Any discussion on that? Okay. All in favor may

7 indicate by saying aye.

8 [Chorus of ayes.]

9 CHAIRMAN BOWERS: Any opposed, nay?

10 Okay. The ayes have it. Thank you, Bea.

11 MS. FIELDS: And before you today is a
12 summary, a draft summary of the results of the
13 last meeting on December 1st, 2014. I don't know
14 if you had a chance to review them. If you have
15 any questions, corrections, please feel free --

16 CHAIRMAN BOWERS: I'm going to ask if we
17 can take a couple of minutes now, just to look
18 over these meeting highlights from the 1st, see
19 if there are any corrections that need to be
20 made, and, if not, we'll entertain a motion to --

21 MS. FIELDS: We hope, going forward, that
22 we'll be able to get these to you earlier.

1 [Pause while Board reviews minutes.]

2 CHAIRMAN BOWERS: Any corrections,
3 modifications? Anyone want to suggest to the
4 meeting highlights from December 1st? Do you
5 folks need any more time? If so [inaudible,
6 paper rustling].

7 MR. POHLMAN: I don't know how -- this is
8 probably exactly what went out, these
9 recommendations as stated.

10 CHAIRMAN BOWERS: Oh, we actually have a
11 hard copy of the letter that was sent out.

12 MR. POHLMAN: First of all, on K, the
13 intention was to include local rent supplement
14 program project sponsor-based dollars for the
15 consolidated RFP process in the annual budget.

16 MS. DONALDSON: That did come through
17 that way, as Chair of the Transition Committee.

18 MS. FIELDS: -- mentioned in the meeting,
19 and the final version is [inaudible, paper
20 rustling] has some of our agency's --

21 CHAIRMAN BOWERS: As a matter of fact, on
22 that note, I'm going to actually pass out a hard

1 copy of this. We'll discuss this later, but this
2 was e-mailed out, and I'll make sure you folks
3 have a hard copy, as well, of the actual final
4 letter that went to the Mayor. Any edits,
5 modifications, or the meeting highlights? Bob,
6 would you like to amend the meeting highlights,
7 to make sure that K reads that way, in the annual
8 budget? Is that right, Bob? Just for the
9 minutes, reflect that meeting highlights?

10 MR. POHLMAN: I would say minimal change,
11 to include [inaudible, paper rustling] dollars
12 for the consolidated RFP process in the annual,
13 in the District's annual budget.

14 CHAIRMAN BOWERS: Any objection to that
15 change? That's on page three of the highlights,
16 K. Anything else? We'll certainly entertain a
17 motion to approve with that one change made. Is
18 there such a motion? Knight moves. Is there a
19 second?

20 MS. MARSHALL: Second.

21 CHAIRMAN BOWERS: Seconded by Sue
22 Marshall. Moved by Jim Knight. Any discussion?

1 All in favor may indicate by saying aye.

2 [Chorus of ayes.]

3 CHAIRMAN BOWERS: Any opposed? Okay.

4 The ayes have it. So the meeting highlights are
5 approved for Monday, December 1st, 2014. Madam
6 Director, just so that you will know -- and I see
7 counsel is here, so I'm sure they'll let you
8 know, as well -- but we are, by law, in the
9 District, required to keep a certain record of
10 these meetings, and so they are recorded, and
11 there's an audio record, as well.

12 So we don't keep traditional,
13 quote/unquote, minutes of the meetings, but we
14 keep the meeting highlights, as well. That
15 serves as a supplement and these are put on the
16 website for the agency, as well, and people
17 always have access, I think, to the audio files,
18 as well.

19 Okay. Thank you all. So that's number
20 two. Item number three on our agenda, the DHCD
21 leveraged working group update. Should I turn it
22 over?

1 MR. SIMMS: Good morning, everybody. In
2 terms of [inaudible, paper rustling], I don't
3 want to say to look at the three people to the
4 corner over there, but that diamond formation
5 over there is like the central counsel, essential
6 help us get there. But we are making good
7 progress, so we hope to have everything wrapped
8 up. I'm going to say, for the record, I think
9 so. But we hope to have everything wrapped up
10 fairly soon, in terms of the legal sufficiency
11 pieces, and all of that. So, hopefully, by the
12 time we get to March, obviously the conversation
13 will change to the RFP process.

14 CHAIRMAN BOWERS: Questions that members
15 have. Jim?

16 MR. KNIGHT: I think you lived with this
17 more daily than we did. Can you go into a bit of
18 a reminder of what the interim steps are? So
19 legal sufficiency between now and March, and an
20 RFP released in March, is there any other moving
21 pieces?

22 MR. SIMMS: Well, there's a lot of moving

1 pieces. I didn't want to oversimplify it. We had
2 some really good legal sufficiency on a couple of
3 different things. One was the overall
4 programmatic aspect, the second part was around
5 the agreements and documentation that will be
6 used for the program, and the third part was for
7 the RFP materials themselves. So there are three
8 separate sufficiencies required.

9 MR. KNIGHT: And the hope is that all
10 three will be deemed sufficient by March?

11 MR. SIMMS: I mean, I don't think I can
12 come back to work after March if it's not. So,
13 yes, that is the hope, yes.

14 CHAIRMAN BOWERS: Other questions? Bob.

15 MR. POHLMAN: Two questions, information.
16 How will the new arrangement in the government
17 with an elected attorney general and the split of
18 the legal functions affect DHCD, and how are you
19 now relating to what was the Office of Attorney
20 General?

21 MR. SIMMS: So, I mean, I believe that --
22 so, we did sit down and talk to them. So, I

1 mean, the relationship, I think, is the same but
2 a little bit different. I think the difference
3 really is that our general counsel previously was
4 an employee, really, of the Office of General
5 Counsel. She is now an employee of DHCD. But I
6 would imagine the relationships are still there
7 with the commercial division and whatnot.

8 MS. ORDERS: Yeah, just to clarify.

9 CHAIRMAN BOWERS: I'm sorry. Can you
10 identify yourself, for the record?

11 MS. ORDERS: I'm Vonda Orders --.

12 [Ms. Orders moves to microphone.]

13 MS. ORDERS: All right. Happy New Year.
14 I'm Vonda Orders, the General Counsel for the
15 D.C. Department of Housing and Community
16 Development. So there were a series of opinions
17 that came out around the transition of general
18 counsel's offices into their agencies, and for
19 general counsel's offices to become a part of the
20 Executive Branch. So, part of that was the issue
21 of legal sufficiency, and so, at this time,
22 general counsel's offices can provide legal

1 sufficiency on documents of the agency. So the
2 legal sufficiency would come through our office.

3 But I think, in terms of the steps, some
4 of those pieces, I think, are still, on the
5 program side, being put together and then will
6 be, I guess, brought to the office to be
7 reviewed.

8 CHAIRMAN BOWERS: Jim.

9 MR. KNIGHT: At the transaction level,
10 will there be any differences, so project
11 underwriting and closing process?

12 MS. ORDERS: No. From the project there
13 will not be. I think the main issue, in terms of
14 working with the Office of Attorney General --
15 and, obviously, that's going to be a new
16 landscape for us, as well -- would be mostly on
17 litigation and enforcement actions, and how -- so
18 there will be questions around how we'll continue
19 to work with the Attorney General's Office.

20 CHAIRMAN BOWERS: Thank you. Other
21 questions? Yes, David.

22 MR. ROODBERG: How is the ALP RFP going

1 to work, timing-wise, with your brought --

2 MR. SIMMS: Two separate.

3 MR. ROODBERG: Two separate?

4 MR. SIMMS: I think everybody keeps
5 trying to put them together. It's separate. The
6 reality is -- and I think we've talked about
7 this, too -- I think the likelihood that someone
8 would come in through, trying to come in through
9 the regular NOFA, consolidated NOFA, and trying
10 to go through ALP is not -- the timing is just
11 not there. Obviously, there may be someone who -
12 - you know, the program gets up and running,
13 somebody is trying to gain site control, and
14 maybe that's the extent of it, but I think that
15 would be very far and few between, because you
16 already have to have site control when you come
17 into the NOFA anyway.

18 So unless you -- you know, beyond the
19 purchase and sale agreement, unless you take it
20 one step further, in terms of actually acquiring,
21 getting a loan to acquire the building, we don't
22 really see that.

1 MR. ROODBERG: All right. So it will be
2 ALP one year, and maybe the NOPA the following
3 year, theoretically.

4 MR. SIMMS: We're talking about both.

5 CHAIRMAN BOWERS: Nathan, is it still
6 anticipated that the amount -- or what is the
7 anticipated amount, at this point, that would go
8 into the ALP?

9 MR. SIMMS: I mean, from us it would be
10 25.

11 CHAIRMAN BOWERS: And this actually may
12 bleed into the next item, on some level, but is
13 there a sense now -- we know these will be moving
14 targets -- but any sense now of roughly how much
15 may go into NOPA?

16 MR. SIMMS: I think we're going to have a
17 nice, good, healthy conversation around those
18 particular pieces, so I don't think we're ready
19 go talk about that just yet.

20 CHAIRMAN BOWERS: Not ready to make news
21 today, huh?

22 MR. SIMMS: It wouldn't be good.

1 MR. POHLMAN: There was a lot of
2 discussion, I don't know -- was it the last
3 meeting? -- about, you know, the criteria for, I
4 believe the discussion was centered on the
5 criteria for good projects. In other words,
6 under ALP, there's going to be an assessment made
7 early on about the viability of a project, and
8 maybe others can remind me. There was going to
9 be some additional discussion with this group,
10 and maybe others, about the criteria that would
11 be used in approving ALP acquisitions.

12 MR. SIMMS: So we've kept it very broad.
13 I mean, when we had the discussion, overall, and
14 everybody -- every lender has their own
15 individual criteria, so you have to focus on
16 really some broader pieces that made a lot of
17 sense, in terms of parking conditions, making
18 sure that the rent level, and just various things
19 were just appropriate. We had three -- I mean,
20 you have, essentially, a 3-year window to begin
21 to put your deal together. Some are going to
22 move faster than others. For the ones that have

1 a little bit of a delay, they may allowances to
2 go from Plan A to Plan Z, frankly. So we
3 definitely wanted to kind of keep it in those
4 generalities.

5 CHAIRMAN BOWERS: Questions or comments?

6 MR. JACKSON: Just one, sort of, Nate.
7 With the movement of the responsible banking
8 piece, we're suggesting that banks provide
9 funding in strategic areas. Historically,
10 they've not leveraged these funds, in spite of
11 the amount of contribution that the city places
12 in these institutions. How do you look at that
13 in relation to ALP, and in relation to the RFP,
14 because it's a timing issue for all of it, for
15 me, where you have groups who historically are
16 not able to go to certain institutions to get
17 funding, even though these institutions
18 participate in handling cities' deposits of large
19 sums.

20 So, is there sort of a sequencing or a
21 consideration for those companies who are seeking
22 support in that arrangement?

1 MR. SIMMS: So, I mean, that's a very
2 good question, and I would say the one challenge
3 is kind of a fundamental one. So, I mean,
4 there's a lot of people, even people in this
5 room, definitely play in that space. Some of the
6 larger institutions don't play in that space, and
7 it's more of a regulatory type of issue than more
8 of a city policy issue.

9 So we have had discussions with CDFIs.
10 We've had it with large institutions. So, I
11 mean, it has been -- I don't know if we could
12 really bring more institutions, or one
13 institution, maybe --

14 [Laughter.]

15 MR. SIMMS: I'm sorry. Maybe BB&T. But,
16 you know, so, we've had a lot of discussions.
17 We've had a lot of institutions at the table.
18 We've talked about the various sticking points.
19 And so, I think even if a larger institution, and
20 even if the District has a relationship with
21 them, who may not participate in the acquisition
22 piece, I think the larger institutions who we

1 know probably won't, they either will partner
2 with some of the CDFIs, or they are looking --
3 which has come across very clear in our
4 conversations -- they are definitely looking at
5 the program as a source of potential business, in
6 terms of on the permanent side.

7 So there will hopefully be a better
8 linkage through that process.

9 MR. PASCAL: And while some of the
10 institutions might not directly participate, they
11 are investors in those CDFIs.

12 MR. SIMMS: Absolutely.

13 MR. PASCAL: Indirectly, they're providing
14 the capital that could be redistributed in this
15 program.

16 MR. SIMMS: Absolutely, so we probably
17 will see a lot of that.

18 CHAIRMAN BOWERS: You mentioned the perm
19 side. There has been some discussion about
20 trying to get, working to get ALP up and running
21 on kind of a parallel but a little behind track,
22 if you would, having the conversation about a

1 permanent working group. Any updates on that?

2 MR. SIMMS: I think, at this stage, we
3 probably are ready to have those discussions. I
4 mean, I think we just have to figure out how wide
5 of a net to cast. I mean, if it's too wide,
6 we'll be there forever. But I think having the
7 right mix, right representation, at the end of
8 the day. So if anybody is interested in
9 participating in that, I mean, certainly -- or in
10 this audience -- you know, you can feel free to
11 e-mail me. But I do think we need to begin to
12 kind of set it up, so we do have those
13 conversations, so it is a natural pivot.

14 CHAIRMAN BOWERS: I'm wondering if, in
15 that working group, the notion, if the
16 combination of having lenders and some non-
17 lenders at the table. I know the set-up of ALP,
18 there was some conversation about, you know,
19 where to get kind of the folks who were
20 advocates, policy folks. And so, perhaps -- and
21 maybe there's time for individual conversations -
22 - but it may be helpful, on some level, to have

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1 one, a working group that includes kind of folks
2 from -- multiple folks at the table at one time,
3 with lenders and non-lenders.

4 MR. SIMMS: Absolutely.

5 CHAIRMAN BOWERS: So you may streamline
6 the process and get the richness of that input
7 coming from various stakeholders, all at once.

8 MR. SIMMS: Absolutely.

9 CHAIRMAN BOWERS: Other questions or
10 comments on the leverage working group or, excuse
11 me, yeah, the Acquisition Loan Program?

12 One other question, Nathan. In terms of
13 back to the timing issue, is there a sense of
14 whenever the RFP hits the street, roughly how
15 long the department may give for responses, and
16 then how long the department would anticipate
17 taking to review? So from the time it hits the
18 streets, what's the anticipated timeline for how
19 long it would be for the final approvals and
20 closings, so that the program is actually up and
21 running?

22 MR. SIMMS: Right. So at least in terms

1 of what we talking about internally, in terms of
2 a date, release date and close date for the
3 solicitation itself, probably somewhere between
4 45 and 60 days. And so we would probably
5 imagine, after that, it may be another 60 days or
6 so to get the approvals, and then the next step
7 is obviously to get the agreement signed and get
8 those approved by counsel, to distribute. So
9 that may take us through the end of summer.

10 CHAIRMAN BOWERS: Yep. So kind of upper
11 mind, maybe by Labor Day, in real effect?

12 MR. SIMMS: Uh-huh.

13 CHAIRMAN BOWERS: Any other questions,
14 comments? Okay. Thank you, sir. Why don't we
15 segue into number four, update on the development
16 finance project pipeline. Nathan, would that be
17 you taking the point on that?

18 MR. SIMMS: I guess my team got me, but -

19 -

20 [Laughter.]

21 MR. SIMMS: -- sure, yes. So everybody
22 has a copy of the pipeline report. This report

1 is actually from Friday. So, in terms of quarter
2 two, actually, total -- I think we have roughly
3 about 46 projects, or 44. Excuse me. No, I'm
4 right -- 45 projects in the pipeline. Actually,
5 we have one project that's shown as closed, and
6 that's 4000 Kansas, but that is actually not
7 closed yet. It will be closed in 2 weeks, and
8 we're making the correction to the sheet.

9 But in terms of quarter two of this
10 fiscal year, we have roughly about 30 -- I know
11 it says 30 there, but it would be 31, including
12 4000 Kansas -- that are projected to close. So,
13 the time frames may or may not slip here and
14 there. I think we have a good sense, in terms of
15 our pipeline. I think the last we looked, the
16 majority of our pipeline has already passed the
17 approval stage, which is good. So we're now
18 spending a lot of our time, in a good way, in
19 terms of getting our closings together.

20 So it was not a quiet time for DHCD prior
21 to the end of the calendar year and the holidays,
22 and, so, you know, that's kind of the new normal.

1 But we have a number of projects that are
2 scheduled to close in quarter two, and a handful
3 in quarter three. So it should be fairly
4 interesting, I think. For the first time in a
5 long time, our pipeline, by the end of the fiscal
6 year, will be somewhere in the teens, and it
7 hasn't been like that in a long time.

8 MS. NEWSOME: For the term starting
9 October 1.

10 MR. SIMMS: Yes.

11 MS. NEWSOME: Oh, okay. All right.
12 Because it didn't work, calendar-wise.

13 MR. SIMMS: I know. No, no. It's
14 government. Government. Christmas.

15 CHAIRMAN BOWERS: David.

16 MR. ROODBERG: I mean, the big question,
17 or, one big question, I know last time you talked
18 about how there was actually more in terms of
19 dollars than there was from the last NOFAs, and
20 it was probably going to use some of the upcoming
21 one, which was probably based on your comment
22 earlier, to David's question, how much was in the

1 next one. I wonder where that stood now, because
2 you said some projects might shake out.

3 MR. SIMMS: Yeah. I mean, so we looked -
4 - so it's a real conversation I think we have to
5 have, and obviously that's not the first thing
6 you want to put to your new director. But that
7 was a new thing a put on her radar, is that we
8 did have that issue.

9 [Laughter.]

10 MR. SIMMS: It wouldn't be a party if it
11 didn't have that. So, yeah, we've laid that out
12 there. I think there are some higher-level
13 discussions that are going to need to take place,
14 to really work through that. But, you know, as
15 we kind of went through everything, the deals
16 that we have, I mean, again, it's a good problem
17 in terms of what will shake out, what will fall
18 out. Everything is seeming to be pretty shaped
19 up nicely, shapely, and so fallout, unless it's
20 some unforeseen circumstance, which can always
21 happen, doesn't seem to be likely.

22 Now, we may have some projects,

1 obviously, that will spill over from '15 into
2 '16, and so that's natural. Luckily for us, I
3 mean, when you do the math on those particular
4 projects, they're nice sizes, in terms of the
5 requests. So, is it a situation where we're
6 faced with, you know, if something needed to
7 close this fiscal year, would we be able to close
8 it? I mean, we're not in that boat. But we do
9 have to have kind of the higher-level discussion
10 to determine what the best options are.

11 MR. ROODBERG: You'll be able to close
12 them, but your boat problem is how much you're
13 going to have in this new NOFA?

14 MR. SIMMS: Correct. Correct. And we
15 would've had that -- I mean, to be honest, we
16 would've had that issue anyway, because, I mean,
17 if everybody recalls, our last two NOFA cycles
18 have been fairly healthy. So while the baseline
19 hasn't been approved for the Housing Production
20 Trust Fund, it still hasn't been funded. So, I
21 mean, that still is a hurdle that needs to be
22 crossed, from a funding standpoint. So we would

1 only be working with the normal deed of
2 recordation taxes as it stands today.

3 CHAIRMAN BOWERS: So three quick
4 questions, and I see Jim Knight. The first one
5 may be for -- I don't know if it's you or maybe
6 Oke. So right now, when I look at the list, it
7 looks like roughly \$220 million are in
8 underwriting, in terms of trust funds, on the
9 last page. How much is available now, of trust
10 fund dollars, to go against that \$220 million,
11 roughly?

12 MR. SIMMS: I think in the last one we
13 had about 150 -- 142 or 150.

14 MR. ANYAEGBUNAM: I can get you the --

15 CHAIRMAN BOWERS: About 150?

16 MR. SIMMS: So in terms of this village,
17 if you want to call it that, it was roughly
18 around 42 million, in terms of projects.

19 CHAIRMAN BOWERS: I'm sorry. So we've
20 got roughly \$150 million, roughly, available, of
21 Housing Production Trust Fund money, to go
22 towards this 220 million, roughly, that's in

1 underwriting. Are those kind of ballpark
2 numbers?

3 MR. ANYAEGBUNAM: Yes.

4 CHAIRMAN BOWERS: And the second question
5 is lag time, and I know things have been evolving
6 over the last 18 to 24 months, at the department.
7 How much time, from time of approval to actual
8 closing, and the money has to go out the door, if
9 you would, are we looking at now? Is there kind
10 of a typical range of how long it's taking, or is
11 it still very much very deal-to-deal?

12 MR. SIMMS: It varies deal to deal, but I
13 would say -- I mean, obviously, we closed our
14 first deal, what, last week? --

15 MR. ANYAEGBUNAM: Last week, yeah.

16 MR. SIMMS: -- with Frontier One, a Tier
17 One deal which was part of the Groves at
18 Parkside. So, I mean, that's from the time it
19 came in to the time it closed, roughly about 6
20 months.

21 So for the deals that we in through this
22 latest round, as I said, I mean, some may spill

1 over for other issues, but the vast majority of
2 them are probably teed to close in less than 12
3 months.

4 CHAIRMAN BOWERS: Less than 12 months.
5 Okay. And then the final question, and then I'll
6 go to Jim Knight -- and, Madam Director, this may
7 be something you have some intel on -- in terms
8 of the \$100 million for the baseline, any sense
9 yet, in the discussions with the Mayor's Office
10 and the Budget Office about how that looks, in
11 terms of -- we know it got passed by the council,
12 subject to appropriations. Any sense or intel on
13 how that's looking?

14 MS. DONALDSON: For '15 or '16?

15 CHAIRMAN BOWERS: For -- well, I guess
16 that would be '15, or '16.

17 MS. DONALDSON: Well, '16. '16.

18 CHAIRMAN BOWERS: '16, coming up, yep.

19 MS. DONALDSON: I think that our Mayor
20 has said, very clearly, that she is a strong
21 supporter of the 100 million, and is going to
22 find it in the budget and commit to doing that.

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1 What the exact details are at this point, I don't
2 think we know -- it is day five -- but I do
3 think, though, that the understanding and,
4 actually, the Transition Committee, the
5 Affordable Housing Transition Committee, after
6 hearing a lot of testimony and the suggestions,
7 including from this Board, wanted also to have,
8 if there were to be a supplemental for '15, that
9 that would be potentially a way to bump up the FY
10 15 -- I think it's, what, 79 million? --

11 MR. SIMMS: Yes.

12 MS. DONALDSON: -- to the 100, which
13 might help the situation. We won't know, really
14 until that's overall decided by the Budget Office
15 and the Mayor, what she's going to want to do on
16 that. So, certainly, I'm advocating for that, as
17 you know, or if you don't know, you can expect
18 that. But we certainly have to make sure that
19 the question you asked about the timing, and how
20 long it's taking to get money out the door, what
21 the average time is -- Is that changing? How is
22 that changing? -- also, we need to be able to

1 answer that at the same time, because the two do
2 go hand in hand.

3 CHAIRMAN BOWERS: Jim Knight, and then
4 Bob Pohlman.

5 MR. KNIGHT: Mine is not really a
6 question. If the '16 budget does have the full
7 100 in it, remind us when we learn that, and how
8 that impacts? Do we learn that in time to take
9 that into consideration when you decide how much
10 to put this RFP?

11 MR. SIMMS: I'm thinking back to the
12 first charge of 100 million. All right? So, I
13 mean, part of that was -- that was '12? No,
14 excuse me. That was '13 and '14, or '12 and '13.
15 And so we found out relatively late, as to the
16 increase, because I think we were already set to
17 release the NOPA then, so we just went off the
18 estimates at that time and we just adjusted as
19 projects -- as the projects came in, we adjusted
20 for that.

21 I mean, the reality is, we hope to know,
22 because, I mean, that keeps everybody informed.

1 The reality is, we may not know until after. It
2 may be already out on the street. It may happen
3 right before. We just don't know. But we will
4 certainly try to go with the best guess possible,
5 and won't definitely try to make sure that we
6 have any kind of over-subscription, or we over-
7 advertise in terms of we have X amount. I mean,
8 this is the amount we have, so we will lead with
9 a conservative amount.

10 CHAIRMAN BOWERS: Bob Pohlman.

11 MR. POHLMAN: Yeah. I just think it's
12 really important that, you know -- well, this is
13 great. This really looks solid, as to what the
14 demand is for the funding, but to have it really
15 clear, exactly how much money is available,
16 what's been obligated, what's left to be
17 obligated, and then what's that bottom line look
18 like, because they're working on the budget.
19 They'll be working on the budget this month, next
20 month, particularly, and making decisions, and if
21 there isn't sufficient funds to actually make all
22 these commitments, actually to closing on all

1 these commitments, because that's when you'd need
2 to have the budget authority, I just think the
3 new administration needs to know that, exactly
4 what the picture is. Whether anything can be
5 done about it is another matter. But just, you
6 know --

7 CHAIRMAN BOWERS: One other question,
8 too, that I had, in terms of the income
9 targeting, and I know you all can kind of cut
10 this, slice and dice a lot of ways. Is there a
11 way for you -- do you know, off the top of the
12 head, or does anyone in the room know, or would a
13 request at the next meeting, to just add to this
14 list what the breakdown is in terms of the income
15 targeting, by unit and by dollar amount be
16 helpful?

17 Madam Director, one of the things that we
18 have, as a Board, since getting started about 18
19 months, or roughly, have really tried to focus
20 on, ourselves, in working with the department, is
21 to ensure that the trust fund is meeting a
22 statutory requirement that relates to the income

1 targeting, whether it's [inaudible] hitting 31 to
2 50.

3 And so part of that -- one of the things
4 that's been interesting is to kind of see how a
5 lot -- people would assume, I think -- well, some
6 people might assume that, well, it's all in the
7 hands of the department, and, obviously, it's
8 not. Some of that, a lot of that is driven by
9 what the demand is that comes in from outside.
10 Part of the conversations around this table have
11 been around what is it that the department can do
12 to either require and/or incentivize folks who
13 are coming in with projects to do so in such a
14 way that the trust fund dollars hit the income
15 targets that they're supposed to. So that would
16 actually be good to get it re-canned for the next
17 meeting, so we can actually look at that
18 pipeline.

19 I saw a hand. Was that Sue, or -- yeah,
20 Sue Marshall.

21 MS. MARSHALL: Related to that, to also
22 show the number of units these dollars create

1 would help complete the picture, and within that,
2 if we could see the distribution of the units by
3 income target.

4 CHAIRMAN BOWERS: Yeah.

5 MR. KNIGHT: An observation. A lot of
6 that was in a report last year.

7 MR. SIMMS: It was. It was. This
8 version is just a version I use every day --

9 CHAIRMAN BOWERS: Yeah, yeah. Yep.

10 MR. SIMMS: -- so that's all that is.
11 It's not hard for us to put that together.

12 MR. KNIGHT: Just another question
13 related to timing in this RFP cycle and how the
14 department will make the decision of how much
15 money to put on the street, when do you expect to
16 make that decision, and relative to when it goes
17 public, and just kind of get a sense, also, of
18 what this body's role is, in thinking about that
19 with you? I'm not clear on that, exactly,
20 Chairman.

21 And so I'm wondering if, what Bob's
22 requesting, a sort of breakdown of what's been

1 obligation, kind of at each cut, might need to be
2 ready pretty quickly, and is that possible.

3 MR. SIMMS: I mean, that's pretty -- we
4 pretty much did that. I mean, the document that
5 we gave, I think, in October, is the breakout of
6 dollars. We just have to put the projects to it.
7 So that's pretty easy to put together, in terms
8 of --

9 MS. DONALDSON: So you're saying that was
10 in October as materials, so that, going back,
11 what we could redistribute?

12 MR. SIMMS: Right. Well, in terms -- not
13 deal, not by deal, but it did speak to, yes, what
14 was committed, what was obligated, and then what
15 was available. So, I mean, we can put the
16 projects in there, to really give that full
17 perspective. So that would not take us very long
18 to do, at all.

19 CHAIRMAN BOWERS: Madam Director, I know
20 you're early in on this, on being on the inside.
21 I wonder if you or any of the others may have a
22 sense of kind of behind the veil, if you would,

1 when the jockeying starts to happen, so that, to
2 Bob's point, if -- I'm sure agency directors all
3 have to kind of raise their hand and say, "Here's
4 what we need here, and, by the way, here's what's
5 behind that need," if that has started, or when
6 the new administration coming in, it's all very
7 new. But it sounds like you, being equipped with
8 that information, in a short order, that you
9 could then make the case.

10 MS. DONALDSON: Sure. I think that's
11 what this initial week is all about, quite
12 frankly, for me and any of the staff teams, and
13 especially those that have been preparing the
14 beginning budget numbers, and then I do know
15 there's a meeting of all agency directors on
16 Thursday, where I know budget will be the prime
17 point of conversation.

18 So, we're dancing as fast as we can, at
19 this point. I mean, I think that it is about the
20 transition and beginning that, so there are
21 conversations. I can't give you an exact time,
22 though, Jim. But certainly we'll have a more

1 complete report by the February meeting, and be
2 able to share a lot more at that meeting.

3 CHAIRMAN BOWERS: It may be restating the
4 obvious, but I think, to Sue's point, the extent
5 to which, Madam Director, you're able to have the
6 units, it's a good thing, because it shows that,
7 here are kind of shovel-ready, so to speak,
8 projects, and the number of units, and the number
9 of families, number of people who would be
10 impacted. So all other things being equal, every
11 agency director is going to have important things
12 that they're trying to jockey for, I think, being
13 able to make that case.

14 And I think, Nate, to your point earlier,
15 if the sense is -- and it's no guarantee -- but
16 if there's a pretty strong sense that, up to this
17 point, it looks like the fallout level may be
18 relatively low, that's also a powerful point to
19 have, in the end.

20 MS. DONALDSON: Absolutely, of demand.

21 CHAIRMAN BOWERS: Right. Yeah, real
22 demand.

1 Other comments, questions on the
2 development finance project pipeline? David?

3 MR. ROODBERG: I guess if the dollars,
4 more dollars aren't there, some of these ones
5 that are earlier in underwriting, initial
6 underwriting, even if they've passed sort of the
7 minimum thresholds, would you consider not
8 proceeding with some, like, strategically, that
9 there might, in the coming year, be something
10 better out there? Or is the goal, really, let's
11 get these closed because our goal is to deliver
12 production, as proposed to holding some back for
13 something else that might be there?

14 MR. SIMMS: I think we would have to sit
15 down and make that obvious decision. I think
16 when you start to go through and try to make
17 those decisions, I mean, obviously the timing.
18 So, you know, who can -- it's almost like, you
19 know, who's one year away from being one year
20 away. And so we've minimized that quite a bit,
21 so it would be interested to see, like, who falls
22 in that category. Some individuals, as much as I

1 think they want to do it, I mean, they frankly
2 could wait, and they probably would admit that,
3 that they could wait until another cycle, which
4 is fine because it would tee them up to be ready
5 in like a Tier One cycle in the future.

6 So, you know, we'd have to really kind of
7 look at it and make a decision. We'd have to see
8 what other resources we have available, to make
9 it work. So it just depends on a number of
10 different things.

11 CHAIRMAN BOWERS: Stan.

12 MR. JACKSON: Just to amplify, Dave, what
13 will be interesting is to, as you allocate the
14 unit mix, based on income bands, it's certainly
15 interesting to look at where these units might be
16 populated around corridors that are also
17 identified as strategic economic development
18 corridors that are deemed, in discussions, to be
19 attractive nodes for mixed-use development,
20 retail or commercial development. So it would be
21 interesting to begin to look at the pipeline in
22 relationship to those critical corridors, because

1 we know now that they deal with Walmart and
2 Skyland has been done. We know that the decision
3 has been made for St. E.

4 So these are corridors that are some
5 major boulevards, that represents our commercial
6 corridors here, in the east end. So it would be
7 interesting to know where these income
8 distributions of units are now lining up, in
9 regards to the projects that are in the
10 underwriting pipeline.

11 CHAIRMAN BOWERS: You know, to that
12 point, I wonder if that kind of overlay, that
13 mapping overlay, would be fascinating, so to get
14 a breakdown of units, dollars, units by income
15 band, units by ward, and units then in the
16 overlay, from the standpoint of by strategic
17 areas. And whether the department has the
18 ability to do that or not, it would be helpful to
19 know, because if it does, that's great.

20 If it doesn't, I'm sure there's some
21 think tank in our town, or someone who would have
22 a smart grad school mapping student who can run

1 that mapping relatively easily, because that
2 would be an interesting thing to show that
3 synergy in overlay, particularly in light of
4 conversations around gentrification and
5 displacement --

6 MR. SIMMS: Exactly.

7 CHAIRMAN BOWERS: -- as investment goes
8 in. One other thing related to unit count, I
9 know we're asking for that by the next meeting.
10 The one thing I would ask, if you could e-mail out
11 to members in the week, would just be the total
12 number of units that are represented. When I
13 look at page 5, those projects that are in
14 underwriting, so those -- I guess it's 45 now,
15 when you mention Kansas -- how many units are in
16 those projects. I think it would be helpful just
17 to a total number. We'll get the whole list
18 breakdown at our next meeting.

19 And the reason I'm asking -- and this
20 actually goes to one of the announcements that
21 will be made here -- is that the new Mayor is
22 having kind of a one-city summit. I don't know

1 what the actual name is.

2 MS. DONALDSON: The Fresh Start Summit.

3 CHAIRMAN BOWERS: Fresh Start Summit,
4 yes, ma'am. Yes. Thank you. Let the record
5 reflect it's the Fresh Start Summit. Thank you.

6 [Laughter.]

7 CHAIRMAN BOWERS: Let the record clearly
8 reflect that it's a Fresh Start Summit on
9 Saturday, the 17th of January, at the Convention
10 Center. So let me go ahead and make the
11 announcement now. So, one, if folks don't know
12 that is happening on the 17th, it's at the
13 Convention Center.

14 MS. DONALDSON: It's the 10th, the 10th,
15 I believe.

16 CHAIRMAN BOWERS: Oh. Is it this
17 Saturday?

18 MS. DONALDSON: Well, actually, maybe
19 it's been moved to the 17th.

20 CHAIRMAN BOWERS: It's the 17th, yeah.

21 MS. DONALDSON: Okay. All right. Yeah,
22 sorry. It was earlier scheduled for then.

1 CHAIRMAN BOWERS: So it's the 17th, a
2 Saturday, now at the Convention Center. I
3 believe it's 9:30 to 3:30. Folks need to
4 register to attend. But I very much encourage
5 people who are members of the Board, people who
6 are in the audience, through our own networks,
7 individually and through our networks, that is a
8 critical meeting to go to.

9 If we go back in history 4 years, to the
10 One City Summit, people may remember that it was
11 the fact that affordable housing was noted as the
12 top priority by residents of the District of
13 Columbia that gave -- now, this is not a
14 statement of fact, but my own opinion -- gave the
15 former Mayor the political cover he needed to
16 then make, again, all other things being equal
17 and important, the Housing Production Trust Fund
18 investment a top priority, because he could say,
19 "Look, the residents said this is a top priority,
20 affordable housing." And so when the surplus did
21 come, and budget decisions were being made, he
22 could say, "Hey, listen. There it is."

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1 So, now, here we are, 4 years later, with
2 a Fresh Start Summit. Encourage folks. Make
3 sure people are there. Make sure they voice
4 whatever their issues are. But if affordable
5 housing is it, when they hit those click pads,
6 make sure they're saying affordable housing is a
7 top priority, because that could really have some
8 real implications, particularly in light of the
9 fact that they're saying there's a budget deficit
10 that has to be plugged. So money decisions are
11 going to be particularly tight, so encourage
12 folks to make themselves available at that
13 meeting.

14 Any other questions or comments on the
15 development finance project pipeline?

16 Okay. Old business. Update on the
17 communications with the new administration, and
18 there are a couple of other old business items we
19 want to hit. One, an update on the nominations.
20 There are some attachments that we have here,
21 that were in our packet. Anything on the
22 community partnership update from the last

1 meeting, we'll hit those, as well.

2 But what I did pass out earlier -- I had
3 e-mailed this out to Board members, and this is a
4 hard copy for your files, as well -- is the
5 communication that was sent to the Mayor-Elect at
6 the time, by e-mail and by hard copy, as well as
7 to the then-chairs of the Transition Committee,
8 one of whom is sitting here now with us.

9 So this is what was communicated to the
10 new administration. I simply wanted to make sure
11 people saw this. Director wanted to see, because
12 you were sitting in that chair, as one of the co-
13 chairs of the Transition Subcommittee on
14 Affordable Housing. Anything you want to say
15 about what was communicated, that you know went
16 in as some of the top priorities?

17 MS. DONALDSON: Yes. I'd be happy to.
18 Thank you, David. I will say that I co-chaired
19 with Carol Thompson Cole, who many of you know,
20 and I have to say that her comment at the end of
21 our process, after we filed with the Mayor-Elect,
22 now Mayor, was that she could not believe the

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1 unanimity in the affordable housing community,
2 meaning that it was really quite remarkable. I'm
3 not saying that everyone carbon-copied each
4 other, but, in fact, many of the recommendations,
5 and the consensus that was built on the
6 recommendations zeroed in on these very specific
7 points that were made, as well.

8 So I can tell you that certainly, for the
9 first 100 days' recommendations, that they are
10 incorporated in the recommendations. I mean,
11 every -- the Urban Institute just issued their
12 report today. Others, also, CNHED and others,
13 did the 100 million, as that, I mean, focus on
14 the resources, as well as also looking at the
15 tools that are used to maximize those resources,
16 to leverage other resources, such as ALP, as
17 well.

18 And also the point that Bob made about --
19 Bob Pohlman made about the local rent supplement
20 program, coordinating those resources between,
21 both for the consolidated RFP, to focus and
22 target in on permanent support of housing, but

1 also, in general, coordinating, tying Housing
2 Production Trust Fund dollars and amounts to what
3 would then be needed to subsidize units for the
4 lower income bands in the trust fund.

5 I would say that a point that's not on
6 here, as specifically, but one that I think was
7 also emphasized, was the coordination between all
8 the various agencies that touched housing. If
9 you were at any of the hearings, I mean, there is
10 an extraordinary amount of housing dollars in the
11 District's budget. It is both leasing dollars as
12 well as production dollars, and it's a large sum,
13 and it also is something that the coordination of
14 that, or at least the sharing of not just intel
15 but also coordinating strategies for its use, is
16 something that's really quite significant.

17 So I certainly will be part of an effort
18 to coordinate that with, not just the leading
19 housing agencies but with anybody who has
20 resources that touch housing, and there are other
21 entities that do.

22 So I think that was another key point, as

1 well. I mean, I think also looking at, as we've
2 been talking a little bit about timing and how
3 DHCD is getting funds out the door, and the
4 timing of that and the procedures and the
5 processes and the regulations, and all the steps,
6 that also was emphasized as a priority, as well.
7 And so -- now this is a very tall order, because
8 the hurdle of having agreement on policy and
9 tools is a good one, figuring then how to best
10 implement it and assuring that those resources
11 are there, at the time that they're needed is
12 really that next step.

13 And if there are any questions, I'm happy
14 to answer any.

15 CHAIRMAN BOWERS: Any questions or
16 comments from members of the Board about this --
17 the communication of the administration, or
18 anything Polly just mentioned?

19 So this on the record with the
20 administration, and just started. We welcome any
21 thoughts. We did indicate in the letter, I
22 think, our willingness, openness to, or made a

1 request, the opportunity to meet you and the
2 team. I'm sure we and many others did. Is there
3 any strong sense from the Board about how hard to
4 push for a meeting, and in what time frame with
5 the new Mayor, with yea-nay, and if yeah, kind of
6 when should we try to push for one, to give folks
7 a little time to kind of get in, get their feet
8 under them, and then try to get in, sooner or
9 later, or hold off? Any thoughts that Board
10 members have?

11 The request went in this way, I will say
12 we didn't put in this request -- they have kind
13 of an automated system where request for meetings
14 kind of go in, as well. We didn't do this in
15 that way. It was directly through the Mayor-
16 Elect, directly, and through co-chairs.

17 But any thoughts that folks have about
18 that?

19 MS. NEWSOME: Well, it probably wouldn't
20 happen anyway, but together with what you were
21 saying with, I think, Mr. Case [ph], we want
22 until after the 17th, because we would want the

1 public to weigh in and say affordable housing is
2 the issue. Then we would follow that, with our
3 recommendations, and use, hopefully, what will be
4 said on the 17th, as the backdrop to some
5 specificity and the request for a meeting.

6 You may remember, the last request we had
7 with the Mayor, the former Mayor, that happened
8 in 4 hours, and we weren't necessarily prepared.
9 So the call could come quickly.

10 CHAIRMAN BOWERS: Yes. Sure.

11 MR. KNIGHT: A slightly broader question
12 that might fit the same thinking process here, is
13 to know a little bit more about what the
14 administration's hopes for this body are. I
15 think the Housing Production Trust Fund, as our
16 gathering point, is pretty specific, but in a
17 certain sense our mandate has been broader, to
18 look at how to deliver affordable housing across
19 the city.

20 I know, in prior administrations, there
21 has been some participation in these meetings
22 with administration leadership. I'm just kind of

1 wondering how that will happen, and if a meeting
2 would be a good way to initiate that, then I
3 would give that greater priority than simply to
4 restate things we've submitted in writing. So if
5 there's a desire for there to be a collaborate
6 and strategic thinking, Director, to sort of meet
7 your point, that this was the easy part, kind of
8 this consensus of naming things. What to do with
9 them and how to do it is the harder part. Is
10 there a role for us in that? I think that would
11 be a good conversation to have.

12 MS. DONALDSON: I think that's a good
13 point, Jim. Thank you.

14 CHAIRMAN BOWERS: I think given the
15 recommendation for in the meeting request around
16 kind of what the proposed agenda could be, is, in
17 no particular order, a review of what we sent,
18 hearing from the administration about their kind
19 of vision around affordable housing, and then
20 also what they see as the role for this, how
21 they'd like to see the Board operate, in their
22 notion, and how they interface with it.

1 MR. POHLMAN: And in terms of timing, my
2 sense is kind of a critical point will be like
3 the end of January. Typically, if the budget
4 cycle goes away -- it has in the past January --
5 is negotiation between the budget office and
6 agencies, and back and forth, and so on, and the
7 Mayor really gets engaged in making hard
8 decisions in February. And I think, given the
9 prospects for the budget for '16 that I'm
10 hearing, you know, it's going to be tough, and
11 around that time decisions are going to start
12 getting made around how much to invest in
13 housing, how much to invest in the trust fund.

14 I also think -- and I don't think we've
15 made a good connection yet -- the top issue is
16 probably going to be homelessness for families,
17 or homelessness, in general, and how does what
18 we're doing relate to that? Sometimes I feel
19 like we haven't been able to, and we haven't made
20 a good connection between the trust fund and all
21 the dollars that are going into the trust fund,
22 and helping solve some of these problems that

1 become the highest priority for any
2 administration, because of all of the news media
3 coverage, and so forth.

4 So my sense is, around the end of January
5 would be a good time to meet and assess where
6 things are at, what kind of decisions are on the
7 table to be made, but I also think if the meeting
8 -- if the topic becomes, "I really have to do
9 something about homeless families," what's our
10 response? What are we going to contribute? I
11 think more work needs to be done on this, but
12 we've had some discussion before about what's the
13 role of affordable housing in providing rapid re-
14 housing? What's the role of affordable housing
15 that we're producing in permanent support of
16 housing? We've made a lot of progress in that
17 area.

18 These things always become urgent and
19 there's an immediacy, and where can we put
20 people, where can we put families, and what's the
21 connection between affordable housing that's
22 already been produced and the availability for

1 housing homeless families, for examples. Do we
2 have any strategy for that? It's a larger issue
3 than just this body, but I think we need to begin
4 to take this beyond the compilation of X number
5 of projects, and X number of units that happen to
6 come in the door, and start talking more
7 strategically about how we're going to address
8 the real issues in the District of Columbia, and
9 incorporate that into our RFPs and our policies.

10 MS. MARSHALL: And I think if you look at
11 the correspondence that went to the Mayor at
12 point number 8, and consider some of the
13 conversation about how do we get from
14 recommendations to implementation, this is
15 exactly where you do it. And January is
16 absolutely a strategic time because it will begin
17 the end of winter, when we feel all of this
18 pressure. So a conversation, along with what
19 you're suggesting, is how do we normalize the
20 process, and how do we better utilize all of
21 these resources that are shelter case management
22 and rent subsidies, towards the production and

1 targeting of more housing for this particular
2 population?

3 CHAIRMAN BOWERS: Jim and then Stan.

4 MR. KNIGHT: I feel like one of the
5 things we were trying to drill down on the last
6 meeting, after the helpful presentation, was
7 getting a sense of what the income distribution
8 is now for individuals and families who are in
9 the homeless system, and the projecting of rapid
10 rehousing or affordable housing with minimal
11 services. Those two categories, which suggest a
12 family or an individual should be able to become
13 self-sufficient, are not tied to what an end rent
14 will be.

15 In theory, a person or a family has
16 enough skills and tools and cohesion to be able
17 to reach self-sustaining income, at what rent?
18 And that rent -- we're not producing that rent
19 right now. We're producing rents that are PSH
20 units or subsidies at 30 and below, for families,
21 extremely low-income families. But rents that
22 are slightly above that, that may be reachable

1 for a two minimum-wage household, or a single
2 person earning a little bit more. What is that
3 rent? It's somewhere between 30 percent and 40
4 percent AMI, that is a level that folks with more
5 support, more demand-side support, should be able
6 to reach.

7 Those units don't exist. We're not
8 making them. You look in the RFP. We're not
9 making them. We make 30 and below, and we make
10 60. So this big gap in the middle, it's just one
11 example of a strategic sort of -- we haven't
12 gotten to a strategy that lets us see that, and
13 lets us plan to solve it.

14 CHAIRMAN BOWERS: I do think that -- oh,
15 Stan, go ahead.

16 Jackson. No, because what everybody is
17 hitting on is really a much broader challenge,
18 and I think, Sue, your presentation talked about
19 this pipeline of homelessness, and I think that
20 what we're talking about is that result after
21 that, but how do we address this whole notion
22 where we've got folks aging out of the family

1 model, and based on the data that you presented,
2 the majority of those that's coming out, a
3 significant portion of those are coming out at
4 the zero income band.

5 So what we have is a pipeline process
6 that, unless we begin to look at some of the
7 causes of this, how do we try to address that?
8 And part of our overall thinking of how we look
9 at using this source of opportunity to sort of
10 combine and leverage that, how do we really get
11 to this whole pipeline?

12 My concern is that I'm seeing more and
13 more. We did it -- and I had to get all soap
14 opera -- but I was afraid that we gave away
15 literally thousands of pairs of undergarments. I
16 was shock to know, right here in this city,
17 you've got folks that don't have underwear. So
18 we, literally, for Christmas, gave out thousands
19 to homeless, and to young folks, and that's what
20 scared me -- young folks don't have them.

21 So we have a real problem, where they're
22 aging out of their family environment, and

1 they're just ending up with no place to go. So
2 that's also a consideration, as we begin to look
3 at how do we put resources together to sort of
4 look at the input and output side of this whole
5 equation, because this is a scary problem. It's
6 just a big problem.

7 MR. KNIGHT: To add to the urgency of
8 timing, if the department wants to impact the
9 housing that's produced in this RFP cycle, then
10 some of these preliminary priorities need to be
11 reached. If we want to build housing that's
12 affordable for people aging out, if they're 18 to
13 22, or whatever it is, and their income level is
14 going to be here, and we want the market to
15 produce that housing, the RFP has got to be
16 written that way, or it isn't coming.

17 MR. SIMMS: I think this is, in terms of
18 timing, that's why we have that conversation with
19 both CFSA and the D.C. Health Care Finance. I
20 think the point, the discussions that are taking
21 place, one, I wanted to tell people, I mean, us
22 putting the NOFA together is not an overnight

1 process. I mean, I know that's not what people
2 think, but when you start talking about adding
3 these additional pieces, it literally takes us a
4 lot of time to do that, on a normal basis. And
5 so, we're in the process of writing it now.

6 So I do think when we start having the
7 discussions with people, with the various
8 agencies, which I think we will have and we
9 should have, I think it really should come back
10 to like a production plan -- Who has what? Is it
11 service-based? Is it capital-based? -- how is
12 it used and how we can market it, because it's
13 going to be helpful for everyone involved.

14 I mean, it took us -- I mean, even
15 though, in this consolidated fashion, I think
16 we've had minimal bumps, but we've had some
17 bumps, but it really comes down to, okay, what is
18 your dollars, how can they be used, how do work
19 them in a deal form where, for probably the
20 longest time, they have operated in such, a more
21 silo, separate-type of environment, so how do you
22 incorporate that in? What does that mean to you,

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1 as a developer? What does that mean to a service
2 provider? What does that mean to the bank?

3 So I think, for us, it is a complete
4 learning and an educational process. So I think
5 we should all kind of go down that road,
6 obviously, together, because I think whatever we
7 produce doing that will be beneficial to the most
8 people in the city.

9 CHAIRMAN BOWERS: I do think that -- I
10 want to draw the attention and bring up, not
11 directed at you, but in the letter that we sent,
12 recommendations 5 through 8, and number 12,
13 specifically on a reference, things along -- see
14 what they say. Target and production goals for
15 certain types of housing, and we referenced DHS
16 and RAP housing units, the notion of bringing in
17 connection to different agencies who are doing
18 funding and different types of work, including
19 early childhood education and work force. Number
20 7, coordinating the various government agency
21 resources. Number 8, that Sue mentioned, about
22 the housing and services resources using it, and

1 number 12, even speaking to continuing to utilize
2 and improve coordination amongst agencies through
3 the consolidated RFP process, and use it to
4 develop permanent support housing, et cetera,
5 wraparound services.

6 So, one, I want to kind of get on the
7 record here, at this meeting, that the letter
8 that was -- and this letter will go into the
9 record, as well, what was communicated, I think,
10 to Bob's point about -- so its lag is there.
11 There's been a lot of information that's been
12 gathered by this board over the last year, in
13 particular, around some of the demand side
14 issues, year and a half.

15 I think one of the questions, Madam
16 Director, for you to think, and for the board to
17 think about, is what conversations make sense,
18 taking place in the context of a board, an
19 advisory board, and what conversations make sense
20 taking place in the context of agency directors,
21 bringing themselves and whatever other
22 stakeholders together in meetings, because there

1 may be some that are good to have, in a board
2 context, and there may be others that it makes
3 more sense to have director or director, to
4 director and other stakeholders around the table.

5 But one of the things that clearly has
6 come out in the conversations, the meetings, the
7 presentations we've had over the last year and a
8 half, the notion of the need for more
9 coordination amongst various stakeholders in an
10 intentional way, and the creation of systems and
11 processes to get to agreed-upon goals, so that
12 it's not ad hoc, so that it's not kind of
13 episodic, given whatever is in the news cycle.

14 And we've seen that, quite honestly, not
15 just on the demand side but even in the
16 conversations around the ALP, you know, the
17 notion of how do you make sure you get CDFI
18 lenders, quote/unquote traditional bank lenders,
19 developers, advocates, all thinking and talking
20 in a coordinated way and an intentional way?

21 Same thing on the demand side. How do we
22 get the various agencies together to get the

1 actual data, talking with the agencies, directors
2 -- I mean the developers -- service providers,
3 and then having some sort of plan, whatever the
4 plan is, and then implementing that, and knowing
5 to say, "Okay. Here are the 20 moving pieces,
6 and here's who is responsible," and someone
7 having that actually written, created, and
8 tracking what's happening.

9 That doesn't -- it seems like it may be
10 happening, in some ways, but there seems to be
11 there's more than can be done, and that's
12 certainly been one of the takeaways from our
13 meetings in the last year. So I think that as
14 you and the new administration leadership start
15 to engage, that's one of the things to think
16 about. We, as a board, are certainly willing and
17 able to be as helpful as we can in that regard,
18 since, I think, some of those conversations are
19 going to happen in other ways.

20 MS. DONALDSON: I'm just going to say I
21 think, again, the prioritization on coordination
22 is very front and center. I think that's a

1 hallmark of our new Mayor. I think that's how
2 she works, and I think that some of the team
3 selections that you may know of include people
4 who are already in relationship and able to do
5 that. I might point to a Laura Ziman [ph] or a
6 DHS, who's going to be very familiar with this,
7 but also has national and federal experience to
8 bring to bear here, and I think that's going to
9 be a great example of being able to work with.

10 It's not just two agencies. I mean,
11 that's the other point, and I think that has also
12 been the focus, and that we'll need to figure the
13 coordinating, how that gets done. But that is,
14 again a priority. Thank you.

15 CHAIRMAN BOWERS: Any other questions?

16 Yes, Oramenta.

17 MS. NEWSOME: The only other thing I'd
18 say is -- so, this combination of speaking to the
19 Mayor, to hear both what she has to say as well
20 as anything we have to say, to the question of
21 how much money, literally is there for the next
22 NOFA, and then the creation of the NOFA, I think

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1 the evolution -- there's been an evolution of the
2 NOFA, in terms of being the document that sends
3 the signal to the public about what the city
4 prioritizes for housing, because at one point it
5 was just put your application in, whatever, and
6 this last time around we had the 5-percent PSH.

7 I think now is an opportunity to figure
8 out, should there be other elements of the NOFA
9 which send a signal? And, more specifically,
10 send a signal to the developers, because,
11 historically, they may have been here, and we
12 want to prioritize this, and when they get the
13 NOFA, they go, "What? When did this all come
14 up?"

15 So I guess what I'm sort of recommending
16 is that if we can find a way to go ahead now,
17 have that dialog, and even to the point of the
18 top two. We already have PSH, so what are the
19 next top two that we would want to add to the
20 NOFA, to send the signal now that this is what
21 you need to be preparing for. Is it family
22 priority, homeless? I'm not sure what it is.

1 But, personally, I think that's a point
2 to talk to the Mayor about, and the other
3 department heads about, is that what will we have
4 in this NOFA that will send the signal about what
5 we prioritize as the need for the development
6 community to come in and make their proposals,
7 because I think it's probably -- and we need that
8 prep time. I know you have your workshops and
9 you need that prep time, so you get good
10 proposals.

11 So, I guess, maybe there's a working
12 group that works on the NOFA and that process. I
13 hadn't thought all this through. It just popped
14 in my head.

15 [Laughter.]

16 MR. ROODBERG: That's how brilliance
17 works.

18 [Laughter.]

19 CHAIRMAN BOWERS: It's organic, in the
20 moment. And I will say, on that point, in terms
21 of meeting the mayor, what I will do is, I'll
22 reach out to the major's office and put in a

1 request now for a meeting after the 17th, so we
2 can at least kind of get in the queue, but make
3 it clear that we would like to meet any time
4 after the 17th, so that we do have the benefit of
5 the meeting.

6 MS. DONALDSON: And I can chair that, as
7 well.

8 CHAIRMAN BOWERS: That would be great.
9 That would be great.

10 MS. DONALDSON: So just let me know.

11 CHAIRMAN BOWERS: Yes. Absolutely.
12 Absolutely. Anything else in terms of the
13 communications with the new administration?
14 Okay. Thank you.

15 A couple of other old business items.
16 One, the nomination. When we last met there were
17 three Board members who were due up for re-up.
18 Bea Fields, an update?

19 MS. FIELDS: Yes. Of the four nominations
20 submitted to the counsel, three -- four -- four
21 positions expiring in January of 2015. Three
22 were approved -- David Roodberg, Oramenta

1 Newsome, and Sue Marshall -- for 4 years, and
2 their terms expire January 14th, 2019.

3 CHAIRMAN BOWERS: Welcome back, Kotter.
4 So that's great. Thank you. Also, in the
5 attachments -- or, any questions on that? Okay.
6 In the attachments, Bea, I see that we have
7 vacant property tax exemption for DHCD pipeline.
8 Was there any update on the property tax issue?
9 I know that's an issue that has been brought up a
10 couple of meetings ago, I think, at one of our
11 stakeholder meetings, and there have been some
12 examination of kind of what the status was of
13 that.

14 Did you, or anyone else on the Board,
15 have any update on the property tax issue, or
16 staff, or what was going on there?

17 MS. FIELDS: No. It's something the
18 staff would have to work with DCRA and the Office
19 of Tax [inaudible, paper shuffling] on that.

20 CHAIRMAN BOWERS: Okay. Any other
21 comments anyone has on this issue?

22 MS. FIELDS: I'm sorry, unless you --

1 CHAIRMAN BOWERS: Okay. And then, Sue
2 Marshall, I was going to ask, if there were any
3 updates or anything for the good of the order
4 from the follow-up of the presentation of the
5 last meeting, the Community Partnership for the
6 Prevention of Homelessness, some materials from
7 the last meeting that are attachments. I wanted
8 to make sure folks were aware that they're in the
9 packet, but I just wanted to give you an
10 opportunity, if there's any update there.

11 MS. MARSHALL: I don't have one at this
12 time. Director did raise some questions about
13 consistency of data, which we'll have resolved
14 for the next meeting. And I'll also bring the
15 information by individuals and families on income
16 and employment, to give you a little more to work
17 with, so if we could get it on the next agenda,
18 that would be good.

19 CHAIRMAN BOWERS: Okay. Bea, if you
20 could put that on the next agenda, that would be
21 great. Any questions or comments there, updates
22 there?

1 Okay. We already mentioned the Fresh
2 Start meeting. Any new business to be brought
3 before the Board by members of the Board, or by
4 staff? Okay.

5 Public comment time. Would any members
6 of the public like to bring anything before the
7 Board at this time? Okay. Nary a nod.

8 Any announcements? Madam Director, any
9 other announcements you'd like to make?

10 MS. DONALDSON: I think that as
11 encouraging as many of your constituency members
12 to come to the Fresh Start Summit, any groups. I
13 see Elizabeth Falcon is here, and her reputation
14 precedes her --

15 [Laughter.]

16 MS. DONALDSON: -- at the previous
17 summit. I think this is an opportunity, and I
18 don't mean just to load the deck, but I can tell
19 you that Mayor Bowser has clearly stated that
20 this is a priority issue, housing and the
21 affordability issue, and the homeless issue. She
22 sees them as linked. She sees that you can't

1 talk about affordable housing without taking
2 about the homeless crisis, and you can't talk
3 about ending homelessness without taking about
4 affordable housing. So that will be even more
5 readily apparent. Having the resources to make
6 that happen is going to take all of us working
7 together to advocate for that and to ensure that
8 we are able to maximize those resources, and
9 leverage additional private ones, as well.

10 So, let me just be clear on that, and,
11 again, I look forward to seeing everyone on the
12 17th, and we have some follow-up to do in terms
13 of communication, and we will do that, to the
14 Board.

15 CHAIRMAN BOWERS: And, Madam Director,
16 one question I failed to ask earlier. Is there
17 anything that you would like to -- is there
18 anything this Board could do that could be
19 helpful to you, in your work? Any thoughts you
20 have now, and feel free to share, obviously, next
21 month, any thoughts you have on that. We welcome
22 those.

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1 MS. DONALDSON: I can tell you, I
2 probably will have more to share on that in
3 February. Again, I'm on day two.

4 CHAIRMAN BOWERS: We want answers now,
5 Madam Director.

6 [Laughter.]

7 MS. DONALDSON: Well, you know, this has
8 been wonderful food for thought, sitting on this
9 side of the table, and I really -- I appreciate
10 the sharpness of the -- the clear thinking and
11 the thoughts and the strategic thinking. I mean,
12 I think that's what's absolutely critical, that
13 this group can provide following on from the work
14 of the task force and the previous task force
15 before that. So, I mean, I think this is rubber
16 hitting the road, as they say. Thank you all,
17 very much.

18 CHAIRMAN BOWERS: Any follow-up or
19 questions from members of the Board on that, or
20 any other announcements that anyone has?

21 Let me just say, we will go back to our
22 meeting schedule of the first Monday of the

1 month, from 10 a.m. to noon, unless otherwise
2 noted. I'll make sure that that -- I think it's
3 in folks' Outlook calendar, the Board members'
4 outlook calendars for now, so we'll continue with
5 those, the first Monday in February, and we'll
6 see you again.

7 Any other business before the board? If
8 not, at 11:25 a.m., we stand adjourned. Thank
9 you, all.

10 [Whereupon, at 11:24 a.m., the Housing
11 Production Trust Fund Advisory Board meeting
12 concluded.]

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