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GOVERNMENT OF THE DISTRICT OF COLUMBIA
Housing Production Trust Fund Advisory Board

ORIGINAL

Housing Production Trust Fund Advisory Board
Meeting

10:09 to 12:07 p.m.

Monday, February 3, 2014

DHCD, Housing Resource Center
1800 Martin Luther King, Jr., Ave., Southeast
Washington, D.C. 20020

OLENDER REPORTING, INC.
1100 Connecticut Avenue NW, #810, Washington, DC 20036
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1 Board Members Present:

2 MICHAEL KELLEY, DCHDC COMMISSIONER

3 SUE MARSHALL

4 STANLEY JACKSON

5 DAVID BOWERS

6 ORAMENTA NEWSOME

7 DAVID ROODBERG

8 JAMES KNIGHT

9 ROBERT POHLMAN

10 JACQUELINE PRIOR

11

12 Staff:

13 NATHANIE SIMMS

14 BEATRIX FIELDS

15

16 Presenter:

17 JAIR LYNCH, JAIR LYNCH DEVELOPMENT PARTNERS

18

19 Other:

20 MATT SCALF, ORC DEPARTMENT MAYOR HHS

21

22



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

2 MR. BOWERS: Okay. We'll go ahead and
3 get started. Today is Monday, February 3rd,
4 2014. It's almost 10:15 a.m. This is the
5 Housing Production Trust Fund Advisory Board. We
6 will call this meeting to order.

7 I am David Bowers, the Chair of the
8 Board. If we can go around and have members who
9 are present announce themselves and we'll make
10 sure we've got a quorum and things will start.

11 MR. ROODBERG: David Roodberg with
12 Horning Brothers.

13 MR. BOWERS: Thank you.

14 MR. KNIGHT: Jim Knight, with Jubilee
15 Housing.

16 MS. MARSHALL: Sue Marshall, Community
17 Partnership.

18 MS. PRIOR: Jackie Prior, Morris and
19 Gwendolyn Cafritz Foundation.

20 MR. JACKSON: Stan Jackson, AEDC.

21 MR. BOWERS: Great. Thank you. So
22 seeing as we have six members of the Board



1 present, we do have a quorum and can proceed.

2 Thank you all for your patience. Thank you, this
3 morning.

4 We will go ahead and take a look at
5 number two on our agenda, the prior meeting
6 summaries. We do have the meeting highlights
7 that are in the package. So I'm going to ask if
8 members can take a look through this and see if
9 there is anything major they would like to edit,
10 or add, or delete.

11 MS. FIELDS: Excuse me.

12 MR. BOWERS: Yes, ma'am.

13 MS. FIELDS: Going forward, we will have
14 minutes. But in light of the budget oversight
15 preparation, we could only do one thing.

16 MR. BOWERS: Sure. And just so that
17 folks are clear, too, we did get clarity. I
18 spoke to the Director of Office and Boards and
19 Commissions and was told that the transcripts
20 that we -- the audio recording actually satisfies
21 the law. So the fact that we have an audio
22 recording a written transcript, actually, we are



1 in compliance with the law. Obviously we're
2 trying to get our meeting minutes that will help
3 the Board in terms of our going back and using
4 them as a useful tool to refer back to things.
5 So I appreciate Bee and folks at the HCD with
6 putting together highlights, and/or minutes as
7 they were.

8 So, we will actually go through and
9 approve these. Do folks have any suggestions on
10 edits or corrections to the highlights of the
11 meetings?

12 (No audible response.)

13 MR. BOWERS: I would like to note, under
14 number three, on page one, that on A, that Batko
15 was invited by the Chair and not by Enterprise,
16 since the invitation went out on my capacity as
17 Chair and not from Enterprise.

18 MR. KNIGHT: A minor comment on four.

19 MR. BOWERS: Yes, sir.

20 MR. KNIGHT: The first bullet point.

21 MR. BOWERS: Uh-huh.

22 MR. KNIGHT: The need for permanent



1 housing, should that read permanent supportive
2 housing?

3 MR. BOWERS: On number four. Which line
4 are you on, Jim? On page --

5 MR. KNIGHT: The first bullet point.

6 MR. BOWERS: Oh, first bullet. Thank
7 you. Is that right? Are we in agreement with
8 that, permanent supportive housing?

9 MS. MARSHALL: I'm not --

10 MR. BOWERS: Or no?

11 MS. MARSHALL: Because I think the issue
12 broader than permanent supportive housing,
13 there's part of the population that requires
14 permanent supportive. There's a part of the
15 population that requires affordable.

16 MR. BOWERS: Uh-huh. So would that be
17 permanent including but not limited to
18 supportive? Would that clarify, or?

19 MS. MARSHALL: That would work for me.

20 MR. BOWERS: That would work for Sue.

21 MR. KNIGHT: I don't need it changed, I
22 just was -- okay. Was looking for clarification.



1 I was thinking most all the affordable housing
2 that gets produced is permanent so I was just
3 wondering what the qualifier was. But, I'm good
4 with that.

5 MR. BOWERS: We're okay as is, or would
6 we like to clarify in language, including but not
7 limited to?

8 MS. MARSHALL: No, I think

9 MR. BOWERS: We're okay? Okay.

10 MR. KNIGHT: Okay.

11 MR. BOWERS: All right. Thank you.

12 Okay. Any other suggestions on the
13 meeting highlights in terms of edits, besides the
14 one that was noted?

15 (No audible response.)

16 MR. BOWERS: If not, I'll entertain a
17 motion to approve the meeting highlights as
18 presented with that one edit.

19 MS. MARSHALL: So moved.

20 MR. BOWERS: It's been moved by Sue.

21 MR. JACKSON: Second.

22 MR. BOWERS: Seconded by Stan Jackson.



1 All in favor, say "I".

2 ALL: I.

3 MR. BOWERS: I. Any oppose?

4 (No audible response.)

5 MR. BOWERS: All right. So the meeting
6 highlights are approved. Thank you again for
7 that.

8 I am actually going to skip number three
9 and we are going to move down to number four.
10 Our guest for number three is not here yet, so
11 we'll move to number four, updates on Housing
12 Production Trust Fund Activities. The status
13 update on the 2013 NOFA, in particular, types of
14 projects, income ranges.

15 And, Director, I would just say any other
16 updates you or staff may want to provide as it
17 relates to what's been going on at the Relation
18 Trust Fund would be helpful. And I know there is
19 an update even on the response to the letter that
20 was sent from the Board to the mayor.

21 MR. KELLEY: Well, we'd ask Nathan to go
22 into more details in this, but at this point we



1 have begun in earnest, our moving toward closing
2 of the contracts.

3 MS. MARSHALL: Michael, I can't hear you.

4 MR. KELLEY: We've moved in earnest
5 toward completing the projects that were part of
6 the '13 NOFA. This is being done concurrent with
7 our effort to get the '14 NOFA out.

8 I think one of the things that we have
9 learned from -- I'm trying to learn lessons from
10 the past NOFA that we're evaluating. And that's
11 where you get to the point of the recommendations
12 about the five percent set aside for permanent
13 supportive housing, and you're looking to have
14 more rigorous architectural drawings in for
15 estimating.

16 I think at this point it's the big
17 picture; it's looking good.

18 I think one of the things that David had
19 alluded to, the Chairman alluded to, is that
20 we're now looking to try to push toward the type
21 of legislative changes that this Advisory Board
22 had recommended, one being the idea of having the



1 Housing Protection Trust Fund dollars
2 availability be available at one time as opposed
3 to having the city council hold back for budget
4 reasons, the amount of the monies available for
5 everyone. So that's one of the things we're
6 looking to do as sort of a major legislative fix
7 this year.

8 And I guess also we're going into the
9 whole season of the budget oversight and budget
10 review. And again, in terms of sort of the
11 announcements on the 11th of February, at 10:00
12 we're going to be having our oversight meeting,
13 at which we'll actually have a chance to talk
14 about this. And again, I encourage everyone on
15 the Housing Production Advisory Board to -- I
16 mean, the Housing Objective Task Force Advisory
17 Board, to be part of this hearing on the 11th.

18 Nathan, you want to share with me some
19 details about the numbers of projects that we're
20 currently looking at, and some time frames?

21 MR. SIMMS: Sure. So, currently the
22 Agency has roughly about 30, 39, or 40 -- 41,



1 excuse me, real estate projects in our pipeline.
2 Some of the funding sources vary from Housing
3 Production Trust Fund to Home Investment
4 Partnership, and (indiscernible) which are both
5 federal.

6 In terms of the most recent application
7 under the NOFA, I think we had covered this
8 before with the bulk of these projects, have
9 units that are under --

10 MR. BOWERS: I'm sorry, Nate, can you
11 speak up just a little bit? Folks are having a
12 little bit --

13 MR. SIMMS: I'm sorry. So, excuse me.
14 In terms of the NOFA results, the bulk of our --
15 the greatest portion of the transactions in our
16 portfolio are primarily between 30 and 60 percent
17 of area median income.

18 And so I think we had talked about this
19 the last time that -- probably two meetings ago,
20 that we were working with developers to get well
21 under 60 percent, into the 50 percent category.
22 So, that exercise is ongoing.



1 MR. BOWERS: Nathan and Director, a
2 question. A few meetings back there was a one-
3 pager that was presented that was a tentative
4 2013 Super NOFA analysis, and you all had
5 provided a breakdown on the unit count by AMI
6 band, and that one at that time, it looked like
7 45 percent of the dollars were going to the 30
8 percent and below AMI band, and about 15 percent
9 was going to the 30 to 50 percent band, and then
10 roughly 40 percent was up to 80 percent of the
11 band.

12 Do you all have an updated breakdown in
13 terms of where the trust fund dollars are going
14 for the NOFA? Or is it tracking pretty close to
15 that so far, or any significant ebb or flow one
16 way or the other?

17 MR. SIMMS: There hasn't been any
18 significant changes as to eight. But as we
19 continue the conversations with developers, we
20 think that it will come down on the 60 to 80
21 percent, and it will come down a little bit.

22 MR. BOWERS: Okay.



1 MS. MARSHALL: And is it possible to see
2 an updated spreadsheet of projects that not only
3 looks at that data, but also looks at when the
4 projects are likely to come online?

5 MR. SIMMS: Yes, but it's a work in
6 progress. We already are working with the Deputy
7 Mayor's office, so we try -- when these projects
8 are moving, essentially any of the new projects,
9 you're not going to see those probably until --
10 some of them will close this year, but the bulk
11 of them will not close probably until the end of
12 quart 4 of this year, and probably going into
13 quarter 1 and quarter 2 of next fiscal year.

14 MR. BOWERS: And just for clarity's sake,
15 we're talking about closing in this calendar
16 year.

17 MR. SIMMS: Okay.

18 MR. BOWERS: Right. Yeah.

19 MR. SIMMS: Okay.

20 MR. BOWERS: So that's a reminder for
21 folks. But your fiscal year ends --

22 MR. SIMMS: September.



1 MR. BOWERS: -- September 30th.

2 MR. SIMMS: Correct.

3 MR. BOWERS: So when we talk about fourth
4 quarter, we're talking about September of this
5 year.

6 MR. SIMMS: Right.

7 MR. KELLEY: Okay. But we do look to
8 have, Sue, a (indiscernible) report from this
9 committee on a regular basis.

10 MR. BOWERS: Sure.

11 MR. KELLEY: It's a fluid number I'd
12 imagine.

13 MS. MARSHALL: And I certainly understand
14 that. And what Nathan just said is very very
15 helpful in terms of tamping down expectations.

16 MR. KELLEY: Yes. Yes.

17 MR. BOWERS: Yes. And I would say to
18 build on Sue's point, and what we've seen
19 earlier, and I want to put this on the record so
20 for our -- we said at our first meeting and it's
21 a constant reminder that by statute the trust
22 fund dollars, in terms of dollars, 40 percent are



1 supposed to serve 30 percent or below of AMI, 40
2 percent are supposed to serve 30 to 50 percent of
3 AMI, and at least half the money is supposed to
4 go to rental. Those are kind of three of the big
5 things.

6 So we know the bulk of the money goes to
7 rentals. We're fine there. And it seems as
8 though that in the most recent NOFA, we're
9 meeting the requirement in terms of hitting the
10 30 percent or below. It's that 30 to 50 percent
11 band. And if folks remember, there was a
12 spreadsheet that was provided by DHCD earlier at
13 one of our meetings.

14 And what was interesting to me was that
15 only 16 percent of the units that were -- and
16 this was the entire list. Not what was awarded,
17 but in terms of what was being considered, were
18 in that 30 to 50 percent band. And so obviously
19 you can't fund what's not in the door for the
20 Department. But I think for us as a Board, one
21 of the things to get the updates on, on a regular
22 basis around where we are in terms of those kind



1 of key statutory requirements.

2 And then secondly, a kind of broader
3 issue is, if there aren't requests coming in, in
4 that -- in either of the income bands, you know,
5 what does that mean? What are the implications,
6 if at all, for the Department and for the City
7 and for the development community, for that? So
8 that would be helpful at the next meeting to get
9 that updated, with the understanding that it's
10 always a disclaimer these things are fluid and,
11 you know, we'll get updates in real-time.

12 Other questions that folks have from the
13 Board, or comments? Yes, David.

14 MR. ROODBERG: Yes. So, where you ended
15 up with this year's projects, has that
16 impacted -- I know you're going out with a new
17 NOFA. So if there were areas that you didn't
18 received projects in that you desired, have you
19 adjusted your points or your focus on your new
20 NOFA to try to encourage projects? And if so,
21 what were those areas that you think may have
22 been lacking?



1 MR. KELLEY: Well, I think in terms of
2 just the project readiness for all the projects
3 is really trying to have a renewed focus on that.
4 And we're trying to reward that by, again, having
5 monies out the door as quickly as possible this
6 particular round.

7 And we're shooting for an April 2nd
8 notice of funding availability. And then help me
9 with this, Nathan, we're now looking for that
10 Tier 1 approvals to be reviewed by when? When do
11 you think we can get messages out to folks?

12 MR. SIMMS: Hopefully by the end of the
13 week. That's something we'll probably have to
14 put out, a joint statement between us and the HFA
15 in terms of the particulars around it.

16 MR. KELLEY: Around the Tier 1?

17 MR. SIMMS: Yes.

18 MR. KELLEY: Yes, but if it was an April
19 2nd, NOFA date, when do you think we can let the
20 developers know if they were successful?

21 MR. SIMMS: Oh, ultimately after the
22 thresholds?



1 MR. KELLEY: Uh-huh.

2 MR. SIMMS: That probably would be April
3 2nd, and June 2nd. So, probably July.

4 MR. KELLEY: So hopefully I didn't
5 schedule -- I think one of the things we're
6 learning is that there's a lot of projects that
7 were really good last year, that just missed it
8 for whatever reasons for timing, and also those
9 projects that have teed up between now and then.

10 And so we're encouraging. And I think
11 Nathan is right, and -- Allison, good morning.
12 It's really important, I think we're encouraging
13 everyone to just get their HFA act together so
14 that we're able to be truly the gap financiers, to
15 be able to get to the city council before the
16 summer recess. So that's one of the things, I
17 think that -- the big thing is that it's project
18 readiness.

19 MR. BOWERS: Jim.

20 MR. KELLEY: To David's point I think one
21 of the things that was named in a recent meeting
22 was the desire to have more larger bedrooms.



1 Three bedrooms. Four bedrooms. And thinking
2 back to the highlights, I'm not sure that made it
3 into the highlights. But are there other sort of
4 qualitative things that the Department would like
5 to see in the next round of applications like
6 that?

7 MR. SIMMS: I think, I mean, for use it's
8 just really responding to the demand. I don't
9 think there is any particular type of project
10 we're looking to see, per se. You know, as long
11 as I think if it's in the needs of our action
12 plan and what the city goals are, I think we're
13 fine.

14 To your point, I think, yes. I mean,
15 we're obviously looking to help with the partner
16 supportive housing and we're looking for an
17 increase in three bedrooms.

18 MR. BOWERS: Well, if the minutes, the
19 highlights from this meeting can reflect that
20 that was also noted right at last meeting, and
21 this one too.

22 Other -- yes, sir.



1 MR. KELLEY: I'm sorry. I'm trying to
2 get to the -- I understand the question, David,
3 but also I think Nathan is right. We're not
4 trying to limit it as much as possible. But I
5 think my first statement is really the right one.
6 We're going to be in an uncharacteristically high
7 level of resources available to us to do
8 development of affordable housing, like right
9 now. And we want to have everybody be
10 successful.

11 And so, I think the question isn't, you
12 know, what the curly cue of the what is, but
13 really having attention to the fundamental real
14 estate principles so that we can get the money
15 out the door and to get some sort of closing.

16 MR. ROODBERG: I guess the follow-up,
17 though, question is, you know, it seems to put a
18 focus on whatever is first and ready, which, you
19 know, is critical because, you know, as a city
20 we've been slow sometimes doing it. But it
21 doesn't necessarily put a focus on what's
22 actually desired most. So there may be -- you



1 know, you get all hundred out and there may be
2 projects that, you know, okay, and none of those
3 meet, you know, the more big bedrooms. Or they
4 may not meet certain areas of the city. There's
5 just a focus because, you know, the money is
6 there. Get whatever projects -- you know, you
7 used the word project readiness, are focused
8 first.

9 And I understand that philosophy, but I
10 just question whether there should be at least a
11 little focus on, you know, some strategy or
12 planning or goals of the dollars.

13 MR. SIMMS: I mean, if you look at our
14 prioritization sheet it's like a who's-who of --
15 I mean, of housing in general.

16 MR. ROODBERG: Uh-huh.

17 MR. SIMMS: So we remain focused on
18 permanent supportive housing. We remain focused
19 on transient orient development. We want
20 diversification around neighborhoods. So, I
21 mean, there is a whole litany of things. I don't
22 think we missed anything.



1 And we haven't, in terms of what we have
2 funded or what we've reserved in terms of
3 projects. Those projects, some did permanent
4 supportive housing, some did not, which is fine.
5 Obviously we're stepping up the requirement
6 because we have to meet the need, but we do
7 understand that there will be projects that, you
8 know, land as a premium around the city. So, I
9 mean, you're going to build where you can.

10 But I think the goals are really the
11 same. I mean, it's nothing for us to really come
12 back and say, hey, this is the latest thing we're
13 looking to do. I mean, you're either going to
14 propose something that is a rental or
15 homeownership, and that's really about it.

16 MR. KELLEY: We do have five, seven, and
17 eight ward --

18 MR. SIMMS: Right. Preference, right.

19 MR. KELLEY: -- whatever that -- so
20 that's in terms of geographic. And we have to
21 by, you know, HUD's law, affirmatively furthering
22 for housing. We are required to look at being in

1 Ward 2, 3, et cetera. But it's, you know, but we
2 also had sort of a counter-mandate by our
3 priorities to be at five, seven, and eight as
4 well.

5 MR. BOWERS: Oramenta?

6 MS. NEWSOME: Yes. I wanted to follow
7 what David was saying because I think David, I'm
8 in agreement with you because I think there are
9 issues around affordability of housing for
10 seniors, assisted living, young adults who are
11 facing homelessness.

12 But I think that may be more our
13 responsibility to advocate for that, and to get
14 organizations of non-profits or for-profits,
15 aware of the resource base. And that this is a
16 need within the city. I'm not sure if it's the
17 City Government's necessarily --

18 MR. SIMMS: But all those things that you
19 named, they are areas of focus for us already.

20 MS. NEWSOME: And what I'm saying is that
21 there should be somewhat of an education
22 campaign --



1 MR. SIMMS: Right.

2 MS. NEWSOME: -- to those who would want
3 to apply for that, that the resources are
4 available, which I think falls to us and our
5 counterparts.

6 So I would, you know, I would be
7 interested in -- I don't know what the right word
8 is, but getting the information out.

9 MR. SIMMS: Uh-huh.

10 MS. NEWSOME: And putting a star behind
11 things. And I'm just using seniors as an
12 example, but there are others where we sort of
13 have a little mini campaign to say, you know,
14 resources are available. You know, the
15 statistics indicate we either have this many
16 seniors who are low-income and this deficit of
17 housing or young adults or whatever, to try to
18 create some.

19 So, I don't know. I'd like to just put
20 that on the record as something that if we wanted
21 to be a little more proactive about it.

22 MR. BOWERS: Yes. Absolutely. Sue



1 Marshall.

2 MS. MARSHALL: And I want to add to this
3 and I want to ask specifically in the litany that
4 you have, did you include large units as
5 something of a priority, and the list of
6 priorities seems pretty long. So it seems like
7 we need to pay more attention some prioritization
8 there.

9 And I want to call our attention to the
10 conversation we were having with the Deputy Mayor
11 in the last meeting about how do we message that
12 we have a desperate situation? I think this is a
13 good opportunity for us to do that and I think in
14 order to meet the commitments that have already
15 been made to prioritize homeless people, elderly,
16 we do need some more specificity.

17 MR. BOWERS: Nathan or Director, do you
18 all want to answer that specific question about
19 in this NOFA? Were the larger bedrooms
20 prioritized in this?

21 MR. SIMMS: Uh-huh. They will be.

22 MR. BOWERS: They will be.



1 MR. SIMMS: Uh-huh.

2 MR. BOWERS: Okay. And then, let me make
3 a request for our March meeting. If we could
4 spend a few minutes just walking through what the
5 priorities are in the NOFA, areas that are
6 specifically called out as priority areas, that
7 would be I think to Oramenta's -- and let me also
8 say for the record, the presence of Oramenta
9 Newsome and Bob Pohlman, board members are
10 present.

11 That would be an updating and educating
12 process for us, and then we can in turn, as we
13 are talking to our partners in the community, do
14 some of that education piece even that Oramenta
15 spoke to; could be helpful. So that would be
16 helpful to get next meeting; just some basics on
17 a kind of walk-through what the priority areas
18 are.

19 The other thing I was going to ask,
20 Director or Nathan, if you all could maybe spend
21 a minute or two here today, giving folks the
22 sense of how the NOFA process is working and vis-



1 à-vis kind of how it's changed in the last 12
2 months. I know there have been some changes
3 around how things are processed, and I think
4 Director Kelley, to your point about echoing what
5 the Deputy Mayor said at one of our meetings a
6 few months ago, the need essentially for DHCD to
7 double its closure rate.

8 And so I know there have been changes and
9 there are ongoing changes. Do you all want to
10 say a word about how the NOFA changed last year
11 and how it will change again this year in some
12 key high point areas from a processing
13 standpoint?

14 MR. KELLEY: We can riff this thing, but
15 I'd like to start with the idea of education.
16 And I think one of the lessons learned is that we
17 have now budgeted, like January 1 through April
18 2nd, for community education around the NOFA
19 process. And I'm now finding that that's just
20 not enough time. There is just too much that we
21 need to do and we've been packing it in. We have
22 got this end of -- the last Wednesday of every



1 month we've been doing our series of how to be
2 successful in competing for DHCD dollars. We're
3 now looking to have the marriage meeting of the
4 service providers with the real estate developers
5 to ensure that there is an opportunity for that
6 kind of dialog and interaction.

7 But I think in terms of marketing the
8 program, and the kinds of things that was
9 mentioned a minute ago about, how do you get
10 people to like, really focus on the needs of the
11 veterans and focus on the needs of the seniors
12 early on so that they can actually, you know, be
13 successful. Is kind of almost like painting the
14 golden bridge. I mean, the moment we complete
15 the NOFA process, or the selection process, we
16 almost have to get in that mode as well.

17 I think the real thing, and everyone
18 testified, and God bless Craig for being the guy
19 that -- and Oramenta for being sort of the older
20 hands in looking at the underwriting processes,
21 is really the threshold exercises in trying to be
22 real clear about what Tier 1 and Tier 2 is



1 becoming. I think that's something that, you
2 know, from what we were doing early on to where
3 we are now, where we're progressing, it doesn't
4 sound very sexy, but just old time having clear
5 standard, or clear objective criteria for people
6 to be successful is something that we're going to
7 continue to keep pressing on.

8 And I think at this point we're also
9 going to be looking to -- you know, and I don't
10 want to touch this third rail, but I'm going to,
11 the idea of being clear about what represents was
12 it Class 1 chronic homelessness, permanent
13 supportive housing, you know, what does that
14 really mean in terms of who the clients we're
15 trying to reach out to.

16 And if I'm speaking in code, I'm going to
17 stay speaking in code. But there's areas that in
18 terms -- as we try to keep pushing this ball I
19 think we want to be in a situation where everyone
20 can walk in, and again, back to my old hat, the
21 Hope Six stuff that Stan and others is -- we
22 would walk in the door and we would know almost



1 to the nth degree point how HUD was going to rate
2 us because we were there. We rated ourselves
3 against this stuff. Not that the development
4 community doesn't do that. But the clearer we
5 are in terms of our criteria, the clearer the
6 development community will be in terms of their
7 ability to know if they're going to be successful
8 or not.

9 And that becomes a whole -- that becomes,
10 when we talked about the leveraging discussion
11 last week, or the relationship between
12 predevelopment, acquisition, and permanent
13 financing, that as projects become more and more
14 clearly defined it becomes easier to get the
15 long-term permanent financing to cover the other
16 parts of it.

17 Anyway, hopefully that's it. Nathan,
18 anything else in terms of --

19 MR. SIMMS: Yeah. I mean, I would just
20 say that the biggest thing, the biggest change is
21 really, we moved from a model of conceptual
22 review to underwriting up front. And if you look



1 at some of the problem -- our pipeline is large
2 because it sounds good, it looks good, but until
3 you do the underwriting and the testing, you
4 don't know how good it really is going to be. So
5 that's the difference really, on the front end of
6 these transactions were underwritten. So we had
7 a better sense of if the numbers made sense, and
8 obviously from a capacity standpoint, is the
9 developer or the development team capable of
10 delivering what is being proposed.

11 MR. KELLEY: Also, who is in the room, we
12 actually have our sister agency partners in the
13 room looking at this stuff, as well as our
14 continued support from sort of the advisory
15 committees that, you know -- the committee
16 continues to look at this.

17 And again, you know, we actually have
18 some pretty good technical assistance right now.
19 So we've got some folks sitting in the chairs
20 next to us, asking the questions that we may not
21 be thinking of.

22 MR. BOWERS: That's good. Thank you all



1 for that update.

2 Questions or feedback on that from board
3 members?

4 (No audible response.)

5 MR. BOWERS: Okay. And we'll actually
6 come back to that at the end. We've got a draft
7 of some points about our stakeholder meeting that
8 I think will also connect to some of the points
9 that were brought up here today in terms of how
10 we message to folks in the community about what's
11 desired and the like.

12 Okay. Thank you all for that.

13 We've covered number one and number two,
14 and I think actually 4A and 5 because the
15 budgeting issues update the director gave on
16 that.

17 And so the one question I would ask,
18 Director, I don't know if you've gotten word back
19 from the Deputy Mayor's office, and specifically
20 on the issue we wrote the letter to the Deputy
21 Mayor about that change. You mentioned that some
22 of those changes that we flagged will take place.



1 Do we have a sense of timing? Is that kind of
2 just during this council session at some point
3 or --

4 MR. KELLEY: Yeah. And, Bob, maybe you
5 can help me with this too. I think it's really
6 during this council session is what the
7 expectation is, is that we would present this --
8 it would be presented as part of a legislative
9 fix.

10 MR. BOWERS: Uh-huh. Okay.

11 MS. FIELDS: That will come through the
12 Budget Support Act.

13 MR. BOWERS: Okay.

14 MS. FIELDS: For F1-15.

15 MR. BOWERS: Okay. Thank you. Okay.

16 Thank you all.

17 All right. Today we've got two
18 presentations really today. One, a guest is with
19 us today and we'll spend some time, as we
20 continue to look at issues, again, as a reminder
21 for the record. So the Trust Fund Board will
22 look at issues specifically related to the Trust



1 Fund as we are required to do by statute.

2 The other piece is that we have been
3 asked again, just so I'm saying this as a
4 reminder to put on the record that the Deputy
5 Mayor has asked the Mayor through the Deputy
6 Mayor, has asked that the Trust Fund Board look
7 at some issues that were addressed by the Housing
8 Task Force, and we have kind of decided to wrap
9 our arms around really two things that the Task
10 Force was looking at. One, demand side issues,
11 and two, leveraging issues. How to leverage
12 trust fund dollars in particular, but I think
13 also in general how to leverage city resources.

14 So today we'll actually have some
15 updates, a presentation on leveraging from one of
16 our community stakeholders. And then a little
17 after that we'll have a presentation by Board
18 Member Marshall, some updates on some of the
19 Rapid Rehousing issues on the demand side.

20 So today we've been joined by Jair Lynch,
21 President CEO of Jair Lynch Development Partners.
22 And so Jair has got some thoughts. He's been in



1 some conversation, I think with the Department,
2 already. But we've asked him to come and join us
3 today with just some thoughts around the
4 leveraging topic. And so we're at about 20
5 minutes of and I'm going to ask if we can try to
6 get through this because we started a little
7 late, maybe, including with Q and A by about 10
8 after, we can wrap.

9 So Jair, welcome. Go ahead. Thanks for
10 being here.

11 MR. LYNCH: Thank you. This is a pretty
12 esteemed group. I know everyone around the table
13 and respect them dearly, so the work that you're
14 doing on this is really important to Washington
15 and I hope that this ends up being more like a
16 fireside chat because we all know each other and
17 some of the ideas that have been bubbling in my
18 head, I've been fortunate enough to spend some
19 time with the director as well as the Deputy
20 Mayor to say what are the ways in which we can
21 accelerate; same things that you're grappling
22 with, the production of affordable housing.



1 Just to set the framework, you know, and
2 I think this advisory group is looking at more
3 than just housing, which is how places in general
4 are maturing over time and changing over time.
5 For us it's critically important that the
6 neighborhood assets, such as schools, primary
7 care facilities, supportive housing, affordable
8 housing, are all part of an overall discussion of
9 how neighborhoods can be sustainable. And for us
10 that means that we are trying to make sure that
11 we're part of the revitalization in a balanced
12 and managed way.

13 And just as background, we do own over
14 1,000 units in affordable housing now. We think
15 that that is some of the most important work that
16 we do. We think it's also what is becoming more
17 and more scarce in the District. Some of the
18 stats that we're looking at that's making us
19 extremely nervous is how quickly the median
20 income in D.C. is changing.

21 As we know, in the region, the median
22 income was about \$107,000 last year, and it only



1 moved one or two percent from year to year. But
2 what I understand is that from the folks in our
3 shop, is that median income inside D.C. jumped
4 over 10 percent, and that's just indicative of a
5 massive influx into the District. And we all
6 know the stats of 1,200 or so people moving into
7 the District every month, as well as the fact
8 that 75 percent of those are between 18 and 35.
9 And it is putting a dramatic amount of pressure
10 on the existing housing stock, as well as the
11 other needs that are happening in the District.

12 I mean, the other stat that we always
13 have in the front of our minds is that 50,000
14 people, adults, don't have a high school diploma
15 in the District. So that's almost one in 10.
16 And so we are really talking about an economic
17 crisis that the subset of that becomes a housing
18 crisis. And so we try to look through both of
19 those lenses and try to come to grips with some
20 of the stories, real life stories that we're
21 hearing from people about losing their jobs or
22 not being able to find work that actually allows

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1 them to support their families, and the
2 affordable housing component is just one piece of
3 that and is rarely solving everything.

4 And so as we've thought about that we've
5 moved on to, okay, well, if this was an
6 engineering problem, I have a lot of engineers in
7 our office, myself being one of them, what would
8 be the most important thing, or one of the most
9 important things that you would think about. And
10 I think this is consistent with what the
11 Department is thinking about is, how do you put
12 the production back into housing production?
13 Especially affordable housing production?

14 And it's setting goals like doubling the
15 capacity. Or doubling the closures at DHCD.

16 But then we thought back, if we had to
17 wipe it clean, as a thought provoking exercise,
18 what would be the things that you would do? You
19 would start to think like lists, go to like,
20 Enterprise and say, how does the capital flow,
21 and where is the most impact, and how does it
22 become the most effective?



1 And one of the things that we started
2 looking at is, it's the predictability that's
3 really important, which I think we're going a
4 long way too. But you, again, erased everything
5 that we had now, DHCD would look a lot like a
6 bank. And just like a bank of last resort, it
7 would look like a bank that's actually trying to
8 make an impact.

9 And I think there's been some discussions
10 around that. But the question is, is because its
11 funding goes large and small over time, can it
12 staff up to be able to handle all of that for two
13 or three years, and then have to skinny back
14 down. And do you have the institutional
15 knowledge, or is it better served by actually
16 having a core staff that really is handling the
17 portfolio and then having a third-party technical
18 assistance for underwriting?

19 And I mean, to the nth degree. And
20 whether it's LISC or Enterprise, or even some of
21 the very creative folks that are working at Citi
22 Bank or Goldman, or other places. And do they



1 participate for a year, two years, three years,
2 to help deal with the large amount of funds that
3 are coming through the pipeline now in the big
4 commitment, and do they not only help you with
5 the blocking and tackling, but do they
6 fundamentally help you find a whole new set of
7 ways of executing, as well as new parties that
8 can come and partner with the existing local
9 organizations to be able to execute projects.

10 I remember 15 years ago, we were working
11 with the Department of Parks and Recs, and
12 through the control board we were helping them
13 execute projects. And this is just one example.
14 Someone from the control board told us, we wanted
15 a new shot in the arm that would bring us a whole
16 new set of architects and a whole new set of
17 contractors to the table that would help us
18 reimagine what the place could be.

19 I think the same thing has to happen with
20 affordable housing execution; that we come to the
21 table with a whole new set of ideas. There are
22 best practices around the country, but we have a



1 different dynamic here in terms of a strong area
2 median income. We have lots of different
3 agencies that can provide dollars. But just how
4 to be able to produce the best housing, I think
5 we constantly need to impress upon ourselves,
6 what are the ways that will inject that energy,
7 and will it come from the underwriting folks that
8 may be able to bring folks, or will it be
9 educating other types of housing providers to be
10 part of this.

11 I think all of those things would be
12 really important. And then from that we thought
13 about, okay, well, what's a specific example of
14 leverage that could be brought to the table, and
15 there are, in rent control properties, existing
16 apartment buildings. There's an opportunity to
17 bring institutional capital and debt to the table
18 that could be coupled with city dollars in the
19 form of mezzanine financing.

20 Mezzanine financing, hopefully at a much
21 more attractive rate, that would allow for
22 developers to be able to acquire and not have to



1 be dependent on the different forms of opting out
2 or working around the rent control provisions,
3 volunteer agreements, hardship petitions, et
4 cetera. By bringing in the other set of capital
5 to the table you could find developers that would
6 be able to acquire buildings with institutional
7 capital and debt, and then also have the soft
8 mezzanine financing that would allow for the
9 necessary asset protection, common area
10 improvements, and other improvements in the units
11 that would allow for that to be in place for the
12 next 30, 40 years, and still keep the rent
13 control provisions that are there now, because
14 right now so many of the rent control units are
15 being circumvented through voluntary agreements,
16 and the rest, and I think five or 10 years from
17 now we're going to look at this and figure out
18 that we've only got 30 percent of the rent
19 control units are still left, because so many of
20 them have been converted to market in some of the
21 key places that is important throughout the area.

22 And I think this is going to be huge no



1 matter what, throughout the city where rent a
2 controlled building is in place. So that was
3 just one example of how we thought an impact fund
4 or impact mezz loan would be a new way in which
5 the District could partner with institutional
6 capital.

7 And it would be modeled as an extension
8 of the SAFI concept, where someone had dedicated
9 capital, they knew they had X amount of dollars,
10 as long as they leveraged it as much as, you
11 know, four or five -- whatever the metric is,
12 four to five to one. They knew they had that
13 capital, they had the commitment from the
14 institutional equity, and the debt. Then they're
15 able to go out and really be able to execute.
16 And that's where you'd be able to turn the
17 dynamic on instead of waiting just for a NOFA to
18 actually know that you have capital as long as it
19 meets the investment criteria that would support
20 DHCD's goal, that that institutional capital and
21 debt could actually be out in the marketplace
22 doing deals. And I think you could really change



1 the way in which we get stuff done.

2 I'm not suggesting we take all of the
3 dollars and do this, but you've got to have
4 different ways in which you're going to have
5 things done. And I think a NOFA is appropriate.
6 I think actually running a procurement, similar
7 to the way you did with SAFI, for those dollars,
8 and have the specific leverage requirements would
9 allow for many groups, whether financial
10 institution or developers, to be out in the
11 market place and trying to buy as much as they
12 can over a very short period of time because they
13 know they have the dollars there available.

14 And as long as they're bringing 80
15 percent of the dollars to the table, then this
16 mezzanine financing would not be the tail wagging
17 the dog, but actually it would be the last piece
18 of the capital stack that would allow for, I
19 think, a more rational approach of improving
20 creating asset protection for rent controlled
21 buildings throughout the District.

22 And then finally, I'll just close because

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1 I know we're running out of time. I think
2 there's also something to be discussed around who
3 are the customers, because the customer base,
4 like you said, the client base is changing so
5 dramatically from a school teacher starting at
6 \$55,000 that may be able to get into a low-income
7 tax credit building because they're right at the
8 cusp of 60 percent AMI. And there's a tremendous
9 amount of upward mobility that might be with that
10 person. How long do they stay there? How does
11 that affect the way you design and think about a
12 community, versus someone who may be working in a
13 department and may be 50 years old and making
14 \$55,000. They have different needs.

15 And so the units may be smaller for that
16 younger group. The units may have to be bigger
17 for that older cohort. And really starting to
18 move, not only for the discussions to be about
19 the units and types, but also really mapping out
20 the customers.

21 And part of the education process, and I
22 think in the community, is recognizing who is



1 here, who is coming. And recognizing that there
2 needs to be housing for all, but really helping
3 people understand who that is, because right now
4 it's blind to a lot of people, of what the
5 customers are and a lot of the apartment
6 buildings that are out there now, whether it's
7 affordable or market rate. And I think that
8 would really, I think, bring an advocacy
9 component that would come along with the overall
10 mission towards developing affordable housing.

11 So I'll leave it at that because I know
12 I'm amongst friends and there will be lots of
13 questions. But we have actually talked to an
14 institutional equity partner that was willing to
15 put in about \$50 million that could be leveraged
16 with debt to about 125 million. And I think that
17 if you had numbers like that that are coupled
18 with \$20 or \$30 million from the District, and
19 you had \$150 million that you had clear reign to
20 go out and try to stabilize rental housing,
21 especially rent controlled housing, you could
22 really make an impact very quickly. And we're

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1 not the only ones who could do that. There are
2 probably several others that could do the same
3 thing.

4 And we just think that that should be one
5 of the many approaches that are part of the
6 production of housing.

7 MR. BOWERS: That's great. I'm sure
8 there are many questions. Let me start off,
9 Jair, and actually pick up where you left off
10 with a question, then I'll open it up.

11 Let's walk through, if you would, kind of
12 a real -- a hypothetical example, like you were
13 just doing. So, one, are we talking about
14 buildings or units; so purchasing buildings, not
15 just units within buildings, right?

16 And then kind of walk through what the
17 dollars would look like in terms of if an
18 institution were going to respond to the
19 procurement and said, we can bring X amount of
20 dollars that would be leveraged at this ratio,
21 they'll be put in this format. The District's
22 money would -- you envision it being put in kind



1 of in -- and walk us through at what ratios and
2 for what uses and what terms.

3 MR. LYNCH: Right. That's a great
4 question. So I'll use an example. Let's say
5 that there is a 200 unit building that's
6 available for purchase in Adams Morgan. That 200
7 unit building probably is a \$60 million purchase,
8 and that 200 unit building is currently rent
9 controlled, and that building could get bid up
10 based on the existing rents or \$60 million, but
11 could be bid up because someone plans to
12 circumvent the rent control process through a
13 voluntary agreement and it gets bid up to \$75
14 million.

15 At \$75 million, every person in this room
16 who believes in affordable housing can't pay that
17 dollar and actually make the numbers work because
18 frankly if you kept the rents the way they were
19 and allowed only for the normal rent control
20 increases, the number is probably 60.

21 So in that case, where you'd have
22 institutional equity at \$30 million, debt at



1 another \$30 million, if the District's impact
2 dollars could come in for the last 15 at a lower
3 cost to capital, then you can compete against a
4 lot of the other conversion opportunities and
5 business plans.

6 What would then happen is that the
7 dollars would come in as part of a mezz loan for
8 seven years, and that with that you're able to do
9 the elevator replacement, the roof replacement,
10 the in-unit improvements to make sure that health
11 and safety code violations are removed. But all
12 of that with this lower cost to capital allows
13 you to do that without having to do a voluntary
14 agreement or actually take units to condo or take
15 units to market. You can keep the rents where
16 they are.

17 I think the test that you'd have to set
18 up is to make sure that at least 50 percent of
19 those units would remain in some level of the
20 band of the Housing Production Trust number
21 units, or bandwidths. So 50 percent of the units
22 have to stay below 80 percent AMA, or something



1 like that.

2 And as long as those dollars went in it
3 would be pari passu with everything else that
4 would be in the capital stack, and whether it
5 went to elevators or units or everything else, it
6 would be part of the overall capital plan.

7 MR. BOWERS: Thank you.

8 MR. LYNCH: Does that make sense?

9 MR. BOWERS: Yes. Yes, thank you.

10 Questions, thoughts, comments, from board
11 members? Stan.

12 MR. JACKSON: Unique question in the -- I
13 mean, I'm liking the dynamics of what you shared,
14 but given the critical path that we're on right
15 now, and given some of the statistics that we've
16 all seen in terms of the change in dynamics, the
17 inner core of the beltway, what then would be the
18 typical profile of a developer who would be able
19 to sophisticatedly leverage a stack capital to go
20 after projects like this? Because part of one of
21 the things that the Deputy Mayor described is
22 time, speed, through-puts being doubled or



1 tripled. You just share with me -- a lot of us
2 kind of understand that the creative stacking of
3 capital, what profile of a developer are we
4 talking about now in terms of being able to
5 understand this and be able to participate and
6 qualify to be a developer in producing product?

7 MR. LYNCH: Well, I think that you could
8 smash those two things together, as developer and
9 capital. Or it could be an institution. It
10 could be enterprise and, you know, X, Y, Z
11 developer that's actually working on the project.
12 It could be LISC and a developer. Or it could be
13 a developer who actually has those financial
14 capacities; that has that financial skill and
15 wherewithal.

16 I don't think it changes the profile of
17 the housing provider dramatically. I think what
18 it does is that it brings folks who may work in
19 that space be able to do it more effectively.
20 Horning Brothers or others that own plenty of
21 buildings throughout the city will be able to
22 compete against those who don't want to keep



1 those are rent controlled buildings, but actually
2 want to put them in a skewed system. We're
3 finding in a lot of the rent controlled
4 buildings, more than 50 percent of the folks are
5 less than 80 percent AMI. Even in the most
6 affluent neighborhoods of the city. And what's
7 happening is those folks are being pushed out,
8 like many others.

9 And so we think that it would actually be
10 able to maintain an existing population in our
11 existing buildings for a longer period of time,
12 and allow them to be part of the growth that may
13 happen in those neighborhoods.

14 MR. BOWERS: Jim Knight.

15 MR. KNIGHT: Jair, can I ask a question?
16 How much familiarity do you have with the rest of
17 the tenant grants if something like half are at
18 80 or below? What's the corresponding other half
19 like? What are they --

20 MR. LYNCH: Depends on the place. If you
21 look at, I don't know, if you look at Adams
22 Morgan, it may be 50/50 between below 80 percent



1 AMI and above. But if you look at Southwest you
2 could probably see that most of the folks are
3 under 80 percent AMI today. And that may not be
4 the case 10 years from now.

5 MR. KNIGHT: What kind of average rents
6 are needed in the end to service the structure
7 you just described?

8 MR. LYNCH: Well, right now class -- if
9 you consider these -- if you use the metric that
10 Delta uses, Class A, Class B, Class C, if you
11 consider these rent controlled buildings the
12 older properties, Class B rents, the average is
13 \$1,800. That's kind of Metro-wide.

14 And so you're really talking about making
15 sure that you're keeping rents at that price.
16 And that's average or -- that is average. So
17 there will be a whole set of rents that will be
18 at \$1,100, \$1,200, and there will be a set of
19 rents that will be at 24.

20 The question is, is that most of the --
21 these are the ones that are the most vulnerable,
22 and the ones that are usually bought out or



1 transferred through a voluntary agreement, and
2 people are gone. And once that unit is gone it's
3 really hard when it goes from 1,200 to 2,400 to
4 actually try to have some sort of impact in terms
5 of affordable housing.

6 So it's basically trying to stop that
7 jump.

8 MR. KNIGHT: So is it fair to say, you
9 know, that a lot of the attention of the Board
10 and the current DHCD pipeline is the 60 and below
11 because of tax credits.

12 MR. LYNCH: Right.

13 MR. KNIGHT: The predominance of tax
14 credits. So you're, I think I'm hearing,
15 proposing a methodology that would really allow
16 us to look at the next band up.

17 MR. LYNCH: Right.

18 MR. KNIGHT: Above 60 and really
19 maintaining the middle class so to speak. Is
20 that a fair?

21 MR. LYNCH: That's fair. And again, as I
22 said earlier, I think there's going to be



1 multiple strategies. And I think your best shot
2 at getting that 60 to 80 percent band is going to
3 be existing product, because it's there and you
4 don't have to build a lot of it. It's there and
5 you can -- and just make sure that you can
6 maintain it and stop that 100 percent jump from
7 1,200 to 2,400.

8 MR. BOWERS: Oramenta, David, and then
9 Bob.

10 MS. NEWSOME: So, Jair, as you are
11 looking at these buildings are you seeing a lot
12 of aging in place?

13 MR. BOWERS: I'm sorry? Oramenta, say
14 again.

15 MS. NEWSOME: When you're looking at
16 these buildings are you seeing a lot of aging in
17 place in that the rent control has been there so
18 long that people are now 50, 60, 70, and above?
19 So what's your sense of how you sort of manage
20 that in that you have an older population that's
21 consuming a lot of the rent controlled units?
22 Does that change?



1 MR. LYNCH: Actually, we've been seeing a
2 mix. I think you're right, that the instinct is
3 that most of these units are because there has
4 been tenancy for --

5 MS. NEWSOME: For a long --

6 MR. LYNCH: -- 20, 30 years. But we're
7 also finding that even when that -- even whether
8 it's poor property management or other things,
9 there is a lot of young people in those same
10 units as well. And we're not sure if it's
11 because it was a sublease, or --

12 MS. NEWSOME: Right.

13 MR. LYNCH: -- because it wasn't market-
14 to-market, or other things. But we're finding a
15 pretty broad span.

16 But you're right, it's probably 60, 70
17 percent of that is aging in place.

18 MS. NEWSOME: And do you think that
19 changes sort of the dynamics of the profile you
20 were talking about, or the financing package,
21 because you do have a population that's aging in
22 place, or versus someone who is 25 and has



1 children in their future in terms of their living
2 condition? Do you think that makes a difference
3 in trying to put together the financing or the
4 leveraging part of it?

5 MR. LYNCH: I don't think so. I think
6 what matters is the ability to then put the --
7 where the institutional capital comes in and
8 says, look, we're not going to fix the elevators,
9 we're not going to fix the roof, we're not going
10 to fix those other things because we can't get
11 the returns that were needed, unless we start
12 moving the rents dramatically.

13 So this new capital that comes in allows
14 for the asset preservation, the common area
15 amenities, the improvements of the building,
16 while still keeping the rents where they are, and
17 then both sides of the equation are happy.

18 MR. BOWERS: David and then Bob.

19 MR. ROODBERG: Yes. My question goes in
20 a little different direction which is, you know,
21 the example you're using is with existing
22 housing; if you've had any thoughts, if you've



1 looked at with new development, ways of
2 leveraging the dollars. I mean, there is the
3 traditional, you do the tax credit, you get the
4 DHCD subsidy to help fill the gaps to go lower on
5 the income. You know, and the equity is coming,
6 some your own, some may be an institution. But
7 it's a pretty traditional mix.

8 MR. LYNCH: Right.

9 MR. ROODBERG: Have you had thoughts
10 about how to leverage that so you get more bank
11 for each dollar that you put in from a DHCD?

12 MR. LYNCH: I have not thought about it,
13 and the reason why is because what we're finding
14 in some of the older buildings is that you're
15 buying below replacement cost. So you're already
16 buying down what could have been an even bigger
17 subsidy from DHCD for building new. If it takes
18 \$350,000 to build new and you can buy existing
19 stock at 250, then you've saved DHCD,
20 theoretically, \$100,000 there.

21 And so if there's only \$50,000 to
22 actually make the numbers all work together, then



1 that seems like it's a reasonable strategy.

2 MR. ROODBERG: So would one of your
3 suggestions then be, you know, we're focused on
4 the dollars we're getting and new development.
5 Would one of your suggestions be to, you know,
6 maybe take pieces of that and look at it for, you
7 know, existing buildings more so?

8 MR. LYNCH: I absolutely would encourage
9 where DHCD could -- total development costs would
10 be below replacement costs.

11 MR. ROODBERG: Uh-huh.

12 MR. LYNCH: Would be a huge impact in
13 terms of being able to really get the number of
14 units that you're talking about.

15 Again, not mutually exclusive to your
16 point. It's --

17 MR. SIMMS: We see both already.

18 MR. LYNCH: Yes. Right.

19 MR. SIMMS: (Indiscernible.)

20 MR. LYNCH: Right. And you probably have
21 a lot of those stats.

22 MR. SIMMS: Yeah. We do.



1 MR. LYNCH: Between new building and
2 rehab.

3 MR. SIMMS: Yeah. Yeah.

4 MR. BOWERS: Bob?

5 MR. POHLMAN: Yeah. It would be
6 interesting to crunch the numbers from an owner's
7 point of view, who's got the option to go
8 voluntary agreement, what kind of return on
9 investment he's going to get going that way,
10 versus this deal.

11 Same from the tenant's point of view,
12 under voluntary agreements as you know, they're
13 getting a deal.

14 MR. LYNCH: Right.

15 MR. POHLMAN: I don't know how good it is
16 in all instances, but they're going to compare
17 that to the alternative. And I'm just saying
18 that it, you know, that's a dynamic that would
19 have to be taken into account in constructing a
20 model.

21 MR. LYNCH: Absolutely.

22 MR. SIMMS: So, can I ask a --



1 MR. BOWERS: Yeah, sure. Nathan and then
2 Oramenta.

3 MR. SIMMS: Jair, would this be --
4 because I see a couple of different parts. One,
5 I mean, under this scenario if it is available to
6 be sold, if the unit becomes available, the
7 development becomes available for sale, I mean,
8 the District has the -- I mean you have the
9 tenant opportunity to purchase, or you have the
10 District opportunity to purchase.

11 MR. LYNCH: Right.

12 MR. SIMMS: So, to me, even to be able to
13 compete you would need some linkage between the
14 capital and the District opportunity to purchase
15 because even having the money there, I can still
16 go to the highest bidder if I'm the seller. To
17 some extent.

18 MR. LYNCH: Well, I don't know how the
19 District opportunity works, but I thought TOPA
20 was against the highest bidder anyway.

21 MR. SIMMS: But the District has the
22 ability to kind of step in --



1 MR. LYNCH: At the highest price?

2 MR. SIMMS: Right. TOPA doesn't
3 necessarily -- I mean, the economics of TOPA just
4 alone would limit how much they could really,
5 really bid.

6 MR. LYNCH: That's great. Yeah.
7 That's --

8 MR. SIMMS: So I think there is some
9 linkage there.

10 MR. LYNCH: I think you're right.

11 MR. SIMMS: But I think the other part
12 too is, instead of -- I mean, what you refer to
13 as mezzanine financing I think on the FHA side it
14 would really be an initial deposit to replacement
15 reserve, because one, we are either saying that
16 the reserve for placement currently for the
17 project is inadequate to have those capital
18 repairs because you're talking about a
19 substantial rehab.

20 So to me it's either we do it in some
21 type of short-term financing to kind of do that
22 work, or we just, as part of this structure,



1 provide an initial deposit instead of replacement
2 reserves and let those things happen over that
3 period of time.

4 MR. LYNCH: The reason I was thinking
5 mezzanine financing, but I think you're
6 absolutely right it could work there, is that
7 there may be a set of repairs that would be
8 required by the first position debt.

9 MR. SIMMS: Right.

10 MR. LYNCH: Day one.

11 MR. SIMMS: Right.

12 MR. LYNCH: This elevator has got to get
13 fixed. This roof has got to get fixed day one.

14 MR. SIMMS: Uh-huh.

15 MR. LYNCH: And they usually don't -- the
16 agency debt often doesn't allow you to put that
17 initial -- they want you to fund that with
18 equity.

19 MR. SIMMS: Uh-huh.

20 MR. LYNCH: And so this could be funded
21 through this mezz component, from day one.

22 MR. SIMMS: We can't do that with our



1 federal sources? Well, we can do it with HPDF,
2 though.

3 MR. LYNCH: And we could do a mix.

4 MR. SIMMS: Uh-huh.

5 MR. LYNCH: You could do whatever is
6 needed from the debt provider, day one, could be
7 from --

8 MR. SIMMS: Right.

9 MR. LYNCH: -- HPDF, and then the
10 deposits to reserve could be later. I think it
11 could be absolutely a mix. That's right. That's
12 absolutely right.

13 MR. BOWERS: Oramenta and then Jim.

14 MS. NEWSOME: I just wanted to ask
15 generally, if you spent much time over in Ward 7
16 where we're talking about a different housing
17 style because a different dynamic, because we're
18 talking about buildings that don't really have
19 that overlays to help make a land, you know, the
20 huge amount of single-family. And I just
21 wondered if, in terms of your thinking, what
22 about a place like Ward 7 where you do still have

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1 some things that land, and you still have the --
2 you don't have as many of the large-scale
3 buildings. Any perspective on that? Anything
4 you've seen over there that we could think about
5 in terms of trying to be creative?

6 If not, that's okay. I was just
7 wondering because I know it's just different
8 there, because you know, the stock is different.
9 The --

10 MR. LYNCH: I think the beauty of this
11 thought around existing is that you will get
12 different forms of capital to come to income
13 producing properties regardless of the place
14 versus opportunistic capital that is really
15 really particular about what land and what
16 neighborhood it wants to build in.

17 MS. NEWSOME: Right.

18 MR. LYNCH: But I think you could go -- I
19 think Marbella Plaza is a perfect example. I
20 think you could convince institutional equity to
21 go there just as you could quickly go to Adams
22 Morgan because it's an income producing property.



1 MS. NEWSOME: Uh-huh.

2 MR. LYNCH: And so I think you can cut
3 across a lot more words on income producing
4 property with a broader set of dollars that are
5 bigger. And when they're chasing yield,
6 hopefully a lower cost to capital on their side.

7 MR. BOWERS: Jim?

8 MR. KNIGHT: Just thinking out loud for a
9 second. Maybe somebody in the room can answer
10 this off the cuff, or maybe it needs to be
11 thought about some more. But you were, I think,
12 hitting it a little bit, Nathan, so the
13 opportunity to purchase comes available.

14 MR. LYNCH: Right.

15 MR. KNIGHT: You're attracted to the
16 other party so you're ready for the mezz piece.
17 The tenants may or may not at the same time be
18 trying to organize trying to purchase. It's
19 conceivable that the city might get both requests
20 at the same time. Is that plausible? And then
21 how would the city sort through that, and is one
22 path less expensive than the other, and is one



1 against the interest of the tenant?

2 MR. LYNCH: Yeah.

3 MR. KNIGHT: I'm just curious if that's
4 been thought about.

5 MR. SIMMS: In terms of the use of DOPA,
6 we have defined it really as, for right now,
7 post-year '15, and for deals that have expiring
8 Section 8 contracts.

9 There could come a point that it's about
10 -- I mean, to your point it's about attracting
11 capital. So if you're a tenant group and you're
12 trying to organize, are you going to be able to,
13 you know, attract enough capital, you know,
14 particularly if you're in the high-cost area of
15 the District.

16 The answer is probably going to be no.
17 But you're going to need -- I mean, there may be
18 an opportunity to kind of, I think, leverage that
19 in a way that preserves the housing opportunity
20 that will -- that's one of the things we've kind
21 of been trying to kind of kick around -- how do
22 you have a list of qualified developers who would



1 be able to kind of step in under DOPA to be able
2 to acquire the property.

3 But there is an opportunity. We don't
4 want to compete and we don't want DOPA to compete
5 with TOPA. But there are going to be some things
6 that naturally, I think from a DOPA standpoint,
7 TOPA can't really -- is not at a place, I think,
8 that can leverage enough capital going, you know,
9 to be able to compete. If I have \$100 million,
10 or I have, you know, \$80 million as a developer
11 and I'm ready to come in, it may be hard for
12 somebody really to compete with that.

13 But if there is an apparatus kind of a
14 structure in place that allows you to leverage
15 dollars and everything is kind of baked in, it
16 may be easier that way.

17 MR. KNIGHT: Just sort of reacting to the
18 unintended consequences. I mean, this clearly
19 sounds like the most cost-effective way to
20 preserve this kind of housing and in those income
21 ranges.

22 MR. LYNCH: Right.



1 MR. KNIGHT: And so, if that's what the
2 City's goal is, thinking about that, this has got
3 to be one of the most cost-effective ways with
4 city dollars. Just then started thinking, you
5 know, might you ever accidentally be up against
6 the tenants' interest in that opportunity. Most
7 of the time they probably aren't going to be able
8 to compete with it.

9 MR. LYNCH: Right.

10 MR. KNIGHT: But occasionally they would
11 be, and then you might be looking at two
12 proposals at the same time, one from the mezz
13 developer and one from the tenant group.

14 MR. BOWERS: Go ahead.

15 MR. KELLEY: No, I was just going to say,
16 I think Bob touched on it a little bit before
17 that the voluntary agreement in this current
18 structure is, it's a difficult one to try to
19 predict anything. We actually have, you reach a
20 point where the developer is now negotiating or
21 the owner is now negotiating with the residents
22 that are currently there about what's in their



1 best interests, and it's one in which I think
2 that trumps any kind of TOPA organizing or
3 anything else.

4 And in terms of third-reel stuff we
5 talked about the Comprehensive Housing Task Force
6 discussions. That's a big one. And I know that
7 Keith Anderson is doing what he can now to try to
8 develop something down the middle.

9 But the other thought, though by the way,
10 Nathan talked about it before, I think this
11 conversation really starts to fuel what we've
12 been kicking around about having DOPA be a tool
13 for the City. It's something that we've been
14 talking more and more about in light of potential
15 dollars that might be coming in from the
16 streetcar benefits and how can the City shave off
17 some of that transportation money to be part of a
18 city-funded effort to get into the TOD world
19 before the -- you know, concurrent with the
20 private development community. And that DOPA is
21 really one of these things where, again, we
22 thought the best thing is almost tactical rather



1 than strategic; that if it's a situation where we
2 all know of an expiring Section 8 building, we
3 all know and love it, and that the City has to be
4 able to jump in someplace, this would be a tool
5 that the City would be happy to do.

6 But these conversations are really
7 pertinent, timely, because it's like right now,
8 we're now looking to follow-up on the
9 comprehensive Housing Task Force recommendations
10 to look at DOPA, and one of the things that
11 internally we were looking at is not having a
12 more -- you know, as opposed to a very broad
13 tool, a very narrow tool.

14 So this could -- the type of married
15 funding that Jair is talking about with the set
16 of developers that know what they're doing that
17 almost pre-establish, because timing is the other
18 thing too. Who can jump in there quickly and do
19 this stuff, were all things that were really
20 interesting and I say, ironic. But it's
21 interesting, that in turn we would have those
22 discussions --



1 MR. SIMMS: I think the other point too,
2 Jair, and you didn't have the benefit of this,
3 but in the last meeting we talked about how we've
4 been looking at acquisition and permanent
5 construction loan funds. So, I think having it
6 all kind of flow together, I think makes a whole
7 lot of sense. So it is kind of a
8 decentralization, I think if you will. But it
9 brings everyone together to participate in terms
10 of lenders.

11 MR. LYNCH: Yes.

12 MR. SIMMS: And so you can get to that
13 leveraging piece early on.

14 MR. LYNCH: Right. I think there's
15 nothing more than any developer in here would
16 have, is to have certainty of the capital, then
17 go hunt.

18 MR. SIMMS: Uh-huh.

19 MR. LYNCH: And I think unfortunately in
20 the affordable housing space, you hunt with a
21 little bit of your money and then you go back.

22 MR. SIMMS: Yeah. Uh-huh.



1 MR. LYNCH: And you'd rather -- yeah, you
2 hope, right? And you'd rather have certainty
3 either with a capital provider as yourself, or
4 your partner capital provider.

5 But having that before you go out and
6 hunt every year, I think would make a tremendous
7 difference in terms of efficiency and production.
8 And all the same things that were discussed
9 around SAFI. You need that certainty before you
10 will go out and a contract on the table, before
11 you actually think about underwriting and going
12 through all the discussions with, in this case,
13 tenants and everyone else that has to go along
14 with it, having that certainty of capital before
15 you go out and hunt, I think will make a big
16 difference.

17 And you have to compete for it. You
18 know? But, you know what ammo you have before
19 you go out into the woods.

20 MR. BOWERS: So, and again, this will
21 come up when we get to that last agenda point. I
22 think this goes back to David's point. It's not



1 just what we're funding but why we're funding
2 what we're funding to make sure -- so there has
3 been historically, I think, over a long period of
4 time, an emphasis in this market around
5 execution, right, or lack thereof, on the city
6 side. And so there's a folk-song, "Let's get the
7 execution going," and I think that's David's
8 point, that notion of sometimes stepping back and
9 saying, okay, we're doing what we do well. Now
10 the question we've got to ask is, are we doing
11 what we should be doing.

12 MR. ROODBERG: Right.

13 MR. LYNCH: Right.

14 MR. BOWERS: And doing it at both ends.

15 Jair, two last things before we turn it
16 over to Sue. Well, actually one for Nathan, I
17 guess, in the Department, and Jair, one for you.

18 Do we have a sense of how many, in terms
19 of TOPA, historically how many actual TOPA deals
20 happen where the tenants actually buy versus the
21 tenants assigning their rights? And the reason I
22 ask is because my sense has historically been



1 that most buildings that get kind of preserved
2 through TOPA, it's where the tenants assign their
3 rights. But I don't know if that's right or not.
4 I was just curious if anyone has that -- if we
5 have that data.

6 MR. SIMMS: I'll ask, because I mean,
7 that's really going to be two sides, the house,
8 the financing, and the front side with
9 (indiscernible) but --

10 MR. BOWERS: Okay.

11 MR. SIMMS: -- I'll get that answer.

12 MS. NEWSOME: So historically it wasn't
13 funded 40 of these, if not more, the majority had
14 been tenant purchase. It's only been the last
15 few years that you've seen more partnerships
16 formed where the tenant is partnered with a non-
17 profit or a for-profit. And I think that's been
18 a good thing.

19 MR. SIMMS: You can leave it there.

20 MS. NEWSOME: But the majority has been
21 the tenants were purchasing. Yes.

22 MR. BOWERS: The record will reflect nods



1 of silent --

2 MS. NEWSOME: Highlights.

3 MR. BOWERS: In silent consent.

4 Jair, real quick. So in that scenario,
5 with a 30/30/15 for example, that equity at 30
6 million, debt at 30 million, 15 million say at
7 the lower rate, so if the developer has to go out
8 and get that 30 million, can you say a quick work
9 -- and I know this is all hypothetical. What
10 kind of terms do you think that in order to make
11 this kind of transaction work, where the equity
12 return is going to be, what kind of debt numbers
13 are folks going to get?

14 And then the other question is, because
15 you mentioned the pari passu, would the debt
16 provider allow this impact fund type funding
17 that's brought to the table to actually be in a
18 shared first? Or are they going to require it to
19 be in a second position?

20 MR. LYNCH: So I would think the cheapest
21 capital, debt capital that's out there for income
22 producing property is the agency debt.



1 MR. BOWERS: Uh-huh.

2 MR. LYNCH: And so that's going to be a
3 hard discussion to be a shared first with the
4 agency debt, the Fannies and the Freddie's out
5 there.

6 There are some life companies that are
7 out there that I have no idea if they would do
8 that. I think that they would entertain
9 mezzanine financing, and the agency debt
10 currently has policies regarding that, in terms
11 of how far you can leverage, et cetera, et
12 cetera.

13 And so the agency debt now is force.
14 Which is pretty attractive capital. And if you
15 can get 60 percent, 70 percent of the capital
16 stack with that agency debt, then you've gone a
17 long way. And you probably do not want to screw
18 with that.

19 And then for the equity, though, on
20 income producing properties, it really depends on
21 whether or not someone else is taking the risk on
22 getting it to a stabilized place. And stabilized



1 meaning the elevator works and the roof works,
2 because it will become more expensive if there's
3 a lot of stuff that needs to be done.

4 And what would be interesting would be is
5 that, could you swap that capital out once you
6 got it to a stabilized place, and get it down
7 into the single digits, because it won't be in
8 the single digits, you know, day one.

9 You know, and that to me is a part of the
10 overall discussion; is you know, if we have to
11 leave -- if we can't provide a reasonable exit,
12 and whether that exit is from additional DHC
13 dollars for a moment, or if that's from a new
14 capital partner that comes in, I think that if
15 you can get the -- I go back to the concept of
16 baseball 30 years ago. You had a pitcher that
17 pitched all nine innings. You don't have that
18 anymore. You've got a pitcher that goes the
19 first three, you've got a pitcher that goes the
20 next three, and you've got a closer.

21 And it's because they learned how to
22 become much more efficient at each part of the



1 game, and I think the capital has become the same
2 way. And if we can figure out a way to get
3 single-digit capital throughout the capital
4 stack, I think it will really accelerate the
5 production.

6 MR. BOWERS: Okay. That's great. Thank
7 you.

8 Jair, I'm sure we'll do, and I think that
9 at Director's point, the work that's been going
10 on by the Agency in terms of the consultant who
11 presented last month, Bill Batko, doing research
12 on different options, this all kind of ties in
13 and so there may, I'm sure, be follow-up to pick
14 your brain on some more of these ideas, perhaps
15 by Bill or others.

16 And we, as a Board, are trying to gather
17 information on potential options and hoping that
18 we can get to a point of if we hear some things,
19 either making formal recommendations and/or being
20 a soundboard for the agency as it chews through
21 some of these ideas that are gathered up, and the
22 like. So I'm sure maybe some follow-ups. So



1 thank you very much.

2 MR. LYNCH: Okay.

3 MR. BOWERS: Really appreciate your --

4 MR. LYNCH: Great. No problem at all.

5 MR. BOWERS: -- input. Very helpful.

6 (Mr. Lynch Leaves.)

7 MR. BOWERS: Sue Marshall, we will ask
8 you to present now on Item 4B on our agenda.

9 MS. MARSHALL: What I really want to do
10 is continue the dialog that we started in the
11 last meeting, and specifically follow upon
12 Director Berns's presentation, and the
13 presentation I did looking at the resources that
14 we are now spending on homeless families and
15 individuals, hoping that we can continue the
16 conversation of how to better utilize the
17 resources.

18 So one of the points that Director Berns
19 made that caused a lot of conversation, and
20 specifically, Jim, Director Berns and I had a
21 sidebar at the end. So what I want to do is talk
22 briefly about what is Rapid Housing, give you a



1 little bit more information about how it's
2 rolling out here in the District. And doing this
3 with -- and it goes to one of the points that
4 Jair was making to see, is this really a
5 predictable enough revenue stream that it can
6 somehow be joined to the resources that are
7 already on the table. And whether or not, given
8 the magnitude of demand and resources we're
9 spending on Rapid Housing, are there some ways we
10 might tweak the way we're doing this to make it
11 more amenable to being an element of the packages
12 that we're putting together to make these
13 projects flow.

14 So Rapid Rehousing, and a lot of people
15 say that it's new. It's not really new. The
16 Community Partnership with District Funds in 1999
17 did our first sort of Rapid Rehousing. And we
18 did it because we had a waiting list for
19 emergency shelter.

20 With the help of Howard University School
21 of Social Work what we figured out is we had a
22 critical problem, but it really wasn't an



1 emergency. I believe that we are back at that
2 place now.

3 And basically what we discovered is that
4 only one in four of the families that approached
5 to apply for shelter actually needed to go to a
6 shelter. And in doing a survey what we found out
7 was that three of those four families found help
8 on their own someplace in the community.

9 So we constructed something called a
10 Community Care Grant, which was a short-term
11 graduated subsidy based on the family's income
12 and their ability to ultimately pay full rent
13 themselves. And we structured contracts with
14 family support collaboratives in the neighborhood
15 to help the families find the units and to
16 provide them with the necessary services to be
17 able to exist in those units.

18 So, Rapid Rehousing generically is
19 basically an alternative to shelter. You can do
20 Rapid Rehousing on the front and as prevention,
21 whereby you provide the resources to keep a
22 family or individual from ever coming into the



1 system. You can also use it at any point in a
2 shelter stay to help families or individuals exit
3 from the program.

4 Rapid Rehousing is designed for a
5 population with moderate to low need for support
6 services. This is not an initiative for every
7 family or individual. It is distinct from
8 permanent supportive housing which is
9 specifically targeted for those who are
10 chronically homeless and with high needs.

11 So, the biggest experience, and when I
12 say biggest, I mean, in terms of dollars and
13 participation, happened in the District with the
14 passage of the stimulus package. And it was
15 called Homeless Prevention and Rapid Rehousing.
16 It had two components to it. One was preventive.
17 And the preventive component provided first
18 month's rent and security deposit. If someone
19 applied for shelter and had the income to be able
20 to sustain after they had first month's rent and
21 security deposit.

22 The other element of prevention is the



1 paying of late rent. And there are two programs
2 right now in our prevention portfolio where we do
3 continue to pay rent arrearages to keep families
4 and individuals from being evicted and thereby
5 becoming homeless.

6 So for homeless prevention and Rapid
7 Rehousing, again, this was federally funded
8 through the stimulus package, and this program is
9 over. And it operated from December 2009 to
10 March 2012. And if you look, what we present to
11 you is separated by singles and families, and
12 also separated by prevention and homeless singles
13 assistance.

14 Prevention I've already described. For
15 HPRP, the way the feds structured it, you could
16 also give short-term subsidy to put a family or
17 an individual into a unit and initially offer a
18 four month subsidy.

19 Built into the program was
20 recertification at the end of that four months to
21 see whether or not that family or individual was
22 on target to meet the goal of being able to pay



1 the balance of the rent for themselves.

2 And as with most federal subsidy
3 programs, customers were required to pay 30
4 percent of income, if in fact they had that.

5 One of the things that came up in the
6 meeting was a conversation about retention. So
7 what the data I've handed you looks at is, first
8 of all the number and percent of the recipients
9 who exited the program to some permanent
10 destination.

11 Now permanent destination for the most
12 part means that they stayed in the unit they were
13 in, they exited the subsidy program, and we can
14 go behind this to look at the rate of movement to
15 different units. But that's not incorporated in
16 this data.

17 The second thing we look at in the column
18 C, is how many of the households who actually
19 exited the program retained their stable housing
20 after exit, and the lowest one is 85 percent and
21 that was for families in the program.

22 On the reverse side, what we're doing and



1 I'm not going to go through all of these columns,
2 what we do is look at the length of stability in
3 the program, and for the most part all households
4 and individuals were at least six months stable.
5 The highest rate is among singles for prevention.

6 And again, one of the reasons for that is
7 most of those single people were already in a
8 unit. What we did was give them assistance to be
9 able to stay in the unit.

10 And for families, 70 percent, seven to 12
11 months. And in most cases, although we try not
12 to advertise this because we don't want people
13 and families not to exert a maximum effort to get
14 to the point of independence, the balance of
15 these households were transferred to a local
16 version of the HPRP. And I'm going to talk about
17 that just briefly.

18 And one of the points I really really
19 want to make, and I think if you paid attention
20 to any media over the last couple of weeks, you
21 know that the demand for this kind of a program
22 is constant. Just to give you today's figures,



1 there are 288 families in D.C. General, and the
2 reason it capped at 288 is there is absolutely no
3 more room there.

4 And because D.C. General has been full
5 for so long, this morning there are 480 families
6 in hotels and motels. A good deal of them,
7 outside of the city. I did back out of the
8 envelope. We are paying right now, about \$1.5
9 million for hotel and motel stays, which is
10 pretty much what the landscape looked like when
11 we first created this Rapid Rehousing initiative.

12 So again, one of the things we are trying
13 to do is figure out a better way to provide
14 shelter and housing.

15 So in a locally funded Rapid Rehousing
16 initiative, which is called FRSP, Family
17 Rehousing and Stabilization Program, and for a
18 full presentation you can go on the website.
19 There's like a 10 page. And this is
20 predominantly where I got these notes from. You
21 can get the full presentation on the website.

22 So currently there are 550 families



1 enrolled in this program. We are on scheduled to
2 add another 100, and the only reason it is capped
3 at 100 is because that's all the money that has
4 been identified. But the demand, again, is
5 strong enough that it's almost unlimited.

6 So we are about to add another 100
7 families and the costs of adding those families
8 without the case management, is \$2.5 million. So
9 again, awful lot of resource here that hopefully
10 could help capitalize some of these projects if
11 we can figure out how to do that.

12 So participants in this program, again,
13 must demonstrate some reasonable capacity to, at
14 some point, pay rent independent of the subsidy.
15 Families are required to pay up to 40 percent of
16 their total household income. They're required
17 to remain current in their portion of the rent,
18 and the utility costs. And because this is a
19 part of the TANF integration that Director Berns
20 talked about, they also have to remain compliant
21 with their TANF.

22 There are about \$4 million being spent on



1 the case management, which has some relevance for
2 the conversations we're having, about how do you
3 make sure that the appropriate services come
4 along with the customers. And we're working with
5 11 different community based agencies.

6 And again, there's sufficient demand to
7 sustain and be predictable if in fact we can
8 figure out how, if at all, to change the program.
9 So, that's basically a snapshot of what it looks
10 like.

11 MR. BOWERS: That's great.

12 MS. MARSHALL: And I do really want to
13 say how very much I appreciate the opportunity to
14 keep this conversation going, and for the things
15 that have already been done. So I'm very, very
16 hopeful that the more we educate ourselves about
17 what we're doing that there are some better
18 opportunities out there for us.

19 MR. BOWERS: Great. And, Sue, we
20 appreciate -- thank you for the presentation and
21 absolutely appreciate the work you've done. You
22 and I know Jackie as well, and others, keeping



1 this issue at the forefront for us and making
2 sure that we, again, this is part of the charge
3 that we picked up as an advisory board from the
4 Housing Task Force. Work is on these demand side
5 issues. So we'll keep this front and center.

6 So I'll open it up to thoughts, comments,
7 questions. Jim and then Bob?

8 MR. KNIGHT: First I'd like to make the
9 comment that Jubilee has a project in the RFP.
10 We are hoping to be able to accommodate some of
11 this newness. And so to the degree that there's
12 any potential conflict on that I just want to say
13 that out loud. It's a little bit hard to know
14 exactly if there is or isn't, and how to proceed.
15 So, please bear with me and curb me if you need
16 to.

17 First of all, the most exciting thing to
18 me as Sue and the DHS team have shared more and
19 more about how the service side of the equation
20 works, the demand side of the equation works, the
21 housing development lens is appropriately so
22 often on how do you get the financing to support



1 acquisition, rehab, the cost of the project?

2 And the demand side support is typically
3 focused on how you support this person, this
4 family. And I think historically we've not let
5 those two views of the same result talk to each
6 other enough. And so I think it's exciting that
7 we had this table and other opportunities to
8 think it through, because I think there are some
9 efficiencies that can be brought to the table.

10 I don't know if this is the time or the
11 place, Jim, or where we want to go with it. But
12 do we feel like the Board has a role in trying to
13 identify a way to finance affordable housing that
14 would allow this form of support to exist so that
15 Rapid Rehousing, where a rent subsidy disappears
16 over time is at least, at face value, hard to
17 finance? And so is it sort of our purview to
18 think about how to do that a little bit?

19 MR. BOWERS: I would think so.

20 Absolutely.

21 MR. KNIGHT: Okay.

22 MS. MARSHALL: And the point I want to



1 make, and I'm not really articulate about it
2 because it's not what I do. But just based on
3 how the program works, we have so many people,
4 and a part of what we do is identify the units so
5 we have relationship with the landlord, that we
6 reuse the unit if someone vacates it. So I'm not
7 sure how you work that into the process.

8 One of the things I did last week when I
9 was signing checks was kind of keep track of what
10 I was paying for. One of the things -- not I
11 paid for, that the City paid for, is a set of
12 units that have been assigned to customers that
13 many things have happened to. Might have gone to
14 the hospital, went to jail, or some other thing,
15 but we know they're coming back so we paid to
16 keep those units vacant so that those customers
17 could return.

18 So there is an opportunity to the extent
19 that we keep dialoging, which is why I introduced
20 this by saying, let's look for opportunities to
21 restructure and retool what we're doing just like
22 DHCD is doing on the production side.



1 MR. BOWERS: Absolutely. Bob.

2 MR. POHLMAN: Yeah. Sue, you mentioned
3 100 families will be added to the FRFP, I guess,
4 right? The local version of Rapid Rehousing.
5 But no more than that because of lack of money?

6 MS. MARSHALL: Yes.

7 MR. POHLMAN: Wasn't money being spent on
8 the hotels, and isn't Rapid Rehousing cheaper
9 than hotels?

10 MS. MARSHALL: Well, some of it has been
11 spent on hotels. The reason is there is more
12 demand than there was when the original budget
13 was set. The additional \$2.4 for the 100 is, and
14 this is speaking your language, is all that could
15 be certified at this juncture. I imagine there
16 is going to be more.

17 MR. BOWERS: I have a -- go ahead.
18 Jackie and then Stan.

19 MS. PRIOR: This is just factual
20 question. Do the people who are in the hotels
21 get the same kind of case management as they
22 would in Rapid Rehousing, or even at D.C.



1 General? Are they getting any support services?

2 MS. MARSHALL: They get similar -- again,
3 because these are add-ons, we have fixed staff at
4 D.C. General. So I know who is going to be
5 providing that service.

6 MS. PRIOR: Uh-huh.

7 MS. MARSHALL: Every time the hotel
8 population expands we have to look someplace for
9 someone. When it expanded into Maryland we had
10 to look for organizations who have reach into
11 Maryland or the capacity. And quite frankly DHS
12 staff has been providing the case management
13 outside of the city for the most part.

14 MR. BOWERS: That's great. Stan?

15 MR. JACKSON: Yeah, I wanted to just talk
16 about the demand again. Over the weekend there
17 was a series of articles where Prince George's
18 County and Montgomery County is saying no more.
19 They're pushing out our residents back to our
20 proper. Can you sort of share with me what does
21 that mean in terms of numbers and impact, when I
22 think they were very clear that they wanted our



1 residents who are occupying their hotels and
2 motels there, out of their jurisdictions?

3 MS. MARSHALL: I'm going to have to be so
4 careful in what I provide in answer. And what I
5 am going to say is that there was some serious
6 political maneuvering, and I'm not -- no, I'm not
7 going to say that we're stopping it.

8 There has been an agreement --

9 MR. JACKSON: Okay.

10 MS. MARSHALL: -- to bring back the 110
11 or 15 families who are in Prince George's and
12 Montgomery County. The impact is we are now
13 going to be moving into recreation centers.

14 MR. JACKSON: Right. Right.

15 MS. MARSHALL: Which again, is a step
16 back.

17 MR. JACKSON: Right.

18 MS. MARSHALL: One of the difficulties
19 here -- and I'm going to curb myself again -- is
20 we are behaving as though this is not a resource
21 constrained system, and that it is infinitely
22 elastic, and that is not the case. So the third-



1 rail issue on the demand side, that we are going
2 to have to deal with is, the capacity issue. I
3 don't believe that Prince George's County had any
4 idea initially how many families there were, and
5 the possibility for continued expansion.

6 I believe that both in Prince George and
7 Montgomery County the concern is exactly what you
8 asked, the ability to provide the support
9 services for families so far away from where we
10 are.

11 One of the -- what would I call this, an
12 idiosyncrasy of this for me, is we are really a
13 regional housing market. But as a city we are
14 limiting ourselves to the market that is inside
15 our borders, and I also think that we really need
16 to have some deliberate conversation about the
17 impact of that on our ability to provide
18 affordable housing and many other things.

19 MR. BOWERS: That's great. Jim?

20 MR. KNIGHT: Just maybe a process
21 question or comment. You know, the priority of
22 building permanent supportive housing into the



1 RFP rounds is a good example that our agencies
2 can hear each other and can begin to help create
3 what's needed. And I think in this case the need
4 for Rapid Rehousing is only more recently being
5 known in the housing production side of the
6 world. And so I'm wondering sort of in the
7 short-term, with the 48, 42 projects that are in
8 the pipeline, process-wise how the word might get
9 out that this is a need and that whether any of
10 those projects could somehow meet that need.

11 And then from the role of the Board view
12 is, is it possible for a committee or somebody to
13 do some work to look at a systemic approach to
14 the financing so that at the same time project by
15 project there might be one-off efforts to figure
16 out a way to do it. But at the same time there
17 might be a more systemic look at how to do it
18 over time; how to end up building it in to RFP's
19 if in fact it is a needed method.

20 MR. BOWERS: Yes. On the process side,
21 when we had the presentation a couple of months
22 ago I think Sue and Jackie, and I can't remember,



1 Jim, if it were you or not, but I thought there
2 was a third person who may have agreed to kind of
3 be our ad hoc if you would, demand side team.
4 And so the request I would make on that is,
5 absolutely that that group of folks kind of work
6 offline to bring back either presentations that
7 might get to suggestions on how to do just that
8 from a systemic approach, and/or bring back
9 specific recommendations that could be dialoged
10 about here.

11 So either/or, or both/and. So again, if
12 you have guests you want to suggest that get
13 brought in that bring suggestions, or if you all
14 offline have in your own conversations with
15 yourself and others, and then bring back
16 recommendations that could be discussed, for the
17 systemic recommendations, I think absolutely.
18 That would be very helpful and appreciated.

19 And I think to the point of Sue bringing
20 up even today's kind of continuing the dialog.
21 And it seems as though the nature of the back and
22 forth that we're able to have, and I mean that in



1 a good way, with DHCD here at the table, at these
2 meetings, and the conversations that go on in
3 between meetings, it seems like they're real-time
4 opportunities to influence kind of on an ongoing
5 basis. NOFAs or other kind of funding pieces
6 that would go down to it.

7 Jackie -- Jim, did that answer your
8 question?

9 MR. KNIGHT: Yes.

10 MR. BOWERS: Okay. All right.

11 MS. PRIOR: Here's the one thing that I
12 would bring up is that transitional housing seems
13 to be out of vogue at this point. HUD doesn't
14 want to fund it. But it is an option.

15 We have great teams who, most of them do
16 not receive public funding. They're mostly
17 faith-based organizations who do a fantastic job
18 of it. And I think there is -- transitional
19 housing should be part of the conversation,
20 because it's somewhere in between the Rapid
21 Rehousing of three months --

22 (Mr. Simms leaves.)



1 MR. BOWERS: Uh-huh.

2 MS. PRIOR: -- or six months, and a
3 permanent supportive housing which is the voucher
4 for the rest of your life. In three years if
5 someone is working very hard it's transformed
6 him.

7 MR. BOWERS: Uh-huh.

8 MS. PRIOR: I mean, you know, it's one
9 family at a time. But, you know, you go from
10 having been homeless to sometimes being
11 homeowners.

12 MR. BOWERS: Uh-huh.

13 MS. PRIOR: So I just really want to keep
14 that in the conversation.

15 MR. BOWERS: Yeah, absolutely. Oramenta?

16 MS. NEWSOME: I think this is
17 highlighting, when we did the report, Bridges to
18 Opportunity, we did our research, you know, just
19 because you can't put everything in the document.
20 We never really got to the breakdown of the
21 profile of who needs affordable housing in
22 Washington, D.C. Seniors, veterans, families,



1 you know, faced with eviction, moderate income,
2 the new people moving in. It's just the
3 cornucopia.

4 And part of what I think happens with the
5 production of affordable housing is you take the
6 best opportunity from a real estate standpoint.
7 You know, what you can buy and what you can make
8 work. It doesn't necessarily always match up
9 with the profile of need.

10 So I think as an advisory group we need
11 to highlight that profile of need. I mean, we've
12 got gazillions of studies going on, urban
13 communities must have \$6 million worth of data
14 over there that could very easily profile, you
15 know -- and profile is a bad word. It has become
16 a bad word so let me choose another word.
17 Describe the real world demographics of who needs
18 affordable housing in the city.

19 And as those who are in the business of
20 production, with that knowledge you can make a
21 choice.

22 MR. BOWERS: Right.



1 MS. NEWSOME: Are you going to be one of
2 the ones that's going to try a little harder, you
3 know, find some extra dollars to make it work for
4 a homeless family. Or you may be the one with
5 the skill set and the resources that just can
6 produce for, you know, 60 percent of AMI. Fine.

7 MR. BOWERS: Right. Right.

8 MS. NEWSOME: But if we as a --
9 especially the non-profit community. If we don't
10 know the profile, if we don't know the
11 description, we're not pushed to make a
12 deliberate effort to do that. We're working
13 right now on the issue of homeless young adults.
14 Which is a growing population. I have been
15 unpleasantly surprised. Eighteen to 24, who are
16 graduating, may not be graduating, and here they
17 stand. Nowhere to live. Nowhere to rent.
18 Unable to read well. Not a job. And but yet, we
19 can't have them on the street because that is our
20 future. And so some organizations are making a
21 deliberate effort to house that population.

22 So can we -- I don't know -- you know, I



1 mentioned the Urban Institute, but there's
2 probably others too. And it's not that hard to
3 pull it together. You know, we could get a
4 reporter to profile it or some other types of way
5 of doing it. It's just, you know, veterans,
6 seniors, whoever else. So that as people are
7 thinking about the RFP that's coming up, okay,
8 how can I be more deliberate in whatever product
9 I'm going to submit to DHCD or submit to the
10 banks or submit to us?

11 MR. BOWERS: The housing study that the
12 RFP went out for, is that data supposed to come
13 back in that study? I thought that some of that
14 level of demographic detail was supposed to come
15 back in this study.

16 MR. POHLMAN: Yes, it is. I don't know
17 what exactly the timing is. But they're working
18 on it now, I know that.

19 MR. BOWERS: Yeah. And that's another
20 one of the urban studies but the one that was --
21 the RFP that was issues by the City for the needs
22 assessment, I think, is supposed to come back



1 with some of that level of detail to give.

2 MS. PRIOR: And I think some of the data
3 that's coming out of the study that the Cafritz
4 Foundation funded for the Community Foundation,
5 has some of that data in it as well. I mean,
6 there is. All that data is out there. It just
7 need so to be identified.

8 MR. BOWERS: Uh-huh.

9 MS. NEWSOME: You know, it's a question
10 of whether we can get any of it in time enough to
11 at least have it out there for this NOFA.

12 MR. BOWERS: Uh-huh.

13 MR. POHLMAN: Did the Community
14 Foundation report come out?

15 MS. NEWSOME: No. Not yet.

16 MR. BOWERS: Not yet.

17 MS. NEWSOME: No.

18 MR. KELLEY: Oramenta, I can probably
19 address that. The answer is no. I mean, if it
20 came out today it would be too late to --

21 MS. NEWSOME: Too late.

22 MR. KELLEY: -- radically shift the NOFA



1 to try some --

2 MS. NEWSOME: Well, no, no, I didn't mean
3 change the NOFA. I meant for those who are
4 considering the NOFA.

5 MR. KELLEY: Oh, I see.

6 MS. NEWSOME: To say, you know, veterans.
7 Okay. I'm thinking about this property. Maybe I
8 can set aside 20 units in this building for
9 veterans because I now know what the situation
10 is.

11 MR. KELLEY: And you and I have talked
12 about this on a number of occasions, but that's
13 so much driven by the philanthropic part of the
14 equation. You know, if it is a veterans thing,
15 not necessarily philanthropic, but non-city
16 stuff.

17 If there's another way of fueling funding
18 to assist that at-risk population, then it
19 becomes that much easier for the developer to
20 follow that --

21 MS. NEWSOME: (Indiscernible.)

22 MR. KELLEY: -- thread.



1 MS. NEWSOME: And it's easier if that's
2 in your face.

3 MR. BOWERS: Right. Right. Right.

4 MS. NEWSOME: You know, if you know what
5 it is.

6 MR. KELLEY: Well, I think the topic
7 today as Sue brought up is that it's totally in
8 our face proposal right now. And I think, Jim,
9 to your question, I think it -- you know, I don't
10 know of the better proposal light bulb to
11 specifically address that. How do you marry the
12 short-term subsidy in a longer term kind of
13 context? You know, how do you get to that point?

14 MR. POHLMAN: Yeah. I wanted to add, are
15 you aware if other jurisdictions use affordable
16 housing in their Rapid Rehousing programs?
17 Because as I see it, the Rapid Rehousing Program
18 is really targeted toward the marketplace, and
19 trying to get people to rent in the market. If
20 that can be successful, obviously that means
21 there's going to be more affordable housing for
22 everybody because if we start targeting the



1 designated affordable units for Rapid Rehousing,
2 it just strikes me that that's -- you know,
3 that's not what the Rapid Rehousing Program was
4 designed to do.

5 MS. MARSHALL: And, Bob, I'm not even
6 recommending that. All I'm trying to do is put
7 the information out there.

8 MR. POHLMAN: Right.

9 MS. MARSHALL: So we can have this kind
10 of a conversation.

11 MR. POHLMAN: Right. Yes, I'm just
12 curious as to whether other jurisdictions have,
13 you know, placed people under Rapid Rehousing in
14 affordable housing because by definition that
15 affordable housing would limit your payment of
16 rent to 30 percent, in most cases, of your
17 income. And in Rapid Rehousing I know you allow
18 them to pay rent at a much higher percentage of
19 their income level. So it's a very different
20 kind of program. And I just don't know how the
21 two would be reconciled exactly and whether it's
22 done somewhere else would be interesting to know.



1 MS. MARSHALL: I don't know but it's
2 certainly something we can take a look into. I
3 can ask at the National Alliance --

4 MR. POHLMAN: Yeah.

5 MS. MARSHALL: -- which tracks that sort
6 of thing.

7 MR. POHLMAN: Yeah, they would probably
8 know.

9 MR. KNIGHT: So we're going to try to
10 test it in a kind of single deal setting, and
11 just kind of run through all the hoops and see
12 which ones look insurmountable, or even at odds
13 with each other.

14 MR. BOWERS: Yeah.

15 MR. KNIGHT: But just a potential
16 application as we heard Jair speak, if his
17 recommendation ever matured and there was the
18 ability to locate some Rapid Rehousing
19 opportunities in otherwise rent controlled
20 properties that got a little bit of this
21 mezzanine stabilization product, I mean, if there
22 could be a linkage and say DHCD says, well, that



1 product can be available if you take 10 units of
2 Rapid Rehousing and you redevelop it.

3 And I think those are the kind of things
4 we're trying to find.

5 MR. BOWERS: Right. Right.

6 MR. KNIGHT: Clearly they won't always
7 work.

8 MR. BOWERS: And, Jim, good point. I
9 think in that notion of -- what always strikes me
10 is when we see these stories about how much is
11 being spent to keep people in hotels or in
12 hospitals, you know, that kind of thing. And
13 people always naturally say, wow, we could take
14 that money and spend it, and you could house
15 somebody. And so that notion of what are the
16 funding sources that are used for these pieces.
17 And then, is it an issue of folks are living in a
18 home and they just need some rent help, versus
19 somebody needs help finding an affordable place
20 to live. And then to the issue of, is there
21 stock out there.

22 You know, and so then does it become more



1 of a, we've got to have more units to put them
2 in, or we need to help them with a housing
3 locator, or both, or all of the above, right?

4 And then if there's money that's already
5 going -- so I think that's right in how to
6 continue this kind of conversation around
7 bringing the synergies between if there are
8 dollars that are on the table for this
9 population, and their needs, how to link that to
10 folks who are providing housing where that's the
11 need as opposed to, they just need a rent subsidy
12 for where they already are.

13 Last question, Jackie, and then we
14 will --

15 MS. PRIOR: Housing just isn't the end of
16 it though. Just typically if they have an issue
17 with housing they probably have an issue with
18 needing a better job.

19 MR. BOWERS: Uh-huh, uh-huh, uh-huh.
20 Right. Yep.

21 Thank you, Sue. And thank you, Sue and
22 Jackie, and I think Jim, for agreeing to keep



1 kind of chewing on this and bringing back
2 thoughts or suggestions. And so please, be in
3 touch with me as you want to put things on the
4 agenda for us to discuss.

5 Our last item, we've got about five
6 minutes real quick, I want to pass around to
7 folks a draft. Something to chew on.

8 So at our last meeting we discussed this
9 -- the last couple of meetings, this notion of a
10 stakeholder conversation. And so we had thrown
11 around a couple dates and where we're going to go
12 with this, thinking from a scheduling standpoint,
13 I've been in contact since our last meeting with
14 the Department. So what we're going to do is,
15 instead of trying to find an off-meeting date to
16 have this conversation, we're looking at making
17 it a part of our April board meeting and just
18 expanding the timeframe for that meeting. That
19 time is not locked in, but this is kind of a
20 proposal of what this might look like.

21 Again, so just to kind of what -- I put
22 it in this frame as very much a draft to help



1 think through, you know, what is the purpose of
2 this conversation? So again, this, as you see,
3 the purpose is really to kind of talk about where
4 are we trying to go, right? And I think this
5 goes back to David's point earlier. You know,
6 where is the City trying to go. What is the
7 City's priorities in terms of type of housing,
8 where we want housing, et cetera.

9 And, Oramenta, you know, is it veteran's
10 housing, senior's housing, housing for whatever
11 it may be, all of the above. So kind of hearing
12 from the City about -- and others, about where is
13 the City trying to go in terms of its priorities
14 around housing.

15 What are the resources that the City is
16 able to put on the table that regard, from a
17 financial standpoint, and also from a policy
18 standpoint? What are the policies and the
19 dollars that help enable to get there.

20 And then the notion is that we'd have
21 some sort of a kind of a round-table where you
22 get feedback from key developers, key financial



1 institutions, and some folks in the philanthropic
2 community say, here is what we are able to put on
3 the table as developers. Our capacity, you know,
4 in a perfect world we could do 50 units a year,
5 we could do 1,000 units a year. If we had more
6 mezz debt or acquisition debt or predevelopment
7 debt, if we had the ability to move deals through
8 DCRA more quickly, if we didn't have to get
9 redundancy and requirements and NOFA. Whatever
10 it is; whatever it may be, kind of hearing those
11 issues from the development community.

12 And by the way, folks who are on this
13 Trust Fund Board, our groups aren't singled out
14 here. Obviously we're kind of at the table. So
15 you'll see that.

16 But then to have, again, the financial
17 sector. And this picks up on some of the work
18 that's been done by the leverage working group,
19 Oramenta has lead, in terms of getting some
20 feedback from them about, again, hearing that
21 dialog from the City, hearing the dialog with
22 everyone in the room at the same time. From



1 developers to talk some about what it is they
2 could or would be able to do in terms of equity,
3 in terms of debt, in terms of things like would
4 they allow for a shared first if a certain type
5 of money were put on the table. Things of that
6 nature.

7 And to really have a facilitated
8 conversation that allow -- and what I'd like to
9 do is bring in, Director, someone -- we'd make
10 sure that we had somebody here who could really
11 do some effective note-taking, even if we had to
12 pay someone, I think in a professional way, to
13 facilitate it and to track the notes of that
14 conversation.

15 So in my mind what we really do is almost
16 have -- it's a mapping exercise, that really with
17 everyone in the room, starts to really put down,
18 here is where the collective we are trying to go,
19 resources, gaps, barriers, how do we overcome
20 them and make it a real skull session. That's
21 like a strategic planning session for the
22 collective City.



1 And then from that -- and so some of the
2 input on that would be work that's already been
3 done, things like again, on the private side, the
4 leverage working group, things like the research
5 that Bill Batko is doing for the -- and others
6 are doing for the City. And then it will be new
7 things that we hear just from folks who are at
8 the table.

9 So, with all that said, that kind of
10 frames what the vision of the conversation is. I
11 wanted to very quickly, two things. A couple
12 things.

13 One, make sure that we, as a Board, are
14 comfortable with this approach; comfortable with
15 that kind of frame of time in terms of kind of a
16 9:30 to 1:00 timeframe. So it would be a little
17 longer normal meeting. Comfortable with bringing
18 in a facilitator for that conversation, and a
19 professional note taker so that we could get the
20 notes really captured and brought back to us as
21 almost like a mini report for that.

22 So let me stop there. Are folks



1 comfortable with those things, or any discomfort
2 with any of that?

3 Yes, ma'am, Oramenta.

4 MS. NEWSOME: Yes, I'm just wondering if
5 we're talking about food in this scenario. That
6 always has a tendency to (indiscernible) so,
7 because from 9:30 to 1:00 to what?

8 MR. BOWERS: You know, I just had meeting
9 like this for ourselves and I told -- with
10 internally. And we started at 9:30 and we ended
11 at 1:00, and I said, I'll give you heavy bagels
12 and coffee in the front, but if I get you out by
13 1:00 I don't have to feed you lunch.

14 But because then lunch slows you down.
15 So my thought was, we tell people come at 9:00.
16 We'd have kind of a heavy breakfast early and
17 people can nibble on that through. And if we get
18 folks out by 12:30 to 1:00 I think we don't have
19 to feed them lunch because once you break for
20 lunch it kind of --

21 MS. NEWSOME: Yeah, it just --

22 MR. BOWERS: It takes more time.



1 MS. NEWSOME: Because I was going to say,
2 if you're going to break for lunch, you need to
3 push it out to 2:00.

4 MR. BOWERS: Yeah.

5 MS. NEWSOME: You're not.

6 MR. BOWERS: Yeah.

7 MS. NEWSOME: I think you could stay with
8 1:00.

9 MR. BOWERS: I think we try to drive
10 hard.

11 Yes, sir?

12 MR. SCALF: I'm just curious, have you
13 guys given any thoughts to inviting some bids to
14 this?

15 MR. BOWERS: Have not, and that's the
16 kind of feedback I also wanted. So let me go --
17 so food, yes, we do food. I was just in a
18 meeting with the Boards and Commission chairs the
19 other day. We'll do food and we'll probably have
20 to pay for it, I think out of our own dime, and
21 we'll contribute to that and if others want to
22 chip in that's fine.



1 But so, yes, we'll do food. Heavy on the
2 front end but no lunch.

3 And to that point, bids, I wanted to ask,
4 these were -- I call this from the MOB. This is
5 from the Mind of Bowers. So this is not
6 official.

7 So if there are thoughts on other
8 institutions or, you know, specific who should be
9 invited, please let me know, Director, and be --
10 specifically I think, you know, on the
11 developer's side, I listed some folks that I knew
12 were players in the market, looked at the latest
13 list that was passed out in terms of who got
14 stuff from the NOFA. But people who I think do
15 recurring projects and tried to list them.

16 But if there are folks who are missing or
17 if people have thoughts on, you know, these folks
18 don't really do recurring projects, or others who
19 are missing, please let me know offline.

20 Same thing in terms of philanthropy, try
21 to -- you know, if there are thoughts you have on
22 others who are key players. And obviously



1 government agencies. So I tried to capture who I
2 thought the right government agencies are, who
3 aren't already represented around the table. If
4 there are others, please let me know.

5 Jim?

6 MR. KNIGHT: How do we feel about
7 slightly broader set of developers that have some
8 more of the market players who can do affordable
9 but might not? Do we do it?

10 MR. BOWERS: Absolutely. Yes. Would
11 love to get those names of folks.

12 MS. NEWSOME: Yes.

13 MR. BOWERS: I think those would be key
14 folks to have at the table.

15 MS. NEWSOME: I agree. We need to push
16 the envelope a little.

17 MR. BOWERS: Yes.

18 MS. NEWSOME: You know, don't --

19 MR. POHLMAN: Some fresh thinking.

20 MS. NEWSOME: -- presume. Yeah. And I
21 think the same thing; philanthropy is not just
22 the key. We need to push the envelope. We need



1 to invite people who you wouldn't normally think
2 it's their choice about whether they come or not.

3 MR. BOWERS: Yep, absolutely. I was
4 actually in a meeting. And very interesting to
5 me, and this goes back to something that was said
6 earlier and I'll wrap.

7 At George Mason there was a conversation
8 that Dr. Phil and others kind of a presentation
9 of some updated data, late last week looking at
10 multi-family housing in the region and by
11 jurisdictions. Very interesting information
12 they're going public with, I think very soon.

13 And so there were a number of those kinds
14 of players, Jim, around the table. And I
15 actually said to the folks in that room, if you
16 would be interested in attending (indiscernible),
17 let me know. So certainly, if people have
18 recommendations of non-usual suspects on the
19 development side, philanthropic side, otherwise,
20 bids, right to that notion, please let me know
21 because we would like -- I'd like it to be kind
22 of cast the net wider and come who may to that



1 dialog. If they've got a real hand in getting
2 units produced or preserved, that will help us,
3 the collective we as a city, meet the goal. So
4 please let me know.

5 I'd like to get the invites out to folks
6 in the next two weeks is my goal. And I'll send
7 it out on behalf of the Board. It will be an e-
8 mail invitation on behalf of the Board to invite
9 folks to this meeting.

10 And if there is anyone who would like to
11 work with me kind of offline to help craft out
12 the agenda -- thanks, Oramenta. Just let me
13 know. And so we'll try to hammer out a draft
14 agenda and present that back -- and Stan -- at
15 the next meeting.

16 MR. POHLMAN: It would be good too if we
17 say that everybody was coming, do we want them to
18 bring anything? Do we want them to think about
19 anything --

20 MR. BOWERS: Right.

21 MR. POHLMAN: -- before they get here?

22 MR. BOWERS: Yep. Yep.



1 MR. POHLMAN: Because this is quite a
2 broad range of folks and --

3 MR. BOWERS: Yep.

4 MR. POHLMAN: -- you could have a very
5 disjointed discussion.

6 MR. BOWERS: Yep. Yep. Absolutely. And
7 great point. And I think that the framing of
8 kind of why we're here, and are we asking --
9 obviously we're not asking everyone to make a
10 formal presentation. Certainly some of the folks
11 from the government side we're going to need them
12 to make some formal presentations. But that
13 notion of kind of the professional facilitator
14 who can keep things moving and drawing key facts
15 out from a lot of the folks who are in the room,
16 so it's not everybody standing up and talking for
17 10 minutes. But to keep things moving, but
18 allowing enough time to get the key information.

19 Other thoughts, feedback?

20 MS. NEWSOME: Holding it here?

21 MR. BOWERS: Yes, I think -- no. I just
22 looked around. Does this room get bigger?



1 MR. JACKSON: Yes.

2 MS. NEWSOME: Yeah.

3 MR. BOWERS: Oh, okay. Okay. So maybe.
4 I would like to have it here if we can, so we'll
5 check space, is the thought, logistically.

6 I thought this room was bigger.

7 Jim?

8 MR. KNIGHT: Just --

9 MS. FIELDS: How many people are you
10 thinking, because this can accommodate probably
11 100?

12 MR. BOWERS: Oh, yeah, so I --

13 MS. NEWSOME: We had the coalition
14 meeting here.

15 MR. BOWERS: Yeah.

16 MS. NEWSOME: But it was more than 100.

17 MR. BOWERS: Yeah. So, yeah, that's
18 right. This room gets bigger. So yes, here we
19 can set up some tables and all that would be --

20 Jim, Director, and then we'll finish it
21 up. Jim?

22 MR. KNIGHT: I certainly trust the



1 planning group on this however it comes out. I'm
2 just thinking of the potential of it being
3 disjointed, having the facilitation have a plan
4 to take people through.

5 And is there a next step anticipated,
6 even so that if I do come and I show up and I
7 listen a lot and and for thought.

8 MR. BOWERS: Yep. Yep.

9 MR. KNIGHT: Do I hear what comes out of
10 it kind of --

11 MR. BOWERS: Yep. How is it captured and
12 what next step? Yep.

13 Director?

14 MR. KELLEY: I was just going to echo the
15 idea that the table set up, there's ways we can
16 do this that makes it a little bit easier for a
17 larger facilitation.

18 MR. BOWERS: Okay.

19 MR. KELLEY: And in terms of the note
20 taking and facilitator, we need to talk about it
21 again. I've committed to fully staff and provide
22 services to this advisory board, so let me know



1 what your thoughts are on that.

2 MR. BOWERS: Okay. Okay. Absolutely
3 will. Absolutely will.

4 There is a public comment section for our
5 meeting. If there are any public comments we
6 welcome them now from anyone.

7 (No audible response.)

8 MR. BOWERS: All right. Thank you. By
9 the way, our next meeting is again, first Monday
10 in March. We will have a presentation we're
11 confirmed, on leverage from Citi Bank, some
12 representatives from Citi Bank, and if again the
13 demand side team, if there are issues you'd like
14 to bring up, that's fine. But if not, that's
15 fine as well.

16 We are adjourned about seven minutes
17 after noon. Thank you all for your patience, and
18 stay safe.

19 [Whereupon, at 12:07 p.m., the Housing
20 Production Trust Fund Advisory Board meeting
21 concluded.]

22

