



Minutes for Committee on Development and Modernization December 29, 2021

12/29/2021 | 10:32 AM - 11:52 AM - Eastern Time (US and Canada)

Via WebEx

Commissioners (6)

Aquarius Vann-Ghasri; LeJuan Strickland; John Falcicchio; Ann Hoffman; Dionne Bussey-Reeder; Raymond Skinner

Member Absent: Commissioner Bill Slover

Opening Remarks

Chairwoman Bussey-Reeder opened the meeting at approximately 10:32 am and welcomed the Committee and turned the meeting over to the Executive Director Brenda Donald. Director Donald stated that before we began she wanted to introduce the newest members of the executive team. Mr. Victor Martinez, Deputy Executive Director; Nona Eath, Executive Vice President of Property Management Operations and Latweeta Smyers, Executive Vice President of the Housing Choice Voucher Program. She stated that all bring a wealth of housing experience with them to DCHA.

Commissioner Vann-Ghasri asked them to say a little about themselves and their experience. Mr. Martinez began by stating that he has 26 years of experience with housing authorities and not for profit agencies working at both the New York Housing Authority (NYCHA) and the Housing Authority of Puerto Rico. His background is finance and law. Ms. Eath stated that she recently worked for the City of Tucson Housing Authority and Birmingham and Dallas Housing Authorities and has held positions as an Executive Director and headed Section 8 programs. Ms. Smyers stated that she has 16 years of experience with housing authorities and served as the Senior Vice President of Operations in Elm City and the Director of HCVP at the Cook County Housing Authority. They were all welcomed by staff and the Commissioners.

Draft minutes of December 1, 2021

The draft meeting minutes of December 1, 2021 were acknowledged and accepted as written.

Development and Modernization updates and review of draft resolutions regarding Arthur Capper Senior and Construction Management Services

John Stringfield, Interim Senior Vice President of the Office of Capital Programs (OCP) provided a presentation that covered the Construction Management Solicitation, Capper Senior acquisition, Capper overview and the upcoming Board actions and updates. He also explained that the purpose of this resolution is to authorize the execution of a contract for Construction Project Management Services for DCHA. He further stated that the contract is to provide on-site construction management staff to coordinate, manage, and oversee DCHA's rehabilitation and new construction operations and asked Lorry Bonds, Senior Vice President of Administrative Services (OAS) to explain the solicitation process and timeline. She also explained that there were 6 vendors who responded to the solicitation and how the award was recommended to the most responsive vendor. Commissioner Hoffman asked how the \$2.6 million is awarded. It was explained that the contract is for roughly \$800,000 a year over 3 years for the team of professionals to fill the construction management needs of OCP. Director Donald stated that she would bring the OCP organization chart to the Board to further explain. Commissioner Hoffman stated that she did not understand the process. Thor Nelson, Chief of Planning, Construction and Design in OCP explained that the awardee will oversee the rehab of large scale contractors and general contractors. This contract is for a maximum of \$2.6 million over a period of 3 years.

There was discussion regarding capacity building in the Office of Capital Programs. Commissioner Hoffman stated that she looked forward to additional documentation.

Mr. Stringfield continued with a description of the Capper site and explained the purpose of the resolution. He also provided background on the site stating that in 2018 the building suffered major structural damage due to a fire which caused the building to be demolished and reconstructed using the insurance proceeds and provided a current status of the building. Occupancy is currently at 99% and rent collection at 100%. He also explained that the site would be re-purchased at a cost \$70,100. Commissioner Hoffman asked how we are able to purchase this expensive building for this low amount. It was explained that the value for a private developer has been exhausted and we are able to obtain it for this price.

Commissioner Hoffman asked why we are doing a single purpose entity. Andrea Powell, Interim General Counsel explained that the single purpose entity is established so that it won't impact the assets of DCHA or other entities and that it is a standard real estate practice. The liability stays with the single purpose entity. There was discussion regarding the decision to use a single purpose entity in certain deals.

Commissioner Hoffman also asked how the management company is able to achieve such a high rent collection rate when agency wide that has not been possible. Director Donald stated that an assessment of rent collection is currently underway headed by Mr. Martinez and she plans to report back to the Board. Commissioner Vann-Ghasri requested the Board be educated on the mortgage structure, the master lease structure and internal controls regarding Capper. She also stated she had questions regarding audit requirements for HUD's Federal awards and asked if some of the HUD awards become an incentive for this project. She also asked how communication is being handled with the residents regarding this site.

Karim Marshall, Senior Development Manager in OCP provided an overview of Capper Carrollsburg explaining the history from 2001 to the current year. He also explained the total completed units and the replacement units on site. Commissioner Vann-Ghasri asked if the new Ward boundaries would affect this project regarding boundaries.

There was discussion regarding Kentucky Courts. Commissioner Hoffman stated that her understanding from hearing from residents that they feel the right to return is stay in the community. She asked if it was possible to add 12 extra units between the 3 buildings. Director Donald acknowledged Commissioner Hoffman's point and stated she will have staff look into it. Commissioner Vann-Ghasri asked what Councilman Charles Allen has to say about the project. Director Donald stated that they are bringing this information to the Board first and then they'll be an opportunity for the Council and other stakeholders to weigh in.

Mr. Stringfield continued the presentation with upcoming Board action and updates. He also provided a work plan for a look ahead in FY 22. He provided a personnel and project update for OCP introducing Karim Marshall, Senior Development Manager and Sivakumar Ventaramani, Senior Urban Designer as two of the newest members of the OCP team.

Other Business/Commissioner Issues

Commissioner Hoffman asked about a headquarter update. Director Donald stated that she plans to update the Board next month on DCHA headquarters. Commissioner Hoffman raised concerns regarding Moya's involvement in various projects. Director Donald stated that any relationship regarding Moya is part of an ongoing investigation and that it does not preclude us from moving forward.

Chairwoman Bussey-Reeder stated that she plans to add the right to return discussion to the agenda for the January Committee on Development and Modernization meeting.

Adjournment

The meeting was adjourned at approximately 11:52 am.

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