

RESOLUTION 26-12

TO AUTHORIZE AND OBTAIN A \$70 MILLION LINE OF CREDIT WITH KEYBANK TO SUPPORT DCHA DEVELOPMENT ACTIVITIES AND RELATED OPERATIONS ACTIVITIES - UPDATE

WHEREAS, the mission of the District of Columbia Housing Authority (DCHA) is to provide quality affordable housing to extremely low- through moderate-income households, foster sustainable communities, and cultivate opportunities for residents to improve their lives; and

WHEREAS, DCHA has plans to redevelop and reposition many of its public housing properties in order to continue to improve the housing communities operated by DCHA;

WHEREAS, federal and local capital funds that can be used for capital improvements on DCHA's public housing portfolio are severely insufficient to meet all the modernization, rehabilitation, and redevelopment needs of an aging public housing stock in the District of Columbia, and funding priorities for Congress and the budget challenges at the District level pose a challenge to anticipate future capital funding; and

WHEREAS, funding for predevelopment activities necessary to start affordable housing redevelopment projects is exceedingly scarce, and DCHA is seeking additional resources to support its efforts to redevelop its public housing portfolio; and

WHEREAS, DCHA seeks to identify funds to support predevelopment costs for at least six properties in its portfolio in active predevelopment so that such properties can proceed to a financial closing as soon as possible, with a goal of closing as many of such projects as possible during 2026; and

WHEREAS, DCHA has additional public housing redevelopment projects underway in need of funding for demolition and/or preservation; and

WHEREAS, DCHA further seeks funding to support relocation costs when needed, including unit renovations, transfer costs, moving expenses, and related operational and relocation costs; and

WHEREAS, DCHA determined that a line of credit would support the above purposes; and

WHEREAS, Section 6-203(9) of the D.C. Code authorizes DCHA to apply for, accept, receive, and utilize funds from public and private sources in the form of gifts, grants, or loans; and

WHEREAS, DCHA requested term sheets from other banks and KeyBank was the only bank to provide a term sheet agreeable to DCHA; and

WHEREAS, the KeyBank Line of Credit for \$70 Million (the "LOC") term sheet indicates that the LOC will be a line that is revolving and may be used for capital, general corporate purposes, and pre-construction needs over three years and expiring in 2029; and

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WHEREAS, the LOC will be secured by the “General Revenues” of DCHA, defined as revenues that are not pledged by law, regulation, contract, covenant, resolution, deed of trust or otherwise solely to another particular purpose, and thus explicitly excluding funds restricted by HUD or the District, and the LOC will similarly be repaid by General Revenues of DCHA that are not restricted by HUD or the District; and

WHEREAS, DCHA has identified adequate sources to pay the principal and interest and any other fees on the LOC (“Note Fund”) and has identified sources to repay the LOC as a whole within the term of the LOC; and

WHEREAS, the LOC is not to be construed as an “obligation” of DCHA pursuant to D.C. Code Section 6-209, is not an obligation or indebtedness of the District of Columbia within the meaning of any constitutional or statutory provision, and it shall never be repaid in whole or in part from funds raised or to be raised by taxation or any other revenues of the District of Columbia and will solely be repaid by DCHA General Revenues as defined herein; and

WHEREAS, DCHA’s Office of Financial Management (“OFM”) will manage the LOC and release funds consistent with this Resolution and only as authorized by the Executive Director.

NOW, THEREFORE, BE IT RESOLVED, the DCHA Board of Commissioners hereby adopts Resolution 26-07 and authorizes the Executive Director to execute a term sheet and to complete negotiations with KeyBank for a Revolving Line of Credit in an amount up to \$70,000,000 (Seventy Million Dollars) to be used for the purposes set forth herein, including payment of closing fees and costs, and to execute all such documents necessary and reasonable to complete the transaction authorized by this Resolution.

BE IT FURTHER RESOLVED, this Resolution amends, restates, and replaces Resolution 26-07.

BE IT FURTHER RESOLVED, DCHA’s Board of Commissioners directs DCHA’s Office of Financial Management to establish policies and procedures for accessing the funds, ensuring that the cost to be paid with the LOC support DCHA’s pipeline projects and will be repaid only from General Revenues, as defined herein.

BE IT FURTHER RESOLVED, that DCHA’s Office of General Counsel and OFM will negotiate all documents and instruments at such terms and conditions beneficial to DCHA and consistent with best business practices.

ADOPTED by the Board of Commissioners and signed in authentication of its passage on the 8th day of April 2026.

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ATTEST:

Keith L. Pettigrew
Executive Director/Secretary

APPROVAL:

Raymond Skinner
Chairperson

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Amy M. Glassman
Senior Vice President & General Counsel