



RESPONSES to FY21 – FY22 AGENCY PERFORMANCE OVERSIGHT HEARING PRE-HEARING QUESTIONS

General Questions

1. Please provide a current organizational chart for the agency, including the number of vacant, frozen, and filled positions in each division or subdivision. Include the names and titles of all senior personnel and note the date that the information was collected on the chart.

Response: See Tab 1.

- a. Please provide an explanation of the roles and responsibilities of each division and subdivision and how each role and/or responsibility contributes to the mission of the agency.

Response:

Office of Executive Director is responsible for Agency's strategic plan, business development, Public Relations/ Marketing, Human Resources, Procurement and Corporate Resources, Information Technology, Business Intelligence and oversight of all Agency divisions.

Office Multifamily Programs and Neighborhood Investments is responsible for executing the Agency's Housing Investment Platform and Multifamily financing program, including underwriting and compliance. Through its Multifamily Lending and Neighborhood Investment and DCHFA issues tax-exempt mortgage revenue bonds to lower the developers' costs of acquiring, constructing and rehabilitating rental housing. The Agency offers private for-profit and non-profit developers low-cost predevelopment, construction and permanent financing that supports the new construction, acquisition, and rehabilitation of affordable rental housing in the District of Columbia.

Office of Single Family Programs manages all of the Agency's homeownership programs with the goal of expanding and retaining homeownership opportunities in the District through the DC Open Doors mortgage loan programs, down payment assistance loans, the Mortgage Credit Certificate program, the co-administration of the Home Purchase Assistance Program and the Reverse Mortgage Insurance and Tax Payment Program (ReMIT).

Portfolio and Asset Management is responsible for ensuring that multifamily rental projects receiving funds from the District of Columbia Housing Finance Agency maintain compliance with the terms of the applicable loan agreements, such as debt payments and affordability restrictions.

Office Financial Management is responsible for the fiscal health of the Agency through budgeting, accounting, auditing, investments, and financial management of assets. The Office of Financial Management is the authoritative source of accurate and complete financial reporting for the Agency's operations.

Office of General Counsel is responsible for overseeing the legal operations of the Agency. The Office of the General Counsel provides legal advice on operational and programmatic activities of the Agency through drafting opinion and providing legal interpretation. Operational duties include oversight of the corporate governance, risk management, contract matters, and consulting with the Board of Director's legal counsel as needed.

- b. Please provide a narrative explanation of any changes to the organizational chart made during the previous year.

Response:

Office of Executive Director

A new headcount, Human Resources Assistant, was added to organizational chart. The position is currently being recruited.

The Vice President of Portfolio and Asset Management position was changed to Senior Vice President and added as part of the Senior Management team.

Business Operations

The Chief Operating Officer position was eliminated effective December 29, 2022. The direct reports from Information Technology and Business Intelligence have moved to the Office of the Executive under the direction of the Chief of Staff. The heads of the program units, Multifamily Lending and Neighborhood Investments, Portfolio and Asset Management and Single Family Programs report directly to the Executive Director.

Single Family Programs

The Senior Vice President of Single Family Programs is listed as a vacancy on the organizational chart, but the position has been filled as of February 1, 2022.

Office of Financial Management

The Vice President of Capital Market position was eliminated.

Two positions, Single Family Accountant and Sr Accountant, Multifamily Programs were consolidated into one position, Financial Analyst

Portfolio and Asset Management

A new headcount, Junior Asset Manager, was added to organizational chart.

- c. Please provide your most current strategic plan and identify each goal and strategy. Explain how each division and subdivision contributes to that plan.

Response: Not Applicable

2. Please provide a current Schedule A for the agency which identifies each position by program and activity, with the employee's title/position, salary, fringe benefits, and length of time with the agency. Please note the date that the information was collected. The Schedule A should also indicate if the position is continuing/term/temporary/contract or if it is vacant or frozen. Please separate salary and fringe and indicate whether the position must be filled to comply with federal or local law.

Response: See Tab 2 - Personnel.

3. Please list all employees detailed to or from your agency. For each employee identified, please provide the name of the agency the employee is detailed to or from, the reason for the detail, the date of the detail, and the employee's projected date of return.

Response: As an independent Agency, DC Housing Finance Agency does not detail employees.

4. Please provide the Committee with
- A list of all employees who received or retained cellphones, personal digital assistants, notebooks, laptops, iPads or similar communications devices at agency expense during any part of FY22 and FY22, to date; and the annual cost to the agency for each device;

Response: See Tab 3

- A list of all vehicles owned, leased, or otherwise used by the agency and to whom the vehicle is assigned, as well as a description of all vehicle accidents involving the agency's vehicles in FY22 and FY22, to date;

Vehicle Year	Vehicle Make	Model	Owner	Accidents
2016	Chevrolet	Suburban	DC Housing Finance Agency	None
2018	Kia	Soul	DC Housing Finance Agency	None

- A list of travel expenses and reimbursements, arranged by employee for FY22 and FY22, to date, including the justification for travel; and

Response: See Tab 4.

- A list of the total workers' compensation payments paid in FY22 and FY22, to date, including the number of employees who received workers' compensation payments, in what amounts, and for what reasons.

Response: None.

5. For FY21 and FY22, to date, what was the total cost for mobile communications and devices, including equipment and service plans?

Response: \$40,432.30.

6. For FY21 and FY22, to date, please detail all intra-District transfers to or from the agency.

Response: Not Applicable.

7. For FY21 and FY22, to date, please identify any special purpose revenue funds maintained by, used by, or available for use by the agency. For each fund identified, provide:

Response: Not Applicable.

- a. The revenue source name and code;
- b. The source of funding;
- c. A description of the program that generates the funds;
- d. The amount of funds generated by each source or program;
- e. Expenditures of funds, including the purpose of each expenditure; and
- f. The current fund balance.

8. For FY21 and FY22, to date, please list any purchase card spending by the agency, the employee making each expenditure, and the general purpose for each expenditure.

Response: See Tab 5.

9. Please list all memoranda of understanding (“MOU”) entered into by your agency during FY21 and FY22, to date, as well as any MOU currently in force. For each, indicate the date on which the MOU was entered and the termination date.

Response: MOU between DMPED & DCHFA, as amended: Housing Stabilization Grant Program regarding distribution of CARES Act funding. December 10, 2020 - December 31, 2021. MOU DHCD & DCHFA: Delegation of LIHTC Determination and Administration Agreement regarding underwriting of 4% LIHTC. May 15, 2015 - May 15, 2020.

10. Please list the ways, other than MOU, in which the agency collaborated with analogous agencies in other jurisdictions, with federal agencies, or with non-governmental organizations in FY21 and FY22, to date.

Response: The Agency collaborated with district and federal agencies, industry groups and non-government organizations through participation in virtual and in-person conferences, memberships in Trade Associations, site visits and meetings.

11. Please provide a table showing your agency’s Council-approved original budget, revised budget (after reprogramming, etc.), and actual spending, by program and activity, for FY20, FY21, and the first quarter of FY22.
- a. For each program and activity, please include total budget and break down the budget by funding source (federal, local, special purpose revenue, or intra-district funds).

Response: See chart below.

- b. Include any over- or under-spending. Explain any variances between fiscal year appropriations and actual expenditures for FY21 and FY22 for each program and activity code.

Response: See chart below.

- c. Attach the cost allocation plans for FY21 and FY22.

Response: Not Applicable.

- d. In FY21 or FY22, did the agency have any federal funds that lapsed? If so, please provide a full accounting, including amounts, fund sources (e.g. grant name), and reason the funds were not fully expended.

Response: Not Applicable.

BFA- FUND 0620; ORG 1000; PROGRAM 1100	2022 Budget
0011-REGULAR PAY - CONT FULL TIME	7,146,410.86
0014-FRINGE BENEFITS - CURR PERSONNEL	2,202,500
0015-OVERTIME PAY	30,000.00
01-PERSONNEL SERVICES	9,378,910.42
0020-SUPPLIES AND MATERIALS (CSG 201)	127,520.20
0030-ENERGY, COMM. AND BLDG RENTALS (CSG 305)	156,502.00
0031-TELEPHONE, TELEGRAPH, TELEGRAM, ETC (CSG 308)	115,927.41
0033-JANITORIAL SERVICES (CSG 430)	112,449.25
0034-SECURITY SERVICES (CSG 440)	28,981.85
0040-OTHER SERVICES AND CHARGES (CSG 410)	2,086,693.33
0041-CONTRACTUAL SERVICES - OTHER (CSG 409)	2,782,257.78
0070-EQUIPMENT & EQUIPMENT RENTAL (CSG 702)	220,262.07
0080-DEBT SERVICE	
02-NON-PERSONNEL SERVICES	5,630,593.89
Total	15,009,504.32

BFA- FUND 0620; ORG 1000; PROGRAM 1100	2021 Budget	2021 Actual	Variance
0011-REGULAR PAY - CONT FULL TIME	6,714,586.87	5,178,970	77.1%
0014-FRINGE BENEFITS - CURR PERSONNEL	2,069,412.87	1,023,495	49.5%
0015-OVERTIME PAY	30,000.00	10,000	33.3%
01-PERSONNEL SERVICES	8,813,999.75	6,212,465.00	70.5%
0020-SUPPLIES AND MATERIALS (CSG 201)	123,806.01	74,449	60.1%
0030-ENERGY, COMM. AND BLDG RENTALS (CSG 305)	151,943.69	115,065	75.7%
0031-TELEPHONE, TELEGRAPH, TELEGRAM, ETC (CSG 308)	112,550.88	46,668	41.5%
0033-JANITORIAL SERVICES (CSG 430)	109,174.03	61,475	56.3%
0034-SECURITY SERVICES (CSG 440)	28,137.72	6,801	24.2%
0040-OTHER SERVICES AND CHARGES (CSG 410)	2,025,915.86	1,760,492	86.9%
0041-CONTRACTUAL SERVICES - OTHER (CSG 409)	2,701,221.14	1,523,976	56.4%
0070-EQUIPMENT & EQUIPMENT RENTAL (CSG 702)	213,846.67	73,222	34.2%
0080-DEBT SERVICE	-	-	
02-NON-PERSONNEL SERVICES	5,466,596.00	3,662,148.00	67.0%
Total	14,280,595.75	9,874,613.00	69.1%

BFA- FUND 0620; ORG 1000; PROGRAM 1100	2020 Budget	2020 Actual	Variance
0011-REGULAR PAY - CONT FULL TIME	6,308,856	6,013,453	95.3%
0014-FRINGE BENEFITS - CURR PERSONNEL	1,935,444	1,110,071	57.4%
0015-OVERTIME PAY	30,000	10,000	33.3%
01-PERSONNEL SERVICES	8,274,300	7,133,524	86.2%
0020-SUPPLIES AND MATERIALS (CSG 201)	120,200	80,056	66.6%
0030-ENERGY, COMM. AND BLDG RENTALS (CSG 305)	147,518	100,080	67.8%
0031-TELEPHONE, TELEGRAPH, TELEGRAM, ETC (CSG 308)	109,273	42,195	38.6%
0033-JANITORIAL SERVICES (CSG 430)	105,994	73,651	69.5%
0034-SECURITY SERVICES (CSG 440)	27,318	5,585	20.4%
0040-OTHER SERVICES AND CHARGES (CSG 410)	1,966,909	1,033,020	52.5%
0041-CONTRACTUAL SERVICES - OTHER (CSG 409)	2,622,545	1,898,837	72.4%
0070-EQUIPMENT & EQUIPMENT RENTAL (CSG 702)	207,618	52,576	25.3%
0080-DEBT SERVICE	0		
02-NON-PERSONNEL SERVICES	5,307,375	3,286,000.00	61.9%
Total	13,581,674	10,419,524.00	76.7%

12. Please provide as an attachment a chart showing the agency's federal funding and expenditures by program for FY20, FY21 and FY22, to date.

Response:

Hardest Hit Fund-US Treasury	FY22	FY21	FY20
HHF Money Available	3,482,808	4,600,000	4,790,000
HHF Money used current year	560,000	1,117,192	190,000
HHF Money used cumulative	20,501,859	19,941,859	18,824,667
HHF remaining	0	3,482,808	4,600,000

*HHF program ended 12-31-21

McKinney Fund	FY22	FY21	FY20
McKinney Funds Available	9,603,228	9,156,761	
McKinney Loans Outstanding	3,329,590	4,021,429	4,800,519
Unused McKinney Funds	6,273,638	5,135,332	

13. With respect to capital projects, please provide:

- a. A list of all capital projects in the financial plan.

Response: See chart below.

- b. For FY20, FY21, and FY22, an update on all capital projects under the agency's purview, including a status report on each project, the timeframe for project completion, the amount budgeted, actual dollars spent, and any remaining balances, to date.

Response: See chart below.

- c. An update on all capital projects planned for FY22, FY23, FY24, and FY25.

Response: Not Applicable.

- d. A description of whether the capital projects begun, in progress, or concluded in FY20, FY21, or FY22, to date, had an impact on the operating budget of the agency. If so, please provide an accounting of such impact.

Response: Not Applicable

Capital Projects	Purpose	Status	FY22 Budget	FY21 Actual	FY20 Actual
Single Family-Software	Loan Pipeline tool	Completed FY20-Enhancements FY21	\$ 50,000	\$ -	\$ -
Financial Software	Accounting	65% Complete	\$ 270,000	\$ -	\$ -
Multifamily Software	Loan- bond portfolio tool	Ongoing	\$ 500,000	\$ -	\$ -
Software Consulting	Improved Reporting	Ongoing	\$ 150,000	\$ -	\$ -

14. Please provide a list of all budget enhancement requests (including capital improvement needs) for FY21 and FY22, to date. For each, include a description of the need and the amount of funding requested.

Response: Not Applicable.

15. Please list, in chronological order, each reprogramming request and each reprogramming in FY21 and FY22, to date, that impacted the agency, including those that moved funds into the agency, out of the agency, and within the agency. Include the revised, final budget for your agency after the reprogrammings for FY21 and FY22, to date. For each reprogramming, list the date, amount, rationale, and reprogramming number.

Response: Not Applicable.

16. Please list each grant or sub-grant received by your agency in FY21 and FY22, to date. List the date, amount, source, purpose of the grant or sub-grant received, and amount expended.

FY21 Home Purchase Assistance Program

	Loans	Admin. cost	Total
CDBG	3,150,795	489,883	3,640,678
Local	1,784,033	256,630	2,040,663
Home	3,488,373	0	3,488,373
Program Totals	8,423,201	746,513	9,169,714

a. How many FTEs are dependent on grant funding? What are the terms of this funding? If it is set to expire, what plans, if any, are in place to continue funding the FTEs.

Response: No FTEs are dependent on grant funding.

17. Please list each contract, procurement, and lease, entered into, extended, and option years exercised by your agency during FY21 and FY22, to date. For each contract, please provide the following information, where applicable:

- a. The name of the contracting party;
- b. The names of the individual principals constituting that contracting party;

- c. The nature of the contract, including the end product or service;
- d. The dollar amount of the contract, including amount budgeted and amount actually spent;
- e. The term of the contract;
- f. Whether the contract was competitively bid and/or the explanation for it being non-competitive or sole source;
- g. The name of the agency's contract monitor and the results of any monitoring activity; and
- h. The funding source.

Response: See Tab 6.

18. Please list all pending lawsuits that name the agency as a party. Identify which cases on the list are lawsuits that potentially expose the District to significant financial liability or will result in a change in agency practices, and describe the current status of the litigation. Please provide the extent of each claim, regardless of its likelihood of success. For those identified, please include an explanation about the issues involved in each case.

Response: Downs v. DCHFA: The Plaintiff is a former DCHFA employee. The complaint alleges wrongful termination, retaliation in violation of the False Claims Act, and retaliation in violation of the DC Whistleblower Act. The case was dismissed on August 10, 2020, and the Plaintiff filed an appeal on November 13, 2020. A hearing on the appeal has not been scheduled. Twelve (12) plaintiffs have sued four (4) defendants, including the Agency, for habitability issues regarding homes that they purchased from a third-party non-profit developer. The Agency's role in these transactions was solely as a Co-Administrator for the distribution of funds under DHCD's HPAP program. The Agency is currently drafting an answer to the complaint and is also considering whether to prepare a motion to dismiss. The initial scheduling conference is in April 2022. Although the twelve plaintiffs have requested \$1.5 million in damages each, the complaint is not specific to the amount of damages attributable to each defendant. As the Agency was just a Co-Administrator of the funds, it is unlikely that significant damages if any are attributable to the Agency's distribution of the funds. The Agency and its litigation counsel continue to believe that it has strong defenses to the allegations.

19. Please list all settlements entered into by the agency or by the District on behalf of the agency in FY21 or FY22, to date, and provide the parties' names, the amount of the settlement, and if related to litigation, the case name and a brief description of the case. If unrelated to litigation, please describe the underlying issue or reason for the settlement (e.g. administrative complaint, etc.)

Response: A former employee of the Agency filed a claim with the District of Columbia Office of Human Rights (OHR) alleging racial and age discrimination related to the employee's termination. The claim was settled and the employee withdrew the OHR claim. The terms of the settlement are confidential as it was a personnel matter. Although no claims were filed, the Agency negotiated a severance

and settlement agreement with a former employee. The terms of the severance agreement are confidential as it was a personnel matter.

20. Please list the administrative complaints or grievances that the agency received in FY21 and FY22, to date, broken down by source. Please describe the process utilized to respond to any complaints and grievances received and any changes to agency policies or procedures that have resulted from complaints or grievances received. For any complaints or grievances that were resolved in FY21 or FY22, to date, describe the resolution.

Response: A former employee of the Agency filed a claim with the District of Columbia Office of Human Rights (OHR) alleging racial and age discrimination related to his termination. The claim was settled, and the employee withdrew the OHR claim. An employee filed a grievance through Human Resources alleging discrimination. The allegation was investigated under the DCHFA grievance procedure and found no basis for the complaint.

21. Please describe the agency's procedures for investigating allegations of sexual harassment or misconduct committed by or against its employees. List and describe any allegations received by the agency in FY21 and FY22, to date, whether those allegations were resolved.

Response: In all circumstances, including allegations of sexual harassment and misconduct, employees are encouraged to report any concerns, complaints, and/or grievances to the Office of Human Resources. All complaints are investigated promptly, fairly, and impartially. Disciplinary action, up to and including termination, may be necessary dependent upon the type of complaint. The Human Resources department works to ensure that no retaliation occurs against any employee who has reported a grievance or any employee who has come forward as a witness in an investigation. Additionally, the Agency conduct annual sexual harassment training for all employees. No allegations of sexual harassment of misconduct have been reported during FY21 or FY22 to date.

22. Please list and describe any ongoing investigations, audits, or reports on the agency or any employee of the agency, or any investigations, studies, audits, or reports on the agency or any employee of the agency that were completed during FY21 and FY22, to date.

Response: There are no ongoing investigations or reportable investigations for FY21 and FY22 to date.

23. Please describe any spending pressures or any reimbursements pursuant to contract or other obligations where remitting reimbursement exceeded thirty (30) days the agency experienced in FY21 and any anticipated spending pressures for the remainder of FY22. Include a description of the pressure and the estimated amount. If the spending pressure was in FY21, describe how it was resolved, and if the spending pressure is in FY22, describe any proposed solutions.

Response: DCHFAs has been able to overcome all spending pressures through cost management strategies including managing across departments and line items to find off setting cost savings for increased expenditures and focusing spending on mission critical items.

24. Please provide a list of all studies, research papers, reports, and analyses that the agency prepared or contracted for during FY21 and FY22, to date. Please state the status and purpose of each. Please submit a hard copy to the Committee if the study, research paper, report, or analysis is complete.

Response:

The Agency prepares an annual report, which can be viewed via TAB 7 electronically. Click [here to view TAB 7](#).

25. Provide a list of all publications, brochures and pamphlets prepared by or for the agency during FY21 and FY22 to date.

Response:

- DC Open Doors brochure (The brochure is updated as needed to reflect program changes. It includes information on DC Open Doors' six loan products, HPAP and the Mortgage Credit Certificate.)
- DC MAP (Mortgage Assistance Program) COVID-19 flyer
- HomeSaver Fact Sheets
- Fiscal Year 2021 Annual Report
- Multifamily deal graphics:
FY 2021- Savanah Apartments, NW One, Sursum Corda, Ritch Homes, 17 Mississippi Avenue Apartments, 218 Vine Street and 2442 Martin Luther King Ave SE, Clara on MLK, MDXL Flats, Hill East
FY 2022- SOME (So Others Might Eat) North Capitol, Kenilworth 166

26. Please provide a copy of the agency's FY21 performance plan. Please explain which performance plan objectives were completed in FY21 and whether they were completed on time and within budget. If they were not, please provide an explanation.

Response: Not Applicable.

27. Please provide a copy of your agency's Strategic Plan for FY21 and FY22.

Response: Not Applicable.

28. Please provide the number of FOIA requests for FY21 and FY22, to date, that were submitted to your agency. Include the number granted, partially granted, denied, and pending. In addition, please provide the average response time, the estimated number of FTEs required to process requests, the estimated number of hours spent responding to these requests, and the cost of compliance.

Response: In FY 21, the Agency received seven (7) FOIA requests. One (1) request was granted, in whole. Two (2) requests were granted, in part, denied, in part. Three (3) requests were denied in whole. One (1) request was subject to other disposition. The average Agency response time is three and a half (3.5) days. The estimated FTE required to process FOIA requests is one (1) FTE. The estimated number of staff hours spent responding to requests is forty (40) hours. The estimated cost of compliance is \$40,000. There have been two (2) requests in FY22: One (1) request was denied in whole; one (1) request is currently being processed.

29. Please provide a copy of your agency's FY22 performance plan as submitted to the Office of the City Administrator and any accomplishments pursuant to that plan.

Response: Not Applicable.

30. Please separately list each employee whose salary was \$100,000 or more in FY21 and FY22, to date. Provide the name, position number, position title, program, activity, salary, and fringe. In addition, state the amount of any overtime or bonus pay received by each employee on the list.

Response: See Tab 8 - Personnel.

31. Please list in descending order the top 25 overtime earners in your agency in FY21 and FY22, to date. For each, state the employee's name, position number, position title, program, activity, salary, fringe, and the aggregate amount of overtime pay earned.

Response: See Tab 8 - Personnel.

32. For FY21 and FY22, to date, please provide a list of employee bonuses or special pay granted that identifies the employee receiving the bonus or special pay, the amount received, and the reason for the bonus or special pay.

Response: See Tab 8 - Personnel.

33. Please provide each collective bargaining agreement that is currently in effect for agency employees. Please include the bargaining unit and the duration of each agreement. Please note if the agency is currently in bargaining and its anticipated completion.

Response: DC Housing Finance Agency does not have a collective bargaining agreement or union employees.

34. If there are any boards or commissions associated with your agency, please provide a chart listing the names, confirmation dates, terms, wards of residence, and attendance of each member. Include any vacancies. Please also attach agendas and minutes of each board or commission meeting in FY21 or FY22, to date, if minutes were prepared, or the explanation why minutes were not prepared or not available. Please inform the Committee if the board or commission did not convene during any month.

Response:

Board of Directors Ward Confirmation Date Term Ends

Buwa Binitie Ward 4 January 7, 2020 June 28, 2022

Stephen Green Ward 6 December 15, 2020 June 28, 2022

Stanley Jackson Ward 8 November 5, 2019 June 28, 2021

Bryant “Scottie” Irving Ward 1 November 5, 2019 June 28, 2021

Heather Howard Ward 5 November 5, 2019 June 28, 2021

*There are currently no vacancies. Per the DC Code §42 2702 Board members can remain in place and serve until successor replacement is or renominated.

The FY21 and FY22 Board meeting agendas and minutes are attached.

The Board of Directors did not convene in February 2021.

35. Please list all reports or reporting currently required of the agency in the District of Columbia Code or Municipal Regulations. Provide a description of whether the agency is in compliance with each requirement, and if not, why not (e.g. the purpose behind the requirement is moot, etc.).

Response:

The Agency is in compliance with:

IRS Form 8038

IRS Form 8328

HUD Risk-Share Reporting

DCHFA Annual Report Reporting

DCHFA FOIA Reporting

36. Please provide a list of any training or continuing education opportunities made available to agency employees. For each additional training or continuing education program, please provide the subject of the training, the number of agency employees that were trained, the names of the trainers, and the total cost of each, if a procurement was made, the name of the contractor and the basis for the non-competitive award, if applicable.

Response: See Tab 10.

37. Does the agency conduct annual performance evaluations of all its employees? Who conducts such evaluations? What steps are taken to ensure that all agency employees are meeting individual job requirements?

Response: At the beginning of each fiscal year, agency leadership develop broad goals that drive the priorities for each department and are incorporated into the performance plans for individual employees. The goals for FY 22 are: Operate core business effectively, Attract and hire talent, Invest in staff retention, development and wellness, Innovate new products, processes and systems and, Maximize the impact and efficiency of the Agency.

The Agency conducts annual performance evaluations. Performance Goals are established at the beginning of the fiscal year and monitored throughout the year and formally evaluated and scored at the end of the fiscal year. Employee’s goals are

evaluated against the following performance factors: performance management, competency, relationship management & teamwork; and communication on a five point scale. Performance reviews are performed by an employee's direct supervisor. A calibration meeting is held by senior management to collectively discuss employee's individual contributions and performance and achieve agreement on performance appraisal ratings. The ratings are used to determine merit increases, promotions, and potential bonuses for employees. Performance evaluations are also reviewed by Human Resources for consistency and indications of poor performance. Poor performance may require the implementation of a Performance Improvement Plan (PIP).

Racial Equity Questions

38. In the context of your agency and its mission, what are three areas, programs, or initiatives where you see the most opportunity to address racial inequity?

Response: The Agency is committed to equity and inclusion and looks for opportunities to implement programs, products, or tools that further this effort. The following are examples:

- a. The Agency recently hired a new master servicer for the Single Family Programs. We will analyze our data generated regarding potential homebuyers to identify inequities with the goal of building solutions that promote inclusion and social equality.
 - b. The Agency's Community Outreach Initiative has also targeted opportunities for communities of color. The program has made investments in programs and events across the district with a focus on wards 7 and 8. Outreach initiatives include support for youth activities, senior services and education and training resources. The agency has also partnered with other nonprofit operators to make additional investments. From FY2021 through the 1st quarter of FY 22, DCHFA sponsored, supported, or partnered with 39 community organizations and individuals.
 - c. Continue to implement the Housing Investment Platform (HIP) to promote and grow emerging developers of color, a group that has historically lacked access to institutional capital. Through the provision of capital, these developers can build a portfolio of successful projects that will ultimately provide a foundation to raise institutional capital in the future from larger equity funds.
 - d. Finally, over the last several years the agency's CBE performance has steadily increased to over 100% achievement for fiscal years 20 and 21 years. This deliberate focus on exceeding CBE performance goals has ensured that racially diverse companies have an opportunity to sustainably run their businesses and grow their ability to perform over time.
39. What are three metrics that your agency uses, or could use, to measure progress toward racial equity?

Response: Three metrics the agency uses are 1) The number of McKinney loans issued to small developers 2) The number of new HIP homebuyers and 3) The number of Todd A. Lee Scholars

40. Do you think there are any areas/programs where your department has had some success in building racial equity over the past year? Which areas/programs?

Response: An example of success in building racial equity, is providing homeownership opportunities to long time middle income professionals through HIP.

41. Consider the demographic data your department collects, tracks, and evaluates as (A) part of its operations and (B) as part of its performance plan:
a. Do you collect information on race and geographic area? If not, why not?

Response: DCHFA collects data primarily on income and geographical area as appropriate to applicable regulations.

42. What legal barriers (if any) do you face as an agency to advancing racial equity or better understanding racial inequity?

Response: The primary barrier and challenge to addressing racial equity is navigating various District and Federal laws and regulations as not to violate any anti-discrimination measures. Thus, the Agency has followed DSLBD and DMPED's lead in defining the targets and scopes of its initiatives.

43. In your FY22 budget as approved, are there specific programs or allocations that are specifically designed to address racial or economic inequities faced by District residents? In detail, please describe how these efforts address those inequities.

Response: The Agency has \$25 million in the FY 22 budget for HIP.

Agency-specific Questions

44. Please list each new policy initiative of the agency during FY21 and FY22 to date. For each initiative please provide:

Response: Not Applicable

- a. A detailed description of the program;
- b. The name of the employee who is responsible for the program;
- c. The total number of FTEs assigned to the program;
- d. The amount of funding budgeted to the program. What products does the Agency market, and how does the Agency market its products to individuals?

45. What products does the Agency market, and how does the Agency market its products to individuals?

Response: DCHFA markets the HUD 50/50 Risk Share program and the Housing Investment Platform (HIP) to developers through the Agency's website, industry events and social media. The for-sale homes constructed through the HIP program are marketed to individuals primarily by each development's sales agent. DCHFA contributes to marketing the homes by listing them on www.DCHFA.org and providing the sales agent to interested parties. In addition, the Agency shares updates on the developments posted by the developer and sales team on Instagram.

Multifamily developments under construction and those that have delivered are listed on the Agency's website. During FY 2021 and 2022, ads touting the multifamily division were published in the NHP Foundation's symposium booklet, Globe Street's Real Estate Forum which recognized the Agency as a 2021 Senior Housing Influencer, and the Washington Business Journal's Best Real Estate Deals which recognized two of the Agency's properties as finalists.

The Agency markets all of its homeownership programs administered by the Single Family Programs division to individuals. This includes DC4ME, DC MAP COVID-19, DC Open Doors, Mortgage Credit Certificate (program on hiatus as of February 19, 2021), HPAP and ReMIT (program on hiatus as of October 27, 2021). All of the Agency's homeownership programs are covered during virtual information sessions, hosted by DC Open Doors approved lenders. The sessions are marketed via social media on Facebook (DC Open Doors and DCHFA pages), Twitter (@DCOpenDoors and @DCHFA), and Instagram (@dchfa). The seminars are posted to the Agency's public events calendar located on www.DCHFA.org. The Agency has banner ads on the website of the *Washington Informer* that link to DCHFA's events calendar to promote the virtual seminars.

DCHFA purchases advertising to market its homeownership products to individuals. During FY 2021 and through FY 2022, the Agency had monthly full-page ads in Capital Community News publications *East of the River*, *HillRag* and *MidCity* that featured all the Agency's homeownership programs. The Agency launched a targeted advertising campaign on the relaunch of the HomeSaver foreclosure prevention program that included the *Washington City Paper* (print and digital), *Washington Informer* (print and digital), WHUR and WJLA. The HomeSaver program was also promoted across DCHFA's Facebook, Instagram and Twitter accounts.

Publicity earned by the agency is used to market DCHFA as well. All media that includes the Agency's programs is shared via DCHFA's aforementioned social media platforms. In FY 2021, DCHFA was featured in 70 published articles in

local and national media outlets including the Washington Post, Bisnow, Affordable Housing Finance magazine and WUSA-9. Stories included profiles of DCHFA staff and programs, Agency-financed developments, and private and public financing partners. Thus far in FY 2022, the Agency has been featured in 14 articles in local and national publications including Multihousing News, Commercial Observer, Globe Street and the Washington Business Journal.

46. Please describe what efforts the DCHFA makes to solicit input from community stakeholders when making major decisions about its programs, including when developing or changing eligibility criteria or guidelines. What does DCHFA do to make those processes, criteria, and guidelines as transparent for the public as possible? How has the agency improved community outreach and public meeting procedures over the past fiscal year?

Response: DCHFA hosts public meeting and posts all notices for its Board of Directors meetings on the agency's website. The Agency's website has a contact function where members of the public may contact the agency with questions and concerns. This email inbox is monitored by the public relations staff which answers inquiries and/or distributes the inquiries to the appropriate department. The Agency has a dedicated hotline and email account for the DC MAP program. It also established an email account solely for the Housing Stabilization Grant program during its period of activity in December 2020. The public relations staff monitors all comments and inboxes for DCHFA's social media and provides responses to all inquiries. As it relates to single family program(s), DCHFA works closely with DHCD, local lenders and community-based organizations to enlist support and inform the community of changes to the eligibility criteria related to the various lending programs we administer.

DCHFA uses extensive contact through social media, digital devices and old-fashion telephone and contract/document review, as applicable, with all its shareholders to ensure notice to and notice about DCHFA administered programs and the regulations and guidelines pursuant to those policies, regulations, and guidelines.

47. Please provide the most recent quarterly data reports DCHFA has used to track and forecast trends in AMI. Have there been any changes in the income limits for the DCHFA products and programs?

Response: The Agency uses HUD standards. All of our income standards are based on those standards. DCHFA does not track/forecast trends in AMI (now known as Median Family Income – MFI). The 2019 MFI Limit was \$121,300 and the 2020 MFI Limit is \$126,000. Single Family programs that utilize MFI Limits for eligibility are updated annually, once announced. Most DCHFA Single Family programs allow up to 120% of MFI Limits, which is currently \$151,200.

48. How many projects and transactions did DCHFA fund in FY21 and FY22 to date? Please include total funded amount in dollars, as well as the number of transactions the Agency plans to close this fiscal year. How does DCHFA prioritize the projects?

Response:

FY2021 - 11 projects \$245 million / 976 Units (3 risk-share/\$107 million)

FY2022(Q1) - 3 projects \$91 million / 293 Units

The Agency uses the “first in- first out” approach coupled with project readiness to determine prioritization.

49. Please describe the Agency’s policies regarding defaulting or distressed residential housing properties, including:
- a. Following a default, how often the Agency communicates with stakeholders (such as tenants and tenant associations) with status-related information;
 - b. How tenants are engaged in the decision-making process in the disposition of a defaulting property; and
 - c. The determination of how to dispose of a defaulting property backed by HUD.

Response: DCHFA is a mission-oriented agency which is expressly committed to the goal of providing quality affordable housing to District residents. As such we feel a keen sense of responsibility to tenants at Agency-financed properties, and to the greatest extent possible, we strive to ensure that the tenants at distressed or defaulting properties are involved in the decision-making process and updated regarding the execution of the disposition. Inclusion of the tenants to the greatest extent practicable at every stage of the disposition process has been our practice, and we plan to continue to do so. Distressed multifamily residential properties are closely monitored by reviewing monthly financials, annual financial audits, mortgagee inspections and requiring the Borrower to create a Corrective Action Plan (CAP). The CAP is monitored monthly to ensure corrective performance goals are obtained. For defaulting multifamily residential housing properties, we work with the Borrower/Owner in attempts to resolve the matter causing the default. If Borrowers/Owners are unwilling to cooperate, the Agency will attempt to preserve the property by legally pursuing possession of the project by becoming the Mortgagee In Possession or proceeding with the legal foreclosure process to adversely obtain possession.

The Agency notifies all stakeholders regarding all required reporting and noncompliance matters. When HUD-assisted developments are involved, HUD is notified/copied on all correspondence issued to the Borrower, urgent matters are reported daily via email and a summary report regarding the portfolio is issued semi-annually. The DC Department of Housing and Community Development (DHCD) and DC Housing Authority (DCHA) are notified/copied on all correspondence issued to the Borrower/Owner if required. Urgent matters are reported daily via email and by telephone. The Agency routinely meets with tenant groups, subject property management agents, as well as representative ANCs and Councilmembers before legal proceedings are initiated and provide status updates throughout the process. Close contact with all of these groups aids in the smooth

transition of legal ownership and helps ensure that the premises are maintained per applicable building codes and regulations.

50. Please provide an update on how the Agency is implementing recommendations from the Comprehensive Housing Strategy Task Force, including affordable housing unit goals.

Response: The Agency plays a supporting role but is not responsible for the implementation of recommendations from the task force.

51. Please provide an update on how DCHFA is responding to the Mayor's Order 2019-036, including the call to produce 36,000 housing units by 2025 and for those units to be "equitably distributed" throughout the Mayor's area-specific targets. Please specifically provide data on the breakdown of units by income level, and across small area planning.

Response: See Tab 11.

52. Please list the criteria the Compliance and Asset Management Department uses to monitor DCHFA's multifamily portfolio.

Response: DCHFA's Portfolio and Asset Management (PAM) division monitors the Agency's multifamily portfolio and is governed primarily by the District of Columbia Housing Code, applicable District of Columbia Municipal Regulations {DCMR}, and the HUD-enforced Uniform Physical Condition Standard. Regarding the financial stability of projects within the Agency's portfolio, PAM's involvement in the underwriting extends to an examination of required unit set-aside ratios and debt service coverage ratios (DSCR) and cost to operate on a per unit basis. The underwriting process carries through to the compliance period. Specifically, the Agency regularly monitors the financial condition of projects in its portfolio through building/mortgagee physical reports, Management Operation Review (MOR) reports, reports required per the IRS Section 142 (d) program, financial audit statements, and the Agency's internal inspection process which collectively ensure that subject properties maintain cash flow sufficient for their sound operation and maintenance. Additionally, PAM is currently working to develop an information technology solution, which will allow for the efficient dissemination of information agency wide as well as provide various data matrix of key components of the portfolio.

53. Please provide a list of locations where short-term bridge financing has been applied by amount, address, and expiration date.

Response: Not Applicable.

54. Please provide an update on the Housing Investment Platform (HIP) and describe what role the program is playing in producing affordable home ownership opportunities for District residents. Please outline the most active developer participants.

Response: The HIP program was designed to achieve several objectives: first, to meet the pent up need of middle-income housing; second, to retain the middle class of long-term District residents and grow wealth through homeownership and third to promote and grow emerging developers by providing access to capital. In addition to 20 units sold to middle income wage earners, the program has a pipeline of 100 units. To date, the most active developers have been H2Build and HEP Builders.

55. Please provide an update on any ongoing, or planned, LIHTC initiatives in higher-value neighborhoods in the District.

Response: DCHFA, in coordination with its agency partners, continue to provide tax exempt bonds to transactions awarded subsidy financing. The agency continues to focus on meeting the 36,000 by 2025 goal set by the Executive Office of the Mayor.

56. Please provide the following information pertaining to DC Open Doors in FY21 and FY22 to date.

Response: See below.

57. Please provide the number of DC Open Doors applications received in FY21 and FY22 to date, with a breakdown by
a. ward (or state) of applicant(s)

Response:

FY21

Ward 1 79
Ward 2 30
Ward 3 19
Ward 4 46
Ward 5 59
Ward 6 32
Ward 7 98
Ward 8 60

FY22

Ward 1 7
Ward 2 3
Ward 3 2
Ward 4 2
Ward 5 3
Ward 6 4
Ward 7 12
Ward 8 11

b. income of the applicant(s)

Response:

FY21 - Avg Income was \$84,417.26

FY22 - Avg Income was \$81,057.02

- c. race of the applicant(s)

Response:

FY21

Native American	6
Asian	33
African America	182
Hawaiian Pacific	16
Hispanic	0
White	128

FY22

Native American	0
Asian	1
African America	25
Hawaiian Pacific	0
Hispanic	7
White	11

- d. age of the applicant(s)

Response:

FY21 - Average Age was 33.17

FY22 - Average Age was 35.80

- e. gender of the applicant(s)

Response:

FY21

Female	261
Male	162

FY22

Female	32
Male	12

- f. primary language spoken by the applicant(s) –

Response: Unknown.

g. unit type purchased (single family homes, condos, co-ops)

Response:

<u>FY21</u>	
Condo	264
SFH	159
 <u>FY22</u>	
Condo	28
SFH	16

58. Please provide the number of applications approved in FY21 and FY22 to date, with a breakdown by

a. ward (or state) of applicant(s)

Response:

<u>FY21</u>	
Ward 1	87
Ward 2	34
Ward 3	23
Ward 4	52
Ward 5	64
Ward 6	37
Ward 7	99
Ward 8	67
 <u>FY22</u>	
Ward 1	9
Ward 2	3
Ward 3	2
Ward 4	2
Ward 5	3
Ward 6	4
Ward 7	12
Ward 8	11

b. income of the applicant(s)

Response:

FY21 - Avg Income was \$84,707.86

FY22 - Avg Income was \$78,842.46

- c. race of the applicant(s)

Response:

FY21

Native American	7
Asian	36
African America	168
Hawaiian Pacific	0
Hispanic	79
White	151

FY22

Native American	0
Asian	1
African America	33
Hawaiian Pacific	0
Hispanic	12
White	21

- d. age of the applicant(s)

Response:

FY21 - Average Age was 33.28

FY22 - Average Age was 35.49

- e. gender of the applicant(s)

Response:

FY21

Female	281
Male	182

FY22

Female	345
Male	22

- f. primary language spoken by the applicant(s)

Response: Unknown

59. Please provide the guidelines that are used when underwriting DC Open Doors applications.

Response: See Tab 12.

a. What supporting documents does HFA seek from applicants to confirm eligibility?

Response: The Lender submits an underwriting approval package for review which includes but is not limited to income documents. (Max income limit is \$151,200 and they do not have to be a 1st time home buyer) The maximum loan amount for the 1st trust is \$548,250. A purchaser can borrow up to \$822,375 on a 1st trust loan amount (and still qualify for 3% in down payment assistance) on our high balance loan. The rates on this are higher, the borrower must contribute 5% of the Sale Price. (at least 2% of their own money and our 3% in DPA) we have not done many high balance loans.

60. For FY21 and FY22 to date, please provide the following information:

a. What is the average time period between applying for DC Open Doors and closing?

Response: Loans received by lenders are typically reviewed within 3-5 business days – please note that the lender “reserves/locks” the loan at the time the borrower has a ratified sales contract and a completed loan application. The lender then has 45 days to process, receive underwriting approval, submit to DCHFA for compliance review approval and wire, if applicable (DPA) and then close the loan.

b. What is the shortest time period between applying for DC Open Doors?

Response: DCHFA requires sufficient time to wire funds for the loans that also have Down Payment Assistance, so we request a minimum of 3 days from the date of submission. DC Open Doors loans without DPA could close on the same day received, however, we adhere to a strict first-come first-served policy and underwrite the loans in the order in which received. This allows us to remain fair and consistent. Since our Participating/Trained lenders are familiar with the Agency’s process, files are typically submitted at least one to one and one-half weeks in advance of the scheduled closing date.

c. What is the longest time period between applying for DC Open Doors and closing?

Response: The lender/borrower has a maximum of 105 days from the time the loan is reserved/locked until Lakeview purchases the loan before they would have to cancel and re-lock at market rate.

- d. What are the reasons for delays in closing?

Response: Final Inspections/Certificates of completions on new construction/lender re-working the loan.

- e. What are the bases for not approving an application, and the number of applications denied for each basis?

Response: Because we see files after the lender’s underwriter has approved the file, we usually do not deny any files. Typically, if we have a file with an issue such as too high of a Debt-To-Income (DTI) or over the income limit for the program, we put a condition on the loan that the file does not meet program guidelines and the lender either restructures the loan or they cancel the file.

- f. What are the bases for not closing on an application that was issued, and the number of loans denied for each basis?

Response: The term “application” is a bit nebulous. Once we approve our loan, it goes to settlement with the 1st trust package. And as we all know, sometimes loans do not settle because of various reasons. If this happens, our DPA gets returned and we cancel the loan in the system with a memo as to why the loan was cancelled. Lenders will lock loans (applications?) with us and then a percentage of them never close. Steve would have an idea of what our “pull-through” rate is i. e. how many reservations did we get in FY21 and how many of those loans closed.

61. Please provide the following information pertaining to the Home Purchase Assistance Program in FY21 and FY22 to date.

Response: See below.

62. Please provide the number of Notice of Eligibility (NOE) applications received in FY21 and FY22 to date, with a breakdown by

- a. ward (or state) of applicants

Response:

FY2021:	518 Total
Ward 1	39
Ward 2	25
Ward 3	29
Ward 4	75
Ward 5	74

Ward 6	64
Ward 7	98
Ward 8	111
Non-DC	3

FY2022 1 st QTR:	134 Total
Ward 1	15
Ward 2	4
Ward 3	7
Ward 4	9
Ward 5	17
Ward 6	12
Ward 7	28
Ward 8	42

b. income of the applicant(s)

Response: Not Tracked.

c. race of the applicant(s)

Response: Not Tracked. However, tracked for loans.

d. age of the applicant(s)

Response: Not Tracked. However, tracked for loans.

e. gender of the applicant(s)

Response: - Not Tracked. However, tracked for loans.

f. primary language spoken by the applicant(s)

Response: Not Tracked.

g. unit type purchased (single family homes, condos, co-ops)

Response: Not Tracked.

63. Please provide the number of NOEs issued in FY21 and FY22 to date, with a breakdown by:

Response:

FY2021	354 Total	(Avg Eligibility \$57,764)
Ward 1	36	(10%) (Avg Eligibility \$52,667)
Ward 2	21	(6%) (Avg Eligibility \$56,190)
Ward 3	18	(5%) (Avg Eligibility \$56,444)
Ward 4	56	(16%) (Avg Eligibility \$56,143)
Ward 5	55	(15%) (Avg Eligibility \$53,891)
Ward 6	45	(13%) (Avg Eligibility \$55,200)
Ward 7	60	(17%) (Avg Eligibility \$64,980)
Ward 8	63	(18%) (Avg Eligibility \$61,419)

FY2022 1 st QTR	81 Total	(Avg Eligibility \$59,506)
Ward 1	3	(4%) (Avg Eligibility \$49,333)
Ward 2	2	(2%) (Avg Eligibility \$32,000)
Ward 3	6	(7%) (Avg Eligibility \$50,667)
Ward 4	10	(12%) (Avg Eligibility \$63,200)
Ward 5	15	(19%) (Avg Eligibility \$61,600)
Ward 6	7	(9%) (Avg Eligibility \$56,571)
Ward 7	22	(27%) (Avg Eligibility \$60,727)
Ward 8	16	(20%) (Avg Eligibility \$63,500)

- a. income of the applicant(s)

Response: - Not Tracked, however, tracked for loans.

- b. race of the applicant(s)

Response: Not tracked. However, tracked for loans.

- c. age of the applicant(s)

Response: Not Tracked. However, tracked for loans.

- d. gender of the applicant(s)

Response: Not Tracked. However, tracked for loans.

- e. primary language spoken by the applicant(s)

Response: Not tracked.

- f. ward where home was purchased

Response: Not Tracked. However, tracked for loans.

64. Please provide the guidelines that are used when underwriting NOE applications.

Response: See Tab 13.

a. What supporting documents does HFA seek from applicants to confirm eligibility?

Response: The program requires documentation of income and (non-retirement) assets for the applicant and household members. The housing counselors submitting applications collect documentation per program guidelines (provided by DHCD), and the administrators have a file checklist for counselors to follow. Documents collected include a credit report to document the minimum score requirement has been met; income documents to verify current income, including but not limited to paystubs, W2s/1099s, Social Security and retirement/pension award letters, employment verification(s), Profit & Loss statements, and tax returns as applicable. Tax returns are collected for the most recent three years as documentation supporting the first-time home ownership requirement. Statements are collected for the most recent two months for all non-retirement assets. Additional documents may be collected on an as needed basis if questions arise during the process, in order to support applicants' eligibility for the program.

b. Do HFA and GWUL share the same underwriting guidelines? If not, what differences exist and why?

Response: The Agency follows the HPAP guidelines provided by DHCD as well as the Sub-Recipient Grant Agreement. DHCD spent a great deal of time working with GWUL and the Agency's single-family team and provided guidance/guidelines in writing that the Agency refers to consistently for both eligibility review for NOE applications and for loan files as well. The Agency follows HUD 24 CFR Part 5 guidelines for determining eligibility income (all household income/assets) to determine the assistance amount for an NOE. The agency follows FHA, Fannie Mae or Freddie Mac guidelines (same as first trust lender and loan type) for loan files, with additional overlays per DHCD, such as maximum debt-to-income ratio of 40/45% and minimum credit score of 600. The Agency does, on occasion make exceptions based on guidance received from DHCD. As is customary amongst HFAs and mortgage lenders in general, the Agency takes into consideration compensating factors, which may, for example, allow the Agency to exceed the 40/45% ratio guideline. The Agency's underwriters have more than twenty years' combined experience underwriting Fannie Mae, Freddie Mac, FHA, VA and federal bond loans while working for large banking institutions and are skilled at making prudent underwriting determinations. Additionally, one underwriter has experience working directly for

Freddie Mac and the other is an FHA Direct Endorsement underwriter. It was/has been the Agency's understanding that since the guidelines the Agency was provided are for the HPAP program, they were to be used by all program administrators.

65. For FY21 and FY22 to date, please provide the following information:

a. What is the average time period between applying for a NOE and closing?

Response: This specific data is not tracked, but the majority of NOE recipients do not return with contracts. The NOE process only addresses eligibility for the program and does not review applicants' purchasing power or ability to qualify for a mortgage, so receipt of an NOE is not an indication of applicants' preparedness or ability to purchase. The NOEs are valid for 12 months, so once an applicant has received an NOE they have a 12 month period within which they can enter into a contract.

b. What is the shortest time period between applying for a NOE and closing?

Response: See above answer under Question a.

c. What is the longest time period between applying for a NOE and closing?

Response: See above answer under Question a.

d. What are the reasons for delays in closing?

Response: Once an applicant has ratified a contract there can be many reasons for delays in closing which include but are not limited to issues with the property itself, issues with title, issues with appraised values, timeline delays with the 1st trust mortgage process.

e. What are the bases for not issuing a NOE, and the number of applications denied for each basis?

Response: Most files that are ineligible are due to the applicant's income being over the limit and others were due to insufficient assets (less than \$500), credit score below 600 and incomplete application/documentation where the applicant refuses to provide additional documentation to support the file. The basis for denials is not tracked.

f. What are the bases for not closing on a NOE that was issued, and the number of loans denied for each basis?

Response: Most of the files are denied at the first trust lender level when a borrower does not qualify, and we have also had submissions where the applicants were "over qualified" and were not in need of the HPAP Gap assistance so they were no longer eligible. Other examples include 1) discovery of income not originally included in the NOE file causing the borrower to exceed income limits,; 2) ratios for the loan exceeds guidelines either with no compensating factors or beyond the point where

compensating factors would support an approval; 3) decrease in credit score to below 600. Since we do not issue denials, and since denials are initiated by the 1st trust lenders, we do not track this information.

g. How many closings were postponed due to a failed HPAP inspection?

Response: This is not tracked.

h. How many loans did not go to closing due to a failed HPAP inspection?

Response: This is not tracked.

66. Please provide a breakdown of the number and dollar volume amount by type of housing - condominium, cooperative, townhome, and single-detached home - purchase, that the agency assisted with financing in FY 2020, FY 2021 and through the 1st quarter of FY 2022?

Response:

FY2020

Total HPAP Loan (167) Funds \$8,499,766

Total Purchases Dollar Volume \$56,138,700 167

Single Family Detached \$5,918,550 (15) (9% of purchases)

\$843,476 (10% loan dollars) / Avg \$56,232

Townhome (w/or w/o PUD) \$6,544,652 (18) (11% of purchases)

\$977,943 (12% of loan dollars) / Avg

\$54,330

Rowhome \$21,722,804 (59) (35% of purchases)

\$2,904,022 (34% of loan dollars) / Avg

\$49,221

Condominium \$21,952,694 (75) (45% of purchases)

\$3,774,325 (44% of loan dollars) / Avg

\$50,324

Co-Op NA (Co-Ops administered by
GWUL)

FY2021

Total HPAP Loan (165) Funds \$8,423,201

Total Purchases Dollar Volume \$58,473,312

Single Family Detached \$ 4,683,000 (11) (7% of purchases)

\$ 461,008 Loan Funds (5% loan dollars) /Avg \$41,910

Townhome \$10,839,569 (25) (15% of purchases)

	\$1,324,957 (16% loan dollars) / Avg \$52,998
Rowhome	\$16,020,749 (40) (24% of purchases) \$2,069,976 (25% loan dollars) / Avg \$51,749
Condominium	\$26,929,994 (89) (54% of purchases) \$4,567,260 (54% of loan dollars) / Avg \$51,318
Co-Op	NA – the agency does not administer Co-Op loans

FY2022 1st Quarter

Total HPAP Loan (27) Funds \$1,407,963

Total Purchases Dollar Volume \$9,287,392

Single Family Detached \$0 (0)

\$0 (0)

Townhome \$484,000 (1) (4%)

\$66,326 (5% of loan dollars) / Avg \$66,326

Rowhome \$3,683,000 (9) (33%)

\$397,522 (28% of loan dollars) / Avg \$44,169

Condominium \$5,120,392 (17) (63%)

\$944,115 (67% of loan dollars) / Avg \$55,536

Co-Op NA – the agency does not administer Co-Op loans

67. Please provide the following information pertaining to the ReMIT program in FY21 and FY22 to date.

- Total Amount Loaned: \$58,180.41
- Average Loan Amount: \$9,696.74
- Average Age of Homebuyer: 77.00 years old
- Average Household Size: 1
- Average Household Income: \$30,706.83

68. Total number of applications in FY21 and FY22 to date, with a breakdown by

- ward (or state) of applicant(s):

Response:

Ward 1 – 2 loan applications,
Ward 4 – 4 loan applications; and
Ward 7 – 1 loan application.

- income of the applicant(s):

Response: Average applicant income - \$27,938.94

- race of the applicant(s):

Response: African-American.

d. age of the applicant(s):

Response: 82, 77, 71, 72, 80, 80 and 83

e. gender of the applicant(s):

Response: 4 Females and 3 Males

69. Total number of applications approved in FY21 and FY22 to date, with a breakdown by

a. ward (or state) of applicant(s):

Response:

Ward 1 - 1 application approved

Ward 4 - 4 applications approved

Ward 7 - 1 application approved

b. income of the applicant(s): Average applicant income

Response: \$30,706.83.

c. race of the applicant(s):

Response: All African-American.

d. age of the applicant(s): 82, 77, 71, 72, 80 and 80.

e. gender of the applicant(s): 3 Females and 3 Males.

70. Please provide the guidelines that are used when underwriting applications. What supporting documents does DCHFA seek from applicants to confirm eligibility?

Response: See TAB 14 and the information below.

Supporting Documents needed:

Housing Intake Application

Owner Occupancy Affidavit

Budget worksheet w/LOX why could not afford and how can afford in future Third

Party Authorization

Agency Privacy Policy

Promissory Note

Reverse Mortgage Statement

Reverse Mortgage Repayment Plan, if applicable

Property Tax Bill

Copy of statement for any HOA/Condominium fees.

Homeowner's Insurance Declaration pages to reflect term and premium amount

Awards Letter/Statement for Social Security, Disability and/or Retirement/Pension Income, Pay Stubs for Employment, if applicable

IRS Wage and Income Transcript Statement for most recent year

Most recent federal tax return with all schedules, if applicable

Most recent 2 months Asset Statements from all non-retirement accounts and explanation, if applicable

Foreclosure documents, if applicable

Power of Attorney, if applicable

Brief statement from borrower(s) of plans to meet future housing costs.

Additional documentation/information may be for review to include proof of inability to make previous payments.

Board Governance

71. Please outline the fees for using HFA products, and the methodology for amending the applicable fees. What kind of discretion is afforded to the Board to amend the applicable fees? How do the HFA's fees compare to comparable authorities in other jurisdictions, particularly.

Response:

MF Fees

Application

Financing

Issuers Counsel

LIHTC

Construction

Bond Administration

Servicing

SF Fees

Mortgage Credit Certificate

Every Final Bond resolution includes agency fees. Those resolutions require Board approval. DCHFA fees are determined by operations/overhead and by obligations to financial counter parties and other price points in our market. The market for financing fees is not clearly defined and not easily compared with private sector transactions. However, based on our best market intelligence, we believe our fees are reasonable and in line with other financial institutions.

72. Please describe any initiatives that have been implemented over the past fiscal year to improve agency transparency.

Response: The Agency has not implemented new initiatives in the past fiscal year to improve agency transparency, however the Agency continues to require Board members to comply with its established procedures regarding Board conflicts of interest (see response to Question 30(d) below). The Agency also complies with the

District of Columbia Open Meetings Act (“OMA”) and the District of Columbia Board of Ethics and Government Accountability (“BEGA”) regulations.

73. Please provide the following information pertaining to board governance
- a. A copy of Board bylaws and any additional policies, including any codes of conduct, or conflict of interest rules, that pertain to board governance.

Response: See Tab 15.

- b. List of projects where a member of the Board recused themselves in FY20, FY21, and FY22 to date

Response:

Anacostia Gardens FY20
Kennedy Street Senior Apartments FY20
The Residences at Kenilworth Park FY20
Sursum Corda FY21
Northwest One Phase 1 FY21
Hill East FY21
17 Mississippi Apartments FY21
Kenilworth 166 FY21
The Clara FY21
Cascade Park Apartments FY22
Delta Towers Supplemental FY22 (Projected to close in 2022)
Capitol Vista Supplemental FY22 (Projected to close in 2022)
Parcel 42 FY22 (Projected to close in 2022)
Terrace Manor FY22 (Projected to close in 2022)

- c. List of projects considered by the board that are sponsored by a member of the board, their organizations, employees, and/or development partners on an active project in FY20, FY21, and FY22 to date

Response:

Kennedy Street Senior Apartments FY20
17 Mississippi Apartments FY21
Hill East FY21
Cascade Park Apartments FY22
Parcel 42 FY22 (Projected to close in 2022)

- d. List of existing internal controls to prevent and address perceived and actual conflicts of interests for staff and members of the board

Response:

Under current rules and protocol, if a Board Member is faced with a potential conflict, the following steps must be taken:

1. The conflict must be specifically identified in the DCHFA public record.;

2. The Board Member must outline his or her relationship to the particular transaction and involved entity;
3. The Board Member must state any benefit, advantage, or gain (financial or otherwise), direct or indirect, received from the transaction or entity;
4. Steps 1-3 are further facilitated because the Board has instituted a policy in which a Conflicts of Interest Report Form is included in the packages of information each board Member receives before Board meetings, and Board Members fill out and submit the Conflicts of Interest Report Form prior to participating in any discussion or decision related to matters scheduled to come before the Board at a Board meeting;
5. The Board Member must refrain from participating in any deliberation or discussion (preliminary or final, at a public meeting or otherwise), authorization, vote, or implementation of any DCHFA transaction in which the Board Member has a conflict; and
6. The Board Member must leave the room/teleconference in which any discussion or vote regarding the matter is to take place and not return until all discussion of the matter is finished.

74. Under what authority does the HFA Board close its deliberations to the public when it is convened in official meetings? What decisions have been made in closed door proceedings? What records are kept of those proceedings?

Response:

Closed sessions are for discussion of issues covered by exemptions under the District of Columbia Open Meetings Act. For example, pursuant to the DC Open Meetings Act, the Agency's Board of Directors votes to close meetings to discuss certain aspects of bond transactions, Agency contracts, and various other Agency finance matters because a discussion of price negotiation and other material terms regarding the approval of those topics would adversely affect the bargaining position or negotiation strategy of the Agency.

The Agency closes Board meetings to discuss certain aspects of contracts and other Agency finance matters for the above same reason. After a closed session, the Board of Directors then opens the meetings to the public, conducts more discussions, and votes on the bond transactions, Agency contracts, and Agency finance matters in an open forum. Aside from confidential personnel matters or to consult with the Agency's Board attorney, the Board does NOT make decisions or casts votes in a closed session. All closed sessions are recorded and transcribed and such records are kept confidentially by the Agency.

75. Has the board of directors approved any agency action by an affirmative vote of fewer than 3 members? If yes, please specify the actions taken. Under what authority did the board take such action?

Response:

The Board has approved an Agency action by fewer than 3 members. Namely, the Board approved an eligibility resolution for Parcel 42 – this resolution allowed the deal to move forward to due diligence and underwriting and was NOT a commitment of volume cap or agency financing. In that case, two Board members were recused and a third was handling a personal matter and could not attend the meeting. This particular transaction – which will produce 108 affordable units - was subject to an expiring LDDA and the vote simply allowed the deal to move forward to the due diligence and underwriting phase. The transaction will come back to the Board for final bond approval and the expectation is that 3 Board members will be present and vote.

Neither the Agency statute nor the by-laws prevent such a vote.

COVID-19

76. Please outline any forms of relief that the agency has provided for distressed properties due to nonpayment of rent during the COVID epidemic.

Response: In late November 2020, DCHFA’s Portfolio and Asset Management (PAM) division was tasked with distributing \$10.4 million in federal funds to the housing providers of Washington, D.C. HSG provided rent relief directly to District housing providers. The District contributed 80 percent of the relief, as long as the housing provider forgave the other 20 percent of rent. The Agency’s team worked around the clock to distribute the funds before they expired on December 31, 2020.

77. Please document how the agency’s daily operating procedures have been revised in response to the epidemic, and how these changes have been received by external stakeholders.

Response: During the first half of FY 21 DCHFA staff worked remotely. In July 2021 staff were on a three-day in the office, two-day telework schedule. The agency implemented situational telework in mid-December due to a surge in cases related to the COVID-19 Omicron variant. Throughout the entire period the business and operations were carried out fully.

In December 2021 the Agency administered the Housing Stability Grant program on behalf of the District Government to assist residents impacted economically by the COVID-19 Pandemic and disbursed \$10.4M to housing providers within 2-weeks.

The Agency worked with various lending partners in developing forbearance agreements for projects that have been disproportionately impacted by the Pandemic.

This along with other creative ways have provided financial relief where needed, which have sustained these projects operations and housing for District residents.