

EXPANDED AGENDA

February 1, 2017

		<u>*Res #</u>
3:30 p.m.	<u>Annual Meeting Reception</u>	
4:00 p.m.	<u>Annual Meeting</u> <ul style="list-style-type: none"> • Housing Honor Roll Awards • Special Recognition • Year in Review • Election of Officers 	
4:45 p.m.	I. <u>CONSENT ITEMS</u>	
Page 03 17 19	A. Approval of Minutes of January 11, 2017 B. Approval of Minutes of Executive Session Minutes of January 11, 2017 C. Authorization to Implement Voucher Payment Standards Based on HUD FY 2017 Fair Market Rents	17-09 (pg. 22)
4:50 p.m.	II. <u>INFORMATION EXCHANGE</u>	
Page 24 26	A. Report of the Executive Director B. Calendar and Follow-up Action C. Correspondence and Printed Matter D. Commissioner Exchange E. Resident Advisory Board F. Community Forum G. Status Report	
5:05 p.m.	III. <u>COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION</u>	
	A. None	
5:10 p.m.	IV. <u>ITEMS REQUIRING DELIBERATION and/or ACTION</u>	
	1. None	
	V. <u>*FUTURE ACTION ITEMS</u>	
	VI. <u>INFORMATION EXCHANGE (continued)</u>	
	A. Community Forum	
	VII. <u>NEW BUSINESS</u>	
	VIII. <u>EXECUTIVE SESSION FINDINGS</u>	
5:15 p.m.	<u>ADJOURN</u>	
5:20 p.m.	IX. <u>EXECUTIVE SESSION</u>	

NOTES:

1. This Agenda is subject to change without notice.
2. Public participation is permitted on Agenda items in the same manner as if the Commission was holding a legislative-type Public Hearing.
3. Times are approximate and may vary depending on length of discussion.
4. *These items are listed "For Future Action" to give advance notice of coming Agenda topics and not for action at this meeting.
5. Commission briefing materials are available in the Commission offices the Monday prior to a Wednesday meeting.

If you require any aids or services to fully participate in this meeting, please call (240) 627-9425 or email commissioners@hocmc.org.

Consent Items

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

10400 Detrick Avenue
Kensington, Maryland 20895
(240) 627-9425

Minutes

January 11, 2017

17-01

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, January 11, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:02 p.m. Those in attendance were:

Present

Sally Roman, Chair
Jackie Simon, Vice Chair
Richard Y. Nelson, Jr., Chair Pro Tem
Christopher Hatcher
Linda Croom
Pamela Byrd

Absent

Margaret McFarland

Also Attending

Stacy Spann, Executive Director
Patrick Mattingly
Fred Swan
Kayrine Brown
Joan McGuire
Darcel Cox
Lorie Seals
Garrett Jackson
Ugonna Ibebuchi
Angela McIntosh-Davis
Bonnie Hodge
Arthur Tirsky
Jennifer Arrington

Kelly McLaughlin, General Counsel
Nowelle Ghahhari, Deputy General Counsel
Vivian Benjamin
Ian Williams
Jay Shepherd
Zachary Marks
Eugenia Pascual
Varun Chawla
Gio Kaviladze
Lynn Hayes
Ethan Cohen
Rita Harris

Guest

Janice Henderson, Resident
Mitch Yentis, Duball, LLC

IT Support

Irma Rodriguez

Commission Support

Patrice Birdsong

The meeting began with approval of the Consent Calendar. The Consent Calendar was adopted upon a motion by Vice Chair Simon and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

I. CONSENT ITEMS

- A. Approval of Minutes of December 7, 2016** - The minutes were approved as submitted
- B. Approval of Executive Session Minutes of December 7, 2016** – The minutes were approved as submitted
- C. Approval of Special Session Minutes of December 19, 2016** – The minutes were approved as submitted
- D. Ratification of Restatement and Refinement of Authorization to Hedge Interest Rate Risk on the FHA Risk Sharing/Federal Financing Bank (“FFB”) Permanent Loan During the Term of the Construction Loan for the Chevy Chase Lake Multifamily Development**

RESOLUTION: 16-95R

RE: Ratification of Restatement and Refinement of Authorization to Hedge Interest Rate Risk on the FHA Risk Sharing/Federal Financing Bank (“FFB”) Permanent Loan During the Term of the Construction Loan for the Chevy Chase Lake Multifamily Development

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, at an Executive Session duly called and held on December 7, 2016, with a quorum present, the Commission duly adopted Resolution 16-95ES titled: “Restatement and Refinement of Authorization to Hedge Interest Rate Risk on the FHA Risk Sharing/Federal Financing Bank (“FFB”) Permanent Loan During the Term of the Construction Loan for the Chevy Chase Lake Multifamily Development”; and

WHEREAS, consistent with the Commission’s Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commission in adopting Resolution 16-95ES and any action taken since December 7, 2016 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 16-95ES and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

- E. **Ratification of Authorization to Purchase Improved Real Property in Silver Spring; Authorization to Fund Purchase from Funds Currently in Generally Unrestricted Commission Accounts; Authorization to Retain Current Tenants Under Current Leases; Authorization to Engage Scheer Partners to Manage the Building for an Initial One-year Term**

RESOLUTION: 16-101R

RE: Ratification of Authorization to Purchase Improved Real Property in Silver Spring; Authorization to Fund Purchase from Funds Currently in Generally Unrestricted Commission Accounts; Authorization to Retain Current Tenants Under Current Leases; Authorization to Engage Scheer Partners to Manage the Building for an Initial One-year Term

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, at an Executive Session duly called and held on December 7, 2016, with a quorum present, the Commission duly adopted Resolution 16-101ES titled: “Authorization to Purchase Improved Real Property in Silver Spring; Authorization to Fund Purchase from Funds Currently in Generally Unrestricted Commission Accounts; Authorization to Retain Current Tenants Under Current Leases; Authorization to Engage Scheer Partners to Manage the Building for an Initial One-year Term”; and

WHEREAS, consistent with the Commission’s Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commissioners in adopting Resolution 16-101ES and any action taken since December 7, 2016 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 16-101ES and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

II. INFORMATION EXCHANGE

- A. Report of the Executive Director** – The Executive Director had nothing new to add to his written report.
- B. Calendar and Follow-up Action**
None
- C. Commissioner Exchange**
Commissioner Hatcher wished everyone a Happy New Year.
- D. Resident Advisory Board (RAB)** – No Report
- E. Community Forum** – None
- F. Status Report** – None

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

- A. Budget, Finance and Audit Committee – *Com. Nelson, Chair***
 - 1. Acceptance of First Quarter FY’17 Budget to Actual Statements**

Tiffany Jackson, Budget Office, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-01

**Re: Acceptance of First Quarter FY’17
Budget to Actual Statements**

WHEREAS, the budget policy for the Housing Opportunities Commission of Montgomery County states that quarterly budget to actual statements will be reviewed by the Commission; and

WHEREAS, the Commission reviewed the First Quarter FY'17 Budget to Actual Statements during its January 11, 2017 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby accepts the First Quarter FY'17 Budget to Actual Statements.

2. Approval of FY'17 First Quarter Budget Amendment

Tiffany Jackson, Budget Officer, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-02

**Re: Approval of FY'17 First
Quarter Budget Amendment**

WHEREAS, the Housing Opportunities Commission adopted a budget for FY'17 on June 17, 2016; and

WHEREAS, the Commission's Budget Policy allows for amendments to the budget; and

WHEREAS, the Commission has reviewed several proposed budget amendments to the FY'17 Budget; and

WHEREAS, the net effect of the FY'17 First Quarter Budget Amendment is a shortfall of (\$701,186) which will be covered by decreasing the anticipated contribution of \$1,713,198 that was to be contributed to the General Fund Operating Reserve (GFOR) in order to maintain a balanced budget.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby amends the FY'17 Operating Budget by decreasing total revenues and expenses for the Agency from \$244.5 million to \$243.1 million.

BE IT ALSO RESOLVED that the Housing Opportunities Commission of Montgomery County hereby amends the FY'17 Capital Budget by increasing revenues and expenses for the Agency from \$292.2 million to \$293.1 million.

3. Approval to Submit FFY 2017 Public Housing Operating Subsidy Calculations to HUD for the Period January 1, 2017 through December 31, 2017

Tiffany Jackson, Budget Officer, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-03

**Re: Approval to Submit FFY 2017
Public Housing Operating Subsidy
Calculations to HUD for the Period
January 1, 2017 through
December 31, 2017**

WHEREAS, HOC is required by HUD to submit a calculation of its Public Housing Operating Subsidy for each Asset Management Project (AMP) for the period January 1, 2017 through December 31, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Chair or her designee is hereby authorized to execute Form HUD-52723 (Calculation of Operating Subsidy) and Form HUD-52722 (Calculation of Utilities Expense Level) for the purpose of submitting staff's calculations of the Public Housing Operating Subsidy for the period January 1, 2017 through December 31, 2017.

4. Authorization to Write Off Bad Debt From Commission Specialty Loan Program

Darcel Cox, Compliance Oversight Manager, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-04

**RE: Authorization to Write Off
Bad Debt from the Commission
Specialty Loan Program**

WHEREAS, the Housing Opportunities Commission of Montgomery County must and desires to write off bad debt related to the Commission Specialty Loan Programs. More specifically, the proposed write off is for the bad debt associated with the Opportunity Housing Assistance Program - Rental Assistance Security Deposits and the Rental Assistance Section 8 Repayments.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby approves the write off of bad debt in the amount of \$172,429.26 from the Commission Specialty Loan Programs.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take all actions necessary and proper to accomplish the activity contemplated herein.

5. Approval to Extend TPM Development Corporation First Mortgage Loan And Interim Financing for the Renovation of Timberlawn Crescent and Pomander Court on PNC Bank \$90 Million Real Estate Line of Credit

Eugenia Pascual, Controller, and Varun Chawla, Accounting Manager, were the presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-05

RE: Approval to extend TPM Development Corporation First Mortgage Loan and Interim Financing for the Renovation of Timberlawn Crescent and Pomander Court on the PNC Bank \$90 Million Real Estate Line of Credit

WHEREAS, TPM Development Corporation (TPM) first mortgage loan and Timberlawn Crescent and Pomander Court renovations are currently financed through the \$90 million PNC Bank Real Estate Line of Credit; and

WHEREAS, the TPM Development Corporation first mortgage loan under the line of credit expired on September 3, 2016 and the interim financing for the renovation of Timberlawn Crescent and Pomander Court will expire on May 6, 2017; and

WHEREAS, it is proposed to extend the use of the \$90 million PNC Bank Real Estate Line of Credit to finance TPM Development Corporation, Timberlawn Crescent and Pomander Court loans through September 3, 2017 at a tax-exempt borrowing rate of 68.5% of 30 day LIBOR plus 38 basis points; and

WHEREAS, the estimated cost based on the one month LIBOR rate of 68 basis points as of December 9, 2016 is approximately \$118,230 annually.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby approves extending the use of \$90 million PNC Bank Real Estate Line of Credit to finance TPM Development Corporation, Timberlawn Crescent and Pomander Court through September 3, 2017.

B. Development and Finance Committee – *Com. Simon, Chair*

1. Approval to Create a Pool of HUD Approved Multifamily Accelerated Processing (MAP) Lenders Pursuant to Request for Qualifications (RFQ) #2034

Kayrine Brown, Chief Investment and Real Estate Officer, and Jennifer Arrington, Asst. Director of Bond Management, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Commissioner Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-06

RE: Approval to Create a Pool of HUD Approved Multifamily Accelerated Processing (MAP) Lenders Pursuant to Request for Qualifications (RFQ) #2034

WHEREAS, the Housing Opportunities Commission of Montgomery County (“Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, in 2000 the U.S. Department of Housing and Urban Development (HUD) introduced the Multifamily Accelerated Processing (MAP) Program to establish national standards for approved MAP Lenders to prepare, process and submit loan applications to secure firm approval for Federal Housing Administration (FHA) multifamily mortgage insurance for the acquisition, construction, renovation or refinance of new or existing market, mixed-income and affordable rental communities (hereinafter “FHA Mortgage Insurance”) pursuant to the National Housing Act insurance programs: Sections 221(d)(4), 223(f), 231 or 542(b); and

WHEREAS, the FHA Risk Share Program, Section 542(c) for housing finance agencies, in which the Commission participates is outside of the MAP Program; and

WHEREAS, the Commission continues to review its real estate portfolio as well as pursue acquisition and development opportunities to expand and preserve the Montgomery County housing stock that is affordable to households of eligible income; and

WHEREAS, the Commission has established pools for real estate developers, consultants and legal counsel, and having a pool of MAP Lenders for possible future FHA multifamily transactions will broaden staff’s financing resources; and

WHEREAS, on October 27, 2016, staff solicited qualifications, RFQ #2034, from HUD approved MAP Lenders to form a pool for MAP lending services; and

WHEREAS, MAP Lenders in the MAP Lending Pool (the "Pool") will, upon engagement, perform all work necessary to complete and present a FHA Mortgage Insurance application towards obtaining an FHA firm approval under the direction of the Commission's mortgage finance staff; and

WHEREAS, each MAP Lender will be selected as needed from the Pool after it submits its term sheet to the Commission in response to the requested scope of work and will be engaged and compensated accordingly from the respective Commission-approved project development budget, such approved project budget having gone through the normal Development and Finance Committee and Commission approval processes for a development and financing; and

WHEREAS, on November 18, 2016, the Commission received five (5) responses to RFQ #2034.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby authorizes and directs the Executive Director, without further action on its part, to execute four (4) individual contracts for MAP lending services, as described by RFQ #2034, with AGM Financial Services, Inc., Love Funding, Walker & Dunlop and Wells Fargo for an initial contract term of two years, each with an option to extend three additional one year terms, as permitted under HOC's procurement policy.

BE IT FURTHER RESOLVED that EagleBank will be added to the Pool, as the fifth contract, upon providing the Commission its Ginnie Mae license approval and having closed three (3) FHA multifamily transactions, as Mortgagee, within its MAP pipeline, dated December 23, 2016. The initial contract term will be two years with an option to extend three additional one year terms, as permitted under HOC's procurement policy.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to take all actions necessary and proper to carry out the transactions and activities contemplated herein.

2. Approval to Transfer to Rosaria Communities, Inc. Four Jubilee-run Properties and the Balance of the FY 2014 Community Health Facilities Grant Program (CHFGP) Funding Allotted for Future Acquisition and Renovation of Properties

Kayrine Brown, Chief Investment and Real Estate Officer, and Jay Shepherd, Senior Financial Analyst, were the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Commissioner Byrd. Affirmative votes were cast by Commissioners Roman,

Simon, Nelson, Croom and Byrd. Commissioner Hatcher recused himself from the voted. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-07

RE: Approval to Transfer to Rosaria Communities, Inc. Four Jubilee-run Properties and the Balance of the FY 2014 Community Health Facilities Grant Program (CHFGP) Funding Allotted for Future Acquisition and Renovation of Properties

WHEREAS, the Housing Opportunities Commission of Montgomery County (“Commission”) has entered into a Memorandum of Understanding (“MOU”) with Jubilee Association of Maryland, Inc. (“Jubilee”) providing for the Commission’s acquisition, ownership and management of single family homes for developmentally disabled persons and Jubilee’s operation of the property and provision of social services for the developmentally disabled residents; and

WHEREAS, pursuant to that MOU, Jubilee and the Commission worked together to acquire and renovate three single family homes (2305 Hermitage Avenue in Wheaton, Maryland; 2408 Falling Creek Road, Silver Spring, and; 2715 Woodedge Road in Silver Spring, Maryland) with funding from a FY2010 CHFGP grant provided by the Maryland Department of Health and Mental Hygiene (“DHMH”) (“FY2010 Grant Funds”) and a loan from Montgomery County (“County Funds”), acting through the Department of Housing and Community Affairs (“DHCA”); and

WHEREAS, at its December 2013 meeting, the Commission authorized the Executive Director, in partnership with Jubilee, to accept an additional grant award of up to \$835,000 from the FY2014 CHFGP grant funds (“FY2014 Grant Funds”) to acquire two additional homes for adults with developmental disabilities; and

WHEREAS, the FY2014 Grant Funds from DHMH, together with the remaining funds from the FY2010 CHFGP Grant Funds and the County Loan, brought the total of available funds to \$1,362,568 (“Available Funds”), enabling the acquisition and permanent financing for the two additional homes; and

WHEREAS, at its February 2014 meeting, the Commission approved the acquisition of a fourth house, 10 Horizon Court in Derwood, Maryland (“Derwood Property,” together with the other three homes the “Properties”), using the remaining FY2010 Grant Funds and the County Loan; and

WHEREAS, in December 2014, the Commission approved the Final Development Plan for the Derwood Property, utilizing approximately \$562,000 of the Available Funds for the acquisition and renovation of the Derwood Property; and

WHEREAS, there is a remainder of approximately \$800,568 in unencumbered, Available Funds, as well as a Replacement Reserve in the amount of \$26,963.79; and

WHEREAS, Commission staff believe that the remaining Available Funds are sufficient to purchase and renovate a fifth house; and

WHEREAS, while the Commission remains interested in supporting the expansion of housing affordably and suitably available for developmentally disabled citizens, the Commission believes that it is not well suited at this time for the renovation, operation, and management of the Properties or the acquisition of additional properties; and

WHEREAS, Jubilee is prohibited by charter from owning the homes it serves and does not have staff to perform acquisition and construction work; and

WHEREAS, the Commission's staff has identified another local firm, Rosaria Communities, Inc. ("Rosaria"), as a qualified organization to assume the Commission's obligations with respect to the Properties and the Available Funds; and

WHEREAS, with the transfer of the Commission's obligations to Rosaria, the Commission would be successfully transferring the ownership, renovation, and management of the Properties as well as the Available Funds; and

WHEREAS, subsequent to the transfer to Rosaria, Jubilee would continue to be the social services provider and operator for the occupants of the Properties; and

WHEREAS, the Commission can replace the current three efficiency project-based Housing Choice Vouchers for three low-income residents at the Properties with Tenant-Based Section 8 vouchers; and

WHEREAS, as required by Section 24-606 of the Health General Article of the Maryland Code, a "Right of Recovery" notice of the State's right to create a lien on the Properties for the funds distributed from DHMH was recorded on all of the Properties; and

WHEREAS, the State's Board of Public Works, upon the recommendation of the DHMH's Office of Capital Planning, Budgeting, and Engineering Services, approved by resolution a "Waiver and Release of the State's Right of Recovery" on the Properties, conditioned upon: the transfer of the Properties to Rosaria; the recording of new "Right of Recovery" notices by Rosaria upon transfer; and the transfer of the unencumbered FY2014 Grant Funds allotted for future acquisition and renovation of properties to Rosaria; and

WHEREAS, Montgomery County ("County") also has Deeds of Trusts ("DOT's") recorded against the Properties for the purpose of securing the County Funds used for their acquisition and renovation, and the transfer also will require the release or transfer of the County's DOT's.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County hereby authorizes and directs the Executive Director to:

1. Transfer ownership interest in the Properties to Rosaria Communities, Inc. in accordance with the State's Board of Public Works' resolution approving the transfer; and
2. Transfer the remaining, unencumbered FY2014 CHFGP Funds, in an amount not to exceed of \$800,568, to Rosaria Communities, Inc. for future acquisition and renovation of properties; and
3. Transfer \$20,150 of the \$26,963.79 Replacement Reserves to Rosaria Communities, Inc. for deferred maintenance items; and
4. Transfer the remaining \$6,813.79 of the Replacement Reserves, not to exceed the difference between the \$20,150 for deferred maintenance funds and the existing reserve balance, to Rosaria Communities, Inc. for the establishment of a reserve account; and
5. Take all actions necessary and proper to obtain the release or transfer of the Montgomery County Deeds of Trust recorded on the Properties; and

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, without any further action on its part, to take any and all other actions necessary and proper to carry out the transactions contemplated herein including, but not limited to, the execution of assignment and assumption agreements, loan documents and/or other related documents.

C. Legislative and Regulatory Committee – Com. Byrd, Chair

1. Authorization to Revise HOC's Administrative Plan and ACOP to add HUD's Required Streamlining Administrative Regulations and to Remove all One-strike Policy Language

Ethan Cohen, Housing Programs Coordinator, and Lynn Hayes, Director of Housing Resources, were the presenters.

The following resolution was approved upon a motion by Commissioner Byrd and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, Croom and Byrd. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-08

RE: Authorization to Revise HOC's Administrative Plan and ACOP to Add HUD's Required Streamlining Administrative Regulations and to

**Remove All One-Strike Policy
Language**

WHEREAS, the Housing Opportunities Commission of Montgomery County must and desires to revise and make new additions to its Administrative Plan for the Housing Choice Voucher Program and its Admissions and Continued Occupancy Policy (ACOP) for the Public Housing program to add HUD's required streamlining administrative regulations, in accordance with Notice PIH 2016-05 (HA) and to remove all One-Strike Policy language, in accordance with HUD Notice PIH 2015-19 (HA); and

WHEREAS, a public comment period for these proposed revisions began on December 9, 2016 and concluded on January 11, 2017 with a public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves and authorizes revisions and new additions to its Administrative Plan for the Housing Choice Voucher Program and its Admissions and Continued Occupancy Policy (ACOP) for the Public Housing program to add HUD's required streamlining administrative regulations in accordance with Notice PIH 2016-05 (HA) and to remove all One-Strike Policy language in accordance with HUD Notice PIH 2015-19 (HA).

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed, without any further action on its part, to take all actions necessary and proper to accomplish the activity contemplated herein.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

A. None

V. FUTURE ACTION ITEMS

None

VI. INFORMATION EXCHANGE (CONT'D)

Committee Forum – Janice Henderson, resident of HOC, addressed the Board regarding her housing with the Voucher Program.

VII. NEW BUSINESS

None

VIII. EXECUTIVE SESSION FINDINGS

None

Based upon this report and there being no further business to come before this session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 4:42 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

10400 Detrick Avenue
Kensington, Maryland 20895
(240) 627-9425

Executive Session Minutes

January 11, 2017

An Executive Session of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, January 11, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 5:00 p.m. Those in attendance were:

Present

Sally Roman, Chair
Jackie Simon, Vice Chair
Richard Y. Nelson, Jr., Chair Pro Tem
Christopher Hatcher
Linda Croom
Pamela Byrd

Absent

Margaret McFarland

Also Attending

Stacy Spann, Executive Director
Kayrine Brown
Zachary Marks

Kelly McLaughlin, General Counsel
Nowelle Ghahhari
Mei Li

Commission Support

Patrice Birdsong, Spec. Asst. to Commission

According to Section 10-508(a) of the State Government Articles of the Annotated Code of the State of Maryland, this Executive Session was called to order in pursuant to subsection (3), the acquisition of real property.

Stacy Spann, Executive Director, Kayrine Brown, Chief Investment and Real Estate Officer, and Zachary Marks, Asst. Director of New Development, provided the Board with an update on potential Real Estate Acquisitions.

Based upon this report and there being no further business to come before this Executive Session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 5:50 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

**AUTHORIZATION TO IMPLEMENT
VOUCHER PAYMENT STANDARDS
BASED ON HUD FY 2017 FAIR MARKET RENTS**

FEBRUARY 1, 2017

- On October 1, 2016, HUD published its Fiscal Year 2017 Fair Market Rents (FMRs) for all jurisdictions in the United States of America.

- Annually, HOC is required to implement the new FMRs and corresponding Voucher Payment Standards for the upcoming fiscal year based on a percentage of the FMRs.

- Staff recommends that the Commission approve the Voucher Payment Standards for FY 2017 to be equal to 91 percent of the 50th percentile FMRs for all bedroom sizes for the Montgomery County jurisdiction.

MEMORANDUM

TO: Housing Opportunities Commission of Montgomery County

VIA: Stacy L. Spann, Executive Director

FROM: Lynn Hayes Division: Housing Resources Ext. 9622
Ethan Cohen Compliance Ext. 9764

RE: Authorization to Implement Voucher Payment Standards Based on HUD FY 2017 Fair Market Rents

DATE: February 1, 2017

STATUS: Consent Deliberation Status Report Future Action

OVERALL GOAL & OBJECTIVE:

To receive Commission approval to establish and implement the below described Voucher Payment Standards used in HOC’s administration of the Housing Choice Voucher Program.

BACKGROUND:

The U.S. Department of Housing and Urban Development (HUD) publishes Fair Market Rents (FMR) annually for use in determining the Voucher Payment Standards (VPS) for the Housing Choice Voucher (HCV) Program. HUD published the Fiscal Year 2017 FMRs on October 1, 2016. These new rents will be used to amend the schedules HOC uses to determine the Voucher Payment Standards for the Agency’s HCV residents.

HOC is required to implement the new FMRs and corresponding Voucher Payment Standards for the upcoming fiscal year based on a percentage of the FMRs. The establishment of these Voucher Payment Standards must be based upon a percentage between 90 and 110 percent of the HUD FMRs for the given fiscal year.

HUD calculated the FMRs for the Washington, DC metropolitan region using the 50th percentile of those rents surveyed. This increase from the more typical 40th percentile FMRs is due to the high cost of rental housing throughout the Washington, DC metropolitan region.

Staff from the Housing Resources Division conducted an extensive analysis to determine the most appropriate FMR percentages to use for FY 2017. HOC’s objective in this regard is to maintain strong voucher utilization while also ensuring that the Agency’s Voucher Payment Standards will allow HOC residents to afford the average rental unit per bedroom size in the County.

As a result of this analysis, staff recommends that the Commission approve the Voucher Payment Standards for FY 2017 to be equal to 91 percent of the 50th percentile FMRs for all bedroom sizes.

	Current 2016 VPS	2017 FMR @50th percentile	VPS 90%	VPS 91%	VPS 95%	Recommended VPS	Variance	% Change
Efficiency	\$1,242	\$1,440	\$1,296	\$1,310	\$1,368	\$1,310	68	5.22%
1 Bdrm	\$1,332	\$1,513	\$1,362	\$1,377	\$1,437	\$1,377	45	3.26%
2 Bdrm	\$1,591	\$1,746	\$1,571	\$1,591	\$1,659	\$1,591	0	0.00%
3 Bdrm	\$2,037	\$2,300	\$2,070	\$2,093	\$2,185	\$2,093	56	2.68%
4 Bdrm	\$2,590	\$2,855	\$2,570	\$2,598	\$2,712	\$2,598	8	0.31%
5 Bdrm	\$2,978	\$3,283	\$2,955	\$2,988	\$3,119	\$2,988	10	0.32%
6 Bdrm	\$3,367	\$3,712	\$3,341	\$3,378	\$3,526	\$3,378	11	0.32%
Avg Increase								1.71%

ISSUES FOR CONSIDERATION:

Does the Housing Opportunities Commission of Montgomery County wish to authorize the Executive Director to establish and implement the above described Voucher Payment Standards used in HOC’s administration of the Housing Choice Voucher Program?

PRINCIPALS:

Housing Resources Division

BUDGET IMPACT:

The expected effect on the Agency budget is minimal.

TIME FRAME:

The Legislative and Regulatory Committee reviewed this item at its meeting on January 17, 2017; for Commission action on February 1, 2017.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

Staff recommends that the Commission accept the recommendation of the Legislative and Regulatory Committee to authorize the Executive Director to establish and implement the above described Voucher Payment Standards used in HOC’s administration of the Housing Choice Voucher Program.

RESOLUTION: 17-09

**RE: Authorization to Implement
Voucher Payment Standards
Based on HUD FY 2017
Fair Market Rents**

WHEREAS, U.S. Department of Housing and Urban Development (HUD) regulations require that the Housing Opportunities Commission of Montgomery County (HOC) establish and implement new Voucher Payment Standards annually to be used in HOC’s administration of the Housing Choice Voucher Program; and

WHEREAS, the establishment of these Voucher Payment Standards must be based upon a percentage between 90 and 110 percent of the HUD Fair Market Rents (FMRs) for the given fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized to establish and implement the Voucher Payment Standards listed below.

# of Bedrooms	Recommended VPS
Efficiency	\$1,310
1 Bedroom	\$1,377
2 Bedroom	\$1,591
3 Bedroom	\$2,093
4 Bedroom	\$2,598
5 Bedroom	\$2,988
6 Bedroom	\$3,378

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized and directed, without further action on its part, to take any and all other actions necessary and proper to carry out the activities contemplated herein.

I HEREBY CERTIFY that the forgoing resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular open meeting conducted on February 1, 2017.

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Patrice Birdsong
Special Assistant to the Commission

Information Exchange

HOC Academy

Fatherhood Initiative Announces New Partnership to Provide Health Workshops

HOC is proud to announce that Priority Partners, a provider of low cost and free healthcare for qualified Maryland residents, partnered with Fatherhood Initiative to provide Men’s & Women’s Health Workshops. Not only will Priority Partners’ Health Workshops teach residents about providing healthy environments for their families, they will emphasize and expand on the 24/7 Dad & Understanding Dad curriculum.

This partnership evolved from Georgian Courts’ Community Day in November 2016. Priority Partners is one of eight managed care organizations in the HealthChoice Program, authorized by the State of Maryland to provide health services for over 230,000 Medicaid and the Maryland Children’s Health Program (MCHP) recipients.

HOC Academy Encourages Female Students to Participate in STEM

The fourth cohort of Girls’ Got IT! began Friday, January 20th. To jumpstart the program and motivate the girls, HOC Academy hosted a private screening of the movie “Hidden Figures” to over 20 participants. The movie was well received and many girls stated that they felt empowered and inspired.



Through a partnership with the National Center for Women and Information Technology, these 20 plus girls will tackle various computer and engineering projects. This year, the ever evolving curriculum will focus on coding and robotics. Last year’s GGIT!

programs taught computer programming, animation and app building to three cohorts of nearly 40 program participants. Youth will continue to be taught by near-peer role model, Deja Lindsey, from Georgetown University.

Real Estate

HOC Helps Residents Realize Their Dream of Homeownership

Recently, four HOC households successfully completed the process to become a homeowner through the HOC Homebuyers Program. One family, a Georgian Court resident from 2008 to December 2016, went to settlement on their own home. A second family will settle in February and two more families will settle on their first homes in March 2017.

Resident Services

Resident Services Collaborates to Increase Clients' Health Outcomes

Resident Services continues its collaboration with HEALTH Partner's Coalition members to provide health programs and services to seniors. The partnership also delivers workshops to reduce preventable hospitalizations. In January 2017, HOC introduced the Dental Pilot Study as well as Fall Prevention Workshops.

Due to partnerships with the Primary Care Coalition and District Mobile Dental, 150 HOC seniors will receive a comprehensive dental exam onsite at Arcola Towers and Elizabeth House. In addition to free dental assessments, seniors will receive resources to assist them with their on-going dental needs. In addition, the study will document the need for affordable and accessible dental care for Montgomery County seniors. Outcomes will be presented to the county in hopes of future funding to address the need. Also beginning this month, HOC and the Department of Health and Human Services Aging and Disability Services are presenting Fall Prevention Workshops. Workshops are currently taking place at Holly Hall Apartments and will soon expand to Elizabeth House.

In an effort to keep seniors and those with disabilities housed successfully, HOC is expanding its collaboration with Montgomery County Fire and Rescue Services. In the past, Resident Counselors at senior sites received daily EMS reports on 911 calls to their property. This allowed staff to follow up as needed and address housing concerns. To ensure that the county can be more proactive, the Montgomery County Non-Emergency Intervention and Community Care Coordination (MCNIC) Program has instituted home visits by Registered Nurses for the most frequent 911 users in the county. EMS has agreed to screen for HOC clients in their assessments. These questions will enable EMS to contact HOC counselors about potential needs and concerns prior to an incident. Efforts will ultimately provide residents better and more integrated primary care in their community so that calls to 911 and visits to the ER become less necessary.

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

February 2017

1	HOC Annual Meeting Reception (<i>All</i>)	3:30 p.m.
1	HOC Annual Meeting (<i>All</i>)	4:00 p.m.
13	Agenda Formulation (<i>Roman, Simon</i>)	12:00 noon
16	Housing Day in Annapolis (<i>All</i>) – House Office Bldg., 6 Bladen St., Annapolis, MD	8:00 a.m.
17	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 a.m.
17	Status/Lunch Meeting w/Executive Director (<i>All</i>) – Location TBD	12:00 noon
20	President’s Day (HOC Offices Closed)	
21	Budget, Finance and Audit Committee Meeting (<i>Nelson, Hatcher</i>)	10:00 a.m.
21	Lunch Meeting with Housing for People with Disabilities Group (<i>All</i>)	12:30 p.m.
27	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.

March 2017

1	HOC Regular Meeting (<i>All</i>)	4:00 p.m.
16	2018 – 2022 Strategic Plan Retreat (<i>All</i>)	9:00 a.m.
17	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 a.m.
20	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.
21	Budget, Finance and Audit Committee Meeting (<i>Nelson, Hatcher</i>)	10:00 a.m.
21	Legislative and Regulatory Committee Meeting (<i>Byrd, Croom, Simon</i>)	4:00 p.m.
26-28	NAHRO Washington Conference (<i>All</i>) (Crystal Gateway Marriott Hotel, 1700 Jefferson Davis Hwy., Arlington, VA 22202)	
27	Agenda Formulation (<i>Roman, Simon</i>)	12:00 noon

April 2017

2-4	National Low Income Housing Conference (NLIHC) (<i>All</i>) – Washington Court Hotel, 525 New Jersey Ave., NW, Washington, DC 20001	
5	HOC Regular Meeting (<i>All</i>)	4:00 p.m.
11	Budget, Finance and Audit Committee Meeting (<i>Nelson, Roman, Hatcher</i>)	10:00 a.m.
17	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.
21	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 a.m.
21	Status/Lunch Meeting w/Executive Director (<i>All</i>) – Location TBD	12:00 noon
24	Agenda Formulation (<i>Roman, Nelson</i>)	12:00 noon
25	Budget, Finance and Audit Committee Meeting (<i>Nelson, Roman, Hatcher</i>)	10:00 a.m.
26	Town Center Board Meeting (<i>Simon</i>) – Hearing Room	2:30 p.m.
26 - 29	National Association of Local Housing Finance Agencies (NALHFA) (<i>All</i>) – The Park Central Hotel San Francisco, 50 3rd St., San Francisco, CA 94103	

May 2017

3	HOC Regular Meeting (<i>All</i>)	4:00 p.m.
9	Budget, Finance and Audit Committee Meeting (<i>Nelson, Roman, Hatcher</i>)	10:00 a.m.
15	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.
16	Legislative and Regulatory Committee Meeting (<i>Byrd, Croom, Simon</i>)	4:00 p.m.
19	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 a.m.

22	Agenda Formulation (<i>Roman, Nelson</i>)	12:00 noon
23	Budget, Finance and Audit Committee Meeting (<i>Nelson, Roman, Hatcher</i>)	10:00 a.m.
29	Memorial Day Holiday (HOC Offices Closed)	

June 2017

7	HOC Regular Meeting (<i>All</i>)	4:00 p.m.
16	Tony Davis Scholarship Committee Meeting (<i>Simon</i>)	10:00 a.m.
19	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.
23	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 a.m.
23	Status/Lunch Meeting w/Executive Director (<i>All</i>) – Location TBD	12:00 noon
26	Agenda Formulation (<i>Roman, McFarland</i>)	12:00 noon

July 2017

4	Independence Day (HOC Office Closed)	
12	Tony Davis Scholarship Award Reception (<i>All</i>)	3:30 p.m.
12	HOC Regular Meeting (<i>All</i>)	4:00 p.m.
16-18	NAHRO Summer Conference (<i>All</i>) <small>(Indianapolis Marriott Downtown Hotel, 350 W. Maryland St., Indianapolis, IN 46225)</small>	
17	Resident Advisory Board (<i>Croom</i>)	6:00 p.m.
18	Legislative and Regulatory Committee Meeting (<i>Byrd, Croom, Simon</i>)	4:00 p.m.
21	Development and Finance Committee Meeting (<i>Simon, McFarland, Nelson</i>)	10:00 p.m.

Activities of Interest

- 1 – Meeting with Housing for People with Disabilities Group
 - 2 – Proposed Procurement Policy Meetings
 - Legislative & Regulatory Committee (Tentative 2/23/17 @ 4 p.m.)
 - Budget, Finance & Audit Committee (Hold – 2/27/17 @ 10 a.m. - 12 noon or 12 noon – 2 p.m.)
 - Development & Finance Committee (Hold – 2/27/17 @ 10 a.m. – 12 noon or 12 noon – 2 p.m.)
-

TO DO / ACTION

Ref. #	DUE DATE	ACTION	STAFF	STATUS
TD-14-07	Spring 2017	Procurement Policy	Willison/ McLaughlin	In Progress
TD-15-02	Winter 2017	Update Administrative Guide for Commissioners and Staff	Spann	In Progress
TD-15-03	Winter 2017	Worksession – Assisted Housing and Family Self-Sufficiency Program	Sorrells	To Be Scheduled
TD 16-02	Winter 2017	Personnel Policy	Mattingly	In Progress
TD 16-04	February 2017	Rental Policy Review with staff recommendations	All	
TD 16-05	Winter 2017	Joint Board Meeting w/Rockville Housing Enterprises and Housing Opportunities Commission	Spann/ Birdsong	
TD 16-06 (Simon)	Winter 2017	Worksession with Communities that service Disabled Clients		Scheduled: Feb. 21, 2017

Committee Reports and Recommendations for Action

Deliberation and/or Action

Future Action

Information Exchange

New Business

Executive Session Findings

Adjourn