

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

December 6, 2017

17-12

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, December 6, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:05 p.m. Those in attendance were:

Present

Jackie Simon, Chair
Richard Y. Nelson, Jr., Chair Pro Tem
Linda Croom
Pamela Byrd
Edgar Rodriguez

Absent

Margaret McFarland

Also Attending

Stacy L. Spann, Executive Director
Gail Willison
Arthur Tirsky
Clarence Landers
Ethan Cohen
Zachary Marks
Fred Swan
Hyunsuk Choi
Jim Atwell
Ali Khademian
Jennifer Hamm
Francisco Vega
Natalie Craver
Darcel Cox
Victoria Dixon

Nowelle Ghahhari, General Counsel
Patrick Mattingly
Sherraine Rawlins
Shauna Sorrells
Kayrine Brown
Sheryl Hammond
Paulette Dudley
Maria Montero
Christina Autin
Joan McGuire
Nilou Razeghi
Angelia McIntosh-Davis
Eugenia Pascual
Lauren Williams
Saundra Boujai

Resident Advisory Board

Yvonne Caughman

Guest

Warren Dungee, Edgewood Mgmt
Cheryl Ross
Marsha Coleman-Adebago
Laurel Hoa
Robert Stubbfield
Harvey Martin
Monica Goldberg
Endrias Bekele
Marta Melgar
Mindy Melgar

Commission Support

Patrice Birdsong

IT Support

Karlos Taylor
Irma Rodriguez
Gabriel Taube

I. INFORMATION EXCHANGE

A. Executive Director Report

- Executive Director Spann reported that there was nothing additional to add to his written report. He reminded them of the Giving Tuesday campaign.

B. Commissioner Exchange

- None

C. Resident Advisory Board

- Ms. Caughman reported that Zachary Marks, Director of Real Estate Development and Lynn Hayes, Director of Housing Resources, gave individual division presentations to the Resident Advisory Board.

D. Community Forum

- Endrias Bekele addressed the Board regarding issues with property management company. Clarence Landers, Acting Director of Property Management, Charnita Jackson, Asset Manager, and Warren Dungee, Regional Manger-Edgewood/Vantage, were asked to assist Mr. Bekele.
- Cheryl Ross addressed the Board regarding emergency housing assistance. Fred Swan, Director of Resident Services was asked to assist Ms. Ross.
- Marta Milgar and daughter Mindy Melgar thanked the Commission for the assistance she received regarding issues with her unit. She wanted to inform the Commission that she and her daughter are still being harassed by their neighbor. Lynn Hayes, Director of Housing Resources was asked to assist Ms. Melgar.
- Dr. Marsha Coleman-Adebago addressed the Board on behalf of the Macedonia Church group.

II. ADMINISTRATIVE AND SPECIAL SESSION RATIFICATIONS

**A. Ratification of Action Taken in Administrative Session on November 17, 2017:
Authorization to Exercise the Right of First Refusal to a Multifamily Development
and Fund Earnest Money Deposit**

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

RESOLUTION NO.: 17-81R

**RE: Authorization to Enter Into a Contract
of Sale and Fund an Earn Money Deposit for
the Acquisition of a Multifamily Development**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”), 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, at a closed Administrative Special Session duly called and held on November 17, 2017, with a quorum present, the Commission duly adopted Resolution 17-81AS authorizing entering into a contract of sale and an earnest money deposit for the acquisition of a multifamily development; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 17-81AS and any action taken since November 17, 2017 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 17-81R and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

**B. Ratification of Action Taken in Administrative Session on November 17, 2017:
Authorization to Fund Debt Service Reserve for VPC One and VPC Two
Corporations**

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

RESOLUTION NO.: 17-82R

RE: Ratification of Approval to Draw up

to \$3,000,000 from the PNC Bank, N.A. Real Estate Line of Credit to Fund the Earnest Money Deposit for the Acquisition of a Multifamily Development

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”), 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, at a closed Administrative Special Session duly called and held on November 17, 2017, with a quorum present, the Commission duly adopted Resolution 17-82AS authorizing the Commission to draw up to \$3,000,000 on the \$90 million PNC Bank, N.A. Real Estate Line of Credit “(RELOC)” to fund the Earnest Money Deposit for the acquisition of a multifamily development; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 17-82R and any action taken since November 17, 2017 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 17-82R Resolution and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

A. Development and Finance Committee – *Com. Jackie Simon, Chair*

1. Authorization to Accept a Grant from the Montgomery County Department of Housing and Community Affairs to Establish the Montgomery County Homeownership Assistance Fund

Kayrine Brown, Chief Investment and Real Estate Officer, and Paulette Dudley, Program Specialist, were presenters.

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

RESOLUTION NO.: 17-83

RE: Authorization to Accept a Grant from the Montgomery County Department of Housing and Community Affairs to Establish the

**Montgomery County Homeownership
Assistance Fund**

WHEREAS, the Single Family Mortgage Purchase Program (the “Program” or “MPP”) for the Housing Opportunities Commission of Montgomery County (“Commission”) currently administers a Closing Cost Program that includes two (2) options: 1) a down payment assistance deferred loan at zero percent (0%) interest for up to three-percent (3%) of the sales price; and 2) for those borrowers working in Montgomery County, a Revolving Closing Cost Assistance Program (“RCCAP”) loan equal to five-percent (5%) of sales price or up to \$10,000 at five-percent (5%) interest over a 10-year term, as a second mortgage; and

WHEREAS, with rising home sale prices across the nation, within the State of Maryland and in Montgomery County in particular, it has become a challenge for many first-time homebuyers to have the necessary funds for down payment and/or closing cost assistance; and

WHEREAS, in April and October of 2017 the Montgomery County Department of Housing and Community Affairs (DHCA) partnered with Maryland’s Department of Housing and Community Development (DHCD), and provided a \$1 million grant to broaden available resources for eligible first-time homebuyers in Montgomery County; and

WHEREAS, DHCA has offered to provide the Commission the same grant of \$1 million to be used to establish a new closing cost option for the MPP, the Montgomery County Homeownership Assistance Fund (the “Fund” or “McHAF”), that would provide down payment or closing cost assistance loan of up to 40% of the household’s qualifying income for a maximum of \$25,000 per household; and

WHEREAS, an MPP McHAF loan must be used with an MPP first mortgage product; will be a 10-year deferred loan at zero percent (0%) interest with a pro rata amount due only upon sale or refinance during the first 10-years; and, can be combined with an RCCAP loan.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby accepts a \$1 million grant from the Montgomery County Department of Housing and Community Affairs to establish the Montgomery County Homeownership Assistance Fund.

BE IT FURTHER RESOLVED that the Fund will provide down payment or closing cost assistance loans under the following terms:

- Each McHAF loan will be for up to 40% of the household’s qualifying income for a maximum of \$25,000 per household;
- Each McHAF loan must be used with an MPP first mortgage product;
- Each McHAF loan will be a 10-year deferred loan at zero percent (0%) interest with a pro rata amount due only upon sale or refinance during the first 10-years; and,
- Each McHAF loan may be combined with an RCCAP loan, so long as the borrower works in Montgomery County.

BE IT FURTHER RESOLVED that any repayment received by a borrower upon sale or refinance during the first 10-years will be deposited in the RCCAP to further fund revolving closing cost loans and that the Mortgage Finance Single Family staff will administer the Fund.

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 Create a Pool of Architects and Accessibility Consultants Pursuant to RFQ 2080

Kayrine Brown, Chief Investment and Real Estate Officer, and Paulette Dudley, Program Specialist, were presenters.

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

RESOLUTION NO.: 17-84

RE: Approval to Create a Pool of Architects and Accessibility Consultants Pursuant To RFQ 2080.

WHEREAS, the Housing Opportunities Commission of Montgomery County (HOC) has an ongoing need to undertake due diligence and evaluate potential acquisition, renovation, and development of properties for preliminary planning through construction administration; and

WHEREAS, the due diligence and evaluation of the potential acquisitions, renovations, and new construction transactions require the services of qualified architects and accessibility consultants; and

WHEREAS, to ensure the availability of qualified architects and accessibility consultants, HOC issued Request for Qualifications (RFQ No. 2080) (the "RFQ") on August 14, 2017, soliciting proposals from architectural firms interested in providing these services on an as-needed basis; and

WHEREAS, 19 proposals were timely received in response to the RFQ; and

WHEREAS, the RFQ attached a weight of 30% for Experience with Affordable Projects, Firm & Personnel Resumes, 20% for Initial Programming and Entitlement Process, 20% for Construction Administration & Observation, and 15% for Schematic Design & Design Development, 15% for Construction Documents and Bidding; and

WHEREAS, each proposal was evaluated and assigned numerical values for the firms' experience with affordable and publicly funded housing transactions, sustainability, accessibility, single and multifamily renovation and/or new construction, and feasibility and site plan evaluation; and

WHEREAS, applying the criteria described above, the following 16 firms were given the highest overall scores: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC; and

WHEREAS, HOC Staff recommends that the Commission enter into contracts for consulting services on an as-needed basis with the 16 highest overall scoring applicants.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to negotiate and execute contracts with: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC, to create a pool of architects to provide consulting services as-needed for an annual zero-dollar contracts with annual aggregate cap of \$1,000,000.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to select and retain the same architect for all phases of a transaction, under the same terms of the pool contract and that each architect will be selected competitively from members of the pool based on the Commission's needs, the required scope of work, the tasks to be completed, and the specialty of each firm.

BE IT FURTHER RESOLVED that if an Architect's proposed aggregate scope per transaction exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding the contract.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to execute contracts with the architects noted above and that such contracts would be issued for a period of one year from the date of contract award with up to four one-year renewals with change orders issued on a per transaction, as needed basis in accordance with the Commission's Procurement Policy.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized to take any and all other actions necessary and proper to carry out the transaction and actions contemplated herein including the execution of any documents related thereto.

B. Legislative and Regulatory Committee – Com. Pamela Byrd, Chair

1. Authorization to Submit the Federal Fiscal Year 2017 Capital Fund Program Grant Five-Year Action Plan

Ethan Cohen, Housing Program Coordinator, was the presenter.

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

RESOLUTION NO.: 17-85

**RE: Authorization to Submit the
Federal Fiscal Year 2017
Capital Fund Program Grant
Five-Year Action Plan**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“Commission”) will submit the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution to the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, by submitting the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution, the Commission is agreeing that capital and management activities will be carried out in accordance with all HUD regulations.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized to submit to the U.S. Department of Housing and Urban Development the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution.

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.

2. Authorization to Revise HOC’s Administrative Plan for the Housing Choice Voucher Program to Add Wait List Related Changes to the Admissions Process

Ethan Cohen, Housing Program Coordinator, was the presenter.

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

RESOLUTION NO.: 17-86

**RE: Authorization to Revise HOC's
Administrative Plan for the
Housing Choice Voucher Program
to Add Wait List Related Changes
to the Admissions Process**

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 to add wait list related changes to the admissions process; and

WHEREAS, a public comment period for these proposed revisions began on September 15, 2017 and concluded on December 6, 2017 with a public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves and authorizes this revision and new addition to its Administrative Plan for the Housing Choice Voucher Program to add wait list related changes to the admissions process.

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.

**3. Authorization to Partner with the Maryland Department of Disabilities under the
Community Choice Homes Initiative**

Fred Swan, Director of Resident Services, was the presenter.

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

RESOLUTION NO.: 17-87

**RE: Authorization to Partner with the
Maryland Department of Disabilities under the
Community Choice Homes Initiative**

WHEREAS, the Housing Opportunities Commission of Montgomery County (HOC) is seeking authorization to enter into an agreement with the Maryland Department of Disabilities (MDOD) to set aside ten (30) units for participants in the Community Choice Homes Initiative (CCHI); and

WHEREAS, the CCHI will provide accessible housing units and housing subsidies for non-elderly disabled residents; and

WHEREAS, HOC is also seeking authorization to ensure that all 30 units are utilized for this population and remain accessible for up to 15 years.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves and authorizes the execution of an agreement with MDOD as set forth above.

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.

4. Authorization to Implement Voucher Payment Standards Based on HUD FY 2018 Fair Market Rents

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

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

III. **FUTURE ACTION ITEMS**
None

IV. **NEW BUSINESS**
Authorization to Submit and Implement FY'18 County Savings Plan

Gail Willison, Chief Financial Officer, was the presenter.

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

V. **ADMINISTRATIVE SESSION FINDING**
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 open session adjourned at 5:20 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: January 10, 2018