

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

March 2, 2022

22-03

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Wednesday, March 2, 2022, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:02 p.m. Those in attendance were:

**Present via Teleconference**

Roy Priest, Chair  
Frances Kelleher, Vice Chair  
Richard Y. Nelson, Jr., Chair Pro Tem  
Pamela Byrd  
Jeffrey Merkwowitz  
Jackie Simon

**Absent**

Linda Croom

**Also Attending via Teleconference**

Kayrine Brown, Acting Executive Director  
Jennifer Arrington  
Nathan Bovelie  
Darcel Cox  
Paige Gentry  
Lynn Hayes  
Bonnie Hodge  
Charnita Jackson  
Fred Swan  
Kathryn Hollister  
Elliot Rule  
Jessie Joseph

Aisha Memon, General Counsel  
Eugenia Pascual  
John Broullire  
Marcus Ervin  
Timothy Goetzinger  
Ian-Terrell Hawkins  
Matt Husman  
Zachary Marks  
Terri Fowler  
Olutomi Adebo  
Gail Willison  
Mary Phillips

**IT Support**

Aries Cruz

**Commission Support**

Patrice Birdsong, Spec. Asst. to the Commission

Chair Priest opened the meeting welcoming all to the monthly meeting. There was a roll call of Commissioners participating.

I. **Information Exchange**

### **Community Forum**

- There were no participants signed up for the Community Forum.

### **Executive Director's Report**

- Kayrine Brown, Acting Executive Director, provided an overview of the written report, with an update on the Resident Services activities, a "Community Cool Down" meeting at Cider Mills, and the topping out event at the Westside Shady Grove. There was a last minute addition to the Acting Executive Director's report in regards to the Heritage Emory Grove revitalization.

In regards to the Emory Grove project, Chair Pro Tem Nelson reported that the PHED Committee Chair, Councilmember Riemer, acknowledged the project during the Committee meeting held on Monday, February 28, 2022, and is very much in support of it.

Chair Priest commented thanking the staff on good job in preparation of the presentation to the PHED Committee and asked Acting Executive Director Brown to provide a summary of what took place.

Acting Executive Director Brown addressed Commissioner Merkowitz's question regarding access to emergency rental assistance funds.

### **Commissioner Exchange**

- Commissioner Simon commented on the continuation of informing applicants and residents of access to services the County has to offer.
- Chair Priest commented on the Cool Down event, indicating that this is a model we should consider putting in place for the future.

- II. **Approval of Minutes** - The minutes were approved as submitted with a motion by Vice Chair Kelleher and seconded by Commissioner Simon. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Merkowitz, and Simon. Commissioner Croom was necessarily absent and did not participate in the vote.

- A. Approval of Minutes of February 2, 2022**
- B. Approval of Minutes of February 2, 2022 Closed Session**
- C. Approval of Minutes of February 7, 2022 Special Session**
- D. Approval of Minutes of February 7, 2022 Closed Special Session**

III. **COMMITTEE REPORTS AND RECOMMENDATIONS FOR ACTION**

**A. Administrative and Regulatory Committee – Com. Kelleher, Chair**

1. **Supportive Housing:** Authorization to Execute Lease Agreement for the Supportive Housing Program

Fred Swan, Director of Resident Services, was the presenter. Mr. Swan addressed questions of the Commissioners.

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

**RESOLUTION NO.: 22-17**

**RE: Authorization to Execute Lease Agreements  
for the Supportive Housing Program**

**WHEREAS**, the Supportive Housing Program is a U.S. Department of Housing and Urban Development (“HUD”) funded initiative that is administered by the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) on behalf of the Montgomery County Homeless Continuum of Care;

**WHEREAS**, HUD mandates that all administering agencies of the Supportive Housing Program (the “Program”) operate under one of two designated structures;

**WHEREAS**, the two HUD designated program structures for the Program are the Rental Assistance structure and the Leasing structure;

**WHEREAS**, HOC has chosen to operate the Program under the Leasing structure; and

**WHEREAS**, accordingly, for each Program participant, HOC must enter into a lease agreement with the landlord and an occupancy agreement with the participant.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Acting Executive Director, or her designee, to (A) operate the Program via the Leasing structure; and (B) to execute all necessary lease agreements with landlords and execute all necessary occupancy agreements with the participants in accordance with the Program.

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

**B. Budget, Finance and Audit Committee – Com. Nelson, Chair**

1. **Budget to Actual Statements:** Acceptance of the Second Quarter FY’22 Budget to Actual Statements

Timothy Goetzinger, Acting Chief Financial Officer, introduced Olutomi Adebo, Assistant Budget Officer, who was the presenter.

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

**RESOLUTION NO.: 22-18**

**RE: Acceptance of the Second Quarter  
FY’22 Budget to Actual Statements**

**WHEREAS**, the Budget Policy for the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) states that quarterly budget to actual statements will be reviewed by the Commission; and

**WHEREAS**, the Commission reviewed the Second Quarter FY'22 Budget to Actual Statements during its March 2, 2022 meeting; and

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby accepts the Second Quarter FY'22 Budget to Actual Statements.

2. **Uncollectable Tenant Accounts Receivable:** Authorization to Write-off Uncollectable Tenant Accounts Receivable (October 1, 2021 – December 31, 2021)

Timothy Goetzinger, Acting Chief Financial Officer, introduced Eugenia Pascual, Controller, who was the presenter. Ms. Pascual and Acting Executive Director Brown addressed the Commissioners questions in regards to explanation of the bad debt write-offs.

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

**RESOLUTION NO.: 22-19**

**RE: Uncollectible Tenant Accounts Receivable:  
Authorization to Write-Off Uncollectible  
Tenant Accounts Receivable**

**WHEREAS**, the current policy of the Housing Opportunities Commission of Montgomery County ("HOC") is (i) to provide for an allowance for tenant accounts receivable balances that are delinquent for more than ninety (90) days; and (ii) to propose the write-off of former tenant balances; and

**WHEREAS**, staff periodically proposes the write-off of uncollected former tenant balances, which updates the financial records to accurately reflect the receivables and the potential for collection; and

**WHEREAS**, the proposed write-off of former tenant accounts receivable balances for the period of October 1, 2021 – December 31, 2021 is \$77,988, consisting of \$43,370 from Opportunity Housing properties, \$2,732 from Supportive Housing Properties and \$31,886 from LIHTC/RAD Properties.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes and directs the Acting Executive Director, or her designee, without further action on its part, to take any and all actions necessary and proper to write off \$77,988 in uncollectible accounts receivable related to (i) tenant balances that are delinquent for more than ninety (90) days, and (ii) former tenant balances, including the execution of any and all documents related thereto.

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

1. **Hillandale Gateway:** Design and Development Update; Approval of a Preliminary Development Plan for the Age-Restricted Building; Approval to Select CBG Building Company as General Contractor; and Approval to Select Lambis Rank for Construction Management Services

Kayrine Brown, Acting Executive Director, and Marcus Erving, Director of Development, provided an introduction prior to introducing Kathryn Hollister, Senior Financial Analyst, who provided the presentation.

Staff addressed Chair Pro Tem Nelson questions in regards to the AMI on the age restricted property.

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

**RESOLUTION NO.: 22-20**

**RE: Approval of Preliminary Development Plan for the Age-Restricted Building and Approval of a General Contractor and Construction Manager for Hillandale Gateway**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) is the sole member of HOC at Hillandale Gateway, LLC, which is a member of Hillandale Gateway, LLC; and

**WHEREAS**, Hillandale Gateway, LLC, is the lessee of a 96-unit rental property in Hillandale known as Holly Hall Apartments located on approximately 4.35 acres of land at 10100, 10110 and 10120 New Hampshire Avenue, Silver Spring, MD 20903 (“Holly Hall”); and

**WHEREAS**, HOC is redeveloping the Holly Hall site and a neighboring parcel located at 10140 New Hampshire Avenue, Silver Spring, MD into a mixed-income, mixed-use, multigenerational community (“Hillandale Gateway”) as part of a joint venture with The Duffie Companies; and

**WHEREAS**, on February 18, 2021, the Montgomery County Planning Board approved the site plan for Hillandale Gateway (“Approved Site Plan”); and

**WHEREAS**, the Approved Site Plan includes the development of a 155-unit, age-restricted (age 62+) senior building (“AR Building”); a 308-unit, non-age restricted multifamily building (“NAR Building”); structured parking garage; and commercial/retail/restaurant spaces; and

**WHEREAS**, the Commission desires to approve a preliminary development and finance plan (“Preliminary Development Plan”) for the AR Building, in which (a) 113 units are affordable to households earning 50% AMI or below; (b) 42 units are affordable to households earning 80% AMI or below; and (c) all 155 units are financed through the Low Income Housing Tax Credit (“LIHTC”) program, utilizing the program’s income average set aside; and

**WHEREAS**, the Commission issued request for proposals for general contracting services (“RFP #2266”) and construction management services (“RFP #2282”) for Hillandale Gateway; and

**WHEREAS**, CBG Building Company (“CBG”) received the highest score among respondents to RFP #2266 and Lambis Rank received the highest score among respondents to RFP #2282; and

**WHEREAS**, the Commission desires to select CBG as the general contractor for Hillandale Gateway and authorize the Acting Executive Director to negotiate a contract with CBG; and

**WHEREAS**, the Commission desires to select Lambis Rank as the construction manager for Hillandale Gateway and authorize the Acting Executive Director to execute a contract (“CM Contract”) with Lambis Rank; and

**WHEREAS**, the Commission desires that the CM Contract allow HOC the right to terminate the contract prior to construction should the Hillandale Gateway transaction not close.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that it approves the Preliminary Development Plan for the AR Building, in which (a) 113 units are affordable to households earning 50% AMI or below; (b) 42 units are affordable to households earning 80% AMI or below; and (c) all 155 units are financed through the LIHTC program, utilizing the program’s income average set aside.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that it approves the selection of CBG as the general contractor for Hillandale Gateway and authorizes the Acting Executive Director to negotiate a contract with CBG.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that it approves the selection of Lambis Rank as the construction manager for Hillandale Gateway and authorizes the Acting Executive Director to execute a CM Contract with Lambis Rank that binds HOC to preconstruction costs only and allows HOC the right to terminate the contract prior to construction should the Hillandale Gateway transaction not close.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that the Acting Executive Director, or her designee, is hereby authorized, without any further action on its part, to take any and all actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related thereto.

2. **Mortgage Finance:** Approval of Firm Selected to Serve the Commission as Bond Counsel for a New Contract Term in Accordance with Request for Proposal (RFP) #2288

Jennifer Arrington, Acting Director of Mortgage Finance, was the presenter.

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

**RESOLUTION NO.: 22-21**

**Re: Approval of Firms Selected to Serve the Commission as Bond Counsel for a New Contract Term in Accordance with Request for Proposal (RFP) #2288**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) is 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, and is further authorized by the Agreement by and between HOC and Montgomery County, Maryland, effective July 1, 2010, as amended, to issue its notes and bonds from time to time to fulfill its corporate purposes; and

**WHEREAS**, the ability to issue notes and bonds to the capital markets is subject to the availability of an opinion of a nationally recognized bond counsel concerning (1) the validity of the bonds and (2) the excludability of interest on the bonds from gross income for federal income tax purposes, without which the bonds are not normally marketable; and

**WHEREAS**, in 2017, the Commission appointed Kutak Rock LLP (“Kutak Rock”) and Ballard Spahr LLP to serve as bond counsel for three (3) years with two (2) additional one-year renewals, for a maximum contract term of five (5) years that ends on April 9, 2022; and

**WHEREAS**, the Commission continues to seek the services of bond counsel that is highly qualified and experienced in the issuance of revenue bonds for its single family and multifamily programs under parity (open) indentures at prices that are highly competitive in the market place, and therefore issued RFP #2288 on October 27, 2021 for said purpose; and

**WHEREAS**, staff completed its review of the three (3) firms that submitted a proposal in response to RFP #2288, and has determined that the law firm of Kutak Rock was the most responsive and is the most qualified to represent the Commission as bond counsel for a new contract term.

**NOW, THEREFORE BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it (A) approves the selection of Kutak Rock LLP as its bond counsel for its single family and multifamily bond programs under parity indentures for a new contract term of three (3) years with two (2) additional one-year extensions; (B) authorizes the Acting Executive Director, or her designee, to negotiate and execute contract documents in conformance with the submitted proposal and best practices; and (C) authorizes a maximum annual contract amount not to exceed \$600,0000 annually.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that bond counsel services for select stand-alone conduit transactions will be negotiated with Kutak Rock LLP in accordance with its proposal.

The meeting went into recess at 5:10 p.m. and reconvened at 5:12 p.m.

Chair Priest read the Written Closing Statement and made a motion to adopt the statement and close the meeting. Commissioner Simon seconded the motion, with Commissioners Priest, Kelleher, Nelson, Byrd, Merkowitz, and Simon voting in approval. Commissioner Croom was necessarily absent and did not participate in the vote.

Based upon this report and there being no further business to come before this session of the Commission, the Commission adjourned the open session at 5:12 p.m. and reconvened in closed session at 5:15 p.m.

In compliance with Section 3-306(c)(2), General Provisions Article, Maryland Code, the following is a report of the Housing Opportunities Commission of Montgomery County’s closed session held on

March 2, 2022 at approximately 5:15 p.m. via an online platform and teleconference, with moderator functions occurring at 10400 Detrick Avenue, Kensington, MD 20895. The meeting was closed under the authority of Section 3-305(b)(9) to discuss the status of ongoing negotiations with the union, including telework and wages.

The meeting was closed and the closing statement dated March 2, 2022 was adopted on a motion made by Roy Priest, seconded by Jackie Simon, with Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Pamela Byrd, Jeffrey Merkowitz, and Jackie Simon voting in favor of the motion. Commissioner Linda Croom was necessarily absent. The following persons were present: Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Pamela Byrd, Jeffrey Merkowitz, Jackie Simon, Kayrine Brown, Aisha Memon, Patrick Mattingly, Hiwote Yohannes, Terri Fowler, Charnita Jackson, Darcel Cox, Gail Willison, Matt Husman, Nathan Bovelleville, Timothy Goetzinger, Zachary Marks, Ian-Terrell Hawkins, and Patrice Birdsong.

In closed session, the Commission discussed the below topic and took the following action:

1. **Topic:** The status of ongoing negotiations with the union, including telework and wages (pursuant to Section 3-305(b)(9)).
  - a. **Action Taken:** The Commission received an update from the Director of Human Resources regarding the negotiations and arbitration process. No formal action/vote was taken.

The closed session was adjourned at 5:55 p.m.

Respectfully submitted,

Kayrine Brown  
Acting Secretary-Treasurer

/pmb

**Approved: April 6, 2022**