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January 30, 2019

Dear County Executive Elrich,

I hope this letter finds you well - even as you are deep in the challenges of transition. I am writing on behalf of HOC, seeking your leadership and requesting that you convene a meeting at your office, or hosted here at HOC's headquarters, so that we might move the discussion forward and memorialize the former Moses Cemetery in Westbard. As you know, this issue not unique to Westbard or Montgomery County and serves as a reminder of our nation's challenging history around race, equity and inclusion. Moses Cemetery is part of this County's rich tapestry and HOC fully supports and is committed to its memorialization. Rightfully, this history should be honored so that it is neither forgotten nor repeated.

HOC recognizes the importance of collaborating with all stakeholders. Consequently, we ask that you convene a meeting to include descendants of the River Road African American community, Macedonia Baptist Church, the Housing Opportunities Commission of Montgomery County, Regency Centers, the Planning Board, Montgomery County Planning Department, the Parks Department, the County Council, as well as the Montgomery County Chapter of the National Association for the Advancement of Colored People who recently reached out to HOC on this issue.

We understand the sensitivity and history of this area and believe that memorialization cannot be successful without active and collaborative participation. The current national discourse serves as a cautionary tale - opposing groups, immutable positions and vilification of opponents. In the wake of all that, communities suffer. HOC has no desire to see national politics become the local approach on this or any issue. Despite charges to the contrary, HOC has met with the Church, their supporters as well as other organizations who have asked us to discuss memorialization. Moreover, we support memorialization and have no plans for development. Nonetheless, these truths are not included in the most persistent narrative. For your information, we have provided attachments that delineate HOC's history with Westwood Tower and clarifications of our positions, and therefore we will not recount them within this letter.

Previously, you have offered your leadership and support to move this issue forward. As County Executive, you have the unique ability to convene a meeting with the stakeholders noted above so that we might make real progress on this issue. As the owners of the Westwood Tower property and as a member of the Westbard community, HOC is committed to making responsible decisions about how to best serve the people of Montgomery County as well as memorializing the history of the River Road community. We will continue to make space in our monthly

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commission meetings; however, you are well aware of the urgency of HOC's affordable housing mission. In service to this great county, we want to both move the memorialization discussion forward and get back to our mission as Housers.

HOC continues to be willing to work together with all stakeholders for a unified solution.

Sincerely,



Stacy L. Spann

Enclosures

cc: Honorable Nancy Navarro, President, Montgomery County Council
Linda Plummer, Chair NAACP Montgomery County Chapter
Casey Anderson, Chair, Montgomery County Planning Board
-----, Regency Centers
Reverend Segun Adebayo, Macedonia Baptist Church
Sam Stiebel, Regency Centers



Westwood Tower Statement

In 1997, as part of its mission to provide affordable housing throughout Montgomery County, HOC signed a lease with an option to purchase the Westwood Tower property in the 20th year of the lease. In January 2018, HOC completed the acquisition of Westwood Tower.

The Commission will continue operating Westwood Tower in its current state and has no plans for development at this time. In furtherance of our mission, HOC intends to increase the level of affordability at Westwood Tower. Westwood Tower currently provides 43 affordable units – supporting families who earn 50% of the Area Median Income and below. Increasing affordability at this property ensures these and other families can continue to enjoy the excellent schools, jobs and recreational opportunities the Westbard community has to offer.

Serving Montgomery County's most vulnerable residents remains at the center of our work. As the new owners of the Westwood Tower property and as a member of the Westbard community, HOC is committed to making responsible decisions about how to serve the people of Montgomery County and the history of the neighborhood.

We understand the sensitivity of the issue in relation to the history of this area. Moving forward, HOC will continue to listen to the concerns of the Westbard community.

The Commission has no plans to pursue development, and consequently no plans to pursue a historical/archaeological evaluation of the property at this time.

HOC's History of Involvement with Westwood Towers

March 1997: HOC initiates a master lease with an option to purchase – the purchase has not yet been executed - the Westwood Tower property to provide affordable housing to low- and moderate-income households

2013: Equity One acquires Westwood Tower

December 2014: First briefing on Westbard Sector Plan is presented to the Planning Board

March 2016: Revised Westbard Sector Plan is adopted

August 2016: Montgomery County Planning Department begins meetings to discuss Equity One Sketch Plan application

December 2016: Equity One and Planning Department propose to commission and fund a historical and archaeological study of Westbard cemetery site Planning Department delays the study pending availability of a firm preferred by members of the Macedonia Baptist Church and other groups

March 2017: Regency Centers acquires all of Equity One's holdings including Westwood Towers

April 2017: Firm preferred by some members of the Westbard community becomes available and work on the study begins Study delayed as Westbard community members seek Montgomery County funding for a peer review of the historical and archaeological study results.

May 2017: County sponsored mediation begins between Montgomery County government, the Planning Department, Regency Centers, HOC, and interested parties from the Westbard community including Macedonia Baptist Church

June 2017: Second mediation session is held

July 2017: HOC is added as a defendant in Westbard Sector Plan lawsuit

September 2017: The Conflict Resolution Center of Montgomery County terminates the mediation process after being unable to set a meeting date that accommodates schedules for the key parties

February 2018



HOC Staff Report: HOCs Support For Westbard Memorialization

Serving Montgomery County’s most vulnerable residents is at the center of HOC’s work. In keeping with its mission to provide affordable housing throughout Montgomery County, HOC signed a lease in 1997 with an option to purchase the Westwood Tower property in the 20th year of the lease. In January 2018, HOC completed the acquisition of Westwood Tower in line with the terms of the 1997 lease.

The Commission will continue operating Westwood Tower in its current state and has no plans for further development at this time. In furtherance of our mission, HOC is increasing the level of affordability at Westwood Tower. Westwood Tower currently provides 43 affordable units – supporting families who earn 50% of the Area Median Income and below. Increasing the number of affordable units at this property ensures these and other families can continue to enjoy the excellent schools, jobs and recreational opportunities the Westbard community has to offer.

As the owners of the Westwood Tower property and as a member of the Westbard community, HOC is committed to making responsible decisions about how to serve the people of Montgomery County as well as honoring the history of the neighborhood. The Commission understands the sensitivity surrounding the history of this area and has studied David Rotenstein’s “The River Road Moses Cemetery: A Historic Preservation Evaluation”, who shared highlights of his research at HOC’s October, 2018 public meeting. Moving forward, HOC will continue to listen to the concerns of the Westbard community and work with all stakeholders to reach resolution for memorialization.

Towards that end, this document attempts to clarify misunderstandings that have entered the public discourse with factual information. We are hopeful that by clarifying HOC’s position we will be able to work together and make meaningful progress towards memorialization.

MISUNDERSTANDINGS	FACTS
SUPPORT FOR MEMORIALIZATION	
<ul style="list-style-type: none"> • HOC does not support memorialization of the African American cemetery or history of the former community. 	<ul style="list-style-type: none"> • HOC supports memorialization of the cemetery and the history of the former community. • HOC encouraged and tried to facilitate a joint meeting with all stakeholders including Macedonia Baptist Church (The Church), the Montgomery County Parks Department and Regency Centers.

	<ul style="list-style-type: none"> • HOC’s support for memorialization was communicated in a meeting with the Church on April 24, 2018, again in a meeting with the Church on June 27, 2018, reiterated in a letter to the Church in October, 2018 as well as stated publicly during the Commission’s monthly meeting on July 11, 2018
<ul style="list-style-type: none"> • HOC is convening an advisory group to decide what form memorialization will take. 	<ul style="list-style-type: none"> • HOC is not convening an advisory group to determine how to memorialize the site. • HOC recognizes that a memorial would be within the purview of the Montgomery County Parks Department, and the Park Department’s process typically includes substantial public comment and, often, an advisory committee. • As The Parks Department is the county agency charged with undertaking memorialization efforts, The Parks Department is the entity that would establish a memorialization process. • The Westbard Sector Plan requires a study and includes plans for memorialization. <p>http://montgomeryplanning.org/planning/communities/area-1/planwestbard/</p> <ul style="list-style-type: none"> • HOC believes joint meetings with all stakeholders would help address these types of misunderstandings.
<ul style="list-style-type: none"> • HOC will not allow parcel 175 to be used for memorialization. 	<ul style="list-style-type: none"> • During our June 27, 2018 meeting with members of the Church and their supporters, HOC introduced alternatives such as an “on site dedication” or an historical easement which would allow access to parcel 175 to enable or support memorialization. • HOC has not offered to “turn over” the land to the Church as it is the only means of access to two levels of the Westwood Tower parking garage for residents.
<ul style="list-style-type: none"> • HOC is building a parking garage on or around parcel 175 in Westbard. 	<ul style="list-style-type: none"> • Consistent with the 2016 Sector Plan approval, HOC submitted a draft sketch plan intended to add an option for future addition of parking and housing units.

	<ul style="list-style-type: none"> • This option was approved but the Commission did not have definitive or active development plans. Rather the sketch plan effort was consistent with preserving future housing options to support HOC’s affordable housing mission. • In response to community concerns, HOC has determined to take no development actions at this time.
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HOC’S WORK WITH MACEDONIA BAPTIST CHURCH AND DESCENDANTS

<ul style="list-style-type: none"> • HOC is not listening to the Macedonia Baptist Church or the community. 	<ul style="list-style-type: none"> • HOC has and will continue to make room for and listen to community stakeholders on efforts to memorialize the Moses Cemetery. • While the Maryland Public Meetings Act does not require agencies to include a community forum as part of its agenda, HOC is the only Montgomery County agency that has continued to provide the opportunity during its public meeting to hear from the Macedonia Baptist Church and its supporters.
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<ul style="list-style-type: none"> • HOC has not met with the Macedonia Baptist Church, protesters and descendants. 	<ul style="list-style-type: none"> • HOC has met with the Church, supporters and members of the Descendent community on April 24, 2018; June 27, 2018; and attempted to schedule a meeting in October, 2018. To date, the October meeting has not been rescheduled. • HOC along with Planning staff and representatives of the County Executive’s Office participated in mediation with Macedonia Baptist Church and others in 2017 before purchasing Westwood Tower. • HOC has maintained regular contact and phone calls with members of the Descendent community. • HOC also received a request to meet with the NAACP on this issue on November 13, 2018. The Macedonia Baptist Church also participated in this meeting. • In an October, 2018 email to Reverend Adabeyo and others, HOC offered to schedule another meeting with
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	<p>The Macedonia Baptist Church and Regency Partners on October 19, 2018. Reverend Adabeyo declined the offer because of a scheduled meeting with Regency. In HOC’s email, it was clear that this would provide an opportunity to begin getting stakeholders together to jointly discuss memorialization opportunities.</p> <ul style="list-style-type: none"> • To date, a follow-up meeting has not been rescheduled.
<ul style="list-style-type: none"> • HOC is not willing to work with other stakeholders towards memorialization of the Moses Cemetery. 	<ul style="list-style-type: none"> • HOC has accepted every invitation to meet on this issue with community members and interested parties regarding memorializing the Moses Cemetery. • HOC continues to believe that all stakeholders including the Macedonia Baptist Church and their supporters, The Parks Department, Regency Partners, and HOC should work together to reach a solution for memorialization.

HOC’S HISTORY WITH WESTWOOD TOWER

<ul style="list-style-type: none"> • HOC purchased the Westbard parcels using tax payer money. 	<ul style="list-style-type: none"> • The purchase of Westwood Tower did not involve either County or Federal tax dollars. • HOC receives roughly five percent (5%) of its budget from County government. All of those funds are programmatically focused and are unable to be spent on land or property acquisition. • In 2018, HOC generated \$77.5 million in rental revenue significant revenue from rental properties throughout the County and has access to lines of credit totaling \$150 million on a permanent basis which can be leveraged to purchase property. • At Westwood Tower, rents from the affordable and market rate units provide funds for operations, maintenance and debt service.
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<ul style="list-style-type: none"> • HOC paid \$20 million for parcel 175 only. 	<ul style="list-style-type: none"> • As stipulated in the purchase option of the original 1997 lease, HOC paid \$20 million for the acquisition of the property including the 212 residential units and
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	<p>surrounding parking area. The property includes parcels 175, 238 and 240.</p> <ul style="list-style-type: none"> • In order to purchase the property, HOC financed the acquisition by drawing on its line of credit and repaid the draw with a three year bank loan. The permanent financing remains to be determined but will be in place prior to the bank loan expiration.
<ul style="list-style-type: none"> • HOC purchased the Westbard parcels in a “back room” deal. 	<ul style="list-style-type: none"> • HOC executed a ground lease of the property in 1997 and began providing affordable and market rate units at Westwood Tower. • The lease included a 20-year purchase option of Westwood Tower, including parcel #175. • HOC exercised its purchase option from the 1997 lease on September 14, 2016 via letter to Equity One, consistent with the terms of the ground lease agreement with Equity One and successor Regency Centers.

HOC OVERSIGHT

<p>HOC has no oversight from local or other entities.</p>	<ul style="list-style-type: none"> • HOC participates in all investigative studies initiated by the County’s Office of Inspector General. Montgomery County government provides between four and five percent of HOC’s funding. In addition to oversight of the use of these funds, the County’s Office of the Inspector General is responsible for investigating potential fraud, waste and abuse in county agencies including independent agencies. • HOC is a rated Local Housing Finance Agency and is reviewed annually by Moody’s Investor Services. Additionally, HOC’s bond issuance activity requires regular audit and review by third-party agencies. • The Maryland Department of Community Development, as the state Tax Credit issuing authority provides compliance oversight for HOC’s tax credit issuance activities as well as its Tax Credit properties.
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- As a Low Income Housing Tax Credit developer, HOC is subject to review and oversight by the U.S. Department of Treasury as well as LIHTC investors.
- HOC administers the U.S. Department of Housing & Urban Development's (HUD) Housing Choice Voucher Program and is subject to annual audit and HUD Housing Quality Standard inspections by third party reviewers as well as regular reviews by HUD and other third-party reviewers.
- HOC is a landlord in Montgomery County and is subject to all code enforcement laws and inspections, which are conducted regularly by County Code Enforcement staff and its rental licenses are regulated by the County's Department of Housing and Community Affairs.
- The County Council's Planning, Housing and Economic Development Committee provides oversight of county funding and regularly asks operational questions about HOC's major development and redevelopment activities that impact the number and operation of affordable housing units within Montgomery County.
- HOC is a developer with multiple sites under construction and inspected by Permitting officials.
- HOC's Financial Audits are posted and available on HOC's website.
- Finally, each LIHTC property as well as every development corporation and LLC are subject to individual property audits, in addition to the main agency audit, on an annual basis. These audits are carried out by several independent third party Certified Public Accounting firms.

January 2019