

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

May 3, 2017

17-05

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, May 3, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:00 p.m. Those in attendance were:

**Present**

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

**Absent**

Margaret McFarland

**Also Attending**

Stacy Spann, Executive Director  
Patrick Mattingly  
Fred Swan  
Kayrine Brown  
Joan McGuire  
Darcel Cox  
Lorie Seals  
Belinda Fulco  
Nilou Razeghi  
Angela McIntosh-Davis  
Tiffany Jackson  
Bobbie DaCosta  
Arthur Tirsky  
Natalie Kaplan  
Victoria Dixon

Nowelle Ghahhari, Acting General Counsel  
Gail Willison  
Brian Kim  
Hyunsuk Choi  
Shauna Sorrells  
Zachary Marks  
Jay Shepherd  
Christina Autin  
Douglas Brooks  
Lynn Hayes  
Ethan Cohen  
Rita Harris  
Jim Atwell  
Samuel Mason

**RAB**

Yvonne Caughman, Vice President

**Guest**

Amy Millar, MCGEO

**IT Support**

Irma Rodriguez

**Commission Support**

Patrice Birdsong, Spec. Asst. to Commission

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

**I. CONSENT ITEMS**

- A. **Approval of Minutes of April 5, 2017** - The minutes were approved as submitted.
- B. **Approval of Executive Session Minutes of April 5, 2017** – The minutes were approved as submitted.

**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 Croom reported that she attended the NAACP Gala on April 30, 2017 and it was a very nice event.
- D. **Resident Advisory Board (RAB)** – Yvonne Caughman, Vice President, reported that Ethan Cohen, Housing Programs Coordinator, met with the RAB to present and discuss the proposed revisions to the HOC Administrative Plan regarding preference for families with histories of homelessness. The Board reviewed and is in favor of the changes.
- E. **Community Forum** – None
- F. **Status Report** – None

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

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

**1. Approval to Select Construction Management Company for the Development of Elizabeth House III Apartments (“EH III Apartments”) and The South County Regional Recreation and Aquatic Center (SCRRAC) Pursuant to Request for Proposals #2056 and Authorization to Negotiate and Execute Contract with Jones Lang LaSalle (JLL)**

Brian Kim, Development Associate, and Hyunsuk Choi, Senior Financial Analyst, were the presenters.

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

**RESOLUTION: 17-29**

**RE: Approval to Select Construction Management Company for the Development of Elizabeth House III Apartments (“EH III Apartments”) and The South County Regional Recreation and Aquatic Center (SCRRAC) Pursuant to Request for Proposals #2056 and Authorization to Negotiate and Execute Contract with Jones Lang LaSalle (JLL)**

**WHEREAS**, Elizabeth Square is a 136,032 sq. ft. parcel located in downtown Silver Spring, bounded by Fenwick Street to the North, Second Avenue to the East, WMATA Rail Lines to the West and Apple Street to the South, known as Elizabeth Square and consists of three discrete properties: Alexander House, owned by Alexander House Development Corporation and Alexander House Limited Partnership (“Alexander House”); Elizabeth House, owned by the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), and Fenwick Professional Park owned by Acorn Storage No. 1, LLC a subsidiary of Lee Development Group (LDG) subject to a Master Lease to Elizabeth House III Limited Partnership, Elizabeth House III LLC and EH III Recreational Center, LLC; and

**WHEREAS**, the revised Sketch Plan, Preliminary Plan, and Site Plan for Elizabeth Square will be submitted to the Maryland National Capital Park and Planning Commission (“M-NCPPC”) on May 2017 with approval projected for September 2017; and

**WHEREAS**, the revised development plan will include 267 residential units in the Elizabeth House III Apartments (“EH III Apartments”) development, of which 120 units will be set aside as affordable units, the 120,000 square foot South County Regional Recreation and Aquatic Center (SCRRAC), and the 7,500 square foot Holy Cross Hospital Senior Resource Center and Primary Care Facility; and

**WHEREAS**, Schematic and Design Development Plans for the new EH III Apartments is anticipated to be completed by June 2017; and

**WHEREAS**, staff proposes the use of a Construction Manager to support and manage very complex development of AH III Apartments and the SCRRAC to ensure the efficient and effective execution of the Commission's goal of providing safe, high quality, amenity rich, affordable housing and the County's goal of delivering a recreational and aquatic center in the down county location of Montgomery County; and

**WHEREAS**, staff issued the request for proposals (RFP) #2056 for Construction Management Services on March 22, 2017 for the construction of EH III Apartments and the SCRRAC, soliciting firms with extensive experience in the development of public government facilities, aquatic and recreation centers, a tight urban site with limited construction access, developments within the zone of influence of WMATA metro and CSX tracks, high-rise multifamily structures, and multiple levels of underground parking; and

**WHEREAS**, there were four proposals submitted in response to the RFP (Jones Lang LaSalle, Hanscomb Consulting, Inc, Building Consultants, Inc. and JDC Construction Company, LLC) from which staff selected the highest scoring firm based on the established selection criteria in the RFP; and

**WHEREAS**, of the four qualified responses Jones Lang LaSalle (JLL) JLL, a company with extensive experience with new construction, both commercial and residential, to include experience with the construction of an aquatic center (Smith Aquatic Center in Charlottesville, Virginia) as well as experience with federal, state and local authorities, received the highest score, averaging 93.67; and

**WHEREAS**, the Commission wishes to approve the selection of JLL as construction manager for Elizabeth House III and the SCRRAC.

**NOW, THEREFORE, BE IT RESOLVED**, that the Housing Opportunities Commission of Montgomery County hereby approves the selection of Jones Lang LaSalle as construction manager for Elizabeth House III and the SCRRAC.

**BE IT FURTHER RESOLVED**, that the Housing Opportunities Commission of Montgomery County hereby authorizes the Executive Director of the Commission to negotiate and execute a contract with Jones Lang LaSalle for \$1,495,000 which will consist of a pre-development portion of \$270,000 (\$30,000 per month) and a construction and closeout portion of \$1,225,000.

**BE IT FURTHER RESOLVED**, by the Housing Opportunities Commission of Montgomery County that it authorizes funding of the predevelopment portion of \$270,000 from the existing predevelopment funding previously approved by the Commission, and that the construction and closeout portion of \$1,225,000 is authorized to be funded from loan proceeds at the closing of the construction financing of EH III Apartments and the SCRRAC.

**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.

**2. Approval to Select JDC Construction Company as Construction Manager for the Renovation of Alexander House Apartments and Authorization to Execute Contract**

Hyunsuk Choi, Senior Financial Analyst, and Brian Kim, Development Associate, were presenters.

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

**RESOLUTION: 17-30**

**RE: Approval to Select JDC Construction Company as Construction Manager for the Renovation of Alexander House Apartments and Authorization to Execute Contract**

**WHEREAS**, the Alexander House Development Corporation (the "Corporation") is a wholly controlled corporate instrumentality of the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission"), and Alexander House Apartments Limited Partnership (the "Partnership") is a Low Income Housing Tax Credit entity created on July 7, 2016, with HOC as the general partner and the Corporation as the initial limited partner, and the two entities together (the "Owners") own 40% and 60%, respectively of Alexander House Apartments; and

**WHEREAS**, the Alexander House Apartments (the "Development") is located at 8560 Second Avenue, near the Silver Spring Metro Station, and was originally constructed in 1992 as a single sixteen-story building with 311 residential units, 203 parking spaces in a tri-level underground parking garage, management offices, maintenance and engineering rooms, as well as a common outdoor pool shared with Elizabeth House Apartments, the property adjacent to the north; and

**WHEREAS**, the Development is an important element of the redevelopment of Elizabeth Square; and

**WHEREAS**, on May 4, 2016, the Corporation approved the selection of CBP Constructors LLC as general contractor for the renovations of the Development; and

**WHEREAS**, on October 5, 2016, the Commission, acting on behalf of itself and for and on behalf of the Partnership, approved the final development plan for the Development with an estimated total development cost budget of \$120,194,570, approximately \$68,013,220 of which to be allocated to the Corporation's portion and approximately \$52,181,350 to the Partnership's portion; and

**WHEREAS**, on January 20, 2017, the Executive Director signed the general contractor contract with CBP Constructors LLC for \$25.3 million; and

**WHEREAS**, on January 31, 2017, Citi Community Capital provided construction loans to the Owners of Alexander House Apartments which allow the existing apartment building to be modernized and competitive in the downtown Silver Spring multifamily rental market; and

**WHEREAS**, on May 7, 2014, the Commission approved the creation of a pool of construction management professionals consisting of four firms to provide such services; and

**WHEREAS**, on May 4, 2016, the Commission approved two additional firms to be added to the construction management pool: Hess Construction and CBP Constructors; and

**WHEREAS**, to ensure the efficient and timely execution of the renovation plan, staff proposes the use of third-party construction management services to provide oversight of the redevelopment process to protect the Commission's interests and to ensure the on-time delivery of the renovated units; and

**WHEREAS**, staff solicited pricing proposals to provide construction management services for the renovation of Alexander House Apartments from the construction management pool on January 6, 2017, and having reviewed those proposals recommends the selection of JDC Construction Company as construction manager for the renovation of the Property.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and as general partner for and on behalf of Alexander House Apartments Limited Partnership ("AHLP"), that it hereby approves the selection of JDC Construction Company as Construction Manager for the renovation of Alexander House Apartments.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of AHLP as its current general partner, authorizes the Executive Director to execute a construction management contract with JDC Construction Company for an amount not to exceed \$304,500, of which \$121,800 to be allocated to AHLP and

\$182,700 to Alexander House Development Corporation, and funded from the respective construction loans proceeds made available on January 31, 2017 from Citi Community Capital.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of Alexander House Apartments Limited Partnership as its current general partner, that the Executive Director is authorized, without any further action on their respective parts, to take any and all other actions necessary and proper to carry out the transactions and actions contemplated herein including the execution of any documents related thereto.

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

**1. Authorization to Revise HOC’s Administrative Plan to Provide a Preference for Families with Histories of Homelessness**

Ethan Cohen, Housing Programs Coordinator, and Fred Swan, Director of Resident Services, 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 Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

**RESOLUTION: 17-31**

**RE: Authorization to Revise HOC’s  
Administrative Plan to Provide a Preference for  
Families with Histories of Homelessness**

**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 a local preference to HOC’s waiting list for up to 10 Housing Choice Vouchers to be allocated for families with histories of homelessness; and

**WHEREAS**, a public comment period for these proposed revisions began on April 3, 2017 and concluded on May 3, 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 a local preference to HOC’s waiting list for up to 10 Housing Choice Vouchers to be allocated for families with histories of homelessness.

**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)**  
**None**

**VII. NEW BUSINESS**  
**None**

**VIII. ADMINISTRATIVE SESSION FINDINGS and/or ACTION**  
**None**

Based upon this report, and there being no further business to come before this open session of the Commission, pursuant to Section 3-305 of the General Provisions Article of the Maryland Annotated Code, a motion was made to adjourn the open session to a closed session by Vice Chair Hatcher and seconded by Commissioner Byrd. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

The open session adjourned at 4:25 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

**Approved: June 7, 2017**