

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

April 7, 2021

21-04

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Wednesday, April 7, 2021, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:05 p.m. Those in attendance were:

Present

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

Absent

Pamela Byrd

Also Attending

Stacy L. Spann, Executive Director
Aisha Memon, General Counsel
Zachary Marks
Charnita Jackson
Christina Autin
Jay Berkowitz
Victoria Dixon
Terri Fowler
Jennifer Arrington
Nathan Bovelie
Ian Hawkins

Kayrine Brown, Deputy Executive Director
Cornelia Kent
Fred Swan
Olutomi Adebo
Renee Harris
Darcel Cox
Nicolas Deandreis
Emma Fiorentino
Marcus Ervin
Kathryn Hollister
Claire Kim

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

- Molly Hauck – Addressed the Board regarding a request for public information and having to pay a fee. Chair Priest and Executive Director Spann explained that the request has to comply with specific standards in order to waive fees. General Counsel explained that the ability to charge a fee is in the Public Information Act.
- Marsha Coleman-Adebayo – Continued to address the Board regarding HOC conveying a portion of Westwood Towers to Macedonia Church. Chair Priest thank Dr. Coleman-Adebayo for her comments and informed that he is in the process of working on a resolution to this matter.
- Karen Lundregan – Continued to address the Board regarding unfair treatment from staff, discrimination, and retaliation. Chair Priest thank her for her comments and explained that personnel matters could not be discussed in the present forum but he would work on coordinating a meeting to discuss concerns.

Executive Director's Report

- Executive Director Spann highlighted a collaboration with County partners and the private sector around COVID-19 vaccination and testing. Commissioners expressed their gratitude to Executive Director Spann and Team. Mr. Spann addressed questions of the Commissioners.

Commissioner Exchange

Chair Priest acknowledged and summarized an opinion received from the State of Maryland Open Meetings Compliance Board regarding a complaint that was filed in January 2021 alleging that HOC failed to comply with the Open Meetings Act when meeting in closed session in 2019 and 2020. On March 22, 2021, the Board issued an opinion finding that HOC periodically violated Sections 3-305(d)(2) of the Act when its written closing statements failed to provide sufficient detail. More specifically, HOC's written closing statements should have provided more information in the following circumstances:

- When meeting in closed session pursuant to Section 3-305(b)(3), the written closing statements should have included a general description about the nature or nonspecific location of the property, or the type of acquisition being explored;
- When meeting in closed session pursuant to Section 3-305(b)(13), the written closing statements should have cited the specific statute that permitted the closed session and should have provided a description of the nature or type of information that was deemed confidential; and
- When meeting in closed session on June 5, 2019 under Section 3-305(b)(9), the written closing statement should have also identified that non-union employees as a topic of discussion.

Chair Priest also acknowledged that the Compliance Board also found that HOC did not violate the Act for any of the other numerous allegations in the complaint. More specifically, the Board found the following:

- HOC's agendas did not violate the Act;

- HOC’s closed session summaries and minutes did not violate the Act;
- HOC’s processes surrounding voting to close a meeting, availability of the written closing statement, and the ability for the public to object to a closed meeting did not violate the Act; and
- HOC did not automatically violate the Act each time it discussed a contract, a budget amendment, or confidential commercial or financial information in closed session.

Chair Priest noted that the Compliance Board commended HOC’s commitment to continuous improvement. HOC thanks the Board for the time and effort it has spent over the last several months and reaffirmed its commitment to monitor and improve its processes.

- II. **Approval of Minutes** - The minutes were approved as submitted with a motion by Commissioner Croom and seconded by Commissioner Simon. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Croom, Merkowitz, and Simon. Commissioner Byrd was necessarily absent and did not participate in the vote.
- A. **Approval of Minutes of March 3, 2021**
 - B. **Approval of Minutes of March 3, 2021 Closed Session**
 - C. **Approval of Minutes of March 26, 2021 Special Session**

III. **CLOSED AND SPECIAL SESSION RATIFICATION**

- A. **Amendment to the Series Indenture for the Multifamily Housing Development Bonds 2021 Series A to Clarify Certain Provisions of the Indenture**

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

RESOLUTION NO.: 21-35R

RE: Amendment to the Series Indenture for the Multifamily Housing Development Bonds 2021 Series A to Clarify Certain Provisions of the Indenture

WHEREAS, on December 9, 2020, the Housing Opportunities Commission of Montgomery County (the “Commission”) adopted Resolution 20-87B, which authorized the issuance of 2021 Series A Multifamily Housing Development Bonds (the “2021 A Bonds”) in the 1996 Bond Resolution (the “1996 Indenture”) in the amount of \$99.25 million for the purpose of refunding the PNC Bank, N.A. tax-exempt loan in order to use the recycled proceeds to finance the acquisition and development of Westside Shady Grove Apartments;

WHEREAS, closing on the 2021 A Bonds occurred on January 28, 2021;

WHEREAS, the 2021 A Series Indenture (the “Series Indenture”) provides that the 2021 A Bonds shall be secured solely by the proceeds thereof or funds on deposit in the funds and accounts created under the Series Indenture and not by any other moneys, funds or accounts held under the 1996 Indenture;

WHEREAS, at the request of U.S. Bank National Association, the Trustee of the Series Indenture and the 1996 Indenture, to cure any ambiguity in the Series Indenture, staff, along with the Commission’s bond counsel and financial advisor, recommends clarifying in the Series Indenture the manner in which bond interest is calculated and notice of mandatory redemption is given to bondholders;

WHEREAS, at an open Special Session duly called and held on March 26, 2021, with a quorum participating, the Commission duly adopted Resolution 21-35, with Commissioners Kelleher, Nelson, Merkowitz, and Simon voting in approval, and Commissioners Priest, Byrd, and Croom being necessarily absent and not participating in the vote;

WHEREAS, by adopting Resolution 21-35, the Commission approved the following actions:

1. Amending Section 2.05(b), Section 2.08(g), and Exhibit A of the Series Indenture to clarify the manner in which bond interest is calculated and notice of mandatory redemption is given to bondholders, and said amendment, "First Amendment to Series Indenture Providing for the Issuance and Sale of \$99,250,000 Principal Amount of Multifamily Housing Development Bonds (FHA Risk Sharing Insured Pass Through) 2021 Series A of the Housing Opportunities Commission of Montgomery County" was attached to Resolution 21-35 for reference (the "Amendment");
2. The Chairman, the Vice Chairman, or the Chairman Pro Tem, and the Executive Director of the Commission or any authorized designee of the Executive Director were authorized and directed to execute and deliver the Amendment with such changes as shall be approved by such officers, the execution of such Amendment being conclusive evidence of such approval and of the approval of the Commission, and the Secretary-Treasurer of the Commission, or any other authorized officer of the Commission (an "Authorized Officer"), was authorized and directed to affix the seal of the Commission to the Amendment and to attest the same; and
3. The Executive Director, or a duly appointed designee of the Executive Director, was authorized, without any further action on the Commission's part, to execute such other documents, and to take any and all other actions, in each case as necessary and proper, in the Executive Director's judgment, to carry out the actions contemplated herein.

WHEREAS, consistent with the Commission's Second Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in a regular open meeting with a quorum participating, the action undertaken by the Commissioners in adopting Resolution 21-35 and any actions taken since March 26, 2021 to effectuate the actions contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 21-35 and any subsequent actions taken in relation thereto are hereby ratified and affirmed.

IV. **CONSENT**

A. **Approval to Unseal Resolution 19-13AS¹ and Resolution 19-13AS²**

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, Croom, Merkowitz, and Simon. Commissioner Byrd was necessarily absent and did not participate in the vote.

RESOLUTION NO.: 21-36

**Re: Approval to Unseal Resolution 19-13AS¹ and
Resolution 19-13AS²**

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "Commission" or "HOC") 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 subject to the Public Information Act ("PIA") and Open Meetings Act ("OMA");

WHEREAS, on February 17, 2021, HOC received a PIA request to make publicly available copies of Resolution 19-13AS¹ and Resolution 19-13AS² (together, the “Resolutions”), which are a part of HOC’s closed session minutes for a closed meeting held on January 9, 2019;

WHEREAS, the PIA requires the denial of a request for a public record if (1) by law, the public record is privileged or confidential, or (2) the inspection of the public record would be contrary to state statute;

WHEREAS, the OMA provides that the minutes of a closed session shall be sealed and may not be open to the public unless, upon a request by the public, a majority of the members of a public body vote in favor of unsealing the minutes;

WHEREAS, on March 1, 2021, HOC received a request that the Commission consider unsealing the Resolutions; and

WHEREAS, staff reviewed the Resolutions and recommends to the Commission that they be unsealed with redactions to maintain the confidentiality of certain financial information provided by a financial partner.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolutions 19-13AS¹ and 19-13AS², as redacted, be unsealed.

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

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

1. **Willow Manor Properties:** Approval of General Contractor and Approval of Preliminary Development Plan for the Willow Manor Properties

Kayrine Brown, Deputy Executive Director, and Kathryn Hollister, Senior Financial Analyst, were the presenters.

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

Chair Pro Tem Nelson wanted to note for the record that he does not generally support 100% all low-income projects, but does so here solely because of the financing requirements of this LIHTC transaction. Chair Priest commented on the continued effort of procuring minority businesses for its projects.

RESOLUTION NO.: 21-38

RE: Approval of Preliminary Development Plan for the Willow Manor Properties, Including Selection of a General Contractor

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) is the sole member of three individual single-purpose entities: The Manor at Cloppers Mill, LLC, The Manor at Fair Hill Farm, LLC, and The Manor at Colesville, LLC (collectively the “Willow Manor Single-Purpose Entities”), which own Willow Manor at Clopper’s Mill, Willow Manor at Fair Hill Farm, and Willow Manor at Colesville, respectively; and

WHEREAS, Willow Manor at Clopper's Mill consists of 102 age-restricted Low Income Housing Tax Credit ("LIHTC") and market-rate apartments in Germantown, MD ("Clopper's Mill"), Willow Manor at Fair Hill Farm consists of 101 age-restricted LIHTC apartments in Olney, MD ("Fair Hill Farm"), and Willow Manor at Colesville consists of 83 age-restricted LIHTC apartments in Silver Spring, MD ("Colesville") (collectively, the "Willow Manor Properties" or "Properties"); and

WHEREAS, on April 1, 2020 the Commission approved pursuing a LIHTC resyndication of the Properties as a single scattered site transaction; and

WHEREAS, on December 23, 2020, the Commission issued Request for Proposal No. 2236, General Contracting Services for the Renovation of the Willow Manor Properties ("RFP"), to implement renovations as part of the LIHTC resyndication; and

WHEREAS, the Commission received proposals from Nastos Construction, Inc., Kane Construction, Inc. and Hooten Construction, LLC. prior to the RFP deadline; and

WHEREAS, Nastos Construction, Inc. offered the lowest bid of \$10,808,765 and its proposal scored the highest among those received; and

WHEREAS, the Commission desires to select Nastos Construction, Inc. as the General Contractor for the Properties and authorize the Executive Director to negotiate a contract with Nastos Construction, Inc.; and

WHEREAS, the Commission desires to hold up to a 7% vacancy (a total of 20 units) across the Properties from April 2021 until completion of construction in approximately May 2023 in order to facilitate renovation phasing; and

WHEREAS, the Commission desires, as part of the LIHTC resyndication, to approve the public purpose at the Properties and restrict the market-rate units at Clopper's Mill to households earning 80% or less of the Washington Metropolitan Statistical Area Median Income ("AMI") so that all units meet the average income test, which would allow the transaction to generate additional equity proceeds, and so that the transaction meets scattered site LIHTC transaction requirements; and

WHEREAS, the Commission currently intends and reasonably expects to participate in tax-exempt borrowings to refinance the acquisition cost, finance certain property improvements, and fund reserves for the Willow Manor Properties in an amount not to exceed \$100,000,000, all or a portion of which may reimburse the Commission for the portion of such expenditures incurred or to be incurred subsequent to the date which is 60 days prior to the date hereof but before such borrowing, and the proceeds of such tax-exempt borrowing will be allocated to reimburse the Commission's expenditures within 18 months of the later of the date of such expenditures or the date that the Willow Manor Properties are placed in service as part of the LIHTC resyndication (but in no event more than 3 years after the date of the original expenditure of such moneys); and

WHEREAS, the Commission hereby desires to declare its official intent, pursuant to Treasury Regulation §1.150-2, to reimburse the Commission for such expenditures with the proceeds of the Commission's future tax-exempt borrowing for such projects named in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Commission authorizes the selection of Nastos Construction, Inc. as the General Contractor for the Willow Manor Properties and authorizes the Executive Director to negotiate a contract with Nastos Construction, Inc.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of the Willow Manor Single-Purpose Entities, as their sole member, that it approves holding up to a 7% vacancy (a total of 20 units) across the Properties from April 2021 until completion of construction in approximately May 2023 in order to facilitate renovation phasing.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County acting on behalf of itself and on behalf of the Willow Manor Single-Purpose Entities, as their sole member, that it approves the public purpose at the Properties and restricting the market-rate units at Willow Manor at Clopper's Mill to households earning 80% or less of the AMI so that 100% of the units meet the average income test and scattered site LIHTC requirements.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it presently intends and reasonably expects to participate in tax-exempt borrowings of which proceeds, in an amount not to exceed \$100,000,000, will be applied to reimburse the Commission for its expenditures in connection with the Willow Manor Properties.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it presently intends and reasonably expects to refinance the acquisition cost, finance certain property improvements, and fund reserves for the Willow Manor Properties from the proceeds of a tax-exempt bond issuance and that all of the acquisition and financing expenditures covered by this Resolution which may be reimbursed with proceeds of tax-exempt borrowings were made not earlier than 60 days prior to the date of this Resolution, except preliminary expenditures related to the project as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that all prior acts and doings of the officials, agents and employees of the Commission which are in conformity with the purpose and intent of this Resolution, and in furtherance of the permanent financing of the Willow Manor Properties, shall be and hereby are in all respects ratified, approved and confirmed.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission Montgomery County, on behalf of itself and on behalf of the Willow Manor Single-Purpose Entities, as their sole member, authorizes the Executive Director of HOC, or his designee, without any further action on their respective parts, 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. Procurement – Financial Advisor Contract:** Renewal with Caine Mitter and Associated Incorporate (“CMA”) in Accordance with the Current Contract, Prior Approvals and the Procurement Policy

Kayrine Brown, Deputy Executive Director, was the presenter.

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, Croom, Merkowitz, and Simon. Commissioner Byrd was necessarily absent and did not participate in the vote.

RESOLUTION NO.: 21-39

Re: Approval to Renew the Financial Advisor Contract with Caine Mitter and Associates Incorporated in Accordance with the Current Contract, Prior Approvals and the Procurement Policy

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "Commission" or "HOC") 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 authorized thereby and by the Memorandum of Understanding dated June 20, 2018 by and between HOC and Montgomery County, Maryland to issue its notes and bonds from time to time to fulfill its corporate purposes; and

WHEREAS, to advance its mission and operate a successful bond financing program, the Commission engages the services of a number of industry professionals, one of which is a financial advisor; and

WHEREAS, Caine Mitter & Associates Incorporated ("CMA") has successfully served the Commission since 1979 and was selected on June 7, 2017, to continue to serve the Commission as its financial advisor for a new contract term, initially for two years with three optional one year renewals for a maximum term of five years, with each renewal requiring the approval of the Commission; and

WHEREAS, CMA continues to provide effective financial advisory services to the Commission and the Commission wishes to approve the final renewal of the contract for one year in accordance with the current contract and Procurement Policy.

NOW THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the renewal of current contract with Caine Mitter & Associates Incorporated to continue to serve the Commission as Financial Advisor for one-year in accordance with terms provided in the current contract in accordance with the Procurement Policy.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County hereby authorizes and directs the Executive Director, or his designee, without further action on its part, to take any and all other actions necessary and proper to carry out the transactions contemplated herein.

B. Legislative and Regulatory Committee – Com. Kelleher, Chair

1. Public Housing Agency Plan: Authorization to Submit HOC's Fiscal Year 2022 Annual Public Housing Agency Plan

Elliott Rule, Management and Compliance Analyst, was the presenter.

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

RESOLUTION NO.: 21-40

**RE: Authorization to Submit HOC's Fiscal Year 2022
Annual Public Housing Agency Plan**

WHEREAS, the Housing Opportunities Commission of Montgomery County ("HOC") seeks to implement the mandatory Annual PHA Plan requirements of the Quality Housing and Work Responsibility Act of 1998 (QHWRA); and

WHEREAS, the submission of the FY 2022 Annual PHA Plan was prepared in accordance with 24 CFR Part 903 regulations and requirements for submission to the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, HOC worked in collaboration with the Resident Advisory Board to obtain recommendations in the development of the proposed Annual PHA Plan Submission; and

WHEREAS, HOC obtained certification from local government officials that the proposed Annual PHA Plan Submission is consistent with the jurisdiction's Consolidated Plan; and

WHEREAS, HOC conducted a Public Hearing on April 7, 2021 to obtain public comments regarding the proposed Annual PHA Plan Submission; and

WHEREAS, HOC has considered all comments and recommendations received and has incorporated all relevant changes in the proposed Annual PHA Plan Submission.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the FY 2022 Annual PHA Plan and its submission to HUD no later than April 17, 2021, as required by federal regulation.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, 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. Administrative Plan: Authorization to Process Requests for Tenancy Approvals (RFTA) and Lead Based Paint Unit Requirements

Renee Harris, Program Coordinator, was the presenter.

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

RESOLUTION NO.: 21-41

**RE: Revisions to HOC's Administrative Plan for the
Housing Choice Voucher Program to include the
Lead Based Paint Plan of Action**

WHEREAS, the Housing Opportunities Commission of Montgomery County ("Commission") desires to revise its Administrative Plan for the Housing Choice Voucher Program (the "Plan") to include

the Lead Based Paint Plan of Action in Chapter 8 of the Plan (the “Revisions”), as identified in the revised Chapter 8 attached hereto as Exhibit A; and

WHEREAS, a public comment period for the Revisions began on March 5, 2021 and concluded on April 7, 2021 with a public hearing.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County adopts the Revisions, as identified in the revised Plan attached hereto as Exhibit A.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his 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.

VI. ITEMS REQUIRING DELIBERATION and/or ACTION

1. **Recommended Budget:** Presentation of the Executive Director’s FY’22 Recommended Budget

Cornelia Kent, Chief Financial Officer, and Terri Fowler, Budget Officer, were the presenters. Ms. Kent reported that the FY’22 Budget will be discussed in detail with the Budget, Finance and Audit Committee over the next several months. During those meetings discussions of all updates will occur prior to the adopted budget presentation in June 2021. Ms. Fowler provided highlights of the FY’22 Recommended Budget. No formal action required.

A motion to recess was made by Chair Pro Tem Nelson and seconded by Vice Chair Kelleher at 5:37 p.m. to convene the Development Corporation meetings. The meeting reopened at 5:50 p.m. to adjourn the open session of the Housing Opportunities Commission.

Chair Priest read the Written Closing Statement and made a motion to adopt the statement and close the meeting. The motion was seconded by Commissioner Simon and Commissioners Croom, Kelleher, Nelson, Byrd, Merkwowitz, and Simon voted unanimously in approval.

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 5:50 p.m. and reconvened in closed session at approximately 6:07 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 April 7, 2021 at approximately 6:07 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 Sections 3-305(b)(3) and 3-305(b)(13) to discuss: (1) the purchase of improved real property (including existing multifamily buildings and land) located in Chevy Chase, Maryland (pursuant to Section 3-305(b)(3)); and (2) the confidential commercial and financial terms of financing the acquisition of the property located in Chevy Chase, Maryland (pursuant to Section 3-305(b)(13)).

The meeting was closed and the closing statement dated April 7, 2021 was adopted on a motion made by Chair Pro Tem Nelson, seconded by Commissioner Croom, with Commissioners Priest, Kelleher,

Nelson, Croom, Merkowitz, and Simon unanimously voting in approval. Commissioner Byrd was necessarily absent and did not participate in the vote. The following persons were present during the closed session: Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Linda Croom, Jeffrey Merkowitz, Jackie Simon, Stacy Spann, Kayrine Brown, Aisha Memon, Zachary Marks, Cornelia Kent, Gio Kaviladze, Gail Willison, Claire Kim, Marcus Ervin and Patrice Birdsong.

In closed session, the Commission discussed the below topics and took the following actions:

1. **Topic:** The acquisition of real property located in Chevy Chase, Maryland (pursuant to Section 3-305(b)(3)), and the confidential commercial and financial terms provided by private financial institutions regarding how to finance the acquisition of the property (pursuant to Section 3-305(b)(13)).
 - a. **Action Taken:** No formal action was taken (i.e., there was no resolution presented and no vote was conducted). Staff stated that they intended to request a future open Special Session to ask for formal Commission action.

The closed session was adjourned at 6:53 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: May 5, 2021

Attachments:

1 – Exhibit A: Revised Administrative Plan/Housing Choice Voucher Program Lead Paint Plan Chapter 8

EXHIBIT A

Revised Administrative Plan for the Housing Choice Voucher Program

[attached]

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet that provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. **ISSUANCE OF VOUCHERS** [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the PHA will issue Vouchers to applicants whose eligibility has been determined. The number of Vouchers issued must ensure that the PHA stays as close as possible to 100 percent lease-up. The PHA performs a monthly calculation electronically to determine whether applications can be processed, the number of Vouchers that can be issued, and to what extent the PHA can over-issue (issue more Vouchers than the budget allows to achieve lease-up).

The PHA may over-issue Vouchers only to the extent necessary to meet leasing goals. All Vouchers that are over-issued must be honored. If the PHA finds it is over-leased, it must adjust future issuance of Vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups. Families who attend group briefings and still have the need for individual assistance will be referred to their Rental Assistance Specialist. HOC may conduct the briefing by other means, such as a webcast, video call, or expanded information packet. These alternative methods expire on June 30, 2021 in accordance with the waiver flexibility authorized in PIH Notice 2020-33.

Briefings will be conducted in English.

The purpose of the briefing is to explain how the program works and the documents in the Voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The PHA will not issue a Voucher to a family unless the household representative has attended a briefing and signed the Voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend 2 scheduled briefings, without prior notification and approval of the PHA, may be denied admission based on failure to supply information needed for certification. The PHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements. The PHA also includes other information and/or materials that are not required by HUD. This information will be provided at the applicant's Initial and the participant's Move Briefing.

The family is provided with the following information and materials

The term of the voucher, and the PHA policy for requesting extensions or suspensions of the voucher (referred to as tolling).

A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family; how the PHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the PHA determines the maximum allowable rent for an assisted unit.

For a family that qualifies to lease a unit outside the PHA jurisdiction under portability procedures, the information must include an explanation of how portability works.

The HUD required tenancy addendum, which must be included in the lease.

The Request for Approval of Tenancy form, and a description of the procedure for requesting approval for a unit.

A statement of the PHA policy on providing information about families to prospective owners.

The PHA Subsidy Standards including when and how exceptions are made and how the voucher size relates to the unit size selected.

The HUD brochure on how to select a unit and/or the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.

The HUD brochure on lead-based paint and information about where blood level testing is available.

Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form. The PHA will also include the pamphlet "Fair Housing: It's Your Right" and other information about fair housing laws and guidelines, and the telephone numbers of the local fair housing agency and the HUD enforcement office.

A list of units available for the Section 8 program which is updated monthly and compiled by bedroom size.

If the family includes a person with disabilities, notice that the PHA will provide assistance in locating accessible units.

The Family Obligations under the program.

The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.

PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)

A family participating in the project-based voucher program will be offered available tenant-based assistance either under the voucher program or under another comparable form of tenant-based assistance as defined by HUD

Information regarding the PHA's outreach program that assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.

The HQS checklist.

Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.

The family's rights as a tenant and a program participant.

Requirements for reporting changes between annual recertifications.

Information on security deposits and legal referral services. Exercising choice in residency

Choosing a unit carefully and only after due consideration.

The Family Self-Sufficiency program and its advantages.

If the family includes a person with disabilities, the PHA will ensure compliance with CFR 8.6 to ensure effective communication.

Lead Base Paint

The RFTA requests owners/agents to provide basic information about the rental unit selected by a voucher family, including but not limited to the unit address, number of bedrooms, structure type, proposed rent, utility responsibilities, if the unit is subsidized, and the year the unit was constructed. For units constructed prior to January 1, 1978, owners/agents must either (1) certify that the unit, common areas, and exterior are free of lead-based paint conducted by a certified inspector, and/or (2) attach a lead-based paint disclosure statement.

Move Briefing

A full HUD-required move briefing will be held for participants who will be reissued a Voucher to move, and who have been recertified within the last 120 days, and have given notice of intent to vacate to their landlord. This briefing includes incoming and outgoing portable families. The briefings will be conducted in groups. Families who attend group briefings and still have the need for individual assistance will be referred to their Rental Assistance Specialist.

Owner Briefing

Briefing may be held for owners periodically. The purpose of the briefing is to assure successful owner participation in the program. Information provided will include the responsibilities and obligations of the three parties.

C. **ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR
MINORITY CONCENTRATION (Regional Opportunity Counseling (ROC) Grant)**

At the briefing, families are encouraged to search for housing in non-impacted areas and the PHA will provide assistance to families who wish to do so.

The PHA has areas of poverty and minority concentration clearly delineated in order to provide families with information and encouragement in seeking housing opportunities outside highly concentrated areas.

The PHA provides information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

The PHA will investigate and analyze when voucher holders are experiencing difficulties locating or obtaining housing units outside areas of concentration.

The assistance provided to such families includes:

- Providing families with a search record form to gather and record info.
- Direct contact with landlords.
- Counseling with the family.
- Providing information about services in various non-impacted areas.
- Meeting with neighborhood groups to promote understanding.
- Formal or informal discussions with landlord groups.
- Formal or informal discussions with social service agencies.
- Meeting with rental referral companies or agencies.
- Will meet with fair housing groups or agencies as needed or upon request.

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION The PHA will give participants a copy of HUD form 903 to file a complaint.

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313] **Leases**

Effective Prior to October 2, 1995

The amount of Security Deposit that could have been collected by owners under contracts effective prior to October 2, 1995 is:

Under the pre-merger Certificate Program, the owner could have collected a Security Deposit in an amount not to exceed Total Tenant Payment or \$50.00, whichever is greater, for non-lease-in-place families.

For the pre-merger Voucher Program, the owner, at his/her discretion, could have collected a Security Deposit in an amount not to exceed (PHA policy):

The greater of 30% of adjusted monthly income or \$50 for non-lease-in-place families.

The amount charged to unassisted tenants may not exceed the maximum allowed under state or local law.

The greater of 30% of adjusted monthly income or

[amount]. **Leases Effective on or after October 2, 1995**

The owner is not required to, but may collect a security deposit up to the maximum allowed by State and local law.

Security deposits charged to families may be any amount the owner wishes to charge, subject to the following conditions:

Security deposits charged by owners may not exceed those charged to unassisted tenants nor the maximum prescribed by State or local law.

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the PHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The Voucher is valid for a period of at least ninety (90) calendar days from the date of issuance. The family must submit a Request for Tenancy Approval and Lease within the ninety-day period unless an extension has been granted by the PHA.

If the Voucher has expired, and has not been extended by the PHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Approval of Tenancy is received, the PHA will deduct the number of days required to process the request from the 90 day term of the voucher.

Extensions

The PHA will extend the term up to 150 days from the beginning of the initial term if the family needs and request an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability. If as a reasonable accommodation, the family needs an extension in excess of 150 days, they must request the same in writing, prior to the expiration date of the voucher. The PHA may grant such a request.

A family may request an extension of the voucher time period. All requests for extensions must be received, in writing, prior to the expiration date of the voucher.

Extensions are permissible at the discretion of the PHA up to a maximum of an additional 60 days primarily for these reasons:

- Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial 90 day period. Verification is required.
- The PHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the PHA, throughout the initial 90 day period. A completed search record **is** required.
- The family was prevented from finding a unit due to disability accessibility requirements or bedroom unit requirement. The Search Record is part of the required verification.

The PHA extends in one or more increments. Unless approved by the Director or the Assistant Director of Rental Assistance, extensions will not exceed more than a total of an additional sixty days to the initial term of the voucher. HOC may grant extensions for other non-listed reasons through June 30, 2021. This temporary policy is in accordance with waiver flexibility authorized in PIH Notice 2020-33.

Assistance to Voucher Holders

Families who require additional assistance during their search may call the PHA Office to request assistance. Voucher holders will be notified at their briefing session that the PHA periodically updates the listing of available units and how the updated list may be obtained.

The PHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

After the first 30 days of the search the family is required to maintain a search record.

G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the Director of Rental Assistance shall consider the following factors to determine which of the families will continue to be assisted:

- . Which of the two new family units has custody of dependent children.
- . Which family member was the head of household when the Voucher was initially issued (listed on the initial application).
- . The composition of the new family units, and which unit contains elderly or disabled members.
- . Whether domestic violence was involved in the breakup.
- . Which family members remain in the unit.
- . Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the PHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the PHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

- ☐ The court has to have awarded emancipated minor status to the minor, or
- ☐ The PHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher family unit size.

I. SPLIT HOUSEHOLDS DURING PROGRAM PARTICIPATION

When families currently receiving assistance split, the current head of household retains continual voucher assistance. Remaining family members must separately apply when the waiting list is open to receive assistance.

