



HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

December 2, 2015
15-12

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, December 2, 2015 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:18 p.m. Those in attendance were:

Present

Sally Roman, Chair
Jackie Simon, Vice Chair
Richard Y. Nelson, Jr., Chair Pro Tem
Christopher Hatcher
Roberto Piñero

Not Present

Margaret McFarland

Also Attending

Stacy Spann, Executive Director
Ruth Jorge
Kayrine Brown
Pavel Orlov
Jay Shepherd
Ellen Goff
Kathy Kramer
Bobbie DaCosta
Rita Harris
Dean Tyree
Susan Smith
Kenneth Thomas
Zachary Marks
Mary Ellen Ewing
Mei Li
Lola Knights
Sheryl Hammond
Lynn Hayes
Angela McIntosh-Davis
Shannon Cloud-Wooten

Kelly McLaughlin, General Counsel
Belle Seyoum
Anita Inman
Zachary Marks
Teferi Gebremariam
Wilson Choi
Ugonna Ibebuchi
Whitley Granberry
Jim Atwell
Fred Swan
Stephanie Semones
Jennifer Arrington
Bill Anderson
Saundra Boujai
Patrick Mattingly

Commission Support

Patrice Birdsong, Spec. Asst. to Commission

IT Support

Irma Rodriguez
Dominique Laws

Prior to the convening of the Commission meeting, Chair Roman opened the meeting acknowledging the 2015 Longevity Service Award recipients and introducing Patrick Mattingly, Human Resources Director, as Master of Ceremonies. Chair Roman and Executive Director Spann presented staff with their awards. The following employees were recognized for their years of service:

35 Years of Service

Helene Edwards

30 Years of Service

Sandra Young-Boujai

25 Years of Service

Diane Morrison
Patrice Birdsong
Paula Phillips
Saliya Dangamuwa
Sherrie Dillman

20 Years of Service

Jesse Hewell

15 Years of Service

Dean Tyree
Dora Reyes
Eugenia Pascual
Karen Jefferies
Liz Zadeng
Louis Chaney
Marilyn Tiklo-Fox
Melissa Wesley
Monroetta Howard
Nancy Carlin
Wanda Seymore

10 Years of Service

Anita Inman
Antonia Whitfield
Claudia Wilson
Dwayne Vanderpool
Karlos Taylor
Katherine Duffy
Michael Green
Michael Stover
Pradeep Kumar
Samura Sesay

5 Years of Service

Anthony Harris
Brent Jefferson
Brian Marshall
Charmaine Thompson
Deborah Taylor
Levison Ferrell
Moustapha Diop
Paul Vinciguerra
Pavel Orlov
Peter Atta
Salvin Wallace

The Board went into a brief recess and reconvened at 4:25 p.m.

The Consent Calendar was adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and Piñero. Commissioner McFarland was necessarily absent and did not participate in the vote.

I. CONSENT ITEMS

A. Approval of Minutes

- **Approval of Minutes of Regular Meeting of November 3, 2015** – The minutes were approved as submitted.

B. Approval of Special Session Minutes

- **Approval of Minutes of Special Session Meeting of November 5, 2015** – The minutes were approved as submitted.

C. Ratification of Acceptance of HOC FY'15 Audited Financial Statements Single Audit Report (A-133), and Management Letter

RESOLUTION: 15-98R

**RE: Ratification of Acceptance of HOC
FY'15 Audited Financial Statements
Single Audit Report (A-133) and
Management Letter**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, pursuant to a Special Session called on November 5, 2015, in which a quorum participated, the Commission conducted a vote by mail and duly adopted Resolution 15-98SS titled: “Acceptance of HOC FY'15 Audited Financial Statements Single Audit Report (A-133) and Management Letter”; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commission on November 5, 2015 in adopting Resolution 15-98SS and any actions taken to effectuate the transaction authorized by Resolution 15-98SS.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 15-98SS and any actions taken to carry-out the matters authorized thereby are hereby ratified and affirmed.

D. Ratification of Approval to Terminate Regulatory Agreement for the Crossings at Washington Center (formerly Oakwood Apartments)

RESOLUTION: 15-99R

RE: Ratification of Approval to Terminate Regulatory Agreement for the Crossings at Washington Center (formerly Oakwood Apartments)

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, pursuant to a Special Session called on November 5, 2015, in which a quorum participated, the Commission conducted a vote by mail and duly adopted Resolution 15-99SS titled: “Approval to Terminate the Regulatory Agreement for the Crossings at Washingtonian Center (formerly known as Oakwood-Gaithersburg Apartments)”; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commission on November 5, 2015 in adopting Resolution 15-99SS and any actions taken to effectuate the transaction authorized by Resolution 15-99SS.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 15-99SS and any actions taken to carry-out the transaction authorized thereby are hereby ratified and affirmed.

E. Approval of New Participating Lender for the Single Family Mortgage Purchase Program (MPP)

RESOLUTION: 15-100

RE: Approval of New Participating Lender for the Single Family Mortgage Purchase Program (MPP)

WHEREAS, the Housing Opportunities Commission of Montgomery County approves lenders to participate in the Mortgage Purchase Program; and

WHEREAS, such participation is continuous and for multiple programs; and

WHEREAS, the Commission has approved an ongoing process for adding new lenders to the Mortgage Purchase Program; and

WHEREAS, Homeside Financial, LLC has applied for participation in the Mortgage Purchase Program; and

WHEREAS, Homeside Financial, LLC has satisfied the required criteria for admittance to the Mortgage Purchase Program.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Homeside Financial, LLC is approved for participation in the Mortgage Purchase Program, effective immediately.

F. Approval to Act as a Financing Conduit for a Refinancing Loan from BB&T Bank in an Amount Not to Exceed \$21,000,000 for Alexander House Development Corporation

RESOLUTION: 15-107

RE: Approval to Act as a Financing Conduit for a Refinancing Loan from BB&T Bank in an Amount Not to Exceed \$21,000,000 for Alexander House Development Corporation

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing financing for the construction of rental housing properties which provide a public purpose; and

WHEREAS, the Alexander House Development Corporation is a wholly controlled corporate instrumentality of the Commission which owns a 312 unit property known as Alexander House located at 8560 Second Avenue, Silver Spring, Maryland 20910 (“Property”); and

WHEREAS, on May 28, 2014, the Commission approved obtaining a Real Estate Line of Credit (the “RELOC”), from PNC Bank, N.A., for the purpose of providing short-term financing for certain costs of the pre-development, rehabilitation, and acquisition of multifamily properties; and

WHEREAS, on October 22, 2014, the Commission approved a tax-exempt draw on the RELOC and an advance to Alexander House Development Corporation (AHDC) in the amount of \$20,271,301.57 to retire the mortgage on the Property; and

WHEREAS, on September 2, 2015, the Board of Directors for AHDC approved a tax-exempt loan from BB&T in an amount not to exceed \$21,000,000 (the "Loan") in order to repay the RELOC advance; and

WHEREAS, in order to obtain the fixed tax-exempt interest rate of approximately 1.89% for 24 months and a floating tax-exempt interest rate for up to an additional 12 months, the Loan must be made directly from BB&T Bank to the Commission and then re-loaned by the Commission to AHDC; and

WHEREAS, the Commission wishes to act as a conduit for the Loan and pass the same terms on to AHDC for the benefit of the Property.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County hereby approves acting as a financing conduit for the benefit of Alexander House and accepting a loan from BB&T Bank in an amount not to exceed \$21,000,000 and loaning such amount on the same terms to the Alexander Housing Development Corporation.

BE IT RESOLVED that the Housing Opportunities Commission of Montgomery hereby authorizes and directs the Executive Director to take any and all other actions necessary and proper to carry out the transactions contemplated herein, including but not limited to the execution of any and all loan documents related thereto.

II. INFORMATION EXCHANGE

- A. Report of the Executive Director** – Mr. Spann reported that there was a successful closing on the Multi-Family 2015 Series A Bonds related to Waverly House and Arcola Towers. He thanked staff and the Commissioners who participated. Chair Roman also congratulated staff. Mr. Spann announced that there is a plan for a ground breaking event in January 2016.
- B. Commissioner Exchange** – Chair Roman congratulated Vice Chair Simon on her reappointment to the HOC Board. Ms. Roman also acknowledged the appointment of Linda Croom as the new Resident Commissioner to be joining the Board in January 2016.
- C. Resident Advisory Board** – None
- D. Community Forum** – None
- E. Status Report** – None

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

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

- 1. Authorization for the Executive Director to Negotiate and Execute a Contract with Harkins Builders LLC for General Contractor Services for the Renovation of Arcola Towers and Waverly House; and Approval for the Executive Director to Execute all Documents Related to the Closing of the Arcola Towers RAD LP and Waverly House RAD LP Transactions**

Zachary Marks, Assistant Director of New Development, and Jay Shepherd, Senior Financial Analyst, were presenters.

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

RESOLUTION: 15-101

RE: Approval for Executive Director to Execute Documents to Admit the Low-Income Housing Tax Credit Investor Limited Partner for Arcola Towers RAD Limited Partnership

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "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 authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of multifamily rental housing properties which provide a public purpose; and

WHEREAS, the Commission approved the development of a project known as Arcola Towers, consisting of one hundred and forty-one (141) units of age-restricted public rental housing located in Silver Spring, Maryland, constructed as housing for low-income persons (the "Development"); and

WHEREAS, on January 14, 2015, the Commission approved a proposed transfer of the Property to Arcola Towers RAD Limited Partnership (the "Partnership") and tenant-in-place renovation financed through Commission-issued tax-exempt bonds and equity from the sale of 4% Low Income Housing Tax Credits (LIHTC); and

WHEREAS, on May 7, 2014, the Commission approved the formation of a limited partnership, the Partnership, in which Arcola Towers RAD GP LLC is the general partner, for the

purpose of carrying out the Development, as stated in the agreement between Arcola Towers RAD GP LLC and the limited partner (the "Partnership Agreement"); and

WHEREAS, on April 1, 2015, the Commission approved the selection of Boston Capital or its affiliate (the "Investor Limited Partner") as the LIHTC investor and its admission as a limited partner in the Partnership in exchange for its equity investment in the approximate amount of \$8 Million (the "Investment"); and

WHEREAS, the Investor Limited Partner's Investment is now projected to be approximately \$8,428,214; and

WHEREAS, as part of the Investment, Investor Limited Partner shall require that the Partnership Agreement be amended and restated in its entirety to reflect the terms of the Investment (the "Amended and Restated Agreement of Limited Partnership"); and

WHEREAS, as part of the Investment, Investor Limited Partner shall require that the Commission enter into various documents relating to the development and/or operation of the Development (the "Syndication Documents").

NOW, THEREFORE, BE IT RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP, LLC, acting in its capacity and for and on behalf of Arcola Towers RAD Limited Partnership, is hereby authorized to take all actions to facilitate the investment in the Partnership by Investor Limited Partner by entering into any and all agreements with Investor Limited Partner, and to take any and all further actions to facilitate the Investment in the Partnership by Investor Limited Partner.

BE IT FURTHER RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP, LLC, acting in its capacity and for and on behalf of Arcola Towers RAD Limited Partnership, hereby authorizes and directs the Executive Director to enter into, execute and deliver the following listed Syndication Documents:

1. Amended and Restated Agreement of Limited Partnership;
2. Guaranty Agreement;
3. Right of First Refusal Agreement;
4. Development Agreement; and
5. Such other document reasonably and customarily required in connection with the admission of a LIHTC investor as a limited partner.

BE IT FURTHER RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP, LLC, acting in its capacity and for and on behalf of Arcola Towers RAD Limited Partnership, hereby authorizes the Executive Director, without further action on their respective parts, to take any and all other

actions necessary and proper to admit the Investor Limited Partner to the Arcola Towers RAD Limited Partnership.

The following resolution was adopted upon a motion by Vice Chair Simon and seconded by Commissioner Piñero. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and Piñero. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 15-102

RE: Approval for Executive Director to Execute Documents to Admit the Low-Income Housing Tax Credit Investor Limited Partner for Waverly House RAD Limited Partnership

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "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 authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of multifamily rental housing properties which provide a public purpose; and

WHEREAS, the Commission approved the development of a project known as Waverly House, consisting of one hundred and fifty-eight (158) units of age-restricted public rental housing located in Bethesda, Maryland, constructed as housing for low-income persons (the "Development"); and

WHEREAS, on January 14, 2015, the Commission approved a proposed transfer of the Property to Waverly House RAD Limited Partnership (the "Partnership") and tenant-in-place renovation financed through Commission-issued tax-exempt bonds and equity from the sale of 4% Low Income Housing Tax Credits (LIHTC); and

WHEREAS, on May 7, 2014, the Commission approved the formation of a limited partnership, the Partnership, in which Waverly House RAD GP LLC is the general partner, for the purpose of carrying out the Development, as stated in the agreement between Waverly House RAD GP LLC and the limited partner (the "Partnership Agreement"); and

WHEREAS, on April 1, 2015, the Commission approved the selection of R4 WP Acquisition LLC's (the "Investor Limited Partner") as the LIHTC investor and its admission as a limited partner in the Partnership in exchange for its equity investment in the approximate amount of \$ 14.5 Million (the "Investment"); and

WHEREAS, the Investor Limited Partner's Investment is now projected to be approximately \$14,680,916; and

WHEREAS, as part of the Investment, Investor Limited Partner shall require that the Partnership Agreement be amended and restated in its entirety to reflect the terms of the Investment (the "Amended and Restated Agreement of Limited Partnership"); and

WHEREAS, as part of the Investment, Investor Limited Partner shall require that the Commission enter into various documents relating to the Development and/or operation of the Development (the "Syndication Documents").

NOW, THEREFORE, BE IT RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP, LLC, acting in its capacity and for and on behalf of Waverly House RAD Limited Partnership, is hereby authorized to take all actions to facilitate the Investment in the Partnership by Investor Limited Partner by entering into any and all agreements with Investor Limited Partner, and to take any and all further actions to facilitate the Investment in the Partnership by Investor Limited Partner.

BE IT FURTHER RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP, LLC, acting in its capacity and for and on behalf of Waverly House RAD Limited Partnership, hereby authorizes and directs the Executive Director to enter into, execute and deliver the following listed Syndication Documents:

6. Amended and Restated Agreement of Limited Partnership;
7. Guaranty Agreement;
8. Development Agreement; and
9. Such other document reasonably and customarily required in connection with the admission of a LIHTC investor as a limited partner.

BE IT FURTHER RESOLVED, that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP, LLC, acting in its capacity and for and on behalf of Waverly House RAD Limited Partnership, authorizes the Executive Director, without further action on their respective parts, to take any and all other actions necessary and proper to admit the Investor Limited Partner to the Waverly House RAD Limited Partnership.

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

RESOLUTION: 15-103

RE: Authorization for the Executive Director to Negotiate and Execute a Contract with Harkins Builders, Inc. for General Contractor Services for the Renovation of Waverly House;

**and Approval for the Executive
Director to Execute all Documents
Related to the Closing of the Waverly
House Rental Assistance
Demonstration Conversion
Transaction**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, the US Department of Housing and Urban Development’s (HUD’s) Rental Assistance Demonstration program (“RAD Program”) presents the Commission with an opportunity to convert its multifamily public housing assets to projects that will receive Project-based Section 8 rental subsidies, which will allow HOC to provide for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of these public housing developments; and

WHEREAS, on July 30, 2013, the Commission approved participation in the RAD Program and authorized evaluation of a portfolio disposition of its entire Public Housing program in multifamily and senior developments; and

WHEREAS, on December 18, 2013, HUD awarded a Commitments for a Housing Assistance Payment contract (the “CHAP”) for Waverly House (“Property”); and

WHEREAS, on May 7, 2014, the Commission approved a preliminary development plan for the Property, the formation of Waverly House RAD Limited Partnership (“Partnership”) and the transfer of the Property to the Partnership; and

WHEREAS, on August 6, 2014 the Commission approved the selection of either or both Harkins Builders, Inc. and Whiting-Turner as the general contractor(s) for the rehabilitation of Arcola Towers and/or Waverly House; and

WHEREAS, on January 14, 2015, the Commission approved a final development plan (“Development Plan”) for the tenant-in-place renovation and the disposition or transfer of rental assistance for the Property pursuant to the RAD program, which Development Plan anticipated engaging Whiting-Turner to rehabilitate Waverly House; and

WHEREAS, on August 5, 2015, the Commission approved a financing plan for the acquisition and rehabilitation of the Property (“Financing Plan”) and among things, authorized the execution of the related bond and loan documents; and

WHEREAS, on November 5, 2015, HUD awarded the Commission a RAD Conversion Commitment (RCC) for the conversion of the Property under the RAD program; and

WHEREAS, the RCC requires the execution of a release of the public housing Declaration of Trust currently recorded against the Property, the execution and recordation of a RAD Use Agreement against the Property, and the execution of a PBRA Housing Assistance Payments Contract among other documents (collectively, the "RAD Conversion Documents"); and

WHEREAS, the construction budget presented by Whiting-Turner for the rehabilitation of the Property was significantly higher than the construction budget presented by Harkins Builders, Inc. and the Commission now wishes to engage Harkins Builders, Inc. to perform the general contracting services for the Property; and

WHEREAS, the Commission is the sole member of Waverly House RAD GP LLC, the general partner of the Partnership.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP LLC, acting in its own capacity and for and on behalf of Waverly House RAD Limited Partnership, hereby authorizes and directs the Executive Director to negotiate and execute a construction contract with Harkins Builders, Inc. in an amount not to exceed \$13,000,000 for the rehabilitation of Waverly House.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP LLC, acting in its own capacity and for and on behalf of Waverly House RAD Limited Partnership, hereby authorizes and directs the Executive Director to execute the RAD Conversion Documents.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Waverly House RAD GP LLC, acting in its own capacity and for and on behalf of Waverly House RAD Limited Partnership, hereby authorizes and directs the Executive Director, without further action on their respective parts, to execute the take any and all other actions necessary and proper to carry out the transactions contemplated herein, including but not limited to the execution of any and all documents related thereto.

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

RESOLUTION: 15-104

RE: Authorization for the Executive Director to Negotiate and Execute a Contract with Harkins Builders, Inc. for General Contractor Services for

**the Renovation of Arcola Towers; and
Approval for the Executive Director to
Execute all Documents Related to the
Closing of the Arcola Towers Rental
Assistance Demonstration Conversion
Transaction**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, the US Department of Housing and Urban Development’s (HUD’s) Rental Assistance Demonstration program (“RAD Program”) presents the Commission with an opportunity to convert its multifamily public housing assets to projects that will receive Project-based Section 8 rental subsidies, which will allow HOC to provide for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of these public housing developments; and

WHEREAS, on July 30, 2013, the Commission approved participation in the RAD Program and authorized evaluation of a portfolio disposition of its entire Public Housing program in multifamily and senior developments; and

WHEREAS, on December 18, 2013, HUD awarded a Commitments for a Housing Assistance Payment contract (the “CHAP”) for Arcola Towers (“Property”); and

WHEREAS, on May 7, 2014, the Commission approved a preliminary development plan for the Property, the formation of Arcola Towers RAD Limited Partnership (“Partnership”) and the transfer of the Property to the Partnership; and

WHEREAS, on August 6, 2014 the Commission approved the selection of either or both Harkins Builders, Inc. and Whiting-Turner as the general contractor(s) for the rehabilitation of Arcola Towers and/or Waverly House; and

WHEREAS, on January 14, 2015, the Commission approved a final development plan (“Development Plan”) for the tenant-in-place renovation and the disposition or transfer of rental assistance for the Properties pursuant to the RAD program; and

WHEREAS, on August 5, 2015, the Commission approved a financing plan for the acquisition and rehabilitation of the Property (“Financing Plan”) and among other things, authorized the execution of the related bond and loan documents; and

WHEREAS, concurrently on August 5, 2015, the Commission approved a contract with Harkins Builders, Inc. for the performance of a subset scope of repairs and miscellaneous rehabilitation work from the Development Plan ("Interim Scope"), to be completed prior to the RAD conversion and paid for with unobligated Capital Fund Program (CFP) monies in an amount not to exceed \$1,500,000 as part of the overall Financing Plan; and

WHEREAS, subsequently, the Interim Scope work was intentionally delayed and subsumed under the Development Plan; and

WHEREAS, on November 5, 2015, HUD awarded the Commission a RAD Conversion Commitments (RCC) for the conversion of the Property under the RAD program; and

WHEREAS, the RCC requires the execution of a release of the Declaration of Trust currently recorded against the Property, the execution and recordation of a RAD Use Agreement against the Property, and the execution of a PBRA Housing Assistance Payments Contract among other documents (collectively, the "RAD Conversion Documents"); and

WHEREAS, the Commission is the sole member of Arcola Towers RAD GP LLC, the general partner of the Partnership.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting in its own capacity and for and on behalf of Arcola Towers RAD Limited Partnership, hereby authorizes and directs the Executive Director to negotiate and execute a construction contract with Harkins Builders, Inc. in an amount not to exceed \$9,250,000 for the rehabilitation of Arcola Towers.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting in its own capacity and for and on behalf of Arcola Towers RAD Limited Partnership, hereby authorizes and directs the Executive Director to execute the RAD Conversion Documents.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting in its own capacity and for and on behalf of Arcola Towers RAD Limited Partnership, hereby authorizes and directs the Executive Director, without further action on their respective parts, to execute the take any and all other actions necessary and proper to carry out the transactions contemplated herein, including but not limited to the execution of any and all documents related thereto.

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

1. Approval of Amended and Restated Bylaws of the Housing Opportunities Commission of Montgomery

Kelly McLaughlin, General Counsel, was the presenter.

The following resolution was adopted upon a motion by Commissioner Hatcher and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and Piñero. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 15-105

RE: Approval of Amended and Restated Bylaws of the Housing Opportunities Commission of Montgomery County

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing and is governed by the Act and its bylaws; and

WHEREAS, the Commission’s bylaws were last revised in 2005; and

WHEREAS, the Commission wishes to amend and restate its bylaws to permit greater flexibility for convening meetings in compliance with the Maryland Open Meetings Act, codified at Section 3-101 et seq. in the General Provisions Article of the Maryland Annotated Code (2014).

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County hereby approves and adopts the amended and restated bylaws presented.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

A. Approval to Amend and Extend the Property Management Agreement for The Ambassador

Bobbie DaCosta, Acting Director of Property Management, was the presenter.

The following resolution was adopted upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon,

Nelson, Hatcher, and Piñero. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 15-106

RE: Approval to Amend and Extend the Term of the Management Agreement for the Ambassador

WHEREAS, HOC is the sole owner of HOC Ambassador, Inc., the general partner for the Wheaton-University Boulevard Limited Partnership, which owns the development known as The Ambassador (the "Property"); and

WHEREAS, the Commission authorized the Executive Director to execute a contract for Property Management Services (the "Management Agreement") with Equity Management, LLC ("Equity") for the Property; and

WHEREAS, all interest in the contract was reassigned to Residential One, LLC, an affiliate of Equity, on September 1, 2015; and

WHEREAS, the authorized contract term will expire on January 15, 2016; and

WHEREAS, the Commission wishes to amend and extend the term of the Management Agreement for the Property for a one year term.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of HOC Ambassador, Inc., acting for and on behalf of Wheaton-University Boulevard Limited Partnership, that the Executive Director is hereby authorized and directed to amend and extend the term of the Management Agreement for the Property for one year.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of HOC Ambassador, Inc., acting for and on behalf of Wheaton-University Boulevard Limited Partnership, that the Executive Director is hereby authorized and directed to take any and all other action necessary and proper to carry out the transaction contemplated herein.

V. FUTURE ACTION ITEMS

None

VI. INFORMATION EXCHANGE (CONT'D)

None

VII. NEW BUSINESS

A. Approval of Andrew Marshall, Keneisha Roberts, Nicolás Seré, Varun Dhawan, Kenneth Tecler as Board Directors of Housing Opportunities Community Partners, Inc.

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

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

RESOLUTION: 15-108

RE: Approval of Andrew Marshall, Keneisha Roberts, Nicolás Seré, Varun Dhawan, Kenneth Tecler as Board Directors of Housing Opportunities Community Partners, Inc.

WHEREAS, the Housing Opportunities Commission of Montgomery County approved the creation of the non-profit, Housing Opportunities Community Partners, Inc. (Community Partners), in 1999 to support the residents and programs of the Housing Opportunities Commission; and

WHEREAS, the Board of Community Partners has reviewed and approved the resumes and submitted the names of the nominees as a highly qualified individual to fill the vacancies on the Community Partners Board; and

WHEREAS, the Housing Opportunities Commission is required by the Community Partners' by-laws to approve of Board Directors of Community Partners.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that: Andrew Marshall be approved to serve on the Board of Directors of Housing Opportunities Community Partners, Inc. for a term of one (1) year; Keneisha Roberts be approved to serve on the Board of Directors of Housing Opportunities Community Partners, Inc. for a term of two (2) years; Nicolás Seré be approved to serve on the Board of Directors of Housing Opportunities Community Partners, Inc. for a term of one (1) year; Varun Dhawan be approved to serve on the Board of Directors of Housing Opportunities Community Partners, Inc. for a term of two (2) years; and, Kenneth Tecler be approved to serve on the Board of Directors of Housing Opportunities Community Partners, Inc. for a term of three (3) years.

Based upon this report and there being no further business to come before this session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 5:05 p.m.

Respectfully submitted,



Stacy L. Spann
Secretary-Treasurer

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