

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Development and Finance Committee Minutes**

**January 26, 2024**

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Development and Finance Committee was conducted via a hybrid model on January 26, 2024, with some participating by online platform/teleconference, and others participating in-person at 10400 Detrick Avenue, Kensington, Maryland beginning at 10:12 a.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

**Present**

Jeffrey Merkowitz - Chair  
Roy Priest - Commissioner  
Robin Salomon - Commissioner

**Also Attending**

Chelsea Andrews, President/Executive Director	Kayrine Brown, Senior Executive Vice President
Paige Gentry, Deputy General Counsel	Aisha Memon, SVP, General Counsel
Richard Congo	Kathyrn Hollister
John Wilhoit	Paul Vinciguerra
Jay Shepherd	Zach Marks
Walker Taylor	Morgan Tucker
Kimberly King	

**Attending via Zoom**

Victoria Dixon	Timothy Goetzinger
Kai Hsieh	Terri Flower

**IT Support**

Irma Rodriguez  
Aries Cruz, IT Support

**Commission Support**

Jocelyn KOON, Special Assistant to Commission

Commissioner Merkowitz opened the meeting with a welcome and introduction of Commissioner Priest, Commissioner Salomon, and President Chelsea Andrews. Commissioner Merkowitz began the meeting with the approval of the minutes.

### **APPROVAL OF MINUTES**

The minutes of the December 21, 2023 Development and Finance Committee meeting were approved upon a motion by Commissioner Salomon and seconded by Commissioner Priest. Affirmative votes were cast by Commissioners Salomon, Merkowitz, and Priest.

### **DISCUSSION/ACTION ITEMS:**

**1. Real Estate Development: Outline of the 2024 Real Estate Development and Finance Committee Project Pipeline.**

Commissioner Merkowitz introduced Chelsea Andrews, President, to provide an overview of the presentation. Ms. Andrews provided an overview and introduced Zachary Marks, Senior Vice President who provided the presentation. Mr. Marks provided a detailed presentation on the anticipated major development transactions at HOC over the course of the year. After deliberation, Commissioner Merkowitz thanked Mr. Marks for the presentation and moved to the next agenda item.

**2. Hillandale Gateway: Approval of Additional Legal Services Provided by Gallagher, Evelius, and Jones LLP (“GEJ”).**

Chelsea Andrews, President, introduced Kathryn Hollister, Housing Acquisition Manager, to provide the detailed presentation. Staff recommended that the Development and Finance Committee join staff’s recommendation that the Commission approve additional legal services provided by GEJ in the amount of \$160,000, plus a \$32,000 contingency (20%), for a total of \$192,000. A motion was made by Commissioner Salomon. Commissioner Priest seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

**3. Hillandale Gateway: Approval of HOC at Hillandale AR, LLC and HOC at Hillandale NAR, LLC to Enter into Ground Leases Directly with Hillandale Pad II, LLC.**

Chelsea Andrews, President, introduced Kathryn Hollister, Housing Acquisition Manager, to provide the detailed presentation. Staff recommended that the Development and Finance Committee join staff’s recommendation that the Commission authorize HOC at Hillandale AR, LLC and HOC at Hillandale NAR, LLC to enter into ground leases directly with Hillandale Pad II, LLC in the event it is required by Hillandale Gateway’s capital partners. A motion was made by Commissioner Salomon. Commissioner Priest seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

**4. Hillandale Gateway: Approval of Bond Authorizing Resolutions for the Issuance of Tax-Exempt Indebtedness to Finance Hillandale Gateway.**

Chelsea Andrews, President, introduced Victoria Dixon, Senior Multifamily Underwriter, to provide the detailed presentation. Staff recommended that the Development and Finance Committee support staff's recommendation that the Commission approve:

(a) the Bond Authorizing Resolutions for issuance of tax-exempt indebtedness for the NAR Building in an amount not to exceed \$150,000,000, in one or more series as applicable), comprised of (i) private activity bonds of up to \$30,000,000; and (ii) a \$150,000,000 back-to-back construction loan from Citibank, N.A. to HOC; and

(b) increase of the Bridge Loan funded by way of the RELOC from up to \$43,000,000 to \$50,000,000.

Staff also recommended that the Development and Finance Committee support staff's recommendation that the Commission approve the execution and delivery of tax-exempt indebtedness for the AR Building in an amount not to exceed \$47,000,000.

A motion was made by Commissioner Salomon. Commissioner Priest seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

**5. Sandy Springs Meadows: Authorization to Execute a Utility Easement at Sandy Spring Meadow and Receive and Emergency Egress and Pedestrian Easement to Bentley Road.**

Chelsea Andrews, President, introduced Zach Marks, Senior Vice President of Real Estate, and Jay Shepherd, Housing Acquisition Manager, to provide the detailed presentation. Staff recommended that the Development and Finance Committee join staff's the recommendation to the Commission to authorize the execution of a utility easement at Sandy Spring Meadow and receive an emergency egress and pedestrian easement to Bentley Road. A motion was made by Commissioner Priest. Commissioner Salomon seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

**6. Scattered Sites: Authorization to Enter into a Letter of Intent for the Disposition of Up to Ten Units on Chadburn Place to Habitat for Humanity of Metro Maryland**

Chelsea Andrews, President, introduced Zach Marks, Senior Vice President of Real Estate, and Jay Shepherd, Housing Acquisition Manager, to provide the detailed presentation. Staff recommended that the Development and Finance Committee support staff's recommendation that the Commission approve the disposition of ten (10) townhouses located at 9241, 9277, 9323, 9409, 9473, and 9489 Chadburn Place, 8725, 8847 and 8867 Welbeck Way, and 9805 Brookridge

Court, Montgomery Village to HFHMM, a nonprofit corporation. A motion was made by Commissioner Priest. Commissioner Salomon seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

**7. Scattered Sites: Approval to Select and Execute a Contract with Innovative Technology, Design, and Construction, as General Contractor for Scattered Site Properties Renovation Pursuant to Invitation for Bid #2435.**

Chelsea Andrews, President, introduced Paul Vinciguerra, Construction Manager, and Kimberly King, Project Manager, to provide the detailed presentation. Staff recommended that the Development and Finance Committee join its recommendation to the Commission to:

1. Select Innovative Technology Design & Construction as the general contractor for the renovation of ten (10) scattered site units pursuant to IFB #2435; and
2. Authorize the President/Executive Director to negotiate and execute a contract with Innovative Technology Design & Construction for \$1,238,535.64.

A motion was made by Commissioner Priest. Commissioner Salomon seconded the motion. Affirmative votes were cast by Commissioners Merkowitz, Salomon, and Priest.

Based upon this report and there being no further business to come before this session of the Development and Finance Committee, the Committee adjourned the meeting at 11:20 a.m.

Respectfully submitted,

Chelsea Andrews  
Secretary-Treasurer

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