

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

May 7, 2014  
14-05

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, May 7, 2014 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:00 p.m. Those in attendance were:

**Present**

Roberto Piñero, Chair  
Sally Roman, Vice Chair  
Jean Banks, Chair Pro Tem  
Rick Edson  
Mynor Herrera  
Pamela Lindstrom  
Jackie Simon

**Also Attending**

Stacy Spann, Executive Director  
Fred Swan  
Gail Willison  
Scott Ellinwood  
Gina Smith  
Diane Morrison  
Gio Kavaladze  
Christopher Donald  
Susan Smith  
Sheryl Hammond  
Ethan Cohen  
Patrick Mattingly  
Wilson Choi  
Charnita Robinson  
Belle Seyoum  
Bill Anderson  
Cathy Kramer  
Richard Hanks  
Kelly McLaughlin, Deputy Gen. Counsel  
Vivian Benjamin

Regina Mitchell  
Zachary Marks  
Rita Harris  
Gail Gunod-Green  
Ken Goldstraw  
Saundra Boujai  
Ken Tecler, Staff Attorney  
Jay Shepherd  
Kayrine Brown  
Lola Knight  
Marsha Smith  
Tonya Clark  
Jim Atwell  
Lynn Hayes

**Commission Support**

Patrice Birdsong, Spec. Asst. to Commission

**IT Support**

Dominique Laws  
Nick Monaco

The Consent Calendar was adopted upon a motion by Commissioner Simon and seconded by Chair Pro Tem Banks. Affirmative votes were cast by Commissioners Piñero, Roman, Banks, Edson, Herrera, Lindstrom, and Simon.

**I. CONSENT ITEMS**

**A. Approval of Minutes**

- **Approval of Minutes of Regular Meeting of April 2, 2014** – The minutes were approved with an amendment to third bullet of the Commissioner Exchange per Commissioner Simon. Sentence to read *“The record will reflect that she will recuse herself from meetings when there are discussions on the Voucher Program or Operations per General Counsel Ken Tecler”*.

- B. Ratification of Action Taken in Executive Session Providing Authorization to Complete Acquisition of Real Property Under Contract with Capital One** – The following resolution was approved.

**RESOLUTION: 14-24R**

**RE: Ratification of Action Taken in Executive Session Providing Authorization to Complete Acquisition of Real Property under Contract with Capital One**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the “Commission”) entered into a Purchase and Sale Agreement dated February 4, 2014 (the “Contract”) with Capital One, NA for the acquisition of an unimproved parcel approximately one acre in size adjacent to the Holly Hall Apartments and the former National Labor College (the “Property”); and

**WHEREAS**, an initial deposit was placed with the escrow agent identified in the Contract in the amount of \$85,000 with an additional deposit to be made upon satisfaction of contingencies; and

**WHEREAS**, the Contract provided for a study period during which the Commission could review title matters, zoning, environmental matters and other issues regarding the condition of and the potential development of the Property; and

**WHEREAS**, a Phase II environmental study disclosed certain evidence of low levels of a chemical utilized by dry cleaning establishments on the Property; and

**WHEREAS**, the Commission was advised that, prior to development of the Property, further study would be necessary to determine if remediation was necessary and, if required, the potential impact on construction cost; and

**WHEREAS**, the Commission recognizes that ownership of the Property provides advantages for potential redevelopment of Holly Hall in the future as a location for staging for construction, as a possible site for a relocated housing facility as well as benefits for access to the whole area in conjunction with changes in zoning and development for the planning area generally.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director be and is hereby authorized to seek, if possible, a modification in the price, terms and conditions for the Property under the Contract to reflect the possible increase in costs due to potential remediation identified in a Phase II study but to pursue the completion of the transaction as provided in the Contract in any event; and

**BE IT FURTHER RESOLVED** that the Executive Director is authorized to make the additional deposit of \$85,000 to the escrow agent identified in the Contract to be applied to the purchase price under the Contract.

- C. Ratification of Action Taken in Executive Session on April 24, 2014 to Amend the Predevelopment Agreement to Partner with Lee Development Group for the Redevelopment of Elizabeth House to Comply with Terms of the Agreement by Revising "Best Efforts" Date for Negotiating a Ground Lease and Land Development Agreement** – The following resolution was approved.

**RESOLUTION: 14-25R**

**RE: Ratification of Action Taken in Executive Session on April 24, 2014 to Amend the Pre-Development Agreement to Partner with Lee Development Group for the Redevelopment of Elizabeth House to Comply with Terms of the Agreement by Revising "Best Efforts" Date for Negotiating a Ground Lease and Land Development Agreement**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County ("HOC"), 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**, on February 18, 2014, HOC entered into a Pre-Development Agreement Project and Preliminary Plan Submittal Phase (the "Agreement") with LDG, Inc., an affiliate of

the Lee Development Group (“LDG”), as authorized by Resolution 14-13, adopted on February 18, 2014 and ratified by Resolution 14-13-R, adopted on March 5, 2014; and

**WHEREAS**, at an Executive Session duly called and held on April 24, 2014, with a quorum being present, HOC duly adopted Resolution 14-25 (the “Amendment Resolution”); and

**WHEREAS**, on April 25, 2014, HOC entered into the First Amendment to Pre-Development Agreement Project and Preliminary Plan Submittal Phase (the “Amendment”) with LDG, as authorized by the Amendment Resolution; and

**WHEREAS**, HOC wishes to ratify and affirm, in an open meeting, both the action undertaken by the Commissioners in adopting the Amendment Resolution and the Amendment.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County hereby ratifies Resolution 14-25 and the First Amendment to the Pre-Development Agreement Project and Preliminary Plan Submittal Phase.

**D. Approval of New Participating Lenders for the Single Family Mortgage Purchase Program** – The following resolution was approved.

**RESOLUTION: 14-26**

**RE: Approval of New Participating Lenders for the Single Family Mortgage Purchase Program**

**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**, Integrity Home Mortgage Corporation and Sandy Spring Bank have applied for participation in the Mortgage Purchase Program; and

**WHEREAS**, Integrity Home Mortgage Corporation and Sandy Spring Bank have 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 Integrity Home Mortgage Corporation and Sandy Spring Bank are approved for participation in the Mortgage Purchase Program, effective immediately.

## II. INFORMATION EXCHANGE

A. Report of the Executive Director – Mr. Spann reported that the Action Alerts have been formatted to a readable version for the public and is included as part of the Briefbook under the Report of the Executive Director.

B. Calendar and Follow-up Action – None

### C. Commissioner Exchange

- Chair Piñero gave a report on the Commissioners' Strategic Plan Retreat held on May 6, 2014 at the Strathmore Court Apartments. He reported that the Planning Committee will take the lead in gathering the information needed for the Strategic Plan process for next year. Overall, it was a good meeting and he thanked Ms. Birdsong for her assistance.
- Chair Piñero thanked Scott Ellinwood, Fred Swan and Rita Harris for the 100,000 Homes event. Additionally, he complimented Mr. Spann on his presentation during a meeting with Councilmember Cherri Branson regarding Hillendale/Holly Hall.
- Vice Chair Roman thanked Mr. Spann for his participation on panels and HOC staff's presence at the Affordable Housing Conference held on May 2, 2014. She was very pleased and it was a good event.
- Commissioner Simon reported on a concern regarding FHA financing of condominiums. She reported that if no action is taken by the end of the year, 37,000 condominiums in Montgomery County will be unsaleable due to criteria required by FHA for approval. She requested HOC's participation in the preservation.

D. Resident Advisory Board – Commissioner Banks spoke on behalf of the RAB. She thanked Christopher Donald and Kelly McLaughlin for attending the meeting held in March 2014 explaining the Section 3 and Five Year Plan. RAB members were very pleased with presentations made by Fred Swan and Rita Harris. They would like to continue close relationships with the Executive Director and staff. RAB has extended an invitation to Chair Piñero.

E. Community Forum – None

F. Status Report – None

## III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

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

**1. Approval of Preliminary Predevelopment Plans and Selection of Architect and General Contractors for Six Public Housing Developments Approved for Disposition under The Rental Assistance Demonstration (RAD) Program**

Kayrine Brown, Director of Mortgage Finance/Real Estate Development, Jay Shepherd, Senior Financial Analyst, and Zachary Marks, Assistant Director of New Developments presenters.

The following resolution was adopted upon a motion by Commissioner Lindstrom and seconded by Commissioner Edson. Affirmative votes were cast by Commissioners Piñero, Roman, Banks, Edson, Herrera, Lindstrom and Simon.

**RESOLUTION: 14-27**

**RE: Approval of Preliminary Predevelopment Plans and Selection of Architects and General Contractors for Six Public Housing Developments Approved for Disposition under the Rental Assistance Demonstration (RAD) Program**

**WHEREAS**, the Housing Opportunities Commission (the “Commission”) faces growing challenges in its aging multifamily Public Housing structures – most prominently, functional obsolescence and pervasive systems issues as a result of age and constrained federal capital support; and

**WHEREAS**, HUD’s Rental Assistance Demonstration (the “RAD Program”) program presents the Commission with an opportunity to convert its multifamily Public Housing assets to Project-based Section 8 subsidy providing for their acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing); 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 November 6, 2013, the Commission approved performance of feasibility analyses for each property in the public housing inventory of the Commission to determine the ultimate scope of work to be conducted in the redevelopment of these properties; and

**WHEREAS**, Capital Fund Financing Program funds may be utilized to pay for feasibility studies and RAD Program related fees; and

**WHEREAS**, on December 18, 2013 and March 26, 2014, HUD awarded Commitment for a Housing Assistance Payment contracts (each a “CHAP”) for Seneca Ridge, Parkway Woods and Ken Gar, Sandy Spring Meadow and Towne Centre Place Olney, and Washington Square (the “RAD 6”); and

**WHEREAS**, to solicit proposals from architects and general contractors interested in providing renovation services on an as-needed basis for the RAD 6 units, HOC released RFP No. 1914 for Architectural Services on February 7, 2013 and RFQ No. 1913 for Pre-Qualification of General Contractor Services on February 21, 2013; and

**WHEREAS**, proposals were evaluated, assigning numerical values to the firms having furnished a complete set of qualifications, the strength of business recommendations provided, financial capacity, project experience and pricing from the architects; and

**WHEREAS**, applying the criteria described above, the two highest overall scores for architects were received from Bennett Frank McCarthy and Karl Riedel Architects, and four highest overall scores for general contractors were received from Foulger-Pratt, Capital Building Partners, Colossal Construction, and Efficient Home, LLC; and

**WHEREAS**, the Commission has prepared Preliminary Development Plans by which the architects and general contractors develop a viable scope of work and development plan that will meet the properties immediate and long-term physical needs.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it approves the Preliminary Development Plans for the in place rehabilitation of the RAD 6 properties that include Parkway Woods, KenGar, Sandy Spring Meadow, Towne Centre Place, Seneca Ridge and Washington Square.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the selection of Bennett Frank McCarthy and Karl Riedel Architects as the architects, and authorizes the Executive Director to enter into contract with the aforementioned for this purpose with the final price of the contracts to be negotiated but not to exceed \$175,000 based on submitted proposals.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the selection of Foulger-Pratt, Capital Building Partners, Colossal Construction, and Efficient Home, LLC as the pool of general contractors for the rehabilitation in place of the RAD 6 with final contracts to be negotiated and submitted to the Commission for approval upon completion of final development plans.

**2. Approval of Predevelopment Plans, Entity Formation, Transfer of Real Estate, and Selection of Architect for Arcola Towers and Waverly House Approved for Disposition Under the Rental Assistance Demonstration Program (RAD)**

Kayrine Brown, Director of Mortgage Finance/Real Estate Development, Christopher Donald, Housing Acquisition Manager, and Zachary Marks, Assistant Director of New Developments presenters.

The following resolutions were adopted upon a motion by Commissioner Lindstrom and seconded by Commissioner Simon. Affirmative votes were cast by Commissioners Piñero, Roman, Banks, Edson, Herrera, Lindstrom and Simon.

**RESOLUTION: 14-28**

**RE: Approval of Preliminary Development Plans and Selection of Architects for Arcola Towers and Waverly House Approved for Disposition under the Rental Assistance Demonstration (RAD) Program**

**WHEREAS**, the Housing Opportunities Commission (the "Commission") faces growing challenges in its aging multifamily Public Housing structures – most prominently, functional obsolescence and pervasive systems issues as a result of age and constrained federal capital support; and

**WHEREAS**, HUD's Rental Assistance Demonstration program (the "RAD Program") presents the Commission with an opportunity to convert its multifamily Public Housing assets to Project-based Section 8 subsidy providing for their acquisition, construction, rehabilitation and permanent financing; and

**WHEREAS**, on July 30, 2013, the Commission approved participation in the RAD Program and authorized evaluation of a portfolio disposition of its remaining Public Housing assets; and

**WHEREAS**, on November 6, 2013, the Commission approved performance of feasibility analyses for each property in the Public Housing inventory of the Commission to determine the ultimate scope of work to be conducted in the redevelopment of these properties; and

**WHEREAS**, Capital Fund Program funds may be utilized to pay for feasibility studies and RAD Program related fees; and

**WHEREAS**, on December 18, 2013, HUD awarded a Commitment to Enter a Housing Assistance Payment contract ("CHAP") to both Arcola Towers and Waverly House; and

**WHEREAS**, to solicit proposals from architects interested in providing renovation services on an as-needed basis for Arcola Towers and Waverly House (the "Properties"), the Commission released RFP No. 1916 for Architectural Services on April 1, 2014; and

**WHEREAS**, proposals were evaluated, assigning numerical values to the firms that furnished a complete set of qualifications, considering the strength of business recommendations provided, financial capacity, project experience and pricing from the architects; and

**WHEREAS**, applying the criteria described above, the highest overall score among the architects was received by Architecture By Design, Inc. and the second highest overall score among the architects was received by Miner Feinstein Architects; and



**WHEREAS**, the Commission has prepared preliminary development plans by which the architects can develop a viable scope of work and development plan for each of the Properties that will meet the Properties' immediate and long-term physical needs.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the preliminary development plans for the rehabilitation, with tenants in place, of Arcola Towers and Waverly House are hereby approved; and

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the selection of Architecture By Design, Inc. as the architect of record for Waverly House and authorizes the Executive Director to execute a contract with the aforementioned for \$218,000 for its architectural and design services; and

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the selection of Miner Feinstein Architects as the architect of record for Arcola Towers, and authorizes the Executive Director to execute a contract with the aforementioned for \$130,799 for its architectural and design services.

**RESOLUTION: 14-28a**

**RE: Authorization for the Formation of a Limited Partnership to Acquire Arcola Towers, the Formation of a Limited Liability Company to Serve as the General Partner of the Limited Partnership, the Execution of Governing Documents for the General Partner and Limited Partnership, and the Acquisition of Arcola Towers by the Limited Partnership**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC) has received a Commitment for Housing Assistance Payments (CHAP) from the Department of Housing and Urban Development (HUD) under the Rental Assistance Demonstration (RAD) program for the public housing complex known as Arcola Towers; and

**WHEREAS**, the CHAP allows the conversion of the public housing units at Arcola Towers to affordable housing units with rental assistance through Section 8 of the Housing Act of 1937, as amended (the "RAD Conversion"); and

**WHEREAS**, in connection with the RAD Conversion, HOC intends to rehabilitate Arcola Towers using Low Income Housing Tax Credits from the Maryland Department of Housing and Community Development; and

**WHEREAS**, the operation of a development with Low Income Housing Tax Credits is best conducted through ownership of the project by a limited partnership (the "Limited

Partnership”) with the tax credit investor acting as the investor limited partner and HOC or its affiliate acting as the general partner; and

**WHEREAS**, it is recommended that the Limited Partnership be established now as part of the application for the Low Income Housing Tax Credits and other financing necessary for the rehabilitation of the project; and

**WHEREAS**, in connection with the formation of the Limited Partnership, the Commission desires to form and appoint a special purpose entity as the general partner (the “General Partner”) of the Limited Partnership; and

**WHEREAS**, the Commission desires to appoint HOC as an interim limited partner and authorize the execution by both HOC and the General Partner of a limited partnership agreement; and

**WHEREAS**, the Commission intends, at a later date, to authorize the withdrawal of HOC as the interim limited partner and authorize the simultaneous admission of the investor limited partner upon negotiation of a new limited partnership agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that:

1. Intending to create under the Maryland Limited Liability Company Act a limited liability company to be known as Arcola Towers RAD GP LLC to serve as the General Partner, the Commission determines to act as sole member hereof and authorizes and directs execution by the Executive Director and filing with the State of Maryland of articles of organization, and any amendment thereto, for the formation of the General Partner using the foregoing name or any name substantially similar thereto accepted by the State of Maryland Department of Assessments and Taxation.

2. The Commission authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the formation, governance and business of Arcola Towers RAD GP LLC, including, without limitation, the execution of an operating agreement for Arcola Towers RAD GP LLC.

3. Intending to create under the Maryland Revised Uniform Limited Partnership Act a limited partnership to be known as Arcola Towers RAD Limited Partnership, the Commission determines to have Arcola Towers RAD GP LLC act as general partner thereof and authorizes and directs execution by the Executive Director and filing with the State of Maryland of a certificate of limited partnership on behalf of Arcola Towers RAD GP LLC as general partner, and any amendment thereto, for the formation of Arcola Towers RAD Limited Partnership, using the foregoing partnership name or any name substantially similar thereto accepted by the State of Maryland Department of Assessments and Taxation.

4. The Commission, for itself and acting for Arcola Towers RAD GP LLC in its own capacity and as the general partner of and on behalf of Arcola Towers RAD Limited Partnership, authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the formation, governance and business of Arcola Towers RAD Limited Partnership, including, without limitation, the execution of an initial limited partnership between Arcola Towers RAD GP LLC as the general partner and HOC as the initial limited partner.

5. The Commission, acting for Arcola Towers RAD GP LLC in its own capacity and as the general partner of and on behalf of Arcola Towers RAD Limited Partnership, authorizes and directs execution by the Executive Director of a purchase agreement for the acquisition of Arcola Towers by Arcola Towers RAD Limited Partnership from HOC for a price and such terms as the Commission shall approve upon review of appraisals and/or other relevant information to be collected.

6. The Commission, acting for Arcola Towers RAD GP LLC in its own capacity and as the general partner of and on behalf of Arcola Towers RAD Limited Partnership, authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the acquisition of Arcola Towers by Arcola Towers RAD Limited Partnership.

**RESOLUTION: 14-28b**

**RE: Authorization for the Formation of a Limited Partnership to Acquire Waverly House, the Formation of a Limited Liability Company to Serve as the General Partner of the Limited Partnership, the Execution of Governing Documents for the General Partner and Limited Partnership, and the Acquisition of Waverly House by the Limited Partnership**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC) has received a Commitment for Housing Assistance Payments (CHAP) from the Department of Housing and Urban Development (HUD) under the Rental Assistance Demonstration (RAD) program for the public housing complex known as Waverly House; and

**WHEREAS**, the CHAP allows the conversion of the public housing units at Waverly House to affordable housing units with rental assistance through Section 8 of the Housing Act of 1937, as amended (the "RAD Conversion"); and

**WHEREAS**, in connection with the RAD Conversion, HOC intends to rehabilitate Waverly House using Low Income Housing Tax Credits from the Maryland Department of Housing and Community Development; and

**WHEREAS**, the operation of a development with Low Income Housing Tax Credits is best conducted through ownership of the project by a limited partnership (the "Limited Partnership") with the tax credit investor acting as the investor limited partner and HOC or its affiliate acting as the general partner; and

**WHEREAS**, it is recommended that the Limited Partnership be established now as part of the application for the Low Income Housing Tax Credits and other financing necessary for the rehabilitation of the project; and

**WHEREAS**, in connection with the formation of the Limited Partnership, the Commission desires to form and appoint a special purpose entity as the general partner (the "General Partner") of the Limited Partnership; and

**WHEREAS**, the Commission desires to appoint HOC as an interim limited partner and authorize the execution by both HOC and the General Partner of a limited partnership agreement; and

**WHEREAS**, the Commission intends, at a later date, to authorize the withdrawal of HOC as the interim limited partner and authorize the simultaneous admission of the investor limited partner upon negotiation of a new limited partnership agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that:

1. Intending to create under the Maryland Limited Liability Company Act a limited liability company to be known as Waverly House RAD GP LLC to serve as the General Partner, the Commission determines to act as sole member hereof and authorizes and directs execution by the Executive Director and filing with the State of Maryland of articles of organization, and any amendment thereto, for the formation of the General Partner using the foregoing name or any name substantially similar thereto accepted by the State of Maryland Department of Assessments and Taxation.
2. The Commission authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the formation, governance and business of Waverly House RAD GP LLC, including, without limitation, the execution of an operating agreement for Waverly House RAD GP LLC.
3. Intending to create under the Maryland Revised Uniform Limited Partnership Act a limited partnership to be known as Waverly House RAD Limited Partnership, the Commission determines to have Waverly House RAD GP LLC act as general partner thereof and authorizes and directs execution by the Executive Director and filing with the State of Maryland of a certificate of limited partnership on behalf of Arcola Towers RAD GP LLC as general partner, and any amendment thereto, for the formation of Waverly House RAD Limited Partnership, using the foregoing partnership name or any name substantially similar thereto accepted by the State of Maryland Department of Assessments and Taxation.

4. The Commission, for itself and acting for Waverly House RAD GP LLC in its own capacity and as the general partner of and on behalf of Waverly House RAD Limited Partnership, authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the formation, governance and business of Waverly House RAD Limited Partnership, including, without limitation, the execution of an initial limited partnership between Waverly House RAD GP LLC as the general partner and HOC as the initial limited partner.

5. The Commission, acting for Waverly House RAD GP LLC in its own capacity and as the general partner of and on behalf of Waverly House RAD Limited Partnership, authorizes and directs execution by the Executive Director of a purchase agreement for the acquisition of Waverly House by Waverly House RAD Limited Partnership from HOC for a price and such terms as the Commission shall approve upon review of appraisals and/or other relevant information to be collected.

6. The Commission, acting for Waverly House RAD GP LLC in its own capacity and as the general partner of and on behalf of Waverly House RAD Limited Partnership, authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the acquisition of Waverly House by Waverly House RAD Limited Partnership.

**RESOLUTION: 14-28c**

**RE: Authorization of the Transfer of Arcola Towers to Arcola Towers RAD Limited Partnership or other HOC-Controlled Limited Partnership and the Execution of a Purchase and Sale Agreement**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "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

**WHEREAS**, the Commission has received a Commitment for Housing Assistance Payments (CHAP) from the Department of Housing and Urban Development (HUD) under the Rental Assistance Demonstration (RAD) for the public housing complex known as Arcola Towers; and

**WHEREAS**, the CHAP allows the conversion of the public housing units at Arcola Towers to affordable housing units with rental assistance through Section 8 of the Housing Act of 1937, as amended (the "RAD Conversion"); and

**WHEREAS**, in connection with the RAD Conversion, HOC intends to rehabilitate Arcola Towers using Low Income Housing Tax Credits from the Maryland Department of Housing and Community Development; and

**WHEREAS**, the operation of a development with Low Income Housing Tax Credits is best conducted through ownership of the project by a limited partnership with the tax credit investor acting as the investor limited partner and HOC or its affiliate acting as the general partner; and

**WHEREAS**, in connection with the RAD Conversion and the rehabilitation of Arcola Towers, the Commission desires to transfer the property to a limited partnership which is controlled by the Commission, to be known as Arcola Towers RAD Limited Partnership or such other similar name approved by the Maryland Department of Assessment and Taxation; and

**WHEREAS**, in connection with the application for Low Income Housing Tax Credits, the applicant limited partnership must show some degree of site control over Arcola Towers, as typically evidenced by a purchase and sale agreement or option agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that:

1. The Commission authorizes and directs execution by the Executive Director of the Commission, or his designee, of a Purchase and Sale Agreement for the transfer of the Commission's full ownership interest in Arcola Towers to Arcola Towers RAD Limited Partnership, or such other limited partnership controlled by the Commission, for a price determined by no less than two (2) appraisals.

2. The Commission authorizes the preparation and negotiation of an amendment to the Purchase and Sale Agreement to reflect such additional terms as the Commission may approve upon review of other relevant information to be collected.

3. The Commission authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the execution such Purchase and Sale Agreement, including, but not limited to, ordering appraisals.

**RESOLUTION: 14-28d**

**RE: Authorization of the Transfer of Waverly House to Waverly House RAD Limited Partnership or other HOC-Controlled Limited Partnership and the Execution of a Purchase and Sale Agreement**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "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

**WHEREAS**, the Commission has received a Commitment for Housing Assistance Payments (CHAP) from the Department of Housing and Urban Development (HUD) under the Rental Assistance Demonstration (RAD) for the public housing complex known as Waverly House; and

**WHEREAS**, the CHAP allows the conversion of the public housing units at Waverly House to affordable housing units with rental assistance through Section 8 of the Housing Act of 1937, as amended (the "RAD Conversion"); and

**WHEREAS**, in connection with the RAD Conversion, HOC intends to rehabilitate Waverly House using Low Income Housing Tax Credits from the Maryland Department of Housing and Community Development (the "Credit Agency"); and

**WHEREAS**, the operation of a development with Low Income Housing Tax Credits is best conducted through ownership of the project by a limited partnership with the tax credit investor acting as the investor limited partner and HOC or its affiliate acting as the general partner; and

**WHEREAS**, in connection with the RAD Conversion and the rehabilitation of Waverly House, the Commission desires to transfer the property to a limited partnership which is controlled by the Commission, to be known as Waverly House RAD Limited Partnership or such other similar name approved by the Maryland Department of Assessment and Taxation; and

**WHEREAS**, in connection with the application for Low Income Housing Tax Credits, the applicant limited partnership must show some degree of site control over Waverly House, as typically evidenced by a purchase and sale agreement or option agreement.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that:

1. The Commission authorizes and directs execution by the Executive Director of the Commission, or his designee, of a Purchase and Sale Agreement for the transfer of the Commission's full ownership interest in Waverly House to Waverly House RAD Limited Partnership or such other limited partnership controlled by the Commission (the "Limited Partnership"), at the time of the financing closing for the rehabilitation, for a price determined by no less than two (2) appraisals, which agreement shall provide that the transfer will be contingent on HOC's and the Limited Partnership's receipt of financing approval from the project lenders, all RAD-related approvals from HUD, and an award of Low-Income Housing Tax Credits from the Credit Agency.

2. The Commission authorizes the preparation and negotiation of an amendment to the Purchase and Sale Agreement to reflect such additional terms as the Commission may approve upon review of other relevant information to be collected.

3. The Commission authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the execution such Purchase and Sale Agreement, including, but not limited to, ordering appraisals.

**3. Approval to Select Energy Efficiency Contractor Pursuant to RFP #1901**

Kayrine Brown, Director of Mortgage Finance/Real Estate Development and Richard Hanks, Acquisitions Manager presenters.

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

**RESOLUTION: 14-29**

**RE: Approval to Select Energy Efficiency Contractor Pursuant to RFP #1901**

**WHEREAS**, HOC is undertaking the review of its entire real estate portfolio and anticipates that it will undertake rehabilitation and redevelopment of a significant portion of the properties it owns or will acquire; and

**WHEREAS**, Federal and County Agencies provide funding to property owners that undertake energy saving initiatives and these awards often require the performance of audits and/or applications for funding consideration; and

**WHEREAS**, due to the intricate nature of the application and reporting requirement as well as the volume of work to be performed to qualify for the award, staff believes hiring specialist firms to pursue the work is the right course of action; and

**WHEREAS**, many of these firms provide installation services as well, providing a co-location of responsibilities for award pursuit, work completion and funding receipt; and

**WHEREAS**, to solicit proposals from Energy Efficiency Contractor services firms interested in providing these services on an as needed basis, staff issued a Request for Proposal (#1901) on November, 7, 2013; and

**WHEREAS**, five qualification submissions were timely received in response to the RFP; and

**WHEREAS**, the RFP attached distinct weight to three categories of qualifications; and

**WHEREAS**, each of the five proposals was evaluated, assigning numerical values to the firms having furnished a complete set of qualifications: Experience, Price, and Available Qualified Staff; and



**WHEREAS**, by applying the criteria described in the RFP, the four highest overall scores were received by Elysian Energy, Efficient Home, greeNEWit, and Taurus Renovation and Construction.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County:

1. Authorizes the selection of Elysian Energy, Efficient Home, greeNEWit, and Taurus Renovation and Construction as qualified for inclusion in a single pool of Energy Efficiency services firms.
2. Authorizes the use of these firms for pre-development activities as well as on Commission-authorized development projects
3. Authorizes an initial one-year term of each engagement with three optional one-year renewals.

**4. Approval to Select Construction Management Pool Pursuant to RFP #1902**

Kayrine Brown, Director of Mortgage Finance/Real Estate Development and Richard Hanks, Acquisitions Manager presenters.

The following resolution was adopted upon a motion by Commissioner Lindstrom and seconded by Chair Pro Tem Banks. Affirmative votes were cast by Commissioners Piñero, Roman, Banks, Edson, Herrera, Lindstrom and Simon.

**RESOLUTION: 14-30**

**RE: Approval to Select Construction Management Pool Pursuant to RFP #1902**

**WHEREAS**, HOC is undertaking the review, of its entire real estate portfolio and anticipates that it will undertake rehabilitation and redevelopment of a significant portion of the properties it owns or will acquire and this will require manpower and operational support to augment its current staff; and

**WHEREAS**, the use of Construction Management firms will help ensure the efficient and effective execution of the Commission's goal of providing safe, high quality, amenity rich, affordable housing to its current residents; and

**WHEREAS**, to solicit qualifications from Construction Management services firms interested in providing these services on an as needed basis, staff issued a Request for Proposal (#1902), on October, 28, 2013 to which five firms met the submission requirement and one was rejected for late submission; and

**WHEREAS**, the RFP attached distinct weight to six categories of qualifications; and

**WHEREAS**, each of the five proposals were evaluated, assigning numerical values to the firms having furnished a complete set of qualifications: the Construction Management Qualifications, Showing experience with similar project types, Price per Hourly Rate Schedule, Experience with Government Agencies and Housing Authorities , Construction Management Approach and References Sheet; and

**WHEREAS**, applying the criteria described above, the five highest overall scores were received by JDC Construction, Dewberry, Construction Corp., Efficient Home, and Severn Construction Co.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County:

1. Authorizes the selection of JDC Construction, Dewberry, Construction Corp., Efficient Home, and Severn Construction Co. as qualified for inclusion in a single pool of Construction Management services firms;
2. Authorizes the use of these firms for pre-development activities as well as on Commission Authorized development projects;
3. Authorizes an initial one-year term of each contract with three optional one-year renewals.

**IV. ITEMS REQUIRING DELIBERATION AND/OR ACTION**

**A. Approval of Selection of Law Firms for Qualified Pool of Outside Counsel for Real Estate Legal Services in Response to RFQ #1923 and Related Matters**

Kelly McLaughlin, Deputy Staff Counsel, gave a brief presentation.

The following resolution was adopted upon a motion by Vice Chair Roman and seconded by Commissioner Edson. Affirmative votes were cast by Commissioners Piñero, Roman, Banks, Edson, Herrera, Lindstrom and Simon.

**RESOLUTION: 14-31**

**RE: Approval of Selection of Firms for Qualified Pool of Real Estate Counsel, Authorization to Execute Letters of Agreement with Selected Firms, Approval of a \$350,000 Budget for Legal Fees for the Qualified Pool, and Approval to Engage Firms from Qualified Pool for Legal Work Throughout**

**All Phases of Development or  
Operation of the Project**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "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

**WHEREAS**, the Commission is currently actively engaged in numerous real estate development and redevelopment activities, which are time-sensitive in nature; and

**WHEREAS**, the Commission is actively pursuing partnerships with co-developers for the redevelopment of a number of projects in its portfolio, which increases the potential for a conflict of interest in legal representation; and

**WHEREAS**, in connection therewith, the Commission issued a Request for Qualifications for Real Estate Legal Services (RFQ #1923) on March 5, 2014; and

**WHEREAS**, the Commission desires to select a number of respondents to be included in a qualified pool of real estate legal counsel (the "Qualified Pool").

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that:

7. The Commission approves the selection and addition of the following law firms to the Qualified Pool for the various areas of real estate legal services, as shown:

- A. Land Use and Zoning:  
Linowes & Blocher, LLP  
Miller Miller & Canby, Chartered  
Lerch Early & Brewer, Chartered  
Ballard Spahr LLP
- B. Environmental Regulation and Compliance:  
Linowes & Blocher, LLP  
Kutak Rock, LLP  
Holland & Knight, LLP
- C. Construction (Transactional and Litigation):  
Schnader Harrison Segal & Lewis, LLP  
McManus Darden and Felsen LLP  
Holland & Knight, LLP  
Gallagher Evelius & Jones, LLP

D. Affordable Housing and Tax Credits:

Reno & Cavanaugh, PLLC  
Gallagher Evelius & Jones, LLP  
Hessel Aluise and Neun, P.C.  
Bocarsly Emden Cowan Esmail & Arndt LLP  
Ballard Spahr LLP  
Kutak Rock, LLP  
Klein Hornig, LLP

E. General Real Estate, General & Real Estate Tax, and Real Estate Finance & Lending

Reno & Cavanaugh, PLLC  
Linowes & Blocher, LLP  
Gallagher Evelius & Jones, LLP  
Ballard Spahr LLP  
Kutak Rock, LLP  
Bocarsly Emden Cowan Esmail & Arndt LLP  
Klein Hornig, LLP  
Hessel Aluise and Neun, P.C.  
Holland & Knight, LLP

F. Fair Housing:

Reno & Cavanaugh, PLLC  
Gallagher Evelius & Jones, LLP  
Ballard Spahr LLP

8. The Commission authorizes the preparation and negotiation of, and directs execution by the Executive Director of the Commission, or his designee, of Letters of Agreement with each of the firms selected for the Qualified Pool for an initial term of two years, with three annual renewals.

9. The Commission approves an aggregate budget of \$350,000 for legal services rendered by the Qualified Pool for projects prior to the approval or adoption of any such project's development budget.

10. The Commission authorizes the staff to engage counsel directly from the Qualified Pool for any legal services required by a project throughout all phases of development or operation of such project.

11. The Commission authorizes, without further action on its part, the taking of any and all other actions necessary and proper to carry out the creation and engagement of the Qualified Pool.

**FUTURE ACTION ITEMS**

A. None

**V. INFORMATION EXCHANGE (CONT'D)**

None

**VI. NEW BUSINESS**

None

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 5:56 p.m.

Respectfully submitted,



Stacy L. Spann  
Secretary-Treasurer

/pmb