



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

**EXPANDED AGENDA**

**December 6, 2017**

			<b><u>Res. #</u></b>
3:30 p.m.	<b>I. <u>Public Hearing</u></b> <ul style="list-style-type: none"> <li>• Federal Fiscal Year 2017 Capital Fund Program Five-Year Action Plan</li> <li>• Proposed Revisions to HOC’s Administrative Plan to Add Wait List Related Changes to the Admissions Process</li> </ul>		
4:00 p.m.	<b>II. <u>CONSENT ITEMS</u></b>		
	A.		
4:05 p.m.	<b>III. <u>INFORMATION EXCHANGE</u></b>		
Page 6 9	A. Community Forum B. Report of the Executive Director C. Calendar D. Commissioner Exchange E. Resident Advisory Board		
4:35 p.m.	<b>IV. <u>ADMINISTRATIVE AND SPECIAL SESSIONS ACTIONS</u></b>		
13	A. Ratification of Action Taken in Administrative Session on November 17, 2017: Authorization to Exercise the Right of First Refusal to a Multifamily Development and Fund Earnest Money Deposit		17-81R(pg. 14) 17-82R(pg. 16)
17	B. Ratification of Action Taken in Administrative Session on November 17, 2017: Authorization to Fund Debt Service Reserve for VPC One and VPC Two Corporation		17-83R(pg. 18)
4:40 p.m.	<b>V. <u>COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION</u></b>		
Page 21	<b>A. <u>Development and Finance Committee – Com. Simon, Chair</u></b>		17-83(pg. 29)
31	1. Authorization to Accept Grant by the Montgomery County Department of Housing & Community Affairs to Establish the Montgomery County Down Payment Assistance Program		17-84(pg. 45)
5:00 p.m.	<b>B. <u>Legislative and Regulatory Committee – Com. Byrd, Chair</u></b>		17-85(pg. 51)
48	1. Authorization to Submit the Federal Fiscal Year 2017 Capital Fund Program Grant Five-Year Action Plan		17-86(pg. 62)
58	2. Authorization to Revise HOC’s Administrative Plan for the Housing Choice Voucher Program to Add Wait List Related Changes to the Admissions Process		17-87(pg. 74)
71	3. Authorization to Partner with the Maryland Department of Disabilities under the Community Choice Homes Initiative		17-88(pg. 78)
75	4. Authorization to Implement Voucher Payment Standards Based on HUD FY 2018 Fair Market Rents		
5:20 p.m.	<b>VI. <u>ITEMS REQUIRING DELIBERATION and/or ACTION</u></b>		
	None		
	<b>VII. <u>*FUTURE ACTION ITEMS</u></b>		
	None		
Page 82	<b>VIII. <u>NEW BUSINESS</u></b> Authorization to Submit and Implement FY’18 County Savings Plan		17-92(pg. 85)

5:30 p.m.	<b><u>ADJOURN</u></b>		
5:35 p.m. Page 89	<b><u>DEVELOPMENT CORPORATION</u></b> <ul style="list-style-type: none"> <li>Barclay Apartments Development Corporation – Approval to Select a Property Management Company</li> </ul>		17-002 <sub>BC</sub> (pg. 100)
5:40 p.m.	<b><u>ADMINISTRATIVE SESSION</u></b> This Administrative Session will be called to order pursuant to Section 3-305(b)(3)(Real Estate), (7)(legal advice) & (13)(comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter) of the Open Meetings Act (OMA)		

NOTES:

1. This Agenda is subject to change without notice.
2. Public participation is permitted on Agenda items in the same manner as if the Commission was holding a legislative-type Public Hearing.
3. Times are approximate and may vary depending on length of discussion.
4. \*These items are listed "For Future Action" to give advance notice of coming Agenda topics and not for action at this meeting.
5. Commission briefing materials are available in the Commission offices the Monday prior to a Wednesday meeting.

If you require any aids or services to fully participate in this meeting, please call (240) 627-9425 or email [commissioners@hocmc.org](mailto:commissioners@hocmc.org).

# Consent

# Sent Under Separate Cover

## Consent – Approval of Minutes:

- November 1, 2017 – Reg. Mtg.
- November 13, 2017 – Spec. Sess.
- November 17, 2017 – Admin. Sess.

# INFORMATION EXCHANGE

*4<sup>th</sup> Annual HOC Health and Wellness Expo*



On October 29, 2017, HOC in partnership with Emmanuel Brinklow Church held its 4<sup>th</sup> Annual Health and Wellness Expo at the Silver Spring Civic Center. Montgomery County residents took part in fun and informational workshops that raised awareness on overall health and well-being. Participants learned valuable information on preventative healthcare and had free access to medical professionals and other useful resources. Families participated in fitness classes every hour, including Zumba, Spin, and Yoga.

Participants took part in free vision screenings, flu shots, diabetes testing, and enjoyed free samples of healthy snacks and smoothies throughout the day.



*HOC Testifies at County Delegation Priorities Hearing.*

On November 13, 2017 I testified before the Montgomery County House and Senate Delegation at the Joint Priorities Hearing for the upcoming legislative session. Agencies and officials from across the County provided the Delegation with their top priorities for the Maryland General Assembly in 2018. On behalf of HOC, I asked the Delegation to place a high priority on preserving affordable housing in Montgomery County using every available tool. I emphasized the importance of private activity bonds to our work and noted the



danger the Congressional Tax Bill poses to the Low Income Housing Tax Credit (LIHTC). In addition, I announced our intent to introduce legislation that will help HOC invest more resources into affordable housing preservation and production. HOC looks forward to working together with County partners and our State Delegation to continue housing and supporting Montgomery County residents.

### *HOC General Staff Meeting*



On Tuesday, November 14, 2017 HOC employees gathered for the annual agency-wide general staff meeting. The meeting focused on our new Strategic Plan for 2018-22, emphasizing the importance of each employee's role in housing families throughout Montgomery County. Division heads outlined their work plans for getting people housed, keeping people housed, and helping our customers reach their fullest potential.

The best way to support our is to create Community Connected Housing—rooted in neighborhoods with strong schools and job opportunities, transit options, food access, social and recreational activities and more. Efforts announced this month, including the expansion of Family Self Sufficiency (FFS) program recruitment and the launch of our Giving Tuesday campaign, put us on track toward providing this comprehensive support to our customers.



### *2017 Holiday Giving Project*

HOC staff identified and referred 1,100 individuals and families in need of assistance for the Thanksgiving holiday. Each family received food, gift cards, or other generous gifts. Referrals were made to the Montgomery County Holiday Giving Project and 150 people were served through organizations working directly with HOC and Community Partners. On November 20, 2017 our East Deer Park staff passed out 125 holiday baskets that were donated by The Bullis School. Overall, the Holiday Giving Project served approximately 10,000 families throughout Montgomery County.

### *HOC and HOCP Launch First #GivingTuesday Campaign*



On November 28, 2017 HOC and Community Partners launched their very first #GivingTuesday campaign. #GivingTuesday is a global day of giving that harnesses the collective power of individuals, communities, and organizations to encourage philanthropy and to celebrate generosity. This annual day of giving is held on the Tuesday after

Thanksgiving. Community Partners hopes to raise \$50,000 by using a crowd-funding online platform from Causevox.com.

The Office of Legislative and Public Affairs sent emails to HOC's vendors, past supporters and employees to announce the fundraising drive. In addition, #GivingTuesday banners were added to the websites of HOC and Community Partners to encourage visitors to make a donation on our #GivingTuesday webpage. This fundraiser is exclusively online and will run through December 31, 2017.



### *Fatherhood Initiative Graduates 8<sup>th</sup> Cohort*

In November, the Fatherhood Initiative successfully graduated its 8<sup>th</sup> cohort (Theta). A combination of both fathers and mothers participated in the program. The 9<sup>th</sup> cohort (Iota) will begin in January of 2018. Fatherhood Initiative continues to recruit and offer programming to individuals on the HOC Housing Path wait list. This effort demonstrates yet another way HOC is committed to helping customers reach their fullest potential, by connecting families to our basket of services as we work to help get them housed.



# HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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## December 2017

6	Public Hearing ( <i>Simon</i> )	3:30 p.m.
6	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
12	Budget, Finance and Audit Committee Meeting ( <i>Nelson, Simon</i> )	10:00 a.m.
15	Development and Finance Committee Meeting ( <i>Simon, McFarland, Nelson</i> )	10:00 a.m.
15	Status/Lunch Meeting w/Executive Director ( <i>All</i> ) – Location TBD	12:00 noon
18	Agenda Formulation ( <i>Simon, Rodriguez</i> )	12:00 noon
18	Resident Advisory Board ( <i>Croom</i> )	6:00 p.m.
25-29	Christmas Holiday ( <i>HOC Offices Closed</i> )	

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## January 2018

1	New Year's Day Holiday ( <i>HOC Offices Closed</i> )	
10	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
15	Martin Luther King, Jr. Holiday ( <i>HOC Offices Closed</i> )	
16	Legislative and Regulatory Committee Meeting ( <i>Byrd, Croom, Rodriguez</i> )	4:00 p.m.
19	Development and Finance Committee Meeting ( <i>Simon, McFarland, Nelson</i> )	10:00 a.m.
22	Resident Advisory Board ( <i>Croom</i> )	6:00 p.m.
29	Agenda Formulation ( <i>Simon, Rodriguez</i> )	12:00 noon

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## February 2018

7	HOC Annual Meeting ( <i>All</i> )	4:00 p.m.
19	President's Day ( <i>HOC Offices Closed</i> )	
20	Budget, Finance and Audit Committee Meeting ( <i>Nelson, Simon</i> )	10:00 a.m.
23	Development and Finance Committee Meeting ( <i>Simon, McFarland, Nelson</i> )	10:00 a.m.
23	Status/Lunch Meeting w/Executive Director ( <i>All</i> ) – Location TBD	12:00 noon
26	Agenda Formulation ( <i>Simon, Nelson</i> )	12:00 noon
26	Resident Advisory Board ( <i>Croom</i> )	6:00 p.m.

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## March 2018

7	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
20	Budget, Finance and Audit Committee Meeting – re: Rents ( <i>Nelson, Simon</i> )	10:00 a.m.
20	Legislative and Regulatory Committee Meeting ( <i>Byrd, Croom, Rodriguez</i> )	4:00 p.m.
23	Development and Finance Committee Meeting ( <i>Simon, McFarland, Nelson</i> )	10:00 a.m.
26	Agenda Formulation ( <i>Simon, Nelson</i> )	12:00 noon
26	Resident Advisory Board ( <i>Croom</i> )	6:00 p.m.

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## April 2018

4	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
18	Budget, Finance and Audit Committee Meeting – re: Budget ( <i>Nelson, Simon</i> )	10:00 a.m.
20	Development and Finance Committee Meeting ( <i>Simon, McFarland, Nelson</i> )	10:00 a.m.
20	Status/Lunch Meeting w/Executive Director ( <i>All</i> ) – Location TBD	12:00 noon
23	Resident Advisory Board ( <i>Croom</i> )	6:00 p.m.



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# Administrative and Special Sessions Actions

**RATIFICATION OF ACTION TAKEN IN ADMINISTRATIVE  
SPECIAL SESSION ON NOVEMBER 17, 2017:**

**AUTHORIZATION TO ENTER INTO CONTRACT OF SALE FOR  
THE ACQUISITION OF A MULTIFAMILY DEVELOPMENT AND TO  
FUND AN EARNEST MONEY DEPOSIT.**

**DECEMBER 6, 2017**

- At a closed Administrative Special Session on November 17, 2017, the Commission adopted Resolution 17-81AS, which authorized entering in a contract of sale, and the funding of earnest money deposit, for the acquisition of a multifamily development.
- The Commission wishes to ratify and affirm, in an open meeting, the action undertaken at the November 17, 2017 closed Administrative Special Session any action taken since then with respect to the approved transaction.

**RESOLUTION No.: 17-81R**

**RE: Authorization to Enter Into a Contract of Sale and Fund an Earn Money Deposit for the Acquisition of a Multifamily Development**

**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**, at a closed Administrative Special Session duly called and held on November 17, 2017, with a quorum present, the Commission duly adopted Resolution 17-81AS authorizing entering into a contract of sale and an earnest money deposit for the acquisition of a multifamily development; and

**WHEREAS**, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 17-81AS and any action taken since November 17, 2017 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 17-81AS Resolution and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

**I HEREBY CERTIFY** that the foregoing Resolution was adopted by the Housing Opportunities Commission of Montgomery County at an open meeting conducted on December 6, 2017.

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Patrice M. Birdsong  
Special Assistant to the Commission

**RATIFICATION OF ACTION TAKEN IN ADMINISTRATIVE  
SPECIAL SESSION ON NOVEMBER 17, 2017:**

**AUTHORIZATION TO DRAW UP TO \$3,000,000 FROM THE  
PNC BANK, N.A. REAL ESTATE LINE OF CREDIT TO FUND  
EARNEST MONEY DEPOSIT FOR THE ACQUISITION OF A  
MULTIFAMILY DEVELOPMENT.**

**DECEMBER 6, 2017**

- At a closed Administrative Special Session on November 17, 2017, the Commission adopted Resolution 17-82AS, which authorized the Commission to draw up to \$3,000,000 on the \$90 million PNC Bank, N.A. Real Estate Line of Credit “(RELOC)” to fund the Earnest Money Deposit for the acquisition of a multifamily development.
- The Commission wishes to ratify and affirm, in an open meeting, the action undertaken at the November 17, 2017 closed Administrative Special Session any action taken since then with respect to the approved transaction.

**RESOLUTION No.: 17-82R**

**RE: Ratification of Approval to Draw up to \$3,000,000 from the PNC Bank, N.A. Real Estate Line of Credit to Fund the Earnest Money Deposit for the Acquisition of a Multifamily Development.**

**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**, at a closed Administrative Special Session duly called and held on November 17, 2017, with a quorum present, the Commission duly adopted Resolution 17-82AS authorizing the Commission to draw up to \$3,000,000 on the \$90 million PNC Bank, N.A. Real Estate Line of Credit “(RELOC)” to fund the Earnest Money Deposit for the acquisition of a multifamily development; and

**WHEREAS**, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 17-82AS and any action taken since November 17, 2017 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 17-82AS Resolution and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

**I HEREBY CERTIFY** that the foregoing Resolution was adopted by the Housing Opportunities Commission of Montgomery County at an open meeting conducted on December 6, 2017.

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Patrice M. Birdsong  
Special Assistant to the Commission



**RATIFICATION OF ACTION TAKEN IN ADMINISTRATIVE  
SPECIAL SESSION ON NOVEMBER 17, 2017:**

**AUTHORIZATION TO FUND DEBT SERVICE RESERVES FOR  
THE VPC ONE AND VPC TWO CORPORATIONS.**

**DECEMBER 6, 2017**

- At a closed Administrative Special Session on November 17, 2017, the Commission authorized to fund the Debt Service Reserve for the VPC One and VPC Two Corporations.
- The Commission wishes to ratify and affirm, in an open meeting, the action undertaken at the November 17, 2017 closed Administrative Special Session any action taken since then with respect to the approved transaction.

**RESOLUTION No.: 17-83R**

**RE: Authorization to Fund the Debt Service Reserve For the VPC One and VPC Two Corporations.**

**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**, at a closed Administrative Special Session duly called and held on November 17, 2017, with a quorum present, the Commission duly adopted Resolution 17-83AS authorizing the Commission to fund the Debt Service Reserve for the VPC One and VPC Two Corporations; and

**WHEREAS**, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 17-83AS and any action taken since November 17, 2017 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 17-83R and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

**I HEREBY CERTIFY** that the foregoing Resolution was adopted by the Housing Opportunities Commission of Montgomery County at an open meeting conducted on December 6, 2017.

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Patrice M. Birdsong  
Special Assistant to the Commission

# Committee Reports and Recommendations for Action

# Development and Finance Committee

**APPROVAL TO ACCEPT A GRANT FROM THE MONTGOMERY COUNTY  
DEPARTMENT OF HOUSING & COMMUNITY AFFAIRS TO ESTABLISH THE  
MONTGOMERY COUNTY HOMEOWNERSHIP ASSISTANCE FUND**

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**MORTGAGE FINANCE – SINGLE FAMILY**



**STACY L. SPANN, EXECUTIVE DIRECTOR**

**KAYRINE V. BROWN  
JENNIFER HINES ARRINGTON  
PAULETTE DUDLEY**

**December 6, 2017**

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# EXECUTIVE SUMMARY



The Montgomery County Department of Housing and Community Affairs (DHCA) has offered to provide \$1 million in funds to broaden available resources for eligible first-time homebuyers in Montgomery County, which will bolster HOC's Single Family Mortgage Purchase Program's (MPP) closing cost assistance programs. The Montgomery County Homeownership Assistance Fund (McHAF) in combination with HOC's MPP will provide substantial down payment and closing cost assistance loaning up to 40% of the household's qualifying income for a maximum of \$25,000. Similar funds are being provided to the Maryland Department of Housing and Community Development (DHCD), as well.

## Highlights of the McHAF:

- Zero percent (0%) per annum
- Ten (10) year deferred loan. No interest shall accrue on the loan and no monthly installments shall be due. Pro rata amount will be due upon the sale or refinance during the first 10 years. The loan will be forgiven after 10 years.
- Must be used with MPP's first mortgage product.
- Can be combined with MPP's Revolving Closing Cost Assistance Program (RCCAP), but the borrower must work in Montgomery County to combine both.

Based upon the MPP's average household annual income of \$69,000 and the MPP's average sales price of \$224,713, McHAF in combination with the RCCAP, a homebuyer, who works in Montgomery County, could receive approximately \$35,000 in down payment assistance, which is more than 200% in assistance than the existing MPP's closing cost programs.

Staff recommends that the Commission accept the recommendation of the Development and Finance Committee, and authorize acceptance of a \$1 million grant from DHCA to establish the Montgomery County Homeownership Assistance Fund. The Development and Finance Committee recommends approval of the program but eliminated targeting Qualified Census Tracts, as originally proposed by staff.

# BACKGROUND

The MPP administers the Commission's first-time homebuyers loan program and closing cost assistance programs. With rising home sale prices across the nation, within the State of Maryland and in Montgomery County in particular, it has become a challenge for many first-time homebuyers to have the necessary funds for a down payment and/or the required closing costs. In response, homeownership assistance programs are expanding to do and reach more. HOC's MPP offers down payment and/or closing cost assistance, which can be combined with the MPP's first mortgage.



- **MPP's First Mortgage with Purchase Assistance (MPP Option 2)** provides homebuyers with purchase assistance for up to 3% of the sales price. Funds are provided as a deferred loan (second mortgage) at 0% interest rate. No monthly payments are required. If the property is sold or the first mortgage is paid off during the first five (5) years, the borrower repays a pro rata portion of the purchase assistance to HOC. This loan option may be combined with other FHA approved closing cost assistance.
- **Revolving Closing Cost Assistance Program (RCCAP)** provides homebuyers with 5% of the sales price or up to \$10,000 as a second mortgage. The loan is repaid in regular monthly payments over a 10 year term at an interest rate of 5%. It must be used with an HOC first mortgage and may be combined with other FHA approved closing cost assistance. At least one borrower must be working in Montgomery County to be eligible for the RCCAP. The program is funded by the Montgomery County Housing Initiative Fund.

As September 30, 2017, the MPP's average sale price was \$224,713. Between both programs, the average homebuyer could receive on average up to \$16,690 in down payment and/or closing cost assistance.



# PROGRAM HIGHLIGHTS

- **DESCRIPTION:** The McHAF loan is a secured, secondary financing, which may be used to cover down payment and closing costs, escrows, or other prepaid expenses. No cash back option.
- **FUNDING:** DHCA to provide \$1 million in grant funds. HOC will directly fund the McHAF loan from DHCA allocation.
- **LOAN AMOUNT:** 40% of the qualifying household income but no more than \$25,000. Note: MPP's average household income is \$69,000, providing an average McHAF closing cost loan amount of \$25,000.
- **INTEREST RATE:** Zero percent (0%) per annum
- **TERMS:** Secured 10 year deferred loan effective from the settlement date. No interest shall accrue on the loan and no monthly installments shall be due. Pro rata due upon sale during first 10 years. The loan will be forgiven after 10 years. May be subordinated with a refinance only.
- **FIRST MORTGAGE:** To be used with an HOC MPP first mortgage product; MPP Option 2 not available.
- **WORK LOCATION REQUIREMENT:** Borrower does not have to work in Montgomery County. However, McHAF can be combined with the MPP's RCCAP, but to do so, the borrower must work in Montgomery County to combine both.
- **PROPERTY TYPE:** Single family home detached, townhome; no condominiums, cooperative units or mobile homes.
- **ADMINISTRATION:** Montgomery County DHCA currently funds the administration of the existing RCCAP. The McHAF administration will be absorbed into the existing program.

# CLOSING COST PROGRAM COMPARISON

When comparing the amount of down payment assistance the average first-time homebuyer could receive through HOC's MPP Option 2 and RCCAP, the McHAF loan could provide more than 200% more in assistance.

As of June 30, 2017, the MPP's average first-time homebuyer household income is \$69,000 and the average home sales price is \$224,713. With MPP Option 2, the average homebuyer would be eligible for \$6,990, and if the homebuyer works within Montgomery County and elects RCCAP, he/she could receive an additional \$10,000 in down payment and closing cost assistance for a total of \$16,990.

Although the McHAF loan is not eligible with an MPP Option 2 mortgage, the average first-time homebuyer could still receive \$25,000 in down payment assistance. And, if the homebuyer works in Montgomery County, they could be eligible for an additional \$10,000 through RCCAP for a combined amount of \$35,000.

As of September 30, 2017, below are the estimated loan amounts from each down payment and closing cost assistance program for the average MPP first-time homebuyer.

Program	MPP Option 2	RCCAP	McHAF
Loan Size	3% of sales price	5% of sales price, up to \$10,000	40% of household income
Loan Amount	\$6,741	\$10,000	\$25,000

# SAMPLE REPAYMENT SCHEDULE

The McHAF loan is a secured 10-year deferred loan effective from the settlement date. No interest shall accrue on the loan and no monthly installments shall be due. A pro rata portion will be due upon a sale during the first 10 years. The loan will be forgiven after 10 years, and may be subordinated with a refinance only.

## Repayment Schedule

- The borrower shall pay the loan multiplied by the product of 120 months minus the number of complete months since the date of settlement divided by 120 months, as shown below.
- McHAF loan amount X [120 - number of months since settlement] / 120 = Repayment Due
- Sample repayment calculations for various loan amounts are below.

Payoff (months)	\$15,000 Repayment	\$20,000 Repayment	\$25,000 Repayment
36	\$10,500	\$14,000	\$17,500
60	\$7,500	\$10,000	\$12,500
84	\$4,500	\$6,000	\$7,500
108	\$1,500	\$2,000	\$2,500
120	\$0		

## Prepayments

- As a revolving program, any McHAF loan prepayments will provide HOC the opportunity to further offer such assistance.

## ISSUES FOR CONSIDERATION

Does the Commission wish to accept the recommendation of the Development and Finance Committee to authorize acceptance of a \$1 million grant from Montgomery County Department of Housing and Community Affairs to establish the Montgomery County Homeownership Assistance Fund?

## PRINCIPALS

- Housing Opportunities Commission
- Montgomery County Department of Housing & Community Affairs

## FISCAL/ BUDGET IMPACT

No fiscal or budget impact.

## TIME FRAME

For action at the December 6, 2017 Commission Meeting.

## STAFF RECOMMENDATION AND COMMISSION ACTION NEEDED

Staff recommends that the Commission accept the recommendation of the Development and Finance Committee and authorize acceptance of a \$1 million grant from DHCA to establish Montgomery County Homeownership Assistance Fund.

**RESOLUTION No.: 17-83**

**RE: Authorization to Accept a Grant from the Montgomery County Department of Housing and Community Affairs to Establish the Montgomery County Homeownership Assistance Fund**

**WHEREAS**, the Single Family Mortgage Purchase Program (the “Program” or “MPP”) for the Housing Opportunities Commission of Montgomery County (“Commission”) currently administers a Closing Cost Program that includes two (2) options: 1) a down payment assistance deferred loan at zero percent (0%) interest for up to three-percent (3%) of the sales price; and 2) for those borrowers working in Montgomery County, a Revolving Closing Cost Assistance Program (“RCCAP”) loan equal to five-percent (5%) of sales price or up to \$10,000 at five-percent (5%) interest over a 10-year term, as a second mortgage; and

**WHEREAS**, with rising home sale prices across the nation, within the State of Maryland and in Montgomery County in particular, it has become a challenge for many first-time homebuyers to have the necessary funds for down payment and/or closing cost assistance; and

**WHEREAS**, in April and October of 2017 the Montgomery County Department of Housing and Community Affairs (DHCA) partnered with Maryland’s Department of Housing and Community Development (DHCD), and provided a \$1 million grant to broaden available resources for eligible first-time homebuyers in Montgomery County; and

**WHEREAS**, DHCA has offered to provide the Commission the same grant of \$1 million to be used to establish a new closing cost option for the MPP, the Montgomery County Homeownership Assistance Fund (the “Fund” or “McHAF”), that would provide down payment or closing cost assistance loan of up to 40% of the household’s qualifying income for a maximum of \$25,000 per household; and

**WHEREAS**, an MPP McHAF loan must be used with an MPP first mortgage product; will be a 10-year deferred loan at zero percent (0%) interest with a pro rata amount due only upon sale or refinance during the first 10-years; and, can be combined with an RCCAP loan.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby accepts a \$1 million grant from the Montgomery County Department of Housing and Community Affairs to establish the Montgomery County Homeownership Assistance Fund.

**BE IT FURTHER RESOLVED** that the Fund will provide down payment or closing cost assistance loans under the following terms:

- Each McHAF loan will be for up to 40% of the household’s qualifying income for a maximum of \$25,000 per household;
- Each McHAF loan must be used with an MPP first mortgage product;
- Each McHAF loan will be a 10-year deferred loan at zero percent (0%) interest with a pro rata amount due only upon sale or refinance during the first 10-years; and,
- Each McHAF loan may be combined with an RCCAP loan, so long as the borrower works in Montgomery County.

**BE IT FURTHER RESOLVED** that any repayment received by a borrower upon sale or refinance during the first 10-years will be deposited in the RCCAP to further fund revolving closing cost loans and that the Mortgage Finance Single Family staff will administer the Fund.

**BE IT FURTHER RESOLVED** that the Executive Director is hereby authorized and directed to take all actions necessary and proper to carry out the transactions and activities contemplated herein.

**I HEREBY CERTIFY** that the foregoing Resolution was adopted by the Housing Opportunities Commission of Montgomery County at its regular meeting conducted on December 6, 2017.

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Patrice M. Birdsong  
Special Assistant to the Commission

# APPROVAL TO CREATE A POOL OF ARCHITECTS AND ACCESSIBILITY CONSULTANTS PURSUANT TO RFQ #2080

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## VARIOUS HOC PROPERTIES



STACY L. SPANN, EXECUTIVE DIRECTOR

KAYRINE V. BROWN  
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December 6, 2017

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# Executive Summary

- On August 7, 2013 the Commission approved the creation of a pool of ten (10) Architectural firms to perform consulting services as part of the initial due diligence. Contracts not to exceed \$50,000 were issued for a one year term, with up to three annual renewals with an aggregate annual spending cap of \$300,000.
- The current pool expired on September 17, 2017. A 90 day extension was issued in accordance with the Commission's Procurement Policy and the current expiration date is December 10, 2017, while a new procurement could be completed.
- In accordance with HOC's current Procurement Policy, on August 14, 2017, Request for Qualifications for Architectural Services Pool ("RFQ") #2080 (later amended to the Request for Qualifications for Architectural Services and Accessibility Consultant Pools) was issued, with responses due on September 12, 2017.
- Due to the increased development and renovation needs, RFQ #2080 expanded the services requested from the original RFQ. Some key additions to scope include: supporting staff throughout the life of a project to maintain continuity (whether development or interior renovation), the ability to engage consultants with specialized tasks that are required for acquisitions and complex mixed-use developments, as well as to assess both existing and proposed conditions for accessibility requirements.
- Upon receipt of the 19 responses to the RFQ, staff reviewed and evaluated the proposals to make a recommendation for the selection of 16 firms to be included in the pool in order to maintain a variety of architects with different specialties available on short notice to perform services as needed.
- Staff further identified strengths for each firm and created categories by: Building Type (Townhome/Garden, Low to Mid-Rise, High-Rise); Construction Type (Acquisition, Entitlement & Zoning, New Construction, Renovation); and Participation (in previous LIHTC Transactions, Accessibility Consulting, and Licensed MBE firms).

# Executive Summary

- Staff will solicit Architects from the appropriate category. Task requests will require the Architect participate in an interview and site visit(s) with staff as well as the submission of concept drawings and pricing.
- Staff recommends that the Commission accept the recommendation of the Development & Finance Committee which met on November 17, 2017, and approve the selection: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC to create a pool of the 16 Architects who scored above 80%.
- Staff further recommends the approval to retain the same architect for all phases of a transaction, under the same terms of the pool contract, in order to maintain continuity and provide for a more timely completion of tasks. Staff recommends the assignment of zero-dollar contracts with annual aggregate cap of \$1,000,000. If an Architect's proposed aggregate scope per transaction exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding a contract.
- Staff further recommends that the Commission accept the recommendation of the Development & Finance Committee and authorize the Executive Director to execute contracts with the Architects noted above and that such contracts would be for zero-dollars and be issued for a period of one year from the date of Contract Award with up to four one-year renewals in accordance with the Commission's Procurement Policy.

# Qualification Requirements for Architectural and Accessibility Consultants

HOC issued a Request for Qualifications for Architectural Services and Accessibility Consultants #2080 to assist on an as-needed basis in architectural activities throughout the life of a transaction to include (but limited to): feasibility, entitlement, zoning, design, and construction: documents, bidding and administration at Various HOC Properties within Montgomery County.

Five reviewers were selected from different divisions of HOC. Due to the large number of respondents, staff completed its review of the responses on October 16, 2017 based on the following criteria and scoring:

- **Experience with Affordable Projects, Firm & Personnel Resumes (30%)**

Key Factors:

- Experience with affordable and Special Needs Housing;
- Experience with publicly funded projects including LIHTC transactions; and
- Sustainability experience with LEED, Enterprise Green Communities, or similar rating system.

- **Initial Programming and Entitlements Process (20%)**

- Quality of and experience with design of new construction or renovation of multi-family properties, including but not limited to: townhouses, garden style, podium and high-rise buildings;
- Experience with Acquisition & Redevelopment of Land Parcels;
- Experience with site plan evaluation; and
- Demonstrated knowledge of Montgomery County Building Code and zoning.

- **Construction Administration & Observation (20%)**

- Demonstrated ability to meet schedules with firm deadlines and budgets; and
- Experience with construction administration.

# Qualification Requirements for Architectural and Accessibility Consultants

- **Schematic Design & Design Development (15%)**

- Experience with preliminary sketches for site plans, layouts, floor plans;
- Successful coordination with MEPF Design and Low Voltage Vendors; and
- Accessibility Consultant Services may include (but are not limited to) the following:
  - Provide technical assistance on all aspects of accessibility compliance;
  - Collaborate with engineers, interior designers, and other design team professionals from schematic design through construction documents to help achieve full compliance with regulatory and building code requirements for accessible design and construction;
  - Review plans, specifications, submittals, and related documentation, and work with the design team to ensure that final design and construction documents comply fully with applicable accessibility requirements;
  - Conduct field inspections during all phases of new construction and alterations projects to ensure compliance with regulatory and building code requirements for accessible design and construction;
  - Perform due diligence inspections of existing buildings and sites to identify noncompliance with regulatory requirements for accessible design and construction; and
  - Familiarity with required all accessibility codes applicable to Montgomery County, which include (but are not limited to): The Fair Housing Amendments Act (“FHA”), Section 504 of the Rehabilitation Act of 1973 (Section 504), Architectural Barriers Act (“ABA”), The Americans with Disabilities Act (ADA), State and Local Human Rights Laws, International Building Code (“IBC”); and State and Local Building Codes.

- **Construction Documents and Bidding (15%)**

- Experience with Montgomery County Department of Permitting Services and current building codes;
- Experience with interior and exterior accessibility requirements under Section 504 of the Rehabilitation Act of 1973; Americans with Disabilities Act; Uniform Federal Accessibility Standards (UFAS); and Fair Housing Act Design Requirements; and
- Experience with bid package completion.

# Scoring Summary

RFQ #2080

## Scoring Summary (Overall)

RANK	RESPONDENTS	Experience with Affordable Projects, Firm & Personnel Resumes (30 %)	Initial Programming and Entitlement Process (20 %)	Schematic Design and Development (10 %)	Accessibility (5%)	Construction Documents and Bidding (15 %)	Construction Administration & Observation (20 %)	Total (100 %)
1	KTGY Architecture & Planning	30	20	10	4	15	19	97
1	Architecture by Design	29	18	10	5	15	20	97
2	Torti Gallas & Partners	28	20	9	5	15	20	96
2	Bennett Frank McCarthy Arch's, Inc.	29	20	9	4	14	20	96
2	Grimm & Parker Architects	30	19	9	4	15	20	96
3	Gensler	28	19	10	4	14	19	94
3	Hord Coplan Macht	29	18	9	4	15	19	94
4	Davis, Carter, Scott Ltd.	27	20	10	4	13	19	93
5	Mimar Architects & Engineers, Inc.	25	19	10	5	14	19	92
6	Karl Riedel Architecture, PC	26	18	9	5	14	19	90
7	Design Collective	28	19	8	3	13	19	89
8	Niles Bolten Associates	28	16	8	5	14	15	86
8	Zavos Architecture & Design, LLC	29	16	8	4	13	15	86
9	Miner Feinstein Architects, LLC	27	15	7	4	14	15	83
9	KGD Architecture	27	17	8	3	12	16	83
10	Lothrop Associates, LLP	26	15	9	3	11	18	82
<b>Not Recommended</b>								
11	Rutkove Building Consultants, LLC	20	15	5	3	11	15	69
12	Jonathan Nehmer & Associates, Inc.	20	13	6	3	11	10	64
13	Vinzant Group, LLC	10	3	4	0	6	8	31

# Proposed Categories by Specialty (Building Type)

## RFQ #2080

Staff has further categorized respondent’s specialties by Building Type, Construction Type, and participation in Accessibility Consulting, Acquisition, Entitlements & Zoning, LIHTC transactions, and M-DOT, MBE Certified. Qualified Architects may be used without prior Commission Authorization in the event proposed Architects are unable to meet Agency needs.

### **Building Type**

Townhomes / Garden Style	Low and Mid-Rise	High-Rise
Bennett Frank McCarthy Architects, Inc.	Architecture By Design	Architecture By Design
Davis, Carter, Scott Ltd	Bennett Frank McCarthy Architects, Inc.	Davis, Carter, Scott Ltd
Design Collective, Inc.	Davis, Carter, Scott Ltd	Design Collective, Inc.
Grimm & Parker Architects	Design Collective, Inc.	Gensler
Karl Riedel Architecture, PC	Gensler	Grimm & Parker Architects
Mimar Architects & Engineers, Inc.	Grimm & Parker Architects	Hord Coplan Macht
Niles Bolton Associates	Hord Coplan Macht	Karl Riedel Architecture, PC
Torti Gallas & Partners	Karl Riedel Architecture, PC	KGD Architecture
Zavos Architecture & Design, LLC	KGD Architecture	Lothrop Associates, LLP
	KTGY Architecture & Planning	Miner Feinstein Architects, LLC
	Lothrop Associates, LLP	Niles Bolton Associates
	Mimar Architects & Engineers, Inc.	Torti Gallas & Partners
	Miner Feinstein Architects, LLC	Zavos Architecture & Design, LLC
	Niles Bolton Associates	
	Torti Gallas & Partners	
	Zavos Architecture & Design, LLC	

# Proposed Categories by Specialty (Construction Type)

RFQ #2080

## Construction Type

New Construction	Renovation
Architecture By Design	Architecture By Design
Bennett Frank McCarthy Architects, Inc.	Bennett Frank McCarthy Architects, Inc.
Davis, Carter, Scott Ltd	Davis, Carter, Scott Ltd (w/ Int. Design)
Design Collective, Inc.	Design Collective, Inc.
Gensler	Gensler
Grimm & Parker Architects	Grimm & Parker Architects
Hord Coplan Macht	Hord Coplan Macht (w/ Int. Design)
Karl Riedel Architecture, PC	Karl Riedel Architecture, PC
KGD Architecture	KGD Architecture
KTGY Architecture & Planning	Lothrop Associates, LLP
Miner Feinstein Architects, LLC	Mimar Architects & Engineers, Inc.
Niles Bolton Associates	Miner Feinstein Arch., LLC (w/ Int. Design)
Torti Gallas & Partners	Niles Bolton Associates
Zavos Architecture & Design, LLC	Torti Gallas & Partners
	Zavos Architecture & Design, LLC

# Participation Categories - Other Specialty

RFQ #2080

**Architect participation in Accessibility Consulting, Acquisition, Entitlements & Zoning, LIHTC transactions, and \*M-DOT, MBE Certified.**

Accessibility Consultant	Acquisition, Entitlements & Zoning	LIHTC
Architecture By Design	Davis, Carter, Scott Ltd	Architecture By Design
Bennett Frank McCarthy Arch., Inc.	Bennett Frank McCarthy Architects, Inc.	Bennett Frank McCarthy Architects, Inc.
Davis, Carter, Scott Ltd	Design Collective, Inc.	Davis, Carter, Scott Ltd
Design Collective, Inc.	Gensler	Design Collective, Inc.
Gensler	Grimm & Parker Architects	Gensler
Grimm & Parker Architects	Hord Coplan Macht	Grimm & Parker Architects
Hord Coplan Macht	Karl Riedel Architecture, PC	Hord Coplan Macht
Karl Riedel Architecture, PC	KGD Architecture	Karl Riedel Architecture, PC
KGD Architecture	KTGY Architecture & Planning	KGD Architecture
KTGY Architecture & Planning	Niles Bolton Associates	KTGY Architecture & Planning
Lothrop Associates, LLP	Torti Gallas & Partners	Lothrop Associates, LLP
Mimar Architects & Engineers, Inc.	Zavos Architecture & Design, LLC	Mimar Architects & Engineers, Inc.
Miner Feinstein Architects, LLC		Miner Feinstein Architects, LLC
Niles Bolton Associates		Niles Bolton Associates
Torti Gallas & Partners		Torti Gallas & Partners
Zavos Architecture & Design, LLC		Zavos Architecture & Design, LLC

\* Only one firm, Architecture by Design, is an M-DOT, MBE Certified company.



# Funding and Contracts

## RFQ #2080

### **Funding**

Similar to the previous architectural services engagement and consistent with past practice, staff will request pre-development funding at the appropriate time which will include an architectural component. While staff intends to charge the costs for these consulting services to specific projects in pre-development, in the event a project does not go forward after due diligence and if there is no other identified source of repayment, the cost of the consulting services would have to be borne by the Real Estate Division's budget for consulting services. This pool of architects is available to all of HOC's other divisions and, if used, will be paid for from the respective property or development budgets.

### **Contracts**

Prior Architectural Pools limited the scope to feasibility tasks (requiring a new solicitation for Design Development, Schematics, Permit Drawings etc.). Each contract was limited to a \$50,000 annual limit and an annual spending cap of \$300,000.

With the increased development and renovation needs RFQ #2080 expanded on the services requested from the original RFQ. Staff recommends the approval to retain the same architect for all phases of a transaction, under the same terms of the pool contract, in order to maintain continuity and provide for a more timely completion of tasks. Staff recommends the assignment of zero-dollar contracts with an annual aggregate cap of \$1,000,000. If an Architect's proposed aggregate scope per transaction exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding a contract.

Architects will be solicited from the appropriate category and are expected to compete for the requested task or scope of work.

# Selection of Architects within the Pool

RFQ #2080

## **New Task Requests**

Each proposal request will include:

- Detailed Scope of work to include pre-construction, actual and post phase items
- Davis Bacon requirements (based on funding and dollar amount)
- Section 3 / HOC Works

## **Selection Process**

Staff will refer to the approved categories by specialty when requesting pricing based on transaction need and will ensure that each proposal includes:

- Concept Drawing(s)
- Pricing
- Interviews
- Site Visits
- Background Checks
- Section 3 / HOC Works Opportunity Plan (based on funding and dollar amount)

# Summary and Recommendations

## Issues for Consideration

Does the Commission wish to accept the recommendation of the Development & Finance Committee and approve to select: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC to create a pool of the 16 Architects who scored above 80%?

Does the Commission wish to accept the recommendation of the Development & Finance Committee and approve to retain the same architect for all phases of a transaction, under the same terms of the pool contract, in order to maintain continuity and provide for a more timely completion of tasks. Staff proposes the assignment of zero-dollar contracts with an annual aggregate cap of \$1,000,000. If an Architect's proposed aggregate scope per transaction, exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding a contract.

Does the Commission wish to accept the recommendation of the Development & Finance Committee and authorize the Executive Director to execute contracts with the Architects noted above and that such contracts would be for zero-dollars and be issued for a period of one year from the date of Contract Award with up to four one-year renewals in accordance with the Commission's Procurement Policy?

## Fiscal / Budget Impact

There is no direct impact on HOC's operating budget. Services will be sought on as needed transaction specific basis and paid for from respective real estate development budgets that have been approved by the Commission.

## Time Frame

Action at the Commission meeting on December 6, 2017.

# Summary and Recommendations

## Staff Recommendation

Staff recommends that the Commission accept the recommendation of the Development & Finance Committee and approve to select: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC to create a pool of the 16 Architects who scored above 80%.

Staff recommends that the Commission accepts the recommendation of the Development & Finance Committee and approve to retain the same architect for all phases of a transaction, under the same terms of the pool contract, in order to maintain continuity and provide for a more timely completion of tasks. Staff recommends the assignment of zero-dollar contracts with an annual aggregate cap of \$1,000,000. If an Architect's proposed aggregate scope per transaction exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding a contract.

Staff recommends that the Commission accept the recommendation of the Development & Finance Committee and authorize the Executive Director to execute contracts with the Architects noted above and that such contracts would be for zero-dollars and be issued for a period of one year from the date of Contract Award with up to four one-year renewals with change orders issued on a per transaction, as needed basis in accordance with the Commission's Procurement Policy?

**RESOLUTION: 17-84**

**RE: Approval to Create a Pool of Architects and Accessibility Consultants Pursuant To RFQ 2080.**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC) has an ongoing need to undertake due diligence and evaluate potential acquisition, renovation, and development of properties for preliminary planning through construction administration; and

**WHEREAS**, the due diligence and evaluation of the potential acquisitions, renovations, and new construction transactions require the services of qualified architects and accessibility consultants; and

**WHEREAS**, to ensure the availability of qualified architects and accessibility consultants, HOC issued Request for Qualifications (RFQ No. 2080) (the "RFQ") on August 14, 2017, soliciting proposals from architectural firms interested in providing these services on an as-needed basis; and

**WHEREAS**, 19 proposals were timely received in response to the RFQ; and

**WHEREAS**, the RFQ attached a weight of 30% for Experience with Affordable Projects, Firm & Personnel Resumes, 20% for Initial Programming and Entitlement Process, 20% for Construction Administration & Observation, and 15% for Schematic Design & Design Development, 15% for Construction Documents and Bidding; and

**WHEREAS**, each proposal was evaluated and assigned numerical values for the firms' experience with affordable and publicly funded housing transactions, sustainability, accessibility, single and multifamily renovation and/or new construction, and feasibility and site plan evaluation; and

**WHEREAS**, applying the criteria described above, the following 16 firms were given the highest overall scores: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC; and

**WHEREAS**, HOC Staff recommends that the Commission enter into contracts for consulting services on an as-needed basis with the 16 highest overall scoring applicants.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to negotiate and execute contracts with: Architecture by Design, Bennett Frank McCarthy Architects, Inc., Davis, Carter, Scott Ltd, Design Collective, Gensler, Grimm and Parker Architects, Hord Coplan Macht, Karl Riedel Architecture, P.C., KGD Architecture, KTG Architecture and Planning, Lothrop Associates, LLP, Mimar Architects & Engineers, Inc., Miner Feinstein Architects, LLC, Niles Bolten Associates, Inc., Torti Gallas and Partners, and Zavos Architecture and Design, LLC, to create a pool of architects to provide consulting services as-needed for an annual zero-dollar contracts with annual aggregate cap of \$1,000,000.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to select and retain the same architect for all phases of a transaction, under the same terms of the pool contract and that each architect will be selected competitively from members of the pool based on the Commission's needs, the required scope of work, the tasks to be completed, and the specialty of each firm.

**BE IT FURTHER RESOLVED** that if an Architect's proposed aggregate scope per transaction exceeds the Executive Director's \$250,000 authorization limit, staff must return to the Commission for approval prior to awarding the contract.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director to execute contracts with the architects noted above and that such contracts would be issued for a period of one year from the date of contract award with up to four one-year renewals with change orders issued on a per transaction, as needed basis in accordance with the Commission's Procurement Policy.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized to take any and all other actions necessary and proper to carry out the transaction and actions contemplated herein including the execution of any documents related thereto.

**I HEREBY CERTIFY** that the foregoing Resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular meeting conducted on December 6, 2017.

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Patrice M. Birdsong  
Special Assistant to the Commission

# Legislative and Regulatory Committee

**AUTHORIZATION TO SUBMIT  
THE FEDERAL FISCAL YEAR 2017  
CAPITAL FUND PROGRAM GRANT  
FIVE-YEAR ACTION PLAN**

**DECEMBER 6, 2017**

- The U.S. Department of Housing and Urban Development (HUD) notified the Housing Opportunities Commission of Montgomery County (HOC) that it is awarded \$288,858 as part of the FFY 2017 Capital Fund Program (CFP) grant for Public Housing.
- CFP grant funds are used to make capital improvements to the Commission's public housing stock.
- In August 2017, the Commission submitted to HUD a Capital Fund Grant Annual Statement, a signed Annual Contributions Contract Amendment, and a supporting Commission Resolution in order to reserve the CFP grant funds.
- HUD also directs the Commission to submit a FFY 2017 CFP Five-Year Action Plan which provides estimates and describes activities to be funded by the CFP grant over the next five years. The new FFY 2017 CFP Five-Year Action Plan will cover the years of FFY 2017-FFY 2021.
- Staff recommends that the Commission authorize the Executive Director or his designee to submit the FFY 2017 CFP Five-Year Action Plan and the supporting Commission Resolution to HUD at this time.



**MEMORANDUM**

**TO:** Housing Opportunities Commission of Montgomery County

**VIA:** Stacy L. Spann, Executive Director

**FROM:** Ethan Cohen                      Division:                      Compliance                      Ext. 9764  
Clarence Landers                      Property Management                      Ext. 9569  
Zachary Marks                      Real Estate Development                      Ext. 9613  
Ellen Goff                      Real Estate Development                      Ext. 9528

**RE:** Authorization to Submit the Federal Fiscal Year 2017 Capital Fund Program Grant Five-Year Action Plan

**DATE:** December 6, 2017

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**STATUS:**                      **Committee Report: Deliberation**                        X  

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**OVERALL GOAL & OBJECTIVE:**

To authorize the Executive Director, or his designee, to submit to the U.S. Department of Housing and Urban Development (HUD) the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution.

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**BACKGROUND:**

Annually, HOC is awarded Capital Fund Program (CFP) grant funds based upon a HUD formula. These CFP funds are then used to make capital improvements to the Commission’s public housing stock. CFP grant funds cannot be used for properties that are not public housing.

The FFY 2017 CFP grant award is \$288,858. On August 9, 2017 the Commission approved the Executive Director, or his designee, to submit the required Capital Fund Grant Annual Statement, signed Annual Contributions Contract Amendment, and supporting Commission Resolution to the U.S. Department of Housing and Urban Development (HUD) in order to reserve HOC’s Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant.

Beyond the CFP Annual Statement, HUD also directs the Commission to submit a FFY 2017 CFP Five-Year Action Plan which provides estimates and describes activities to be funded by the CFP grant over the next five years. The new FFY 2017 CFP Five-Year Action Plan will cover the years of FFY 2017-FFY 2021. This FFY 2017 Five-Year Action Plan will replace the previous FFY 2016 CFP Five-Year Action Plan which covered the years of FFY 2016-FFY 2020. Even though each Action Plan describes HOC’s expected CFP activities over a five year period, since all but the first year are based on PHA estimates, HUD asks for an updated Five-Year Action Plan each year.

Implementation of the CFP grant funds is coordinated by the Real Estate Development Department according to the CFP Five-Year Action Plan and the CFP Annual Statement.

HOC will submit its FFY 2017 CFP Five-Year Action Plan to HUD after presenting a draft to the Resident Advisory Board (RAB), making a draft available to the public for at least 45 days, holding a public hearing, and presenting the final version to the Commission.

Staff released a draft of the FFY 2017 CFP Five-Year Action Plan to the public on September 15, 2017. Staff discussed the FFY 2017 CFP Five-Year Action Plan with the RAB on September 18, 2017. In the coming days, the RAB will submit their letter of endorsement for the FFY 2017 CFP Five-Year Action Plan which is submitted along with the Plan to HUD following the close of the public comment period and the Commission's approval. To date, HOC has received no public comments on the FFY 2017 CFP Five-Year Action Plan. A public hearing on the FFY 2017 CFP Five-Year Action Plan is scheduled for December 6, 2017.

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**ISSUES FOR CONSIDERATION:**

Does the Housing Opportunities Commission of Montgomery County authorize the Executive Director, or his designee, to submit to the U.S. Department of Housing and Urban Development (HUD) the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution?

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**PRINCIPALS:**

Housing Opportunities Commission of Montgomery County (HOC)  
U.S. Department of Housing and Urban Development (HUD)

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**BUDGET IMPACT:**

The funds are restricted to the Public Fund and used for public housing capital improvements and RAD investment activities.

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**TIME FRAME:**

The Legislative and Regulatory Committee reviewed this item at its meeting on September 19, 2017. For Commission action on December 6, 2017.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Housing Opportunities Commission of Montgomery County authorize the Executive Director, or his designee, to submit to the U.S. Department of Housing and Urban Development (HUD) the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution.

**RESOLUTION: 17-85**

**RE: Authorization to Submit the  
Federal Fiscal Year 2017  
Capital Fund Program Grant  
Five-Year Action Plan**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“Commission”) will submit the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution to the U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, by submitting the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution, the Commission is agreeing that capital and management activities will be carried out in accordance with all HUD regulations.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized to submit to the U.S. Department of Housing and Urban Development the Federal Fiscal Year (FFY) 2017 Capital Fund Program (CFP) grant Five-Year Action Plan and the supporting Commission Resolution.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized and directed, without further action on its part, to take any and all other actions necessary and proper to carry out the activities contemplated herein.

**I HEREBY CERTIFY** that the foregoing resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular open meeting conducted on December 6, 2017.

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**Patrice Birdsong  
Special Assistant to the Commission**

<b>Part I: Summary</b>						
<b>PHA Name/Number</b> Housing Opportunities Commission of Montgomery County (MD004)		<b>Locality (City/County &amp; State)</b> Kensington (Montgomery County) Maryland			<b>Original 5-Year Plan</b> <input checked="" type="checkbox"/> <b>Revision No:</b>	
A.	Development Number and Name	Work Statement for Year 1 FFY - 2017	Work Statement for Year 2 FFY - 2018	Work Statement for Year 3 FFY - 2019	Work Statement for Year 4 FFY - 2020	Work Statement for Year 5 FFY - 2021
B.	Physical Improvements Subtotal	Please see Annual Statement				
C.	Management Improvements					
D.	PHA-Wide Non-dwelling Structures and Equipment					
E.	Administration		\$ 28,886.00	\$ 532.00	\$ 532.00	\$ 532.00
F.	Other – RAD Investment Activities		\$ 259,972.00			
G.	Operations			\$ 4,789.00	\$ 4,789.00	\$ 4,789.00
H.	Demolition					
I.	Development					
J.	Capital Fund Financing – Debt Service					
K.	Total CFP Funds		\$ 288,858.00	\$ 5,321.00	\$ 5,321.00	\$ 5,321.00
L.	Total Non-CFP Funds					
M.	Grand Total		\$ 288,858.00	\$ 5,321.00	\$ 5,321.00	\$ 5,321.00

<b>Signature of Executive Director:</b> Stacy L. Spann	<b>Date:</b>	<b>Signature of Public Housing Director:</b>	<b>Date:</b>
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<b>Part II: Supporting Pages – Physical Needs Work Statement(s)</b>					
Work Statement for Year: 4			Work Statement for Year: 5		
FFY	2020		FFY	2021	
Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost	Development Number/Name General Description of Major Work Categories	Quantity	Estimated Cost
RAD Activities Complete			RAD Activities Complete		
Public Housing properties have completed their RAD conversions. No remaining physical needs exist.			N/A Public Housing properties have completed their RAD conversions. No remaining physical needs exist.		N/A
Subtotal of Estimated Cost		\$ 0.00	Subtotal of Estimated Cost		\$ 0.00







**AUTHORIZATION TO REVISE  
HOC'S ADMINISTRATIVE PLAN  
FOR THE HOUSING CHOICE VOUCHER PROGRAM  
TO ADD WAIT LIST RELATED CHANGES  
TO THE ADMISSIONS PROCESS**

**DECEMBER 6, 2017**

- The Code of Federal Regulations (CFR) requires that Public Housing Agencies (PHAs) such as the Housing Opportunities Commission of Montgomery County (HOC) adopt written plans and policies that describe the federal regulations and establish the local policies for administration of the voucher programs of the given PHA. For the Housing Choice Voucher (HCV) program, this governing document is termed the Administrative Plan.
- The CFR also requires that PHAs such as HOC revise their Administrative Plan as needed in order to comply with federal requirements. Optional changes unique to a specific PHA may also be added, provided that they do not conflict with the federal regulations.
- At this time, HOC has developed a proposed revision to its Administrative Plan as is consistent with the processes and procedures outlined in the CFR. The proposed revision would add wait list related changes to the admissions process for the HCV program.
- A public comment period for this proposed revision began on September 15, 2017 and will conclude on December 6, 2017 with a public hearing at HOC's Kensington office.
- Staff is requesting authorization to make this proposed revision to HOC's Administrative Plan formally a part of this governing document.

**MEMORANDUM**

**TO:** Housing Opportunities Commission of Montgomery County

**VIA:** Stacy L. Spann, Executive Director

**FROM:** Staff: Lynn Hayes                      Division: Housing Resources      Ext. 9622  
                    Darcel Cox    Executive                                      Ext. 9427  
                    Ethan Cohen    Executive                                      Ext. 9764

**RE:** Authorization to Revise HOC’s Administrative Plan for the Housing Choice Voucher Program to Add Wait List Related Changes to the Admissions Process

**DATE:** December 6, 2017

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**STATUS:**      **Committee Report: Deliberation**        X  

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**OVERALL GOAL & OBJECTIVE:**

To authorize the Executive Director, or his designee, to revise HOC’s Administrative Plan for the Housing Choice Voucher Program (“Administrative Plan”) to add wait list related changes to the admissions process.

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**BACKGROUND:**

On July 8, 2015, the Housing Opportunities Commission of Montgomery County completely revised Chapter 4 of its Administrative Plan for the Housing Choice Voucher Program (“Administrative Plan”). Chapter 4 is entitled Establishing Preferences and Maintaining the Waiting List. The July 2015 revisions focused on providing customers and staff with a guidance document which explains the functionality of HOC’s new wait list, Housing Path.

While the July 2015 revisions to Chapter 4 were comprehensive and detailed, they were limited in their scope in that they only addressed the information contained in Chapter 4. Chapter 3 of the Administrative Plan is entitled Applying for Admission. In this chapter, the Administrative Plan describes the admissions and application process for the voucher program, including the functionality of the wait list as it pertains to initial call-ups. In order to ensure consistency and accuracy within the Administrative Plan for its description of the Housing Path wait list, staff proposes making multiple revisions to Chapter 3, which are detailed in the materials attached to this memorandum.

HUD provides the outline of basic policy and procedures for the administration of the Housing Choice Voucher (HCV) program in the Code of Federal Regulations (CFR) at 24 CFR Part 982, Subpart E. These sections of the CFR provide an initial outline for HCV program operations including topics such as eligibility for admission, application for admission, operation of the wait

list, establishment of preferences, subsidy standards, calculation of tenant payments, verification procedures, voucher issuance, contract execution, Housing Quality Standards, unit inspections, rent reasonableness, voucher payment standards, recertification processes, voucher portability, terminations, complaints, appeals, and all other major program policies and procedures for the voucher program.

Beyond the policies outlined in the CFR, Public Housing Authorities (PHA) must develop Agency-specific policies and procedures to flesh out the outline provided in the CFR. These Agency-specific policies are written in the PHA's Administrative Plan as well. Importantly, at all times, Agency-specific policies must conform to the established rules and regulations in the CFR, fair housing and civil rights laws and regulations, and must result in consistent, non-discriminatory determinations on applicant eligibility, placement of applicants on the wait list, and selection of applicants from the wait list.

As part of the process for making revisions or additions to a PHA's Administrative Plan, public comment is required. Accordingly, HOC provides a minimum 30-day public comment period which is concluded with a public hearing on the proposed Administrative Plan revisions. During the comment period, HOC makes the draft of the proposed revisions to the Administrative Plan available on HOC's website as well as in hard copy form at all four of the Agency's offices. Also during the comment period, HOC staff meets with the HOC Resident Advisory Board (RAB) to discuss these proposed revisions, seeking the RAB's comments. Notice of the comment period and public hearing are advertised in a local newspaper in Montgomery County.

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**ISSUES FOR CONSIDERATION:**

Does the Housing Opportunities Commission of Montgomery County wish to authorize the Executive Director, or his designee, to revise HOC's Administrative Plan for the Housing Choice Voucher Program ("Administrative Plan") to add wait list related changes to the admissions process?

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**PRINCIPALS:**

Resident Services Division  
Housing Resources Division

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**BUDGET IMPACT:**

None.

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**TIME FRAME:**

The Legislative and Regulatory Committee reviewed this item at its meeting on September 19, 2017. For Commission action on December 6, 2017.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Housing Opportunities Commission of Montgomery County authorize the Executive Director, or his designee, to revise HOC's Administrative Plan for the

Housing Choice Voucher Program (“Administrative Plan”) to add wait list related changes to the admissions process.

**RESOLUTION: 17-86**

**RE: Authorization to Revise HOC's  
Administrative Plan for the  
Housing Choice Voucher Program  
to Add Wait List Related Changes  
to the Admissions Process**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County must and desires to revise and make new additions to its Administrative Plan for the Housing Choice Voucher Program to add wait list related changes to the admissions process; and

**WHEREAS**, a public comment period for these proposed revisions began on September 15, 2017 and concluded on December 6, 2017 with a public hearing.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it approves and authorizes this revision and new addition to its Administrative Plan for the Housing Choice Voucher Program to add wait list related changes to the admissions process.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed, without any further action on its part, to take all actions necessary and proper to accomplish the activity contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular open meeting conducted on December 6, 2017.

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**Patrice Birdsong  
Special Assistant to the Commission**

Proposed Revisions to  
HOC's Administrative Plan for the Housing Choice Voucher Program

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Please note: Existing language is in **BLACK** and proposed changes are in **RED**.

**Chapter 3**

**APPLYING FOR ADMISSION**

[24 CFR 982.204]

**INTRODUCTION**

The policy of the ~~PHA~~Housing Opportunities Commission of Montgomery County (HOC) is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This ~~c~~hapter describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the ~~wait~~ing list, and any limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but ~~the PHA~~HOC will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be placed on the ~~wait~~ing list in accordance with this Plan.

**A. OVERVIEW OF THE APPLICATION PROCESS**

The initial wait list application is referred to herein as the pre-application. The purpose of pre-application taking is to permit ~~the PHA~~HOC to gather basic information about applicant households and determine placement on the ~~wait~~ing list regarding any preferences. The pre-application will contain questions designed to obtain only pertinent program information.

Families who wish to apply for any ~~one of the PHA~~HOC's programs must create an electronic wait list profile and complete an electronic or written pre-wait list pre-application form when the pre-application taking process is open on HOC's Housing Path website at www.HOCHousingPath.com. Accessibility assistance is available for wait list applicants with limited English proficiency, disabilities, or other accessibility concerns.~~Applications will be made available in an accessible format upon request from a person with a disability.~~

An applicant may apply for ~~the an HOC~~ program prior to age 18, however, he or she would not be eligible to receive assistance as head of household until age 18 or otherwise legally able to execute a contract.

Other than for brief periods of time for system maintenance, HOC's electronic wait list is open indefinitely. When the ~~wait~~ing list is open, any family that submits an electronic pre-application to be placed on the ~~wait~~ing list for Section 8 rental assistance, the Housing Choice Voucher and other HOC programs will be ~~given the opportunity to complete an application, at the time of~~

~~final determination of eligibility~~ added to the Housing Path wait list in order of the date and time which they applied.

- ~~• The "initial" application for assistance is referred to as a pre-application. This phase results in the family's eligibility for processing including eligibility for a random selection process such as a lottery. The PHA may use other methods to place families on the waiting list, but the PHA intends to use the lottery selection process as its main method of selecting applicants from a pool of families that submit pre-applications in response to a public notice that the waiting list is open.~~
- ~~• The PHA will evaluate the balance of unselected names remaining on the waiting list twelve (12) months after the opening of the waiting list to determine if the waiting list should be purged and re-opened. If the PHA decides to purge the waiting list, families will be notified that they have not been selected to be placed on the waiting list. These families will be notified that they are eligible to submit another pre-application when the waiting list is opened in the future.~~
- ~~• The pre-application will be dated and referred to the PHA's admissions office where it will be maintained until such time as it is needed for processing.~~

The next phase is the "final determination of eligibility" (referred to as the full application). The full application takes place when the family is ~~randomly selected~~ called up from the wait list to receive assistance. At this time ~~the PHA~~ HOC ensures that verification of all HUD and ~~PHA~~ HOC eligibility factors, including any preferences, is are current and correct in order to determine the family's eligibility for the issuance of a voucher subsidy.

~~The PHA~~ HOC offers both tenant-based and project-based voucher assistance. The assistance to a tenant-based voucher (TBV) is tied to the customer. The assistance to a project-based voucher (PBV) is tied to the unit. ~~For PBVs, HOC~~ The PHA is entering into a contract with an owner with for units at one or multiple various sites or locations ~~to so as to~~ secure an inventory of project-based units. If a family-customer wishes to apply for the project-based voucher program, the family must ~~complete a written application when the project-based wait list is open~~ follow the same Housing Path wait list sign-up as described above.

- ~~• The contract owner may purge the project based wait list to maintain a level of applicants that can be served within a 12-18 month period.~~
- ~~• The project based wait list will remain open in order to fill vacant units in a timely manner.~~

## **B. OPENING/CLOSING OF APPLICATION TAKING** [24 CFR 982.206, 982.54(d)(1)]

~~The PHA will utilize the following procedures for~~ Opening the waiting list:

Other than for brief periods of time for system maintenance, HOC's electronic wait list – Housing Path – is open indefinitely.



~~At least annually, the PHA will determine whether or not to open its waiting lists.~~

~~When the PHA opens the waiting list, the PHA will advertise through public notice in general circulation newspapers, minority publications, and other media including the HOC website.~~

~~In addition, the following organizations will be notified of the opening of the waiting list: the Montgomery County Council and the County Executive, the Montgomery County Department of Health and Human Services, the Montgomery County Service Centers and Regional Libraries and local non-profit agencies.~~

~~The notice will contain:~~

~~The dates, times, and the locations where families may apply.~~

~~The programs for which applications will be taken.~~

~~A brief description of the program.~~

~~A statement that public housing residents or participants in other PHA programs must submit a separate application if they want to apply for Section 8.~~

~~Limitations, if any, on who may apply.~~

~~The notices will be made in an accessible format if requested. They will provide potential applicants with information that includes the PHA address and telephone number, how to submit an application, information on eligibility requirements, and the availability of local preferences.~~

~~Upon request from a person with a disability, additional time may be given as an accommodation for submission of an application after the closing deadline. This accommodation is to allow persons with disabilities the opportunity to submit an application in cases when a social service organization provides inaccurate or untimely information about the closing date.~~

~~If When the waiting list is open, the PHA/HOC will accept applications from all eligible families unless there is good cause for not accepting the application, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the "Denial or Termination of Assistance" chapter of this Administrative Plan. [24 CFR 982.206(b)(2)]~~

### **Closing the Waiting List**

~~Should HOC's wait list ever need to close The PHA/HOC will announce the closing of the-its waiting list by public notice, which may be at the same time that the announcement is made to open the waiting list.~~

~~The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. The PHA/HOC will give at least 3 days!~~

notice prior to closing the wait list. ~~When the period for accepting applications is over, the PHA will add the new applicants to the list by:~~

~~Separating the new applicants into groups based on preferences for the purposes of selection by conducting a lottery within each group.~~

### **Limitations on Who May Apply**

When the waiting list is open:

~~Any family asking to be placed seeking placement on the waiting list for Section 8 rental assistance the Housing Choice Voucher or other HOC programs will be given the opportunity to complete a pre-application on the Housing Path website at [www.HOCHousingPath.com](http://www.HOCHousingPath.com). The only applicable limitation at the time of pre-application is income eligibility. If a family is not income eligible at the time they seek application to the wait list, they will be denied. All other eligibility verification is conducted at the time of call-up.~~

~~Depending upon the composition of the waiting list with regard to family types and preferences and to better serve the needs of the community, the PHA may only accept applications from any family claiming preference(s).~~

When the application is submitted to the PHA:

~~It establishes the family's date of application for selection by lottery.~~

### **C. "INITIAL" APPLICATION PROCEDURES** [24 CFR 982.204(b)]

~~The PHA will utilize a HOC's pre-application form can be found only on the internet at [www.HOCHousingPath.com](http://www.HOCHousingPath.com). The information is to be filled out by the applicant whenever possible and returned to the PHA on line, or in the manner specified in the announcement that opens the waiting list. To provide specific accommodations for persons with disabilities, a HOC staff or another person may assist a wait list applicant with to complete the information over the telephone create their Housing Path profile and the electronic application. It may also be mailed to the applicant that needs an accommodation and, if requested, it will be mailed in an accessible format. Translation/Interpretations will also be provided to non-English speaking applicants in Spanish persons with limited English proficiency (LEP).~~

The purpose of the pre-application is to permit ~~the PHA~~HOC to preliminarily assess family eligibility or ineligibility for the ~~lottery~~ selection process. Duplicate applications will not be accepted.

Ineligible families will ~~not be placed on~~removed from the Housing Path waiting list.

Pre-applications will not require an interview. The information on the pre-application will not be verified until the applicant ~~has been~~ selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.

#### **D. APPLICANT STATUS WHILE ON THE WAITING LIST** [CFR 982.204]

Applicants are required to inform ~~the PHA/HOC in writing~~ of any changes in address and/or income by updating their wait list profile and application on the Housing Path website. Applicants are also required to respond to requests from ~~the PHA/HOC~~ to update any other information on their application and to determine their interest in assistance.

If, after a review of the pre-application, the family is determined to be preliminarily eligible, they will be notified in writing, or in ~~an some other~~ accessible format upon request, as a reasonable accommodation for a disability-related need.

If the family is determined to be ineligible based on the information provided in their ~~pre-wait list~~ application, ~~the PHA/HOC~~ will notify the family in writing (or in ~~some other~~ an-accessible format upon request, as a reasonable accommodation for a disability-related need), state the reason(s) for their ineligibility, and inform them of their right to an informal review. Persons with disabilities may request to have an advocate attend the informal review as a reasonable accommodation. See "Complaints and Appeals" chapter.

#### **E. TIME OF SELECTION** [24 CFR 982.204, 5.410]

When funding is available, families will be ~~randomly selected by lottery from the pool of applicants on the waiting list, regardless of family size according to the following preference order:~~

- Priority preferences
- Previously applied (eligible applicants from previous wait lists)
- Date/Time Stamp

When there is insufficient funding available for the family selected for assistance, ~~the PHA/HOC~~ will not admit any other applicant until funding is available for the first applicant.

When ~~project-based~~ PBV units become available, families will be selected by date and time of their application's receipt on the ~~project-based~~ wait list.

#### **F. COMPLETION OF A FULL APPLICATION**

All preferences claimed on the pre-application or while the family is on the waiting list will be verified after the family is selected from the waiting list.

The qualification for preference must exist at the time the preference is claimed and at the time of verification, because claim of a preference determines placement on the waiting list.

Documentation to obtain the Plocal preference for living or working in the Montgomery Ceounty are as follows:

For verification for living in the County:

- Current lease in Montgomery County, including the name of applicant as a family or household member on the lease (if the lease does not have a list of the resident members, a letter from the landlord identifying the applicant as a resident will be necessary).

OR

- If a lease is not available, a letter from the landlord and a current utility bill in the applicant's name.

If the applicant is unable to provide at least one of the above documents, the following items may be accepted in their stead by PHA-HOC in-at its discretion:-

- If the applicant lives in a residence owned by a family member(s), a copy of the deed for the residence belonging to the family member(s) and a notarized statement from a family member who is a record owner of the residence stating the applicant resides there.
- For applicants who are homeless, a statement on letterhead from a government agency stating that the applicant is receiving Montgomery Ceounty services.
- Other documentation accepted by the PHAHOC in-at its discretion.

For verification of employment in the County:

- A current pay stub indicating that the location of the work site is in the-Montgomery Ceounty.
- A letter on letterhead from their employer stating that the applicant works in the Montgomery Ceounty or has approval to work in the Ceounty.
- Other documentation accepted by the PHAHOC in-at its discretion.

After the preference is verified, when the PHAHOC is ready to select applicants, applicants will beare required to complete a full application in his or her own handwriting without assistance, unless assistance is needed for, or a request for a reasonable accommodation is made by a person with a disability.

The full application will be mailed to the applicant, in advance, to complete.

Additional household members other than those on the "pre-application" will not be approved with the exception of additions due to birth, adoption, court awarded custody, a spouse,

significant other, or elderly relative as a reasonable accommodation in an effort to improve the quality of life of the relative by meeting a disability-related need.

### **Requirement to Attend Interview**

~~The PHAHOC utilizes~~ uses the full application interview to discuss the family's circumstances in greater detail, to clarify information ~~that has been~~ provided by the family, and to ensure that the information is complete. The interview is also used as a vehicle to meet the informational needs of the family by providing information to them about the application and verification processes, as well as to advise the family of other PHA-HOC services or programs which may be available to them.

The head of household is required to attend the interview.

If the head of household cannot attend the interview, the spouse may attend to complete the application and certify for the family. The head of household, however, will be required to attend an interview within seven days to review the information and to certify by signature that all of the information is complete and accurate.

It is the applicant's responsibility to reschedule the interview if s/he misses the initial appointment. If the applicant ~~does not~~ fails to reschedule or misses two scheduled meetings, ~~the~~ PHAHOC will reject the application.

Applicants who fail to appear and want to reschedule a missed appointment must make the request to reschedule no later than three days from the original appointment date. The request must be made to the staff person at HOC who scheduled the appointment.

Reasonable accommodations will be made for persons with ~~a~~ disabilities that requires an advocate or accessible offices. A ~~designated~~ advocate will be allowed to participate in the interview process, but only with the written permission of the person with ~~a~~ the disability.

If an application is denied due to failure to attend the full application interview, the applicant will be notified in writing and offered an opportunity to request an informal review. (See "Complaints and Appeals" chapter.)

All adult household members must sign the HUD Form 9886, Release of Information, the application form, ~~and~~ all supplemental forms required by ~~the PHAHOC~~, the declarations and consents related to citizenship/immigration status, and any other documents required by ~~the PHAHOC~~. Applicants will be required to sign specific verification forms for information that is not covered by the HUD form 9886. Failure to do so will be cause for denial of the application for failure to provide necessary certifications and release as required by ~~the PHAHOC~~.

If ~~the PHAHOC~~ determines at, or after, the interview that additional information or document(s) are needed, ~~the PHAHOC~~ will request the document(s) or information in writing. The family will be given seven days to supply the requested information.

If the information is not supplied in this time period, ~~the PHAHOC~~ will provide the family a notification of denial for assistance. (See "Complaints and Appeals" chapter)

**G. VERIFICATION** [24 CFR 982.201(e)]

Information provided by the applicant will be verified, using the verification procedures in the "Verification Procedures" chapter. Family composition, income, allowances and deductions, assets, full-time student status, eligibility and rent calculation factors, and other pertinent information will be verified. Verifications may not be more than 60 days old at the time of issuance of the Voucher.

**H. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**  
[24 CFR 982.201]

After the verification process is completed, ~~the PHAHOC~~ will make a final determination of eligibility. This decision is based upon the information provided by the family, the verification completed by ~~the PHAHOC~~, and the current eligibility criteria in effect. If the family is determined to be eligible, ~~the PHAHOC~~ will mail a notification of eligibility. A briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

Any changes in income or family composition may result in a delay in the issuance/ re-issuance of a voucher in order to process the new information.

# **AUTHORIZATION TO PARTNER WITH THE MARYLAND DEPARTMENT OF DISABILITIES UNDER THE COMMUNITY CHOICE HOMES INITIATIVE**

**December 6, 2017**

- The partnership with the Maryland Department of Disabilities (MDOD) will entail setting aside 30 housing units that will be utilized to house non-elderly disabled residents who are participants in the Community Choice Homes Initiative (CCHI) for a period of up to 15 years.
- The Housing Opportunities Commission of Montgomery County is proposing to partner with MDOD to provide 30 dedicated units for CCHI participants.
- The Housing Opportunities Commission of Montgomery County has received funding from the Department of Housing and Community Affairs (DHCA) to cover moving costs and rent subsidies for CCHI participants. In addition to the rent subsidies provided by DHCA, CCHI participants will pay 30% of their monthly income in rent (it is assumed that most will have SSI or SSDI income only).
- The Housing Opportunities Commission of Montgomery County will utilize its standard lease with addendums to reflect needed differences in lease provisions based on the structure of the CCHI.
- The Housing Opportunities Commission of Montgomery County anticipates that most of the 30 units will require modifications to address the needs of those with physical mobility challenges. The allocation of funding provided by DHCA will cover these costs.

**M E M O R A N D U M**

**TO:** Housing Opportunities Commission of Montgomery County

**VIA:** Stacy L. Spann, Executive Director

**FROM:** Division: Resident Services Staff: Fred Swan Extension: 9732

**RE:** Authorization to Partner with the Maryland Department of Disabilities to set aside housing units for participants in the Community Choice Homes Initiative

**DATE:** December 6, 2017

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**STATUS: COMMITTEE:** Committee Report \_\_X\_\_

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**OVERALL GOAL & OBJECTIVE:**

The Housing Opportunities Commission of Montgomery County (“Agency”) is committed to addressing the housing needs of low-income residents of Montgomery County. Additionally, the Agency is aware of the challenges that low-income residents that are non-elderly and disabled face in accessing housing. Understanding the barriers to accessing and maintaining housing for this population, the Agency is seeking authorization to partner with the Maryland Department of Disabilities (MDOD) and set aside 30 housing units for participants in the Community Choice Homes Initiative (CCHI). The 30 units that will be set aside will be exclusively utilized by this population for a period of up to 15 years.

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**BACKGROUND:**

Accessing and maintaining housing for non-elderly disabled resident who are low-income is a significant challenge. These include: identifying housing that meets their specific needs; affording housing in Montgomery County; and, qualifying for affordable housing units due to their non-elderly status (as most accessible affordable housing units are designated for the elderly).

The Agency is proposing to partner with MDOD and provide 30 dedicated units to CCHI participants who are residents of Montgomery County. The intention of the Agency is to utilize vacancies for the 30-units set aside. The Agency has received funding from the Department of Housing and Community Affairs (DHCA) to cover all costs associated with implementing the CCHI. DHCA has allocated funding specifically for unit modifications, participant moving costs and rental subsidies. In addition to the rental subsidies provided by DHCA, CCHI participants will pay 30% of their monthly income in rent (it is assumed that most will have SSI or SSDI income only).



The Agency will utilize its standard lease with addendums to reflect needed differences in lease provisions based on the structure CCHI. The set-aside units will be managed and maintained (based on HUB location) through the Agency's existing property management and maintenance structures (i.e., no additional management or maintenance infrastructure costs assumed).

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**ISSUES FOR CONSIDERATION:**

Does the Housing Opportunities Commission of Montgomery County wish to authorize the Executive Director, or his designee, to execute an agreement with MDOD to set aside housing units for low- income, non-elderly residents with disabilities?

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**PRINCIPALS:**

Real Estate Development, Property Management, and Resident Services

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**BUDGET IMPACT:**

The is no budget impact to the Agency as all costs for implementation of the CCHI has been allocated to the Agency by the Department of Housing and Community Affairs.

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**TIME FRAME:**

The Legislative and Regulatory Committee reviewed this item and recommended it for Commission action on December 6, 2017.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Housing Opportunities Commission of Montgomery County authorize the Executive Director, or his designee, to inter into an agreement with MDOD for the purposes of setting aside 30 housing units for that will be exclusively utilized by CCHI participants for a period of up to 15 years.

**RESOLUTION: 17-87**

**RE: Authorization to Partner with the  
Maryland Department of Disabilities under  
the Community Choice Homes Initiative**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC) is seeking authorization to enter into an agreement with the Maryland Department of Disabilities (MDOD) to set aside ten (30) units for participants in the Community Choice Homes Initiative (CCHI); and

**WHEREAS**, the CCHI will provide accessible housing units and housing subsidies for non-elderly disabled residents; and

**WHEREAS**, HOC is also seeking authorization to ensure that all 30 units are utilized for this population and remain accessible for up to 15 years.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it approves and authorizes the execution of an agreement with MDOD as set forth above.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed, without any further action on its part, to take all actions necessary and proper to accomplish the activity contemplated herein.

**I HEREBY CERTIFY** that the foregoing resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular open meeting conducted on December 6, 2017.

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**Patrice M. Birdsong  
Special Assistant to the Commission**

**AUTHORIZATION TO IMPLEMENT  
VOUCHER PAYMENT STANDARDS  
BASED ON HUD FY 2018 FAIR MARKET RENTS**

**DECEMBER 6, 2017**

- On September 1, 2017, HUD published its Fiscal Year 2018 Fair Market Rents (FMR) for all jurisdictions in the United States of America.
  
- Annually, HOC is required to implement the new FMRs and corresponding Voucher Payment Standards (VPC) for the upcoming fiscal year based on a percentage of the FMRs.
  
- Staff recommends that the Commission approve the Voucher Payment Standards for FY 2018 at 94 percent of the 50<sup>th</sup> percentile FMRs for all bedroom sizes for the Montgomery County jurisdiction.

**M E M O R A N D U M**

**TO:** Housing Opportunities Commission of Montgomery County

**VIA:** Stacy L. Spann, Executive Director

**FROM:** Lynn Hayes                      Division: Housing Resources                      Ext. 9622  
Ethan Cohen    Compliance    Ext. 9764

**RE:** Authorization to Implement Voucher Payment Standards Based on HUD FY 2018 Fair Market Rents

**DATE:** December 6, 2017

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**STATUS:**        **Committee Report: Deliberation**      X  

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**OVERALL GOAL & OBJECTIVE:**

To authorize the Executive Director, or his designee, to establish and implement the below described Voucher Payment Standards used in the administration of the Housing Choice Voucher Program of the Housing Opportunities Commission of Montgomery County.

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**BACKGROUND:**

The U.S. Department of Housing and Urban Development (HUD) publishes Fair Market Rents (FMR) annually for use in determining the Voucher Payment Standards (VPS) for the Housing Choice Voucher (HCV) Program. HUD published the Fiscal Year 2018 FMRs on September 1, 2017. These new rents are used to amend the schedules HOC uses to determine the Voucher Payment Standards for the Agency’s HCV residents.

HOC is required to implement the new FMRs and corresponding Voucher Payment Standards for the upcoming fiscal year based on a percentage of the FMRs. The establishment of these Voucher Payment Standards is based upon a percentage between 90 and 110 percent of the HUD FMRs for the given fiscal year.

HUD calculated the FMRs for the Washington, DC metropolitan region using the 50<sup>th</sup> percentile of those rents surveyed. This increase from the more typical 40<sup>th</sup> percentile FMRs is due to the high cost of rental housing throughout the Washington, DC metropolitan region.

Staff from the Housing Resources Division conducted an extensive analysis to determine the most appropriate FMR percentages to use for FY 2018. HOC’s objective in this regard is to maintain strong voucher utilization while also ensuring that the Agency’s Voucher Payment Standards will allow HOC residents to afford the average rental unit per bedroom size in the County.

As a result of this analysis, staff recommends that the Commission approve the Voucher Payment Standards for FY 2018 at 94 percent of the 50<sup>th</sup> percentile FMRs for all bedroom sizes.

	Current 2017 VPS	2018 FMR @50th percentile	VPS 91%	VPS 94%	VPS 95%	Recommended VPS	Variance	% Change
Efficiency	\$1,310	\$1,504	\$1,369	\$1,414	\$1,429	\$1,414	104	7.34%
1 Bdrm	\$1,377	\$1,561	\$1,421	\$1,467	\$1,483	\$1,467	90	6.16%
2 Bdrm	\$1,591	\$1,793	\$1,632	\$1,685	\$1,703	\$1,685	94	5.60%
3 Bdrm	\$2,093	\$2,353	\$2,141	\$2,212	\$2,235	\$2,212	119	5.37%
4 Bdrm	\$2,598	\$2,902	\$2,641	\$2,728	\$2,757	\$2,728	130	4.76%
5 Bdrm	\$2,988	\$3,337	\$3,037	\$3,137	\$3,170	\$3,137	149	4.74%
6 Bdrm	\$3,378	\$3,773	\$3,433	\$3,547	\$3,584	\$3,547	169	4.75%
<b>Avg Increase</b>								<b>5.53%</b>

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**ISSUES FOR CONSIDERATION:**

Does the Housing Opportunities Commission of Montgomery County wish to accept the recommendation of the Legislative and regulatory Committee to authorize the Executive Director, or his designee, to establish and implement the above described Voucher Payment Standards used in HOC’s administration of the Housing Choice Voucher Program?

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**PRINCIPALS:**

Housing Resources Division

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**BUDGET IMPACT:**

The expected effect on the Agency budget is minimal.

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**TIME FRAME:**

The Legislative and Regulatory Committee reviewed this item at its meeting on December 1, 2017. For Commission action on December 6, 2017.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Housing Opportunities Commission of Montgomery County accept the recommendation of the Legislative and Regulatory Committee to authorize the Executive Director, or his designee, to establish and implement the above described Voucher Payment Standards used in HOC’s administration of the Housing Choice Voucher Program.

**RESOLUTION: 17-88**

**RE: Authorization to Implement  
Voucher Payment Standards  
Based on HUD FY 2018  
Fair Market Rents**

**WHEREAS**, the regulations of the U.S. Department of Housing and Urban Development (HUD) require that the Housing Opportunities Commission of Montgomery County (HOC) establish and implement new Voucher Payment Standards (VPS) annually for use in HOC's administration of the Housing Choice Voucher Program; and

**WHEREAS**, the establishment of these Voucher Payment Standards must be based upon a percentage between 90 and 110 percent of the HUD Fair Market Rents (FMRs) for the given fiscal year.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized to establish and implement the Voucher Payment Standards listed below.

# of Bedrooms	Recommended VPS
Efficiency	\$1,414
1 Bedroom	\$1,467
2 Bedroom	\$1,685
3 Bedroom	\$2,212
4 Bedroom	\$2,728
5 Bedroom	\$3,137
6 Bedroom	\$3,547

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized and directed, without further action on its part, to take any and all other actions necessary and proper to carry out the activities contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by the Housing Opportunities Commission of Montgomery County at a regular open meeting conducted on December 6, 2017.

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**Patrice Birdsong  
Special Assistant to the Commission**

# Deliberation and/or Action

# Future Action



# New Business

# **AUTHORIZATION TO SUBMIT AND IMPLEMENT THE FY'18 COUNTY SAVINGS PLAN**

**December 6, 2017**

- On November 30, 2017, the County's Chief Administrative Officer announced the implementation of a two percent Savings Plan and requested submissions no later than December 8, 2017.
- On November 15, 2016, HOC submitted a base budget submission for FY'18 equal to the FY'17 approved MARC of \$6,513,040 less a two percent reduction of \$130,261 plus an adjustment for health and retirement benefits totaling \$154,110. This resulted in a final approved MARC of \$6,536,889
- Staff will submit a revised MARC to the County by the required deadline.



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**BUDGET IMPACT:**

The County's Operating Grant is the primary funding source for the Agency's Resident Services Division. The required two percent Savings Plan will create a funding deficit of \$130,737, which the Agency will balance by identifying alternative funding sources.

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**TIME FRAME:**

Action is requested at the December 6, 2017 meeting. Once approved, the FY'18 County Operating Budget MARC Reduction will be submitted to OMB by December 8, 2017.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Commission authorize staff to submit the two percent reduction requested under the County's FY'18 Savings Plan at the December 6, 2017 meeting in order to meet the submission deadline of December 8, 2017.

**RESOLUTION NO: 17-92**

**RE:** Authorization to Submit and Implement the County's FY'18 Savings Plan

**WHEREAS**, the Housing Opportunities Commission of Montgomery County has to submit a County Operating Budget MARC Reduction for FY'18; and

**WHEREAS**, the County has requested HOC to submit a MARC Reduction of two percent of the County's FY'18 contribution to HOC or \$130,737 for FY'18.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby approves the submission of the FY'18 County Savings Plan reduction totaling \$130,737.

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Patrice Birdsong  
Special Assistant to the Commission

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Adjourn

# Development Corporation Meeting

# Barclay Apartments Development Corporation



# APPROVAL TO SELECT A PROPERTY MANAGEMENT COMPANY FOR BARCLAY APARTMENTS

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## PROPERTY MANAGEMENT SERVICES



STACY L. SPANN, EXECUTIVE DIRECTOR

Pedro Martins

December 6, 2017

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# Executive Summary



Barclay Apartments is a 155-unit garden style apartment community consisting of 74 market rate units, owned by the Barclay Apartments Development Corporation, and 81 affordable units under the Low Income Housing Tax Credit Program (LIHTC), owned by the Barclay One Associates Limited Partnership. The units consist of efficiency, one-bedroom, and two-bedrooms. The Barclay is located in the heart of Chevy Chase, in one of the area's most desirable neighborhoods. The Barclay was constructed in 1955 and features a community room and fitness room on the property.

# Executive Summary

On May 18, 2017, HOC issued a Request for Proposal (#2068) soliciting responses from firms to provide property management services at The Barclay Apartments Apartments / Fairfax Court. Proposals were received from five management companies, Edgewood/Vantage, PMI, Avison Young, CAPREIT, and Vista Capital.

After review of the five proposals, staff recommends that the Commission authorize the Executive Director to negotiate and execute a contract with CAPREIT.

CAPREIT's portfolio extends across the country and includes market-rate, affordable and senior housing communities. CAPREIT's portfolio includes 200 multifamily communities encompassing over 40,000 units. CAPREIT owns 68% of their portfolio with 42% of CAPREIT's portfolio consisting of affordable units, which include Low Income Housing Tax Credit (LIHTC), Section 8 and senior communities. CAPREIT maintains an aggressive and effective property management strategy, leading to unparalleled financial success for their partners. CAPREIT also has a strong Compliance Team that reviews all initial certifications for affordable programs, to ensure residents are qualified and the property remains in compliance.

CAPREIT has proposed a management fee of \$33 PUPM, which is lower than the current rate of \$42 PUPM. This will result in a savings of \$18,684 during the first year of the contract.

# Selection of Property Management - Criteria

HOC issued a Request for Proposals (RFP) #2068 for Pre-construction and Property Management Services with affordable housing compliance for Barclay Apartments/Fairfax Court Apartments, in accordance with HOC's Procurement Policy. HOC received responses from five management companies. The scoring team (consisting of staff from Property Management, Mortgage Finance and Compliance) completed its review of the responses on August 9, 2017, based on the following criteria:

- Firm's past experience managing similar apartment communities in Montgomery County **(10 points)**
- Successful property positioning and experience in managing capital projects **(15 points)**
- Successful property positioning and experience in managing capital improvements and major property renovation **(25 points)**
- Experience of the management company and key personnel in managing affordable housing programs. Demonstrated experience with initial tenant files and ongoing compliance **(15points)**
- Three (3) References **(5 points)**
- Review of submitted materials and/or Interview with the Review Panel **(10 points)**
- Section 3 Policy **(5 points)**
- Fee Structure **(20 points)**

# Selection of Property Management – Firm Experience

## Edgewood/Vantage Management

- Edgewood Management was founded in 1973 and Vantage was launched in January 2012.
- Edgewood/Vantage is a leader in the Baltimore/Washington real estate market. It manages over 216 properties in 14 states and the District of Columbia, comprising over 30,000 units.
- Edgewood/Vantage was ranked the 9<sup>th</sup> largest manager of affordable housing by the National Affordable Housing Management Association (“NAHMA”) in 2014, and its senior executives are actively involved on the NAHMA legislative and regulatory affairs committees. Edgewood is an Accredited Management Organization through the Institute of Real Estate Management (“IREM”) and continues to grow, adapt and improve every year.

Current HOC Managed Properties	
Fairfax/Barclay	Shady Grove
Georgian Courts	Spring Gardens
Montgomery Arms	Stewartown Homes
Oaks @ Four Corners	Willows
Pooks Hill Court/Tower	

# Selection of Property Management – Firm Experience

## Property Management Inc (PMI)

- PMI has been providing property management services for about 20 years.
- PMI's corporate headquarters is located in Utah with branch offices in over 150 locations nationwide.
- PMI was named in the Franchise Magazine 2016 as one of the Top 100 Fastest Growing Franchises.

## Avison Young

- Founded in 1978 and headquartered in Toronto, Canada, Avison Young is a global firm owned and operated by its principals.
- The company is comprised of 2,400 real estate professionals in 79 offices, providing value-added, client-centric investment sales, leasing, advisory, management, financing and mortgage placement services to owners and leases of office, retail, industrial and multi-family properties. A large portion of the properties operated by Avison Young are for commercial use only. The firm recently acquired McShea Management and assumed control of McShea's residential management portfolio.

Current HOC Managed Properties	
The Glen	Alexander House
Glenmont Crossing	Forest Oaks
Westwood Towers	

# Selection of Property Management – Firm Experience

## **CAPREIT**

- Headquartered in Rockville, Maryland, and founded in 1993 is a fully integrated real estate operating company that owns and manages apartment communities throughout the United States.
- Current ownership and management of 60+ properties, 13,000+ individual units, in 20 states with 400+ employees. Approximately \$1.5 billion of real estate value.
- Does not currently manage any HOC properties.

## **Vista Capital**

- Headquartered in Greenville, South Carolina, founded in 2007. Vista Capital is a full service real estate management company specializing in property management. Vista Capital Management currently provides property and asset management services for 1,999 units, representing a total asset valuation of over \$200MM, throughout the Southeast and Mid-Atlantic Regions of the United States.
- Does not currently manage any HOC properties.



# Selection of Property Management – Scoring Summary

Five respondents submitted proposals to RFP #2068. Staff reviewed the submissions, with CAPREIT and Edgewood/Vantage receiving the highest total points.

Firms	Experience Managing Similar Communities in Montgomery County especially in highly competitive submarkets (10)	Experience and qualifications of key personnel in managing similar types of communities (15)	Successful property positioning and experience in managing capital improvements and major renovations (25)	Experience of the management company and key personnel in managing tenant files and ongoing compliance (15)	Three (3) references (5)	Review of submitted materials and/or Interview with Review Panel (10)	Section 3 Policy (5)	Fee Structure (20)	Total (105)
Edgewood/Vantage	9	11	20	12	5	10	5	16	<b>88</b>
CAPREIT	6	11	21	12	5	10	5	18	<b>88</b>
Avison Young	8	11	18	12	5	10	5	16	<b>85</b>
Vista Capital Management	5	7	19	10	4	10	5	17	<b>77</b>
PMI	4	7	18	10	4	10	5	16	<b>74</b>

CAPREIT and Edgewood/Vantage Management were asked to revisit their proposal and submit final pricing. After reviewing all the information, the panel selected CAPREIT as the best candidate to manage Barclay Apartments.

# Proposed Fees

## Property Management Services (cost per unit per month)

<b>CAPREIT</b>	<b>Vista Capital</b>	<b>PMI</b>	<b>Vantage/Edgewood</b>	<b>Avison Young</b>
\$33.00 PUPM	\$38.50 PUPM	\$39.50 PUPM	\$40.00 PUPM	\$43.50 PUPM

# Summary and Recommendations

## Issues for Consideration

Does the Board of Directors authorize the Executive Director to negotiate and execute a contract with CAPREIT for property management services at the Barclay Apartments?

## Time Frame

For action at the December 6, 2017 Commission Meeting.

## Budget Impact

Management fee will be \$33 PUPM, which is lower than the current rate of \$42 PUPM. This will result in a savings of \$18,684 during the first year of the contract.

## Staff Recommendation and Commission Action Needed

Staff recommends that the Board of Directors accepts the recommendation of the Budget, Finance, and Audit Committee to approve the selection of CAPREIT for property management services at Barclay Apartments.

**Barclay Apartments Development Corporation**

**RESOLUTION NO. 17-002BC**

**RE: Approval of Property  
Management Contract for Barclay  
Apartments**

**WHEREAS**, the Barclay Apartments Development Corporation (“Corporation”) owns the market-rate units and retail space at a development known as Barclay Apartments (the “Property”); and

**WHEREAS**, the Corporation issued a Request for Proposals (RFP) for management of Barclay Apartments; and

**WHEREAS**, based on the criteria included in the RFP and pricing from five responding companies, a panel of HOC staff from Property Management, Mortgage Finance, and Compliance reviewed the submissions and determined that CAPREIT is the most qualified to manage the LIHTC units at Barclay.

**NOW, THEREFORE, BE IT RESOLVED** by the Barclay Apartments Development Corporation that the Executive Director of the Housing Opportunities Commission of Montgomery County, who serves as the Secretary of Barclay Apartments Development Corporation, is hereby authorized to negotiate and execute a contract for the for a term of two (2) years, with two (2) one-year renewable terms with CAPREIT for the management of the market units and retail space at the Barclay Apartments.

**BE IT FURTHER RESOLVED** by Barclay Apartments Development Corporation that the Executive Director of the Housing Opportunities Commission of Montgomery County, who serves as the Secretary of Barclay Apartments Development Corporation, is hereby authorized and directed, without any further action on its part, to take any and all other action necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the foregoing resolution was adopted by the Board of Directors of the Barclay Apartments Development Corporation at its annual meeting conducted on November 1, 2017.

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**Secretary to the Board of Director of the  
Barclay Apartments Development  
Corporation**

Adjourn

# Administrative Session