



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

EXPANDED AGENDA

February 1, 2023

YouTube Link: <https://youtu.be/Eg50CSw4GoU>

HOC's offices are now open to the public. The public is invited to attend HOC's February 1, 2023 monthly Commission meeting in-person. HOC's Board of Commissioners and staff will continue to participate through a hybrid model (a combination of in-person online participation).

		Res #
4:00 p.m. Page 3	I. <u>INFORMATION EXCHANGE</u> A. Community Forum B. Report of the Executive Director C. Commissioner Exchange	
4:30 p.m. Page 11	II. <u>APPROVAL OF MINUTES</u> A. Approval of Minutes of January 11, 2023	
4:35 p.m.	III. <u>COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION</u>	
Page 23	A. Development and Finance Committee – Com. Simon, Chair 1. Wheaton Gateway: Approval to Select Lerch Early & Brewer, Chtd. as Land Use Counsel for the Wheaton Gateway Development	23-09 (pg. 27)
4:40 p.m.	<u>Election of Officer</u> • Chair • Vice Chair • Chair Pro Tem	
5:00 p.m. Page 30	<u>CLOSING STATEMENT</u> • Vote to close meeting	
5:05 p.m.	<u>ADJOURN</u>	
5:10 p.m.	<u>CLOSED SESSION</u> The closed session meeting will be called to order pursuant to Section 3-305(b)(3) and 305(b)(13) of the General Provisions Article of the Annotated Code of Maryland	

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.

Information Exchange

HOC AT-A-GLANCE: JANUARY 2023

During the month of January, HOC continued to engage in its core activities providing support and enrichment programming to our clients, fulfilling our federal obligations and enhancing our clients' experience. This month we share exciting mentions of HOC in the news and continue to highlight services provided by our Office of Resident Services, updates from our Housing Resources, Information Technology and Real Estate Divisions, as well as important Legislative updates.

HOC IN THE NEWS

January yielded multiple positive media mentions of HOC, including highlights on HOC's leadership and our Housing Production Fund ("HPF"). Of note are efforts underway across several cities and states (i.e., Maine, Rhode Island and Seattle) to establish social housing initiatives. In the recent media coverage, HOC and the County were profiled as a proven public developer that has successfully leveraged the HPF as an alternate financing tool to expand affordable housing in Montgomery County.

- **Washington Business Journal ("WBJ"):** WBJ completed two profiles on HOC's Executive Director last month. The first, its signature "Executive Profile" spotlighting my new role at HOC. The second was a piece in their "What to Watch in 2023" section on Affordable Housing which positions promising leaders, projects and initiatives of note.
- **Providence Journal:** Providence Journal did a thoughtful feature on how HOC could influence Rhode Island's social housing initiative, spotlighting the Laureate as our first HPF deal and drawing on several Council Members' commentary and support for this model in Montgomery County.
- **Maine Beacon:** Maine Beacon published an article examining how Maine's housing affordability crisis could benefit from a public option and looked to HOC for best practices.

LEGISLATIVE UPDATE

Highlighted below are housing bills that could directly impact HOC's development opportunities. A more comprehensive list will be provided in our standing electronic Legislative Update.

HB 60: [Housing Innovation Pilot Program and Housing Innovation Fund – Establishment \(Housing Innovation Pilot Program Act Of 2023\)](#)

Sponsor: *Delegate Stewart*

- Establishing the Housing Innovation Pilot Program in the Department of Housing and Community Development to provide funds for certain mixed income, cross-subsidized housing and to create opportunities to increase the volume of housing production; establishing the Housing Innovation Fund as a special, nonlapsing fund to be used only to provide low- or no-interest loans to local housing authorities; etc

- **Staff Comments:** This legislation has the potential to match funding through the Housing Production Fund for future projects. As such, we submitted written testimony in support of the bill and provided comments in the recent hearing introducing the bill. We understand that Sen. Jeff Waldstreicher plans to file a Senate bill as well.

HB 150/SB 166: Housing and Community Development - Adaptive Reuse

Sponsor: *Delegate Stewart; Senators Waldstreicher and Hettleman*

- Establishing that adaptive reuse, retrofitting and repurposing of existing buildings to develop new affordable multifamily housing is an eligible use of certain financial assistance provided by the Department of Housing and Community Development; and requiring the Department to notify applicants for certain financial assistance that adaptive reuse is an eligible use of funds.

RESIDENT SERVICES UPDATE

Service Coordination and Programming

The Service Coordination and Programming Units provide assessment, counseling, information, referrals and program services to HOC customers. During January 2023, staff continued to provide services in person. As HOC opened its offices in January, it is anticipated that there will be more demand for in-person services. Resident Counselors continued to engage with HOC’s customers to determine their needs. Customers were referred to our partners to receive food and other assistance. Resident Counselors continued to perform wellness checks with customers to ensure their safety and assess their needs. Customers with delinquent rent were referred/connected to the COVID Rental Assistance Program, the Emergency Rental Assistance Program, and the Housing Stabilization Program.

HOC’s customers also continued to receive referrals to unemployment assistance, Temporary Cash Assistance, Supplemental Nutrition Assistance Program, Maryland Energy Assistance Program, and other benefit programs. The Housing Stabilization staff continued to process applications for rental assistance. Resident Counselors have also attended the Housing Resources Division’s virtual briefings for new voucher recipients to provide information on the services that Resident Services offer. Additionally, the Resource Services team continues to provide services to persons with disabilities to meet their service needs.

Highlights for January activities of Resident Counselors include the following:

1. Cider Mill

- a. The Montgomery County Department of Health and Human Services’ Street Outreach Network (“SON”) continued to facilitate the Safe Zones program at Cider Mill. Safe Zones is an after-school initiative that provides safe places and programming for youth. The goal of the initiative is to prevent violence in the community.
- b. Continued to assist the Property Management staff to address rent delinquencies by conducting outreach, assessments, and providing referrals.
- c. Facilitated a health and wellness workshop for residents at Cider Mill on January 26.

2. Workshops

- a. Facilitated the Fundamentals of Housing workshops on January 18 and 19.

3. Resident Well Being

- a. Facilitated a “Muffins & Mingle” social gathering for residents at Magruder’s Discovery on January 5.
- b. Facilitated Arts for the Aging movement and music classes for customers at Arcola Towers on January 10 and 17 and Waverly House on January 12.
- c. Facilitated community bingo for customers at Forest Oak Towers on January 12.
- d. Facilitated a senior fitness class for customers at Forest Oak Towers on January 19.
- e. Facilitated the Arts for the Aging dancing duos class for residents at Forest Oak Towers on January 19.
- f. Facilitated a youth game night at Paddington Square on January 19.

4. Relocation and Re-Certification Assistance

- a. Assisted customers on an ongoing basis with relocations and other needs for RAD and renovation projects at Stewarttown Homes, Shady Grove Apartments, Town Centre Place, Sandy Spring and Georgian Court.
- b. Provided continued outreach and assistance to customers who have failed to submit all required documents for re-certification by the stated deadline.

5. Rental Assistance

- a. Provided face-to-face and electronic outreach and assistance to customers with applications for rental assistance programs.

The Resident Services Division develops and implements programs that provide meals, educational, recreational and enrichment opportunities for HOC’s customers. Listed below are highlights of programming activities for January 2023.

The Resident Services Division continued to provide food resources and other support with the help of Manna Food Center, Emmanuel Brinklow Seventh Day Adventist Church, Montgomery County Senior Nutrition Lunch Program, Capital Area Food Bank’s Senior Brown Bag, and My Groceries To Go Programs. In January, 375 HOC customers were provided with food. The Resident Services staff also continued to facilitate the Senior Nutrition Program, which provides meals and opportunities for seniors to socialize.

HOC Academy

The HOC Academy is an HOC initiative developed to help its customers reach their fullest potential by providing educational, enrichment, job training and job placement opportunities to youth and adults. The program specifically focuses on education and enrichment for youth education and workforce development for adults. Listed below are highlights for January 2023.

Youth Education/Enrichment

Highlighted below are activities from after-school youth programming that took place in January:

- **Mad Science:** Youth participated in an exploration of the magical world of chemistry by taking part in the following activities: “Lab Works,” “Junior Reactors,” “Super Sticky Stuff,” and Slime Time.”
- **Peace Mode Fit:** Participants learned about the functions of the diaphragm, along with breathing techniques as a coping mechanism for when they are not feeling their best physically, mentally and emotionally. There was also a focus on the peace-keeping/non-violent efforts of Dr. Martin Luther King Jr. and how the national holiday honoring his legacy is framed as a day of volunteerism and helping to improve the community.

- **Fractional Me:** During this program, youth learned about mathematical fractions, and explored the areas of engineering and prosthetics. To demonstrate their knowledge of fractions, youth created self-portraits using small squares and were responsible for determining the appropriate fractional amounts of squares for each color. In exploration in the field of engineering, youth became junior engineers and tasked with creating their own Do it Yourself (“DIY”) Robot Hand. Participants also completed a volcano science experiment and learned about the chemical reaction between baking soda (base) and vinegar (acid) that, when mixed together, creates carbon dioxide.

First Generation College Bound (“FGCB”) participants continued to work with their coach during the month of January. HOC Academy staff also worked to recruit additional participants for the program. Although there were no STEM activities for middle and high school students in January, HOC Academy staff planned (and recruited participants for) upcoming activities for February and beyond, including additional iFly STEM events.

Adult Education and Workforce Development

The Small Business Development Program presented a webinar entitled “Pros/Cons of Freelancing.” Following the webinar, participants received a copy of the slides along with YouTube links to previous webinars. Additionally, the Tuition Assistance Program (“TAP”) had the following highlights for January:

- Four (4) TAP participants have completed at least two benchmarks towards their overall educational/employment goals.
- One TAP participant reported receiving her American Phlebotomy Association Certification in January.
- Seventeen (17) additional HOC customers completed the TAP briefing to receive tuition assistance for winter/spring academic semesters.

During the month of January, recruitment took place for the first 2023 cohort of The Small Business Strategy Course (“SBSC”). The course will begin on March 7, 2023 and conclude on May 16, 2023.

Financial Literacy

The Financial Literacy Coach continued to work with HOC’s customers and individuals on the Housing Path waitlist on creating a financial foundation. During January, the Financial Literacy Coach provided one-on-one financial literacy coaching to 12 HOC customers and two (2) individuals from the HousingPath waitlist. The coaching sessions continued to cover topics including: creating a working budget, identifying disposable income, reading one’s credit report, and creating and accomplishing monthly financial goals. During January, the Financial Literacy Coach also facilitated a financial literacy workshop attended by one (1) HOC customer. No individuals from the waitlist attended the workshop. Participation in financial literacy workshops has been low and staff will be collaborating with Public Affairs and Communications to develop strategies for increasing participation.

Supportive Housing

The Supportive Housing Program provides housing assistance and case management services to participants who are formerly homeless with disabilities. The program services some of the most vulnerable residents of the county. In January the program served 230 participants. Throughout the month program staff continued to conduct home visits with program participants, provide case management services, and pay rent and utilities. Additionally, program staff also continued to help Emergency Voucher recipients secure housing by providing housing location services, as well as financial assistance for application fees, security deposits, moving expenses and household items.

Program staff also continued to implement the Rent Supplement Program (“RSP”), which provides a shallow rental subsidy (up to \$600 monthly) to county residents who struggle to pay their full rent with their current income. The program serves a large number of seniors on fixed incomes. Program turnover has created a challenge in achieving full program utilization; however, staff have increased program participation to 279 this month. With the average amount of subsidy payments decreasing with the new participants, the program can enroll and serve additional participants. The total number of participants that can be served depends on the amount of subsidy payments made for all participants. The subsidy amount per participant can vary from \$50 monthly to \$600 monthly.

Fatherhood Initiative

The Fatherhood Initiative is a national program funded by the U.S. Department of Health and Human Services. HOC is the first and only housing agency to be awarded a grant under the Fatherhood Initiative. HOC completed its first five-year grant as a ‘best practice’ model. HOC was awarded an additional grant and is currently in year three of the new grant period. The program provides parenting education, case management services, financial assistance for educational classes and training, and participation incentives. On January 27, 2023, the program graduated 32 fathers from the January cohort. For the month of January, 35 fathers were enrolled.

HOUSING RESOURCES UPDATE

Housing Choice Voucher (“HCV”) Program

Monthly, HOC selects applicants from the Housing Path Waitlist to achieve a 95% program utilization rate. The utilization rate has increased to 96.6%. Currently, 130 families with issued vouchers are searching for suitable units to rent; and 162 contracts are pending execution. Two Hundred seventy five (275) families were selected from the HCV waitlist last month.

During January, the Housing Resources Division received nine requests for voucher extensions beyond the initial 90-day period. The requests included a search record reflecting the efforts made to secure housing during the voucher term and the landlords who were contacted. Four of the extension requests warranted referral to the Human Rights Commission or the Commission on Civil Rights for possible discrimination.

RENTCafé Used to Support Online Annual Recertifications

HOC introduced the use of RENTCafé to assist with annual recertifications. Customers with recertifications effective January 2023, were required to submit their annual recertification paperwork electronically. Staff enlisted the IT division to provide technical support to customers requiring assistance with the submission of recertification materials. Overall, 361 out of 599 customers submitted their paperwork electronically. We will continue to accept mailed submissions from customers who do not have email or who prefer to submit information by mail. We anticipate that more families will utilize the online portal as they become more comfortable with the technology.

Sixty-five (65) customers were recommended for program termination effective January 1, 2023. The Resident Services Division worked in collaboration with the Housing Resources Division to assess client needs and to determine why recertifications were not being completed.

The Resident Services Counselors conducted outreach to every customer in the termination window to ascertain why the annual requirement was not completed and to provide assistance. They were able to

assist sixty (60) families with the recertification requirement and overturn the termination. Termination proceedings will continue for five (5) families for the following reasons:

- 5 – Failed to respond to counselor outreach

The Housing Resources Division will continue to work collaboratively with the Resident Services Division to assist those customers facing termination.

Emergency Housing Vouchers (“EHVs”)

HOC has an allocation of 118 Emergency Housing Vouchers. Currently 94 families have successfully leased units. Eleven (11) families with issued vouchers are searching for suitable units to rent. Staff are reviewing five (5) certification packets to determine program eligibility. HOC requested eight (8) additional referrals from HHS for the EHV Program.

Family Self Sufficiency (“FSS”) Update

FSS staff continued recruitment efforts this month. Current enrollment consists of 367 families. Six (6) new families enrolled in the FSS program this month and one FSS participant successfully graduated from the program. Through support and resources, the graduate enhanced her skills and obtained employment as an IT professional. Her income increased from \$21,000 to \$46,000, a difference of \$24,781.

FSS case managers participated in two unique training opportunities with community partners in the month of January: EveryMind and Consumer Financial Protection Bureau. In conjunction with EveryMind, each FSS staff person completed and was awarded a Mental Health First Aid certificate. Mental Health First Aid is a skills-based training course that teaches participants about mental health and substance-use issues. In conjunction with the Consumer Financial Protection Bureau, each FSS staff person participated in a four-week training course entitled “Your Money, Your Goals.” This training is a set of financial empowerment materials for organizations that help people meet their financial goals by increasing their knowledge, skills, and resources. FSS was also the recipient of assorted training materials that will be shared with customers in upcoming weeks.

FSS has begun preliminary discussions with PNC bank to develop a financial orientation module that will enhance customer familiarity with banking and expand access to wealth management techniques.

FSS participants remain committed to the alliances formed with the FSS Case Managers. FSS Case Managers continue to work with customers on their long- and short-term self-sufficiency goals. During monthly meetings, Case Managers offer integrated strategies for self-care, personal goal fulfillment and emotional support. Community partnerships continue to be a capstone of the program. In conjunction with person-centered planning efforts, Case Managers solicit feedback from customers to determine the effectiveness of previously provided resources. Maintaining continuous feedback ensures that referrals to external partners continue to meet individual goals and exceed expectations.

INFORMATION TECHNOLOGY UPDATE

Yardi PHA Client Portal for RENTCafé

The Housing Choice Voucher program participants' utilization of the Yardi PHA Client Portal for RENTCafé continues to grow. We wish to point out that out of 4,776 customers contacted since the beginning of the program, 1,335 elected to 'cancel' their registration. However, in the last month, there were no cancellations.

Status of HCV Participant System Enrollment and Recertification	July 2022 (inception)-to-Date	Last 30 Days
Completed registration	2,808	385
Contacted for enrollment	4,776	651

Fifty-nine percent (59%) of 'contacted' customers registered during the prior month (385 registered out of 651 contacted). The overall registration percentage was 81.6% (2,808 registered customers out of 3,441 contacted). *Note: 1,335 customers notified HOC to 'opt out' (or cancel) their registration option.*

Written and electronic communications continue to be sent to the members of the first and second cohorts of HCV program participants who have not registered or have registered, but have not started their online annual recertification process for follow up.

REAL ESTATE DEVELOPMENT UPDATE

Multifamily Renovation Updates

Willow Manor at Fair Hill Farm - Substantial Renovation

The Real Estate Development ("RED") team is pleased to announce that the 101-unit, 62+ senior community known as Willow Manor at Fair Hill Farm was substantially completed on December 2022. The transformative renovation, which closed in December 2021, includes dramatic improvements (i.e., high-quality finishes) to the residential units and numerous community/amenity areas throughout the building. A similar renovation plan is now underway at the Willow Manor at Clopper's Mill with Willow Manor at Colesville being the final property for renovation as part of this Scattered Site Low Income Housing Tax Credit ("LIHTC") resyndication.

Minutes

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

January 11, 2023

23-01

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via a hybrid platform and teleconference on Wednesday, January 11, 2023, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:03 p.m. Those in attendance were:

Present

Roy Priest, Chair
Frances Kelleher, Vice Chair
Linda Croom
Jeffrey Merkowitz
Jackie Simon

Via Zoom

Richard Y. Nelson, Chair Pro Tem
Pamela Byrd

Also Attending

Kayrine Brown, Deputy Executive Director
Richard Congo
Timothy Goetzinger
Nilou Razeghi
Eugenia Pascual
Marcus Ervin
Ken Silverman
Terri Fowler
Bonnie Hodge
Tia Blount

Aisha Memon, General Counsel
Zachary Marks
Kathryn Hollister
Jennifer Washington
Ellen Goff
Jay Shepherd
Mary Phillips
Fred Swan
Lynn Hayes

Also Attending via Zoom

John Wilhoit
Matt Husman
Leidi Reyes

Paige Gentry
Darcel Cox
John Broullire

IT Support

Irma Rodriguez
Aries "AJ" Cruz
Genio Etienne

Commission Support

Patrice Birdsong, Special Assistant to the Commission

Chair Priest opened the meeting welcoming all to the monthly meeting. There was a roll call of Commissioners participating.

I. **Information Exchange**
Community Forum

- There were no speakers who signed up to address the Board.

Executive Director's Report

- Kayrine Brown, Deputy Executive Director, provided an overview of the written report as well as a slide presentation of events.

Commissioner Exchange

- Chair Priest thanked Commissioner Simon for her participation in the various events held by HOC.
- Commissioner Simon announced information regarding \$20 Million Grant for housing affordability with Wells Fargo.
- Vice Chair Kelleher announced that the Affordable Housing Conference is scheduled for May 25, 2023.

- II. **Approval of Minutes** – The minutes were approved as submitted with a motion by Commissioner Simon and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon.

A. Approval of Minutes of December 7, 2022

B. Approval of Minutes of December 20, 2022 Special Session

III. **COMMITTEE REPORTS AND RECOMMENDATIONS FOR ACTION**

A. Budget, Finance and Audit Committee – Com. Nelson, Chair

1. Fiscal Year 2023 First Quarter Budget to Actual Statements: Presentation of First Quarter FY'23 Budget to Actual Statements

Chair Pro Tem Nelson opened the floor to Deputy Executive Director Brown who introduced Timothy Goetzinger, Chief Development Funding Officer/Acting Chief Financial Officer, and Terri Fowler, Budget Officer, who provided the presentation.

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

RESOLUTION NO.: 23-01

**Re: Acceptance of the First Quarter
FY'23 Budget to Actual Statements**

WHEREAS, the Budget Policy for the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) states that quarterly budget to actual statements will be reviewed by the Commission; and

WHEREAS, the Commission reviewed the First Quarter FY’23 Budget to Actual Statements during its January 11, 2023 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby accepts the First Quarter FY’23 Budget to Actual Statements.

2. Uncollectible Tenant Accounts Receivable: Authorization to Write-off Uncollectible Tenant Accounts Receivable (July 1, 2022 – September 30, 2022)

Chair Pro Tem Nelson opened the floor to Deputy Executive Director Brown who introduced Timothy Goetzinger, Chief Development Funding Officer/Acting Chief Financial Officer, and Nilou Razeghi, Accounting Manager, who provided the presentation.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.

RESOLUTION NO.: 23-02

RE: Authorization to Write-Off Uncollectible Tenant Accounts Receivable

WHEREAS, the current policy of the Housing Opportunities Commission of Montgomery County (“HOC”) is (i) to provide for an allowance for tenant accounts receivable balances that are delinquent for more than ninety (90) days; and (ii) to propose the write-off of former tenant balances; and

WHEREAS, staff periodically proposes the write-off of uncollected former tenant balances, which updates the financial records to accurately reflect the receivables and the potential for collection; and

WHEREAS, the proposed write-off of former tenant accounts receivable balances for the period of July 1, 2022 – September 30, 2022 is \$12,654 and were all within the Opportunity Housing properties.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, or her designee, without further action on its part, to take any and all actions necessary and proper to write off \$12,654 in uncollectible accounts receivable related to (i) tenant balances that are delinquent for more than ninety (90) days, and (ii) former tenant balances, including the execution of any and all documents related thereto.

3. Procurement of Property Management Services: Extension of Property Management Contract for Elizabeth House)

Chair Pro Tem Nelson opened the floor to Deputy Executive Director Brown who introduced Ellen Goff, Acting Director of Property Management, and Alex Torton, Asset Manager, who provided the presentation.

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

RESOLUTION NO.: 23-03

**RE: Extension of Property Management
Contract for Elizabeth House**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”) is the sole member of Elizabeth House, located in Silver Spring, Maryland; and

WHEREAS, staff desires to extend the current property management contract at Elizabeth House through June 30, 2023 with Edgewood Management with the option to add up to six (6) months of extensions on a monthly basis to ensure that the closure process is completed; and

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Elizabeth House, as its sole member, that the Executive Director of HOC, or their designee, is hereby authorized and directed to execute an extension of the property management contract at Elizabeth House with Edgewood Management.

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

4. Revision of Fiscal Year 2022 Fourth Quarter Budget to Actual Statements: Acceptance of the Revised FY’22 Fourth Quarter Budget to Actual Statements

Chair Pro Tem Nelson opened the floor to Deputy Executive Director Brown who introduced Timothy Goetzinger, Chief Development Funding Officer/Acting Chief Financial Officer, and Terri Fowler, Budget Officer, who provided the presentation.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Merkowitz. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon.

RESOLUTION NO.: 23-04

**Re: Acceptance of the Revised FY’22 Fourth
Quarter Budget to Actual Statements**

WHEREAS, the Budget Policy for the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) states that quarterly budget to actual statements will be reviewed by the Commission; and

WHEREAS, the Commission formally accepted the FY’22 Fourth Quarter Budget to Actual Statements during its October 5, 2022 meeting; and

WHEREAS, the Commission reviewed the Revised FY'22 Fourth Quarter Budget to Actual Statements during its January 11, 2023 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby accepts the Revised FY'22 Fourth Quarter Budget to Actual Statements.

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

1. Mortgage Finance: Approval to Extend Contracts of the Bond Underwriting Team Consisting of a Senior Manager, Co-Senior Manager, and Co-Managers, in Accordance with the Procurement Policy

Commissioner Simon opened the floor to Deputy Executive Director Brown who provided an overview introducing Jennifer Washington, Acting Director of Mortgage Finance, who provided the presentation.

The following resolutions were adopted upon a motion by Commissioner Simon and seconded by Commissioner Merkwitz. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwitz, and Simon.

RESOLUTION NO.: 23-05

RE: Approval to Extend the Existing Contracts of the Bond Underwriting Team, Consisting of a Senior Manager, Co-Senior Manager, and Co-Managers, in Accordance with the Procurement Policy

WHEREAS, to advance its mission and operate a successful bond financing program, the Housing Opportunities Commission of Montgomery County (the “Commission” or “HOC”) engages the services of a number of industry professionals, including a team of investment banking firms (underwriters) to help structure HOC’s bond issuances and market the bonds to obtain the most favorable pricing; and

WHEREAS, on January 9, 2019, after completing a new procurement for underwriter services, the Commission selected eight firms, approved a structure that consists of a Senior Manager, a Co-Senior Manager, and six (6) Co-Managers, and authorized the Executive Director to execute Letter Agreements (“Contracts”) with each firm with initial terms of two (2) years with two (2) one-year renewals that must be approved by the Commission in accordance with the Procurement Policy; and

WHEREAS, the eight (8) firms were Bank of America Merrill Lynch, Citigroup Global Markets, Jefferies, LLC, Morgan Stanley, PNC Capital Markets, LLC, RBC Capital Markets, Wells Fargo Company, and M&T Securities, but Citigroup did not finalize its Contract and was not eligible to join the team, and M&T Securities terminated its Contract, leaving six (6) active underwriting firms on the team; and

WHEREAS, on September 9, 2020 and on September 1, 2021, the Commission approved the first and second one-year renewal, respectively, for the six (6) underwriters, which expires on January 28, 2023; and

WHEREAS, in order to continue the on-going work of the existing underwriting team on an upcoming multifamily bond issuance, scheduled to close mid-February 2023, staff recommends that the Commission extend the existing Contracts for the team of underwriters for up to four (4) months to allow for any slippage in the closing of the bonds.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County approves a four (4) month extension of each of the existing Contracts with the following six (6) Underwriters (with the structure unchanged and incorporating the terms of the original Contracts):

Senior Manager:	Bank of America Merrill Lynch, New York NY
Co-Senior Manager	PNC Capital Markets, LLC, Pittsburgh, PA
Co-Managers:	Jefferies LLC, New York, NY
	Morgan Stanley, New York, NY
	RBC Capital Markets, New York, NY
	Wells Fargo Company, San Francisco, CA

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director, or her designee, without any further action on its part, to execute such documents and to take any and all other actions, in each case as necessary and proper, in the Executive Director's judgment, to carry out the actions contemplated herein.

2. HOC Headquarters: Approval to Select and Negotiate a Guaranteed Maximum Price ("GMP") contract with Paradigm Contractors, LLC for HOC's New Headquarters Building

Commissioner Simon opened the floor to Deputy Executive Director Brown who provided an overview introducing Marcus Ervin, Director of Real Estate Development, and Jay Shepherd, Housing Acquisition Manager, who provided the presentation.

A motion was made by Chair Priest to table the item and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, and Merkwowitz. Commissioner Simon abstained.

3. Hillandale Gateway: Authorization for the Executive Director to Execute a Contract with CBG Building Group for an amount not to exceed \$11.5 Million and to Provide a Limited Notice to Proceed ("NTP") for the Early Start Work; Approval of an Early Start Budget for Hillandale Gateway in an amount not to exceed \$14.5 Million; and Authorization of the Housing Production Fund ("HPF") as a source for the Early Start Work in an amount not to exceed \$14.5 Million

Commissioner Simon opened the floor to Deputy Executive Director Brown who provided an overview introducing Marcus Ervin, Director of Real Estate Development, Zachary Marks, Chief Real Estate Officer, and Kathryn Hollister, Senior Financial Analyst, who provided the presentation.

The following resolutions were adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Simon. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowicz, and Simon.

RESOLUTION NO.: 23-07

RE: Authorization to Execute a Contract with CBG Building Group and Provide Limited Notice to Proceed for Early Start Construction Work; Approval of Early Start Budget and Funding

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”) is the sole member of HOC at Hillandale Gateway, LLC, which is a member of Hillandale Gateway, LLC, the entity that will redevelop approximately 5.15 acres of land at 10110 and 10140 New Hampshire Avenue, Silver Spring, MD 20903 (such site formerly known as “Holly Hall” and to be known during and after development as “Hillandale Gateway”); and

WHEREAS, on March 2, 2022, the Commission approved the selection of CBG Building Company (“CBG”) as the general contractor (“GC”) for the Holly Hall Site and authorized negotiation of the contract (“GC Contract”); and

WHEREAS, the Commission desires to approve the execution of the GC Contract, which would allow the GC to perform a limited scope of construction work (“Early Start Work”) under a limited notice to proceed (“LNTTP”) in an amount not to exceed \$11,500,000; and

WHEREAS, the Commission desires to approve an early start budget (“Early Start Budget”) in the amount of \$14,500,000, which includes \$11,500,000 in hard construction costs (the GC Contract value), \$1,000,000 in soft costs, and \$2,000,000 in contingency; and

WHEREAS, the Commission desires to approve a loan from the Housing Production Fund (“HPF”) to Hillandale Gateway, LLC in the amount of \$14,500,000 to fund the Early Start Budget; and

WHEREAS, pursuant to Treasury Regulation §1.150-2, the Commission desires to declare its official intent to participate in future tax-exempt borrowings in an amount not to exceed \$200,000,000 to finance “original expenditures” (as defined in Treasury Regulation §1.150-2) for the new construction located at the Holly Hall Site (the “Development”); and

WHEREAS, all or a portion of such future tax-exempt borrowings may be allocated to reimburse the Commission for original expenditures paid or to be paid subsequent to the date which is 60 days prior to the date hereof, such reimbursement allocation to occur not later than 18 months after the later of the date of payment of such original expenditures or the date on which the Development is placed in service or abandoned (but in no event more than three (3) years after the date of payment of the related original expenditures); and

WHEREAS, this reimbursement resolution is being adopted with regard to the entire \$200,000,000 of anticipated capital expenditures to be incurred with regard to the Hillandale Gateway project (the “Project”) that will be financed, in part, with proceeds of tax-exempt bonds, and this resolution is intended to qualify as

a reimbursement resolution pursuant to Section 1.150-2 of the U.S. Treasury Department Income Tax Regulations (the "Regulations").

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the execution of the GC Contract, which would allow the GC to perform Early Start Work under a LTNP in an amount not to exceed \$11,500,000.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, that it approves an Early Start Budget in the amount of \$14,500,000, which includes \$11,500,000 in hard construction costs (the GC Contract value), \$1,000,000 in soft costs, and \$2,000,000 in contingency.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, that it authorizes a loan to Hillandale Gateway, LLC from the HPF in the amount of \$14,500,000 to fund the Early Start Budget.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that the Executive Director of HOC, or her designee, is authorized to take any and all actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related to the GC Contract or Hillandale Gateway, LLC's acceptance of the loan from the HPF in an amount up to \$14,500,000.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it presently intends and reasonably expects to finance costs related to the predevelopment and other expenditures of the redevelopment of the Holly Hall Site located in the Hillandale area of Montgomery County, with moneys currently contained in its Opportunity Housing Reserve Fund and any other funds of the Commission so designated for use by the Commission.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it declares its official intent to participate in future tax-exempt borrowings in an amount not to exceed \$200,000,000 to finance original expenditures for Hillandale Gateway.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that any original expenditures for Hillandale Gateway may be reimbursed with proceeds of tax-exempt borrowings if such original expenditures are paid or to be paid no earlier than 60 days prior to the date of this Resolution, except preliminary expenditures as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it is the intention of the Commission that the resolutions contained herein qualify as a reimbursement resolution and a declaration of "official intent" within the meaning of Section 1.150-2 of the Regulations.

4. Hillandale Gateway: Approval of a Loan from the Housing Production Fund to Hillandale Gateway, LLC

Commissioner Simon opened the floor to Deputy Executive Director Brown who provided an overview introducing Timothy Goetzinger, Chief Development Funding Officer/Acting Chief Financial Officer, who provided the presentation.

The following resolution was adopted upon a motion by Commissioner Simon and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.

RESOLUTION NO.: 23-08

Re: Approval of a Loan from the Housing Production Fund to Hillandale Gateway, LLC

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”) is the sole member of HOC at Hillandale Gateway, LLC, which is a member and the manager of Hillandale Gateway, LLC, the entity that will redevelop approximately 5.15 acres of land at 10110 and 10140 New Hampshire Avenue, Silver Spring, MD 20903 (such site formerly known as “Holly Hall” and to be known during and after development as “Hillandale Gateway”); and

WHEREAS, on May 5, 2021, the Commission adopted Resolution 2021-46, which approved a Revolving Housing Production Fund Program (the “Housing Production Fund”); and

WHEREAS, the Commission wishes to approve a loan from the Housing Production Fund to Hillandale Gateway, LLC in an amount not to exceed \$14.5 million for early start work related to the Hillandale Gateway development; and

WHEREAS, the loan from the Housing Production Fund will carry a maximum term of five (5) years, an interest rate of five percent (5%) and will be repaid on or before permanent financing, which is expected to occur by the fourth quarter of calendar year 2027; and

WHEREAS, pursuant to Treasury Regulation §1.150-2, the Commission desires to declare its official intent to participate in future tax-exempt borrowings in an amount not to exceed \$200,000,000 to finance “original expenditures” (as defined in Treasury Regulation §1.150-2) for the new construction located at the Holly Hall Site (the “Development”); and

WHEREAS, all or a portion of such future tax-exempt borrowings may be allocated to reimburse the Commission for original expenditures paid or to be paid subsequent to the date which is 60 days prior to the date hereof, such reimbursement allocation to occur not later than 18 months after the later of the date of payment of such original expenditures or the date on which the Development is placed in service or abandoned (but in no event more than three (3) years after the date of payment of the related original expenditures); and

WHEREAS, this reimbursement resolution is being adopted with regard to the entire \$200,000,000 of anticipated capital expenditures to be incurred with regard to the Hillandale Gateway project (the “Project”) that will be financed, in part, with proceeds of tax-exempt bonds, and this resolution is intended to qualify as a reimbursement resolution pursuant to Section 1.150-2 of the U.S. Treasury Department Income Tax Regulations (the “Regulations”).

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves a Housing Production Fund Loan of up to \$14.5 million to Hillandale Gateway, LLC.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, on its behalf and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that it approves the execution of a Housing Production Fund Deed of Trust, Loan Agreement, Regulatory Agreement, and Promissory Note.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of HOC at Hillandale Gateway, LLC, acting for itself and on behalf of Hillandale Gateway, LLC, that HOC's Executive Director, or her designee, is authorized to take any and all actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related to HOC's provision, or Hillandale Gateway, LLC's acceptance, of a Housing Production Fund Loan in an amount up to \$14,500,000.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it declares its official intent to participate in future tax-exempt borrowings in an amount not to exceed \$200,000,000 to finance original expenditures for Hillandale Gateway.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that any original expenditures for Hillandale Gateway may be reimbursed with proceeds of tax-exempt borrowings if such original expenditures are paid or to be paid no earlier than 60 days prior to the date of this Resolution, except preliminary expenditures as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it is the intention of the Commission that the resolutions contained herein qualify as a reimbursement resolution and a declaration of "official intent" within the meaning of Section 1.150-2 of the Regulations.

Based upon this report and there being no further business to come before this session of the Commission, the meeting was adjourned at 5:23 p.m.

Respectfully submitted,

Chelsea Andrews
Secretary-Treasurer

/pmb

Committee Reports and Recommendations for Action

Development & Finance Committee

APPROVAL TO SELECT LERCH, EARLY & BREWER, CHTD. AS LAND USE COUNSEL FOR THE WHEATON GATEWAY DEVELOPMENT

FEBRUARY 1, 2023

- HOC and its partners, Duffie, Inc. and Wheaton Motel Associates Limited Partnership (a/k/a Willco), have aggregated three properties at the corner of University Boulevard and Veirs Mill West in Wheaton known as the “Wheaton Gateway Property.”
- In 2019, pursuant to HOC’s Procurement Policy, staff engaged Lerch, Early & Brewer (“Lerch”) to provide legal services related to early stage land use entitlement work for the development of the Wheaton Gateway Property.
- On April 29, 2022, in anticipation of sketch plan approval, staff solicited new proposals from its Real Estate Legal Pool seeking assistance related to the site plan and subdivision plan phases of the entitlement work.
- Lerch was deemed to be the most well-equipped and experienced respondent based on cost and prior experience at a cost of \$230,000.
- The aggregate value of Lerch’s work for the Wheaton Gateway Property is \$300,157, and pursuant to HOC’s Procurement Policy, Commission approval is required to award contracts with a value greater than \$250,000.
- Staff recommends that the Commission approve the selection of Lerch for ongoing entitlement work.

MEMORANDUM

TO: Housing Opportunities Commission of Montgomery County
Development and Finance Committee

VIA: Chelsea J. Andrews, Executive Director

FROM: Division: Real Estate
Staff: Zachary Marks, Chief Real Estate Officer Ext. 9613
Marcus Ervin, Director of Development Ext. 9752
Paige Gentry, Deputy General Counsel Ext 9751

RE: **Wheaton Gateway:** Approval to Select Lerch, Early & Brewer, Chtd. as Land Use Counsel for the Wheaton Gateway Development

DATE: February 1, 2023

STATUS: Deliberation X

OVERALL GOAL & OBJECTIVE:

To approve the selection of Lerch, Early & Brewer, Chtd. as Land Use Counsel for the Wheaton Gateway Development.

BACKGROUND:

Since 2019, HOC has been working with its partners, Duffie, Inc. (“Duffie”) and Wheaton Motel Associates Limited Partnership, a Maryland limited partnership (“Willco”), to aggregate properties at the corner of University Boulevard and Veirs Mill West in Wheaton. HOC and its partners are designing an impactful redevelopment program incorporating a mix of uses, including approximately 770 high-the quality mixed-income multifamily housing, a community-use urban park to provide needed passive open space, and a curated selection of retail/commercial uses.

HOC and Duffie initially selected Lerch, Early & Brewer (“Lerch”) to provide legal services related to the preparation and submission of the Sketch Plan for Wheaton Gateway with a total contract value of \$70,157 (the “Sketch Plan Work”). The Sketch Plan Work was awarded under Section 16.1 of the Procurement Policy, pursuant to which the Commission delegated procurement awarding authority to the Executive Director for professional contracts with a value of less than \$250,000.

HOC received Sketch Plan approval via unanimous decision in May 2022. With the Sketch Plan approval, the Wheaton Gateway team now needs additional legal support to proceed through the Site Plan and Subdivision Plan phases of the entitlement process.

In anticipation of the Sketch Plan Approval, HOC staff solicited proposals on April 29, 2022, from its Real Estate Legal Pool seeking legal assistance related to the entitlement of the Project (the “Entitlement Work”). As a reminder, pursuant to Resolution No. 19-39 adopted on April 3, 2019, the Commission approved the creation of a Qualified Pool of legal firms and the selection of the Qualified Firms (such pool of legal firms, the “Legal Pool”) that permits HOC staff to engage with Qualified Firms on an as-needed basis throughout all phases of a project’s development and operations.

Two (2) firms responded to the solicitation on or before the submission deadline of May 6, 2022, one firm did not submit a response due to its capacity to take on the work, and another did not respond. Out of the submissions, HOC staff selected Lerch, Early & Brewer (“Lerch”) for Land Use Counsel at the cost of \$215,000.

As outlined in the proposal's cost and based on experience, Lerch is well-equipped and experienced with Montgomery County land use matters and has been instrumental in assisting the Hillandale Gateway and Wheaton Gateway team with navigating this constantly evolving landscape. Lerch’s proposed fee is conservative, and their response to the solicitation identifies that HOC will only be charged for actual work completed while acknowledging potential unknowns that may arrive from additional community/planning input. Their prior experience on the Elizabeth Square development and work on Hillandale Gateway related to joint venturing and land use matters will additionally prove beneficial to the Wheaton Gateway team, which also contains a multiparty development effort across several parcels. Lastly, their proposal addressed diversity and inclusion as requested in the solicitation to provide for a culture of inclusion at the firm & leadership level, which aligns with the development’s goals and objectives.

After further review of the work necessary for Wheaton Gateway, the HOC team has added one additional deliverable to Lerch’s scope of work on Wheaton, which work is valued at \$15,000 (the “Additional Work”).

The HOC Procurement Team has informed real estate staff that because Lerch was selected through the Legal Pool, the Sketch Plan Work, the Entitlement Work, and the Additional Work must be treated as one contract for the purposes of procurement. Pursuant to HOC’s Procurement Policy, Commission approval is required to award any professional contracts with a value greater than \$250,000. In the aggregate, the value of the Sketch Plan Work, the Entitlement Work, and the Additional Work is \$300,157. Thus, Commission approval is required to engage Lerch for the Entitlement Work and the Additional Work. Thus, HOC staff requests Commission approval to select Lerch as Land Use Counsel for the Entitlement Work and Additional Work.

At a meeting of the Commission on July 13, 2022, the Commission approved several actions, including, but not, limited to the Approval of the CY22-25 Pre-development Budget for \$19,898,188.60, which the PNC Bank, N.A. Real Estate Line of Credit (“RELOC”) will fund. This Pre-development Budget does include the \$300,157 for the legal work discussed herein.

ISSUES FOR CONSIDERATION:

Will the Commission accept the staff’s recommendation, which is supported by the Development and Finance Committee, to approve the selection of Lerch Early & Brewer, Chtd. in the aggregate amount of up to \$230,000 to provide legal assistance in the entitlement of the Wheaton Gateway Project, thereby increasing the aggregate value of services provided by Lerch Early & Brewer, Chtd to \$300,157?

BUDGET/FISCAL IMPACT:

There is no impact on the Commission’s FY 2023 operating budget. The contract will be funded by the previously approved Predevelopment budget and from the PNC Bank, N.A. Real Estate Line of Credit (“RELOC”).

PRINCIPALS:

Wheaton Venture, LLC
Housing Opportunities Commission of Montgomery County

TIME FRAME:

For formal action in an open meeting of the Commission on February 1, 2023.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

Staff is recommending that the Commission accept staff's recommendation, which is supported by the Development and Finance Committee, to approve the selection of Lerch Early & Brewer, Chtd. as Land Use Counsel in an amount up to \$230,000 to be funded by the previously approved Predevelopment budget and from the PNC Bank, N.A. Real Estate Line of Credit ("RELOC") and thus increase the value of the contract with Lerch Early & Brewer, Chtd. to \$300,157.

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”) and its partners, Duffie, Inc. and Wheaton Motel Associates Limited Partnership, a Maryland limited partnership (a/k/a Willco), have aggregated three properties at the corner of University Boulevard and Veirs Mill West in Wheaton known as the “Wheaton Gateway Property” through their subsidiary, HOC at 11250 Veirs Mill Road, LLC (the “Venture Entity”); and

WHEREAS, in 2019, pursuant to Section 16.1 of HOC’s Procurement Policy, staff engaged Lerch, Early & Brewer (“Lerch”) to provide legal services related to early stage land use entitlement work (“Initial Entitlement Work”) for the development of the Wheaton Gateway Property; and

WHEREAS, on April 29, 2022, in anticipation of sketch plan approval, staff solicited new proposals from its Real Estate Legal Pool seeking assistance related to the site plan and subdivision plan phases of the entitlement work (“Ongoing Entitlement Work”); and

WHEREAS, of the two (2) firms that responded, Lerch was deemed to be the most well-equipped and experienced based on cost and prior experience at a cost of \$230,000; and

WHEREAS, the aggregate value of Lerch’s Initial Entitlement Work and Ongoing Entitlement Work is \$300,157, and pursuant to HOC’s Procurement Policy, Commission approval is required to award contracts with a value greater than \$250,000.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and in its capacity as the sole member of HOC at Wheaton Gateway, LLC, which is the manager and a member of Wheaton Gateway, LLC, which is the manager and a member of Wheaton Venture, LLC, which is the sole member of the Venture Entity, that it approves the selection of Lerch for the Ongoing Entitlement Work.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting for itself and in its capacity as the sole member of HOC at Wheaton Gateway, LLC, which is the manager and a member of Wheaton Gateway, LLC, which is the manager and a member of Wheaton Venture, LLC, which is the sole member of the Venture Entity, authorizes HOC’s Executive Director, without any further action on its part, 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 approved by the Housing Opportunities Commission of Montgomery County at an open meeting on February 1, 2023.

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Chelsea J. Andrews

Executive Director

Closing Statement

Written Statement for Closing a Meeting (“Closing Statement”)

Date: February 1, 2023

A. Pursuant to Section 3-305(b) and (d) of the General Provisions Article of the Annotated Code of Maryland, I move to adjourn this open session to a closed session only:

- 3. “To consider the acquisition of real property for a public purpose and matters directly related thereto;” and
- 13. “To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.”

B. For each provision checked above, the topic to be discussed and the reason for discussing that topic in closed session is provided below.

Statutory Citation	Topic	Reason for closed-session discussion
§3-305(b)(3)	The potential acquisition/purchase of multifamily property located in Silver Spring, Maryland. [NOTE: This item was discussed in a closed Development and Finance Committee meeting on January 27, 2023. This meeting is to continue the discussion with the entire Commission].	This must be a closed meeting in order to protect HOC’s ability to purchase the property. Public discussion of this item could adversely affect HOC’s ability to negotiate with various third parties, which could result in HOC being unable to purchase property.
§3-305(b)(13)	The confidential commercial and financial terms of a potential commercial lease at an HOC-controlled property. [NOTE: This item was discussed in a closed Development and Finance Committee meeting on January 27, 2023. This meeting is to continue the discussion with the entire Commission].	Section 4-335 of the Maryland Public Information Act prevents disclosure of confidential commercial or financial information obtained from a third party. This must be a closed meeting in order to protect confidential commercial and financial information provided to HOC from private parties regarding their offered lease terms. All such information is customarily and actually treated as private by the third parties, and has been provided to HOC under an assurance of privacy.

C. This statement is made by Roy, Priest, Chair.

D. Recorded vote to close the meeting:

- Date: February 1, 2023 Time: _____
- Location: HOC’s Kensington Office (10400 Detrick Avenue, Kensington, MD 20895) & Livestream (YouTube).
- Motion to close meeting made by: _____
- Motion seconded by: _____

- Commissioners in favor: _____
- Commissioners opposed: _____
- Commissioners abstaining: _____
- Commissioners absent: _____

Officer’s Signature: _____

Adjourn

Closed Session