

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Development and Finance Committee Minutes

November 20, 2020

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Development and Finance Committee was conducted via an online platform and teleconference on Friday, November 20, 2020, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 10:04 a.m. Those in attendance were:

Present

Jackie Simon, Chair – Development and Finance Committee
Roy Priest - Commissioner
Richard Y. Nelson – Commissioner

Also Attending

Stacy Spann, Executive Director	Kayrine Brown, Deputy Director
Aisha Memon, General Counsel	Zachary Marks
Eamon Lorincz, Deputy General Counsel	Jennifer Arrington
Christina Autin	Vivian Benjamin
Kristyn Greco	Ellen Goff
Nicolas Deandreis	Kathryn Hollister
Cornelia Kent	Jay Shepherd
Terri Fowler	Gio Kaviladze
Eugenia Pascual	Victoria Dixon
Charnita Jackson	Patrice Birdsong, Spec. Asst. to Commission

Executive Director Spann opened the Development and Finance Committee meeting with a roll call of participants, and Commissioner Simon convened as Committee Chair.

DISCUSSION ITEMS

- 1. Fenwick and Second - HOC Headquarters: Approval for the Executive Director to Execute Task Order to Engage Lerch, Early and Brewer for Legal Services**

Kayrine Brown, Deputy Director, introduced Jay Shepherd, Senior Financial Analyst, who provided the presentation. The team requested that the Development and Finance Committee join staff's recommendation that the full Commission authorize the Executive Director to approve and execute a legal consulting task order to Lerch, Early and Brewer to provide land use and development entitlement services for the headquarters development through completion.

The team responded to the Commissioners questions in regards to contingency cost and experience with Mandatory Referral.

A motion was made by Commissioner Nelson and seconded by Commissioner Priest to recommend the item for approval at the December 9, 2020 monthly Commission meeting. Affirmative votes were cast by Commissioners Simon, Priest and Nelson.

2. Stewartown Homes - Stewartown: Approval of Final Development Plan; Formation of Ownership Entities, Admission of Investor Limited Partner, and Authorization for the Executive Director to Execute a Limited Partnership Agreement and General Contractor Contract for the Stewartown Homes Development

Kayrine Brown, Deputy Director introduced Gio Kaviladze, Senior Financial Analyst, who provided the presentation. The team requested that the Development and Finance Committee join staff's recommendation that the full Commission approve the final development plans for Stewartown Homes.

Mr. Kaviladze began his presentation with a summary of the overall objective of the development plan for the renovations. He provided an explanation of financial benefit of the transaction.

Commissioner Simon informed that there is playground equipment that's available to accommodate children with disabilities and is attractive to children. She suggested that we consider this design for future playground areas.

The team addressed the Commissioners concerns regarding rents, utilities and contingency plans.

A motion was made by Commissioner Priest and seconded by Commissioner Nelson to recommend the item for approval at the December 9, 2020 monthly Commission meeting. Affirmative votes were cast by Commissioners Simon, Priest and Nelson.

3. West Side Shady Grove – Phase II at Shady Grove: Approval of a Final Development Plan to Authorize the Executive Director to Execute a Guaranteed Maximum Price (“GMP”) Contract with Bozzuto Construction; Accept the Assignment of Third-party Contracts for the Development; Authorize the Formation of Additional Legal Entities; and Accept a Montgomery County Housing Initiative Fund (“HIF”) Short-Term Bridge Loan

Kayrine Brown, Deputy Director introduced Marcus Ervin, Housing Acquisitions Manager, who provided a summary overview of the development plan of Phase II. The team requested that the Development and Finance Committee join staff’s recommendation that the full Commission approve the final development plan for West Side Shady Grove.

Commissioner Priest noted the impressive work done by HOC in its approach of providing a positive economic impact in Montgomery County.

Commissioner Nelson inquired whether HOC has received a commitment from DHCA on the HIF loan and options if denied. Mr. Ervin informed that the team is working on the application and is having positive dialogue with official at DHCA and also exploring options if funds are not available.

Commissioner Simon noted the rising cost in labor and material due to COVID and the impact on development.

Commissioner Nelson expressed his appreciation on behalf of the Commission on the team’s efforts in prioritizing and accommodating the request of the Commission and motioned for approval. Commissioner Priest seconded the motion to recommend the item for approval at the December 9, 2020 monthly Commission meeting. Affirmative votes were cast by Commissioners Simon, Priest and Nelson

4. West Side Shady Grove – WSSG: Final Financing Plan, Feasibility, Public Purpose and Bond Authorizing Resolution for West Side Shady Grove Apartments; to Issue a Commitment and Loan to HOC at West Side Shady Grove, LLC for Development and Permanent Financing; and to Accept a Loan in Accordance with the Finance Plan

Kayrine Brown, Deputy Director introduced Jennifer Arrington, Assistant Director of Bond Management, who provided a presentation on the West Side Shady Grove Final Financing Plan. The team requested that the Development and Finance Committee join staff’s recommendation that the full Commission approve the final financing plan for West Side Shady Grove.

A motion was made by Commissioner Nelson and seconded by Commissioner Priest, acknowledging the impact of the Bond Financing in creating all sources of financing in making this transaction happen, and for recommendation for approval at the December 9, 2020 monthly Commission meeting. Affirmative votes were cast by Commissioners Simon, Priest and Nelson.

Commissioner Simon thanked the staff for thorough packet of information. The meeting adjourned at 11:09 a.m. upon a motion by Commissioner Nelson and seconded by Commissioner Priest. Affirmative votes cast by Commissioners Simon, Priest, and Nelson.

Next scheduled meeting is December 18, 2020.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: December 18, 2020