



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

**EXPANDED AGENDA**

February 3, 2016

	<b><u>Annual Meeting Reception</u></b>	<b>Res. #</b>
3:00 p.m.	<b><u>Annual Meeting</u></b> <ul style="list-style-type: none"> <li>• Housing Honor Roll Awards</li> <li>• Special Recognition</li> <li>• Year in Review</li> <li>• Election of Officers</li> </ul>	
4:00 p.m.	<b>I. <u>CONSENT ITEMS</u></b>	
Page 4 18  20	A. Approval of Minutes of January 13, 2016 B. Consent to Property Operations Assistance Between Commission and Edgewood Management Corporation Relating to Hampden Lane, MHL P VII, MHL P VIII, MHL P IX, and MHL P X Properties C. Approval of Selection of 2016 Housing Honor Roll and Special Recognition Award Recipients	Res. 16-09  Res. 16-10
5:00 p.m.	<b>II. <u>INFORMATION EXCHANGE</u></b>	
Page 27 30	A. Report of the Executive Director B. Calendar and Follow-up Action C. Correspondence and Printed Matter D. Commissioner Exchange E. Resident Advisory Board F. Community Forum G. Status Report	
5:15 p.m.	<b>III. <u>COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION</u></b>	
Page 35  46	A. Development and Finance Committee – <i>Com. Simon, Chair</i> <ol style="list-style-type: none"> <li>1. Approval to Select Miner Feinstein Architects as Interior Unit Architect, Authorization for the Executive Director to Negotiate and Execute a Contract, and Approval to fund the Predevelopment Expenditure for Alexander House Development Corporation</li> <li>2. Approval to Waive the Procurement Process in Extending Contract #14-18838 for Two Years for Advisory Services in Support of HOC’s Participation in the Rental Assistance Demonstration Program</li> </ol>	Res. 16-11  Res. 16-12
5:25 p.m.	<b>IV. <u>ITEMS REQUIRING DELIBERATION and/or ACTION</u></b>	
	<b>V. <u>*FUTURE ACTION ITEMS</u></b>	
	<b>VI. <u>INFORMATION EXCHANGE (continued)</u></b>	
	A. Community Forum	
	<b>VII. <u>NEW BUSINESS</u></b>	
	<b>VIII. <u>EXECUTIVE SESSION FINDINGS</u></b>	
5:30 p.m.	<b><u>ADJOURN</u></b>	
Page 58	<b><u>DEVELOPMENT CORPORATION MEETING</u></b> <b><u>Alexander House Development Corporation</u></b> <ul style="list-style-type: none"> <li>• Approval of the Selection of Miner Feinstein Architects as Interior Unit</li> </ul>	<b>Res. #</b>  Res. 16-001

	Architect, Authorization for the Executive Director to Negotiate and Execute a Contract on behalf of Alexander House Development Corporation, and Approval of Alexander House Development Corporation to Accept Predevelopment Loan Funds from the Housing Opportunities Commission	
71	<b><u>Camp Hill Square Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for Camp Hill Square Development Corporation</li> </ul>	Res. 16-001
74	<b><u>TPM Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for TPM Development Corporation</li> </ul>	Res. 16-001
77	<b><u>Sligo Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for Sligo Development Corporation</li> </ul>	Res. 16-001
80	<b><u>RAD 6 Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for RAD 6 Development Corporation</li> </ul>	Res. 16-001
83	<b><u>Scattered Site One Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for Scattered Site One Development Corporation</li> </ul>	Res. 16-001
86	<b><u>Scattered Site Two Development Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for Scattered Site Two Development Corporation</li> </ul>	Res. 16-001
89	<b><u>VPC One Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for VPC One Development Corporation</li> </ul>	Res. 16-001
92	<b><u>VPC Two Corporation</u></b> <ul style="list-style-type: none"> <li>Consent to Property Operations Assistance Agreement between Commission and Edgewood Management Corporation for VPC Two Development Corporation</li> </ul>	Res. 16-001
6:00 p.m.	<b><u>RECESS</u></b>	
	<b><u>ADJOURN</u></b>	

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.

# Consent Items

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

January 13, 2016

16-01

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, January 13, 2016 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:00 p.m. Those in attendance were:

**Present**

Sally Roman, Chair  
Jackie Simon, Vice Chair  
Richard Y. Nelson, Jr.  
Christopher Hatcher  
Margaret McFarland

**Absent**

None

**Also Attending**

Stacy Spann, Executive Director  
Bobbie DaCosta  
Kayrine Brown  
Gina Smith  
Terri Fowler  
Lola Knights  
Darcel Cox  
Susan Smith  
Patrick Mattingly  
Neron Adams-Escalera  
Diane Morrison

Kelly McLaughlin, General Counsel  
Ben Hines  
Lynn Hayes  
Jim Atwell  
Dean Tyree  
Ethan Cohen  
Zachary Marks  
Angela McIntosh-Davis  
Mary Ellen Ewing  
Bill Anderson  
Shauna Sorrells  
Lorie Seals

**Commission Support**

Patrice Birdsong, Spec. Asst. to the Commission

**Guest**

None

**IT Support**

Dominique Laws

The Consent Calendar was adopted with a motion made by Chair Pro Tem Nelson and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher and McFarland.

**I. CONSENT ITEMS**

- A. **Approval of Minutes of Regular Meeting of December 2, 2015** – The minutes were approved as submitted.
- B. **Approval of Minutes of Special Teleconference Meeting of December 18, 2015** – The minutes were approved as submitted.
- C. **Authorization to Revise HOC’s Administrative Plan and ACOP Regarding HUD’s New Definition of the Term “Family” and HUD’s Changes to the Flat Rent Policy**

**RESOLUTION: 16-01**

**RE: Authorization to Revise HOC’s Administrative Plan and ACOP Regarding HUD’s New Definition of the Term “Family” and HUD’s Changes to the Flat Rent Policy**

**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 and its Admissions and Continued Occupancy Policy for the Public Housing program to add HUD’s new definition of the term “family” and add HUD’s new flat rent policy; and

**WHEREAS**, a public comment period for these proposed revisions began on December 7, 2015 and concluded on January 12, 2016, followed by a public hearing on January 13, 2016.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it approves and authorizes revisions and new additions to its Administrative Plan for the Housing Choice Voucher Program and Admissions and Continued Occupancy Policy for the Public Housing program to add HUD’s new definition of the term “family” and add HUD’s new flat rent policy.

**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.

**D. Ratification of Approval of the FY'17 County Operating Budget MARC Reduction**

**RESOLUTION: 15-109R**

**RE: Ratification of Approval of the  
FY'17 County Operating Budget  
MARC Reduction**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "Commission") has to submit a County Operating Budget MARC Reduction for FY'17 to Montgomery County; and

**WHEREAS**, at an open Special Session duly called and held on December 18, 2015, with a quorum voting via teleconference, but not physically present, the Commission duly adopted Resolution 15-109 titled: "Approval of the FY'17 County Operating Budget MARC Reduction"; and

**WHEREAS**, the Commission wishes to ratify and affirm, in an open monthly meeting, the action undertaken by the Commission in adopting Resolution 15-109.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 15-109 and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

**E. Correction of Technical Error and Ratification of Action Taken in Special Session on December 18, 2015: Authorization for Advanced Fire Protection Systems, LLC to Complete Sprinkler Installation at Arcola Towers on Behalf of Arcola Towers RAD Limited Partnership**

**RESOLUTION: 15-110R**

**RE: Ratification of Approval for  
Advanced Fire Protection Systems,  
LLC to Complete Sprinkler  
Installation at Arcola Towers on  
Behalf of Arcola Towers RAD  
Limited Partnership**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission"), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

**WHEREAS**, on December 18, 2015, with a quorum voting via teleconference, but not physically present, the Commission duly adopted the resolution titled: “Authorize Advanced Fire Protection; and

**WHEREAS**, at the time of the equity closing, the Partnership’s tax-credit investor, an affiliate of Boston Capital Partners, Inc. (“Investor”), requires a commitment or guaranty of funding to cover the Sprinkler Work in the interim period until the closing of the Tax-Exempt Funding (the “Interim Funding”) and a commitment or guaranty of permanent funding to repay either the Tax-Exempt Funding or the Interim Funding (“Repayment Funding”); and

**WHEREAS**, the Commission anticipates that the Repayment Funding will be funded with CIP monies from the County.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director to execute an assignment and assumption of the Sprinkler Contract between the Commission and the Partnership and an amendment of the Sprinkler Contract to shift some of the scope of work to the general construction contract with Harkins.

**WHEREAS**, at an open Special Session duly called and held on December 18, 2015, with a quorum voting via teleconference, but not physically present, the Commission duly adopted Resolution 15-109 titled: “Approval of the FY’17 County Operating Budget MARC Reduction”; and

**WHEREAS**, the Commission wishes to ratify and affirm, in an open monthly meeting, the action undertaken by the Commission in adopting Resolution 15-109.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 15-109 and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

## **II. INFORMATION EXCHANGE**

- A. Report of the Executive Director** – The Executive Director introduced two new employees, Ben Hines, Budget Officer, and Shauna Sorrells, Director of Legislative and Public Affairs, and also introduced the newest Commissioner Linda Croom, who will be joining the Commission next month.
- B. Calendar and Follow-up Action** – None
- C. Commissioner Exchange** – Commissioner Simon requested that the Action Alert go beyond the Commission. She said that it is an excellent tool of explaining the variety

of things HOC does other than housing. She thinks that it should be sent to the County's Legislators and Council.

Commissioner Hatcher gave an update on the Bauer (Banor) Board meeting held in December 14, 2015. The next scheduled meeting is scheduled for March 30, 2016.

Commissioner Simon reported that she was able to visit some of our HUB offices during the holiday season, and extended an invitation to the other Commissioners, if available, to visit the offices. She complimented Zachary Marks, Assistant Director of New Developments, and Ellen Goff, Portfolio Information Officer, in making this a very comfortable arrangement with the clients, their families and contractors.

Com. Roman updated on a meeting with the Mayor of Kensington and how he complimented on the staff and that he's looking forward to a good work relationship with HOC.

Executive Director Spann acknowledged and explained the new role of Terri Fowler, former Budget Officer, as the new Financial Oversight Manager. Her responsibility will be to help explain HOC's financial management portfolio. Chair Roman congratulated Terri and thanked her for accepting her new role in assisting the Commission.

**D. Resident Advisory Board (RAB) – None**

**E. Community Forum – None**

**F. Status Report – None**

### **III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION**

**A. Budget, Finance and Audit Committee – Com. Roman, Acting Chair**

**1. Acceptance of First Quarter FY'16 Budget to Actual Statements**

Terri Fowler, Financial Oversight Manager and Ben Hines, Budget Officer, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher and McFarland.

**RESOLUTION No. 16-02:**

**RE: Acceptance of First Quarter FY'16 Budget to Actual Statements**



**WHEREAS**, the budget policy for the Housing Opportunities Commission of Montgomery County states that quarterly budget to actual statements will be reviewed by the Commission; and

**WHEREAS**, the Commission reviewed the First Quarter FY'16 Budget to Actual Statements during its January 13, 2016 meeting.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby accepts the First Quarter FY'16 Budget to Actual Statements.

## **2. Approval of FY'16 First Quarter Budget Amendment**

Terri Fowler, Financial Oversight Manager and Ben Hines, Budget Officer, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher and McFarland.

**RESOLUTION No. 16-03:**

**RE: Approval of FY'16 First Quarter Budget Amendment**

**WHEREAS**, the Housing Opportunities Commission adopted a budget for FY'16 on June 3, 2015; and

**WHEREAS**, the Commission's Budget Policy allows for amendments to the budget; and

**WHEREAS**, the Commission has reviewed several proposed budget amendments to the FY'16 Budget; and

**WHEREAS**, the net effect of the FY'16 First Quarter Budget Amendment maintains a balanced budget.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby amends the FY'16 Operating Budget by increasing total revenues and expenses for the Agency from \$237.7 million to \$238.4 million.

**BE IT ALSO RESOLVED** that the Housing Opportunities Commission of Montgomery County hereby amends the FY'16 Capital Budget by increasing revenues and expenses for the Agency from \$128.0 million to \$129.5 million.

**3. Approval to Amend and Extend the Term of the Management Agreement for Tanglewood and Sligo Limited Partnership**

Bobbie DaCosta, Director of Property Management was the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and McFarland.

**RESOLUTION No. 16-04**

**RE: Approval to Amend and Extend the Term of the Management Agreement for Tanglewood and Sligo Limited Partnership**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC or the "Commission") is the general partner of Tanglewood and Sligo Limited Partnership (the "Partnership"), which owns the development known as Tanglewood and Sligo Hills Apartments (the "Property"); and

**WHEREAS**, the Commission authorized the Executive Director to execute a contract for Property Management Services (the "Management Agreement") with Equity Management, LLC ("Equity") for the Property; and

**WHEREAS**, all interest in the contract was reassigned to Residential One, LLC, an affiliate of Equity, on September 1, 2015; and

**WHEREAS**, the Commission wishes to amend the Management Agreement to address revisions requested by the Partnership's insurance carrier and to more fully align the Management Agreement's purchasing and procurement provisions with the Commission's procurement requirements; and

**WHEREAS**, the Management Agreement will expire on February 24, 2016; and

**WHEREAS**, the Commission wishes to extend the term of the Management Agreement for the Property, as amended, for one year.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for and on behalf of Tanglewood and Sligo LP, that the Executive Director is hereby authorized and directed to amend and extend the term of the Management Agreement for the Property for one year.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for and on behalf of Tanglewood and Sligo Limited Partnership, that the Executive Director is hereby authorized and directed to, without any further action on their respective parts, to take any and all other action necessary and proper to carry out the transactions contemplated herein.

**4. Approval to Amend and Extend the Term of the Management Agreement for 527 Dale Drive and Southbridge Apartments**

Bobbie DaCosta, Director of Property Management was the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and McFarland.

**RESOLUTION No.: 16-05**

**RE: Approval to Amend and Extend the Term of the Management Agreement for 527 Dale Drive and Southbridge Apartments**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC or the "Commission"), owns the developments known as 527 Dale Drive and Southbridge Apartments (together, the "Properties"); and

**WHEREAS**, the Commission authorized the Executive Director to execute a contract for Property Management Services ( a "Management Agreement") with Equity Management, LLC ("Equity") for the Properties; and

**WHEREAS**, all interest in the Management Agreements were assigned to Residential One, LLC, an affiliate of Equity, on September 1, 2015; and

**WHEREAS**, the Commission wishes to amend the Management Agreement to more fully align the Management Agreement's purchasing and procurement provisions with the Commission's procurement requirements; and

**WHEREAS**, the Management Agreement will expire on February 24, 2016; and

**WHEREAS**, the Commission wishes to extend the term of the Management Agreement for the Properties, as amended, for one year.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed to amend the Management Agreement for the Properties and extend the term for one year.

**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 any and all other action necessary and proper to carry out the transactions contemplated herein.

**5. Approval to Amend and Extend the Term of the Management Agreement for Manchester Manor**

Bobbie DaCosta, Director of Property Management was the presenters.

The following resolution was approved upon a motion by Vice Chair Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and McFarland.

**RESOLUTION No.: 16-06**

**RE: Approval to Amend and Extend the Term  
of the Management Agreement for Manchester  
Manor**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC or the "Commission") is the general partner of Manchester Manor Limited Partnership (the "Partnership"), which owns the development known as Manchester Manor (the "Property"); and

**WHEREAS**, the Commission authorized the Executive Director to execute a Contract for Property Management Services (the "Management Agreement") with Equity Management, LLC ("Equity") for the Property; and

**WHEREAS**, all interest in the Management Agreement was assigned to Residential One, LLC, an affiliate of Equity, on September 1, 2015; and

**WHEREAS**, the Commission wishes to amend the Management Agreement to address revisions requested by the Partnership's insurance carrier and to more fully align the Management Agreement's purchasing and procurement provisions with the Commission's procurement requirements; and

**WHEREAS**, the Management Agreement will expire on January 31, 2016; and

**WHEREAS**, the Commission wishes to extend the term of the Management Agreement for the Property, as amended, for one year.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for and on behalf of Manchester Manor Limited Partnership, that the Executive Director is hereby authorized and directed to amend the term of the Management Agreement for the Property and extend it for one year.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for and on behalf of Manchester Manor Limited Partnership, that the Executive Director is hereby authorized and directed, without any further action on their respective parts, to take any and all other action necessary and proper to carry out the transactions contemplated herein.

**IV. ITEMS REQUIRING DELIBERATION and/or ACTION**

**A. Authorization to Issue up to \$2 Million of Additional Private Activity, Tax-Exempt Bonds and Loan Such Proceeds to Arcola Towers RAD Limited Partnership Transaction and Approval to Fund the Issuance by a Draw on the Original PNC Bank, N.A. Line of Credit (\$60 Million) or Such Other Qualified Tax-Exempt Obligation Subject to Volume CAP**

Kayrine Brown, Chief Investment & Real Estate Officer and Zachary Marks, Asst. Director of New Development, were presenters.

The following resolution was adopted upon a motion by Commissioner McFarland and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and McFarland.

**RESOLUTION No.: 16-07**                      **RE:    Authorization to Issue up to \$2 Million of Additional Private Activity, Tax-Exempt Bonds and Loan Such Proceeds to Arcola Towers RAD Limited Partnership Transaction and Approval to Fund the Issuance by a Draw on the Original PNC Bank, N.A. Line of Credit (\$60 Million) or Such Other Qualified Tax-Exempt Obligation Subject to Volume Cap**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

**WHEREAS** on September 2, 2015, the Housing Opportunities Commission of Montgomery County (the “Commission” or “HOC”) adopted a Bond Authorizing Resolution for the issuance of up to \$40 million of tax-exempt private activity bonds to fund two mortgages for Arcola Towers RAD Limited Partnership (“ATRLP” or the “Partnership”) and Waverly House RAD Limited Partnership (WHRLP); and

**WHEREAS** on November 30, 2015, the Montgomery County Executive signed a resolution to approve the issuance by the Commission of up to \$40 million of private activity, tax-exempt bonds pursuant to the Tax Equity and Fiscal Responsibility Act (“TEFRA”) of 1982 which is effective for up to three years from the approval date; and

**WHEREAS** the Commission issued \$35,850,000 in private activity, tax-exempt bonds which provided \$8,425,487 of permanent mortgage proceeds for WHRLP and \$6,116,778 for

ATRLP at the real estate closings which occurred on December 22, 2015 and December 23, 2015 for the respective transactions; and

**WHEREAS** a sprinkler and fire alarm system installation project for Arcola Towers could not be completed prior to the real estate closing and was added to the overall rehabilitation budget, which increased the development budget and resulted in an increase in tax credit equity for the project due to higher eligible basis on which the tax credits are based but caused the tax-exempt bonds as a percentage of total eligible project costs, inclusive of the Commission's full Development Fee, to fall below the required 50% threshold (the "Federal 50% Test"); and

**WHEREAS** to meet the Federal 50% Test for Federal Tax Law purposes and reinstate the full amount of the Commission's Development Fee originally anticipated, HOC must issue additional private activity, tax-exempt bonds and use those proceeds to fund the cost of the fire alarm and sprinkler installation and may fund the additional bond issuance from a draw on the original PNC Bank, N.A. Line of Credit (\$60 million) (the "LOC") which would be repaid from the County's Capital Improvements Program ("CIP") funds; and

**WHEREAS**, the Commission's bond counsel, Kutak Rock, LLP and Financial Advisor, Caine Mitter and Associates, Incorporated, have confirmed the appropriateness of this additional issuance under the current HOC and County Executive approvals and agrees that the issuance of additional private activity, tax-exempt bonds may be funded by drawing the required amount on the PNC Bank, N.A. Line of Credit; and

**WHEREAS**, in the event that the issuance of another tax-exempt obligation (subject to volume cap and a loan of such funds to the Partnership) will be more favorable than a draw on the LOC, allows the Commission to reinstate its full Development Fee, and allows the Partnership to satisfy the requirements of the Federal 50% Test, then the Commission wishes to avail itself of such other qualified tax-exempt obligation option; and

**WHEREAS**, the Commission anticipates that the funds drawn will remain outstanding until the completion of the rehabilitation in approximately 12 months.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director to take any and all actions necessary to cause the Commission to issue up to \$2 million of additional private activity, tax-exempt bonds and loan such funds to Arcola Towers RAD Limited Partnership, including the allocation of up to \$2 million of volume cap.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director draw up to \$2 million on the PNC Bank, N.A. Line of Credit (\$60 million) or issue such other, more favorable qualified tax-exempt obligation and loan said funds to ATRLP with the loan to be

repaid from County appropriated CIP funds upon completion of the rehabilitation of approximately 12 months, and for Arcola Towers RAD Limited Partnership to accept such loan.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director, without further action on their respective parts, to take any and all other actions necessary and proper to carry out the transaction contemplated herein, including the execution of any loan documents related hereto.

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The following resolution was adopted upon a motion by Commissioner McFarland and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, Hatcher, and McFarland.

**RESOLUTION No.: 16-08**                      **RE:     Authorization to Draw up to \$2 Million on the Original PNC Bank, N.A. Line of Credit (\$60 Million) to Fund the Issuance of Additional Private Activity, Tax-Exempt Bonds and the Making of a Loan to the Arcola Towers RAD Limited Partnership**

**WHEREAS** on September 2, 2015, the Housing Opportunities Commission of Montgomery County (the "Commission" or "HOC") adopted a Bond Authorizing Resolution for the issuance of up to \$40 million of tax-exempt private activity bonds to fund two mortgages for Arcola Towers RAD Limited Partnership ("ATRLP" or "Partnership") and Waverly House RAD Limited Partnership (WHRLP); and

**WHEREAS** on November 30, 2015, the Montgomery County Executive signed a resolution to approve the issuance by the Commission of up to \$40 million of private activity, tax-exempt bonds pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 which is effective for up to three years from the approval date; and

**WHEREAS** the Commission issued \$35,850,000 in private activity, tax-exempt bonds which provided \$8,425,487 of permanent mortgage proceeds for WHRLP and \$6,116,778 for ATRLP at the real estate closings which occurred on December 22, 2015 and December 23, 2015 for the respective transactions but must now issue additional private activity, tax exempt bonds to ensure that the project can pay the full amount of the Development Fee and continue to meet the Federal Low Income Housing Tax Credit 50% Test which requires that the ratio of the tax-exempt bonds as a percentage of total eligible project costs to be equal to or exceed 50% (the "Federal 50% Test"); and

**WHEREAS** in the Commission's bond counsel, Kutak Rock, LLP and Financial Advisor, Caine Mitter and Associates, Incorporated, have confirmed the appropriateness of this additional issuance under the current HOC and County Executive approvals and agrees that the issuance of

additional private activity, tax-exempt bonds may be funded by drawing the required amount on the PNC Bank, N.A. Line of Credit.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director to take any and all actions necessary to effect a draw of up to \$2 million from the PNC Bank, N.A. Line of Credit (\$60 million) and to loan those funds to the Partnership to fund the issuance of additional private activity, tax-exempt bonds to meet the Federal 50% Test for Arcola Towers RAD Limited Partnership.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes the loan term of approximately 12 months with said loan to be repaid from County appropriated funds in its Capital Improvements Program.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of Arcola Towers RAD GP LLC, acting for and on behalf of the Partnership, hereby authorizes and directs the Executive Director, without further action on their respective parts, to take any and all other actions necessary and proper to carry out the transaction contemplated herein.

**V. FUTURE ACTION ITEMS**  
None

**VI. INFORMATION EXCHANGE (CONT'D)**  
None

**VII. NEW BUSINESS**  
Kick-off of the Fatherhood Grant. Legislative and Public Affairs may be reviewing some of the Policies

**VIII. EXECUTIVE SESSION FINDINGS**  
None



The meeting adjourned at 4:35 p.m. for a meeting of the Board of Paddington Square Development Corporation.

The Housing Opportunities Commission meeting reconvened at 4:35 p.m. to adjourn.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

**Resolution No.: 16-09**

**RE: Consent to Property Operations Assistance Between Commission and Edgewood Management Corporation Relating to Hampden Lane, MHLP VII, MHLP VIII, MHLP IX, and MHLP X Properties**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the “Commission”) is or controls the general partner of 4913 Hampden Lane Limited Partnership (the “Hampden Lane Owner”), Montgomery Homes Limited Partnership VII (the “MHLP VII Owner”), Montgomery Homes Limited Partnership VIII (the “MHLP VIII Owner”), Montgomery Homes Limited Partnership IX (the “MHLP IX Owner”) and Montgomery Homes Limited Partnership X (the “MHLP X Owner” and collectively, the “Owners”), each a Maryland limited partnership and the owner of housing units located in Montgomery County; and

**WHEREAS**, the Commission is the property manager of the property owned by the Owners pursuant to Management Agreements between each respective Owner and the Commission (collectively, the “Management Agreements”); and

**WHEREAS**, the Commission recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBs”); and

**WHEREAS**, the Management HUBs manage, among other units, 12 units owned by the Hampden Lane Owner, 33 units owned by the MHL P VII Owner, 40 units owned by the MHL P VIII Owner, 84 units owned by the MHL P IX Owner, and 48 units owned by the MHL P X Owner (collectively, the “Portfolio”); and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Commission believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the Commission, acting for itself and for and on behalf of each Owner, as its general partner or the sole member of its general partner, that the Owners consent to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the Commission, acting for itself and for and on behalf of each Owner, as its general partner or the sole member of its general partner, that the Executive Director of the Commission is authorized to execute a consent to the Contract on behalf of each of the Owners, and without further action on their respective parts, to take such other actions as may be necessary and proper to carry out the transactions contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by the Housing Opportunities Commission of Montgomery County acting for itself and for and on behalf of 4913 Hampden Lane Limited Partnership, Montgomery Homes Limited Partnership VII, Montgomery Homes Limited Partnership VIII, Montgomery Homes Limited Partnership IX and Montgomery Homes Limited Partnership X at a regular meeting conducted on February 3, 2016.

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

# **APPROVAL OF SELECTION OF 2016 HOUSING HONOR ROLL AND SPECIAL RECOGNITION AWARD RECIPIENTS**

**FEBRUARY 3, 2016**

- Each year at the Annual Meeting, the Housing Opportunities Commission recognizes people and organizations that have made outstanding contributions to affordable housing, the well-being of our residents or HOC operations. The Housing Honor Roll is one of the awards.
- The 2016 Housing Honor Roll award recipient is Jean Banks. Ms. Banks served as a Commissioner with the Housing Opportunities Commission from November 2007 to July 2015. Ms. Banks was Chair Pro Tem at the time of her passing and served on the Hearing Board and Legislative and Regulatory Committee.
- This year, the Commission will also present Special Recognition Awards to Roberto Pinero and Dr. DeRionne Pollard.
- Roberto Pinero served as a Commissioner with the Housing Opportunities Commission for two and a half terms. He was appointed by the Montgomery County Council for unprecedented three terms starting in 2003. During his time on the board, he focused balancing HOC's capital needs, continuing its excellent customer service and making responsible fiscal decisions on behalf of clients and the goals and needs of HOC. Mr. Pinero served as Chair Pro Tem, Vice Chair and Chair for the Commission from 2011 to 2015.
- Dr. DeRionne Pollard is President of Montgomery College which entered into a partnership with HOC in 2014. The partnership has provided more than \$21,000 in tuition assistance to 27 HOC residents pursuing degree and certification programs at Montgomery College. Dr. Pollard had the vision and courage to establish a post-secondary educational/housing authority partnership which has the power to change lives and help HOC clients achieve their desired careers. The partnership grew in 2015 to include mathematics and literacy assessments to participants in HOC Academy's new Construction 101 class. Her positive attitude and commitment to helping others has made a tremendous difference in the lives of many HOC clients.



residents pursuing degree and certification programs at Montgomery College. Dr. Pollard had the vision and courage to establish a post-secondary educational/housing authority partnership which has the power to change lives and help HOC clients achieve their dream careers. The partnership grew in 2015 to include mathematics and literacy assessments to participants in HOC Academy's new Construction 101 class. Her positive attitude and commitment to helping others has made a tremendous difference in the lives of many HOC clients.

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**ISSUES FOR CONSIDERATION:**

Does the Commission wish to approve the Housing Honor Roll and Special Recognition Awards recipients?

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**PRINCIPALS:**

N/A

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**BUDGET IMPACT:**

None

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**TIME FRAME:**

For Commission action on February 3, 2016.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends approval of awarding the 2016 Housing Honor Roll to Jean Banks and the two Special Recognition Awards to Roberto Pinero and Dr. DeRionne Pollard.

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**RESOLUTION No.: 16-10**

**RE: Approval of Selection of 2016  
Housing Honor Roll Recipient**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County annually honors people and organizations that have made outstanding contributions to affordable housing, the well-being of our residents and clients, or HOC operations; and

**WHEREAS**, the 2016 Housing Honor Roll award recipient is Jean Banks, a former HOC Commissioner and Chair Pro Tem; and

**WHEREAS**, Ms. Banks tirelessly advocated for affordable housing in Montgomery County; and

**WHEREAS**, Ms. Banks was dedicated and committed to serving the HOC clients, providing families and youth opportunities to succeed.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Jean Banks is the recipient of the 2016 Housing Honor Roll award.

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**Patrice Birdsong  
Special Assistant to the Commission**

**RESOLUTION:**

**RE: Approval of Selection of 2016  
Special Recognition Award Recipient**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County annually honors people and organizations that have made outstanding contributions to affordable housing, the well-being of our residents and clients, or HOC operations; and

**WHEREAS**, a 2016 Special Recognition Award is given to Roberto Pinero, a former Commissioner who served as Chair Pro Tem, Vice Chair and Chair; and

**WHEREAS**, Mr. Pinero has demonstrated an unwavering commitment to the clients of the Housing Opportunities Commission; and

**WHEREAS**, Mr. Pinero used his experience, leadership and expertise to ensure HOC balanced its capital needs, continued its excellent customer service and made responsible fiscal decisions to benefit clients and the agency.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Roberto Pinero is a recipient of a 2016 Special Recognition Award.

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**Patrice Birdsong  
Special Assistant to the Commission**



**RESOLUTION:**

**RE: Approval of Selection of 2016  
Special Recognition Award Recipient**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County annually honors people and organizations that have made outstanding contributions to affordable housing, the well-being of our residents and clients, or HOC operations; and

**WHEREAS**, a 2016 Special Recognition Award is given to Dr. DeRionne Pollard, President of Montgomery College; and

**WHEREAS**, her leadership and vision bolstered a partnership between Montgomery College and HOC; and

**WHEREAS**, the partnership has provided HOC residents with tuition assistance to pursue degree and certification programs.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Dr. Pollard is a recipient of a 2016 Special Recognition Award.

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**Patrice Birdsong  
Special Assistant to the Commission**

# Information Exchange



Report of the Executive Director  
Stacy L. Spann  
February 3, 2016

## **Property Management**

### *Blizzard 2016*



The Baltimore/Washington corridor experienced a record-breaking winter storm last week. Some parts of Montgomery County saw more than 30 inches of snow. This amount of snow is a challenge to remove. Property Management offices opened on Monday, January 25, 2016 to coordinate snow removal and assist residents with any concerns. Within 24 hours, all sidewalks at HOC properties and HUBs were clear. The crews faced several challenges: full parking lots and limited space to put the large amounts of plowed snow. HOC used additional equipment at some properties to assist with large volumes of snow.

Technicians and/or custodians stayed overnight at all HUBs throughout the weekend when the storm hit. We experienced some construction delay as contractors could not access certain properties, but this was limited to scattered sites. Management at all HUBs worked with contractors and staff to make sure every entrance and exit was clear and safe. We received a few complaints of slower than desired plowing and removal through 311 but we were unable to respond because no addresses were provided.

I am pleased to inform you that HOC received no reported emergencies, injuries or resident relocations before, during or after the winter storm.

## **Mortgage Finance**

### *Arcola Towers and Waverly House*

On December 22 and December 23, 2015, Mortgage Finance, Real Estate and Legal teams, successfully closed on the real estate, tax credit equity and FHA Risk Share loans for Arcola Towers and Waverly House. Both communities have now converted from Public Housing to Project Based Rental Assistance (PBRA) contracts under the Rental Assistance Demonstration (RAD) program. The communities have a total of 298 units and serve low-income senior citizens and people with disabilities.



The financing used approximately \$35 million in short-term and long-term bonds for the acquisition and rehabilitation of both senior communities. The planned renovations at both communities total \$24 million and will enhance the lives of our senior population and our assets. The permanent Risk Share mortgages on the properties will bear interest at 4.55% for 37 years with both communities achieving a 1.15 Debt Service Coverage Ratio.

Arcola and Waverly will also benefit from a combined \$23 million in equity raised from the sale of Low Income Housing Tax Credits (LIHTC) by the property's investors Boston Capital and R4 Capital. HOC will be the managing general partner. The PBRA contracts will provide federal subsidies for all of the units at Arcola and 145 units at Waverly. The remaining 12 units at Waverly will be restricted to households earning 60% or less of the Area Median Income.

#### *Alexander House and Greenhills Apartments*

On January 8, 2016, Mortgage Finance and Legal teams closed two tax-exempt interim loans with BB&T Bank in the amount of \$20.59 million for Alexander House and \$4.30 million for Greenhills Apartments.



The Commission approved the interim financing plan for both properties on September 2, 2015. The interim BB&T loans will free up \$24.47 million on the Commission's \$90 million PNC Real Estate Line of Credit, while continuing to provide both properties with low, short-term borrowing costs, as the properties await redevelopment within the next two years.

The Alexander House loan is interest-only for two years with a fixed interest rate of 1.93% and an option to extend one year at a tax-exempt variable rate. The Greenhills loan is also interest-only with a term of one year with a fixed interest rate of 1.57% and an option to extend for up to one additional year at a tax-exempt variable rate.

Both Alexander House and Greenhills Apartments are projected to maintain healthy debt service coverage ratios of 8.66 and 8.56, respectively.

#### **Real Estate**

##### *RAD Meetings*

On Monday, January 4, 2016, Real Estate and Public Affairs held a RAD meeting for residents at Arcola Towers. HOC also held a RAD meeting on Thursday, January 7, 2016 for residents at Waverly House.

During the RAD meetings, clients received updates on the projected time frame and which units will undergo renovations first. Staff answered client questions and met one-on-one with residents after the

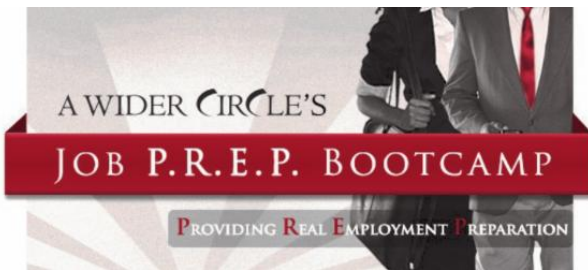
RAD meeting to discuss individual concerns. HOC held both meetings in four different languages with the help of translators.

Real Estate held additional meetings on Wednesday, January 20, 2016 at Arcola Towers and Thursday, January 21, 2016 at Waverly House to discuss the moving process with residents.

Renovations are scheduled to begin in the next 60 days and both projects are expected to be completed in approximately 12 to 13 months. To date, HOC has closed nine of the 11 approved properties in the RAD program.

### **HOC Academy**

#### *Job P.R.E.P. Boot Camp*



HOC Academy and A Wider Circle held a one-week Job P.R.E.P. Boot Camp for clients last week. A second session will be held from April 4 to April 8, 2016.

The Boot Camp focuses on resume writing, interview skills, career path identification and job advancement.

Each participant is matched with a job coach and

given access to computers for resume writing and job searches.

The interactive workshop is a great opportunity for clients to prepare for a new career or advance their current position. It also boosts their confidence.

# HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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## February 2016

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3	HOC Annual Meeting Reception ( <i>All</i> )	3:00 p.m.
3	HOC Annual Meeting ( <i>All</i> )	4:00 p.m.
4	Town Center Board Meeting ( <i>Simon, Roman</i> ) <small>(Kensington Hearing Room)</small>	2:30 p.m.
8	Town Hall Meeting ( <i>All</i> ) <small>(Julius West Middle School, 651 Great Falls Rd., Rockville, MD 20850)</small>	6:00 p.m.
12	Status/Lunch Meeting w/Executive Director ( <i>All</i> ) – Location TBD	12:00 noon
15	President’s Day (HOC Offices Closed)	
18	MAHC Housing Day in Annapolis (House Office Bldg., Rm. 170 & 180) <i>(All)</i>	8:00 a.m. - noon
19	Development and Finance Committee Meeting ( <i>McFarland, Nelson, Simon</i> )	9:30 a.m.
22	Agenda Formulation ( <i>Roman, Simon</i> )	12:00 noon
22	Resident Advisory Board Meeting	6:00 p.m.
23	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.

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## March 2016

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2	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
15	Legislative and Regulatory Committee Meeting ( <i>Hatcher, Simon</i> )	2:00 p.m.
18	Development and Finance Committee Meeting ( <i>McFarland, Nelson, Simon</i> )	9:30 a.m.
21	Resident Advisory Board Meeting	6:00 p.m.
28	Agenda Formulation ( <i>Roman, Simon</i> )	12:00 noon
30	Bauer (Banor) Board Meeting ( <i>Hatcher, Nelson</i> )	7:30 p.m.

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## April 2016

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6	Public Hearing – re: HOC’s Proposed Fiscal Year 2017 Annual Public Housing Agency Plan	3:30 p.m.
6	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
10-12	NAHRO – Washington Conference ( <i>All</i> ) <small>(Crystal Gateway Marriott, 1700 Jefferson Davis Hwy., Arlington, VA 22202)</small>	
13	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.
13	Town Center Board Meeting ( <i>Simon, Roman</i> ) <small>(Kensington Hearing Room)</small>	2:30 p.m.
13-16	NALHFA 2016 Annual Conference <small>(Dallas Fairmont, 1717 N. Akard St., Dallas, TX 75201)</small>	
15	Status/Lunch Meeting w/Executive Director ( <i>All</i> ) – Location TBD	12:00 noon
18	Resident Advisory Board Meeting	6:00 p.m.
21	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.
22	Development and Finance Committee Meeting ( <i>McFarland, Nelson, Simon</i> )	9:30 a.m.
25	Agenda Formulation ( <i>Roman, Nelson</i> )	12:00 noon
28-29	National Housing Conference <small>(Baruch College, 55 Lexington Ave., New York, NY 10010)</small>	

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## May 2016

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4	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
5	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.

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11	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.
13	Development and Finance Committee Meeting ( <i>McFarland, Nelson, Simon</i> )	9:30 a.m.
16	Agenda Formulation ( <i>Roman, Nelson</i> )	12:00 noon
16	Resident Advisory Board Meeting	6:00 p.m.
19	Budget, Finance and Audit Committee Meeting ( <i>Roman, Nelson</i> )	10:00 a.m.
24	Legislative and Regulatory Committee Meeting ( <i>Hatcher, Simon</i> )	2:00 p.m.

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**June 2016**

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1	HOC Regular Meeting ( <i>All</i> )	4:00 p.m.
17	Development and Finance Committee Meeting ( <i>McFarland, Nelson, Simon</i> )	9:30 a.m.
20	Resident Advisory Board Meeting	6:00 p.m.
27	Agenda Formulation ( <i>Roman, McFarland</i> )	12:00 p.m.

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Activities of Interest

Hearing Board

TBD      Joint Meeting with Commission on People with Disabilities

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# TO DO / ACTION

Ref. #	DUE DATE	ACTION	STAFF	STATUS
TD-14-07	Winter 2016	Procurement Policy & Personnel Policy	KM-BA/PM	In Progress
TD-15-01	Winter/Spring 2016	Property Tour – 669 Properties (Renovated Units) to include Westwood Towers & Bethesda Gallery	KB/PB	Complete
	Winter 2016	Property Tour Part II – RAD 6 Properties	KB/PB	In Progress
TD-15-02	Winter 2016	Update Administrative Guide for Commissioners and Staff	SS	In Progress
TD-15-03	Winter 2016	Worksession – Assisted Housing and Family Self-Sufficiency Program		To Be Scheduled
TD-15-04	Winter 2015/2016	Mortgage Finance: Research Items <ul style="list-style-type: none"> <li>• Loan Limit Testing</li> <li>• FHA Troubled Access Recovery</li> </ul>	KB	To Be Scheduled
TD-16-01	Winter 2016	Joint Meeting w/Planning Board	PB	Scheduled 1/28/16



# Committee Reports and Recommendations for Action

# Development and Finance Committee

# Approval to Select Miner Feinstein Architects as Interior Unit Architect, Authorization for the Executive Director to Negotiate and Execute a Contract, and Approval to fund the Predevelopment Expenditure for Alexander House Development Corporation

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**STACY L. SPANN, EXECUTIVE DIRECTOR**

KAYRINE V. BROWN  
ZACHARY MARKS  
BRIAN KIM  
HYUNSUK CHOI

February 3, 2016

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# Executive Summary

- Alexander House Apartments (the “Development”) was constructed in 1992 and is located at 8560 Second Avenue, near the Silver Spring Metro Station. The property is a single sixteen story building with a three-level underground parking garage. The building contains 311 units, 203 parking spaces, management offices, and maintenance and engineering rooms. The property also shares a common outdoor pool with Elizabeth House Apartments, the property adjacent to the north.
- Alexander House is an important element of the redevelopment of Elizabeth Square. The preliminary and project plan for Elizabeth Square which was approved on July 23, 2015 also includes amendments to the property. Further, minor site plan amendment approval was achieved for the property on June 9, 2015, incorporating it seamlessly into the overall square.
- Upon refinancing of Alexander House, the equity proceeds may be contributed to the funding of the affordable housing component of Elizabeth House III.
- On November 2, 2015, HOC issued a request for proposal (“RFP”) #1975 for Architectural Services, Scope of Work and Design Documents for modernizing interior units.
- Based on the evaluation of the four responses, staff recommends Commission approval of the selection by Alexander House Development Corporation (AHDC), of Miner Feinstein Architects to complete architectural design and drawings for renovation of the interior of the units at Alexander House Apartments, and for the negotiating and execution of related contract documents.
- On January 7, 2016, HOC issued a request for qualification (“RFQ”) #1980 for Contractor Evaluation and Selection Process. This is a two-part selection process. The first part, a Request for General Contractor Prequalification Submissions, will enable HOC to develop a list of prequalified General Contractors from which HOC will then solicit proposals for price and time of completion. The second part is a Contractor Evaluation and Selection process to evaluate the actual proposals submitted.
- To prepare for closing during 4th quarter of 2016, it is necessary to engage legal services to prepare contract documents, third party professionals, third party reports, architectural services to begin permit/construction drawings for the interior renovation plan, and prepare a Low Income Housing Tax Credit (“LIHTC”) application to the Maryland Department of Housing and Community Development (“DHCD”).
- Staff herein requests a predevelopment loan of \$1,025,420 to the Development to be funded from the Opportunity Housing Reserve Fund (“OHRF”) to prepare and submit a LIHTC application. The loan will be repaid from permanent financing proceeds at closing. The unobligated balance in the OHRF as of January 15, 2016 is \$13.5 million.

# Executive Summary

<b>Project Name</b>	Alexander House Apts	<b>Current/Projected Units</b>	311/303	<b>Projected Closing Date</b>	Winter 2016
<b>Location</b>	Silver Spring, MD	<b>Average Unit Size (SF)</b>	728	<b>Projected Stabilization Date</b>	Summer 2018
<b>Product Type</b>	High Rise	<b>Occupancy (a/o 12/31/15)</b>	86.2%	<b>Recapitalization Strategy</b>	Rehab
<b>Year Built</b>	1992	<b>Total Building Sqft</b>	278,038	<b>Funding Strategy</b>	4% LIHTC/Bonds

## Development Updates



- ① EH III (Future)
- ② EH IV (Future)
- ③ Alexander House Apts

- Upon approval of this request, Miner Feinstein Architect will join the lead architect, KGD Architect, of the project design team and begin permit/construction drawings for the full renovation plan.
- This design phase and preparation for the LIHTC application to CDA is projected to proceed through the second quarter of 2016.

# Scope of Work - Summary



*Existing Kitchen*

## Interior Renovation

KGD

- Renovations to the 1st and 2nd floors to accommodate the Public Use space and residential programming including new leasing office and mail room
- The clubroom and fitness area can be relocated to the 1st and 2nd floors of the building where existing 2 story spaces exist
- Updates to the common corridors with new finishes and lighting
- Unit Kitchen & Bath upgrades (inclusive of new floor finishes, new entry door, new appliances, low flow plumbing fixtures and new lighting fixtures).

MF Architects

These improvements will not only address curb appeal but also – and more importantly – increase energy efficiency, extend the property’s useful life, and allow the property to better compete in the marketplace.

## Exterior renovations

- Enclosure of the first floor tunnel to accommodate new building entrance lobby
- Hardscape and Landscape changes along Second Avenue and Apple Avenue
- Exterior window and balcony sliding door replacement
- Exterior balcony rail and divider panel replacement
- HVAC replacement (unit and common areas)
- Entrance canopy at SE corner of building

KGD

Ensure a pragmatic and cost-effective approach to the renovation program.

February 3, 2016



*Existing Exterior*

# Selection of Architect - Qualifications

HOC issued a request for proposals (“RFP”) # 1975 for Architectural Services, Scope of Work and Design Documents for Modernizing interior units at Alexander House. The scoring team (consisting of staff from Mortgage Finance, Real Estate Development and Property Management) completed its review of the responses on December 10, 2015, based on the following criteria:

- **Experience (45 points)**
  - Key Factors: Demonstrated experience as interior unit architect on similar projects located in the Washington, DC metropolitan area, specifically with affordable housing, local building codes and experience with High rise building
  - Strong track record of completed projects over the past five years utilizing Low Income Housing Tax Credits in Maryland
- **Price (25 points)**
- **Qualifications (20 points)**
  - Key Factors: Principal and staff resumes, organization/team ability and availability to undertake and successfully complete the project: commitment to adhere to HOC’s Section 3 requirement; and willingness to employ and train minority, female, and disabled persons
  - Ability of the organization/team to undertake and complete successfully projects of comparable size and scope
- **Schedule (10 points)**
  - Anticipated schedule in detail for production of each phase of architectural documents



# Selection of Architect – Scoring Summary

There were four respondents to the Alexander House RFP. Of the four qualified responses, Miner Feinstein Architects scored highest in the average of the evaluators' scores on the criteria. The firm's total score was **94.7%**. Included in its experience is a proven history of successful work with HOC on the rehabilitation of Arcola Towers, Timberlawn Crescent, and Pomander Court. All firms have prior experience with HOC's projects. The difference in price when compared to the next highest bidder is negligible; therefore, staff proposes the selection of Miner Feinstein Architects.

Rank	Architect	Experience with High rise Renovation & LIHTC Projects (45%)	Qualifications (20%)	Schedule (10%)	Price (25%)	Total	Price
1	Miner Feinstein Architects	43.0	20.0	9.0	22.7	94.7	\$206,300.00
2	Architecture by Design	41.7	19.7	7.0	22.7	91.0	\$206,425.00
3	Bennett, Frank, McCarthy Architects, Inc.	28.3	12.0	7.0	25.0	72.3	\$96,162.50
4	Karl Riedel Architecture	35.0	14.3	9.0	11.7	70.0	\$343,484.00

\*Evaluated by: Mortgage Finance, Real Estate Development and Property Management

As part of HOC's continuing effort to provide its residents with higher quality and amenity-rich affordable housing, staff proposes an interior renovation similar in scope to Arcola Towers and Waverly House. Staff has requested that the interior unit architect include in its pricing, all interior apartment units, lighting fixtures, common area wall colors and treatments, and corridors.

# Projected Predevelopment Budget

Discipline	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total
Architect		\$21,900	\$22,600	\$15,500	\$57,600						\$117,600
Legal											
Contracts (Architects, Civil and GC)		\$10,000	\$5,000		\$15,000						\$30,000
Tax Credit (Application, Structuring & LOI Negotiation)				\$5,000							\$5,000
Condo Documents		\$20,000									\$20,000
Third Party Consultants											
Phase I			\$4,000								\$4,000
Market Study			\$7,600								\$7,600
Appraisal			\$5,000								\$5,000
Energy Audit			\$10,000								\$10,000
Survey								\$3,000			\$3,000
Construction Management (Preconstruction)	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000		\$45,000
Tax Credit Application, Reservation Fee, Allocation Fee and Due Diligence Tasks				\$2,500	\$5,000			\$92,500			\$100,000
Permit & Impact Fees						\$250,000	\$250,000				\$500,000
County Fibernet						\$85,000					\$85,000
Contingency (10%)	\$500	\$5,690	\$5,920	\$2,600	\$8,260	\$34,000	\$25,500	\$11,250	\$500		\$94,220
<b>Total Costs</b>	<b>\$5,500</b>	<b>\$62,590</b>	<b>\$65,120</b>	<b>\$30,800</b>	<b>\$90,860</b>	<b>\$374,000</b>	<b>\$280,500</b>	<b>\$110,550</b>	<b>\$5,500</b>		<b>\$1,025,420</b>

- The above schedule outlines the likely predevelopment expenditures through closing. To prepare for closing during 4th quarter of CY 2016, it is necessary to engage legal services to prepare contract documents, third party professionals, third party reports, architectural services to begin permit/construction drawings for the interior renovation plan, and prepare LIHTC application to CDA.
- The unobligated balance in the OHRF as of December 31, 2015 is \$13,517,663. If approved, the unobligated OHRF balance will be \$12,492,243.

Total Predevelopment period funding required: \$1,025,420

All OHRF funds reimbursed at close of financing (projected for 4th Quarter of 2016)

# Summary and Recommendations

## Issues for Consideration

Does the Commission wish to accept the recommendations of the Development and Finance Committee which met on January 22, 2016, to:

1. Approve of the selection by Alexander House Development Corporation (“AHDC”) of Miner Feinstein Architects as interior unit architect for the renovations of Alexander House Apartments and
  - Authorize the Executive Director to enter into interior unit architect contract negotiations,
  - Authorize the Executive Director to execute interior unit architect contracts for the renovation of the Property?
2. Approve \$1,025,420 as a predevelopment loan from the OHRF to Alexander House Development Corporation?

## Time Frame

Action at the February 3, 2016 meeting of the Commission.

## Budget Impact

There is no adverse impact for the Agency’s FY 2016 operating budget.

## Staff Recommendation and Commission Action Needed

Staff recommends that the Commission accept the recommendation of the Development and Finance Committee and approve the selection by AHDC of Miner Feinstein Architects as architect for the interior units renovation at Alexander House Apartments and authorize the Executive Director to negotiate and execute related documents.

Staff also recommends Commission approval of \$1,025,420 as a predevelopment loan to Alexander House Development Corporation, funded from the OHRF and repaid from permanent loan proceeds at closing.

**RESOLUTION No.: 16-11**

**RE: Approval of the Selection by Alexander House Development Corporation (AHDC) of Miner Feinstein Architects as Interior Unit Architect and AHDC's Execution of an Architect Contract, and Approval to fund a Predevelopment Loan to AHDC**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission"), 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 financing for the construction of rental housing properties which provide a public purpose; and

**WHEREAS**, Alexander House Apartments (the "Development") was originally constructed in 1992 at 8560 Second Avenue, near the Silver Spring Metro Station as a single sixteen-story building with 311 units, 203 parking spaces in a tri-level underground parking garage, management offices, maintenance and engineering rooms, as well as a common outdoor pool shared with Elizabeth House Apartments, the property adjacent to the north; and

**WHEREAS**, the Development is an important element of the redevelopment of Elizabeth Square; and

**WHEREAS**, the preliminary and project plan for Elizabeth Square, which was approved on July 23, 2015, includes amendments to the Development; and

**WHEREAS**, minor site plan amendment approval was achieved for the Development on June 9, 2015, incorporating it seamlessly into the overall plan for Elizabeth Square; and

**WHEREAS**, on November 2, 2015, HOC issued a request for proposal ("RFP")#1975 for Architectural Services, Scope of Work and Design Documents for modernizing units of the Development (the "RFP"); and

**WHEREAS**, there were four respondents to the RFP, of which, Miner Feinstein Architects scored highest in the average of the evaluators' scores on the criteria with an average score of 94.67%; and

**WHEREAS**, HOC wishes to approve the engagement by AHDC of Miner Feinstein Architects as the architect for the interior unit renovations for the Development; and

**WHEREAS**, the Commission wishes to fund \$1,025,420 for predevelopment expenses at the Development with a loan to the Alexander House Development Corporation (the "Predevelopment Loan") from the Opportunity Housing Reserve Fund ("OHRF"), to cover among other expenses, preliminary architectural services and the preparation of a LIHTC application for submission to the Maryland Department of Housing and Community Development ("DHCD"), which Predevelopment Loan will be repaid to the Commission at the time that AHDC closes on its construction financing; and

**WHEREAS**, the Commission will review and approve a Final Development Plan once the costs and budget are more fully understood and developed.

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

1. It hereby approves the selection by Alexander House Development Corporation of Miner Feinstein Architects as interior unit architect for the renovations of Alexander House Apartments and AHDC's execution of a contract for up to \$206,300 with Miner Feinstein Architects.
2. It presently intends and reasonably expects to finance certain predevelopment expenditures for Alexander House (the "Development") with moneys currently contained in its OHRF.
3. It approves use of the OHRF to fund predevelopment expenditure of approximately \$1,025,420 as a loan to AHDC to be repaid from permanent tax-exempt bond financing or other proceeds.
4. All of the capital expenditures covered by this Resolution which may be reimbursed with proceeds of tax-exempt borrowings were made not earlier than 60 days prior to the date of this Resolution except preliminary expenditures related to the Development as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).
5. It presently intends and reasonably expects to participate in tax-exempt borrowings of which a portion of the proceeds will be applied to reimburse the Commission for its expenditures in connection with the Development.
6. All prior acts and doings of the officials, agents and employees of the Commission which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Development, shall be and the same hereby are in all respects ratified, approved and confirmed.
7. All other resolutions of the Commission, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the *extent* of such inconsistency.

**I HEREBY CERTIFY** that the foregoing resolution was approved by the Housing Opportunities Commission of Montgomery County at an open meeting on February 3, 2016.

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Patrice M. Birdsong  
Special Assistant to the Commission

**APPROVAL TO WAIVE THE PROCUREMENT PROCESS IN EXTENDING CONTRACT #14-1883B FOR TWO YEARS FOR ADVISORY SERVICES IN SUPPORT OF HOC'S PARTICIPATION IN THE RAD PROGRAM**

February 3, 2016

- HOC issued RFP #1883 on May 10, 2013, to solicit proposals from qualified consultants capable of providing expertise in support of HOC's potential disposition efforts via the Rental Assistance Demonstration ("RAD") program.
- On October 2, 2013, the Commission approved the selection of the Morrison Avenue Capital Partners/Censeo team to provide advisory services in support of HOC's participation in the RAD program.
- The terms of the contract included a \$600 per converted unit fee payable at various milestones for the conversion of each property and a duration of two years beginning upon execution, which occurred on November 4, 2013. The contract did not provide any extensions.
- With nine of 11 properties converted and the other two properties having received CHAPs and determined plans for conversion, staff does not see any value in returning to the market for a new solicitation.
- The Commission has been reimbursed for 100% of fees paid thus far for the nine converted properties. In the same manner, the final two properties to be converted will reimburse the Commission for 100% of fees related to this engagement.

Staff recommends that the Commission approve:

- 1) a waiver of the procurement process which would normally require a new public solicitation; and
- 2) an extension of the existing contract of two years.

**MEMORANDUM**

**TO:** Housing Opportunities Commission

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

**FROM:** Division: Real Estate  
Staff: Kayrine V. Brown, Chief Investment & Real Estate Officer Ext. 9589  
Zachary Marks, Assistant Director of New Development Ext. 9613

**RE:** Approval to Waive the Procurement Process in Extending Contract #14-1883B for Two years for Advisory Services in Support of HOC’s Participation in the RAD Program

**DATE:** February 3, 2016

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**STATUS: Committee Report Deliberation   X**

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**OVERALL GOAL & OBJECTIVE:**

To complete the conversion via the Rental Assistance Demonstration (“RAD”) program of HOC’s Public Housing portfolio.

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**BACKGROUND**

HOC began its participation in the RAD program when, in August of 2015, staff submitted applications for each of its 11 multifamily Public Housing properties as well as an application for a portfolio award. Having already received approval from the United States Department of Housing and Urban Development (“HUD”) for a Section 18 application to dispose of all 669 scattered site Public Housing units, HOC sought to exit Public Housing altogether via the RAD program.

On May 10, 2013, HOC issued Request For Proposals (“RFP”) #1883 soliciting qualified consultants capable of providing expertise in support of HOC’s participation in the RAD program. Only two firms responded, and the Commission ultimately selected the team of Morrison Avenue Capital Partners and Censeo (“MACP & C”). MACP & C brought considerable experience in affordable housing finance, HUD demonstration programs, and statutory and regulatory compliance.

On November 4, 2013, the Commission entered into a two-year contract for advisory services related to the conversion of HOC’s 877 units of multifamily Public Housing via the RAD program. HOC received a Commitment to enter into a Housing Assistance Payment contract (“CHAP”) for

each of its 11 properties – amounting to an approval to participate in the RAD program – and a portfolio award acknowledging that HOC’s plan to exist Public Housing completely was viable.

Up to the present, MACP & C has been instrumental in helping HOC to convert nine of 11 properties comprising 621 units. Of the eight properties that were retained (the ninth, Emory Grove, has been vacated for future redevelopment), conversion via RAD has brought more than \$35MM in renovation capital to these communities. The remaining two properties will be vacated similarly to Emory Grove. Permanent relocation options for residents of those two properties have been secured.

### **RATIONALE FOR THE WAIVER**

Staff requests an extension of the contract with MACP & C to continue to provide advisory services to HOC through the concluding two conversions. A major component of the original solicitation focused on assessing and developing the strategies for the conversion of each of the multifamily Public Housing properties. While two properties remain unconverted, the strategies for converting those properties are well understood. What remains is simply the execution of these plans.

A new solicitation would have to be for a dramatically reduced scope and would be based on the substantial work MACP & C has assisted HOC in producing over the term of the original contract. It would be difficult to assess replies as MACP & C would have such extensive knowledge of the project and properties. Additionally, it is not clear that other firms would view the solicitation as truly open given that knowledge.

MACP & C have not requested any change in the remunerative terms. So, should HOC conduct a new solicitation, it would risk higher pricing. Staff is very satisfied with the quality and level of work produced by MACP & C. The first of the two remaining properties is expected to convert by the summer of 2016, and the second of the two is expected to convert approximately 14 months from now.

This request for waiver of the HOC procurement process is to increase the time to complete a full conversion under RAD and does not increase the approved funding. The Commission approved funding \$526,200 on October 2, 2013 to complete the conversion of the entire portfolio. To date MACP & C has been paid \$403,320 with the remaining \$122,880 due for each of the two remaining properties at achievement of the remaining two milestones: 1) submission of financing plan and 2) receipt of RAD Commitment to Convert.

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### **ISSUES FOR CONSIDERATION:**

Does the Commission wish to approve:

1. A waiver of procurement process in extending Contract #14-1883B, which has expired?



2. The extension of Contract #14-1883B for an additional two years at the same terms included in Contract #14-1883B?

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**PRINCIPALS:**

Housing Opportunities Commission of Montgomery County  
Morrison Avenue Capital Partners  
Censeo, Inc.

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**BUDGET/FISCAL IMPACT:**

There is no direct impact on the HOC Operating Budget. Fees will be paid out of approved HOC balance sheet sources in the interim and fully reimbursed at conversion by project sources of capital. Further, no new funding is required or requested.

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**TIME FRAME:**

For action at the open meeting of the Commission on February 3, 2016.

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**STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:**

Staff recommends that the Commission approve:

1. A waiver of procurement process in extending Contract #14-1883B.
2. The extension of Contract #14-1883B for an additional two years at the same terms included in Contract #14-1883B.

**RE: Waiver of the Procurement Process in Extending Contract #14-1883B for Two Years for Advisory Services in Support of HOC's Participation in the RAD Program**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County ("HOC" or the "Commission") issued RFP #1883 on May 10, 2013, to solicit proposals from qualified consultants capable of providing expertise in support of HOC's potential disposition efforts via the Rental Assistance Demonstration ("RAD") program; and

**WHEREAS**, on October 2, 2013, the Commission approved the selection of the Morrison Avenue Capital Partners/Censeo team ("MACP & C") to provide advisory services in support of HOC's participation in the RAD program; and

**WHEREAS**, the terms of the contract included a per-converted unit fee payable at various milestones for the conversion of each property and a duration of two years beginning upon execution, which occurred on November 4, 2013; and

**WHEREAS**, HOC has converted nine of its 11 Public Housing properties via the RAD program and has two unconverted properties which have received CHAPs and for whom plans have been determined for conversion; and

**WHEREAS**, HOC is satisfied with the quality of the advisory services provided by MACP & C.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it waives its procurement process in extending contract #14-1883B for two years for advisory services with no other changes to the terms of the original contract.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, without further action on its part, is hereby authorized and directed to take any and all other actions necessary and proper to carry out the transaction contemplated herein including but not limited to the execution of any amendment to the original service contract.

**I HEREBY CERTIFY** that the foregoing resolution was approved by the Housing Opportunities Commission of Montgomery County in an open meeting conducted on February 3, 2016.

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Patrice M. Birdsong  
Special Assistant to the Commission

# Deliberation and/or Action

# Future Action

# Information Exchange

# New Business

# Executive Session Findings

Adjourn



# Development Corporation Meetings

# Alexander House Development Corporation

# ALEXANDER HOUSE DEVELOPMENT CORPORATION

## Approval to Select Miner Feinstein Architects as Interior Unit Architect, Authorization for the Executive Director to Negotiate and Execute a Contract, and Approval to fund the Predevelopment Expenditure for Alexander House Development Corporation

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**STACY L. SPANN, EXECUTIVE DIRECTOR**

KAYRINE V. BROWN  
ZACHARY MARKS  
BRIAN KIM  
HYUNSUK CHOI

February 3, 2016

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# Executive Summary

- Alexander House Apartments (the “Development”) was constructed in 1992 and is located at 8560 Second Avenue, near the Silver Spring Metro Station. The property is a single sixteen story building with a three-level underground parking garage. The building contains 311 units, 203 parking spaces, management offices, and maintenance and engineering rooms. The property also shares a common outdoor pool with Elizabeth House Apartments, the property adjacent to the north.
- Alexander House is an important element of the redevelopment of Elizabeth Square. The preliminary and project plan for Elizabeth Square which was approved on July 23, 2015 also includes amendments to the property. Further, minor site plan amendment approval was achieved for the property on June 9, 2015, incorporating it seamlessly into the overall square.
- Upon refinancing of Alexander House, the equity proceeds may be contributed to the funding of the affordable housing component of Elizabeth House III.
- On November 2, 2015, HOC issued a request for proposal (“RFP”) #1975 for Architectural Services, Scope of Work and Design Documents for modernizing interior units.
- Based on the evaluation of the four responses, staff recommends the selection by Alexander House Development Corporation of Miner Feinstein Architects to complete architectural design and drawings for renovation of the interior of the units at Alexander House Apartments.
- On January 7, 2016, HOC issued a request for qualification (“RFQ”) #1980 for Contractor Evaluation and Selection Process. This is a two-part selection process. The first part, a Request for General Contractor Prequalification Submissions, will enable HOC to develop a list of prequalified General Contractors from which HOC will then solicit proposals for price and time of completion. The second part is a Contractor Evaluation and Selection process to evaluate the actual proposals submitted.
- To prepare for closing during 4th quarter of 2016, it is necessary to engage legal services to prepare contract documents, third party professionals, third party reports, architectural services to begin permit/construction drawings for the interior renovation plan, and prepare a Low Income Housing Tax Credit (“LIHTC”) application to the Maryland Department of Housing and Community Development (“DHCD”).
- Staff herein requests the acceptance by Alexander House Development Corporation of a predevelopment loan of \$1,025,420 funded from the HOC’s Opportunity Housing Reserve Fund (“OHRF”) to prepare and submit a LIHTC application. The loan will be repaid from permanent financing proceeds at closing. The unobligated balance in the OHRF as of January 15, 2016 is \$13.5 million.

# Executive Summary

<b>Project Name</b>	Alexander House Apts	<b>Current/Projected Units</b>	311/303	<b>Projected Closing Date</b>	Winter 2016
<b>Location</b>	Silver Spring, MD	<b>Average Unit Size (SF)</b>	728	<b>Projected Stabilization Date</b>	Summer 2018
<b>Product Type</b>	High Rise	<b>Occupancy (a/o 12/31/15)</b>	86.2%	<b>Recapitalization Strategy</b>	Rehab
<b>Year Built</b>	1992	<b>Total Building Sqft</b>	278,038	<b>Funding Strategy</b>	4% LIHTC/Bonds

## Development Updates



- ① EH III (Future)
- ② EH IV (Future)
- ③ Alexander House Apts

- Upon approval of this request, Miner Feinstein Architect will join the lead architect, KGD Architect, of the project design team and begin permit/construction drawings for the full renovation plan.
- This design phase and preparation for the LIHTC application to CDA is projected to proceed through the second quarter of 2016.

# Scope of Work - Summary



*Existing Kitchen*

## Interior Renovation

KGD

- Renovations to the 1st and 2nd floors to accommodate the Public Use space and residential programming including new leasing office and mail room
- The clubroom and fitness area can be relocated to the 1st and 2nd floors of the building where existing 2 story spaces exist
- Updates to the common corridors with new finishes and lighting
- Unit Kitchen & Bath upgrades (inclusive of new floor finishes, new entry door, new appliances, low flow plumbing fixtures and new lighting fixtures).

MF Architects

These improvements will not only address curb appeal but also – and more importantly – increase energy efficiency, extend the property’s useful life, and allow the property to better compete in the marketplace.

## Exterior renovations

- Enclosure of the first floor tunnel to accommodate new building entrance lobby
- Hardscape and Landscape changes along Second Avenue and Apple Avenue
- Exterior window and balcony sliding door replacement
- Exterior balcony rail and divider panel replacement
- HVAC replacement (unit and common areas)
- Entrance canopy at SE corner of building

KGD

Ensure a pragmatic and cost-effective approach to the renovation program.

February 3, 2016



*Existing Exterior*

# Selection of Architect - Qualifications

HOC issued a request for proposals (“RFP”) # 1975 for Architectural Services, Scope of Work and Design Documents for Modernizing interior units at Alexander House. The scoring team (consisting of staff from Mortgage Finance, Real Estate Development and Property Management) completed its review of the responses on December 10, 2015, based on the following criteria:

- **Experience** (45 points)
  - Key Factors: Demonstrated experience as interior unit architect on similar projects located in the Washington, DC metropolitan area, specifically with affordable housing, local building codes and experience with High rise building
  - Strong track record of completed projects over the past five years utilizing Low Income Housing Tax Credits in Maryland
- **Price** (25 points)
- **Qualifications** (20 points)
  - Key Factors: Principal and staff resumes, organization/team ability and availability to undertake and successfully complete the project: commitment to adhere to HOC’s Section 3 requirement; and willingness to employ and train minority, female, and disabled persons
  - Ability of the organization/team to undertake and complete successfully projects of comparable size and scope
- **Schedule** (10 points)
  - Anticipated schedule in detail for production of each phase of architectural documents



# Selection of Architect – Scoring Summary

There were four respondents to the Alexander House RFP. Of the four qualified responses, Miner Feinstein Architects scored highest in the average of the evaluators' scores on the criteria. The firm's total score was **94.7%**. Included in its experience is a proven history of successful work with HOC on the rehabilitation of Arcola Towers, Timberlawn Crescent, and Pomander Court. All firms have prior experience with HOC's projects. The difference in price when compared to the next highest bidder is negligible; therefore, staff proposes the selection of Miner Feinstein Architects.

Rank	Architect	Experience with High rise Renovation & LIHTC Projects (45%)	Qualifications (20%)	Schedule (10%)	Price (25%)	Total	Price
1	Miner Feinstein Architects	43.0	20.0	9.0	22.7	94.7	\$206,300.00
2	Architecture by Design	41.7	19.7	7.0	22.7	91.0	\$206,425.00
3	Bennett, Frank, McCarthy Architects, Inc.	28.3	12.0	7.0	25.0	72.3	\$96,162.50
4	Karl Riedel Architecture	35.0	14.3	9.0	11.7	70.0	\$343,484.00

\*Evaluated by: Mortgage Finance, Real Estate Development and Property Management

As part of HOC's continuing effort to provide its residents with higher quality and amenity-rich affordable housing, staff proposes an interior renovation similar in scope to Arcola Towers and Waverly House. Staff has requested that the interior unit architect include in its pricing, all interior apartment units, lighting fixtures, common area wall colors and treatments, and corridors.

# Projected Predevelopment Budget

Discipline	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Total
Architect		\$21,900	\$22,600	\$15,500	\$57,600						\$117,600
Legal											
Contracts (Architects, Civil and GC)		\$10,000	\$5,000		\$15,000						\$30,000
Tax Credit (Application, Structuring & LOI Negotiation)				\$5,000							\$5,000
Condo Documents		\$20,000									\$20,000
Third Party Consultants											
Phase I			\$4,000								\$4,000
Market Study			\$7,600								\$7,600
Appraisal			\$5,000								\$5,000
Energy Audit			\$10,000								\$10,000
Survey								\$3,000			\$3,000
Construction Management (Preconstruction)	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000		\$45,000
Tax Credit Application, Reservation Fee, Allocation Fee and Due Diligence Tasks				\$2,500	\$5,000			\$92,500			\$100,000
Permit & Impact Fees						\$250,000	\$250,000				\$500,000
County Fibernet						\$85,000					\$85,000
Contingency (10%)	\$500	\$5,690	\$5,920	\$2,600	\$8,260	\$34,000	\$25,500	\$11,250	\$500		\$94,220
<b>Total Costs</b>	<b>\$5,500</b>	<b>\$62,590</b>	<b>\$65,120</b>	<b>\$30,800</b>	<b>\$90,860</b>	<b>\$374,000</b>	<b>\$280,500</b>	<b>\$110,550</b>	<b>\$5,500</b>		<b>\$1,025,420</b>

- The above schedule outlines the likely predevelopment expenditures through closing. To prepare for closing during 4th quarter of CY 2016, it is necessary to engage legal services to prepare contract documents, third party professionals, third party reports, architectural services to begin permit/construction drawings for the interior renovation plan, and prepare LIHTC application to CDA.
- The unobligated balance in the OHRF as of December 31, 2015 is \$13,517,663. If approved, the unobligated OHRF balance will be \$12,492,243.

Total Predevelopment period funding required: \$1,025,420

All OHRF funds reimbursed at close of financing (projected for 4th Quarter of 2016)

# Summary and Recommendations

## Issues for Consideration

Does the Board of Directors of Alexander House Development Corporation (“AHDC”) wish to:

1. Approve of the selection of Miner Feinstein Architects as interior unit architect for the renovations of Alexander House Apartments and
  - Authorize the Executive Director to enter into interior unit architect contract negotiations,
  - Authorize the Executive Director to execute interior unit architect contracts for the renovation of the Property?
2. Accept \$1,025,420 as a predevelopment loan from the HOC Opportunity Housing Reserve Fund?

## Time Frame

Action at the February 3, 2016 meeting of the Alexander House Development Corporation.

## Budget Impact

There is no adverse impact for the Agency’s or AHDC’s FY 2016 operating budget.

## Staff Recommendation and Commission Action Needed

Staff recommends that:

1. Alexander House Development Corporation approve the selection of Miner Feinstein Architects as architect for the interior units renovation at Alexander House Apartments and authorize the Executive Director to negotiate and execute related documents.
2. Alexander House Development Corporation accepts \$1,025,420 as a predevelopment loan funded from the OHRF and repaid from permanent loan proceeds at closing.

**RESOLUTION No.: 16-001**

**RE: Approval of the Selection of Miner Feinstein Architects as Interior Unit Architect, Authorization for the Executive Director to Negotiate and Execute a Contract on behalf of Alexander House Development Corporation, and Approval of Alexander House Development Corporation to accept Predevelopment Loan Funds from the Housing Opportunities Commission of Montgomery County**

**WHEREAS**, the Alexander House Development Corporation (the "Corporation") is a wholly controlled corporate instrumentality of the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission"); and

**WHEREAS**, the Alexander House Apartments (the "Development") was originally constructed in 1992 at 8560 Second Avenue, near the Silver Spring Metro Station as a single sixteen-story building with 311 units, 203 parking spaces in a tri-level underground parking garage, management offices, maintenance and engineering rooms, as well as a common outdoor pool shared with Elizabeth House Apartments, the property adjacent to the north; and

**WHEREAS**, the Development is an important element of the redevelopment of Elizabeth Square; and

**WHEREAS**, the preliminary and project plan for Elizabeth Square, which was approved on July 23, 2015, includes amendments to the Development; and

**WHEREAS**, minor site plan amendment approval was achieved for the Development on June 9, 2015, incorporating it seamlessly into the overall plan for Elizabeth Square; and

**WHEREAS**, on November 2, 2015, HOC issued a request for proposal ("RFP") #1975 for Architectural Services, Scope of Work and Design Documents for modernizing units of the Development (the "RFP"); and

**WHEREAS**, there were four respondents to the RFP, of which, Miner Feinstein Architects scored highest in the average of the evaluators' scores on the criteria with an average score of 94.67%; and

**WHEREAS**, the Commission approved the selection by AHDC of Miner Feinstein Architects as the architect for the interior unit renovations for the Development; and

**WHEREAS**, the Corporation anticipates the need for approximately \$1,025,420 in funding for predevelopment expenses, including, among other expenses, preliminary architectural services and the preparation of a LIHTC application for submission to the Maryland Department of Housing and Community Development ("DHCD"); and

**WHEREAS**, the Corporation wishes to obtain such funding in the form of a short-term predevelopment loan from the Commission.

**NOW, THEREFORE, BE IT RESOLVED** by the Corporation that the Commission’s Executive Director, as Secretary of the Corporation, is authorized to negotiate and execute a contract for up to \$206,300 with Miner Feinstein Architects for the interior renovations of the Development.

**BE IT FURTHER RESOLVED** by the Corporation that it approves the acceptance of a predevelopment loan from the Commission in an amount not to exceed \$1,025,420 and to repay such loan to the Commission from the proceeds of its future construction financing.

**BE IT FURTHER RESOLVED** by the Corporation that all of the capital expenditures covered by this Resolution which may be reimbursed with proceeds of tax-exempt borrowings were made not earlier than 60 days prior to the date of this Resolution except preliminary expenditures related to the Projects as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect’s fees, engineering fees, legal, third party consultants, permit & impact fees, etc. ).

**BE IT FURTHER RESOLVED** by the Corporation that the Commission’s Executive Director, as Secretary of the Corporation, is authorized, without any further action on its part, to take any and all other actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related thereto.

**I HEREBY CERTIFY** that the foregoing resolution was approved by the Board of Directors of Alexander House Development Corporation at an open meeting on February 3, 2016.

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Secretary Treasurer  
Board of Directors Alexander House Development  
Corporation

# Camp Hill Square Development Corporation

**CAMP HILL SQUARE DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for Camp Hill Square  
Development Corporation**

**WHEREAS**, Camp Hill Square Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 51 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca

Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBs”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the Camp Hill Square Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the Camp Hill Square Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the Camp Hill Square Development Corporation at a regular meeting conducted on February 3, 2016.

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



# TPM Development Corporation

**TPM DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for TPM Development  
Corporation**

**WHEREAS**, TPM Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 58 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBS”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the TPM Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the TPM Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the TPM Development Corporation at a regular meeting conducted on February 3, 2016.

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

# Sligo Development Corporation

**SLIGO DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for Sligo Development  
Corporation**

**WHEREAS**, Sligo Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 17 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBS”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the Sligo Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the Sligo Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the Sligo Development Corporation at a regular meeting conducted on February 3, 2016.

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

# RAD 6 Development Corporation

## **RAD6 DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for RAD6 Development  
Corporation**

**WHEREAS**, RAD6 Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 268 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBS”); and



**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the RAD6 Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the RAD6 Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the RAD6 Development Corporation at a regular meeting conducted on February 3, 2016.

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

# Scattered Site One Development Corporation

**SCATTERED SITE ONE DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for Scattered Site One  
Development Corporation**

**WHEREAS**, Scattered Site One Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 39 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca

Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBs”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the Scattered Site One Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the Scattered Site One Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the Scattered Site One Development Corporation at a regular meeting conducted on February 3, 2016.

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

# Scattered Site Two Development Corporation

**SCATTERED SITE TWO DEVELOPMENT CORPORATION**

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for Scattered Site Two  
Development Corporation**

**WHEREAS**, Scattered Site Two Development Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 208 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca

Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBs”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the Scattered Site Two Development Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED by** the Scattered Site Two Development Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the Scattered Site Two Development Corporation at a regular meeting conducted on February 3, 2016.

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

# VPC One Development Corporation



## VPC ONE CORPORATION

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for VPC One  
Corporation**

**WHEREAS**, VPC One Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 208 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBS”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the VPC One Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the VPC One Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the VPC One Corporation at a regular meeting conducted on February 3, 2016.

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

# VPC Two Corporation

## VPC TWO CORPORATION

**Resolution No.: 16-001**

**RE: Consent to Property  
Operations Assistance Agreement  
between Commission and  
Edgewood Management  
Corporation for VPC Two  
Corporation**

**WHEREAS**, VPC Two Corporation (the “Corporation”), an affiliate of the Housing Opportunities Commission of Montgomery County (the “Commission”), is the owner of 269 housing units in Montgomery County (the “Portfolio”); and

**WHEREAS**, the Commission is the manager of the Portfolio pursuant to a Management Agreement between Corporation and Commission (the “Management Agreement”); and

**WHEREAS**, the Corporation recognizes the need to market and operate the Portfolio with a brand that is positively perceived by the general market and, at the same time, administered in compliance with affordability restrictions and Commission policies; and

**WHEREAS**, the Commission desires to continue to serve as manager of the Portfolio but wishes to subcontract certain property operations functions to another party; and

**WHEREAS**, the Commission issued a Request for Proposals to qualified firms to provide certain services in marketing and operating the Portfolio utilizing the brand of the private company; and

**WHEREAS**, by Resolution No. 15-92, passed on November 3, 2015, the Commission authorized negotiation of and entry into a contract for property operations assistance services (the “Contract”) with Edgewood Management Corporation (“Edgewood”) for Commission-managed properties that are managed through the following five (5) Commission management hubs: Arcola Towers, Emory Grove, Seneca Ridge, Towne Centre Place and Waverly House (collectively, the “Management HUBS”); and

**WHEREAS**, the Portfolio is managed through the Commission’s Management HUBs and the Commission desires the Corporation’s consent to and approval of the Contract; and

**WHEREAS**, the Commission has completed negotiation of the Contract with Edgewood and the parties are prepared to commence operations with respect to the Portfolio under its terms; and

**WHEREAS**, under the Contract, the Commission will retain direct supervision of Edgewood, review reports submitted in Yardi format, perform audit and reporting to third parties, provide technical support for Yardi, provide tenant services, perform the compliance function, and continue to manage and maintain discipline among the Commission’s maintenance employees under the Commission’s Personnel Policy and Collective Bargaining Agreement; and

**WHEREAS**, the Corporation believes that contracting these property operations functions will be cost efficient, providing quicker lease up and re-letting of units in the Portfolio.

**NOW THEREFORE, BE IT RESOLVED** by the VPC Two Corporation that it consents to the Commission’s entry into the Contract with Edgewood to provide certain property operation services for the Portfolio, with the Commission continuing to serve as the manager of the Portfolio.

**BE IT FURTHER RESOLVED** by the VPC Two Corporation that the Executive Director of the Commission, and Secretary of the Corporation, is authorized to execute a consent to the Contract and, without further action on its part, to take such other actions as may be necessary and proper to carry out the transaction contemplated herein.

**I HEREBY CERTIFY** that the forgoing resolution was adopted by Board of Directors of the VPC Two Corporation at a regular meeting conducted on February 3, 2016.

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