

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

November 2, 2016

16-11

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, November 2, 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., Chair Pro Tem  
Margaret McFarland  
Christopher Hatcher  
Pamela Byrd

**Absent**

Linda Croom

**Also Attending**

Stacy Spann, Executive Director  
Shauna Sorrells  
Fred Swan  
Kayrine Brown  
Patrick Mattingly  
Gail Willison  
Louis Chaney  
Garrett Jackson  
Ugonna Ibebuchi  
Angela McIntosh-Davis  
Natalie Kaplan  
Maria Montero  
Jennifer Arrington  
Darcel Cox

Kelly McLaughlin, General Counsel  
Nowelle Ghahhari, Deputy General Counsel  
Ian Williams  
Lorie Seals  
Zachary Marks  
Jim Atwell  
Tiffany Jackson  
Karlos Taylor  
Lynn Hayes  
Ethan Cohen  
Rita Harris  
Clarence Landers  
Bonnie Hodge  
Susan Smith

**Resident Advisory Board**

Yvonne Caughman

**Guest**

Sean Rogers, Labor Relations Administrator

**IT Support**

Irma Rodriguez

**Commission Support**

Patrice Birdsong

The meeting began with approval of the Consent Calendar. The Consent Calendar was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

**I. CONSENT ITEMS**

- A. Approval of Minutes of October 5, 2016** - The minutes were approved as submitted
- B. Authorization to Appoint New Labor Relations Administrator**

**RESOLUTION: 16–74**

**RE: Authorization to Appoint  
Labor Relations Administrator**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (HOC) is required by the Collective Bargaining Law to appoint a Labor Relations Administrator (LRA) to provide for the effective implementation of the law pertaining to the selection, certification, decertification procedures, prohibited labor practices, and the selection of a mediator/fact finder; and

**WHEREAS**, Seymour Strongin, Esquire was appointed Labor Relations Administrator for the Housing Opportunities Commission for a term of one (1) year in October 1999; and

**WHEREAS**, Seymour Strongin, Esquire was reappointed as Labor Relations Administrator for the Housing Opportunities Commission for a five (5) year term commencing on December 1, 2000 and ending on November 30, 2005; and

**WHEREAS**, Seymour Strongin, Esquire was reappointed as Labor Relations Administrator for HOC for a five-year term commencing on August 13, 2008 and ending on August 12, 2013; and

**WHEREAS**, M. David Vaughn, Esquire, was appointed Labor Relations Administrator for a term of five years on September 11, 2013; and

**WHEREAS**, M. David Vaughn, Esquire resigned his appointment as Labor Relations Administrator on July 15, 2015; and

**WHEREAS**, HOC and the Municipal County Government Employees Organization (MCGEO) have completed the process of review of nominees for a new Labor Relations

Administrator; and the joint recommendation is that Sean J. Rodgers, Esquire be appointed as Labor Relations Administrator for a five-year term.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission that the following terms and conditions will govern the appointment of the Labor Relations Administrator:

1. Sean J. Rodgers, Esquire is hereby appointed as the Labor Relations Administrator for the Housing Opportunities Commission for a five-year term.
2. The term will commence on November 2, 2016 and will end November 1, 2021.
3. The LRA will be an employee of the Commission and will be paid as a contract employee on a per diem basis and will be reimbursed for necessary expenses.
4. The Executive Director will administer the contract and the LRA will report to the Executive Director.
5. The cost associated with the employment of the LRA will be shared equally with the Municipal County Government Employees Organization and the Housing Opportunities Commission.

## **II. INFORMATION EXCHANGE**

- A. Report of the Executive Director** – The Executive Director had nothing new to add to his written report.
- B. Calendar and Follow-up Action**  
None
- C. Commissioner Exchange**
  - Commissioner Byrd reported on the NAHRO National Conference held in New Orleans, LA on October 14-16, 2016. Commissioners Croom, Hatcher and Simon also attended the conference.
  - Vice Chair Simon attended one of the sessions for Housing Authority Lawyers in which she found very informative.
  - Commissioner Hatcher reported that he attended the Ethic's Training Sessions for Commissioners.
- D. Resident Advisory Board (RAB)** – Ms. Yvonne Caughman, President of the Resident Advisory Board, invited the Commissioners, Executive Director and Executive Staff to attend the RAB's Thanksgiving Dinner to be held on November 21, 2016.

E. **Community Forum** – None

F. **Status Report** – None

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

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

1. **Authorization to Submit Fiscal Year 2018 (FY'18) County Operating Budget**

Gail Willison, Chief Financial Officer, and Tiffany Jackson, Budget Officer, were the 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, McFarland, Hatcher, and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

**RESOLUTION NO: 16-75**

**RE: Authorization to Submit Fiscal Year  
2018 (FY'18) County Operating  
Budget**

**WHEREAS**, the Housing Opportunities Commission (HOC) of Montgomery County wishes to submit a request for County funds for FY'18; and

**WHEREAS**, the County has instructed HOC to submit a base budget or "MARC" of \$6,540,930 for FY'18 by November 10, 2015.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby submits a request for FY'18 County funds in the amount of \$6,540,930.

2. **Approval of Calendar Year 2017 (CY'17) Tax Credit Partnership Budgets**

Gail Willison, Chief Financial Officer, and Tiffany Jackson, Budget Officer, were the presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Byrd. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

**RESOLUTION NO: 16-76**

**Re: Approval of Calendar Year 2017  
(CY'17) Tax Credit Partnership  
Budgets**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County is the General Partner who manages the business and is liable for the debts of 15 Tax Credit Partnerships; and

**WHEREAS**, the limited partners in these 15 Tax Credit Partnerships have contributed money and share in profits but take no part in running the business and incur no liability with respect to the partnership beyond their contributions; and

**WHEREAS**, the Tax Credit Partnerships are unique within the Housing Opportunities Commission's property portfolio since they are not HOC entities but managed properties and have no separate Boards; and

**WHEREAS**, the Housing Opportunities Commission has a financial obligation to cover all debts, has an interest in the successful performance of these partnerships and, as such, should review their performances and approve their budgets; and

**WHEREAS**, as the Budget, Finance and Audit Committee reviewed the CY'17 Budgets at the October 11, 2016 meeting.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby approves the CY'17 Operating Budgets for the 15 Tax Credit Partnerships shown on Attachment 1 of this resolution.

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

**A. Acceptance of HOC FY '16 Audited Financial Statements, Single Audit Report and Management Letter**

Gail Willison, Chief Financial Officer, and Eugenia Pascual, Acting Controller, were the presenters.

The following resolution was approved upon a motion by Commissioner McFarland and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

**RESOLUTION NO: 16-77**

**RE: Acceptance of HOC FY'16  
Audited Financial  
Statements Single Audit  
Report, and  
Management Letter**

**WHEREAS**, the independent auditors, CliftonLarsonAllen LLP, presented their report for FY'16 to the Commission; and

**WHEREAS**, at a meeting held on November 2, 2016, the Commission reviewed the HOC FY'16 Audited Financial Statements, Single Audit Report, and Management Letter.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Commission accepts the HOC FY'16 Audited Financial Statements, Single Audit Report, and Management Letter prepared by CliftonLarsonAllen LLP.

**B. Approval to Increase the Investment in Victory Crossing as Part of the RAD Conversion of Senior Multifamily Properties and Authorization for the Executive Director to Amend the Grant Agreement to Reflect the Increased Investment**

Zachary Marks, Assistant Director of New Development, was the presenter.

The following resolution was approved upon a motion by Commissioner Hatcher and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, and Byrd. Commissioner Croom was necessarily absent and did not participate in the vote.

**RESOLUTION NO: 16-78**

**RE: Approval to Increase the Investment in Victory Crossing as Part of the RAD Conversion of Senior Multifamily Properties and Authorization for the Executive Director to Amend the Grant Agreement to Reflect the Increased Investment**

**WHEREAS**, Victory Crossing (the "Property") is a planned 105-unit senior rental community that will have 91% of units income and rent restricted in conjunction with the Low Income Housing Tax Credit equity being used to finance the construction of the Property; and

**WHEREAS**, HOC wishes to transfer to the Property the assistance from 39 former Public Housing units converted via the Rental Assistance Demonstration ("RAD") program; and

**WHEREAS**, on August 5, 2015, the Commission authorized the Executive Director to enter into a grant agreement not to exceed \$1,800,000 ("Grant Agreement") with Victory Housing, Inc.; and

**WHEREAS**, Victory Housing, Inc. would then lend \$1,800,000 to the Victory Crossing community to fund its construction; and

**WHEREAS**, the amount of the grant agreement is the difference between the senior mortgage proceeds Victory Crossing would be able to secure without the 39 RAD units present and the amount it could secure with the 39 RAD units present; and

**WHEREAS**, subsequent to the August 5, 2015 approval, the Commission approved a change in the originating property of the 39 units to one with a lower voucher payment standard; and

**WHEREAS**, subsequent to the August 5, 2015, approval, changes occurred in the senior mortgage product and underwriting terms for Victory Crossing increasing difference between the senior mortgage proceeds Victory Crossing would be able to secure without the 39 RAD units present and the amount it could secure with the 39 RAD units present by \$64,000; and

**WHEREAS**, costs in the amount of \$82,027.93 were incurred related to the change in mortgage product made to further effect the placement of the 39 RAD units.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is authorized to execute the Grant Agreement with Victory Housing, Inc. for the placement of 39 RAD Units at Victory Crossing for an amended aggregate amount not to exceed \$1,910,000.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that an increase in the funding of the grant amount from the Opportunity Housing Reserve Fund from \$1,800,000 to \$1,910,000 is approved.

**V. FUTURE ACTION ITEMS**

None

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

None

**VII. NEW BUSINESS**

None

**VIII. EXECUTIVE SESSION FINDINGS**

None

Based upon this report and there being no further business to come before this session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 4:39 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

Attachment  
1-Tax Credit Partnerships Chart



## TAX CREDIT COMPLIANCE PERIOD as of October 11, 2016

PROPERTIES	# of Units	INITIAL END DATE: December	Status of Limited Partner Exit	Extended Use after Compliance Period
MHLP IX -Pond Ridge	40	2013	Conducting financial review to determine legal steps with LP.	84 Years (2097)
MHLP IX -MPDU Units	76	2013	Conducting financial review to determine legal steps with LP.	84 Years (2097)
Shady Grove Apts. LP	144	2013	Under review with Morrison Avenue Capital Partners & Censeo	15 Years (2028)
The Willows of Gaithersburg Assoc. LP	195	2014	Under review with Morrison Avenue Capital Partners & Censeo	15 Years (2029)
MHLP X	75	2015	Conducting financial review to determine legal steps with LP.	15 Years (2030)
Manchester Manor Apts. LP	53	2015	Under review with Morrison Avenue Capital Partners & Censeo	15 Years (2030)
Georgian Court Silver Spring LP	147	2015	Under review with Morrison Avenue Capital Partners & Censeo	15 Years (2030)
MV Affordable Housing Assoc. LP (Stewartown)	94	2017	Under review with Morrison Avenue Capital Partners & Censeo	15 Years (2032)
Barclay One Assoc. LP	81	2020	Under review with Morrison Avenue Capital Partners & Censeo	40 Years (2060)
Spring Garden One Assoc. LP	83	2021	Beginning stages - conducted preliminary analysis and determining next steps in process.	25 Years (2046)
Forest Oak Towers LP	175	2022	Beginning stages - conducted preliminary analysis and determining next steps in process.	25 Years (2047)
Wheaton Metro LP (MetroPointe)	53	2023	Beginning stages - conducted preliminary analysis and determining next steps in process.	25 Years (2048)
Hampden Lane Apts. LP (Lasko Manor)	12	2026	Beginning stages - conducted preliminary analysis and determining next steps in process.	25 Years (2051)
Tanglewood / Sligo Hills	132	2027	Beginning stages - conducted preliminary analysis and determining next steps in process.	25 Years (2052)
Arcola Towers LP	141	2031	Ongoing monitoring	15 Years (2046)
Waverly House LP	157	2031	Ongoing monitoring	15 Years (2046)