

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

January 10, 2024

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via a hybrid platform (with some participating in-person and some participating online/via teleconference) on Wednesday, January 10, 2024 with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:07 p.m. Those in attendance were:

Present

Roy Priest, Chair
Frances Kelleher, Vice Chair
Jeffrey Merkowicz, Chair Pro Tem
Pamela Byrd, Commissioner
Linda Croom, Commissioner
Robin Salomon, Commissioner

Also Attending

Chelsea Andrews, President/Executive Director	Aisha Memon, Senior VP, Legal Affairs/ General Counsel
Kayrine Brown, Senior Executive Vice President	Paige Gentry, Deputy General Counsel
DaVida Rowley-Blackman	Tim Goetzinger
Richard Congo	John Brouillre
Lynn Hayes	Zachary Marks
Tia Bloung	Ken Silverman
Meta Lim	Alex Laurens
Rita Harris	Sean Asberry
Bonnie Hodge	

Also attending via Zoom

Darcel Cox	Jocelyn Koon
Kai Hsieh	Monte Stanford

IT Support

Irma Rodriguez
Aries "AJ" Cruz

Commission Support

Morgan Tucker, Assistant
Contessa Webster, Assistant

Chair Priest opened the meeting with the introduction of the Commission and Chelsea Andrews, President/ Executive Director.

I. Information Exchange

Community Forum

- There were no speakers to address the Board.

Status Report from the Resident Advisory Board

- President, Irma Washington provided a status report to the Commission and HOC Staff.

Report of the President/Executive Director

- Chelsea Andrews, President/Executive Director, provided a presentation of the written report.
- Ms. Andrews also shared updates regarding the Westwood Towers Emergency Response incident and thanked the entire HOC team who provided support to the residents who were affected.
- Ms. Andrews also shared updates regarding HOC activities and spotlights for the month of December which included HOC's media recognition highlights.

Commissioner Exchange

- Commissioner Croom provided an update on the RAB meeting and inquired if previous Commissioners Richard Y. Nelson and Jackie Simon were able to participate in an upcoming meeting with the RAB Board. President Andrews mentioned she will work with the RAB Liaison to coordinate.
- Chair Priest acknowledged the passing of a good friend, colleague and developer Joe Hornet passed away. Chair Priest highlighted that Mr. Hornet was very involved in housing development for over 60 years in the Washington, DC area. Mr. Hornet was a great leader as well as a great philanthropist

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

A. Approval of Minutes of December 11, 2023 - Special Session

B. Approval of Minutes of December 13, 2023

III. Committee Reports and Recommendation for Action

A. Budget, Finance and Audit Committee- Com. Priest, Chair

- 1. Fiscal Year 2024 (FY'24) First Quarter Budget to Actual Statements: Acceptance of First Quarter FY'24 Budget to Actual Statements**

Commissioner Priest provided an overview of the item and introduced President Andrews who introduced Tim Goetzinger, Chief Financial Officer, and Terri Fowler, Budget Officer. Staff requested that the Commission formally accept the First Quarter FY'24 Budget to Actual Statements. A motion was made by Commissioner Kelleher to adopt Resolution 24-01. Commissioner Merkwowitz seconded the motion. Affirmative votes were cast by Commissioner Priest, Byrd, Croom, Kelleher, Merkwowitz, and Salomon.

- 2. Fiscal Year 2024 (FY'24) First Quarter Budget Amendment: Approval of the First Quarter Budget Amendment**

Commissioner Priest provided an overview of the item and introduced President Andrews who introduced Tim Goetzinger, Chief Financial Officer, and Terri Fowler, Budget Officer. Ms. Fowler provided the presentation and opened the floor to questions from the Commission. Staff recommended that the Commission approve the proposed FY'24 First Quarter Budget Amendment. A motion was made by Commissioner Kelleher to adopt Resolution 24-02. Commissioner Merkowitz seconded the motion. Affirmative votes were cast by Commissioner Priest, Merkowitz, Croom, Byrd, Salomon, and Kelleher.

3. Uncollectible Tenant Accounts Receivable: Authorization to Request to Write-Off Uncollectible Tenant Accounts Receivable (July 1, 2023- September 30, 2023)

Commissioner Priest provided an overview of the item and introduced President Andrews who introduced Tim Goetzinger, Chief Financial Officer, and Terri Fowler, Budget Officer. Ms. Fowler provided the presentation and opened the floor to questions from the Commission. Staff requested that the Commission authorize the write-off of uncollectible tenant accounts receivable of \$132,684 for the period covering July 1, 2023 to September 30, 2023. A motion was made by Commissioner Merkowitz to adopt Resolution 23-03. Commissioner Kelleher seconded the motion. Affirmative votes were cast by Commissioner Priest, Merkowitz, Croom, Byrd, Salomon, and Kelleher.

4. Renewal of Primary Auditor Contract: Approval to Renew the Primary Audit Contract with CliftonLarsonAllen LLP for One Additional Year

Commissioner Priest provided an overview of the item and introduced President Andrews who introduced Tim Goetzinger, Chief Financial Officer, and Eugenia Pascual, Controller. Staff recommended that the Commission extend the primary audit contract with CliftonLarsonAllen LLP for a one-year term. A motion was made by Commissioner Merkowitz to adopt Resolution 23-04. Commissioner Kelleher seconded the motion. Affirmative votes were cast by Commissioner Priest, Merkowitz, Croom, Byrd, Salomon, and Kelleher.

5. Extension of Property Management Contracts: Approval to Extend Property Management Agreements Expiring in First Quarter Calendar Year 2024 (The Barclay, Fairfax Court, Fenton, Silver Spring, Pooks Hill Court, Residences on the Lane, Camp Hill Square, Shady Grove Apartments, Dale Drive, Manchester Manor, Southbridge, Tanglewood & Sligo, Spring Garden Apartments, The Willows, and Timberlawn Crescent)

Commissioner Priest provided an overview of the item and introduced President Andrews who introduced Ali Ozair, Vice President of Property Management, to provide the presentation. Staff recommended that the Commission authorize the President/Executive Director to execute extension of the property management services contracts with the respective management companies. A motion was made by Commissioner Byrd to adopt Resolution 23-05. Commissioner Croom seconded the motion. Affirmative votes were cast by Commissioner Priest, Merkowitz, Croom, Byrd, Salomon, and Kelleher.

6. Audit Presentation Protocol

Commissioner Kelleher provided a detailed presentation on the Audit Presentation Protocol to formalize the best practice of the auditors providing a presentation of their findings to the Commission. After deliberation amongst the Commission, Chair Priest highlighted that he did not believe a resolution was needed to address an internal administrative matter. Chair Priest voted nay to the resolution. Commissioner Merkowitz also agreed that the audit protocol was an administrative protocol and it should be addressed internally. A motion was made by Commissioner Kelleher to adopt resolution 24-06. The motion died due to failure to second.

1. Westside Shady Grove Building B: Approval of a Preliminary Development Plan; Authorization for the President/Executive Director to Execute a Predevelopment Agreement; Approval of the Formation of Ownership Entities and the Assignment of Contracts from EYA to HOC; Approval of the Predevelopment Budget and Initial Funding; Approval of the Funding Source

Commissioner Merkowitz introduced President Andrews who provided an overview and introduced Zachary Marks, Senior Vice President of Real Estate, and Alex Laurens, Housing Acquisitions Manager, who provided the presentation. Staff recommended that the Commission:

1. Approve a Preliminary Development Plan that allows for further exploration of the proposed development opportunity, including design and entitlement, and financing of the vertical construction;
2. Approve the predevelopment budget of \$6,406,454 of which an estimated \$292,956 will reimburse EYA for predevelopment expenditures prior to execution of the Predevelopment Agreement and the remaining \$6,113,498 to fund expenditures up to the closing of the construction loan.
3. Approve funding of the predevelopment expenditures as a loan by drawing on the PNC Bank, N.A. RELOC at rate and terms based on the existing terms of the facility.
4. Authorize the President/Executive Director to execute all related documents in forming a development venture with EYA for the design, permitting, construction, and lease-up of the multifamily building, and the assignment of contracts from EYA to HOC.
5. Authorize the President/Executive Director to execute a Predevelopment Services Agreement with EYA or an EYA affiliate for the development known as Building B pursuant to the LOI approved by Commission on September 13, 2023.

A motion was made by Commissioner Merkowitz to adopt resolution 24-07a and 24-07b. Commissioner Byrd seconded. Affirmative votes were cast by Commissioner Priest, Merkowitz, Croom, Byrd, Salomon, and Kelleher.

2. Westside Shady Grove Building B: Authorization for the Developer to Submit for Site Plan Approval

Commissioner Merkowitz introduced President Andrews who provided an overview and introduced Alex Laurens, Housing Acquisitions Manager, and Zachary Marks, Senior Vice President of Real Estate, who provided the presentation. Staff recommended that the Commission authorize the Developer, at HOC's direction, to submit to M-NCPPC, a site plan amendment for Westside shady Grove Building B.

Chair Priest read the Written Closing Statement and made a motion to adopt the statement and close the meeting. Commissioner Kelleher seconded the motion, with Commissioners Priest, Kelleher, Merkowitz, Salomon, Byrd and Croom voting in approval.

Based upon this report and there being no further business to come before this session of the Commission, the Commission adjourned the open session at 6:05 p.m., and reconvened in closed session at 6:17 p.m.

In compliance with Section 3-306(c)(2), General Provisions Article, Maryland Code, the following is a report of the Housing Opportunities Commission of Montgomery County's closed session held on January 10, 2024 at approximately 6:17 p.m. in-person at 10400 Detrick Avenue, Kensington, MD 20895. The meeting was closed under the authority of Section 3-305(b)(7), 3-305(b)(8), 3-305(b)(9),

305(b)(13) to discuss the status of ongoing negotiations with the union (pursuant to Section 3-305(b)(9)), and potential litigation impacting the agency (pursuant to Sections 3-305(b)(7), 3-305(b)(8), and 3-305(b)(13)).

The meeting was closed and the closing statement dated January 10, 2024 was adopted on a motion made by Chair Priest, seconded by Commissioner Kelleher, with Commissioners Priest, Kelleher, Merkowitz, Salomon, and Croom voting in favor of the motion. The following persons were present: Roy Priest, Frances Kelleher, Jeffery Merkowitz, Robin Salomon, Linda Croom, Aisha Memon, Chelsea Andrews, Kayrine Brown, Zachary Marks, Timothy Goetzinger, Terri Fowler Patrick Mattingly, Elaine Cole, Craig Ballew and Morgan Tucker.

In closed session, the Commission discussed the below topics and took the following actions:

1. **Topic:** The status of ongoing negotiations with the union (pursuant to Section 3-305(b)(9)).
 - a. **Action Taken:** The Commission received an update about the negotiations. No formal action taken.

2. **Topic:** Potential litigation impacting the agency (pursuant to Sections 3-305(b)(7), 3-305(b)(8), and 3-305(b)(13)).
 - a. **Action Taken:** The Commission received an update about the potential litigation. No formal action taken.

The closed session adjourned at 6:54pm

Respectfully submitted,

Chelsea Andrews,
Secretary-Treasurer

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Closed Session Minutes

January 10, 2024

A closed session of the Housing Opportunities Commission of Montgomery County was conducted in person on Wednesday, January 10, 2024 beginning at 6:17 p.m. Those in attendance were:

Present

Roy Priest, Chair
Frances Kelleher, Vice Chair
Jeffrey Merkowitz, Chair Pro Tem
Pamela Byrd
Linda Croom
Robin Salomon

Also Present

Chelsea Andrews, President/Executive Director
Kayrine Brown, Senior Vice President
Aisha Memon, Senior Vice President, Legal Affairs
Craig Ballew, Legal Counsel
Tim Goetzinger, Chief Financial Officer
Terri Fowler
Elaine Cole
Patrick Mattingly
Morgan Tucker

Pursuant to Section 3-305(b) of the General Provisions Article of the Annotated Code of the State of Maryland, the closed session was called to order pursuant to Sections 3-307(b)(7) to consult with counsel to obtain legal advice; 3-305(b)(8) to consult with staff, consultants, or other individuals about pending or potential litigation; 3-305(b)(13) to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter; and 3-305(b)(9) to conduct collective bargaining negotiations or consider matters that relate to the negotiations.

President, Chelsea Andrews, opened the meeting with an overview of HOC's labor union matters. Chair Priest inquired about the cost of living adjustments. Terri Fowler, Budget Officer, provided a detailed explanation. Commissioner Merkowitz inquired about HOC's 2023 cost of living adjustment numbers as provided in the presentation. President Andrews deferred to Craig Ballew, legal counsel, who provided a detailed explanation of the mediation process. Craig Ballew explained what the mediation process entailed, and provided anecdotal context about past mediations he has participated in, and their outcomes. He advised on the strength of HOC 's negotiation priorities and potential concerns. He explained that in mediation every item in the bundle of considerations should be carefully chosen as one item in the bundle could impact the mediation outcome for the entire bundle and the possibility of a trial.

President Andrews, Commissioner Merkowitz, and Commissioner Kelleher had brief discussion about live-on maintenance staff.

No formal action was taken by the Commission (no vote occurred). Once the presentation was complete and Commissioners had no further questions, Chelsea Andrews ended the presentation.

There being no further business to come before this Closed Session of the Commission, the meeting adjourned at 6:54 p.m.

Respectfully submitted,

Chelsea Andrews
Secretary-Treasurer

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