

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

November 6, 2013

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, November 6, 2013 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:10 p.m. Those in attendance were:

Present

Roberto Piñero, Chair
Sally Roman, Vice Chair
Michael Kator, Chair Pro Tem
Jean Banks
Rick Edson
Michael Wiencek

Absent

Pamela Lindstrom

Also Attending

Stacy Spann, Executive Director
Gail Willison
Scott Ewart
Scott Ellinwood
Kayrine Brown
Zachary Marks
Emily Dorfman
Christopher Donald
Regina Mitchell
Fred Swan
Bill Anderson
Marsha Smith
Diana Bird
Gina Smith
Jim Atwell
Dean Tyree
Joy Flood
Tonya Clark
Eugene Spencer
Belle Seyoum

Ken Tecler, Staff Counsel
Lorie Seals
Tara Whicker
Maria Montero
Lola Knights
Jennifer Arrington
Paulette Dudley
Patrick Mattingly
Nate McKinstry
Darcel Cox
Lynn Manning
Savitri Taneja, Landlord

Commission Support

Patrice Birdsong, Spec. Asst. to Commission

IT Support

Dominique Laws
Nick Monaco

Prior to the meeting convening, Scott Ewart, Chief Information Officer, read and presented to Lynn Manning, Mail & Supply Technician, his Retirement Resolution.

The Consent Calendar was approved upon a motion by Vice Chair Roman and seconded by Commissioner Banks. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson, and Wiencek. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

I. CONSENT ITEMS

A. Approval of Minutes

- **Approval of Minutes of Regular Meeting of October 2, 2013** – The minutes were approved as submitted.

B. Adoption of Retirement Resolution for Dorel Cazacu – The following resolution was approved.

RESOLUTION: 13-104

**RE: Adoption of Retirement
Resolution for Dorel Cazacu**

WHEREAS, the Housing Opportunities Commission of Montgomery County is indebted to Dorel Cazacu for 25 years of loyal service and dedication to the Agency and the citizens of Montgomery County; and

WHEREAS, Dorel began his career with HOC in 1988 as Custodian in the Housing Management Division; and

WHEREAS, in 1989, Dorel was promoted to Courier. In 1996, he was reassigned to the Executive Division and promoted to Mail and Supply Technician; and

WHEREAS, Dorel processed and delivered mail, managed the Agency's inventory of office supplies including envelopes, letterhead, printer and ink supplies, produced postal use reports, assisted with records management, processed resident and vendor checks for Accounts Payable and maintained mailroom vehicles and mailroom equipment; and

WHEREAS, over the years, Dorel's careful oversight of the purchasing accounts under his purview saved the Agency considerable amounts of money due to occasional overcharges by vendors; and

WHEREAS, Dorel was reliable and well liked throughout the Agency. He was a team player always ready to help out, often with last-minute requests for special projects; and

WHEREAS, Dorel earned many employee awards over the years for his exemplary support of the Facilities Department workload during staff shortages and for his courage and support during the September 11, 2001 national crisis. At the time, many mail couriers and

postal facilities were concerned with the implications of Anthrax and the safety and health of staff and clients. While HOC implemented significant changes to security protocol in the mail room, Dorel never wavered in his responsibility to handle HOC's mail in a safe and secure manner. Dorel also monitored an account with Office Depot for Agency office supplies and was recognized for his contributions toward a cost savings of over \$3,000 to HOC.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County expresses sincere thanks and appreciation to Dorel for his many contributions and wishes him good health and happiness in his retirement.

C. Adoption of Retirement Resolution for Lynn Manning – The following resolution was approved.

RESOLUTION: 13-105

**RE: Adoption of Retirement
Resolution for Lynn Manning**

WHEREAS, the Housing Opportunities Commission of Montgomery County is indebted to Lynn Manning for 24 years of loyal service and dedication to the Agency and the citizens of Montgomery County; and

WHEREAS, Lynn began his career with HOC in 1988 as Communications Technician in the Housing Management Division; and

WHEREAS, Lynn was promoted to Mail and Supply Technician in 1994 and assigned to the Executive Division; and

WHEREAS, Lynn was responsible for all HOC mail operations, including in-house mail pick-up, sorting and delivery, copy services, delivery of paper and supplies to various Agency departments, and operating and maintaining mailroom equipment. Lynn was well known throughout the Agency and his friendly manner made him a welcome visitor to every HOC office he visited; and

WHEREAS, regardless of the weather, Lynn made sure mail was delivered to more than 50 scattered sites that comprised his route. Lynn was reliable and could be counted on to do his work despite any challenges that arose; and

WHEREAS, Lynn was a valued team member and was always eager to help his co-workers with special projects, often under short deadlines and particularly with last minute courier requests and assistance with Staff Appreciation Day activities; and

WHEREAS, Lynn's oversight of the Kensington office vehicles ensured they were well-maintained and safe to drive; and

WHEREAS, Lynn earned many employee awards over the years including recognition of his volunteer work in coordinating donation pick-ups from Wal-Mart in 1997 and for his courage and support of the Facilities Department during the September 11, 2001 national crisis. At the time, many mail couriers and postal facilities were concerned with the implications of Anthrax and the safety and health of staff and clients. HOC implemented significant changes to security protocol in the mail room. Lynn never wavered in his responsibility to handle HOC's mail in a safe and secure manner.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County expresses sincere thanks and appreciation to Lynn for his many contributions and wishes him good health and happiness in his retirement.

D. Ratification of Recommendation Adopted by the Budget, Finance and Audit Committee on October 11, 2013: Approval of CY'14 Tax Credit Partnership Budgets –
The following resolution was approved.

RESOLUTION: 13-106

Re: Ratification of Recommendation Adopted by the Budget, Finance and Audit Committee on October 11, 2013: Approval of CY'14 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 13 Tax Credit Partnerships; and

WHEREAS, the limited partners in these 13 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 budgets were due to the limited partners by November 1, 2013, the Budget, Finance and Audit Committee reviewed and approved the CY'14 Budgets at the October 11, 2013 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby ratifies the action taken by the Budget, Finance and Audit Committee to approve the CY'14 Operating Budgets for the 13 Tax Credit Partnerships shown on Attachment 1 of this resolution.

E. Approval of New Participating Lender for the Single Family Mortgage Purchase Program – The following resolution was approved.

RESOLUTION: 13-107

RE: Approval of New Participating Lender for the Single Family Mortgage Purchase Program

WHEREAS, the Housing Opportunities Commission of Montgomery County approves lenders to participate in the Mortgage Purchase Program; and

WHEREAS, such participation is continuous and for multiple programs; and

WHEREAS, the Commission has approved an ongoing process for adding new lenders to the Mortgage Purchase Program; and

WHEREAS, Movement Mortgage LLC has applied for participation in the Mortgage Purchase Program; and

WHEREAS, Movement Mortgage LLC has satisfied the required criteria for admittance to the Mortgage Purchase Program.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Movement Mortgage LLC is approved for participation in the Mortgage Purchase Program, effective immediately.

F. Approval of Assignment of Property Management Contracts for Greenhills Apartments and Townhomes, Westwood Tower and Brooke Park Apartments – The following resolution was approved.

RESOLUTION: 13-108

RE: Approval of Assignment of Property Management Contracts for Greenhills Apartments and Townhomes, Westwood Tower and Brooke Park Apartments

WHEREAS, HOC owns Greenhills Apartments and Townhomes, Westwood Tower and Brooke Park Apartments and employs a management company directly without a separate asset management agreement; and

WHEREAS, the Commission authorized the Executive Director to execute contracts for Property Management Services (the “Management Agreements”) with McShea Residential Services (“McShea”) for Greenhills Apartments and Townhomes, Westwood Tower and Brooke Park Apartments; and

WHEREAS, the authorized contract terms are for three (3) years and expire in October 2016; and

WHEREAS, Avison Young is in the process of acquiring McShea Residential Services, Inc.; and

WHEREAS, McShea has requested HOC’s consent and approval to assign its rights, claims, privileges, obligations and responsibilities under the existing Management Agreements to a new entity that will be owned by Avison Young.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission that the Executive Director is hereby authorized to take any and all necessary actions and execute all documents needed to approve the assignment of Management Agreements for Greenhills Apartments and Townhomes, Westwood Tower and Brooke Park Apartments from McShea Residential Services, Inc. to a new entity that will be owned by Avison Young through the duration of the contract.

II. INFORMATION EXCHANGE

- A. Report of the Executive Director** – Mr. Spann reported that the FSS 20th Anniversary Ceremony and 100,000 Homes Campaign can be viewed on U-Tube.
- B. Commissioner Exchange** – Commissioner Banks thanked Executive Director Spann for allowing staff to attend the Resident Advisory Board (RAB) meeting in September to explain and discuss the Rental Assistance Demonstration (RAD) Program. She reported that five of the RAB members attended one of the RAD meetings and felt it was very good. Also she reported that she and Kayrine Brown, Director of Mortgage Finance/Real Estate Development visited some properties, in particular, Holly Hall. Commissioner Banks informed that she enjoyed the tour and it gave her an opportunity to see all areas of the property. She suggested to the Board to take an opportunity to go out and visit some of the sites.
- C. Resident Advisory Board** – None
- D. Community Forum** – Savitri Taneja, Landlord, reported that she’s having problems with the “Go Section 8” online process. There is a fee for the use of the Premium Service. Ms. Taneja feels she’s missing out on renters. Joy Flood, Director of Housing Resources, explained that HOC does use the website but there is no cost to

the landlord. The Premium Service, which allows the landlord to show photos of the property, does require a fee but it's not a part of the free service HOC offers.

E. **Status Report** – None

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

A. **Budget, Finance & Audit Committee – Commissioner Kator, Chair**

1. **Authorization to Submit FY'15 County Operating Budget**

Gail Willison, Chief Financial Officer, and Maria Montero, Assistant Budget Officer, presented the FY'15 County Operating Budget.

The following resolution was adopted upon a motion by Chair Pro Tem Kator and seconded by Vice Chair Roman. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson, and Wiencek. Commissioners Lindstrom was necessarily absent and did not participate in the vote.

RESOLUTION: 13-109

**RE: Authorization to Submit
FY'15 County Operating Budget**

WHEREAS, the Housing Opportunities Commission (HOC) of Montgomery County wishes to submit a request for County funds for FY'15; and

WHEREAS, the County has instructed HOC to submit a base budget or "MARC" of \$6,376,480 for FY'15 by November 7, 2013.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby submits a request for FY'15 County funds in the amount of \$6,376,480.

2. **Approval of FY'14 First Quarter Budget Amendment**

Gail Willison, Chief Financial Officer, and Maria Montero, Assistant Budget Officer, reported on the FY'14 First Quarter Budget Amendment.

The following resolution was adopted upon a motion by Commissioner Wiencek and seconded by Commissioner Banks. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson, and Wiencek. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

Resolution: 13-110

**Re: Approval of FY'14 First
Quarter Budget Amendment**

WHEREAS, the Housing Opportunities Commission adopted a budget for FY'14 on June 5, 2013; 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'14 Budget; and

WHEREAS, the net effect of the FY'14 First Quarter Budget Amendment is a balanced budget.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby amends the FY'14 Operating Budget by increasing total revenues and expenses for the Agency from \$229.3 million to \$229.9 million.

BE IT ALSO RESOLVED that the Housing Opportunities Commission of Montgomery County hereby amends the FY'14 Capital Budget by increasing revenues and expenses for the Agency from \$40.4 million to \$40.9 million.

3. Approval of CY'13 Third Quarter Budget Amendment

Gail Willison, Chief Financial Officer, and Maria Montero, Assistant Budget Officer, reported on the CY'13 Third Quarter Budget Amendment.

The following resolution was adopted upon a motion by Chair Pro Tem Kator and seconded by Vice Chair Roman. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson, and Wiencek. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

Resolution: 13-111

**Re: Approval of CY'13 Third
Quarter Budget Amendment**

WHEREAS, the Housing Opportunities Commission ratified CY'13 Budget for Hampden Lane LP (Lasko Manor) on November 7, 2012; and

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

WHEREAS, the Commission has reviewed the proposed budget amendment to the CY'13 Budget for Hampden Lane LP (Lasko Manor).

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby amends the CY'13 budget for Hampden Lane LP (Lasko Manor).

4. Acceptance of HOC FY'13 Audited Financial Statements, Single Audit Report (A-133), and Management Letter

Gail Willison, Chief Financial Officer, and Belle Seyoum, Controller, reported that CliftonLarsonAllen, LLP attended the Budget, Finance and Audit Committee meeting on November 6, 2013 to present the findings of the FY'13 Audited Financial Statements, Single Audit Report and Management Letter.

The following resolution was adopted upon a motion by Chair Pro Tem Kator and seconded by Commissioner Banks. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson, and Wiencek. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

RESOLUTION: 13-112

**RE: Acceptance of HOC FY'13
Audited Financial Statements
Single Audit Report (A-133),
and Management Letter**

WHEREAS, the independent auditors, CliftonLarsonAllen, LLP, presented their report for FY'13 to the Budget, Finance and Audit Committee; and

WHEREAS, at a meeting held on November 6, 2013, the Budget, Finance and Audit Committee reviewed the FY'13 Audited Financial Statements, Single Audit Report (A-133), and Management Letter.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Commission accepts the FY'13 Audited Financial Statements, Single Audit Report (A-133), and Management Letter prepared by CliftonLarsonAllen, LLP.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

A. Authorization to Maintain Current Voucher Payment Standards

Joy Flood, Director of Housing Resources, requested the Board's authorization to maintain current fair market rent voucher payment standards previously approved by the Board in April 2013.

The following resolution was adopted upon a motion by Vice Chair Roman and seconded by Commissioner Edson. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, Edson and Wiencek. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

RESOLUTION: 13-113

**RE: Authorization to Maintain the
Current Voucher Payment
Standards**

WHEREAS, Federal regulations require HUD to publish Fair Market Rents periodically but not less than annually, adjusted to be effective on October 1st of each year; and

WHEREAS, HOC has been notified of the Fair Market Rents on October 3, 2013; and

WHEREAS, HOC will use these rents to determine the Voucher Payment Standards used in the Housing Choice Voucher and Section 8 programs; and

WHEREAS, the Voucher Payment Standards for 2014 will remain equal to the 2013 standards.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Commission authorizes the continued use of the Voucher Payment Standards previously established.

B. Approval of Feasibility Budgets for the Rental Assistance Demonstration Portfolio

Kayrine Brown, Director of Mortgage Finance/Real Estate Development, and Zachary Marks, Assistant Director of New Development, requested the approval of the Board to expend Capital Fund Program (CFP) proceeds to complete the feasibility studies.

The following resolution was adopted upon a motion by Chair Pro Tem Kator and seconded by Vice Chair Roman. Affirmative votes were cast by Commissioners Piñero, Roman, Kator, Banks, and Wiencek. Commissioner Edson abstained from the vote. Commissioner Lindstrom was necessarily absent and did not participate in the vote.

RESOLUTION: 13-114

**RE: Approval of Feasibility Budgets
for the Rental Assistance
Demonstration Portfolio**

WHEREAS, HOC manages and controls all the public housing assets through an agency plan filed with HUD; and

WHEREAS, on July 30, 2013 the Commission approved participation in the RAD program;
and

WHEREAS, the Commission has authorized evaluation of a portfolio disposition of its entire public housing program in multifamily and senior developments; and

WHEREAS, HOC manages and controls all the public housing assets through an agency plan filed with HUD; and

WHEREAS, the majority of the public housing assets have not been comprehensively rehabilitated since their construction due to limited federal funding; and

WHEREAS, in pursuing the RAD approval, feasibility studies are needed to develop a viable scope of work and financing plan that will meet the portfolio's immediate and long-term physical needs.

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

1. Performance of a feasibility analysis of each property in the public housing inventory of the Commission is authorized to determine the ultimate scope of work to be conducted in the redevelopment of these properties; and
2. A maximum of \$500,000 from the CFP funds may be utilized to pay for feasibility studies and RAD related fees; and
3. RAD fees are to be released for each property contingent upon receipt of the Commitment for a Housing Assistance Payment contract (CHAP); and
4. The Executive Director is authorized to take any actions and execute any documents to conduct the feasibility analysis for each of the properties including, subject to requirements of the Procurement Policy, execution of contracts with consultants and advisors to provide the information necessary to determine the correct scope of work and financing for redevelopment of the public housing portfolio.

V. FUTURE ACTION ITEMS

None

VI. INFORMATION EXCHANGE (CONT'D)

None

VII. NEW BUSINESS

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 4:59 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb