

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Special Session Minutes

July 2, 2021

A Special Session of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Friday, July 2, 2021, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 12:03 p.m. Those in attendance were:

Via Online/Teleconference

Roy Priest, Chair
Frances Kelleher, Vice Chair
Richard Y. Nelson, Chair Pro Tem
Pamela Byrd
Linda Croom
Jeffrey Merkowitz
Jackie Simon

Also Attending via Online/Teleconference

Stacy Spann, Executive Director
Aisha Memon, General Counsel
Christina Autin
Kristyn Greco
Gail Willison
Fred Swan
Charnita Jackson
Jennifer Arrington
Darcel Cox

Kayrine Brown, Deputy Executive Dire
Zachary Marks
Nicolas Deandreis
Kathryn Hollister
Marcus Ervin
Cornelia Kent
Timothy Goetzinger
Claire Kim

Commission Support

Patrice Birdsong, Special Assistant

Chair Priest opened the meeting welcoming all to the Special Session of the Housing Opportunities Commission, and roll call of participating Commissioners.

I. ITEM REQUIRING DELIBERTION and/or ACTION

- A. **Westwood Tower:** Approval to Pursue Opportunity Regarding a Change in Ownership – Presentation of Offers and Authorization for the Executive Director to Execute a Letter of Intent

Stacy Spann, Executive Director, provided an overview of the action being requested by staff to the Commission. Marcus Ervin, Acting Director of Development, provided the presentation. Staff recommended that the Commission authorize the Executive Director to negotiate and execute and LOI with Offeror B regarding a change in ownership of Westwood Towers, to negotiate and execute a purchase and sale contract, and to approve that the net proceeds from the sale be deposited and restricted to the Opportunity Housing Reserve Fund for future uses approved by the Commission.

There was detailed discussion among staff and Commissioners regarding the request. Chair Priest expressed his concerns regarding the Moses Cemetery. Executive Director Spann explained that all parties are well aware of all the issues.

A motion was made by Chair Pro Tem Nelson and seconded by Vice Chair Kelleher, to approve Resolution 21-65, with amendments. Affirmative votes were cast by Commissioners Kelleher, Nelson, Croom, Merkowicz, and Simon. Chair Priest opposed.

RESOLUTION: 21-65

RE: Approval to Pursue Opportunity of a Change In Ownership of Westwood Tower Apartments and Authorization for the Executive Director to Enter into a Purchase and Sale Agreement for the Disposition of the Property

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized, and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, to carry out and effectuate the purpose of providing affordable housing;

WHEREAS, HOC is the owner of a multifamily building located at 5401 Westbard Avenue, Bethesda known as Westwood Tower Apartments (“Westwood Tower” or the “Property”); and

WHEREAS, HOC acquired Westwood Tower on December 14, 2017 by drawing on its line of credit and refinanced the draw with short-term acquisition financing (“Acquisition Financing”) on March 26, 2018; and

WHEREAS, the Acquisition Financing which matured on June 26, 2021 has been extended to no later than September 26, 2021; and

WHEREAS, HOC has received offers from three residential real estate operators (“Offerors”) to work with HOC for the purchase and preservation of the Property; and

WHEREAS, on June 18, 2021, the Commission authorized the Executive Director to evaluate offers, discuss terms exploring a change in ownership of the Property while preserving or increasing affordability, and present options to the Commission including potential proposals for use of proceeds; and

WHEREAS, staff has presented options to the Commission and the Commissions wishes to pursue the opportunity of a change in ownership of the Property.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County hereby authorizes the Executive Director, the Acting Executive Director (as applicable), or their designees, to negotiate and execute a Purchase and Sale contract with Charger Ventures ("Purchaser") for the sale of Westwood Tower that includes the terms presented to the Commission at the July 2, 2021 special session and language regarding (1) the applicable County Master Plans, Sector Plans, and municipal land use plans for the Property, (2) efforts to rewild the Willet Branch stream, and (3) the alleged existence of a burial ground on the land formerly owned by White's Tabernacle #39.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that net proceeds from the sale of Westwood Tower are to be deposited to a restricted account for future uses to be approved by the Commission.

There being no further business to come before this special session of the Commission, the meeting adjourned at 1:04 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: July 7, 2021