


MEMORANDUM

To: Lonnie Robbins
Chief Administrative Officer, Department of County Administration
Tom Carbo
Deputy Director, Housing and Community Development

From: Laura Neuman 
Chief Executive Officer

DATE: August 15, 2011

Re: SHERWOOD CROSSING APARTMENTS - Request for Howard County Approval

This memo is testimony in support of the proposed sale of Sherwood Crossing Apartments that is expected to be before the County Council for resolution authorizing the transfer of ownership of the 634-unit residential rental housing facility located in Elkridge, Maryland known as the "Sherwood Crossing Apartments". This transfer by WLA Sherwood Investors VI, LLC (the "Seller") will be to an affiliate of Klingbeil Capital Management, Ltd. (the "Purchaser") at which time the Seller will retire the outstanding Refunding Bonds (Sherwood Crossing Apartments) Series 2003.

The Howard County Economic Development Authority Incentives Committee met on August 2, 2011 to review the request by Thomas Lewis (attorney for the Seller). The Committee voted unanimously to support and recommend approval by the Howard County Council of the resolution authorizing the sale.

The County's approval by resolution in no way shall subject the County to financial obligation or liability. The transfer of ownership will result in the following:

- (1) The assumption by the Purchaser of all of the Seller's obligations under the Regulatory Agreement related to the Bonds; making certain findings; and authorizing the County Executive and other County officials to do all acts and execute all documents necessary in connection therewith.
- (2) Low and Moderate Income Housing Units will continue to comprise at least 20% of the total housing project for the duration of the "Qualified Project Period." Those rental units will be available to individuals or families with a gross median income not exceeding 80%.

Howard County
Housing and Community Development Board

**Recommendation of Approval of Sale of
Sherwood Crossing Apartments**

Resolution HCD No. 01-08-2011
Meeting Date: August 18, 2011

WHEREAS, pursuant to Section 13.202 of the Howard County Code, the Howard County Housing and Community Development Board is authorized to review and make recommendations regarding housing-related industrial revenue bonds;

WHEREAS, the Department of Housing and Community Development has received an application from WLA Sherwood Investors VI, LLC, the current owner of Sherwood Crossing Apartments, a 634-unit rental apartment community located in Elkridge, Maryland, to transfer the development to Klingbeil Capital Management, Ltd., or its affiliate;

WHEREAS, Sherwood Crossing Apartments was financed in part with proceeds of Howard County-issued housing revenue bonds and is subject to a Regulatory Agreement requiring that at least 20% of dwelling units are rented to persons of low or moderate income (80% of the area median income);

WHEREAS, the bonds will be redeemed upon closing of the sale and the Regulatory Agreement will be assumed by the buyer and remain in place for the remainder of its term, which is until August 17, 2013;

WHEREAS, the Board has reviewed the application and finds that it is in the best interests of the citizens of Howard County.

THEREFORE, BE IT RESOLVED that the Housing and Community Development Board recommends that the County Council approve the sale of Sherwood Crossing Apartments as proposed.

Approved by the Housing and Community Development Board this 18th day of August, 2011.



Stacy L. Spann, Director and Secretary