

VILLAGE OF FRIENDSHIP HEIGHTS

VILLAGE COUNCIL

MELANIE ROSE WHITE, *Mayor*
MICHAEL MEZEY, *Chairman*
BRUCE R. PIRNIE, *Vice Chairman*
ALFRED MULLER, M.D., *Secretary*
PAULA DURBIN, *Treasurer*
MICHAEL J. DORSEY, *Parliamentarian*
CAROLINA ZUMARAN-JONES, *Historian*
JULIAN P. MANSFIELD, *Village Manager*

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APPROVED MINUTES

PUBLIC SESSION

FRIENDSHIP HEIGHTS VILLAGE COUNCIL

June 21, 2022

ATTENDEES:

Michael Mezey, Chairman
Melanie Rose White, Mayor
Bruce Pirnie, Vice Chairman
Paula Durbin, Treasurer
Alfred Muller, M.D., Secretary
Michael Dorsey
Carolina Zumaran-Jones, Historian
Julian Mansfield, Village Manager
Robert Bryant, Recording Secretary from The Professional Documents Service

CALL TO ORDER:

Mr. Mezey called the meeting to order at 7:30 p.m.

COMMENTS/QUESTIONS TO AND FROM THE COUNCIL:

The Council received comments from the following persons:

- Dan Dozier inquired why the Council does not support the creation of a listserv for Village residents. (2) Mr. Dozier stated he cannot find dates on the Village website in relation to Council meetings. **Mr. Mansfield will determine whether the meeting dates are posted to the website.** (3) Mr. Dozier asked whether the Council will progress to holding hybrid meetings. **Mr. Mansfield will check into the possibilities.**
- Prem Garg spoke in favor of having a second opportunity during each meeting for the public to offer feedback to the Council.
- Louisa Klein strongly suggested the implementation of a shuttle bus route that would take residents to the Arlington Road Giant location rather than the one on River Road.
- Dr. Muller praised Village Manager Julian Mansfield for having the water stains removed from the exterior walls of the Village Center.

MAYOR'S ANNOUNCEMENT:

Mayor White announced the appointment of a special committee to negotiate a contract for concierge services with the Friendship Heights Neighbors Network (FHNN). Committee members will include Councilmembers Al Muller, Bruce Pirnie, and Melanie Rose White.

Councilmember Al Muller will testify on behalf of the Council during the Historic Preservation Commission's Wednesday, June 22, 2022, public hearing in support of the 4608 N. Park historic preservation application.

The Village will host a Montgomery County Council Candidates' Forum on Thursday, June 30, 2022 at 7:00 p.m., at the Village Center. Residents are invited to attend.

Residents are encouraged to participate in the annual Independence Day celebration on Monday, July 4th from 2:00 p.m. to 4:00 p.m. at the Village Center.

SECRETARY'S REPORT:

Dr. Muller moved, Mr. Dorsey seconded approval of the minutes as distributed from the Council's Public Session held on Monday, May 9, 2022. The motion carried unanimously (7-0-0).

Dr. Muller moved, Ms. Durbin seconded approval of the minutes as distributed from the Council's Closed Session held on Monday, May 9, 2022. The motion carried unanimously (7-0-0).

Dr. Muller moved, Ms. Durbin seconded approval of the minutes as distributed from the Council's Closed Session held on Wednesday, May 18, 2022. The motion carried unanimously (7-0-0).

Dr. Muller moved, Mr. Dorsey seconded approval of the minutes as distributed from the Council's Public Session held on Friday, May 27, 2022. The motion carried unanimously (7-0-0).

Dr. Muller moved, Mr. Dorsey seconded approval of the minutes as distributed from the Council's Closed Session held on Thursday, June 9, 2022. The motion carried unanimously (7-0-0).

Dr. Muller moved, Mr. Dorsey seconded approval of the minutes as distributed from the Council's Closed Session held on Thursday, June 16, 2022. The motion carried unanimously (7-0-0).

Ms. Durbin moved, Dr. Muller seconded approval of the minutes as amended from the Council's Closed Session held on Monday, June 20, 2022. The motion carried unanimously (7-0-0).

TREASURER'S REPORT:

Treasurer Durbin presented a summary of the Council's financial standing as of May 31, 2022. Total cash on hand in the General Fund was \$6,415,507.61. Total cash on hand in the Capital Improvements Fund was \$11,308.70. Total cash on hand in the OPEB Trust Fund Reserve was \$1,336.20.

COMMITTEE REPORTS:

Report from the Community Advisory Committee (CAC): Dr. Muller reported the CAC held meetings on May 11, 2022 and June 1, 2022. Topics of discussion from May 11, 2022 included:

- (1) Village identity.
- (2) A presentation from Natalie Avery of the Javera Group (the group that is working with the Friendship Heights Alliance).
- (3) The goal of continuing to gain input via surveys and focus groups for the purpose of driving vibrancy, relevance, and coordination via strategic planning and design.
- (4) Underpinning the Business Improvement District.

Topics of discussion from June 1, 2022 included:

- (1) Recent assaults in the Village.
- (2) The sale of Willard Towers to AIR Communities (real estate investment trust) - also the new owners of 4615 N. Park.
- (3) News from Julian Mansfield that additional COVID test kits are pending from Montgomery County, and that the Village website is being updated.
- (4) The May 2022 Council Meeting, with a general consensus that review of the BID process and Wisconsin Avenue Alliance goals was favorable.
- (5) The date of the next CAC meeting, which will be Wednesday, July 6, 2022 at 5:30 p.m. via Zoom. The CAC voted not to meet in August 2022.

Report from the Citizens Coordinating Committee on Friendship Heights

(CCCFH): Mayor White reported the CCCFH met on Wednesday, May 18, 2022 and June 15, 2022. Discussion topics from May 18, 2022 included:

- (1) The Westbard construction project. The end of Westbard Avenue at River Road will be closed for one year, although the rest of Westbard Avenue will be open to the shopping center and down to Massachusetts Avenue.
- (2) Kenwood and surrounding communities continue to press for opening all four lanes of Little Falls Parkway seven days a week. The CCCFH continues to discuss the parkway.

Topics of discussion from the June 15, 2022 meeting included:

- (1) A continuation of the Little Falls Parkway discussion. The Parks Department will conduct a pilot study for converting two of the four lanes to park.
- (2) Stalling of the Thrive Montgomery 2050 project, pending racial equity and social justice review.
- (3) The next meeting of the CCCFH will take place on Wednesday, July 20, 2022 at 7:30 p.m. via Zoom.

OLD BUSINESS:

5500 Wisconsin Avenue Settlement Agreement:

Mr. Mezey explained that the Council voted to oppose the sketch plan presented by Donohoe to the County's Parks & Planning Commission. When the Planning Board decided to support the plan, the Village Council exercised its right to appeal the decision in court. After the appeal was filed, a series of meetings was held with the Donohoe team. Attorney Norman Knopf prepared a settlement agreement on behalf of the Council that would lead to dropping the appeal before the court. Mr. Mezey presented a summary of the proposed settlement, and the implications for the Village and other potential undeveloped sites in the Village,

such as Parcels 4 and 6. The Council then received feedback from the following members of the public:

- Dan Dozier reported the Carleton Board of Directors would support a settlement agreement. (2) Mr. Dozier had questions regarding the two buildings that are being considered for purchase; and noted that buildings might still be built across from the Carleton. He inquired what can be done to protect the Carleton, perhaps by buying units in 4600 N. Park.
- Pat Donovan spoke in support of entering a settlement agreement in order to get the project going.
- Cameron Moody spoke in support of a settlement agreement, but asked if there is any opportunity to do something on the site of the pink house that would benefit the community, such as a skateboard park.

Mr. Pirnie moved, Ms. Zumaran-Jones seconded that the Friendship Heights Village Council accept the draft compromise proposal for the 5500 Wisconsin Avenue site, subject to review by legal counsel. Following a Council discussion, the motion carried by a vote of four in favor, three opposed (Mayor White, Dr. Muller, and Ms. Durbin), and zero abstained (4-3-0).

Negotiation to Purchase 4608 N. Park Avenue Property:

Dr. Muller presented a detailed chronology of the last year related to declaring 4608 an historic house by the County and also initiating purchase of the property by the Village. (see attachment). The Council then received feedback from the following members of the public:

- Dan Dozier sought clarity concerning the “historic status” designation.
- A resident expressed concern about the proposed use of the funds.
- Cameron Moody inquired whether the funds could be used for something more visually appealing and of greater benefit to the community.

Following a discussion, the Council agreed by unanimous consent to continue negotiation for the purchase of 4608 N. Park Avenue property and report back to the community.

Bids for Financial Consultant to Review Village Investments:

Mr. Pirnie moved, Dr. Muller seconded that the Village solicit bids for a qualified independent financial consultant to review the Village’s investments, and to then recommend best practices. The Council has the right to refuse all bids if none appear appropriate for the circumstances of the Village. The motion carried unanimously.

NEW BUSINESS:

Lease Extension Request - 4602 N. Park Avenue:

Dr. Muller moved, Ms. Durbin seconded approving a one-year lease extension for the tenants of 4602 N. Park Avenue. The motion carried unanimously (7-0-0).

ADJOURNMENT:

Dr. Muller moved, Ms. Durbin seconded to enter into closed session pursuant to Maryland Code, General Provisions Article, Section 3-305(b)(1), to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals. The motion carried unanimously (7-0-0).

Respectfully submitted,

A handwritten signature in cursive script that reads "Alfred Muller MD". The signature is written in dark ink and is positioned above the printed name.

Alfred Muller, MD
Secretary

Estrada Property and the Village Council: A Chronology

June 14, 2021 Public Agenda and/or Minutes: Dr. Muller recommended that the Council explore the process to apply for historic preservation status for the house at 4608 N. Park Ave and the Council agreed to pursue the matter.

July 12, 2021 Update in Public Agenda and/or Minutes: Village Attorney Knopf provided the name of Eileen McGuckian to provide guidance concerning the historical preservation application process.

September 13, 2021 Update in Public Agenda and/or Minutes: Update that Dr. Muller and Manager Mansfield met by Zoom with staff of the County Planning Department to discuss the process for applying for historic status for 4608 N. Park. The names of two firms were provided who had experience filing such historic applications. It was also recommended that the current owners of the property be notified of the intention to submit an application, which was subsequently done.

October 12, 2021 Update in Public Agenda and/or Minutes: The Council unanimously (7-0) approved hiring Ottery Group to assist the Village in researching, preparing and submitting an application for historic preservation of 4608 N. Park Avenue.

November 8, 2021 Update in Public Meeting and Minutes: Village Manager Mansfield reported that the consultant firm had begun preliminary work on the application.

2017 to December 31, 2021: Owners of 4608 and 4606 N. Park Avenue properties were in a business arrangement with 1788 Holdings to explore an assemblage of their and other properties on Parcel 6. In fact, 1788 Holdings had contacted Manager Mansfield on February 6, 2018 offering to purchase the Village

property at 4602 N. Park Avenue to be part of that assemblage in order to build a high rise edifice on North Park Avenue. The Village declined to sell the property.

First week of January 2022: Dr Muller contacted Mr. Dan Estrada, whose family owns 4608 N. Park Avenue, to inquire whether they would be interested in selling the property to the Village to preserve its historic value.

February 7, 2022: Mr. Estrada responded that "we are open to reviewing an offer with the understanding that the property has been valued at \$3.795 million. Please let us know if the village is interested in purchasing the property and what price you have in mind." Mr. Estrada was informed that his email would be shared with the Council and Manager but before any negotiations could proceed an appraisal of the property would be required.

February 14, 2022 Public Agenda: A closed session of the Village Council would be held in accordance with Maryland Code, to "consider the acquisition of real property for a public purpose." By a unanimous vote (7-0) the Council entered Executive Session, during which there was consensus agreement to authorize the Manager to obtain an appraisal for 4608 and then open negotiations with Mr. Estrada.

February 14, 2022 Owner of 4606 N. Park Ave contacted Dr. Muller and the Manager separately to suggest the Council purchase 4608 N. Park and then move the structure to Page Park, allowing the remaining empty land to become part of a larger assemblage of property on which a taller building could be built as part of a larger assemblage of property. The Council declined by email to pursue that suggestion.

April 1, 2021: An appraisal was received, giving an estimated range of value, dependent on assemblage, as between \$3.67 and 4.03 million

April 6, 2021: The Council met in Executive Session and reviewed the appraisal, which was similar to the range cited by the owner and their attorney. The Council authorized Dr. Muller to set up a meeting with Mr. Estrada and Mayor White, to offer a figure less than the appraisals since that had been based on an assemblage which was thought to be doubtful.

April 12, 2021: Negotiation meeting attended by Mr. Dan Estrada, Mayor Melanie White and Secretary Al Muller, MD. A tentative offer of \$3 million in cash was made to purchase 4608 N. Park Avenue and retain as historic property, the oldest house (1906) in the Village. It was also promised that a plaque would be hung memorializing the beautiful restoration work that his mother had undertaken.

April 13, 2022: By email Mr. Estrada requested that the proposal be in writing.

April 14, 2022: Dr Muller responded that a written confirmation would require review by the entire Council, which was not possible until April 25, when two councilmembers would be returning from travels.

April 25, 2022: Council met in Executive Session and agreed (6 in favor 1 abstention) to acknowledge in writing the offer made by the Mayor and Secretary.

April 26, 2022: This information was conveyed to Mr. Estrada, with the caveat that any final agreement would "require legal review (by the Village attorney), property inspection, and Village Council approval."

May 5, 2022: An email was received from Mr. Estrada 1) requesting confirmation that the sale would be all cash, 2) that the Estrada family would play an active, participant and approval role in the memorial plaque message in honor of their mother, 3) that the Estrada Family have access to the house to host two special, private events each year, at no charge, on mutually agreed upon dates, 4) agreeing to a goal of 60 day Closing and 5) that the Estrada Trust/Estate maintain ownership of and ability to sell the transferable development rights (TDRs) associated with the property to a Developer/Development Project that is not at or on this location.

May 9, 2022: The Council met in Executive Session and discussed at length Mr. Estrada's five proposals. All five members who were present opposed his request to retain TDRs, and all reiterated the Council's offer to purchase the property for \$3 million.

May 10, 2022: An email was sent to Mr. Estrada agreeing to his first four requests, (with one clarification concerning use of the house for two private events) but respectfully declining his fifth proposal: " the Council was unanimous in declining retention of TDRs by the Estrada Estate; the Council's generous purchase offer of \$3M is intended to include all aspects of the property, including any transferable development rights."

May 16, 2022: Mr. Estrada responded that if the Village maintains TDRs, he proposes the following three terms: 1) FHVC covers all closing costs, transfer taxes, etc; 2) FHVC pauses/postpones the Historic Preservation proceedings by 60 days in order to close on the deal; and 3) Property be sold "as is".

May 18, 2022: The Council met in Executive Session to discuss Mr. Estrada's latest proposals as well as receive advice from

Village attorney Knopf. They decided to proceed with negotiations for purchase of the property and authorized attorney Knopf to draft a response to Mr. Estrada.

May 25, 2022: Mr. Estrada was informed by email that there was no reason to pause/suspend the historic preservation proceedings. The other two proposals were acceptable to the Village on the condition that "the Village has the right to first inspect the property. If the inspection discloses that substantial monies may be required to bring the property up to code for public use, such as for health and safety reasons like asbestos/lead removal this can affect the amount the Village is willing to pay for closing costs."

May 27, 2022: Public Council meeting via Zoom, during which 1) Joy Siegel was selected unanimously (6-0) as settlement attorney for purchase of 4608 N. Park Avenue and 2) Manager Mansfield was delegated (6-0) to select a home inspector(s), to undertake a comprehensive inspection of 4608 North Park Avenue, to include testing for asbestos/lead/radon and termites.

June 9, 2022: The Council met in Executive Session to discuss with attorney Knopf the current status of the 4608 negotiations. He recommended that they meet with settlement attorney Siegel. The Council agreed unanimously to update the Village on the current status of negotiations at the June 21st monthly public meeting of the Council.

June 10, 2022: Manager Mansfield and Dr. Muller spoke by phone with attorney Siegel to determine options for meeting.

June 15/16, 2022: Mr. Estrada inquired about status of the negotiations, and was notified of the upcoming Executive Session meeting with attorney Joy Siegel on June 20 and a public Council discussion of the ongoing negotiations on June 21.