

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

April 5, 2017
17-04

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, April 5, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:09 p.m. Those in attendance were:

Present

Jackie Simon, Chair
Christopher Hatcher, Vice Chair
Richard Y. Nelson, Jr., Chair Pro Tem
Linda Croom
Pamela Byrd
Edgar Rodriguez

Absent

Margaret McFarland

Also Attending

Stacy Spann, Executive Director
Kayrine Brown
Patrick Mattingly
Ellen Goff
Jim Atwell
Ethan Cohen
Tiffany Jackson
Arthur Tirsky
Lynn Hayes
Darcel Cox
Susan Smith
Fred Swan
Nilou Razeghi
Saundra Boujai
James Ellis
Lorie Seals
Erica Connors
Bolajoko Akinboyewa

Nowelle Ghahhari, Acting General Counsel
Gail Willison
Shauna Sorrells
Jennifer Arrington
Zachary Marks
Bobbie DaCosta
Hyunsuk Choi
Shala Rafiq
Angela McIntosh-Davis
Ugonna Ibebuchi
Bonnie Hodge
Juan Garcia
Rita Harris
Douglas Brooks
Joan McGuire
Ian Williams
Amber Queens

RAB

Yvonne Caughman, Vice President

Guest

Susan Keran
Amy Millar, MCGEO
Jay Wilson, Capreit

IT Support

Karlos Taylor
Irma Rodriguez

Commission Support

Patrice Birdsong, Spec. Asst. to Commission

Prior to convening the meeting, Chair Simon welcomed new Commissioner Edgar Rodriguez. The meeting began with the approval of the Consent Calendar. The Consent Calendar was adopted upon a motion by Commissioner Byrd and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

I. CONSENT ITEMS

- A. Approval of Minutes of March 1, 2017** – The minutes were approved as submitted.
- B. Approval of Executive Session Minutes of March 1, 2017** – The minutes were approved as submitted.
- C. Approval of Special Executive Session Minutes of March 23, 2017** - The minutes were approved as submitted.
- D. Ratification of Action Taken in Executive Session on March 1, 2017: Approval to Acquire Limited Partner Interests in Three Existing Low Income Tax Credit Partnerships and Approval of Related Actions and the Funding of Acquisition Loans to Each Entity**

RESOLUTION: 17-21A-R

RE: Ratification of Approval of Acquisition of Limited Partner Interests in Three Existing Low Income Tax Credit Partnerships and Approval of Related Actions and the Funding of Acquisition Loans to Each Entity

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 (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or

permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, at an Executive Session duly called and held on March 1, 2017, with a quorum present, the Commission duly adopted Resolution 17-21A which authorized the acquisition of limited partnership interests in three existing Low Income Tax Credit partnerships and approved related actions and the funding for the acquisition loans to each entity; and

WHEREAS, consistent with the Commission's Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commission in adopting Resolution 17-21A and any action taken since March 1, 2017 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 17-21A and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

RESOLUTION: 17-21b-R

RE: Ratification of Approval of Aggregate Draws From the \$90 Million Real Estate Line of Credit (RELOC) from PNC Bank, N.A. as an Interim Source of Funding for the Cost of Acquiring Interests in Three Existing Low Income Tax Credit Partnerships to be Repaid through Property Cash as Available from Such Properties

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 (the "Act"), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, at an Executive Session duly called and held on March 1, 2017, with a quorum present, the Commission duly adopted Resolution 17-21B which authorized aggregate draws from the \$90 Million Real Estate Line of Credit ("RELOC") from PNC Bank, N.A. as an interim source of funding for the acquisition of limited partner interests in three existing Low Income Tax Credit partnerships, to be repaid through property cash as available from such properties; and

WHEREAS, consistent with the Commission's Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present,

the action undertaken by the Commission in adopting Resolution 17-21B and any action taken since March 1, 2017 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 17-21B and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

E. Ratification of Action Taken in Special Executive Session on March 23, 2017: Conditional Authorization to Purchase Real Property and Approval of Related Actions and Interim Funding

RESOLUTION: 17-22R

RE: Ratification of Action Taken in Special Executive Session on March 23, 2017: Conditional Authorization to Purchase Real Property and Approval of Related Actions and Interim Funding

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 (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, at a Special Executive Session duly called and held on March 23, 2017, with a quorum present, the Commission duly adopted Resolution 17-22ES which authorized the execution of a Purchase and Sale Agreement to acquire real property in Silver Spring, Maryland, funding for the acquisition, the retention of the current property management, and conditionally authorized the acquisition of the property; and

WHEREAS, consistent with the Commission’s Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commission in adopting Resolution 17-22ES and any action taken since March 23, 2017 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 17-22ES and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

II. INFORMATION EXCHANGE

- A. **Report of the Executive Director** – There were no additional items to add to the Executive Director’s written report but Mr. Spann mentioned HOC’s activities at Tobytown and participation in the Housing Initiatives Fund (HIF) testimony with Montgomery County.
- B. **Calendar and Follow-up Action** – Chair Simon thanked staff who participated at the Tobytown Cemetery clean-up. She expressed her delight in the progress being made there.
- C. **Commissioner Exchange** – Chair Simon asked that the video highlights be played. Shauna Sorrells, Director of Legislative and Public Affairs, shared that this is one of many videos that are played prior to the start of the meetings. This video, in particular, has a caption of the swearing in of the new Commissioner and highlights of the Fatherhood Initiative graduation ceremony.
- D. **Resident Advisory Board** - Yvonne Caughman, Vice President of the Resident Advisory Board, reported that the RAB has completed the MOU and it’s being circulated for approval.
- E. **Community Forum** – Susan Keran addressed the Board regarding concerns of the renovations at Arcola Towers and Waverly House Apartments. Bobbie DaCosta, Director of Property Management, Darcel Cox, Compliance Manager, and Fred Swan, Director of Resident Services, were designated to assist Ms. Keran with her concerns.

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

A. Development and Finance Committee – Com. Simon, Chair

1. Approval to Advance Funds from the Opportunity Housing Reserve Fund (OHRF) to Fund Predevelopment Expenses for Bauer Park, Town Center, and Stewartown Homes through the Submission of Low Income Housing Tax Credit Applications

Kayrine Brown, Chief Investment and Real Estate Officer, and Zachary Marks, Assistant Director of New Development, were presenters.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Simon, Nelson, Croom, Byrd, and Rodriguez. Vice Chair Hatcher recused himself from the vote. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-23

RE: Approval to Advance Funds from the

**Opportunity Housing Reserve Fund (OHRF)
to Fund Predevelopment Expenses for
Bauer Park, Town Center, and Stewartown
Homes through the Submission of Low
Income Housing Tax Credit Applications**

WHEREAS, the Housing Opportunities Commission of Montgomery County (the “Commission”) seeks to preserve Montgomery County’s existing affordable housing, including housing that, due to age, faces growing sustainability challenges; and

WHEREAS, Bauer Park Apartments, located at 14639 Bauer Drive in Rockville (“BauerPark”), Town Center Apartments, located at 90 Monroe Street in Rockville (“Town Center”), and Stewartown Homes, located at 9310 Merust Lane, Gaithersburg (“Stewartown”) and all three collectively “236 Properties”) face such challenges; and

WHEREAS, the 236 Properties were financed with Section 236 mortgages, which are still outstanding, and also receive subsidies through Rental Assistance Payment (“RAP”) contracts; and

WHEREAS, the RAP contracts for the 236 Properties are expiring approximately two years prior to the maturity of the properties’ Section 236 mortgages, the first of which matures during the second quarter of Calendar Year 2018; and

WHEREAS, in light of Bauer Park and Stewartown’s sustainability challenges, and the expiration of their funding sources in the near future, the Commission wishes to refinance and renovate the 236 Properties to ensure their preservation; and

WHEREAS, the Commission wishes to assess the physical condition of Bauer Park and Stewartown, develop a scope of necessary and useful renovations, and fund the renovations with the refinance proceeds; and

WHEREAS, the Commission has identified a potential new property for the relocation of Town Center residents and transfer of all new subsidies, and wishes to assess the feasibility of that new location; and

WHEREAS, staff requires assistance from expert development and design consultants to properly assess the 236 Properties’ renovation and relocation opportunities; and

WHEREAS, the Commission previously authorized the Executive Director to execute a Letter of Intent (“LOI”) with Victory Housing Inc. (“VHI”) to perform certain feasibility studies at Bauer Park, pursuant to which VHI has incurred expenditures and must now be reimbursed.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the advance of up to \$350,000 from the Opportunity Housing Reserve Fund (“OHRF”) to be used to reimburse Victory Housing Inc. for predevelopment expenditures for Bauer Park up, as they are incurred and in accordance with the LOI between HOC and VHI.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the advance of up to \$350,000 from the OHRF to be used to reimburse Victory Housing Inc. for predevelopment expenditures for the relocation of Town Center Apartment to Upton II, as they are incurred.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the advance of predevelopment funding for Stewartown Homes of up to \$150,000 to be paid from the OHRF.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the funds authorized herein for the 236 Properties for predevelopment funding will be paid back to the OHRF with proceeds from the construction financing for their renovations.

2. Approval of the Final Development Plan and Budget for Greenhills Apartments; Authorization for the Executive Director to Execute the General Contractor Contract with Hamel Builders, Inc. for an Amount Not To Exceed \$5,700,000; and Approval of the Sale of Greenhills Apartments to Greenhills Apartments Limited Partnership

Kayrine Brown, Chief Investment and Real Estate Officer, and Hyunsuk Choi, Senior Financial Analyst, were presenters.

Chair Pro Tem Nelson requested that, during the renovation process, that staff be mindful of ADA requirements.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Hatcher. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-24

RE: Approval of the Final Development Plan and Budget for Greenhills Apartments; Authorization for the Executive Director to Execute the General Contractor Contract with Hamel Builders, Inc. for an Amount Not To Exceed \$5,700,000; and Approval of the Sale of Greenhills Apartments to Greenhills Apartments Limited Partnership

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing financing for the construction of rental housing properties which provide a public purpose; and

WHEREAS, Greenhills Apartments (the “Property”) is a 78-unit townhouse and apartment complex located at 10560 Tralee Terrace, Damascus, Maryland which was acquired by the Commission in 1998; and

WHEREAS, the Preliminary Development Plan for the renovation of the Property was approved by the Commission on June 3, 2015 which proposed funding the renovation of the Property with tax-exempt bonds issued by HOC, equity from the sale of LIHTC, a deferred developer fee, and a seller note, for a combined total funding of \$26.6MM; and

WHEREAS, the Preliminary Development Plan also provided for the creation of Greenhills Apartments Limited Partnership (the “Partnership”), an entity controlled by HOC, to acquire the Property in order to avail itself of the equity raised by the syndication of 4% Low Income Housing Tax Credits; and

WHEREAS, Greenhills Apartments Limited Partnership was created on July 22, 2016, with Greenhills Apartments GP LLC as the general partner and HOC as the initial limited partner; and

WHEREAS, on September 7, 2016, the Commission approved the selection of Hamel Builders, Inc. (“Hamel”) as general contractor for the renovation of the Property and authorized the Executive Director of the Commission to enter into contract negotiations; and

WHEREAS, the Executive Director has fully negotiated a contract with Hamel for an amount not to exceed \$5.7 million; and

WHEREAS, on December 17, 2016, the Commission approved the PNC Real Estate-Tax Credit Capital as Low Income Housing Tax Credit Syndicator for the Greenhills Apartment transaction; and

WHEREAS, an application for Low Income Housing Tax Credit (“LIHTC”) was submitted to the Maryland Department of Housing and Community Development on February 7, 2017; and

WHEREAS, HOC and the Partnership expect to receive a Letter of Reservation of Federal Low Income Housing Tax Credits from the Maryland Department of Housing and

Community Development which will enable the Partnership to raise approximately \$5.6 million in equity to pay part of its development costs; and

WHEREAS, staff will return to the Commission at a later date to seek its approval of the final financing plan which, in addition to tax-exempt and LIHTC equity funding, will include a request to approve a loan that bridges the funding of LIHTC equity; and

WHEREAS, the Commission has requested that staff present a Final Development Plan identifying the sources of funds to finance all costs and repay all loans made from the Opportunity Housing Reserve Fund once all costs were identified and a budget finalized.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of Greenhills Apartments GP LLC, acting for itself and for and on behalf of Greenhills Apartments Limited Partnership as its general partner, that it hereby grants:

1. Approves the Final Development Plan's proposed funding through the issuance by HOC of tax-exempt bonds, equity from the sale of LIHTC, a deferred developer fee, and a seller note, for a total of approximately \$25.6MM.
2. Authorizes the Executive Director to sign the general contractor contract with Hamel for an amount not to exceed \$5.7 million.
3. Approves the Final Development Plan's increase in the number of restricted affordable units from 47 to 55 (70%), serving households with incomes at or below 60% of the area median income.
4. Approves the sale of Greenhills Apartments to Greenhills Apartments Limited Partnership for the appraised value of \$12,040,000.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of Greenhills Apartments GP LLC, acting for itself and for and on behalf of Greenhills Apartments Limited Partnership as its general partner, that the Executive Director is authorized, without any further action on their respective parts, to take any and all other actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related thereto.

3. Approval to Create a Pool of Contractors to Provide Moving, Packing and Storage Services Pursuant to IFB #2020

Kayrine Brown, Chief Investment and Real Estate Officer, and Ellen Goff, Real Estate Operations Manager, were presenters.

The following resolution was adopted, as amended, by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-25

RE: Approval to Create a Pool of Contractors to Provide Moving, Packing and Storage Services Pursuant to IFB #2020

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”) continues to review its entire real estate portfolio and anticipates that it will continue to undertake rehabilitation and redevelopment of a significant portion of the properties it owns or will acquire and this will require operational support as well as assistance with resident relocation; and

WHEREAS, tenant in-place renovations require providing residents with packing supplies and the moving of items to offsite storage, then the return of those items upon completion of renovations; and

WHEREAS, due to the extensive renovation required at some properties, tenant in-place renovation is not always feasible, requiring permanent or temporary tenant relocation; and

WHEREAS, packing assistance is provided on an as-needed-basis for elderly and disabled residents upon request; and

WHEREAS, there is or will be sufficient funding for resident relocation in each project’s approved development budget; and

WHEREAS, resident relocation is needed for the Supportive Housing Programs and Property Management and there is sufficient funding in their operating budgets; and

WHEREAS, to ensure the availability of adequate moving services and to facilitate timely and cost-effective resident relocation, on January 27, 2017, the Commission issued an Invitation for Bid (IFB) #2020 to solicit bids from qualified moving and storage companies to form a pool of moving companies to provide Moving, Packing and Storage Services (“Moving Pool”) for resident relocation; and

WHEREAS, seven companies submitted bids and were evaluated based on the established qualification criteria, including experience with similar residential relocation, price (packing materials, hourly rates and storage fees), qualification of staff and size and scope of all operations, and references; and

WHEREAS, applying the criteria described above, the five moving and storage companies selected for the Moving Pool are: R & A Movers; Johnson’s Moving and Storage;

Walters Relocation; Allen and Sons Moving and Storage, and; Blake and Sons Moving and Storage; and

WHEREAS, each moving company will be selected as needed from the Moving Pool and will be held to their bid pricing for the services to be provided; and

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

1. Authorizes the creation of a pool of moving companies to include R & A Movers, Johnson's Moving and Storage, Walters Relocation, Allen and Sons Moving and Storage, and Blake and Sons Moving and Storage to provide moving, packing and storage services.
2. Authorizes and directs the Executive Director, without further action on its part, to execute five individual contracts for moving, packing and storage services, as described by IFB #2020, with R & A Movers, Johnson's Moving and Storage, Walters Relocation, Allen and Sons Moving and Storage, and Blake and Sons Moving and Storage, for an aggregate amount of \$1,000,000.00, and an initial contract term of one year each with an option to extend for three additional one-year terms as permitted under HOC's procurement policy.
4. **Approval of Structure, Cost of Issuance Budget and Adoption of Series Resolution for 2017 Series A and 2017 Series B Single Family Mortgage Revenue Bonds for the Purpose of Refunding Various Single Family Mortgage Revenue Bonds and the Issuance of New Debt**

Kayrine Brown, Chief Investment and Real Estate Officer, and Jennifer Arrington, Assistant Director of Bond Management, were presenters.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Hatcher. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, McFarland, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

RESOLUTION: 17-26A

Re: Approval of Structure, Cost of Issuance Budget and Adoption of Series Resolution for 2017 Series A and 2017 Series B

**Mortgage Revenue Bonds for the Purpose
of Refunding Various Single Family
Mortgage Revenue Bonds and the Issuance
of New Debt**

WHEREAS, the Housing Opportunities Commission of Montgomery County (the “Commission”) is a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law (the “Act”), and authorized thereby to issue its notes and bonds from time to time to fulfill its corporate purposes; and

WHEREAS, the Housing Opportunities Commission of Montgomery County has issued various series of Single Family Mortgage Revenue Bonds under the Single Family Bond Resolution originally adopted on March 28, 1979, as amended (the “Bond Resolution”), a portion of which are currently outstanding; and

WHEREAS, the Bond Resolution authorizes the Commission to issue its bonds from time to time pursuant to one or more series resolutions in order to obtain funds to carry out its Single Family Mortgage Purchase Program (the “Single Family Program”); and

WHEREAS, the Commission desires to reduce its debt service expense in the Single Family Program and to produce low mortgage rates and new mortgage loans for Montgomery County, Maryland first time homebuyers; and

WHEREAS, financial market conditions are favorable for refinancing outstanding bond debt and for making mortgage loans to first time homebuyers; and

WHEREAS, the Commission has determined to carry out the Single Family Program by issuing its 2017 Single Family Mortgage Revenue Bonds in one or more series beginning with 2017 Series A and 2017 Series B, and with each subsequent series, if any, to follow in alphabetical order (collectively, the “2017 Bonds”) in a total aggregate principal amount not to exceed \$45,000,000; and

WHEREAS, the use of Private Activity Volume Cap for new debt and satisfaction of Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) will be required; and

WHEREAS, in connection with the proposed issuance of the 2017 Bonds, the Commission has reviewed the recommended structure and the cost of issuance budget and has been provided with initial drafts of the series resolution to be adopted prior to the issuance of the 2017 Bonds (the “Series Resolution”), and the preliminary official statement to be provided to prospective purchasers of the 2017 Bonds (the “POS” and following the sale of the 2017 Bonds and the appropriate revisions reflecting the final pricing and terms of the 2017 Bonds, the “Official Statement”);

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

1. The 2017 Bonds. The 2017 Bonds are authorized to be issued in a principal amount not to exceed \$45,000,000 (i) to refund and redeem certain bonds outstanding under the Bond Resolution, (ii) to make, purchase or finance newly originated Mortgage Loans (as defined in the Bond Resolution), and (iii) if necessary, to fund certain required reserves.

2. Approval of the Series Resolution and the Structure of the 2017 Bonds. The 2017 Bonds are to be issued pursuant to the terms of the Bond Resolution and pursuant to the terms of the Series Resolution which have been provided to the Commission. The Commission hereby approves the current provisions of the Series Resolution and the structure of the 2017 Bonds set forth therein and in the POS. The Executive Director is hereby authorized to approve the final form of the Series Resolution, the POS and the Official Statement prior to the issuance of the 2017 Bonds.

3. Commission Documents. The Chair, the Vice-Chair, the Chair Pro Tem and the Executive Director of the Commission are hereby authorized and directed to execute and deliver the Series Resolution, the Official Statement and any such other documents and agreements to be prepared in connection with the issuance of the 2017 Bonds (the "Commission Documents") in such forms as shall be prepared and approved by the Chair, the Vice Chair, the Chair Pro Tem or the Executive Director, their execution and delivery of the Commission Documents being conclusive evidence of such approval and of the approval of the Commission and the Secretary of the Commission, or any other Authorized Representative (defined below), is hereby authorized and directed to affix the seal of the Commission to the Commission Documents and to attest the same.

4. Authorizing Ongoing Determinations under Commission Documents. The Executive Director is hereby authorized, without further authority from the Board of Commissioners, to perform any act, to execute any documents, and to make any ongoing determinations as may be required to be made on behalf of the Commission from time to time including, but not limited to, the determination of other terms to be in effect with respect to the 2017 Bonds as shall be set forth in the Commission Documents.

5. Other Action. The Chair or Vice Chair or Chair Pro Tem and the Executive Director of the Commission or a person designated by the Executive Director to act on his behalf (the "Authorized Representative") are hereby authorized and directed to undertake any other actions necessary (i) for the issuance and sale of the 2017 Bonds, (ii) for the refunding and redemption or repayment of prior bonds (the "Prior Bonds"), (iii) for the financing of new Mortgage Loans under the Single Family Program, (iv) for the performance of any and all actions required or contemplated under the Bond Resolution, the Series Resolution, the POS, the Official Statement and any other financing documents relating to the issuance of the 2017 Bonds, and (v) for the entire period during which the 2017 Bonds are outstanding following the issuance thereof.

6. Approval of Allocation of Volume Cap. The Commission approves the allocation of approximately \$30,000,000 of Private Activity Volume Cap to complete the transaction.

7. Approval of Cost of Issuance. The Commission approves the cost of issuance budget in an amount up to \$625,000 to be incurred by the Commission in connection with the issuance of the 2017 Bonds.

8. Appointment of Financial Advisor and Bond Counsel. Caine Mitter & Associates Incorporated is hereby appointed as Financial Advisor, and Kutak Rock LLP, Washington, D.C., is hereby appointed as Bond Counsel in connection with the issuance of the 2017 Bonds.

9. Action Approved and Confirmed. All acts and doings of the officers of the Commission which are in conformity with the purposes and intent of this resolution and in the furtherance of the issuance and sale of the 2017 Bonds, the refunding and redemption of the Prior Bonds and the financing of newly originated Mortgage Loans approved hereby and the execution, delivery and performance of the Commission Documents authorized hereby are in all respects approved and confirmed.

10. Severability. If any provision of this resolution shall be held or deemed to be illegal, inoperative or unenforceable, the same shall not affect any other provision or cause any other provision to be invalid, inoperative or unenforceable to any extent whatsoever.

11. Effective Date. This resolution shall take effect immediately.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, McFarland, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

HOUSING OPPORTUNITIES COMMISSION
OF MONTGOMERY COUNTY

Resolution No. 17-26B

SERIES RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE
OF

[\\$27,400,000] PRINCIPAL AMOUNT OF SINGLE FAMILY
MORTGAGE REVENUE BONDS, 2017 SERIES A OF THE HOUSING
OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

and

[\$11,145,000] PRINCIPAL AMOUNT OF SINGLE FAMILY
MORTGAGE REVENUE BONDS, 2017 SERIES B OF THE HOUSING
OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY
(Complete document has been filed in the Commission Support Office)

B. Bond Counsel Evaluation Committee

1. Approval of Firms Selected to Serve the Commission as Bond Counsel for a New Contract Term in Accordance with Request for Proposal (RFP) #2043

Kayrine Brown, Chief Investment and Real Estate Officer, was the presenter.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Hatcher. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

Resolution: 17-27

Re: Approval of Firms Selected to Serve the Commission as Bond Counsel for a New Contract Term in Accordance with Request for Proposal (RFP) #2043

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "Commission") is a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, and the Agreement by and between the Housing Opportunities Commission of Montgomery County and Montgomery County, Maryland (the "County"), effective July 1, 2010, as amended (together, the "Act"), and authorized thereby to issue its notes and bonds from time to time to fulfill its corporate purposes; and

WHEREAS, the ability to issue notes and bonds to the capital markets is subject to the availability of an opinion of a nationally recognized bond counsel concerning (1) the validity of the bonds and (2) the excludability of interest on the bonds from gross income for federal income tax purposes, without which the bonds are not normally marketable; and

WHEREAS, in 2012, the Commission appointed Kutak Rock LLP as bond counsel for its financing programs for a four year term which was extended for one year in 2016, ending on April 10, 2017 with specific instruction to staff to begin a new procurement as soon as practical; and

WHEREAS, the Commission seeks the services of bond counsel that is highly qualified and experienced in the issuance of revenue bonds for single family and multifamily programs under parity (open) indentures as well as stand-alone (conduit) indentures at prices that are highly competitive in the market place; and

WHEREAS, the Commission wishes to expand its bond counsel selection to ensure continuity of its programs and avoid the ongoing reliance on a single firm; and

WHEREAS, the Bond Counsel Evaluation Committee has completed its review of five firms which submitted proposal to serve as bond counsel to the Commission in response to request for proposal #2043 and has determined that the law firms of Kutak Rock LLP and Ballard Spahr LLP were most responsive and are most qualified to represent the Commission as Bond Counsel for a new contract term.

NOW, THEREFORE BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the selection of Kutak Rock LLP and Ballard Spahr LLP as its bond counsel for a new contract term of three (3) years initially with two additional one year extensions and authorizes the Executive Director to execute contract documents in conformance with the submitted proposal and past practices.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the selection of Kutak Rock LLP as its sole bond counsel for the Single Family Mortgage revenue Bond Resolution and its Single Family Housing Bond Resolution.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the selection of Kutak Rock LLP and Ballard Spahr as bond counsel for its multifamily issuances with Ballard Spahr initially serving as bond counsel for selected standalone transactions as they become experienced with HOC and demonstrate their ability to perform on other transactions.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it authorizes the Executive Director without further action on its part to make determination to assign Ballard Spahr LLP as bond counsel for selected stand-alone transactions.

BE IT FURTHER RESOLVED that the negotiated and proposed fees are approved and the maximum annual contract amount shall not exceed \$600,000 for each of the initial four years.

C. Legislative and Regulatory Committee

1. Authorization to Submit HOC's FY 2018 Annual Public Housing Agency (PHA) Plan

Ethan Cohen, Housing Programs Coordinator, was the presenter.

The following resolution was adopted upon a motion by Commissioner Byrd and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

Resolution: 17-28

Re: Authorization to Submit HOC's FY 2018 Annual Public Housing Agency (PHA) Plan

WHEREAS, the Housing Opportunities Commission of Montgomery County ("HOC") seeks to implement the mandatory Annual and Five-Year PHA Plan requirements of the Quality Housing and Work Responsibility Act of 1998 (QHWRA); and

WHEREAS, the submission of the FY 2018 Annual PHA Plan has been prepared in accordance with 24 CFR Part 903 regulations and requirements for submission to HUD; and

WHEREAS, HOC has worked in collaboration with the Resident Advisory Board to obtain recommendations in the development of the proposed Annual PHA Plan Submission; and

WHEREAS, HOC has obtained certification from local government officials that the proposed Annual PHA **Plan Submission is consistent with the jurisdiction's** Consolidated Plan; and

WHEREAS, HOC will conduct a Public Hearing on April 5, 2017 to obtain public comments regarding the proposed Annual PHA Plan Submission; and

WHEREAS, HOC has considered all comments and recommendations received and has incorporated all relevant changes in the proposed Annual PHA Plan Submission.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Opportunities Commission of Montgomery County that it approves the FY 2018 Annual PHA Plan and its submission to HUD no later than April 17, 2017, as required by federal regulation.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized and directed to take all actions necessary and proper to accomplish the activity contemplated herein.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

None

V. ***FUTURE ACTION ITEMS**

None

VI. **INFORMATION EXCHANGE (continued)**

None

VII. **NEW BUSINESS**

None

VIII. **EXECUTIVE SESSION FINDINGS and/or ACTION**

None

Based upon this report, and there being no further business to come before this open session of the Commission, pursuant to Section 3-305 of the General Provisions Article of the Maryland Annotated Code, a motion was made to adjourn the open session to a closed session by Vice Chair Hatcher and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom, Byrd, and Rodriguez. Commissioner McFarland was necessarily absent and did not participate in the vote.

The open session adjourned at 5:10 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: May 3, 2017