

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

March 3, 2021

21-03

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Wednesday, March 3, 2021, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:05 p.m. Those in attendance were:

**Present**

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

**Also Attending**

Stacy L. Spann, Executive Director  
Aisha Memon, General Counsel  
Zachary Marks  
Charnita Jackson  
Lynn Hayes  
Jay Berkowitz  
Victoria Dixon  
Terri Fowler  
Jennifer Arrington  
Nathan Bovelie  
Ian Hawkins  
Karlos Taylor

Kayrine Brown, Deputy Executive Director  
Cornelia Kent  
Fred Swan  
Olutomi Adebo  
Eugenia Pascual  
Millicent Anglin  
Nicolas Deandreis  
Kristyn Greco  
Marcus Ervin  
Jay Shepherd  
Claire Kim  
Nilou Razeghi

**Commission Support**

Patrice Birdsong, Spec. Asst. to the Commission

Chair Priest opened the meeting welcoming all to the monthly meeting. He provided an explanation for not convening Community Forum and Resident Advisory Board (RAB) report due to the lengthy agenda and recommended extending the Community Forum for April's meeting, allowing additional time to those who wish to address the Board. There was a roll call of Commissioners participating.

I. **Information Exchange**  
**Executive Director's Report**

- In addition to his written report, Executive Director Spann presented the Agency's Year-in-Review highlighting the Housing Opportunities Commission's current and future goals. Mr. Spann congratulated and recognized the 2021 Housing Honor Roll Honorees: Bethesda Help, Ruth Manchester, and the African-American Health Program.
- Executive Director Spann opened the floor for questions and addressed Commissioner Croom's question regarding students returning to school. Mr. Spann indicated that there had been a school supply drive during the Fall and supplies may still be available for those in need.
- Commissioners expressed their appreciation of Mr. Spann and the HOC Team for job well done during a difficult time.
- Mr. Spann offered to provide the Commissioners with various construction projects by community breakdown as requested by Commissioner Kelleher.

**Commissioner Exchange**

Chair Priest acknowledged and provided a tribute to Vernon Jordan who passed away on March 1, 2021.

- II. **Approval of Minutes** - The minutes were approved as submitted, acknowledging edits made prior to the meeting, with a motion by Chair Pro Tem Nelson and seconded by Commissioner Simon. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.
- A. **Approval of Minutes of February 3, 2021**
  - B. **Approval of Minutes of February 3, 2021 Closed Session**
  - C. **Approval of Minutes of February 19, 2021 Special Session**
  - D. **Approval of Minutes of February 19, 2021 Closed Session**

III. **SPECIAL SESSION RATIFICATION**

A. **Approval to Complete the Acquisition of Real Property Located in Chevy Chase, Maryland**

The following resolution was adopted upon a motion by Commissioner Simon and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.

**RESOLUTION NO.: 21-22R**

**RE: Approval to Complete the Acquisition of  
Real Property Located in Chevy Chase, Maryland**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "Commission" or "HOC") 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 authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition of rental housing properties which provide a public purpose;

**WHEREAS**, at a closed Special Session duly called and held on February 19, 2021, with a quorum participating, the Commission duly adopted Resolution 21-22AS, with Commissioners Priest, Kelleher, Nelson, Merkwitz, and Simon voting in approval, and Commissioners Byrd and Croom being necessarily absent and not participating in the vote;

**WHEREAS**, by adopting resolution 21-22AS, the Commission approved acquiring real property located in Chevy Chase, Maryland by a single-purpose entity that is ultimately owned and controlled by HOC; and

**WHEREAS**, consistent with the Commission's Second Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in a regular open meeting with a quorum participating, the action undertaken by the Commissioners in adopting Resolution 21-22AS and any actions taken since February 19, 2021 to effectuate the actions contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 21-22AS and any subsequent actions taken in relation thereto are hereby ratified and affirmed.

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

**A. Budget, Finance, and Audit Committee – Com. Nelson, Chair**

**1. Fiscal Year 2021 (FY'21) Second Quarter Budget to Actual Statements:** Acceptance of the Second Quarter FY'21 Budget to Actual Statements

Cornelia Kent, Chief Financial Officer, and Olutomi Adebo, Assistant Budget Officer, were the presenters.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwitz, and Simon.

**RESOLUTION NO.: 21-23**

**RE: Acceptance of the Second Quarter  
FY'21 Budget to Actual Statements**

**WHEREAS**, the Budget Policy for the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission") states that quarterly budget to actual statements will be reviewed by the Commission; and

**WHEREAS**, the Commission reviewed the Second Quarter FY'21 Budget to Actual Statements during its March 3, 2021 meeting.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby accepts the Second Quarter FY'21 Budget to Actual Statements.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby amends the FY'21 Operating Budget by increasing total revenues and expenses for the Commission from \$280,052,393 to \$285,210,846.

**2. Fiscal Year 2021 (FY'21) Second Quarter Budget Amendment:** Approval of the FY'21 Second Quarter Budget Amendment

Cornelia Kent, Chief Financial Officer, and Terri Fowler, Budget Officer, were the presenters.

The following resolution was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.

**RESOLUTION NO.: 21-24**

**RE: Approval of FY'21 Second Quarter Budget Amendment**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "Commission") adopted a budget for FY'21 on June 3, 2020;

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

**WHEREAS**, the net effect of the FY'21 Second Quarter Budget Amendment is a shortfall of \$818,652 which will increase the anticipated draw from the General Fund Operating Reserve (GFOR) of \$228,791 by \$818,652 to \$1,047,443 in order to maintain a balanced budget;

**WHEREAS**, the total FY'21 Operating Budget increased from \$280,052,393 to \$285,210,846;

**WHEREAS**, approval of the budget amendments to revise the FY'21 budget will reflect an accurate plan for the use of the Commission's resources for the remainder of FY'21.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby amends the FY'21 Operating Budget by increasing total revenues and expenses for the Commission from \$280,052,393 to \$285,210,846.

**3. Uncollectable Tenant Accounts Receivable:** Authorization to Write-off Uncollectable Tenant Accounts Receivable

Cornelia Kent, Chief Financial Officer, and Eugenia Pascual, Controller, were the 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 Priest, Kelleher, Nelson, Byrd, Croom, Merkwowitz, and Simon.

**RESOLUTION NO.: 21-25**

**RE: Uncollectible Tenant Accounts Receivable:  
Authorization to Write-Off Uncollectible  
Tenant Accounts Receivable**

**WHEREAS**, the current policy of the Housing Opportunities Commission of Montgomery County (“HOC”) is (i) to provide for an allowance for tenant accounts receivable balances that are delinquent for more than ninety (90) days; and (ii) to propose the write-off of former tenant balances;

**WHEREAS**, staff periodically proposes the write-off of uncollected former tenant balances which updates the financial records to accurately reflect the receivables and the potential for collection; and

**WHEREAS**, the proposed write-off of former tenant accounts receivable balances for the period of October 1, 2020 – December 30, 2020 is \$49,684, consisting of \$45,974 from Opportunity Housing properties, \$640 from Supportive Housing, and \$3,070 from RAD Properties.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, or his designee, without further action on its part, to take any and all actions necessary and proper to write off \$49,684 in uncollectible accounts receivable related to (i) tenant balances that are delinquent for more than ninety (90) days, and (ii) former tenant balances, including the execution of any and all documents related thereto.

- 4. Forest Oak Towers – Property Management Contract:** Approval to Renew Property Management Contracts for Forest Oak Towers, Alexander House, Georgian Court, Stewartown Homes, Metropointe, Greenhills Apartments, Westwood Towers Apartments, and Cider Mill Apartments

Cornelia Kent, Chief Financial Officer, and Eugenia Pascual, Controller, were the 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 Priest, Kelleher, Nelson, Byrd, Croom, Merkwitz, and Simon.

**RESOLUTION NO.: 21-26**

**RE: Approval to Renew Property Management Contracts for Forest Oak Towers, Alexander House, Georgian Court, Stewartown Homes, Metropointe, Greenhills Apartments, Westwood Towers Apartments, and Cider Mill Apartments**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of Forest Oak Towers Limited Partnership (“Forest Oak LP”), and Forest Oak LP owns the development known as Forest Oak Towers located in Gaithersburg, Maryland (“Forest Oaks”); and

**WHEREAS**, HOC is the sole member of Alexander House GP LLC, the general partner of Alexander House Apartments Limited Partnership (“Alexander House LP”), and Alexander House LP partly owns the development known as Alexander House located in Silver Spring, Maryland (“Alexander House”); and

**WHEREAS**, HOC is the general partner of Georgian Court Silver Spring Limited Partnership (“Georgian Court LP”), and Georgian Court LP owns the development known as Georgian Court located in Silver Spring, Maryland (“Georgian Court”); and

**WHEREAS**, HOC is the general partner and owner of MV Affordable Housing Associates Limited Partnership (“Stewartown LP”), and Stewartown LP owns the development known as Stewartown Homes located in Gaithersburg, Maryland (“Stewartown”); and

**WHEREAS**, HOC is the general partner of Wheaton Metro Limited Partnership (“Wheaton Metro LP”), and Wheaton Metro LP partly owns the development known as MetroPointe located in Wheaton, Maryland (“Metropointe”); and

**WHEREAS**, HOC is the sole member of Greenhills Apartments GP LLC, the general partner of Greenhills Apartments Limited Partnership (“Greenhills LP”), and Greenhills LP owns the development known as Greenhills Apartments located in Damascus, Maryland (“Greenhills”); and

**WHEREAS**, HOC owns the development known as Westwood Towers located in Bethesda, Maryland (“Westwood Towers”); and

**WHEREAS**, HOC is the sole member of MVG II, LLC, the sole member of MV Gateway LLC (“MV Gateway”), and MV Gateway owns the development known as Cider Mill Apartments located in Gaithersburg, Maryland (“Cider Mill”); and

**WHEREAS**, staff desires to renew the current property management contracts at Forest Oaks for one (1) year with Habitat America, LLC; and

**WHEREAS**, staff desires to renew the current property management contracts at Alexander House, Georgian Court, and Stewartown for one (1) year with Edgewood Management Corporation;

**WHEREAS**, staff desires to renew the current property management contracts at MetroPointe for one (1) year with Bozzuto Management Company; and

**WHEREAS**, staff desires to renew the current property management contracts at Greenhills and Westwood Towers for one (1) year with CAPREIT Residential Management; and

**WHEREAS**, staff desires to renew the current property management contracts at Cider Mill for one (1) year with Grady Management, Inc.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Forest Oak LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Forest Oaks with Habitat America, LLC.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Alexander House LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Alexander House with Edgewood Management Corporation.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Georgian Court LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Georgian Court with Edgewood Management Corporation.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Stewartown LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract as Stewartown with Edgewood Management Corporation.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Wheaton Metro LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Metropointe with Bozzuto Management Company.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Greenhills LP, as its general partner, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Greenhills with CAPREIT Residential Management.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Westwood Towers with CAPREIT Residential Management.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and as the sole member MVG II, LLC, acting for itself and on behalf of MV Gateway, as its sole member, that the Executive Director, or his designee, is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Cider Mill with Grady Management, Inc.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed, without any further action on its part, to take any and all other actions necessary and proper to carry out the transactions contemplated herein.

**B. Development and Finance Committee – Com. Simon, Chair**

- 1. Jubilee:** Approval to Sell up to Three (3) Units from MPDU I/64 (MPDU 64) for the Renovation and Adaptive Reuse for Operation by Jubilee Association of Maryland, and Approval to Prepay the Existing MPDU I Mortgage using Funds from the PNC Bank, N.A. Line of Credit

Kayrine Brown, Deputy Executive Director, and Jay Shepherd, Senior Financial Analyst, were the presenters.

The following resolutions were adopted upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Byrd. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkwitz, and Simon.

**RESOLUTION: 21-31<sub>A</sub>**

**RE: DHMH Grant: Approval to Sell Three (3) Units from HOC for the Renovation and Adaptive Reuse for Operation by Jubilee Association of Maryland and Approval to Prepay the Existing MPDU I Mortgage Using Funds from the PNC Bank, N.A. Line of Credit**

**WHEREAS**, in December 2013, the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”) authorized the Executive Director, in partnership with Jubilee Association of Maryland, Inc. (“Jubilee”), to accept a grant award of up to \$835,000 from the Maryland Department of Health and Mental Hygiene (“FY14 DHMH Grant”) to acquire and renovate at least two homes for adults with developmental disabilities, with final obligation of the funds required before June 30, 2021; and

**WHEREAS**, currently, \$768,728 in unspent funds (not including required additional matching funds from the Montgomery County Department of Housing and Community Affairs (“DHCA”)) remain eligible for additional acquisitions and renovation under the FY14 DHMH Grant; and

**WHEREAS**, staff have identified three (3) HOC-owned townhouse units in the Chadburn Place Subdivision (“Chadburn Units”) of Montgomery Village that can be acquired by a to-be created, wholly-owned special purpose entity (“SPE”) and subsequently renovated to suit the needs of low-income, developmentally disabled adults, to be operated by Jubilee; and

**WHEREAS**, for HOC to sell the Chadburn Units to the SPE, all debt and mortgage insurance obligations must be resolved, including prepayment of the outstanding mortgages; and

**WHEREAS**, for the SPE to acquire the Chadburn Units, HOC must secure interim funding until the FY14 DHMH Grant and DHCA required matching funds are received; and

**WHEREAS**, staff proposes a draw on the \$60 million PNC Bank, N.A. Line of Credit (“LOC”) in an amount up to \$1,400,000 to fund repayment of the outstanding mortgages, as well as the costs, permit fees, and construction administration expenses associated with the renovation of the Chadburn Units for use as required by the FY14 DHMH Grant; and

**WHEREAS**, the Commission may make draws on the LOC at a taxable rate equal to London Interbank Offered Rate (“LIBOR”) (at 1-month, 3-month, 6-month, or 12-month LIBOR) plus 90 basis points.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the disposition of the Chadburn Units to the SPE.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the creation of the SPE and authorizes the SPE to acquire the Chadburn Units.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves repayment of the outstanding mortgages of the Chadburn Units using a draw on the LOC, not to exceed \$1,400,000.



**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves cancellation of the Maryland Housing Fund Mortgage Insurance related to the Chadburn Units' mortgage repayment and deferment of the outstanding operating deficit funding loan from HOC related to the same; and

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County approves a draw on the LOC to cover the repayment of the outstanding mortgages, and renovation, permit fees, and construction administration expenses related to the renovation of the Chadburn Units for use as required by the FY14 DHMH Grant, which will be repaid from the FY14 DHMH Grant and required matching DHCA funds upon receipt thereof.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, or his designee, without further action on its part, to take any and all other actions necessary and proper to carry out the transactions contemplated herein including, but not limited to, the execution of any and all documents related thereto.

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**RESOLUTION No. 21-31<sub>B</sub>**

**RE: Approval to Draw on the PNC Bank, N.A. Line of Credit to Prepay the MPDU I / 64 and Fund the Renovation and Adaptive Reuse for Operation by Jubilee Association of Maryland**

**WHEREAS**, in December 2013, the Housing Opportunities Commission of Montgomery County ("HOC" or the "Commission") authorized the Executive Director, in partnership with Jubilee Association of Maryland, Inc. ("Jubilee"), to accept a grant award of up to \$835,000 from the Maryland Department of Health and Mental Hygiene ("FY14 DHMH Grant") to acquire and renovate at least two homes for adults with developmental disabilities, with final obligation of the funds required before June 30, 2021; and

**WHEREAS**, currently, \$768,728 in unspent funds (not including additional matching funds from the Montgomery County Department of Housing and Community Affairs ("DHCA")) remain eligible for additional acquisitions and renovation under the FY14 DHMH Grant; and

**WHEREAS**, staff have identified three (3) HOC-owned townhouse units in the Chadburn Place Subdivision ("Chadburn Units") of Montgomery Village that can be acquired by a to-be created wholly-owned special purpose entity ("SPE") and subsequently renovated to suit the needs of at least three low-income, developmentally disabled adults, to be operated by Jubilee; and

**WHEREAS**, in order for HOC to sell the Chadburn Units to the SPE, all debt and insurance obligations must be resolved, including prepayment of the outstanding mortgages; and

**WHEREAS**, in order for the SPE to acquire the Chadburn Units, HOC must secure interim funding until the FY14 DHMH Grant and DHCA funds (required matching funds) are received; and

**WHEREAS**, staff proposes a draw on the \$60 million PNC Bank, N.A. Line of Credit ("LOC") in an amount up to \$1,400,000 to fund repayment of the outstanding mortgages, as well as the costs related to the renovation, permit fees, and construction administration expenses associated with the development plan for the Chadburn Units; and

**WHEREAS**, the Commission may make draws on the LOC at a taxable rate equal to London Interbank Offered Rate (“LIBOR”) (at 1-month, 3-month, 6-month, or 12-month LIBOR) plus 90 basis points.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes a draw in the amount of \$1,400,000 at a rate of one-month LIBOR plus 90 basis points on the LOC to fund repayment of the outstanding mortgages, as well as the costs related to the renovation, permit fees, and construction administration expenses associated with the development plan for the Chadburn Units, and that this draw shall have a due date that coterminous with the termination date of the LOC, which is currently June 30, 2022.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized, without any further action on its part, to take any and all actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related thereto.

2. **Stewartown Homes:** Authorization to Select CREA, LLC as Tax Credit Investor and Authorization for the Executive Director to Negotiate and Execute an Operating Agreement

Gio Kaviladze, Senior Financial Analyst, was the presenter.

The following resolution was adopted upon a motion by Commissioner Simon and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon.

**RESOLUTION NO.: 21-32**

**RE: Authorization to Select Low Income Housing Tax Credit Syndicator for the Renovation of Stewartown Homes and Authorization for the Executive Director to Negotiate and Execute an Operating Agreement**

**WHEREAS**, Stewartown Homes (the “Property”), located at 9310 Merust Lane, Gaithersburg, was built in 1977 under the Section 236 Program and consists of 94 townhome units, 19 of which were subsidized by a RAP contract, in twelve (12) buildings on three (3) parcels totaling 15 acres of land; and

**WHEREAS**, the Property reached the end of its initial 15-year Low Income Housing Tax Credit (“LIHTC”) compliance period, and staff recommended re-syndicating in order to raise additional capital to finance the proposed renovation; and

**WHEREAS**, on December 9, 2020, HOC approved the Final Development Plan for the rehabilitation of the Property, which includes the delivery of 94 townhome units and the restriction of 100% of the units to those earning at or below an income averaged 60% of the area median income; and

**WHEREAS**, HOC formed and is currently the ultimate sole member of HOC at Stewartown Homes, LLC (“Stewartown LLC”), which will be the future owner entity of the Property. On December 9, 2020, the Commission ratified the formation of Stewartown LLC; and

**WHEREAS**, HOC formed and is currently the sole member of HOC MM Stewartown Homes, LLC, (“Stewartown MM LLC”), which is the current sole member and planned managing member of Stewartown LLC. On December 9, 2020, the Commission ratified the formation of Stewartown MM LLC; and

**WHEREAS**, on April 1, 2020, the Commission approved the selection of Boston Capital as the tax credit equity syndicator for the project; and

**WHEREAS**, during the underwriting process, the tax credit investor sourced by Boston Capital imposed maximum senior debt restriction on the transaction, which would prevent HOC from taking full advantage of the current favorable low interest rate underwriting environment; and

**WHEREAS**, to obtain best possible terms for HOC and for the transaction, staff solicited additional proposals from tax credit equity syndicators and received Letters of Interest from R4 Capital and CREA LLC; and

**WHEREAS**, CREA LLC submitted the most advantageous proposal in response to the solicitation, and staff recommends that CREA LLC be selected as the new LIHTC syndicator for the transaction, and that the Executive Director begin negotiating the terms of an operating agreement; and

**WHEREAS**, if the Commission approves the selection of CREA LLC as the new LIHTC syndicator for the transaction, HOC intends to negotiate an Operating Agreement with a tax credit investor affiliate of CREA LLC (the “Investor”) for the admission of the Investor as a non-managing investor member of Stewartown LLC with a 99.99% interest; and

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County approves the selection of CREA LLC as the LIHTC syndicator for renovation of the Property, and authorizes the Executive Director to begin negotiating the terms of an operating agreement with CREA LLC.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County acting on behalf of itself and on behalf of Stewartown MM LLC, as its sole member, acting on behalf of itself and on behalf of Stewartown LLC, as its managing member, that it approves (1) the negotiation and execution of a Operating Agreement with the Investor for Stewartown LLC, (2) the admission of the Investor as a non-managing member of Stewartown LLC with a 99.99% interest, and (3) the execution of related documents, including without limitation tax credit recapture and other guarantees by Stewartown MM LLC and/or the Housing Opportunities Commission of Montgomery County as may be required by the Investor.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is authorized and directed, without further action on the part of the Commission, to take any and all other actions necessary and proper to carry out the transaction contemplated herein including, without limitation, the negotiation and execution of related documents.

**3. Stewartown Homes:** Amendment of the Financing Plan and Bond Authorizing Resolution for Stewartown Homes

Victoria Dixon, Senior Multifamily Underwriter, was the presenter.

The following resolution was adopted upon a motion by Commissioner Simon and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon.

**RESOLUTION NO.: 21-33<sub>A</sub>**

**RE: Stewartown Homes: Amendment of the Financing**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or 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, as further provided in that certain Memorandum of Understanding by and between the Commission and Montgomery County, Maryland, dated June 29, 2018, the Commission is authorized to issue its notes and bonds from time to time to fulfill its corporate purposes, including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing of multifamily rental housing properties which provide a public purpose; and

**WHEREAS**, Stewartown Homes (the “Property” or “Stewartown”) is an existing 94-unit income-restricted residential community located at 9310 Merust Lane, Gaithersburg, Maryland owned by MV Affordable Housing Associates Limited Partnership (“Seller”); and

**WHEREAS**, the Property will be acquired by in a single purpose entity known as HOC at Stewartown Homes, LLC (“Borrower”), which will be controlled by HOC MM Stewartown Homes, LLC (“Managing Member”) an entity controlled by HOC; and

**WHEREAS**, on January 13, 2021, the Commission approved a financing plan totaling an estimated \$38.1 million for the issuance of and the Borrower to accept the following contemplated sources: (a) a tax-exempt construction to permanent, FHA Risk Share backed mortgage loan for the acquisition and renovation of the Property in an amount up to \$16 million (“Mortgage Loan” or “Permanent Loan”), funded by the issuance of short-term and long-term tax-exempt bonds; (b) Low Income Housing Tax Credit (“LIHTC”) equity of approximately \$10,065,353 at \$0.89 per tax credit; (c) a subordinate County Loan in the amount of \$2.1 million; (d) a subordinate Seller’s note to the Borrower in the amount of up to \$12 million (the “Seller’s Loan”), and (e) a bond authorizing resolution for the associated bonds in an amount up to \$16,000,000 (together, the “Financing Plan”); and

**WHEREAS**, on March 3, 2021, the Commission approved an amended development plan with selection of a new LIHTC investor, CREA, LLC (“CREA”) for the transaction at \$0.92 per credit with no Mortgage Loan limit; and

**WHEREAS**, due to incorporation of the new LIHTC investor, revised scheduled availability of sources, and revised interest rate assumptions, amendment of the Financing Plan is proposed, as the transaction is now projected to (a) support a larger Mortgage Loan amount funded from long-term bond proceeds which will reduce the amount of short-term bonds and the Seller’s Loan for the transaction, (b) require funding of a bond debt reserve equal to six (6) months for approximately \$320,000, and (c) require up to \$4,600,000 of bridge financing during renovation and lease-up funded by way of draws on the Commission’s PNC Bank, N.A. Real Estate Line of Credit (“RELOC”) until repaid from receipt of LIHTC equity installments (“Bridge Note”)(together, the “Amended Financing Plan”); and

**WHEREAS**, in order to fund the increased Mortgage Loan and bond debt reserve, the Property is projected to require an additional allocation of a portion of the Commission's tax-exempt volume cap of \$500,000 to a revised total of \$16,500,000 to complete the transaction; and

**WHEREAS**, a review of the transaction has been completed and it has been determined that given the financial commitments to the Property and its operating projections, this transaction is believed to be feasible, and that by providing 94 units at or below 60% of the Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area Median Income ("AMI"), the Property will provide significant public purpose supporting an increased allocation of tax-exempt volume cap.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that the selection of CREA as the new LIHTC investor and the Amended Financing Plan, are approved and staff is hereby authorized to proceed with the review and processing of the necessary financing applications and other documentation.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the allocation of tax-exempt volume cap in a revised amount not to exceed \$16,500,000 for the issuance of short and long-term bonds to finance the transaction and for the Commission, as conduit lender, to use those bond proceeds to make a tax-exempt Mortgage Loan to Borrower with a maximum term of up to 42 years to fund development of the Property, which will be subject to conversion to a Permanent Loan phase.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the issuance of a commitment for the Mortgage Loan in an amount up to \$16,500,000, which will be credit enhanced by FHA Risk Share Mortgage Insurance, pursuant to the Risk Sharing Agreement between the Commission and the U.S. Department of Housing and Urban Development ("HUD"), of which the Commission shall assume 25% of the risk while HUD shall assume 75% for the transaction.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes the issuance of a Bridge Note in an amount of up to \$4,600,000 to the Borrower, funded by way of short-term, taxable draws on the RELOC which shall be drawn as needed to bridge the receipt of LIHTC equity and shall be outstanding for no more than 30 months from the closing date.

**BE IT FURTHER RESOLVED** that the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of the Managing Member, acting for itself and on behalf of Borrower accepts the Mortgage Loan, Permanent Loan, and Bridge Note for the financing closing, which may occur separate and apart from the LIHTC equity closing.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of the Managing Member, acting for itself and on behalf of Borrower, that the Executive Director, or a duly appointed designee of the Executive Director of HOC, is hereby authorized, without any further action on their respective parts, to execute such other documents, including without limitation guarantees from HOC required by Borrower's lenders, and to take any and all other actions, in each case as necessary and proper, in the Executive Director's judgment, to carry out the Financing Plan and the transaction and actions contemplated herein.

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**RESOLUTION NO.: 21-33<sub>B</sub>**

**RE: Approval to Draw from the PNC Bank, N.A. Real Estate Line of Credit to Fund a Bridge Loan for Stewartown Homes in Accordance with the Amended Financing Plan**

**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 acquisition and renovation of rental housing properties which provide a public purpose; and

**WHEREAS**, Stewartown Homes is an existing 94-unit income-restricted residential community located at 9310 Merust Lane, Gaithersburg, Maryland (the “Property” or “Stewartown”), and currently owned by MV Affordable Housing Associates Limited Partnership (“Seller”); and

**WHEREAS**, the Property will be acquired and operated by a single purpose entity known as HOC at Stewartown Homes, LLC (“Borrower”), which will be controlled by HOC MM Stewartown Homes, LLC (“Managing Member”) an entity controlled by HOC; and

**WHEREAS**, the Property will serve families with household incomes at or below 60% of the Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area Median Income in keeping with implementation of the Low Income Housing Tax Credit (“LIHTC”) program set-asides for tax-exempt financing (“LIHTC Units”), including 19 units with Project Based Vouchers (“PBV”) and up to 15 units with Low Vacancy Vouchers (“LVV”); and

**WHEREAS**, on January 13, 2021 and as amended March 3, 2021, the Commission approved the final development plan with selection of CREA, LLC (“CREA”) as the LIHTC investor and authorized the Executive Director to negotiate and execute a Limited Partnership Agreement to modify the ownership structure and admit CREA as a non-managing member of the Borrower, with HOC remaining in control of the Borrower as the managing member of the Managing Member entity; and

**WHEREAS**, on January 13, 2021 and as amended March 3, 2021, staff proposed a Financing Plan totaling approximately \$34.7 million, which includes approximately \$27.4 million of acquisition and renovation costs; and

**WHEREAS**, HOC is pursuing a 4% LIHTC allocation for the Property, which will generate approximately \$10.3 million in LIHTC equity to be contributed according to an agreed upon pay-in schedule (“LIHTC Equity”); and

**WHEREAS**, due to the revisions to the scheduled availability of sources for the transaction, bridge financing of up to \$4,600,000 is projected to be required until repaid from receipt of LIHTC equity installments; and

**WHEREAS**, the Commission wishes to make taxable draws on the RELOC to complete the capital stack needed to close on the acquisition and renovation financing for Property until receipt of LIHTC Equity proceeds and permanent financing; and

**WHEREAS**, the Commission may make draws on the RELOC at either a taxable rate equal to an interest rate at an optional London Interbank Offered Rate (“LIBOR”) (1-month, 3-month, 6-month, or 12-month) plus 58 basis points, or a tax-exempt rate of 68.5% of LIBOR plus 38 basis points; and

**WHEREAS**, the RELOC is scheduled to mature September 30, 2021 unless extended or refinanced.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it authorizes taxable draws on the RELOC totaling up to \$4,600,000 which shall be drawn for acquisition and renovation costs as needed to bridge the receipt of LIHTC Equity proceeds for financing of the Property.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of the Managing Member, acting for itself and on behalf of the Borrower, that HOC authorizes the funds (totaling up to \$4,600,000) be loaned to the Borrower with interest to accrue and be paid at a rate sufficient to pay the interest cost of the RELOC, herein estimated to be 2% annually and shall remain outstanding for a term of up to 30 months from closing and repaid from proceeds of LIHTC Equity and permanent financing.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of the Managing Member, acting for itself and on behalf of the Borrower, that it authorizes the Executive Director of HOC, or his duly appointed designee, without any further action on their respective parts, to take any and all other actions necessary and proper to carry out the transaction and actions contemplated herein.

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**RESOLUTION NO.: 2021-33C**

**Re: Adoption of an Authorizing Resolution for the Issuance of 2021 Series B Multifamily Housing Development Bonds for the Financing of the Acquisition and Rehabilitation of the Stewartown Homes Development**

A RESOLUTION OF THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY AMENDING, RESTATING AND SUPERSEDING, IN ITS ENTIRETY, RESOLUTION 2021-11B ADOPTED BY THE COMMISSION ON JANUARY 13, 2021; AUTHORIZING THE ISSUANCE AND SALE OF A SERIES OF THE COMMISSION’S MULTIFAMILY HOUSING DEVELOPMENT BONDS 2021 SERIES B (THE “2021 B BONDS”), IN A TOTAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$16,500,000 FOR THE PURPOSE OF FINANCING A MORTGAGE LOAN TO BE INSURED UNDER THE FHA RISK-SHARING PROGRAM FOR THE ACQUISITION, REHABILITATION AND EQUIPPING OF STEWARTOWN HOMES, A MULTIFAMILY RESIDENTIAL RENTAL PROJECT FOR OCCUPANCY BY PERSONS OF ELIGIBLE INCOME TO BE OWNED BY HOC AT STEWARTOWN HOMES, LLC; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES INDENTURE, CERTAIN TAX DOCUMENTS, A DISCLOSURE AGREEMENT AND ANY AND ALL RELATED DOCUMENTS; APPROVING THE PREPARATION, EXECUTION AND DISTRIBUTION OF PRELIMINARY AND FINAL OFFERING DOCUMENTS RELATING TO THE FINANCING; AUTHORIZING THE EXECUTION OF ANY OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE 2021 B BONDS AND THE ACCOMPLISHMENT OF THE FINANCING PLAN DESCRIBED HEREIN; AUTHORIZING THE CHAIRMAN, VICE CHAIRMAN OR CHAIRMAN PRO TEM AND EXECUTIVE DIRECTOR OR OTHER AUTHORIZED REPRESENTATIVE TO PROCEED WITH THE SALE OF THE 2021 B BONDS TO BOFA SECURITIES, INC. AND PNC CAPITAL MARKETS LLC, AS CO-SENIOR MANAGERS, AND TO EXECUTE AND DELIVER A CONTRACT OF PURCHASE IN CONNECTION WITH SUCH SALE; AUTHORIZING THE EXECUTIVE DIRECTOR OR OTHER AUTHORIZED REPRESENTATIVE TO ESTABLISH THE TERMS RELATING TO THE 2021 B BONDS

AND TO MAKE ONGOING DETERMINATIONS RELATING THERETO; APPOINTING THE FINANCIAL ADVISOR AND BOND COUNSEL FOR THE 2021 B BONDS; AND PROVIDING AN EFFECTIVE DATE.

**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 Act declares that there exists within Montgomery County (the "County") a critical shortage of decent, safe and sanitary dwelling accommodations available to rent which "persons of eligible income" (within the meaning of the Act) can afford; and

**WHEREAS**, the Act empowers the Commission to make mortgage loans to qualified sponsors to provide for the construction, rehabilitation and financing of multifamily residential housing units in the County for occupancy by persons of eligible income and to perform any other duties that the Commission considers necessary in carrying out the purposes of the Act; and

**WHEREAS**, the Commission, in furtherance of the purposes of the Act, has established a program (the "Program") to provide for the financing of mortgage loans through the issuance of its multifamily housing bonds; and

**WHEREAS**, pursuant to the Act and the Program, the Commission entered into the Trust Indenture, dated as of November 1, 1996, as supplemented and amended (the "Trust Indenture"), by and between the Commission and U.S. Bank National Association, as successor trustee, providing for the issuance of bonds (the "Bonds") from time to time in accordance with the provisions thereof and of any series indenture specifically relating to any such series of Bonds issued thereunder; and

**WHEREAS**, the proceeds received from the issuance and sale of Bonds under the Trust Indenture are used to make, purchase or finance mortgage loans (each, a "Mortgage Loan," and collectively, the "Mortgage Loans") or finance Mortgage Loans through the purchase of guaranteed mortgage securities; and

**WHEREAS**, the pledges and assignments made pursuant to the Trust Indenture and the provisions, covenants and agreements therein set forth to be performed by or on behalf of the Commission are for the equal benefit, protection and security of the owners of any and all of the Bonds, each of which, regardless of the time of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in the Trust Indenture; and

**WHEREAS**, the Commission has determined to issue its tax-exempt Multifamily Housing Development Bonds, 2021 Series B (the "2021 B Bonds") pursuant to the Trust Indenture and the Series Indenture Providing for the Issuance of Multifamily Housing Development Bonds, 2021 Series B (the "2021 B Series Indenture"), (i) to make moneys available for the acquisition, rehabilitation and equipping of Stewartown Homes (the "Development"), to be owned and operated by HOC at Stewartown Homes, LLC (the "Borrower"), the managing member of which is controlled by the Commission, (ii) if necessary, to make a deposit to the Reserve Fund pursuant to the Trust Indenture and the 2021 B Series Indenture, and (iii) to fund the costs of issuance of the 2021 B Bonds in the amount set forth in the 2021 B Series Indenture and the Tax Documents (as defined herein), all in accordance with the financing plans approved by the Commission in connection with the Development on January 13, 2021 and amended on March 3, 2021 (together, the "Financing Plan"); and



**WHEREAS**, in connection with the issuance of the 2021 B Bonds and the accomplishment of the Financing Plan, the Commission anticipates entering into various documents, including, but not limited to, the Series Indenture and, as hereinafter defined, the Offering Documents, the Contract of Purchase, the Tax Documents, the Disclosure Agreement and certain other documents relating to the sale of the 2021 B Bonds, and the financing of the Development; and

**WHEREAS**, on January 13, 2021, the Commission adopted Resolution 2021-11B which approved the issuance of bonds to finance the Development but assigned an existing series designation to said bonds, and the Commission desires to amend and restate, in its entirety, Resolution 2021-11B to establish "2021 Series B" as the series designation for the 2021 B Bonds;

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

**1. Amendment and Restatement.** This Resolution amends, restates and supersedes, in its entirety, Resolution 2021-11B adopted by the Commission on January 13, 2021. All references made to Resolution 2021-11B in the official records of the Commission shall be deemed to refer to this Resolution.

**2. 2021 B Bonds.** The 2021 B Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$16,500,000 to carry out the purposes under the Program as described above. The 2021 B Bonds shall be designed as set forth in the recitals hereto, or such additional series or subseries designations as approved by the Executive Director, in consultation with the Financial Advisor and Bond Counsel to the Commission. The 2021 B Bonds are to be issued pursuant to the terms of the Trust Indenture and the Series Indenture and shall be limited obligations of the Commission, secured by and payable solely from moneys and other assets pledged therefor under the Indenture and the Series Indenture, including, without limitation, the 2021 B Mortgage Lo

**3. Approval of Financing Plan.** The Commission hereby approves the Financing Plan as described above pursuant to the terms and conditions to be set forth in the documents approved hereby.

**4. Series Indentures.** The Chairman, the Vice Chairman, or the Chairman Pro Tem, and the Executive Director of the Commission or any authorized designee of the Executive Director are hereby authorized and directed to execute and deliver the Series Indenture in such form or forms as shall be approved by such officers, the execution of such Series Indenture being conclusive evidence of such approval and of the approval of the Commission, and the Secretary-Treasurer of the Commission, or any other authorized officer of the Commission (an "Authorized Officer"), is hereby authorized and directed to affix the seal of the Commission to the Series Indenture and to attest the same.

**5. Tax Documents.** The Chairman, the Vice Chairman, the Chair Pro-tem and the Executive Director of the Commission are hereby authorized and directed to execute and deliver a Tax Regulatory Agreement and No Arbitrage Certificate and other documents (collectively, the "Tax Documents") restricting the application of the proceeds of the 2021 B Bonds and the use and occupancy of the Development in such forms as shall be prepared by Bond Counsel and approved by the Chairman, the Vice

Chairman, the Chairman Pro Tem or the Executive Director, the execution of the Tax Documents being conclusive evidence of such approval and of the approval of the Commission. The Chairman, the Vice Chairman, the Chair Pro Tem or the Executive Director of the Commission is hereby further authorized and directed to execute and deliver on behalf of the Commission Internal Revenue Service Form 8038 relating to the 2021 B Bonds as prepared by Bond Counsel.

**6. Disclosure Agreement.** The Commission hereby authorizes and approves the execution and delivery of a continuing disclosure agreement (the "Disclosure Agreement") related to the 2021 B Bonds, in such form as may be approved by the Chairman, the Vice Chairman or the Chairman Pro Tem and the Executive Director of the Commission, their execution and delivery of the Disclosure Agreement constituting conclusive evidence of such officer's approval of the Disclosure Agreement and the approval of the Commission.

**7. 2021 B Mortgage Loan; Real Estate Documents.** The Commission hereby authorizes and approves the financing of the 2021 B Mortgage Loan with the proceeds of the 2021 B Bonds which will be endorsed for federal insurance under the Risk-Sharing Agreement, pursuant to which the Commission will reimburse HUD for its losses under the 2021 B Mortgage Loan in an amount not greater than 25% of the outstanding principal balance of the 2021 B Mortgage Loan. The Commission hereby further authorizes and approves the preparation, execution and delivery of any and all real estate documents (the "Real Estate Documents") relating to the acquisition and rehabilitation of the Development, in its capacity as issuer of the 2021 B Bonds and in its capacity as the owner of a membership interest in the managing member of the Borrower.

**8. Offering Documents.** The Commission hereby authorizes and approves the preparation and distribution of a preliminary offering document of the Commission and the preparation, execution and distribution of a final offering document (collectively, the "Offering Documents"), each relating to the 2021 B Bonds, in such forms as may be approved by the Chairman, the Vice Chairman or the Chairman Pro Tem and the Executive Director of the Commission, their execution and delivery of the Offering Documents constituting conclusive evidence of such officer's approval of the Offering Documents and the approval of the Commission.

**9. Sale of 2021 B Bonds.** The Chairman, the Vice Chairman, the Chairman Pro Tem, the Executive Director or other Authorized Representative of the Commission is authorized to proceed with the sale of the 2021 B Bonds to BofA Securities, Inc. and PNC Capital Markets LLC or such other underwriter or to any other entity as shall be in the best interest of the Commission as determined by the Chairman, the Vice Chairman, the Chairman Pro Tem, the Executive Director or other Authorized Representative of the Commission.

**10. Contract of Purchase.** The Chairman, the Vice Chairman, the Chairman Pro Tem, the Executive Director or other Authorized Representative of the Commission is authorized to execute a contract of purchase and/or any other form of purchase agreement (the "Contract of Purchase") in connection with the Issuance, purchase and sale of the 2021 B Bonds.

**11. Terms; Ongoing Determinations.** The Executive Director or other Authorized Representative of the Commission, as the case may be, is hereby authorized, without further action of or authority from the Board of Commissioners to establish the dates, maturities, interest payment dates, denomination, terms of redemption, registration privileges, security and other terms, and to approve the interest rates on the 2021 B Bonds, all of the foregoing to be specified in the Series Indenture. The Executive Director or other Authorized Representative of the Commission, as the case may be, is hereby authorized, without further action of or authority from the Board of Commissioners, to perform any act, to execute any documents, and is hereby authorized, from time to time during the period the 2021 B Bonds are outstanding, to make ongoing determinations, as may be required by the terms of the Series Indenture and any other documents relating to the 2021 B Bonds and the 2021 B Mortgage Loan, including, but not limited to, the giving and withholding of consents, the selection of certain providers, the determination to permit the prepayment of the 2021 B Mortgage Loan and the refunding and redemption of the 2021 B Bonds and/or other Bonds, and the Executive Director or other Authorized Representative of the Commission, as the case may be, is further authorized to execute any and all documents evidencing such determination as may be deemed necessary and proper.

**12. Other Action.** The Chairman, the Vice Chairman, the Chairman Pro Tem, the Executive Director or other Authorized Representative of the Commission is hereby authorized and directed to execute and deliver any and all additional documents and instruments necessary or proper to be executed and delivered and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution relating to the 2021 B Bonds and the accomplishment of the Financing Plan.

**13. 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 2021 B Bonds.

**14. No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in the 2021 B Bonds, the Series Indenture, the Contract of Purchase, the Tax Documents, the Offering Documents, the Disclosure Agreement, the Real Estate Documents, or in any other agreement or document executed on behalf of the Commission shall be deemed to be a stipulation, obligation or agreement of any Commissioner, officer, agent or employee of the Commission in his or her individual capacity, and no such Commissioner, officer, agent or employee shall be personally liable on the 2021 B Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

**15. Action Approved and Confirm.** All acts and doings of the officers of the Commission which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance of the 2021 B Bonds and the accomplishment of the Financing Plan are hereby approved, and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved and confirmed.

**16. 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 hereof or cause any other provision hereof to be invalid, inoperative or unenforceable to any extent whatsoever.

**17. Effective Date.** This Resolution shall take effect immediately.

Chair Priest read the Written Closing Statement and made a motion to adopt the statement and close the meeting. The motion was seconded by Commissioner Simon and Commissioners Croom, Kelleher, Nelson, Byrd, Merkowitz, and Simon voted unanimously in approval.

Based upon this report and there being no further business to come before this session of the Commission, the Commission adjourned the open session at 5:35 p.m. and reconvened in closed session at approximately 5:49 p.m.

In compliance with Section 3-306(c)(2), General Provisions Article, Maryland Code, the following is a report of the Housing Opportunities Commission of Montgomery County's closed session held on March 3, 2021 at approximately 5:49 p.m. via an online platform and teleconference, with moderator functions occurring at 10400 Detrick Avenue, Kensington, MD 20895. The meeting was closed under the authority of Sections 3-305(b)(3) and 3-305(b)(13) to discuss three topics: (1) the acquisition of real property located in Clarksburg, Maryland via a ground lease (pursuant to Section 3-305(b)(3)); (2) the confidential commercial and financial terms of real property acquisitions located in Clarksburg and Silver Spring, Maryland (pursuant to Section 3-305(b)(13)); and (3) confidential commercial and financial information related to selecting PNC Bank, N.A. for banking services (pursuant to Section 3-305(b)(13)).

The meeting was closed and the closing statement dated March 3, 2021 was adopted on a motion made by Commissioner Simon, seconded by Commissioner Croom, with Commissioners Priest, Kelleher, Nelson, Croom, Merkowitz, Byrd, and Simon unanimously voting in approval. The following persons were present during the closed session: Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Pamela Byrd, Linda Croom, Jeffrey Merkowitz, Jackie Simon, Stacy Spann, Kayrine Brown, Aisha Memon, Zachary Marks, Cornelia Kent, Charnita Jackson, Eamon Lorincz, Kathryn Hollister, Claire Kim, Eugenia Pascual, Leidi Reyes, Marcus Ervin, Kristyn Greco, Erik Smith, Ian-Terrell Hawkins, and Patrice Birdsong. Please note that Commissioner Roy Priest left the meeting early and did not participate in some of the votes.

In closed session, the Commission discussed the below topics and took the following actions:

1. **Topic:** the acquisition of real property located in Clarksburg, Maryland via a ground lease (pursuant to Section 3-305(b)(3)), and the confidential commercial and financial terms of such acquisition (pursuant to Section 3-305(b)(13)).
  - a. **Action Taken:** With a quorum present, Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon authorized the Executive Director to execute a non-binding letter of intent to acquire the property via a ground lease.
2. **Topic:** the confidential commercial and financial terms of a real property acquisition located in Silver Spring, Maryland via a ground lease (pursuant to Section 3-305(b)(13)).

- a. **Actions Taken:** With a quorum present, Commissioners Kelleher, Nelson, Byrd, Simon, Croom, and Merkowitz authorized the Executive Director to execute a non-binding letter of intent to acquire the property via a ground lease.
3. **Topic:** the confidential commercial and financial terms related to selecting PNC Bank, N.A. for banking services (pursuant to Section 3-305(b)(13)).
    - a. **Action Taken:** With a quorum present, Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Simon, and Merkowitz approved Resolution No. 21-34AS, which authorized the selection of PNC Bank N.A. for banking services.

The closed session was adjourned at 6:53 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

**Approved: April 7, 2021**