



HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

May 6, 2015

15-05

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, May 6, 2015 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:18 p.m. Those in attendance were:

Present

Sally Roman, Chair
Jackie Simon, Vice Chair
Christopher Hatcher
Margaret McFarland
Richard Y. Nelson, Jr.
Roberto Piñero

Not Present

Jean Banks, Chair Pro Tem

Also Attending

Stacy Spann, Executive Director
Gina Smith
Kayrine Brown
Vivian Benjamin
Fred Swan
Angela McIntosh-Davis
Cathy Kramer
Bonnie Hodge
Susan Smith
Ugonna Ibebuchi
Raquel Mitchell
Mary Ellen Ewing
Tisha Lockett
Lorie Seals
Marsha Smith

Kelly McLaughlin, General Counsel
Jim Atwell
Gail Willison
Elsie Weinstein
Zachary Marks
Hyunsuk Choi
Ken Goldstraw
Ethan Cohen
Patrick Mattingly
Jennifer Arrington
Jay Shepherd
Ellen Goff
Sheryl Hammond

RAB

Kathleen Flanagan, RAB
Tiffany Green

RAB Cont'd

Linda Croom
Yvonne Coffman

Commission Support

Patrice Birdsong, Spec. Asst. to Comm.

IT Support

Nick Monaco
Dominique Laws

The Consent Calendar was adopted upon a motion by Commissioner Piñero and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, McFarland, Nelson and Piñero. Commissioner Hatcher was temporarily away and did not participate in the vote. Commissioner Banks was necessarily absent and did not participate in the vote.

I. CONSENT ITEMS

- A. Approval of Minutes of Regular Meeting of April 1, 2015** – The minutes were approved as submitted.
- B. Ratification of (1) Approval to Complete Acquisition of Avondale Street Properties Pursuant to the County's Right of First Refusal Law with Funding From the PNC Bank, N.A. Real Estate Line of Credit and Authorization of Other Related Transactions; and (2) Approval of a Tax-Exempt Draw of Up to \$7.5mm by HOC From The PNC Bank, N.A. Real Estate Revolving Line of Credit (\$90 Million) to Acquire 4500-02, 450406, 4508-10, and 4527 Avondale Street** - The following resolution was approved.

RESOLUTION: 15-34R

RE: Ratification of (1) Approval to Complete Acquisition of Avondale Street Properties Pursuant to the County's Right of First Refusal Law with Funding From the PNC Bank, N.A. Real Estate Line of Credit and Authorization of Other Related Transactions; and (2) Approval of a Tax-Exempt Draw of Up to \$7.25mm by HOC From The PNC Bank, N.A. Real Estate Revolving Line of Credit (\$90 Million) to Acquire 4500-02, 450406, 4508-10, and 4527 Avondale Street

WHEREAS, the Housing Opportunities Commission of Montgomery County ("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 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 April 1, 2015, with a quorum being present, the Commission duly adopted two resolutions: Resolution 15-32ES (“Acquisition Approval Resolution”) and Resolution 15-33ES (“RELOC Draw Approval Resolution”), each of which authorized a draw on funds from the PNC Bank, N.A. Real Estate Line of Credit (RELOC) for the purpose of financing the acquisition of 25 units located at 4500-02, 4504-06, 4508-10 and 4527 Avondale Street in Bethesda, Maryland (“Property”); and

WHEREAS, on April 17, 2015, the Commission drew on the RELOC for the purpose of acquiring the Property and took title to the Property; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commission in adopting the Acquisition Approval Resolution and RELOC Draw Approval Resolution and in executing the transactions contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Acquisition Approval Resolution, the RELOC Draw Approval Resolution and the acquisition of the Property are hereby ratified and affirmed.

C. Authorization to Amend the Amounts of the Executive Director’s Contractual Authority for Architectural Services Related to the Renovation of Arcola Towers and Waverly House - The following resolutions were approved.

RESOLUTION: 15-35

RE: Authorization to Amend the Amounts of the Executive Director’s Contractual Authority for Architectural Services Related to the Renovation of Arcola Towers and Waverly House

WHEREAS, the Housing Opportunities Commission of Montgomery County (the “Commission”) faces growing challenges in its aging multifamily Public Housing structures – most prominently, functional obsolescence and pervasive systems issues as a result of age and constrained federal capital support; and

WHEREAS, HUD’s Rental Assistance Demonstration program (the “RAD Program”) presents the Commission with an opportunity to convert its multifamily Public Housing assets to Project-based Section 8 subsidy providing for their acquisition, construction, rehabilitation and permanent financing; and

WHEREAS, on July 30, 2013, the Commission approved participation in the RAD Program and authorized evaluation of a portfolio disposition of its remaining Public Housing assets; and

WHEREAS, on November 6, 2013, the Commission approved performance of feasibility analyses for each property in the Public Housing inventory of the Commission to determine the ultimate scope of work to be conducted in the redevelopment of these properties; and

WHEREAS, on December 18, 2013, HUD awarded a Commitment to Enter a Housing Assistance Payment contract ("CHAP") to both Arcola Towers and Waverly House; and

WHEREAS, on May 7, 2014, the Commission approved preliminary development plans for the rehabilitation, with tenants in place, of Arcola Towers and Waverly House; and

WHEREAS, on May 7, 2014, the Commission approved the selection of Miner Feinstein Architects as the architect of record for the rehabilitation of Arcola Towers and authorized the Executive Director to execute a contract with the aforementioned for its architectural and design services; and

WHEREAS, on May 7, 2014, the Commission approved the selection of Architecture By Design, Inc. as the architect of record for the rehabilitation of Waverly House and authorized the Executive Director to execute a contract with the aforementioned for its architectural and design services; and

WHEREAS, on January 14, 2015, the Commission approved a final development plan for Arcola Towers, including approximately \$459,848 in development period expenditures; and

WHEREAS, on January 14, 2015, the Commission approved a final development plan for Waverly House, including approximately \$440,802 in development period expenditures; and

WHEREAS, to align with the funding approved on January 14, 2015, and to account for minor changes in the project plan, the Commission wishes to amend the amount of the contractual authority for architectural services related to the renovation of Arcola Towers given to the Executive Director on May 7, 2014; and

WHEREAS, to align with the funding approved on January 14, 2015, and to account for minor changes in the project plan, the Commission wishes to amend the amount of the contractual authority for architectural services related to the renovation of Waverly House given to the Executive Director on May 7, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it authorizes the Executive Director to execute a contract for architectural and related services with Miner Feinstein Architects for \$301,723.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it authorizes the Executive Director to execute a contract for architectural and related services with Architecture By Design, Inc. for \$310,540.

II. INFORMATION EXCHANGE

- A. **Report of the Executive Director** – No additional information was added to the Executive Director’s written report.
- B. **Calendar and Follow-up Action** – Chair Roman acknowledged that the Board and staff, through the Strategic Plan Retreat, have made progress in completing all Action items except for one.

Commissioner Piñero announced that he will be unable to attend the May 15th Executive Session due to out-of-town travel. He indicated that there may be a possibility to participate via GoToMeeting call.

- C. **Commissioner Exchange** – Vice Chair Simon shared an invitation from Montgomery Housing Partnership (MHP) to attend their annual dinner meeting. Chair Roman suggested that the meeting be added to the calendar.

Commissioner Piñero thanked Vivian Benjamin, Asst. Director of Mortgage Finance, for allowing him to participate on a panel at the National Association of Local Housing Finance Agencies (NALHFA) in Miami, FL held April 29th-May 2nd. He thanked Nicholas “Nico” Deandreis, Special Assistant to the Executive Director, for his assistance in preparing his presentation for the Conference. He also thanked Nico for his assistance in preparing a presentation for the Bilingual University in Wheaton, MD, The Ana Hendorez University. Commissioner Piñero also announced that he attended the NAACP Annual Freedom Fund Dinner held on April 26th.

Chair Roman thanked staff for attending the Affordable Housing Conference Summit held on May 4th. A special thanks to Executive Director Spann for participating on her panel.

Commissioner Nelson commented on Secretary Perez’s speech especially how it relates to the work that HOC is currently doing.

- D. **Resident Advisory Board (RAB)** – Chair Roman acknowledged the RAB Interim Board Members attending the meeting: Linda Croom, Kathleen Flanagan, Tiffany Green, Yvonne Coffman. Chair Roman announced that Commissioner Hatcher will be Acting Chair of the Legislative and Regulatory Committee until the return of Commissioner Banks.
- E. **Community Forum** – None

F. Status Report – None

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

A. Development and Finance Committee – Commissioner Simon, Chair

1. Approval of the Final Development Plan for Timberlawn Crescent and Pomander Court (the “Properties”), Authorization to Select General Contractors for the Renovation of the Properties, and Authorization of a Loan of Approximately \$7.5 million from the Real Estate Line of Credit (\$90M) with PNC Bank, N.A. to Fund the Renovation

Zachary Marks, Asst. Director of New Development, and Sheryl Hammond, Planner I, were presenters.

Chair Roman commented on the number of public purpose units reduced at Timberlawn and inquired as to the possibility of keeping the original number. Commissioner Nelson responded indicating that the issue was discussed in Committee and, in total, there was not a reduction but the focus on affordable units was very low for that particular piece of the project. He explained that staff assured that they would look at ways to increase the public purpose units on the project.

Commissioner Piñero asked as to why there were two contractors selected rather than one. Vice Chair Simon responded that the work of the two contractors balanced out the work that is required for the project. Staff explained that CBP was not selected as a subcontractor of Hamel. Hamel was selected as the only contractor for the RAD 6. Commissioner Piñero had questions concerning work performed by Folger-Pratt. Executive Director Spann explained that Folger-Pratt decided that unless they were the owner they were not extending their construction resources. Commissioner Piñero made a motion that the Board approve Hamel as the contractor for this project. Commissioner McFarland indicated that she was fine with the two recommended firms, Hamel Builders, Inc. and CBP Construction, LLC. Hearing no second the motion died.

The following resolution was adopted upon a motion by Vice Chair Simon and seconded by Commissioner McFarland. Affirmative votes were cast by Commissioners Roman, Simon, Hatcher, McFarland and Nelson. Commissioner Piñero opposed. Commissioner Banks was necessarily absent and did not participate in the vote.

RESOLUTION: 15-36a

RE: Approval of Final Development Plan, General Contractor Selection, and Interim Renovation Financing for Timberlawn Crescent and Pomander Court Apartments

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "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 for the construction, rehabilitation and/or financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, the Commission entered into an Agreement with Montgomery County, Maryland (the "County"), effective July 1, 2014, as amended (together, the "Act"), and is authorized thereby to issue its notes and bonds from time to time to fulfill its corporate and public purposes; and

WHEREAS, to fulfill its mission, the Commission engages in activities to ensure the proper maintenance of its properties; and

WHEREAS, Timberlawn Crescent, a 107-unit development located in North Bethesda and Pomander Court, a 24-unit clustered townhome community located in Silver Spring (together, the "Projects") are two properties owned by TPM Development Corporation ("TPM"), a wholly controlled corporate instrumentality of the Commission, and are in need of renovation and rehabilitation; and

WHEREAS, on July 17, 2013, the Commission approved preliminary renovation and rehabilitation plans for the Projects, including exterior renovation at Timberlawn Crescent which was funded from an interim loan from the County Revolving Fund; and

WHEREAS, the Commission has been presented with a final development plan that represents Phase II of the development of the development plan, which includes the interior renovation at Timberlawn Crescent and full renovation of Pomander Court and the selection of the general contractors; and

WHEREAS, the proposed public purpose includes 58 units (44%) to be available to households with incomes at or below 60% of the area median income (AMI), within which nine (9) will be at or below 30% of the AMI, four (4) will be at or below 50% of the AMI, and 45 will be at or below 60% of the AMI; and

WHEREAS, to complete the proposed renovations, staff has solicited the services of general contractors for Timberlawn Crescent and Pomander Court and recommends two contractors, Hamel Builders, Inc. for Timberlawn Crescent and CBP Constructors, LLC. for Pomander Court; and

WHEREAS, a permanent financing plan is not proposed at this time, however, it is necessary to access interim funding to hire the general contractors to complete the renovations

and the Commission and TPM desire to fund the final development plan's renovation work and tenant relocation expenses by drawing on the RELOC; and

WHEREAS, the Commission would advance the funds drawn from the RELOC to TPM, to be repaid by TPM upon TPM's future refinancing of the Projects.

WHEREAS, staff recommends a tax-exempt draw on the RELOC in an amount not to exceed \$7.5 Million until the permanent financing plan for the Projects can be implemented at the completion of the renovations, which completion is expected to occur in or around year 2016.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of TPM Development Corporation, that:

1. The Commission approves the final development plan for the renovation of Timberlawn Crescent and Pomander Court.
2. The Commission approves the selection of general contractors Hamel Builders, Inc. and CBP Constructors, LLC. for the renovation of Timberlawn Crescent and Pomander Court, respectively.
3. The Executive Director of the Commission is authorized to execute the appropriate documents to negotiate renovation and rehabilitation contracts not to exceed \$5,345,000 with Hamel Builders, Inc. for Timberlawn Crescent and not to exceed \$2,155,000 with CBP Constructors, LLC. for Pomander Court.
4. The Commission approves the proposed draw under the PNC Bank, N.A. \$90 Million Real Estate Line of Credit as the interim funding source for the renovation of Timberlawn Crescent and Pomander Court for a combined amount not to exceed \$7,500,000 via a tax-exempt draw on the facility.
5. All of the capital expenditures covered by this Resolution which may be reimbursed with proceeds of tax-exempt borrowings were made not earlier than 60 days prior to the date of this Resolution except preliminary expenditures related to the Projects as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).
6. Affirms that it is the intention of the Commission to issue tax-exempt obligations in the maximum principal amount of approximately \$19,000,000 as part of the Project's projected permanent financing for the purpose of repaying any and all outstanding amounts drawn from the RELOC, repaying the County Revolving Fund, reimbursing capital expenditures and other financing costs incurred with respect to the Projects, and paying future capital expenditures incurred with regard to the Projects.
7. All prior acts and doings of the officials, agents and employees of the Commission which are in conformity with the purpose and intent of this Resolution, and in furtherance of

the Projects, shall be and the same hereby are in all respects ratified, approved and confirmed.

8. All prior resolutions of the Commission, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the *extent* of such inconsistency.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of TPM Development Corporation, that the Executive Director is authorized, without further action on their respective parts, 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.

The following resolution was adopted upon a motion by Vice Chair Simon and seconded by Commissioner McFarland. Affirmative votes were cast by Commissioners Roman, Simon, Hatcher, McFarland and Nelson. Commissioner Piñero opposed. Commissioner Banks was necessarily absent and did not participate in the vote.

RESOLUTION: 15-36b

RE: Approval of Tax-Exempt Draw of up to \$7,500,000 by the Commission from the PNC Bank, N.A. Real Estate Line of Credit (\$90 Million), the Commission's Advance of Such Funds to TPM Development Corporation ("TPM"), and TPM's Acceptance of Such Funds as Interim Financing for the Renovation of Timberlawn Crescent and Pomander Court

WHEREAS, the Housing Opportunities Commission of Montgomery County (the "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 for the construction, rehabilitation and/or financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

WHEREAS, the Commission entered into an Agreement with Montgomery County, Maryland (the "County"), effective July 1, 2014, as amended (together, the "Act"), and is authorized thereby to issue its notes and bonds from time to time to fulfill its corporate and public purposes; and

WHEREAS, Timberlawn Crescent, a 107-unit development located in North Bethesda and Pomander Court, a 24-unit clustered townhome community located in Silver Spring (together, the "Projects") are two properties owned by TPM Development Corporation ("TPM"), a wholly controlled corporate instrumentality of the Commission, and are in need of renovation and rehabilitation; and

WHEREAS, on July 17, 2013, the Commission approved a preliminary renovation and rehabilitation plan for the Projects, including exterior renovation at Timberlawn Crescent which was funded from an interim loan from the County Revolving Fund; and

WHEREAS, concurrently herewith, the Commission has approved a final development plan that represents Phase II of the development plan, which includes the interior renovation at Timberlawn Crescent and full renovation of Pomander Court and the selection of the general contractors; and

WHEREAS, the Commission negotiated a Real Estate Revolving Line of Credit (RELOC) with PNC Bank, N.A. (PNC) and may use the RELOC to provide short-term financing for the pre-development, rehabilitation, and acquisition of multifamily properties in Montgomery County; and

WHEREAS, the Commission has the option to draw funds on a tax-exempt basis with an interest rate at an optional 30-day, 60-day, or 90-day London Interbank Offered Rate (LIBOR); and

WHEREAS, a permanent financing plan is not proposed at this time, however, it is necessary to access interim funding to hire the general contractors to complete the renovations and the Commission and TPM desire to fund the final development plan's renovation work and tenant relocation expenses by drawing on the RELOC which has an unobligated balance of \$49,375,813.48; and

WHEREAS, the Commission would advance the funds drawn from the RELOC to TPM, to be repaid by TPM upon TPM's future refinancing of the Projects; and

WHEREAS, staff recommends a tax-exempt draw on the RELOC in an amount not to exceed \$7.5 Million until the permanent financing plan for the Projects can be implemented at the completion of the renovations, which completion is expected to occur in or around year 2016.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of TPM Development Corporation, that it approves a tax-exempt draw on the RELOC for an amount up to \$7,500,000 (the "Loan") and the subsequent advance of such Loan funds to TPM for the purpose of implementing final development plan for the Projects for a maximum term of 24 months.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of TPM Development Corporation, that TPM Development Corporation is authorized and directed to accept the advance of the Commission's Loan funds and apply such funds for rehabilitation and relocation expenses in accordance with the final development plan.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting in its own capacity and for and on behalf of TPM Development Corporation, that the Executive Director is authorized, without further action on their respective parts, 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.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of TPM Development Corporation, that it affirms all prior acts and doings of the officials, agents and employees of the Commission which are in conformity with the purpose and intent of this Resolution, and in furtherance thereof, the same are hereby in all respects ratified, approved and confirmed

2. Approval to Increase the Permanent Loan for Tanglewood & Sligo LP

Kayrine Brown, Chief Investment & Real Estate Officer, and Vivian Benjamin, Asst. Director of Mortgage Finance, were presenters.

The following resolution was adopted upon a motion by Vice Chair Simon and seconded by Commissioner McFarland. Kelly McLaughlin, General Counsel made a recommendation for the record that the resolution be approved as amended with minor corrections that were not included in the document. Motion made by Chair Simon and seconded by Commissioner McFarland who recommended that the motion be made based on "technical corrections to the resolution and not amended". Affirmative votes were cast by Commissioners Roman, Simon, Hatcher, McFarland, Nelson and Piñero. Commissioner Banks was necessarily absent and did not participate in the vote.

RESOLUTION: 15-37

Re: Approval to Increase the Permanent Loan for Tanglewood and Sligo LP

WHEREAS, on September 3, 2014, the Housing Opportunities Commission of Montgomery County ("Commission") approved an amendment to the financing plan for Tanglewood Apartments ("Property") to permit Tanglewood and Sligo LP ("Partnership") to obtain permanent financing for the Property from AGM Financial Services, Inc., or its assignee, through the U.S. Federal Housing Administration (FHA) Section 223(f) in the amount of \$12,033,076 ("Permanent Loan"); and

WHEREAS, Commission is the sole member of HOCMC, LLC (the "Company"), which is the general partner of the Partnership, and Hudson Tanglewood LLC is the limited partner and tax credit investor of the Partnership ("Tax Credit Investor"); and

WHEREAS, the Tax Credit Investor previously approved a loan in the amount of \$12,510,000; and

WHEREAS, the Commission's staff has determined that the Project can support a higher loan amount than the amount approved by the Commission in September 2014, and wishes to

increase the Permanent Loan amount to such higher amount as the Tax Credit Investor will approve, but not to exceed \$13,000,000.

NOW, THEREFOR, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for the Company in its own capacity and as the general partner of and on behalf of the Partnership, that the Partnership is authorized to increase the amount of the Permanent Loan from AGM Financial, or its assignee, to such amount as the Tax Credit Investor will approve, but not to exceed \$13,000,000.

BE IT RESOLVED that the Executive Director is hereby authorized and directed, without further action on the part of the Commission or Company, 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 commitments and other related loan documents.

3. Authorization to Extend the Current Financial Advisor Contract with Caine Mitter & Associates Incorporated for Two Years

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

Commissioner McFarland complimented the staff on maintaining a long term relationship with the firm but indicated that it could be a downside. Her recommendation is that she strongly urges staff to create a process that has a view with other firms. Commissioner Nelson also agreed with her recommendation.

Commissioner Hatcher questioned the competitiveness of the rates. Kayrine responded that the pricing was based on the procurement done in year 2011. There was another firm that responded to the solicitation and, at that time, Caine Mitter's pricing was less. As a result, they are billing based on procurement at that time.

Commissioner Piñero confirmed that Caine Mitter has been an excellent firm over the years.

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

A motion was also made by Commissioner McFarland to have staff, sometime within the next year, explore options on how to proceed in solicitation of a second firm. Commissioner Simon seconded. Affirmative votes were cast by Commissioners Roman, Simon, Hatcher, McFarland, Nelson and Piñero. Commissioner Banks was necessarily absent and did not participate in the vote.

Resolution: 15-38

**Re: Authorization to Extend the Current
Financial Advisor Contract with Caine Mitter
& Associates Incorporated for Two Years**

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, 2014, 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, to continue its mission and operate a successful bond financing program, the Commission engages the services of a number of industry professionals, one of which is the Financial Advisor; and

WHEREAS, Caine Mitter and Associates Incorporated (CMA) has successfully served the Commission since 1979 as its financial advisor and continues to provide a high level of professionalism; and

WHEREAS, the existing procurement policy allows for the selection of a financial advisor to serve for an initial four-year term plus two additional two-year extensions for a maximum contract term of eight years; and

WHEREAS, CMA's contract, which has been in place since July 1, 2001, expires on June 30, 2015 completing the initial four year term; and

WHEREAS, given the high level of performance of CMA over many years, staff is satisfied with the services provided by the Commission's Financial Advisor.

NOW THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Caine Mitter and Associates Incorporated is approved to serve the Commission as Financial Advisor for an extended two-year term.

BE IT FURTHER RESOLVED that the Commission approved an annual contract amount of \$500,000 or an aggregate of \$1 million for the extended term ending on July 1, 2017.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

None

V. FUTURE ACTION ITEMS

None

VI. **INFORMATION EXCHANGE (CONT'D)**
None

VII. **NEW BUSINESS**
None

VIII. **EXECUTIVE SESSION FINDINGS**
None

Based upon this report and there being no further business to come before this session of the Commission, a motion was made, seconded and unanimously adopted to adjourn.

The meeting adjourned at 5:07 p.m.

Respectfully submitted,



Stacy L. Spann
Secretary-Treasurer

/pmb