

HOUSING OPPORUTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

June 17, 2016

16-00

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Friday, June 17, 2016 at 10400 Detrick Avenue, Kensington, Maryland beginning at 5:15 p.m. Those in attendance were:

Present

Sally Roman
Jackie Simon
Richard Y. Nelson, Jr.
Margaret McFarland
Christopher Hatcher
Linda Croom
Pamela Byrd

Also Attending

Stacy Spann, Executive Director
Kayrine Brown
Zachary Marks
Shala Rafiq
Bobbie DaCosta
Fred Swan
Patrick Mattingly
Lynn Hayes
Angela McIntosh-Davis
Ian Williams
Jim Atwell
Gio Kaviladze
Mary Ellen Ewing

Kelly McLaughlin, General Counsel
Gail Willison
Erin Bradley
Rita Harris
Ethan Cohen
Bonnie Hodge
Sheryl Hammond
Tiffany Jackson
Belle Seyoum
Susan Smith
Jennifer Arrington
Wilson Choi
Brian Kim

Guest

Gregory Szymanski, Prop. Mgr. – Alexander House

IT Support

Dominique Laws

Commission Support

Patrice Birdsong, Spec. Asst. to Comm.

The Consent Calendar was adopted upon a motion by Vice Chair Simon and seconded by Commissioner McFarland. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom and Byrd.

I. CONSENT ITEMS

- A. **Approval of Minutes of Regular Meeting of May 4, 2016** – The minutes were approved as submitted.
- B. **Approval of Minutes of Executive Session of May 4, 2016** – The minutes were approved as submitted.
- C. **Approval of Minutes of Special Session of May 13, 2016** – The minutes were approved as submitted.
- D. **Approval of Minutes of Executive Session of May 13, 2016** – The minutes were approved as submitted.
- E. **Approval of Minutes of Special Session of June 1, 2016** – The minutes were approved as submitted.
- F. **Approval of Minutes of Executive Session of June 1, 2016** – The minutes were approved as submitted.
- G. **Ratification of Approval of up to \$50,000 as loans to VPC One Corporation and VPC Two Corporation (together, the “Corporations”) to Fund Due Diligence Costs Related to the Proposed Financing Plan**

Resolution: 16-28R

Re: Ratification of Approval of up to \$50,000 as loans to VPC One Corporation and VPC Two Corporation (together, the “Corporations”) to Fund Due Diligence Costs Related to the Proposed Financing Plan

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 closed Executive Session duly called and held on May 4, 2016, with a quorum present, the Commission duly adopted Resolution 16-28ES titled: "Approval of up to \$50,000 as loans to VPC One Corporation and VPC Two Corporation (together, the "Corporations") to Fund Due Diligence Costs Related to the Proposed Financing Plan"; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 16-28ES and any action taken since May 4, 2016 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 16-28ES and any subsequent actions taken in relation thereto are hereby ratified and affirmed.

H. Ratification of Approval of Predevelopment Funds of up to \$200,000 from the Opportunity Housing Reserve Fund for Feasibly Due Diligence Related to an Acquisition Opportunity Authorized by Resolution 16-36ES

Resolution: 16-36R

Re: Ratification of Approval of Predevelopment Funds of up to \$200,000 from the Opportunity Housing Reserve Fund for Feasibly Due Diligence Related to and Acquisition Opportunity Authorized by Resolution 16-36ES

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 closed Executive Session duly called and held on May 13, 2016, with a quorum present, the Commission duly adopted Resolution 16-36ES titled: "Approval of Predevelopment Funds of up to \$200,000 from the Opportunity Housing Reserve Fund for Feasibly Due Diligence Related to an Acquisition Opportunity"; and

WHEREAS, the Commission wishes to ratify and affirm, in an open meeting, the action undertaken by the Commissioners in adopting Resolution 16-36ES and any action taken since May 13, 2016 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 16-36ES and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

I. Ratification of Adoption of Resolution in Support of Holy Cross Health's Application for Funding from Maryland Hospital Administration for its Participation in the Elizabeth House III Development Authorized by Resolution 16-37SS

Resolution: 16-37R

Re: Ratification of Adoption of Resolution in Support of Holy Cross Health's Application for Funding from Maryland Hospital Administration for its Participation in the Elizabeth House III Development Authorized by Resolution 16-37SS

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 open Special Session duly called and held on June 1, 2016, with a quorum present, the Commission duly adopted Resolution 16-37SS titled: "Adoption of Resolution in Support of Holy Cross Health's Application for Funding from Maryland Hospital Administration for its Participation in the Elizabeth House III Development"; and

WHEREAS, two (2) Commissioners were physically present at the Special Session and two (2) Commissioners participated via teleconference call; and

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

action undertaken by the Commissioners in adopting Resolution 16-37SS and any action taken since June 1, 2016 to effectuate the transaction contemplated therein.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that Resolution 16-37SS and any subsequent actions taken in relation thereto, are hereby ratified and affirmed.

J. Affirmative and Ratification of Action Taken by the Executive Director to Extend the Entire \$60 Million PNC Line of Credit Facility

Resolution: 16-39R

Re: Affirmative and Ratification of Action Taken by the Executive Director to Extend the Entire \$60 Million PNC Line of Credit Facility

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 financing of rental housing properties which provide a public purpose; and

WHEREAS, on June 30, 2014, the Commission entered into a Third Amendment to Loan Documents and an Amended and Restated Line of Committed Line of Credit Note with PNC Bank with respect to the \$60 Million Line of Credit with PNC Bank (“\$60 Million LOC”); and

WHEREAS, on July 29, 2014, the Commission executed loan documents for a \$90 Million Real Estate Line of Credit from PNC Bank (“RELOC”); and

WHEREAS, at the time of the execution of the RELOC loan documents, the Commission’s staff intended to extend the \$60 Million LOC’s May 31, 2016 maturity date to be conterminous with the RELOC’s June 30, 2017 maturity date; and

WHEREAS, the \$60 Million LOC’s maturity date was not extended at the time of the RELOC closing; and

WHEREAS, after receipt of notice from PNC Bank of the imminent maturity of the \$60 Million LOC, in order to prevent the expiration of the \$60 Million LOC in the best interest of the Commission, the Executive Director executed a Fourth Amendment to Loan Documents on

May 26, 2016, thereby amending and extending the \$60 Million LOC's maturity date through June 30, 2017; and

WHEREAS, the Commission wishes to ratify and affirm all the actions undertaken by the Commission staff and the Executive Director heretofore in extending the maturity date of the \$60 Million LOC to June 30, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the actions undertaken by the Commission staff and the Executive Director heretofore in extending the maturity date of the \$60 Million LOC are hereby ratified and affirmed, including but not limited to the execution of the Fourth Amendment to Loan Documents.

II. INFORMATION EXCHANGE

- A. Report of the Executive Director** – Stacy Spann, Executive Director, indicated that there was nothing additional to add to the written report. He expressed his appreciation to the Team, as well as the support from the Commission Board, for their high level of performance in accomplishing changing projects and meeting deadlines. Mr. Spann welcomed Commissioner Byrd back for her second meeting.
- B. Calendar and Follow-up Action** – None
- C. Commissioner Exchange** – Commissioner Croom reported that she, along with Vice Chair Simon, will be attending the NAHRO Summer Conference in Portland, OR beginning July 14 thru July 17, 2016.

Vice Chair Simon acknowledged the Programs provided by the Resident Services Division and requested for future action to include presentation or summary of events. She also would like to recognize the Interns and their accomplishments while working with the Agency.

Chair Roman announced that the Montgomery County Council appointed Gerald Cichy, Transportation Engineer and Planner to the Planning Board.

- D. Resident Advisory Board (RAB)** – None
- E. Community Forum** – None
- F. Status Report** – None

III. COMMITTEE REPORTS and RECOMMENDATIONS FOR ACTION

A. Budget, Finance & Audit Committee – Com. Nelson, Chair

1. Approval of Property Management Contract for MetroPointe

Bobbie Dacosta, Director of Property Management, was the presenter.

The following resolution was approved, with revision, upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom and Byrd.

RESOLUTION: 16-41

**RE: Approval of Property Management
Contract for MetroPointe**

WHEREAS, the Housing Opportunities Commission of Montgomery County (HOC or the “Commission”) is the general partner of Wheaton Metro Limited Partnership (the “Partnership”), which owns fifty-three (53) low-income housing tax credit (LIHTC) units in a development known as MetroPointe (the “Property”); and

WHEREAS, the Commission, as the general partner for the Partnership, acting for and on behalf of the Partnership, is authorized to engage a third party to manage the Property; and

WHEREAS, the Commission issued a Request for Proposals (RFP) for management of MetroPointe; and

WHEREAS, based on the criteria included in the RFP and pricing from three responding companies, a panel of HOC staff from Property Management, Finance, Compliance and Real Estate reviewed the submissions and determined that Bozzuto is the most qualified to manage the LIHTC units at MetroPointe.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of Wheaton Metro Limited Partnership, that the Executive Director of the Housing Opportunities Commission of Montgomery County is hereby authorized and directed to execute a management contract for the LIHTC units at MetroPointe for one year.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and for and on behalf of Wheaton Metro Limited Partnership, that the Executive Director of the Housing Opportunities Commission of Montgomery County is hereby authorized and directed, without any further action on their respective parts, to take any and all other action necessary and proper to carry out the transaction contemplated herein.

2. Acceptance of Third Quarter FY'16 Budget to Actual Statements

Gail Willison, Chief Financial Officer, and Tiffany Jackson, Budget Officer, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-42

**RE: Acceptance of Third Quarter FY'16
Budget to Actual Statements**

WHEREAS, the budget policy for the Housing Opportunities Commission of Montgomery County states that quarterly budget to actual statements will be reviewed by the Commission; and

WHEREAS, the Commission reviewed the Third Quarter FY'16 Budget to Actual Statements during its June 17, 2016 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby accepts the Third Quarter FY'16 Budget to Actual Statements.

3. Acceptance of CY'15 Tax Credit Partnership Property Audits

Gail Willison, Chief Financial Officer, and Belle Seyoum, Controller, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-43

**RE: Acceptance of CY'15 Tax Credit
Partnership Property Audits**

WHEREAS, the Housing Opportunities Commission of Montgomery County has completed the CY'15 Tax Credit Audits for 13 tax credit partnership properties; and

WHEREAS, a standard unqualified audit opinion was received for all 13 of the CY'15 Tax Credit Partnership Property Audits from the respective independent certified public accounting firms performing the audits; and

WHEREAS, the audits for Shady Grove Apartments LP, Manchester Manor Apartments LP and The Willows of Gaithersburg Associates LP have not been finalized due to technical terminations of these partnerships; however, staff is currently reviewing drafts of these audits and there are no findings and no changes are anticipated.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Commission accepts the audits.

4. Authorization to Write Off Bad Debt Related to Tenant Accounts Receivables

Gail Willison, Chief Financial Officer, and Belle Seyoum, Controller, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-44

**RE: Authorization to Write Off Bad Debt
Related to Tenant Accounts
Receivables**

WHEREAS, HOC's current policy is to provide for an allowance for any tenant accounts receivable balance in excess of 90 days; and

WHEREAS, HOC periodically proposes the write-off of uncollected former resident 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 April 1, 2015 through March 31, 2016 is \$20,317 from Public Housing, \$84,294 from Opportunity Housing, \$10,749 from Tax Credit properties, \$7,913 from the 236 Properties, \$6,820 from Supportive Housing and \$1,376 from RAD6, totaling \$131,469.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that authorization is granted to the Executive Director to write-off bad debt totaling \$131,469 related to tenant accounts receivable.

5. Approval of Loans and Advances to Non-HOC Owned Entities as of December 31, 2015 and as of June 30, 2015

Gail Willison, Chief Financial Officer, and Belle Seyoum, Controller, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-45

RE: Approval of Loans and Advances to Non-HOC Owned Entities as of December 31, 2015 and as of June 30, 2015

WHEREAS, in accordance with the Commission approved budget policies as amended on December 7, 1998, the Commission must approve any transfers of HOC funds to any properties HOC does not own; and

WHEREAS, there was a net increase in capitalization loans and advances for operations to the tax credit partnerships of \$37,897,220 as of December 31, 2015; and

WHEREAS, total advances have increased for 236 properties from \$689,609 on June 30, 2014 to \$1,047,222 as of June 30, 2015.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves \$77,338,482 in loans and advances to the tax credit partnerships as of December 31, 2015 and \$1,047,222 in advances to the 236 properties as of June 30, 2015.

- 6. Approval to Extend the \$60 Million PNC Bank Line of Credit to Finance Commission Approved Actions related to Montgomery Homes Limited Partnership (MHLP) VII, Fairfax Court Apartments, Chevy Chase Lake Development Corporation, Arcola Towers RAD LP, VPC One & Two Development Corporations and the Purchase of 17 Agency Vehicles**

Gail Willison, Chief Financial Officer, was the presenter.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner McFarland. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-46

RE: Approval to Extend the \$60 Million PNC Bank Line of Credit to Finance Commission Approved Actions related to Montgomery Homes Limited Partnership (MHLP) VII, Fairfax Court

**Apartments, Chevy Chase Lake
Development Corporation, Arcola
Towers RAD LP, VPC One & Two
Development Corporations and the
Purchase of 17 Agency Vehicles**

WHEREAS, various Commission actions related to Montgomery Homes Limited Partnership (MHLP) VII, Fairfax Court Apartments, Chevy Chase Lake Development Corporation, Arcola Towers RAD LP, VPC One & Two Development Corporations and 17 Agency Vehicles are currently financed through the \$60 Million PNC Bank Line of Credit; and

WHEREAS, it is proposed to extend the use of the \$60 Million PNC Bank Line of Credit to finance approved Commission actions for a period not to exceed one year at the taxable monthly LIBOR rate plus 90 basis points or the tax exempt rate of 68.5% of LIBOR plus 58 basis points; and

WHEREAS, the estimated cost, as of April 29, 2016, under the Line of Credit is expected to be approximately \$453,425.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby approves extending the use of the \$60 Million PNC Bank Line of Credit to finance various Commission actions related to Montgomery Homes Limited Partnership (MHLP) VII, Fairfax Court Apartments, Chevy Chase Lake Development Corporation, Arcola Towers RAD LP, VPC One & Two Development Corporations and 17 Agency Vehicles through June 30, 2017.

7. Adoption of FY'17-18 Budget, Bond Draw Downs and Transfers

Gail Willison, Chief Financial Officer, and Tiffany Jackson, Budget Officer, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson, with the revisions relating to the rent review, and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION: 16-47

**RE: Adoption of FY'17-18 Budget, Bond
Draw Downs and Transfers**

WHEREAS, the Commission is required to adopt a budget based on the current chart of accounts in use before July 1, 2016; and

WHEREAS, the Commission is required to approve the transfer of equity between Agency funds.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby adopts a total Operating Budget for FY'17-18 of \$244.5 million and \$243.5 million, respectively by fund as attached.

BE IT ALSO RESOLVED that the Housing Opportunities Commission of Montgomery County approves the draw down of bond funds for the Operating Budget as follows:

FY 2017

\$ 1,427,854 from the 1996 Multifamily Housing Development Bond (MHDB) Indenture
\$ 1,488,137 from the 1979 Single Family Mortgage Revenue Bond (MRB) Indenture

FY 2018

\$ 1,498,686 from the 1996 Multifamily Housing Development Bond (MHDB) Indenture
\$ 1,556,982 from the 1979 Single Family Mortgage Revenue Bond (MRB) Indenture

BE IT ALSO RESOLVED that the Housing Opportunities Commission of Montgomery County approves the following transfers between funds in order to balance the Operating Budget:

Up to \$1,617,311 for FY'17 and up to \$1,806,627 for FY'18 from the cash flow from the Opportunity Housing properties in the Opportunity Housing Fund to the General Fund.

BE IT ALSO RESOLVED that the Housing Opportunities Commission of Montgomery County hereby adopts a Capital Budget for FY'17-18 of \$292.2 million and \$183.6 million, respectively as attached.

- **Approval of the Reimbursement Resolution**

Gail Willison, Chief Financial Officer, and Tiffany Jackson, Budget Officer, were presenters.

The following resolution was approved upon a motion by Chair Pro Tem Nelson and seconded by Commissioner Hatcher. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION NO. 16-48

RE: Reimbursement Resolution

A RESOLUTION OF THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY (THE "COMMISSION") DECLARING ITS OFFICIAL INTENT TO REIMBURSE ITSELF WITH THE PROCEEDS OF A FUTURE TAX-EXEMPT BORROWING FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY THE COMMISSION; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS TO BE USED FOR SUCH PAYMENT; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

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, and 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 the multifamily rental housing properties which provide a public purpose; and

WHEREAS, the Commission has determined that it is in the best interest of the Commission to make certain capital expenditures on the projects named in this Resolution; and

WHEREAS, the Commission currently intends and reasonably expects to participate in tax-exempt borrowings to finance such capital expenditures in an amount not to exceed **\$65,101,725**, all or a portion of which may reimburse the Commission for the portion of such capital expenditures incurred or to be incurred subsequent to the date which is 60 days prior to the date hereof but before such tax-exempt borrowing, and the proceeds of such tax-exempt borrowing will be allocated to reimburse the Commission's expenditures within 18 months of the later of the date of such capital expenditures or the date that *each of* the Projects (as hereinafter defined) is placed in service (but in no event more than 3 years after the date of the original expenditure of such moneys); and

WHEREAS, the Commission hereby desires to declare its official intent, pursuant to Treasury Regulation §1.150-2, to reimburse the Commission for such capital expenditures with the proceeds of the Commission's future tax-exempt borrowing for such Projects.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION THAT:

Section 1. ***Declaration of Official Intent.*** The Commission presently intends and reasonably expects to finance certain Commission facilities and property improvements to the properties as described in the Commission's FY 17 Capital Budget attached, including **617 Olney Sandy Spring, Alexander House, Ambassador, Avondale Apartments, Brooke Park, Brookside Glen, CDBG-NSP-NCI, Chelsea Towers, Chevy Chase Lake, Dale Drive, Diamond Square, Fairfax Court, Glenmont Crossing, Glenmont Westerly, Greenhills, Holiday Park, Jubilee Falling Creek,**

Jubilee Hermitage, Jubilee Horizon Court, Jubilee Woodedge, Magruder’s Discovery, McHome, McKendree, MetroPointe, MHLP VII, MHLP VIII, Montgomery Arms, MPDU 2007 Phase II, MPDU I, Paddington Square, Paint Branch, Pooks Hill High-Rise, Pooks Hill Mid-Rise, RAD 6 Properties (Ken Gar, Parkway Wood, Sandy Spring Meadow, Seneca Ridge, Towne Centre Place, and Washington Square), Scattered Site One, Scattered Site Two, Sligo MPDU III, Southbridge, State Rental Combined, Strathmore Court, The Barclay, The Metropolitan, The Oaks at Four Corners, TPM (Timberlawn, Pomander Court, and MPDU II), VPC One and VPC Two (669 Scattered Site Properties), Westwood Tower, and capital improvements to the Commission’s administrative offices and information technology (collectively, the “Projects”) with moneys currently contained in its Operating Reserve Account, Replacement Reserve Account and General Fund Property Reserve Account for these Projects and from its operating cash.

Section 2. ***Dates of Capital Expenditures.*** 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).

Section 3. ***Issuance of Bonds or Notes.*** The Commission presently intends and reasonably expects to participate in tax-exempt borrowings of which proceeds in an amount not to exceed **\$65,101,725** will be applied to reimburse the Commission for its expenditures in connection with the Projects.

Section 4. ***Confirmation of Prior Acts.*** 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.

Section 5. ***Repeal of Inconsistent Resolutions.*** All other resolutions of the Commission, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the *extent* of such inconsistency.

Section 6. ***Effective Date of Resolution.*** This Resolution shall take effect immediately upon its passage.

IV. ITEMS REQUIRING DELIBERATION and/or ACTION

A. **None**

V. FUTURE ACTION

1. Planning of Strategic Plan

VI. INFORMATION EXCHANGE

A. Community Forum - **None**

VII. NEW BUSINESS

1. Authorization to Implement Voucher Payment Standards Based on HUD FY 2016 Fair Market Rents

Lynn Hayes, Director of Housing Resources, and Ethan Cohen, Housing Programs Coordinator, were presenters.

The following resolution was approved upon a motion by Commissioner Hatcher and seconded by Vice Chair Simon. Affirmative votes were cast by Commissioners Roman, Simon, Nelson, McFarland, Hatcher, Croom, and Byrd.

RESOLUTION NO. 16-49

RE: Authorization to Implement Voucher Payment Standards Based on HUD FY 2016 Fair Market Rents

WHEREAS, U.S. Department of Housing and Urban Development (HUD) regulations require that the Housing Opportunities Commission of Montgomery County (HOC) establish and implement new Voucher Payment Standards annually to be used in HOC's administration of the Housing Choice Voucher Program; and

WHEREAS, the establishment of these Voucher Payment Standards must be based upon a percentage between 90 and 110 percent of the HUD Fair Market Rents (FMRs) for the given fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized to establish and implement the Voucher Payment Standards listed below.

# of Bedrooms	Recommended VPS
Efficiency	\$1,242
1 Bedroom	\$1,332
2 Bedroom	\$1,591
3 Bedroom	\$2,037
4 Bedroom	\$2,590
5 Bedroom	\$2,978
6 Bedroom	\$3,367

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

Based upon this report and there being no further business to come before this session of the Commission, a motion was made to adjourn the meeting of the Housing Opportunities Commission at 6:05 p.m. to convene an Executive Session. According to Section 10-508(a) of the State Government Articles of the Annotated Code of the State of Maryland, the item relating to personnel matters *{pursuant to subsection (1)}*.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb