

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

July 12, 2017

17-07

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Wednesday, July 12, 2017 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:05 p.m. Those in attendance were:

**Present**

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

**Absent**

Margaret McFarland  
Pamela Byrd

**Also Attending**

Stacy Spann, Executive Director  
Gail Willison  
Clarence Landers  
Angelia McIntosh-Davis  
Patrick Mattingly  
Sherraine Rawlins  
Garrett Jackson  
Christina Autin  
Kayrine Brown  
Tiffany Jackson  
Nilou Razeghi  
Gary Hall  
Stephanie Semones

Nowelle Ghahhari, General Counsel  
Patrick Mattingly  
Victoria Dixon  
Maria Montero  
Ian Williams  
Shala Rafiq  
Ethan Cohen  
Zachary Marks  
Rita Harris  
Ruth Jorge  
Terri Fowler  
Jim Atwell  
Shauna Sorrells

**RAB**

Yvonne Caughman

**Guest**

Rev. Melvin Martin, Tobytown Resident  
Matthew Sulio, Tony Davis Scholarship  
Rose Makor, Tony Davis Scholarship

**Guest Cont'd**

Maurice Jackson, NAACP

**Commission Support**

Patrice Birdsong, Spec. Asst. to Commission

**IT Support**

Irma Rodriguez

Prior to the meeting convening, Jackie Simon, Chair, introduced the 2017 Tony S. Davis Scholarship Award honorees. Chair Simon and Executive Director Spann presented them with their awards. Rose Makor was named this year's winner and was awarded a \$5,000 scholarship. Matthew Sulio and Joshua Santandrea each received a \$2,500 scholarship. All recipients are high school graduates and reside in subsidized housing.

The Board briefly recessed and reconvened at 4:15 p.m. The Consent Calendar was adopted upon a motion by Chair Pro Tem Nelson and seconded by Vice Chair Hatcher. Affirmative votes were cast by Commissioners Simon, Hatcher, Nelson, Croom and Rodriguez. Commissioners McFarland and Byrd were necessarily absent and did not participate in the vote.

**I. CONSENT ITEMS**

- A. Approval of Minutes of June 7, 2017** – The minutes were approved as submitted.
- B. Approval of Minutes of June 7, 2017 Administrative Session** – The minutes were approved as submitted.
- C. Approval of Minutes of June 23, 2017 Special Administrative Session** – The minutes were approved as submitted.
- D. Approval of Minutes of June 23, 2017 Special Session** – The minutes were approved as submitted.
- E. Approval of 2017 Tony S. Davis Scholarship Award Winners**

**RESOLUTION No.: 17-49**

**RE: Approval of 2017 Tony S. Davis  
Scholarship Award Winners**

**WHEREAS**, in recognition of the many accomplishments and extensive community volunteer work performed by former HOC employee Tony Davis who was tragically killed in 2000, HOC established the Tony Davis Scholarship Awards Program in his memory; and

**WHEREAS**, since its inception, the Tony Davis Scholarship Awards Program has annually provided scholarship awards to high school seniors who are residents of either Public Housing or participate in the Housing Choice Voucher Program and who also demonstrate excellent academic

achievement and school attendance, participate in extra-curricular and community activities, and have been accepted by a college or university; and

**WHEREAS**, a Selection Committee, composed of two Commissioners, the Executive Director, and Legislative and Public Affairs Division staff was convened on June 16, 2017 to review the highly qualified applications; and

**WHEREAS**, the Selection Committee considered academic records, attendance records, recommendations from school personnel and HOC staff, 500 word essays written by the applicants, SAT or ACT scores, school and community activities, and college acceptance information; and

**WHEREAS**, the Selection Committee recommends one outstanding candidate, Rose Makor, for the \$5,000 Tony Davis Scholarship Award; and

**WHEREAS**, the Selection Committee was extremely impressed by the pool of deserving candidates and is recommending \$2,500 cash awards to both Matthew Sulio and Joshua Santandrea.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County affirms the recommendation of the Tony Davis Scholarship Awards Selection Committee for Rose Makor to receive a \$5,000 Scholarship Award and for Matthew Sulio and Joshua Santandrea to each receive \$2,500 cash awards.

## **II. INFORMATION EXCHANGE**

- A. Report of the Executive Director** – Chair Simon requested that the Executive Director include the video that is played prior to the meetings as a component of the HOC Agenda. She stated that the video allows others to understand all the things that HOC does that is not just construction and housing. Executive Director Spann explained that because of the flow of the Agenda it was easier to show the video in the beginning but he will work with staff on revamping the Agenda to include video presentations.

Executive Director Spann had no additional information to add to his written report but explained that the year 2017 has been really busy thus far and he wanted to publicly express his gratitude to the HOC Team for not only their hard work but for their dedication during times of tragedy and hardship.

- B. Calendar and Follow-up Action** – Revision to the Calendar to correct the names of the Commissioners that participate on the Legislative and Regulatory Committee. The Commissioners serving on the Committee are Pamela Byrd as Chair, Linda Croom, and Edgar Rodriguez.

**C. Commissioner Exchange**

- Commissioner Croom reported a correction that needed to be made to the Calendar. The names of the Commissioners who participate on the Legislative and Regulatory Committee needed to be revised.
- Chair Simon expressed her appreciation to the HOC Team for their hard work and understanding in times of need. She thanked them for their work during the power outage at Arcola Towers.

**D. Resident Advisory Board (RAB)** – Ms. Yvonne Caughman, Vice President of the Resident Advisory Board, briefly reported that the RAB is still in process of reviewing the MOU and will soon provide the updates to Legal Department for review. Ms. Caughman also reported that the RAB will be meeting on July 24, 2017 with a Legal Advocacy group. The group would be providing a presentation on understanding RAD process.

**E. Community Forum** – Rev. Melvin Martin, Tobytown Resident, addressed the Board regarding the assigned parking spaces in the Tobytown community.

**III. ADMINISTRATIVE AND SPECIAL SESSIONS ACTIONS**

**A. Ratification of Action Taken in Special Administrative Session on June 7, 2017:  
Approval to Renew and Modify Certain Terms of the PNC Bank, N.A. Lines of Credit**

Nowelle Ghahhari, General Counsel, and Stacy Spann, Executive Director, explained that at the request of Commissioner McFarland, this Section was added to the Agenda for ratification of actions taken in Administrative Session rather than including those actions on the Consent Calendar.

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

**RESOLUTION: 17- 32R**

**RE: Ratification of Approval to Renew and  
Modify Certain Terms of the PNC  
Bank, N.A. Lines of Credit**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or

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

**WHEREAS**, at a Special Administrative Session duly called and held on June 7, 2017, with a quorum present, the Commission duly adopted Resolution 17- 32AS, which authorized the renewal for an additional three years, through June 30, 2020, and the revision of some terms of two Line of Credit Agreements with PNC Bank, N.A.; and

**WHEREAS**, consistent with the Commission’s Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commission in adopting Resolution 17- 32AS and any action taken since June 7, 2017 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 17- 32AS and any subsequent actions taken in relation thereto are hereby ratified and affirmed.

**B. Ratification of Action Taken in Special Administrative Session on June 23, 2017: Approval to Proceed to Closing on the Acquisition of Certain Properties Located in Wheaton and Approval to Fund Additional Earnest Money Deposit**

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

**RESOLUTION: 17-46R**

**RE: Ratification of Approval to Proceed to Closing on the Acquisition of Certain Properties Located in Wheaton and Approval to Fund Additional Earnest Money Deposit**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly created, organized and existing under the laws of the State of Maryland, is authorized pursuant to the Housing Authorities Law, organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland (the “Act”), to carry out and effectuate the purpose of providing affordable housing including providing for the acquisition, construction, rehabilitation and/or permanent financing or refinancing (or a plan of financing) of rental housing properties which provide a public purpose; and

**WHEREAS**, at a Special Administrative Session duly called and held on June 23, 2017, with a quorum present, the Commission duly adopted Resolution 17-46AS, which authorized the Commission to proceed to closing on certain Real Property in Wheaton, as well as payment

of an additional Earnest Money Deposit in accordance with the terms of the Purchase and Sale Agreement; and

**WHEREAS**, consistent with the Commission’s Amended and Restated Bylaws, the Commission wishes to ratify and affirm, in an open meeting with a quorum physically present, the action undertaken by the Commission in adopting Resolution 17-46AS and any action taken since June 23, 2017 to effectuate the transaction contemplated therein.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that Resolution 17-46AS and any subsequent actions taken in relation thereto are hereby ratified and affirmed.

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

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

**1. Approval of a Bond Authorizing Resolution for Greenhills Apartments Limited Partnership and Approval to Transfer the Property’s Existing Cash to the Opportunity Housing Property Reserve Account**

Kayrine Brown, Chief Investment and Real Estate Officer, and Victoria Dixon, Senior Multifamily Underwriter, were presenters.

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

**RESOLUTION No.: 17-50a**

**RE: Approval to Transfer Greenhills Apartments Existing Cash of Approximately \$956,269 to the Commission’s Opportunity Housing Property Reserve Account**

**WHEREAS**, Greenhills Apartments (the “Property”) is a 78-unit apartment and townhome community located in Damascus, Maryland that is owned by the Housing Opportunities Commission of Montgomery County (the “Commission”); and

**WHEREAS**, the Commission has approved a Final Development Plan, a Financing Plan and Budget, the Feasibility and Public Purpose, and adopted an Authorizing Resolution to issue Multifamily Housing Development Bonds 2017 Series A (the “2017 Series A Bonds”) for the Property, which will undergo a substantial rehabilitation, preserving it as an affordable housing development in the northern section of Montgomery County; and

**WHEREAS**, since Fiscal Year (FY) 2014 through the fourth quarter of FY 2017, the Property's cash flow has been restricted to the Property and not used for the Commission's operations, as the timing to redevelop the property was uncertain; and

**WHEREAS**, as of May 31, 2017, the Property's existing cash holdings ("Property Cash") of \$1,456,269 is held at the property in anticipation of the renovation but is expected to increase up to the closing of the financing; and

**WHEREAS**, the Property Cash belongs to the Commission and is therefore transferrable to another account of the Commission at its sole discretion; and

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby approves the transfer of a minimum \$956,269 of Property Cash to the Commission's Opportunity Housing Property Reserve (OHPR) account; and

**BE IT FURTHER RESOLVED** that \$500,000 of the Property Cash is to remain restricted to the Property in order to fund any operational expense shortfalls during construction; and

**BE IT FURTHER RESOLVED** that any portion of the \$500,000 remaining available upon the property reaching stabilized occupancy of 93%, will be transferred to the Opportunity Housing Property Reserve (OHPR) account; and

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

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

**RESOLUTION: 2017-50b**

**Re: Adoption of an Authorizing Resolution for the Issuance of 2017 Series A Multifamily Housing Development Bonds and a Tax-Exempt Drawing on the PNC Bank, National Association Real Estate Revolving Line of Credit or a Tax-Exempt Advance under the PNC Bank, National Association Amended and Restated Committed Line of Credit Note for the Financing of the Acquisition and Rehabilitation of the Greenhills Apartments Project**

**A RESOLUTION OF THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY AUTHORIZING THE ISSUANCE AND SALE OF A SERIES OF THE COMMISSION'S MULTIFAMILY HOUSING DEVELOPMENT BONDS 2017 SERIES A (THE "2017 SERIES A BONDS") AND AUTHORIZING A TAX-EXEMPT DRAWING ON THE PNC BANK, NATIONAL ASSOCIATION REAL ESTATE REVOLVING LINE OF CREDIT (THE "PNC RELOC TAX-EXEMPT DRAWING") OR A TAX-EXEMPT ADVANCE UNDER THE PNC BANK, NATIONAL ASSOCIATION AMENDED AND RESTATED COMMITTED LINE OF CREDIT NOTE (THE "PNC LOC TAX-EXEMPT ADVANCE," AND COLLECTIVELY WITH THE 2017 SERIES A BONDS AND THE PNC RELOC TAX-EXEMPT DRAWING, THE "2017 OBLIGATIONS"), IN A TOTAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,000,000 FOR THE PURPOSE OF THE FINANCING OF (1) A MORTGAGE LOAN INSURED UNDER THE FHA RISK-SHARING PROGRAM FOR THE ACQUISITION, REHABILITATION AND EQUIPPING OF GREENHILLS APARTMENTS, A MULTIFAMILY RESIDENTIAL RENTAL PROJECT FOR OCCUPANCY BY PERSONS OF ELIGIBLE INCOME TO BE OWNED BY GREENHILLS APARTMENTS LIMITED PARTNERSHIP, (2) A SHORT-TERM SECURED LOAN MADE UNDER THE BELOW-DEFINED PNC REVOLVING LOAN AGREEMENT OR THE BELOW-DEFINED LOAN DOCUMENTS RELATING TO THE PNC LOC TAX-EXEMPT ADVANCE OR SUCH ADDITIONAL SHORT-TERM SECURED LOAN FINANCED WITH THE PROCEEDS OF SHORT-TERM BONDS ISSUED UNDER THE BELOW-DEFINED TRUST INDENTURE, ALL AS SHALL BE NECESSARY FOR THE FINANCING OF THE ABOVE-DESCRIBED DEVELOPMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES INDENTURE, CERTAIN TAX-RELATED DOCUMENTS, A DISCLOSURE AGREEMENT AND ANY AND ALL REAL ESTATE 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 2017 OBLIGATIONS AND THE ACCOMPLISHMENT OF THE TOTAL 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 2017 SERIES A BONDS TO PNC CAPITAL MARKETS LLC, AS UNDERWRITER OR TO SUCH OTHER APPROVED UNDERWRITER OR INITIAL PURCHASER 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 2017 OBLIGATIONS AND TO MAKE ONGOING DETERMINATIONS RELATING THERETO; APPOINTING THE FINANCIAL ADVISOR AND BOND COUNSEL FOR THE 2017 OBLIGATIONS; 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, long-term and short-term 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 (the "Trust Indenture"), by and between the Commission and U.S. Bank National Association (formerly, Sun Trust Bank), 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 Multifamily Housing Development Bonds, 2017 Series A pursuant to the Trust Indenture and the Series Indenture Providing for the Issuance of Multifamily Housing Development Bonds, 2017 Series A (the "Series Indenture") and to make a tax-exempt drawing on its PNC Bank, National Association Real Estate Revolving Line of Credit pursuant to the provisions of the PNC Revolving Loan Agreement (hereinafter defined) or to request a tax-exempt advance under its Amended and Restated Committed Line of Credit Note, dated as of June 30, 2014, as amended on June 1, 2017 (the "PNC Line of Credit Note"), pursuant to the Loan Documents (as defined therein) or, alternatively, to issue tax-exempt short-term Bonds, in either case, for the funding of a short-term secured loan (i) to make moneys available for the acquisition, rehabilitation and equipping of a development (the "Development"), to be owned and operated by Greenhills Apartments Limited Partnership, the general partner of whom is wholly-controlled by the Commission, (ii) to reimburse the Commission for prior expenditures of Commission funds to finance the acquisition and rehabilitation of the Development; (iii) to make the required deposit to the Reserve Fund (as defined in the Trust Indenture) as required by the Trust Indenture and the

Series Indenture; and (iv) to reimburse the Commission for prior capital expenditures, all in accordance with the financing plans approved by the Commission in connection with the Development under the separate resolutions adopted by the Commission on June 13, 2017 and June 23, 2017 and in accordance with the additional financing plans set forth in this Resolution (together, the “Total Financing Plan”); and

**WHEREAS**, the Mortgage Loan to be financed with the proceeds of a portion of the 2017 Obligations will be endorsed for federal insurance under the Risk-Sharing Agreement, dated September 23, 1994 (the “Risk-Sharing Agreement”), by and between the Commission and the Secretary of the U.S. Department of Housing and Urban Development (“HUD”), pursuant to which Risk-Sharing Agreement, the Commission will reimburse HUD for its losses under the Mortgage Loan in an amount not greater than 25% of the outstanding principal balance of the Mortgage Loan; and

**WHEREAS**, in connection with the issuance of the 2017 Obligations and the accomplishment of the Total 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-Related Documents, the Disclosure Agreement, the Real Estate Documents and certain other documents relating to the PNC RELOC Tax-Exempt Drawing, the PNC LOC Tax-Exempt Advance, the Mortgage Loan, the short-term secured loan, the sale of the 2017 Series A Bonds, and the financing of the Development;

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

1. **2017 Obligations.** The 2017 Obligations are hereby authorized to be issued in an aggregate principal amount not to exceed \$12,000,000 to carry out the purposes under the Program as described above. Subject to the following sentence, a portion of the 2017 Obligations shall be separately designated “2017 Series A Bonds” and a portion of the 2017 Obligations will be separately designated “PNC RELOC Tax-Exempt Drawing” and/or “PNC LOC Tax-Exempt Advance.” Notwithstanding the foregoing, the Executive Director is hereby authorized to approve, in consultation with the Financial Advisor and Bond Counsel to the Commission, such greater number or amount of 2017 Obligations to be issued in connection with the Total Financing Plan and to determine the designations therefor. The 2017 Series A Bonds are to be issued pursuant to the terms of the Trust Indenture and pursuant to the terms of the Series Indenture. The 2017 Series A Bonds shall be limited obligations of the Commission, secured by and payable solely from moneys pledged therefor under the Indenture. The PNC RELOC Tax-Exempt Drawing will be made in accordance with the provisions of the Revolving Loan Agreement, dated as of July 1, 2014, by and between the Commission and PNC Bank, National Association, as amended on June 1, 2017 (the “PNC Revolving Loan Agreement”). The PNC LOC Tax-Exempt Advance will be made in accordance with the provisions of the PNC Line of Credit Note and the related Loan Documents.

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

**3. Series Indenture.** 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 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.

**4. Tax-Related Documents.** The Chairman, the Vice Chairman, the Chairman 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-Related Documents") restricting the application of the proceeds of the 2017 Obligations 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-Related Documents being conclusive evidence of such approval and of the approval of the Commission. The Chairman, the Vice Chairman, the Chairman 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-G relating to the 2017 Obligations as prepared by Bond Counsel.

**5. Disclosure Agreement.** The Commission hereby authorizes and approves the execution and delivery of a continuing disclosure agreement (the "Disclosure Agreement") related to the Series 2017 A 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.

**6. Mortgage Loan; Real Estate Documents.** The Commission hereby authorizes and approves the financing of the Mortgage Loan with the proceeds of a portion of the 2017 Obligations 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 Mortgage Loan in an amount not greater than 25% of the outstanding principal balance of the Mortgage Loan. The Commission hereby authorizes and approves the financing of the short-term loan to be financed with the PNC RELOC Tax-Exempt Drawing, the PNC LOC Tax-Exempt Advance and/or the short-term tax-exempt Bonds. 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 2017 Obligations and in its capacity as general partner of the limited partnership owner of the Development.

**7. 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 2017 Series A 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.

**8. Sale of 2017 Series A 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 2017 Series A Bonds to 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.

**9. 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 2017 Series A Bonds.

**10. 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, denominations, terms of redemption, registration privileges, security and other terms, and to approve the interest rates on (a) the 2017 Series A Bonds, (b) the PNC RELOC Tax-Exempt Drawing, and (c) the PNC LOC Tax-Exempt Advance, all of the foregoing to be specified, as applicable, in the Series Indenture, the PNC Revolving Loan Agreement and/or the PNC Line of Credit Note and the related Loan Documents. 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 2017 Obligations are outstanding, to make ongoing determinations, as may be required by the terms of the Series Indenture, the PNC Revolving Loan Agreement, the PNC Line of Credit Note and the related Loan Documents and any other financing documents relating to the 2017 Obligations, the Development, the Mortgage Loan, the short-term secured loan and any additional loans, including, but not limited to, the giving and withholding of consents, the selection of certain providers, the determination to permit the prepayment of the Mortgage Loan or the short-term secured loan and the refunding and redemption of the

2017 Obligations 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 determinations as may be deemed necessary and proper.

**11. 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 2017 Obligations and the accomplishment of the Total Financing Plan.

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

**13. No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in the 2017 Obligations, the Series Indenture, the Contract of Purchase, the Tax-Related Documents, the Offering Documents, the Real Estate Documents, the Disclosure Agreement, the PNC Revolving Loan Agreement, the PNC Line of Credit Note and the related Loan Documents, the Mortgage Loan, the short-term secured loan or in any other agreement or document executed on behalf of the Commission in its capacity as issuer of the 2017 Obligations or in its capacity as general partner the limited partnership owner of the Development, 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 2017 Obligations or be subject to personal liability or accountability by reason of the issuance thereof.

**14. Action Approved and Confirmed.** All acts and doings of the officers of the Commission which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance of the 2017 Obligations and the accomplishment of the Total 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.

**15. 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.

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

**V. ITEMS REQUIRING DELIBERATION and/or ACTION**

None

**VI. FUTURE ACTION ITEMS**

None

**VII. INFORMATION EXCHANGE (continued)**

None

**VIII. NEW BUSINESS**

None

**IX. ADMINISTRATIVE SESSION FINDING**

None

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

The open session adjourned at 4:41 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

**Approved: August 9, 2017**