

**HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY**

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

**Minutes**

October 15, 2019

19-10

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted on Tuesday, October 15, 2019 at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:04 p.m. Those in attendance were:

**Present**

Jackie Simon, Chair  
Roy Priest, Chair Pro Tem  
Linda Croom  
Frances Kelleher

**Absent**

Richard Y. Nelson, Vice Chair  
Pamela Byrd

**Also Attending**

Stacy L. Spann, Executive Director  
Bonnie Hodge  
Charnita Jackson  
Cornelia Kent  
Olutomi Adebo  
Charnita Jackson  
Christina Autin  
Ellen Goff  
Ian-Terrell Hawkins  
Eugenia Pascual  
Fred Swan  
Susan Smith  
Vivian Benjamin  
Ian Williams  
Jennifer Arrington  
Terri Fowler  
Millicent Anglin

Aisha Memon, Acting General Council  
Lynn Hayes  
Marcus Ervin  
Patrick Mattingly  
Heather Grendze  
Lorie Seals  
Leidi Reyes  
Lorie Seals  
Darcel Cox  
Jay Shepherd  
Sherraine Rawlins  
Cathy Kramer  
Zachary Marks  
Jay Berkowitz  
Kayrine Brown  
Kathryn Hollister

**Resident Advisory**

Yvonne Caughman, Vice Chair

**IT Support**

Irma Rodriguez  
Gabriel Taube  
Michael Tadesse

**Commission Support**

Patrice Birdsong, Spec. Asst. to the Commission

I. **Information Exchange**

Chair Simon began with open remarks informing guest of a 40-minutes time limit allotted for Community Forum. Chair Simon also addressed the untimely passing of Shauna Sorrells, Chief Operating Officer, with a moment of silence prior to the convening of the meeting. Chair Simon's remarks are attached.

**Resident Advisory Board**

- Yvonne Caughman, Vice Chair, updated on activities of Resident Advisory Board.

**Community Forum**

- Karen Lundregan addressed the Board to inform that she will continue to pursue her alleged ongoing issues of discrimination and retaliation from staff. Ms. Lundregan has ported to the District of Columbia Housing Authority.

II. **Approval of Minutes** - The minutes were approved as submitted with a motion by Chair Pro Tem Priest and seconded by Commissioner Croom. Affirmative votes were cast by Commissioners Simon, Priest, Croom, and Kelleher. Commissioners Nelson and Byrd were necessarily absent and did not participate in the vote.

A. **Approval of Minutes of September 4, 2019**

B. **Approval of Minutes of September 4, 2019 Administrative Session**

III. **Consent Items**

A. **None**

IV. **Information Exchange Continued**

**Report of the Executive Director**

- In addition to the written report, Mr. Spann reported that there was a conference held on October 15, 2019 by Councilmember Glass and Councilmember Jawando for proposed legislation of Impact Fairness Act; Mr. Spann reported that HOC received a Certificate of Merit Award for The Lindley; and he informed that HOC was asked to investigate live streaming its Board meetings. He informed that the meeting was the first meeting to begin streaming.

**Commissioner Exchange**

- Chair Simon and Commissioner Kelleher attended the NAHRO Conference in San Antonio, TX on October 9. They were there to receive the Award for The Lindley.

V. **ADMINISTRATIVE AND SPECIAL SESSION RATIFICATION**

A. **None**

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

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

1. **Acceptance of Fourth Quarter FY'19 Budget to Actual Statements**

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

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

**RESOLUTION NO.: 19-93**

**Re: Acceptance of Fourth Quarter FY'19  
Budget to Actual Statements, and  
Approval to Transfer Funds to the  
General Fund Operating Reserve from  
the General Fund to Balance the FY'19  
Budget**

**WHEREAS**, the Budget Policy for the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission") states that (1) quarterly budget to actual statements will be reviewed by the Commission, and (2) the Commission will end the fiscal year with a balanced budget; and

**WHEREAS**, the Commission reviewed the Fourth Quarter FY'19 Budget to Actual Statements during its October 15, 2019 meeting; and

**WHEREAS**, the Agency ended FY'19 with an operating surplus of \$172,037; and

**WHEREAS**, in order to balance the budget, it is recommended that \$172,037 be transferred to the General Fund Operating Reserve from the General Fund.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby accepts the Fourth Quarter FY'19 Budget to Actual Statements.

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that it hereby authorizes staff to transfer \$172,037 to the General Fund Operating Reserve from the General Fund to balance the FY'19 Budget.

**2. Authorization to Write-off Bad Debt Related to Tenant Accounts Receivable (April 1, 2019 – June 30, 2019)**

Cornelia Kent, Chief Financial Officer, and Eugenia Pascual, Controller, were the presenters.

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

**RESOLUTION NO.: 19-94**

**RE: Authorization to Write off Bad Debt  
Related to Tenant Accounts Receivable**

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

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

**WHEREAS**, the proposed write-off of former tenant accounts receivable balances for the period April 1, 2019 – June 30, 2019 is \$224,199, consisting of \$159,519 from Opportunity Housing properties, \$38,123 from RAD properties and \$26,557 from Supportive Housing program.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes and directs the Executive Director, without further action on its part, to take any and all actions necessary and proper to write off \$224,199 in bad debt related to (i) tenant accounts receivable balances that are delinquent for more than ninety (90) days, and (ii) former tenant balances, including the execution of any and all documents related thereto.

**3. Approval to Extend the use of the PNC Bank Real Estate Line of Credit (RELOC) for the Purpose of Making a Capital Contribution to CCL Multifamily LLC**

Cornelia Kent, Chief Financial Officer, and Eugenia Pascual, Controller, were the presenters.

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

**RESOLUTION NO.: 19-95**

**RE: Approval to Extend the Use of the PNC Bank,  
N.A. Real Estate Line of Credit for the Purpose of  
Making a Capital Contribution to CCL Multifamily  
LLC**

**WHEREAS**, on July 13, 2016, the Housing Opportunities Commission of Montgomery County (“HOC”) authorized a taxable draw of up to \$11,008,930 (the “Draw”) from the PNC Bank, N.A. Real Estate Line of Credit (the “RELOC”) for the purpose of making a 50% capital contribution to CCL Multifamily LLC for the development of the Chevy Chase Lake Multifamily project (The Lindley);

**WHEREAS**, on November 7, 2016, HOC closed construction and equity financing for the project and \$2,968,213 was drawn from the RELOC;

**WHEREAS**, as of June 30, 2019, a total of \$10,156,430 was drawn on the RELOC and \$781,765 was repaid from the sales proceeds of townhome units, leaving a balance of \$9,374,665 that will mature on November 7, 2019;

**WHEREAS**, staff recommends extending the maturity date of the Draw through November 7, 2020 at a taxable rate of LIBOR plus 58 basis points until a permanent loan is put in place; and

**WHEREAS**, the estimated cost, as of August 1, 2019, under the RELOC is expected to be approximately \$353,379.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County hereby approves extending the use of the PNC Bank Real Estate Line of Credit through November 7, 2020 to continue to fund HOC's capital contribution to CCL Multifamily LLC.

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

#### **4. Approval to Release Obligations against the PNC Bank Line of Credit**

Cornelia Kent, Chief Financial Officer, and Jennifer Arrington, Assistant Director of Bonds Management, were the presenters.

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

**RESOLUTION NO.: 19-96**

**RE: Approval to Release Obligation Against the PNC Bank \$60 Million Line of Credit**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (the "Commission") has a \$60 million Line of Credit with PNC Bank, N.A. ("PNC LOC"); and

**WHEREAS**, in May 2012, the Commission obligated \$10 million of the PNC LOC for the Single Family Mortgage Purchase Program (the "Program") for the purpose of purchasing Mortgage Backed Securities ("MBS"); and

**WHEREAS**, in October 2015, the Commission reduced the PNC LOC obligation for the Program to \$5 million (the "\$5 Million PNC LOC Obligation"); and

**WHEREAS**, in December 2018, the Commission approved an additional \$5 million obligation on the PNC LOC for the Program to be used on a revolving basis for the purpose of preserving Single Family volume cap via replacement refunding bonds (the "\$5 Million Revolving PNC LOC Obligation"), creating a total PNC LOC obligation for the Program of \$10 million; and

**WHEREAS**, the last utilization of the PNC LOC by the Program to purchase MBS was March 17, 2017; and

**WHEREAS**, in order to free up the Commission's limited financial resources, Caine Mitter has advised HOC staff that releasing the \$5 Million PNC LOC Obligation is appropriate and will not adversely impact activities of the Program; and

**WHEREAS**, upon releasing the \$5 Million PNC LOC Obligation, the \$5 Million Revolving PNC LOC Obligation will remain, and the unobligated balance of the PNC LOC will be \$4,590,801.

**NOW, THEREFORE, BE IT RESOLVED** that the Housing Opportunities Commission of Montgomery County authorizes staff to release the \$5 Million PNC LOC Obligation.

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

**5. Approval to Renew the Property Management Contract for Barclay Apartments Development Corporation, Barclay One Associates, LP and Fairfax Court Apartments**

Charnita Jackson, Director of Property Management, and Millicent Anglin, Asset Manager, were the presenters.

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

**RESOLUTION NO.: 19-97**

**RE: Approval to Renew Property Management Contracts for Barclay Apartments and Fairfax Court for One Year**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of Barclay One Associates Limited Partnership (“Barclay LP”), and Barclay LP owns 81 units in the development known as Barclay Apartments located in Chevy Chase, Maryland (“Barclay Apartments”);

**WHEREAS**, HOC owns the development known as Fairfax Court located in Chevy Chase, Maryland (“Fairfax Court,” together with Barclay Apartments, the “Properties”).

**WHEREAS**, HOC staff desires to renew the current property management contracts at the Properties for one (1) year with CAPREIT;

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

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

**BE IT FURTHER RESOLVED** by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized and directed, without any further action on its part, to

take any and all other actions necessary and proper to carry out the transactions contemplated herein, including the execution of any documents related thereto.

**6. Approval to Renew the Property Management Contract at Spring Garden One Associates Limited Partnership**

Charnita Jackson, Director of Property Management, and Jay Berkowitz, Asset Manager, were the presenters.

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

**RESOLUTION NO.: 19-98**

**RE: Approval to Renew Property Management Contract for Spring Garden One Associates Limited Partnership**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of Spring Garden One Associates Limited Partnership (“Spring Garden LP”), and Spring Garden LP owns the development known as Spring Garden located in Silver Spring, Maryland (“Spring Garden”); and

**WHEREAS**, staff desires to renew the current property management contract at Spring Garden for one (1) year with Edgewood/Vantage Management.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of Spring Garden One Associates Limited Partnership, as its general partner, that the Executive Director is hereby authorized and directed to execute a one (1) year renewal of the property management contact at Spring Garden.

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

**7. Approval to Renew the Property Management Contracts for Metropolitan Development Corporation, Metropolitan of Bethesda LP, Strathmore Court, and Strathmore Court Associates LP**

Charnita Jackson, Director of Property Management, and Millicent Anglin, Asset Manager, were the presenters.

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

**RESOLUTION NO.: 19-99**

**RE: Approval to Renew Property Management  
Contracts for The Metropolitan  
and Strathmore for One Year**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of The Metropolitan of Bethesda Limited Partnership (“Metropolitan LP”), and Metropolitan LP owns 92 units at the development known as The Metropolitan located in Bethesda, Maryland (the “Metropolitan”);

**WHEREAS**, HOC is the general partner of Strathmore Court Associates Limited Partnership (“Strathmore LP”), and Strathmore LP owns 51 units and HOC owns 151 units at the development known as Strathmore Court located in Bethesda, Maryland (“Strathmore,” together with the Metropolitan, the “Properties”); and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of The Metropolitan of Bethesda Limited Partnership, as its general partner, that the Executive Director is hereby authorized and directed to execute a one (1) year renewal of the property management contract at Metropolitan with Bozzuto Management Company.

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

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

**8. Approval to Renew the Property Management Contracts at CCL Multifamily LLC (The Lindley)**

Charnita Jackson, Director of Property Management, and Millicent Anglin, Asset Manager, were the presenters.

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

**RESOLUTION NO.: 19-100**

**RE: Approval to Renew Property Management  
Contract for The Lindley**

**WHEREAS**, the Housing Opportunities Commission of Montgomery County (“HOC”) is the managing member of CCL Multifamily LLC, which owns the development known as The Lindley located in Chevy Chase, Maryland (the “Property”); and



**WHEREAS**, HOC staff desires to renew the current property management contract at the Property through May 2, 2020 with Bozzuto Management Company.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing Opportunities Commission of Montgomery County, acting on behalf itself and on behalf of CCL Multifamily LLC, as its managing member, that the Executive Director is hereby authorized and directed to execute a renewal of the property management contract at the Property through May 2, 2020 with Bozzuto Management Company.

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

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

**1. Approval of a Bond Authorizing Resolution for the Refunding of 2004 Series C and Series D Multifamily Housing Development Bonds (MFHDB)**

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

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

**RESOLUTION NO.: 19-101**

**Re: Approval of a Bond Authorizing Resolution for the Issuance of 2019 Series B and 2019 Series C Multifamily Housing Development Bonds to Refund 2004 Series C and 2004 Series D**

***A RESOLUTION OF THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE TAX-EXEMPT AND/OR TAXABLE SERIES OF THE COMMISSION'S MULTIFAMILY HOUSING DEVELOPMENT BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,405,000 (THE "2019 BONDS") FOR THE PURPOSE OF REFUNDING AND REDEEMING CERTAIN PRIOR BONDS OF THE COMMISSION ISSUED TO PROVIDE PERMANENT FINANCING FOR VARIOUS MULTIFAMILY RESIDENTIAL RENTAL PROJECTS FOR OCCUPANCY, IN PART, BY PERSONS OF ELIGIBLE INCOME AND PERMITTING THE COMMISSION TO REALIZE PRESENT VALUE SAVINGS IN ORDER TO CARRYOUT THE PURPOSES OF ITS PROGRAM; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES INDENTURE, CERTAIN TAX-RELATED DOCUMENTS, A DISCLOSURE AGREEMENT AND ANY AND ALL RELATED DOCUMENTS; APPROVING THE PREPARATION, EXECUTION AND DISTRIBUTION OF PRELIMINARY AND FINAL OFFERING DOCUMENTS RELATING TO THE 2019 BONDS; AUTHORIZING THE EXECUTION OF ANY OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE 2019 BONDS AND THE ACCOMPLISHMENT OF THE FINANCING PLAN DESCRIBED HEREIN; AUTHORIZING THE CHAIRMAN, VICE CHAIRMAN OR CHAIRMAN PRO TEM***

**AND EXECUTIVE DIRECTOR OR OTHER AUTHORIZED REPRESENTATIVE TO PROCEED WITH THE SALE OF THE 2019 BONDS TO BOFA SECURITIES INC., AS REPRESENTATIVE OF ITSELF AND PNC CAPITAL MARKETS, LLC, OR TO ANY OTHER UNDERWRITERS OR TO ANY OTHER INITIAL PURCHASERS 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 2019 BONDS AND TO MAKE ONGOING DETERMINATIONS RELATING THERETO; APPOINTING THE FINANCIAL ADVISOR AND BOND COUNSEL FOR THE 2019 BONDS; AND PROVIDING AN EFFECTIVE DATE.**

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

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

**WHEREAS**, the Act empowers the Commission to make mortgage loans to qualified sponsors to provide for the construction, rehabilitation and long-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 (successor-in-interest to SunTrust Bank), as trustee (the "Trustee"), providing for the issuance of bonds (the "Bonds") from time to time in accordance with the provisions thereof and the provisions of separate series indentures (the "Series Indentures," and together with the Trust Indenture, the "Indenture") specifically authorizing and setting forth the terms of each series of Bonds issued under the Trust Indenture; and

**WHEREAS**, the proceeds received from the issuance and sale of the Bonds under the Trust Indenture are used to make, purchase or finance mortgage loans (the "Mortgage Loans") or finance mortgage loans through the purchase of Guaranteed Mortgage Securities (as defined in the Trust Indenture); 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 Bond, except as expressly provided in the Trust Indenture or in any Series Indenture; and

**WHEREAS**, the Commission, in furtherance of the Program, issued its Multifamily Housing Development Bonds 2004 Series C and 2004 Series D pursuant to the Indenture (collectively, the “Prior Bonds”) for the purpose, in part, of providing funds to provide permanent financing for various multifamily residential rental developments located in the County; and

**WHEREAS**, the Prior Bonds were issued as variable rate demand obligations enhanced by a TD Bank, N.A. direct-pay letter of credit (the “Credit Facility”) and hedged by an interest rate swap between the Commission and Merrill Lynch Capital Services Inc. (the “Swap”); and

**WHEREAS**, each of the Mortgage Loans funded from the proceeds of the Prior Bonds is insured by the Federal Housing Administration (“FHA”) under Section 542(c) of the Housing and Community Development Act of 1992, as amended, and the regulations promulgated thereunder (the “Risk Sharing Act”); and

**WHEREAS**, the Commission has determined to issue one or more tax-exempt and/or taxable series of its Multifamily Housing Development Bonds to be designated, subject to the provisions hereof, 2019 Series B and 2019 Series C (together with such other series designation as shall be approved by the Executive Director, the “2019 Bonds”), pursuant to the Trust Indenture and pursuant to one or more series indentures (each, a “Series Indenture”) relating thereto, in part, for the purpose, among other things, of providing (i) financing for the refunding and redemption of the Prior Bonds thereby permitting the termination of the Credit Facility and the Swap, (ii) funding for Costs of Issuance (as defined in the Trust Indenture) and (iii) net present value savings of up to \$1.8 million over the term of the 2019 Bonds (the “Financing Plan”); and

**WHEREAS**, in connection with the issuance of the 2019 Bonds and the accomplishment of the Financing Plan, the Commission anticipates entering into various documents, including, but not limited to, a Series Indenture, preliminary and final Offering Documents, a Disclosure Agreement, a Contract of Purchase, the Tax-Related Documents and certain other documents relating to the 2019 Bonds and the Financing Plan (each such capitalized term not heretofore defined shall have the meaning as hereinafter set forth);

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

- 1. 2019 Bonds.** The 2019 Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$17,405,000 of the Commission, to carry out the purposes under the Program as described above. Subject to the following sentence, the Bonds shall be separately designated “2019 Series B” and “2019 Series C.” 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 of series of Bonds to be issued in connection with the Financing Plan and to determine the designations therefor. The 2019 Bonds are to be issued pursuant to the terms of the Trust Indenture and pursuant to the terms of the Series Indenture. The 2019 Bonds shall be limited obligations of the Commission, secured by and payable solely from moneys pledged therefor under the Indenture. The 2019 Bonds shall be issued as obligations the interest on which is excludable from gross income for federal income tax purposes (the “Tax Exempt 2019 Bonds”) and/or as obligations the interest on which is includable in gross income for federal income tax purposes, subject to the approval of the Executive Director, in consultation with the Financial Advisor and Bond Counsel to the Commission.

2. **Approval of Financing Plan.** The Commission hereby approves the Financing Plan as described above pursuant to the terms and conditions set forth in the Indenture and such other 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 relating to the Tax-Exempt 2019 Bonds (collectively, the "Tax-Related Documents") restricting the application of the proceeds of the Tax-Exempt 2019 Bonds 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.
5. **Disclosure Agreement.** The Commission hereby authorizes and approves the execution and delivery of a continuing disclosure agreement (the "Disclosure Agreement") related to the 2019 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. **Offering Documents.** The Commission hereby authorizes and approves the preparation and distribution of one or more preliminary offering documents of the Commission and the preparation, execution and distribution of one or more final offering documents (collectively, the "Offering Documents"), each relating to the 2019 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.
7. **Sale of 2019 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 2019 Bonds to BofA Securities, Inc., as representative of itself, PNC Capital Markets LLC, and/or such other underwriters as may be designated by the Commission, 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.

- 8. 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 2019 Bonds.
- 9. 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 the 2019 Bonds, all of the foregoing to be specified in the related Series Indenture. The Executive Director or other Authorized Representative of the Commission, as the case may be, is hereby authorized, without further action of or authority from the Board of Commissioners, to perform any act, to execute any documents, is hereby authorized, from time to time during the period the 2019 Bonds are outstanding, to make ongoing determinations, as may be required by the terms of the related Series Indenture and any other financing documents relating to the 2019 Bonds, including, but not limited to, the giving and withholding of consents, the selection of certain providers and the refunding and redemption of the 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.
- 10. 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 issuance and sale of the 2019 Bonds and the accomplishment of the Financing Plan.
- 11. 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 2019 Bonds.
- 12. No Personal Liability.** No stipulation, obligation or agreement herein contained or contained in the 2019 Bonds, the Series Indenture, the Contract of Purchase, the Tax-Related Documents, the Offering Documents, the Disclosure Agreement or in any other agreement or document executed on behalf of the Commission shall be deemed to be a stipulation, obligation or agreement of any Commissioner, officer, agent or employee of the Commission in his or her individual capacity, and no such Commissioner, officer, agent or employee shall be personally liable on the 2019 Bonds or be subject to personal liability or accountability by reason of the issuance thereof.
- 13. 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 2019 Bonds, the refunding and redemption of the Prior Bonds and the accomplishment of the Financing Plan are hereby approved, and the execution, delivery and performance of the documents and agreements authorized hereby are in all respects approved and confirmed.
- 14. 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.

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

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

None

VIII. **FUTURE ACTION ITEMS**

None

Based upon this report and there being no further business to come before this session of the Commission, the open session adjourned at 5:11 p.m. and reconvened in closed session at approximately 5:23 p.m.

In compliance with Section 3-306(c)(2), General Provisions Article, Maryland Code, the following is a report of the Housing Opportunities Commission of Montgomery County's closed session held on October 15, 2019 at approximately 5:23 p.m. at 10400 Detrick Avenue, Kensington, MD 20895. The meeting was closed under the authority of Section 3-305(b)(13) to discuss the financial and commercial terms of potential real estate dispositions.

The meeting was closed on a motion by Chair Pro Tem Priest, seconded by Commissioner Croom, with Commissioners Simon, Priest, Croom, and Kelleher unanimously voting in approval. Commissioners Nelson and Byrd were necessarily absent and did not participate in the vote. The following persons were present during the closed session: Jackie Simon, Roy Priest, Linda Croom, Frances Kelleher, Stacy Spann, Kayrine Brown, Cornelia Kent, Aisha Memon, Christina Autin, Millicent Anglin, Zachary Marks, Charnita Jackson, and Patrice Birdsong.

In closed session, the Commission discussed the financial and commercial terms of potential real estate dispositions. No formal action was taken.

The closed session was adjourned at 6:23 p.m.

Respectfully submitted,

Stacy L. Spann  
Secretary-Treasurer

/pmb

Attachment

1- Chair Remarks

**Approved: November 6, 2019**



10400 Detrick Avenue  
Kensington, MD 20895-2484  
(240) 627-9400



## **Commissioner Jackie Simon**

### **October 15 - Commission Meeting Remarks**

Thank you for attending tonight's Commission meeting.

As always, the Commission provides time on its agenda for members of the public to come and share concerns with the Commission, and we continue to invite anyone to avail themselves of this opportunity.

While we welcome and value community participation during this forum, it has become necessary to require those who speak to recognize the time boundaries so that we can carry out the affordable housing items that are the purpose of tonight's agenda.

Tonight's community forum is limited to 40 minutes. If the

point you wish to raise has been already addressed by a prior speaker, please just acknowledge their remarks, so that everyone may be heard in the time we have available. Remember to respect the 3-minutes allotted to each speaker. For customers and clients unable to address the Commission this evening, please make sure you have provided your information on the meeting sign-in form at the front desk and an HOC staff member will follow-up to assist you.

**[Pause]**

Before we proceed with this evening's agenda, I would like to take a moment to address the untimely passing of our dear colleague, Chief Operating Officer, Shauna Sorrells.

Shauna was a visionary - a spark for change and innovation across our agency. Many of you - staff, customers and community members alike - may remember her for her kindness as well as her tenacity.



She was always prepared to meet each challenge with passion, poise and a smile. Shauna will be missed by all who had the opportunity to work with and learn from her.

Let's please take a minute to honor Shauna with a moment of silence.

**[Silence]**

Thank you all.