

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

July 1, 2020

20-07

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Wednesday, July 1, 2020, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:01 p.m. Those in attendance were:

Present

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

Also Attending

Stacy L. Spann, Executive Director
Cornelia Kent
Christina Autin
Darcel Cox
Olutomi Adebo
Renee Harris
Jay Shepherd
Nicolas Deandreis
Fred Swan
Gail Willison
Nathan Bovelle
Jay Berkowitz
Marcus Ervin
Hyunsuk Choi
Victoria Dixon
Rita Harris
Len Vilicic
Jonathan Cartagena
Eugenia Pascual

Aisha Memon, General Counsel
Kayrine Brown
Terri Fowler
Gio Kaviladze
Zachary Marks
Kathryn Hollister
Lynn Hayes
Patrick Mattingly
Ian Hawkins
Charnita Jackson
Eamon Lorincz
Bonnie Hodge
Ellen Goff
Jennifer Arrington
Millicent Anglin
Karlos Taylor
Belinda Felco
Sewavi Prince
Leidi Reyes

Resident Advisory Board

Yvonne Caughman, Vice President

Commission Support

Patrice Birdsong, Spec. Asst. to the Commission

I. **Information Exchange**

Resident Advisory Board

Yvonne Caughman, Vice President, reported on activities of the Resident Advisory Board meeting held on June 15, 2020 via an online platform. Karlos Taylor, Acting Chief Technology Officer, provided a presentation of the Information Technology Department's mission and action plan on applications to support the Resident Advisory Board on the website. Ms. Caughman updated that Edgewood Management reported that there are no new cases of the COVID-19 at the Town Center HUB. The RAB continues to encourage to the residences to practice the social distances guidelines during the Pandemic. The RAB is still accepting applications and would like to add three more members to their roll. The next meeting will be held July 20, 2020 at 6:00 p.m.

Executive Director's Report

Stacy L. Spann, Executive Director, provided an update on the Housing Resources and Family Self-Sufficiency assistance with the COVID-19 Rental Application for Montgomery County. Mr. Spann reported that there was a virtual Financial Literacy workshop conducted on June 29, 2020 by Emmanuel Brinklow Seventh Day Adventist Church (EBSDA). A virtual meeting was held on June 26, 2020 with the FSS Program Coordinator, HOC Academy, Fatherhood Initiative and the new WorkSource Montgomery representative. Mr. Spann also reported on the installation of a plexiglass barrier to protect staff and customers when the Customer Service Centers reopen. Mr. Spann acknowledged the continued hard work of the staff on the Maintenance and Resident Services Teams, as staff continues to do great work responding to emergency requests and providing continued support to our customers. He also reported that the Real Estate Division successfully priced and sold bonds.

Commissioner Exchange

Commissioners wished all a Happy and Safe July 4th Holiday.

- II. **Approval of Minutes** - The minutes were approved as submitted with a motion by Commissioner Simon and seconded by Chair Pro Tem Nelson. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, and Simon.

A. Approval of Minutes of June 3, 2020

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

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

1. Approval of the FY'21 County Revised Spending

Cornelia Kent, Chief Financial Officer, was the presenter.

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

RESOLUTION NO.: 20-53

RE: Approval of the FY'21 County Revised Spending Plan

WHEREAS, the County Executive has requested that all County departments and agencies submit a County Operating Budget Revised Spending Plan for FY'21 that identifies savings of six (6) percent from their current FY'21 budgets ("FY'21 Revised Spending Plan"); and

WHEREAS, the County Executive has requested that the Housing Opportunities Commission of Montgomery County ("HOC") participate in the FY'21 Revised Spending Plan and that HOC also identify \$125,000 of savings in current revenue funded projects in the County Capital Improvements Program (CIP); and

WHEREAS, the County's FY'21 contribution to HOC is \$6,824,693, and a six (6) percent savings is \$409,482; and

WHEREAS, HOC must submit a FY'21 Revised Spending Plan to the County no later than June 26, 2020, however an extension was granted until July 1, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby approves the submission of the FY'21 Revised Spending Plan reducing the operating budget by \$409,482 and the Capital Improvements Program for Supplemental Funds for Deeply Subsidized HOC and Affiliate Owned Unit Improvements by \$125,000.

2. Authorization to Draw on the General Fund Operating Reserve to Fund HOC Operations as a Result of the COVID-19 Pandemic

Cornelia Kent, Chief Financial Officer, was the presenter.

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

RESOLUTION NO.: 20-54

RE: Authorization to Draw on the General Fund Operating Reserve to Fund HOC Operations as a Result of the COVID-19 Pandemic

WHEREAS, the COVID-19 pandemic continues to affect millions of people across many nations and has had devastating consequences on the global and local economy;

WHEREAS, in order to mitigate the harm to the County's residents, Governor Larry Hogan issued an order temporarily halting the eviction of tenants who cannot meet their rental obligations due to COVID-19 related circumstances;

WHEREAS, the Housing Opportunities Commission of Montgomery County ("HOC" or the "Commission") has experienced a reduction in rent collection;

WHEREAS, the Commission has a General Fund Operating Reserve ("GFOR"), which may be used to meet the operational cash flow needs of the Commission; and

WHEREAS, in order to offset the lost rental income, staff is requesting that the Commission approve a draw on the GFOR up to the amount of \$2,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized to make a draw on the General Fund Operating Reserve not to exceed \$2,000,000 to fund HOC operations as a result of the COVID-19 Pandemic in the event that operating cash falls below the minimum threshold of \$2,000,000.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director, or his designee, is hereby authorized, without 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 and delivery of any documents related thereto.

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

1. Sandy Spring Missing Middle: Approval of Second Phase of Predevelopment Funding to Pursue Due Diligence and Site Plan Submittal on Pilot Missing Middle Initiative

Kayrine Brown, Chief Investment and Real Estate Officer, and Jay Shepherd, Senior Financial Analyst, were the presenters.

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

RESOLUTION NO: 20-55

RE: Approval of Second Phase of Predevelopment Funding to Pursue Due Diligence and Site Plan Submittal on Pilot Missing Middle Initiative at Sandy Spring Meadow

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or “Commission”), a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, known as the Housing Authorities Law, is authorized thereby to effectuate the purpose of providing affordable housing, including providing for the acquisition, construction, rehabilitation and/or permanent financing of rental housing properties which provide a public purpose; and

WHEREAS, “Missing Middle” housing is a range of multi-unit or clustered housing types—compatible in scale with detached single-family homes—that help meet the growing demand for walkable urban living; and

WHEREAS, on January 14, 2015, the Commission approved the purchase of a single family house and lot located at 617 Olney Sandy Spring Road (“617 O-SS”), immediately adjacent to Sandy Spring Meadow Apartments, a property that is owned by an HOC affiliate; and

WHEREAS, the acquisition of 617 O-SS with HOC’s ownership interest in Sandy Spring Meadow Apartments, created a larger property aggregation that staff believes is a strong candidate for a Missing Middle development (the “Pilot Missing Middle Initiative”); and

WHEREAS, On March 4, 2020, the Commission approved \$75,000 in feasibility funding from the Opportunity Housing Reserve Fund to explore a joint venture between the Maryland-National Capital Park and Planning Commission and HOC on the Pilot Missing Middle Initiative; and

WHEREAS, the Pilot Missing Middle Initiative would produce approximately 20 rental units, which would intentionally include a number of different Missing Middle unit styles; and

WHEREAS, to continue predevelopment activities for the Pilot Missing Middle Initiative, staff requires a second tranche of funding in the amount of \$330,000.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it hereby authorizes the Executive Director to expend up to \$330,000 to continue predevelopment activities at the Pilot Missing Middle Initiative, to be funded by a draw on the Opportunity Housing Reserve Fund.

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

2. West Side Shady Grove: Approval to Issue Short-Term Tax-Exempt Notes by Recycling Previously Allocated Private Activity Volume Cap by Maryland CDA and HOC and the Selection of PNC Bank, N.A. as the Lender; Approval of Cost of Issuance Budget; and Adoption of a Bond Authorizing Resolution for the Issuance of a Tax-Exempt Note

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

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

RESOLUTION NO.: 20-56

RE: Adoption of an Authorizing Resolution for the Selection of PNC Bank, National Association, as the Lender of a Tax-Exempt Obligation for the Purpose of Financing West Side Shady Grove

A RESOLUTION OF THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT, A PROMISSORY NOTE, AND A DEPOSIT ACCOUNT CONTROL AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY TO EFFECTUATE A TAX-EXEMPT LOAN TRANSACTION WITH PNC BANK, NATIONAL ASSOCIATION IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$100,000,000 (THE "RECYCLING FACILITY"), THE PROCEEDS OF WHICH WILL BE USED IN CONNECTION WITH THE REDEMPTION OF CERTAIN BONDS IN ORDER TO RECYCLE MORTGAGE LOAN REPAYMENTS AND THE MAKING OF A NEW MORTGAGE LOAN TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A DEVELOPMENT KNOWN AS WEST SIDE SHADY GROVE (THE "PROJECT"), TO BE OWNED AND OPERATED BY A JOINT VENTURE CONTROLLED BY THE COMMISSION, AND/OR NECESSARY TO ACCOMPLISH 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 RECYCLING FACILITY AND TO ESTABLISH THE TERMS RELATING THERETO AND TO MAKE ONGOING DETERMINATIONS RELATING THERETO;

AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX CERTIFICATE OR NO ARBITRAGE CERTIFICATE, AND ANY OTHER DOCUMENTS NECESSARY FOR THE RECYCLING FACILITY AND/OR NECESSARY TO ACCOMPLISH THE FINANCING PLAN DESCRIBED HEREIN; APPOINTING THE FINANCIAL ADVISOR AND BOND COUNSEL FOR THE RECYCLING FACILITY; 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 Project 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, construction, 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 is contemplating entering into a tax-exempt loan transaction with PNC Bank, National Association ("PNC") pursuant to which PNC will loan to the Commission a maximum aggregate principal amount not to exceed \$100,000,000 (the "PNC Loan"), the proceeds of which PNC Loan will be used, periodically, in connection with the redemption of certain outstanding bonds of the Commission and of the Community Development Administration of the Maryland Department of Housing and Community Development (the "CDA") that are eligible to be redeemed from repayments of mortgage loans on outstanding tax-exempt bonds of the Commission and of the CDA (collectively, the "Mortgage Loans"); and

WHEREAS, the Commission, by receiving the PNC Loan, will have the ability to recycle such Mortgage Loan repayments in order to make a new mortgage loan to fund the acquisition, construction and equipping of a development known as West Side Shady Grove (the "Project"), to be owned and operated by a joint venture controlled by the Commission, all in accordance with the financing plans approved by the Commission in connection with the Project under the separate resolutions adopted by the Commission on September 4, 2019, December 5, 2019 and ratified on December 11, 2019, and in accordance with the additional financing plans set forth in this Resolution and other resolutions to be adopted by the Commission (collectively, the "Financing Plan"); and

WHEREAS, the costs of issuance in connection with the Recycling Facility will be paid from the Commission's own funds.

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

- 1. Approval of Financing Plan.** The Commission hereby approves the Financing Plan as described above pursuant to the terms and conditions to be set forth in the Recycling Facility approved hereby, including the use of not more than \$550,000 from the County

Revolving Opportunity Housing Development Fund to pay costs of issuance in connection with the Recycling Facility.

2. Recycling Facility. The Recycling Facility is hereby authorized to be executed and delivered in an aggregate principal amount not to exceed \$100,000,000 to carry out the purposes under the Program as described above. 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 Recycling Facility required to accomplish the Financing Plan and to determine and establish the terms thereof. The Recycling Facility will be executed and delivered in accordance with the provisions of the Financing Documents (as hereinafter defined).

3. Financing Documents. The Chairman, the Vice Chairman, or the Chairman Pro Tem, and the Executive Director of the Commission (each, an "Authorized Officer") or any duly appointed and authorized designee of the Executive Director (an "Authorized Representative") are hereby authorized and directed to execute and deliver a loan agreement (the "Loan Agreement") with PNC in connection with the PNC Loan, which Loan Agreement will evidence the terms of the PNC Loan, (ii) a Promissory Note ("Note") in connection with the PNC Loan, which Note will evidence the repayment terms of the PNC Loan, (iii) a Deposit Account Control Agreement (the "Deposit Account Control Agreement") in connection with the PNC Loan, pursuant to which the Commission will agree to deposit Mortgage Loan repayments (cash collateral) in a deposit account (which may also be in the form of a guaranteed investment contract) in connection with each advance of the PNC Loan to the Commission (the Loan Agreement, the Note and the Deposit Account Control Agreement, collectively, the "Financing Documents"). Such Financing Documents shall be in such form as shall be approved by such officers, the execution of such Financing Documents being conclusive evidence of such approval and of the approval of the Commission, and the Secretary-Treasurer of the Commission, or any Authorized Officer is hereby authorized and directed to affix the seal of the Commission to the Financing Documents, as may be necessary, and to attest the same.

4. Tax-Related Documents. An Authorized Officer is hereby authorized and directed to execute and deliver a Tax Certificate or No Arbitrage Certificate and other documents (collectively, the "Tax-Related Documents") necessary for the Recycling Facility and/or to accomplish the Financing Plan, in such forms as shall be prepared by Bond Counsel and approved by such officer, the execution of the Tax-Related Documents being conclusive evidence of such approval and of the approval of the Commission. An Authorized Officer is hereby further authorized and directed to execute and deliver on behalf of the Commission Internal Revenue Service Form 8038 relating to the Recycling Facility as prepared by Bond Counsel.

5. 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 date, maturity, terms of redemption or repayment and other terms, and to approve the interest rates of the Recycling Facility, all of the foregoing to be specified, as applicable, in the Financing 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 Recycling Facility is outstanding, to make ongoing determinations, as may be required by the terms of the Financing Documents and any other documents relating to the

Recycling Facility, the Project, and any additional related loans, including, but not limited to, the giving and withholding of consents, the selection of certain providers, and the refinancing and repayment or prepayment of the Recycling Facility and/or other related obligations of the Commission, and the Executive Director or other Authorized Representative, as the case may be, is further authorized to execute any and all documents evidencing such determinations as may be deemed necessary and proper.

6. Other Action. Each Authorized Officer 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 Recycling Facility and the accomplishment of the Financing Plan.

7. Appointment of Financial Advisor and Bond Counsel. Caine Mitter & Associates Incorporated is hereby appointed as Financial Advisor to the Commission, and Barclay Damon LLP, New York, New York, is hereby appointed as Bond Counsel in connection with the Recycling Facility.

8. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in or contemplated by the Recycling Facility or the Financing Documents or in any other agreement or document executed on behalf of the Commission in connection with the Recycling Facility or in its capacity in the joint venture for the Project, 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 Recycling Facility or be subject to personal liability or accountability by reason of the issuance thereof.

9. 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 Recycling Facility 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.

10. 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.

11. Effective Date. This Resolution shall take effect immediately.

C. Legislative and Regulatory Committee – Com. Kelleher, Chair

1. Revision of HOC's Administrative Plan for the Housing Choice Voucher Program to add Temporary Changes in Response to COVID-19 Pursuant to HUD PIH Notice 2020-05

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

RESOLUTION NO.: 20-57

RE: Revision of HOC's Administrative Plan for the Housing Choice Voucher Program to Add Temporary Changes in Response to COVID-19 Pursuant to HUD PIH Notice 2020-05

WHEREAS, in response to COVID 19, the U.S. Department of Housing and Urban Development issued Notice PIH 2020-05 (the "Notice") on April 10, 2020 that established temporary waivers and alternative requirements for the Housing Choice Voucher Program;

WHEREAS, the Notice allowed a housing authority to adopt waivers and temporarily revise its administrative plan without board approval, provided that any informally adopted revisions are approved by its board no later than July 31, 2020;

WHEREAS, pursuant to the Notice, the Housing Opportunities Commission of Montgomery County ("HOC" or "Commission") informally adopted many of the waivers in the Notice, and the Commission now desires to formally revise its Administrative Plan for the Housing Choice Voucher Program (the "Plan") to add the temporary waivers; and

WHEREAS, the recommended revisions to the Plan are outlined in the attached Exhibit A.

NOW, THEREFORE, BE IT RESOLVED that the Housing Opportunities Commission of Montgomery County adopts the revisions to the Plan as identified in the attached Exhibit A.

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 actions contemplated herein.

IV. NEW BUSINESS ITEM

- 1. Brooke Park Apartments: Approval to Draw on the Original PNC Bank, N.A. Line of Credit to Bridge Receipt of County Loan Funds for the Renovation of Brooke Park Apartments**

Kayrine Brown, Chief Investment and Financial Officer, and Gio Kaviladze, Senior Financial Analyst, were the presenters.

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

RESOLUTION NO: 20-58

RE: Approval to Draw on the Original PNC Bank, N.A. Line of Credit to Bridge Receipt of County Loan Funds for the Renovation of Brooke Park Apartments

WHEREAS, in 2013 the Montgomery County Department of Housing and Community Affairs (“DHCA”) exercised its right of first refusal and assigned the right to the Housing Opportunities Commission of Montgomery County (the “Commission” or “HOC”) to purchase Brooke Park Apartments (“the Property”) to preserve affordable housing units in this location of the county that lacked affordable housing and risked demolition and redevelopment as luxury townhomes for the affluent, and the displacement of 18 low- and moderate-income families; and

WHEREAS, DHCA approved and funded an acquisition and development loan of \$5,200,000 at the time of the acquisition and committed to provide additional funding as needed to complete the renovation; and

WHEREAS, in April 2020, DHCA provided a commitment letter to fund the net funding need of \$3,747,829 through a combination of HOME, HIF, and, potentially, energy-efficiency improvement related funding sources; and

WHEREAS, the new loan is not expected to close until August 2020 to allow DHCA to complete regulatory processes required for use of Federal HOME funds; and

WHEREAS, renovation activities, funded by the remaining balance of the original HIF loan, started in December 2019 and an interruption of construction activities would delay the completion of the renovation and would incur substantial additional costs to complete the renovation; and

WHEREAS, based on the projections supplied by the general contractor, staff expects the project to incur up to \$1.8 million in construction and related costs through the end of August 2020; and

WHEREAS, without funding, HOC must issue a work stoppage order; and

WHEREAS, bridge financing through August 2020 from the PNC Bank, N.A. Line of Credit would prevent interruption of construction and related activities; and

WHEREAS, the Commission may make draws on the PNC Bank, N.A. Line of Credit at a taxable rate equal to London Interbank Offered Rate (“LIBOR”) (at 1-month, 3-month, 6-month, or 12-month LIBOR) plus 90 basis points.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized to draw up to \$1.8 million on the Original PNC Bank, N.A. Line of Credit at a taxable rate of one-month LIBOR plus 90 basis points to bridge receipt of County loan funds for the renovation of Brooke Park Apartments, to be repaid, including cost of interest, from the proceeds of County loan funds, and that this draw shall have a due date of six months from the date of the first draw.

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

Based upon this report and there being no further business to come before this session of the Commission, the open session adjourned at 5:17 p.m. and reconvened in closed session at approximately 5:30 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 July 1, 2020 at approximately 5:30 p.m. via an online platform and teleconference, with moderator functions occurring at 10400 Detrick Avenue, Kensington, MD 20895. The meeting was closed under the authority of Section 3-305(b)(13) to discuss the confidential commercial and financial terms of a real estate transaction.

The meeting was closed on a motion by Vice Chair Kelleher, seconded by Commissioner Simon, with Commissioners Priest, Kelleher, Nelson, Byrd, Croom, and Simon unanimously voting in approval. The following persons were present: Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Pamela Byrd, Linda Croom, Jackie Simon, Stacy Spann, Aisha Memon, Kayrine Brown, Christina Autin, Zachary Marks, Cornelia Kent, Darcel Cox, Jennifer Arrington, Gio Kaviladze, and Marcus Ervin.

In closed session, the Commission discussed the confidential commercial and financial terms of a real estate transaction. The following actions were taken:

1. With a quorum present, the Commission duly adopted Resolution 20-59AS, with Commissioners Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Pamela Byrd, Linda Croom, and Jackie Simon voting in approval, which approved the following for a certain real estate transaction in Montgomery County: (1) additional predevelopment funding; (2) an increase to the predevelopment budget; (3) a draw on the Opportunity Housing Development Fund to fund the additional predevelopment funding; and (4) various declarations concerning the intent to participate in tax-exempt borrowings.

The closed session was adjourned at 6:08 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: September 9, 2020