

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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

Minutes

November 4, 2020

20-10

The monthly meeting of the Housing Opportunities Commission of Montgomery County was conducted via an online platform and teleconference on Wednesday, November 4, 2020, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 4:03 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
Jeffrey Merkowitz
Jackie Simon

Also Attending

Stacy L. Spann, Executive Director
Cornelia Kent
Kayrine Brown
Charnita Jackson
Rita Harris
Heather Grendze
Jay Berkowitz
Terri Fowler
Olutomi Adebo
Lynn Hayes
Renee Harris

Aisha Memon, General Counsel
Eamon Lorincz
Christina Autin
Zachary Marks
Nicolas Deandreis
Eugenia Pascual
Millicent Anglin
Jennifer Arrington
Kathryn Hollister
Kristyn Greco
Ian Hawkins

Resident Advisory Board

Shawntel Reddix-Thomas

Commission Support

Patrice Birdsong, Spec. Asst. to the Commission

Guest

Mandy Merchant, CliftonLarsonAllen
Karen Griener, CliftonLarsonAllen
Amanda Dalton

Chair Priest opened the meeting with a welcome and roll call of Commissioners.

I. **Information Exchange**

- **Resident Advisory Board** - Shawntel Thomas-Reddix provided an update of the RAB October 19, 2020 meeting. Next meeting is scheduled for Monday, November 16, 2020.
- **Community Forum** – Amanda Dalton addressed the Board regarding her emergency housing situation. Chair Priest indicated that he would work closely with Executive Director Spann in addressing this concern as it relates to Women of Domestic Violence.

Executive Director's Report

- Stacy L. Spann, Executive Director, acknowledge the Single Family Team in their first virtual homeowners workshop, as well as acknowledging the Resident Services and Housing Resources Teams in taking on online services to allow all customers to take advantage of services.
- Commissioners commented that the Executive Director and Team continue to perform well, and should continue to treat all customers with the utmost respect in doing the best job as it relates to responsiveness to customers concerns.

Commissioner Exchange

Chair Priest informed that a complaint was filed in September 2020, to the State of Maryland Open Meetings Compliance Board and that HOC was in violation of open meeting act as it relates to the Budget, Finance and Audit Committee, the Development and Finance Committee, and Legislative and Regulatory Committee. The Open Meetings Compliance Board issued its opinion on November 2, 2020 indicating that these Committees are subject to the Open Meetings Act. HOC will immediately rectify this error.

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

A. Approval of Minutes of October 7, 2020

B. Approval of Minutes of October 7, 2020 Administrative Session

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

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

1. Review of the Draft Fiscal Year 2020 (FY 20) CAFR, Single Audit Report and Management Letter

Cornelia Kent, Chief Financial Officer, Mandy Merchant and Karen Greiner of CliftonLarsonAllen, LLP, were the presenters. No resolution for approval.

2. Commission Approval of the Calendar Year 2021 (CY'21) Portfolio Budget

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 Nelson and seconded by Vice Chair Kelleher. Affirmative votes were cast by Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon.

RESOLUTION NO.: 20-74

**RE: Commission Approval of the Calendar
Year 2021 (CY'21) Portfolio Budgets**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of the following entities: (1) Alexander House Apartments Limited Partnership (Alexander House); (2) Arcola Towers RAD Limited Partnership (Arcola Towers); (3) Bauer Park Apartments LP; (4) Forest Oak Towers Limited Partnership; (5) Greenhills Apartments Limited Partnership; (6) 4913 Hampden Lane Limited Partnership(Lasko Manor); (7) Spring Garden One Associates Limited Partnership (Spring Garden); (8) Tanglewood and Sligo LP (Tanglewood/Sligo); (9) 900 Thayer Limited Partnership (Fenton Silver Spring); (10) Waverly House RAD Limited Partnership (Waverly House); and (11) Wheaton Metro Limited Partnership (MetroPointe) (together, the “LP Entities”);

WHEREAS, HOC is the managing member of CCL Multifamily LLC (“CCL”), the owner of The Lindley;

WHEREAS, as the general partner of the LP entities and managing member of CCL, HOC manages the businesses and is liable for the debts;

WHEREAS, the limited partners in LP Entities have contributed money and share in profits, but take no part in running the businesses and incur no liability with respect to the LP Entities beyond their contributions;

WHEREAS, since HOC has a financial obligation to cover the debts of the LP Entities and CCL, HOC has an interest in the successful performance of LP Entities and CCL and, as such, should review their performances and approve their budgets; and

WHEREAS, the Budget, Finance and Audit Committee informally reviewed the CY'21 Budgets of the LP Entities at the October 13, 2020 meeting.

WHEREAS, the Budget, Finance and Audit Committee also informally reviewed the CY'21 Budget of CCL, which is operated on a Calendar Year basis, at the October 13, 2020 meeting.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of each of the LP Entities, as each entities’ general partner, that it hereby approves the CY'21 Operating Budgets for the LP Entities, as shown on the attached Exhibit A.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting for itself and on behalf of CCL Multifamily LLC, as its managing member, that it hereby approves the CY'21 Operating Budget for CCL, as shown on 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.

3. Approval to Renew the Property Management Contract at Shady Grove Apartments Limited Partnership

Jay Berkowitz, Asset Manager, 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, Merkowitz, and Simon.

RESOLUTION NO.: 20-75

RE: Approval to Renew Property Management Contract for Shady Grove Apartments Limited Partnership

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of Shady Grove Apartments Limited Partnership (“Shady Grove LP”), and Shady Grove LP owns the development known as Shady Grove Apartments located in Gaithersburg, Maryland (“Shady Grove”); and

WHEREAS, staff desires to renew the current property management contract at Shady Grove 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 Shady Grove Apartments 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 Shady Grove.

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.

4. Approval to Renew Property Management Contract for Pooks Hill

Millicent Anglin, Asset Manager, was the presenter.

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, Merkowitz, and Simon.

RESOLUTION NO.: 20-76

RE: Approval to Renew Property Management Contract for Pooks Hill Court

WHEREAS, the Housing Opportunities Commission of Montgomery County owns the development known as Pooks Hill Court located in Bethesda, Maryland; and

WHEREAS, staff desires to renew the current property management contract at Pooks Hill Court with Vantage Management through December 22, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Executive Director is hereby authorized and directed to execute a renewal of the property management contract at Pooks Hill Court with Vantage Management through December 22, 2021.

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.

5. Approval to Renew Property Management Contract for the Willows Apartment

Millicent Anglin, Asset Manager, 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, Merkowitz, and Simon.

RESOLUTION NO.: 20-77

RE: Approval to Renew Property Management Contract for The Willows Apartments

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC”) is the general partner of The Willows of Gaithersburg Associates Limited Partnership (“The Willows LP”), and The Willows LP owns the development known as The Willows Apartments (the “Property”); and

WHEREAS, HOC’s staff desires to renew the current property management contract at the Property through January 15, 2022 with Edgewood Management.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of The Willows LP, as its general partner, that the Executive Director is hereby authorized and directed to execute a renewal of the property management contract at the Property through January 15, 2022 with Edgewood Management.

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 transaction contemplated herein.

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

1. Hillandale: Approval of Budget and Funding for the Demolition of Holly Hall Apartments; Approval of Revised Predevelopment Budget and Funding of Predevelopment Expenditures for Hillandale Gateway, LLC

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

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, Merkowitz, and Simon.

RESOLUTION NO.: 20-78

**RE: Approval of Budget and Funding for the
Demolition of Holly Hall Apartments; Approval of
Revised Predevelopment Budget and Funding of
Predevelopment Expenditures for Hillandale
Gateway, LLC**

WHEREAS, the Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”), is the owner of a 96-unit rental property in Hillandale known as Holly Hall Apartments located on approximately 4.35 acres of land at 10110 New Hampshire Avenue, Silver Spring, MD 20903 (“Holly Hall”); and

WHEREAS, HOC is the sole member of HOC at Hillandale Gateway, LLC, which is a member of Hillandale Gateway, LLC, the entity that will redevelop the Holly Hall site; and

WHEREAS, on July 11, 2014, HOC purchased a 43,671 square foot parcel of land located at the southwest corner of Powder Mill Road and New Hampshire Avenue (the “CONA Site”) from Capital One Bank, N.A.; and

WHEREAS, on July 8, 2015, the Commission authorized the creation of a joint venture between The Duffie Companies (“Duffie”) and HOC (together, the “Development Team”) to redevelop Holly Hall and the CONA Site (“the Redevelopment Properties”), where HOC will contribute the Redevelopment Properties and Duffie contributed cash, both purchasing respective ownership interests (70% to HOC and 30% to Duffie) in the venture; and

WHEREAS, on October 7, 2015, March 1, 2017, January 9, 2019 and February 5, 2020 the Commission authorized loans to Hillandale Gateway, LLC from HOC’s Opportunity Housing Reserve Fund (“OHRF”) in the total amount of \$6,372,470 to fund predevelopment activities related to the Redevelopment Properties; and

WHEREAS, on February 6, 2019, the Commission authorized the sale of HOC’s seventy percent (70%) interest in the CONA Site to Duffie, contingent on the CONA Site remaining a part of the combined development approval for the Redevelopment Properties, and authorized HOC’s portion of the proceeds from the disposition of the CONA site, in the amount of \$1,326,251, to remain with Hillandale Gateway, LLC and be used for future predevelopment and development activities related to the Redevelopment Properties; and

WHEREAS, the Commission desires to approve a revised predevelopment budget for the Redevelopment Properties (“Revised Predevelopment Budget”) in the amount of \$10,053,974, representing predevelopment funding spent to date, future predevelopment expenditures through closing of construction financing, prefunded closing costs, and contingency; and

WHEREAS, the Commission desires to approve predevelopment funding (“Predevelopment Funding”) in the amount of \$1,809,253 to cover predevelopment expenditures related to the redevelopment of the Redevelopment Properties through closing of Hillandale Gateway, LLC’s redevelopment construction-period financing (“Construction Financing”); and

WHEREAS, staff recommends approval of additional Predevelopment Funding as a loan in the amount of \$1,809,253 to Hillandale Gateway, LLC from HOC’s OHRF, and such loan shall accrue interest at the short-

term Applicable Federal Rate of the Internal Revenue Code and will be repaid from the proceeds of Construction Financing; and

WHEREAS, the closing of Construction Financing and construction start for the Redevelopment Properties is anticipated to occur toward the end of calendar year 2021; and

WHEREAS, Holly Hall is a vacant property and must now be demolished to make way for the development of the Redevelopment Properties; and

WHEREAS, the Commission desires to approve funding in the amount of \$843,700 for the demolition of Holly Hall, which includes pre-demolition work, the demolition contract, and contingency (together, "Demolition Funding"); and

WHEREAS, staff recommends the Demolition Funding to be funded from HOC's OHRF; and

WHEREAS, the Commission currently intends and reasonably expects to participate in tax-exempt borrowings to finance such capital expenditures for the redevelopment of the Redevelopment Properties in an amount not to exceed \$100,000,000, *all or a portion of which may reimburse* the Commission for the portion of such capital expenditures incurred or to be incurred subsequent to the date, which is 60 days prior to the date hereof, but before such borrowing, and the proceeds of such tax-exempt borrowing will be allocated to reimburse the Commission's expenditures within 18 months of the later of the date of such capital expenditures or the date that the Redevelopment Properties is placed in service (but in no event more than 3 years after the date of the original expenditure of such moneys); and

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

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves the Revised Predevelopment Budget of \$10,053,974 for the redevelopment of the Redevelopment Properties, representing predevelopment funding spent to date, future predevelopment expenditures through closing of Construction Financing, prefunded closing costs, and contingency.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves Predevelopment Funding in the amount of \$1,809,253 to cover predevelopment expenditures related to the redevelopment of the Redevelopment Properties through Construction Financing.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, that it authorizes a loan to Hillandale Gateway, LLC from HOC's OHRF in the amount of \$1,809,253, accruing interest at the applicable federal rate and to be repaid at the closing of Construction Financing.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County, acting on behalf of itself and on behalf of HOC at Hillandale Gateway, LLC, as its sole member, that the Executive Director, or his designee, is authorized to take any and all actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related to Hillandale Gateway, LLC's acceptance of the loan from HOC's OHRF in an amount up to \$1,809,253.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it presently intends and reasonably expects to finance costs related to the predevelopment and other expenditures of the Redevelopment Properties located in the Hillandale area of Montgomery County, with moneys currently contained in its OHRF and any other funds of the Commission so designated for use by the Commission.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that all of the capital expenditures covered by this Resolution which may be reimbursed with proceeds of tax-exempt borrowings will be incurred not earlier than 60 days prior to the date of this Resolution except preliminary expenditures as defined in Treasury Regulation Section 1.150-2(f)(2) (e.g. architect's fees, engineering fees, costs of soil testing and surveying).

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it presently intends and reasonably expects to participate in tax-exempt borrowings of which proceeds in an amount not to exceed \$100,000,000 will be applied to reimburse the Commission for its expenditures in connection with the Redevelopment Properties.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves Demolition Funding in the amount of \$843,700 for the demolition of Holly Hall, which includes pre-demolition work, the demolition contract, and contingency, and that the Demolition Funding be funded from the OHRF.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that all prior acts and doings of the officials, agents and employees of the Commission which are in conformity with the purpose and intent of this Resolution, and in furtherance of the redevelopment of the Redevelopment Properties, shall be and the same hereby are in all respects ratified, approved and confirmed.

BE IT FURTHER RESOLVED by the Housing Opportunities Commission of Montgomery County that all other resolutions of the Commission, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the *extent* of such inconsistency.

BE IT FURTHER RESOLVED 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 actions necessary and proper to carry out the transactions and actions contemplated herein, including the execution of any documents related thereto.

2. Strathmore: Approval to Fund the Due Diligence Budget for the FHA Risk Share Mortgage Refinancing of Strathmore Court Apartments

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

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, Merkwitz, and Simon.

RESOLUTION NO.: 20-79

**RE: Approval to Fund the Due Diligence
Budget for the FHA Risk Share
Mortgage Refinancing of Strathmore Court
Apartments**

WHEREAS, on June 3, 2020, the Housing Opportunities Commission of Montgomery County (the "Commission") approved the issuance of 2020 Series A Bonds, Series B Bonds and Series C Bonds under the Multifamily Housing Development Bond Resolution ("MHDB" or the "1996 Indenture") in order to (1) finance the acquisition and rehabilitation of Bauer Park Apartments,(2) refund 2007 Series A, 2007 Series C-1, and 2010 Series A bonds previously issued under the 1996 Indenture, and (3) refund the 2002 Series A Bonds previously issued under the Multiple Purpose Bond Resolution ("MPB" or the "Multiple Purpose Indenture"); and

WHEREAS, the MHDB 2020 Series B Bonds and Series C Bonds refunding lowered the Commission's borrowing cost for the multifamily bond program and has created an estimated year-one net savings of \$755,635 within the 1996 Indenture; and

WHEREAS, the 2002 Series A Bonds, previously issued under the Multiple Purpose Indenture, refunded with MHDB 2020 Series B Bonds, supports the underlying, unenhanced mortgage loan for Strathmore Court Apartments (hereinafter "Strathmore"); and

WHEREAS, to obtain FHA Risk Share credit enhancement for Strathmore's existing mortgage, funding is required to complete the FHA Risk Share application and due diligence costs in the amount of \$121,339 (the "Due Diligence Costs"); and

WHEREAS, staff recommends funding the Due Diligence Costs from the savings of the 2020 Series B and Series C refunded Multifamily Housing Development Bonds in the 1996 Indenture.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that it approves utilizing the savings from the 2020 Series B and Series C refunded Multifamily Housing Development Bonds in the 1996 Indenture to fund the estimated due diligence budget of \$121,340 for the refinancing of Strathmore Court Apartments.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take all actions necessary and proper to carry out the transactions and activities contemplated herein, including the execution of any documents related thereto.

3. Single Family Bonds: Approval to Increase the Obligation to Draw on the PNC Bank, N.A. Line of Credit to Refund and Redeem Single Family Bonds

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

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

RESOLUTION NO.: 20-80

**RE: Approval to Increase the Obligation to
Draw on the PNC Bank, N.A. Line of Credit to Refund
and Redeem Single Family Bonds**

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

WHEREAS, pursuant to its authority, the Commission has utilized the practice of issuing refunding bonds in the Single Family Mortgage Purchase Program (the "Program") to recycle and extend the life of volume cap it allocates to each bond issue and/or to refinance its outstanding bond debt at lower interest rates, thereby, minimizing negative arbitrage expenses to the Program; and

WHEREAS, the recycling is achieved by reserving mortgage principal repayments and prepayments to make new mortgage loans, net of those subject to statutory restrictions, and using the proceeds of a new bond issue to refund and redeem the prior outstanding bonds associated with the mortgage principal repayments and prepayments; and

WHEREAS, in December 2018, the Commission authorized draws on the \$60 million PNC Bank, N.A. Line of Credit ("PNC LOC") to refund the Program's bonds eligible for replacement refunding up to an amount of \$5 million on a revolving basis, in accordance with the PNC LOC's terms; and

WHEREAS, the PNC LOC has an unobligated balance of approximately \$6,854,398, as of September 30, 2020; and

WHEREAS, due to the Commission's extensive pipeline of anticipated multifamily projects in 2021 and the limited volume cap received annually from the Maryland Department of Housing and Community Development, existing single family volume cap already used by the Commission should be preserved to the extent possible; and

WHEREAS, on January 1, 2021, it is anticipated that approximately \$9 million of bonds will be eligible for replacement refunding and a single family bond issuance is not expected until the first quarter of 2021; and

WHEREAS, to preserve the Commission's existing bond authority, staff recommends that the Commission approve a temporary increase of the Program's authorization to draw on the PNC LOC to refund bonds eligible for replacement refunding from \$5 million to \$10 million.

NOW, THEREFORE, BE IT RESOLVED by the Housing Opportunities Commission of Montgomery County that the Commission approves a temporary increase of the Program's authorization to draw on the PNC LOC to refund bonds eligible for replacement refunding from \$5 million to \$10 million.

BE IT FURTHER RESOLVED that the temporary increase will expire upon the closing of the Single Family bond issuance in the first quarter of 2021, and revert to, up to \$5 million on a revolving basis in accordance with the terms of the PNC LOC, including the payment of interest by the Single Family Program at the 30-day LIBOR plus 90 basis points.

BE IT FURTHER RESOLVED that while outstanding, all Program draws on the PNC LOC will be fully cash collateralized by mortgage repayments and prepayments in the single family indentures.

BE IT FURTHER RESOLVED that the Housing Opportunities Commission of Montgomery County authorizes the Executive Director, or his designee, 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.

Based upon this report and there being no further business to come before this session of the Commission, the open session adjourned at 5:20 p.m. and reconvened in closed session at approximately 5:31 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 November 4, 2020 at approximately 5:31 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 Sections 3-305(b)(3) and 3-305(b)(13) to discuss a potential real property acquisition and the confidential commercial and financial terms of a potential real estate transaction.

The meeting was closed on a motion by Vice Chair Kelleher, seconded by Chair Pro Tem Nelson, with Commissioners Priest, Kelleher, Nelson, Byrd, Croom, Merkowitz, and Simon unanimously voting in approval. The following persons were present during the closed session: Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Linda Croom, Jeffrey Merkowitz, Jackie Simon, Stacy Spann, Aisha Memon, Cornelia Kent, Claire Kim, Gio Kaviladze, Charnita Jackson, Kayrine Brown, Zachary Marks, and Gail Willison.

In closed session, the Commission discussed potential acquisitions of real property and the confidential commercial and financial terms of potential real estate transactions. The following actions were taken:

1. With a quorum present, the Commission duly adopted Resolution 20-81AS, with Commissioners Roy Priest, Frances Kelleher, Richard Y. Nelson, Jr., Linda Croom, Jeffrey Merkowitz, and Jackie Simon voting in approval, which approved the following for a certain real estate transaction in Montgomery County: (1) the execution of a purchase contract; (2) the creation of ownership entities; (3) funding for the earnest money deposit; and (4) funding for due diligence. Commissioner Byrd was necessarily absent and did not participate in the vote.
2. Commissioner Simon requested an update on another potential real property acquisition. No formal action was taken.

The closed session was adjourned at 6:24 p.m.

Respectfully submitted,

Stacy L. Spann
Secretary-Treasurer

/pmb

Approved: December 9, 2020