

Montgomery County Green Bank Board of Directors Meeting

Thursday, February 22, 2017 at 1:30 pm
Montgomery County Chamber of Commerce | 51 Monroe St, Suite 1800 | Rockville, MD

DRAFT Board of Directors Meeting Minutes

1. MCGB Chairman Bert Hunter called the meeting to order at 1:38 pm.

Roll call confirmed the attendance of:

- Hope Brown, VP and Chief Compliance Officer, Calvert Funds (phone)
- Lisa Feldt, Director, Montgomery County DEP
- Michael Gergen, Partner, Latham & Watkins (phone)
- Bert Hunter, Executive Vice President and Chief Investment Officer, Connecticut Green Bank
- Bonnie Norman, Principal, Chief Marketing Officer, E3 International LLC
- Bill Parsons, Executive Director, JDRF
- Bob Sahadi, Director, Energy Efficiency Finance Policy, Institute for Market Transformation
- Stacy Swann, Founding Partner, Climate Finance Advisors LLC (phone)
- Alex Espinosa, Director, Montgomery County Department of Finance

Quorum met.

Other meeting attendees included:

- Alex Kragie, Coalition for Green Capital
- Michelle Vigen, Montgomery County DEP
- Stan Edwards, Montgomery County DEP
- Mary Casciotti, Montgomery County Department of Finance
- Michael Dow, Womble Carlyle – General Counsel for the MCGB (phone)

Guests:

- Alex Richardson, Aquicore
- Scott Hofmeister, Harvard Business School DC Chapter
- Todd Nedwick, National Housing Trust (NHT)
- Olivia Wein, National Consumer Law Center (NCLC)

Absent Board Members:

- Brian Marconi, Senior Manager, Cohn Reznick LLP
- Zach Marks, Assistant Director, Housing Opportunities Commission

2. Public Introductions and Comment

Mr. Hofmeister, Mr. Nedwick, and Ms. Wein introduced themselves and their affiliations. Of note, NCLC and NHT are also parties to the Joint Settlement Agreement between the County and Exelon in the merger.

3. Approval of Agenda

Mr. Parsons moved to approve the agenda; Ms. Norman seconded. The agenda was approved unanimously.

4. Approval of January 26th Meeting Minutes

Ms. Norman moved to adopt the minutes, Ms. Feldt seconded. The minutes were adopted.

R.1: Approval of Minutes

A MOTION TO APPROVE the minutes of the Board of Directors Meeting for November 29th, 2016.

5. Administrative Business

Staff Report: Mr. Kragie provided an updated on the execution of the HOC forgivable loan, the County merger funding contract progress, fundraising activities, and the Governance WG's work on the Standard Operating Procedures. He noted that Product Development would be the main priority for the next meeting, with a focus on nailing down some more details to the programs with stakeholders and confirming program partners. Mr. Hunter complimented Mr. Sahadi's work to prepare for the immediate deployment of funds once received; Ms. Feldt seconded the complement.

DEP Staff Report: Ms. Vigen provided an update on the recent Commission actions taken on EmPOWER Maryland, as well as Community Solar. The Board requested a short briefing on the details of the community solar be included in the April meeting. Ms. Vigen reported on the County's benchmarking law, current compliance season, and impacts on the building owners in the community. She also summarized outreach activities by the Residential program – including events around Tax Free Weekend and the MD-SUN Solar Coop. DEP staff continue to monitor and support the supplemental appropriations of the MCGB's first tranche of merger funds.

Annual Work Plan Update: Mr. Kragie and Ms. Vigen presented the draft Work Plan for the Board. Staff noted that an additional section may be added to capture the full scope of communications and outreach. Staff thanked the Board for their time and contributions into this first draft, much of which was completed through the survey and planning session breakouts. Staff will continue to coordinate with Board Leadership to turn around a second draft for review at the April 5th meeting.

6. General Business

6a. Product Development WG

Mr. Sahadi provided an update on Product Development starting with single family, that we've engaged with the credit unions, that some have identified interest, and now they are moving into a due diligence phase. In response, staff are setting up a briefing where CUs can hear from CT Green Bank and Michigan Saves. The next steps are to confirm a date for the briefing and prepare to handle any due diligence questions.

The Board discussed strategies for engaging additional credit unions, the landscape of those

additional credit unions (e.g. NIH, NASA, Navy FCU) and the benefit of working with both the credit union association and also engaging individual credit unions. Mr. Hunter noted that sometimes the largest and smallest may find this product more challenging, but the midsize credit unions may be especially well-suited. The Board also discussed market competitiveness, the extent to which we set criteria, and other factors, such as membership requirements, ACH or payroll deductions.

Mr. Sahadi then provided an update on multifamily. Ms. Norman and her colleague [Rob Russo] plan to meet with Mr. Marks to discuss HOC potential projects. The meeting is scheduled for March 21st and any board members are welcome to attend.

On commercial product development, Mr. Sahadi offered a summary of the potential model with Ascentium Capital, but also the plan to explore interested lenders in the area.

Ms. Vigen noted she would connect with the Maryland Banker's Association about identifying any lenders in the area that may want to get involved.

6b. Recruitment WG

Ms. Feldt reported that there were a healthy number of applications. The Work Group reviewed applications and have a shorter list. The Work Group seeks a volunteer to help with interviews. Any interested Board Members should notify Ms. Vigen or Ms. Feldt. Interview questions have been drafted and feedback is welcome to Ms. Vigen.

Ms. Vigen and Mr. Edwards have been conducting research and meetings with potential HR services.

6c. Fundraising and Finance WG

Ms. Norman provided a shout-out and thank you to HOC for execution on the HOC Forgivable Loan. Mr. Hunter noted he sent a "thank you" to HOC.

Ms. Norman updated that some Directors met with the County about the merger funding contract that morning. MCGB will provide additional comments and redline to the County by end of this week. County will provide feedback and (hopefully) a final version next week. Mr. Hunter thanked Ms. Vigen for her initial work, and commented that the conversations have been positive; each party learn about the different requirements and needs from each. Ms. Swann seconded that the conversations are going well. Mr. Espinosa asked if the contract would be circulated to the Board for review. Mr. Hunter noted that the Friday draft could be circulated for review.

Ms. Vigen noted that the contract has afforded an important opportunity to learn about the merger funding and it may be helpful to provide that context and information to the whole board, and perhaps walk through the contract and the connection between

Ms. Swann seconded and asked that a briefing be provided in April about the history of the funding. She also noted that authority needs to be delegated to the Board Leadership to execute on this contract ahead of the April 5th meeting.

Mr. Kragie provided an update on the Website and Branding RFP. Several responses were submitted and are being reviewed by the Fundraising and Finance Work Group. Submissions are in the Board Dropbox. The question was raised if the pool of five submissions is sufficient or if the Board would

like to expand the submission. Mr. Hunter recommended we also reach out to Craig Connelly (CT Green Bank) and also keep the RFP open. Ms. Feldt asked for clarity about how local businesses may be valued in this process.

Ms. Norman summarized the development of the Partnerships Compendium and that it now lives in an interactive format for Board Members to help populate and contribute to. Ms. Norman asked Mr. Kragie to send, along with the vision statements, the link to the Partnership Compendium for Board population.

The final proposal for funding from the Town Creek Foundation is in its final stages. Ms. Norman recognized the Coalition for Green Capital and the Connecticut Green Bank for their letters of support. A final decision will be delivered April 10.

Lastly, Ms. Norman presented this month's financial statements. This is the first set of statements from the Intaact system provided by the CT Green Bank.

6d. Naming Work Group – Closed Session

This closing statement was prepared by Acting Executive Director Alex Kragie, and, I, Bert Hunter, Chairperson of the Board of Directors attests to its compliance with the Maryland Open Meetings Act. Per § 3-305(a)(7) of the Maryland Open Meetings Act, I move to convene a closed session.

The topic to be discussed is correspondence with the Department of Labor, Licensing, and Regulation regarding the name of our organization. We close this session to gather advice from our legal counsel, Michael Dow. Mr. Hunter moved, Ms. Swann seconded, and the Board closed the session.

R. 2: Closing Statement This closing statement was prepared by Acting Executive Director Alex Kragie, and, I, Bert Hunter, Chairperson of the Board of Directors attests to its compliance with the Maryland Open Meetings Act. Per § 3-305(a)(7) of the Maryland Open Meetings Act, I move to convene a closed session.

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All in Favor: _____

All Opposed: _____

6e. Governance Work Group

Mr. Kragie presented the updated draft Standard Operating Procedures, noting that the main changes are that personnel policies are being relegated to a future employee handbook.

Mr. Hunter moved, Ms. Feldt second. The Board discussed.

R.3: Adoption of Standard Operating Procedures for the Montgomery County Green Bank

By recommendation of the Governance Work Group, A MOTION TO ADOPT Standard Operating Procedures for the Montgomery County Green Bank.

There was a question about authorization of contracts under VII(3)b only requiring ED and Chairperson versus whole board.

Mr. Hunter offered an amendment: "\$25k up to \$50k require approval by the Executive Director and the Chairperson of the Board; and anything over \$50k will require approval by the Board."

The Board discussed organization of the Procurement section, consistency of language, and the appropriateness of the range, including Mr. Hunter's suggested language and reorganization of the section. Ms. Vigen offered an clarifying "nesting" change to the Professional Services section.

Mr. Hunter and Ms. Feldt agree to the modification, and the Standard Operating Procedures were adopted.

7. Additional Items

Mr. Hunter moved a resolution to authorize the Board Leadership to execute on the contract with the County for the merger funding.

R.3: Authorize Board Leadership to Finalize and Execute Forgivable Loan Agreement with Housing Opportunities Commission

By recommendation of the Leadership of the Board of Directors, A MOTION TO AUTHORIZE THE BOARD LEADERSHIP TO FINALIZE, AND FOR AN OFFICER OF THE CORPORATION TO COUNTERSIGN, AND EXECUTE a Contractor Agreement with Montgomery County to receive funding as designated through the Pepco-Exelon merger agreement, provided, however, that not less than one day prior to execution of said contractor agreement, board leadership shall circulate the execution copy of the contractor agreement to the board.

Mr. Parsons second. Adopted.

Ms. Norman raised the interest to develop a Budget and Auditing and a Fundraising and Finance Committee. The Board Leadership and staff would consider the best way to organize this moving forward.

Mr. Sahadi noted that several Board members are involved in the Energy Summit on April 5th and that a Silver Spring meeting location for the Board Meeting may be more convenient. Staff would look into a space in Silver Spring.

Staff announced the meet-and-greet opportunity with the Montgomery County Chamber Board of Directors following the meeting and the invitation to stay for the guest speaker, Dr. Loh, President of the University of Maryland.

8. Adjournment

Mr. Espinosa motion to adjourn. Ms. Feldt seconded. The board adjourned at 3:47pm.

The Green Bank Board of Directors are scheduled to meet at the Montgomery County Chamber of

Commerce, unless otherwise noted:

- **Wednesday, April 5, 2017 from 1:30-5:00pm – Silver Spring Civic Center**
- **Wednesday, May 10, 2017 from 1:30-5:00pm**
- **Wednesday, June 14, 2017 from 1:30-5:00pm**

For inquiries about the Green Bank Board of Directors, to access meeting materials, or for information about attending a meeting, please contact Michelle Vigen, michelle.vigen@montgomerycountymd.gov.

Revised and adopted 9 19 18