

**Montgomery County Green Bank
Special Board of Directors Meeting
By Teleconference
Friday, May 13, 2022, at 8:00 AM**

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Board of Directors Meeting Minutes

1. Call to Order and Roll Call

Bonnie Norman, Board Chair of the Montgomery County Green Bank (“Green Bank”) Board of Directors (“BOD” or “Board”), called the Special Board meeting to order at 8:04 AM. The meeting was conducted by teleconference in consideration of the COVID-19 pandemic.

Roll call confirmed the attendance of the following:

- Ms. Bonnie Norman (Board Chair), President, E3 International, LLC
- Mr. Bert Hunter (Board Secretary), Executive Vice President and Chief Investment Officer, Connecticut Green Bank
- Mr. Brian Marconi, Partner, Cohn Reznick LLP
- Mr. Kyle Danish, Partner, Van Ness Feldman
- Ms. Marissa Ramirez, Director, Community Strategies, National Resources Defense Council
- Adriana Hochberg, Climate Change Officer, Montgomery County, Acting Director, DEP
- Ms. Stacy Swann, CEO and Founding Partner, Climate Finance Advisors, Benefit LLC
- Mr. Zachary Marks, Director of Development, Housing Opportunities Commission (Joined 8:10 AM)

A quorum was present. Meeting started at 8:04 AM.

Not Present:

- Ms. Marcene Mitchell (Board Vice-Chair) Senior Vice President, Climate Change, World Wildlife Fund
- Mr. Robert Sahadi (Board Vice-Chair), Managing Principal, GreenSpace Investment
- Mr. Michael Coveyou, Director of Finance, Department of Finance, Montgomery County

Other meeting attendees included:

- Mr. Thomas Deyo, CEO, Montgomery County Green Bank
- Mr. Stephen Morel, Chief Investment Officer, Montgomery County Green Bank

- Ms. Cindy McCabe, Montgomery County Green Bank
- Mr. Rokas Beresniovos, Montgomery County Green Bank
- Ms. Tyniah McDuffie, Montgomery County Green Bank
- Ms. Jean Moyer, Montgomery County Green Bank
- Mr. Joshua Myers, Montgomery County Green Bank
- Mr. Stan Edwards, Special Advisor to Montgomery County Green Bank, Montgomery County Department of Environmental Protection
- Ms. Mary Casciotti, Montgomery County Department of Finance
- Ms. Nancy Feldman, Montgomery County, Department of Fiscal Management

2. Public Introductions and Comment

Ms. Norman began the meeting by asking if any members of the public were present. No one from the public had joined at that time. The meeting moved on to the approval of the agenda.

3. Approval of the Agenda

Ms. Norman asked if anyone had any additional adjustments to the agenda. None were voiced.

Mr. Hunter moved a motion to approve the agenda; Ms. Ramirez seconded.

A voice vote was taken, and the motion passed unanimously.

4. General Business

a. Investment

Mr. Morel presented to the Board on two items up for approval. The first was a second agreement with City First Enterprises (CFE), a CDFI affiliate of City First Bank, a Green Bank partner.

Mr. Morel stated the reason this item was being brought to the Board was due to the first agreement with CFE reaching its maximum commitment. Recent transactions have demonstrated a larger CFE appetite for additional deals.

The second agreement will include a total pool of up to \$6 million in underlying loans, with the Green Bank providing a capital commitment of \$4 million. The agreement will include a loss reserve and changes in certain terms and fees as compared to the first CFE agreement.

Mr. Morel also reviewed a project for the Board to approve, the Hampshire Towers Electrification Project. The total project size is \$16.2 million and the Green Bank and CFE loan will be \$4 million. It is estimated this project will eliminate 485 tons of CO2 equivalent.

To review confidential details of the project and CFE agreement, the Board moved the meeting into closed session.

R1: Adoption of a Closing Statement to proceed into a Closed Session

This closing statement was prepared by CEO, Tom Deyo, and I, Bonnie Norman, Chairperson of the Board of Directors attest to its compliance with the Maryland Open Meetings Act. Per § 3-305(d) of the Maryland Open Meetings Act, I move to convene a closed session.

In this closed session, the Board of Directors will discuss certain matters related to the investment of public funds of the Montgomery County Green Bank, per the “investment of public funds” exception §3-305(b)(5).

Ms. Hochberg moved the motion; Ms. Ramirez seconded

A voice vote was taken on the motion, and the motion passed unanimously.

All in Favor: 8

All Opposed: 0

Abstained: 0

The meeting then went into closed session where the Board and staff had an in-depth discussion on the confidential terms around the second CFE agreement and the Hampshire Towers investment.

The Board came out of the closed meeting session at 8:59 AM.

Ms. Norman requested a motion to approve the second City First Enterprise agreement.

R.2: Approval of the MCGB Transaction/Investment No. 15: Second City First Enterprise Agreement.

A MOTION TO APPROVE an up to \$4 million investment to be used in a participation agreement with City First Enterprise (“Second CFE Agreement”) for the purpose of supporting loans under a Small Business Energy Savings Support product (or other product name as may be determined in the future) and that is substantially in accordance with the terms presented to the Board on May 13, 2022, whereby a) delegation is made to the Green Bank Investment Committee for all underlying transaction approvals, and a sub-delegation is made to the Green Bank staff for all underlying transaction approvals of up to \$250,000 or as agreed with the Investment Committee; b) delegation is made to the Green Bank Board Leadership for final approval of legal documents associated with this Second CFE Agreement provided the Board Leadership does not identify material items that would require Board approval; and c) Tom Deyo, CEO, is authorized to execute such legal agreements on behalf of the Green Bank.

Mr. Hunter moved the motion; Ms. Ramirez seconded.

Mr. Hunter asked for clarification on the \$250,000 agreed to be authorized by the Investment Committee to approve funds above \$250,000.

Ms. Swann clarified that the intent was to have the staff go up to that amount but not beyond.

Mr. Hunter proposed a motion to amend the resolution to delete the phrase: “or as agreed with the Investment Committee” Ms. Norman seconded the motion. The motion passed unanimously.

The amended resolution was read as follows:

A MOTION TO APPROVE an up to \$4 million investment to be used in a participation agreement with City First Enterprise (“Second CFE Agreement”) for the purpose of supporting loans under a Small Business Energy Savings Support product (or other product name as may be determined in the future) and that is substantially in accordance with the terms presented to the Board on May 13, 2022, whereby a) delegation is made to the Green Bank Investment Committee for all underlying transaction approvals, and a sub-delegation is made to the Green Bank staff for all underlying transaction approvals of up to \$250,000; b) delegation is made to the Green Bank Board Leadership for final approval of legal documents associated with this Second CFE Agreement provided the Board Leadership does not identify material items that would require Board approval; and c) Tom Deyo, CEO, is authorized to execute such legal agreements on behalf of the Green Bank.

A roll call vote was then held on the amended resolution and passed unanimously.

All in Favor: 8
All Opposed: 0
Abstained: 0

Ms. Norman then introduced the approval of the Hampshire Towers agreement.

R.3: Approval of the MCGB Transaction/Investment No. 16: MCGB Capital Investment in Hampshire Towers under the Second CFE Agreement

A MOTION TO APPROVE an up to \$2.4 million investment in a participation of a loan to Hampshire Towers to be issued under the Second CFE Agreement with an associated up to \$800,000 loss reserve commitment that is: a) substantially in the form as presented to the Board at the May 13, 2022 Board of Directors meeting; b) delegates to the Board Leadership final approval of the participation agreement and any ancillary documentation in support thereof provided the Board Leadership does not identify material items that would require Board approval; and c) authorizes Tom Deyo, CEO, to execute such participation agreement and any ancillary documentation in support thereof on behalf of the Green Bank.

Mr. Hunter moved the motion; Ms. Swann seconded.

No further discussion was had.

A roll call vote was then held on the resolution and passed unanimously.

All in Favor: 8
All Opposed: 0
Abstained: 0

Ms. Swann left the meeting at 9:04 AM

Mr. Marconi left the meeting at 9:05 AM

b. Governance

Ms. Norman then moved the meeting into Governance.

Mr. Danish introduced the topic for approval, which was the delegation of approval of the recruitment firm to Board Leadership as the procurement of this firm would need to take place before the June Board meeting.

Ms. Norman asked for clarification that funds would not be dispersed until candidates were hired, Mr. Deyo confirmed this.

Ms. Norman introduced the motion to approve the recruitment firm under the request for proposals.

R4. Delegation to Board Leadership to Approve Recruitment Firm Under Request For Proposals

A MOTION TO APPROVE that the Montgomery County Green Bank Board Leadership shall be delegated to hold the Board of Directors' final approval authority related to the selection of a Recruitment Firm to be secured by a Request For Proposals issued in May 2022 with a potential budget above \$50,000.

Ms. Hochberg moved the motion; Ms. Ramirez seconded the motion.

A voice vote was held on the motion and passed unanimously.

All in Favor: 6
All Opposed: 0
Abstained: 0

Mr. Danish then made the Board aware of a new calendar for FY23 for Board. Feedback on Board meeting timings were requested by Board members.

5. Adjournment

Ms. Norman requested a motion to adjourn the meeting.

Mr. Hunter moved the motion; Ms. Ramirez seconded.

A voice vote was held, and the motion passed unanimously.

The meeting ended at 9:09 AM.

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