

disapprove the proposed bond guarantee, and specify the terms and conditions for any approved bond guarantee. The terms and conditions shall include the maximum interest payable, the terms of the bond issue, the purposes for which the bond funds may be expended, and the method of controlling the expenditures of the bond funds and the revenues and expenditures for projects financed by the bond funds.

(iii) The approval of the bond guarantee by the County Council shall be submitted to the county executive within 3 days for concurrence. If the county executive does not communicate [his] disapproval and reasons for the disapproval to the Council within 10 days after receipt, the Council's approval shall stand. If the county executive disapproves, the Council may override that disapproval by vote of at least five members.

(iv) The approval of the bond guarantee may be rescinded by RESOLUTION OF the Council ADOPTED at any time up PRIOR to the advertisement of the bonds OR IN THE CASE OF A PRIVATE SALE, THE SALE OF THE BONDS OR THE DISTRIBUTION OF A RELATED OFFERING CIRCULAR, WHICHEVER SHALL FIRST OCCUR.

(4) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SECTION, UPON REQUEST OF THE HOUSING OPPORTUNITIES COMMISSION, MONTGOMERY COUNTY MAY ALLOCATE BY LOCAL LAW A PORTION OF THE TOTAL AMOUNT OF THE GUARANTEE AUTHORIZED BY THIS SECTION, IN AN AMOUNT TO BE DETERMINED BY SUCH LOCAL LAW. THE COUNTY EXECUTIVE MAY FROM TIME TO TIME APPROVE BY EXECUTIVE ORDER THE UTILIZATION OF ALL OR A PART OF SUCH ALLOCATION AS A BOND GUARANTEE, IN WHICH EVENT NO ADDITIONAL APPROVAL OF THE BOND GUARANTEE BY THE COUNTY COUNCIL SHALL BE REQUIRED. PURSUANT TO SUCH EXECUTIVE ORDER, THE HOUSING OPPORTUNITIES COMMISSION MAY ISSUE BONDS GUARANTEED BY ALL OR A PART OF THE ALLOCATION, THE PROCEEDS OF WHICH BONDS SHALL BE USED TO FINANCE IN WHOLE OR IN PART MORTGAGE LOANS SECURED BY HOUSING AND TO FUND RELATED RESERVES AND COSTS APPROVED UNDER THE PROVISIONS OF THIS SECTION. MORTGAGE LOANS SO FINANCED MUST BE INSURED IN PART BY THE FEDERAL HOUSING ADMINISTRATION, THE MARYLAND HOUSING FUND, OR A PRIVATE MORTGAGE INSURER WHICH IS APPROVED BY THE FEDERAL NATIONAL MORTGAGE ASSOCIATION OR THE FEDERAL NATIONAL MORTGAGE LOAN CORPORATION AND WHICH IS AUTHORIZED TO DO BUSINESS IN THE STATE OF MARYLAND, OR BY ANY COMBINATION OF SUCH INSURERS.

[[4]] (5) The housing opportunities commission shall provide to the Montgomery County government annual audits performed by an independent certified public accountant licensed in the State of Maryland, on projects financed by bonds guaranteed by Montgomery County. In addition to providing appropriate certified financial statements, the independent auditor shall provide a management letter on the financial soundness of the projects. Notwithstanding the foregoing independent audits,