

**Rockville Housing Enterprises
Board of Commissioners Meeting Minutes
November Board Meeting**

**The Board of Commissioners for Rockville Housing Enterprises Regular Meeting on
November 17, 2021**

To Join via Zoom Video Conference:

<https://zoom.us/join> Meeting ID: 927 6506 5009 Passcode: 226657

To Join via Zoom Telephone Conference:

Dial In: 301-715-8592 Meeting ID: 927 6506 5009 Passcode: 226657

Present

Chairman – James Hedrick, PhD
Commissioner- Edward J. Duffy
Commissioner – Steve Marr

Absent Excused

Commissioner – Stacy Kaplowitz

In Attendance

Jessica Anderson, Executive Director RHE
Asmara Habte, Director, DHCD, COR
Christele Etienbla, RHE Staff
Tosha Dyson, RHE Staff

6:32 PM Call to Order

Chairman Hedrick called the November 17, 2021, meeting of the Rockville Housing Board of Commissioners Meeting to Order. Chairman Hedrick called the roll for RHE Board Members present.

6:35 PM Consent Items

Chairman Hedrick called for a motion to approve or make changes or corrections to the meeting minutes for the board meetings held on October 27, 2021 and November 4, 2021. Commissioner Duffy moved to approve the meeting minutes from the September 22, 2021 meeting. Commissioner Marr seconded the motion. All present voted Aye.

6:38 PM Citizen Comments

Chairman Hedrick asked if there were any citizens present that wanted to make a statement. There were none present.

Chairman Hedrick called for the next item on the agenda, Executive Director's Report:

Activities during the month of October 2021

Meetings/Activities

- Fireside Park Property Management calls were held bi-weekly.
- Staff continues a telework schedule due to COVID 19 Social Distancing restrictions.
- Food Distributions at the David Scull Community have been transitioned to only two days a week.
- RHE continues to engage in social distancing measures. RHE continues to not see clients in the office, but are servicing clients through email, mail, phone and fax.
- Resident meeting held on October 19, 2021, to review the MTW Supplement Agency Specific Waiver.
- Public Hearing on the Annual Plan and the MTW Supplement was held on October 20, 2021, and was presented in Spanish on October 21, 2021.

Move to Work (MTW) Program Implementation

The Move to Work Annual Plan and MTW Supplement has been submitted to HUD for approval.

RELP Limited Partner Exit

The Limited Partner Investor has officially accepted RHE Corporation's buy out offer of the payment of exit taxes to purchase the Limited Partner's interest and the agreement has been negotiated. All lender approvals/concurrences have been received. Staff continue to work with the State DCHD on their approval/concurrence of the tax credit investor exit. Once the State's approval is received the closing can occur. RHE has received a letter of support for the investor buy out from the Mayor and Council.

Scattered Site Conversion Update

RHE has received HUD approval for the Scattered Site Conversion. The tenant protection voucher application to the HUD Field Office has been submitted. The title proforma has been issued and is being reviewed by legal counsel. RHE has been working with the City on the continuation of the PILOT for the 29 scattered sites and has received a draft PILOT agreement for review. New leases will be created for the scattered site Project Based Voucher residents as well. A fourth quarter closing is necessary to receive the voucher funding for CY2022.

Waiting List

RHE will be opening the Public Housing Waiting List for 4 Bedroom units. The waiting list will be open on December 14th and will close on December 15th. All applications must be submitted on line. Additional assistance will be provided to disabled applicants needing additional assistance.

Financial Management (See Tab 3)

Public Housing Program (PH) (108 PH Units)

The Net Income on the PH Cash Flow Report for the month of October 2021 indicates a positive \$8,252.97. Year to date is a positive \$8,252.97.

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;)

The Net Restricted Assets (HAP) for the month of October 2021 is a positive \$26,914.30. Year to date the HAP is a positive \$26,914.30.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending October 2021 is \$0. Year to date is \$0. With the use of the MTW flexible funding, RHE is able to end the month with a net zero in expenditures.

Mainstream Vouchers (50 Mod Vouchers)

The Net Restricted Assets (HAP) for the month of October 2021 is a positive \$1,939. Year to date the HAP is positive \$1,939.

The Unrestricted Net Assets (Administrative Expenses) for the month ending October 2021 is a positive \$3,222.69. Year to date is positive \$3,222.69.

Mod Rehab Program (5 Mod Vouchers)

The Program cash flow for the month of October 2021 is a positive \$941. Year to date the HAP is positive \$941.

RELP – (56 Low Income Housing Tax Credit Units)

The net income for RELP One for the month of October 2021 is a positive \$7,799.17. Year to date net income is a negative (\$40,370.89).

RHE Properties (4 – Affordable Units)

The Cash Flow Statement for the month ending October 2021 indicates a positive \$1,490.15. Year to date is a negative (\$1,250.53).

RHE Corporation (the General Partnership entity for RELP One)

There was no activity for this entity during the month of October 2021. Year to date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds)

The Cash Flow Statement for the month ending October 2021 indicates a positive \$6,461.20. Year to date net income is a positive \$6,461.20.

RHE FIRESIDE PARK

The Cash Flow Statement for the month ending September 2021 indicates a positive \$39,397.19. Year to date net income is a positive \$1,376,421.48. At the time of the publishing of this report the October Financial data has not yet been received.

Asset Management October 2021 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):
 - 97.4% for the month ending October – (2 vacancies)
 - Rent Collection Percentage 101%%

- PH Occupancy (Scattered Sites) was as follows (29 units):
 - 93% for the month ending October – (2 vacancies)
 - Rent Collection Percentage 89.6%
- RELP One Occupancy was as follows (56 units):
 - 96.4% for the month ending October – (2 vacant)
 - Rent Collection Percentage 80.7%
- RHEP Occupancy was as follows: (4 units).
 - 100% for the month ending October
 - Rent Collection Percentage 106.4%
- Fireside Occupancy was as follows:
 - Occupancy – 100% occupancy rate of available units
 - 51– units off-line reserved for current construction/hospitality
 - 0- units vacant available for rent

Maintenance Activity Summary for October

- RHE Maintenance Staff completed 67 work orders in October.
- The Maintenance Department facilitated 15 HQS inspections with third-party landlords in the month of October.
- There were 3 move-ins, 0 transfer and 4 move-outs for October. Turnovers on all vacant units are completed.
- Completed the work on the FY22 CDBG Grant. RHE replaced roofs on five single-family home and six interconnected townhomes on First Street.
- No City of Rockville rental license inspections were necessary in the month of October

Housing Choice Voucher Program (HCVP) Management

October 2021

- HCV Program voucher units leased for the month ending October 2021 was 90%, and calendar year to date in October 2021 was 90.76%. HCV Program budget utilization for the month ending October 2021 was 98.96% and calendar year to date in October 2021 was 81.12%.
- The 50-unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 100% leased for the month of October 2021.
- The 5-unit Moderate Rehabilitation Single Room Occupancy (SRO) program, for which funds are allocated dollar for dollar based on utilization, is 100% leased for the month of October 2021.
- The 5 VASH vouchers are 80% leased. An application has been received from Veterans Affairs and is in process. A VASH Voucher will be issued to family upon approval.

Reporting Period: October 1 – October 31, 2021

Milestones

- RHE conducts bi-weekly transition progress/coordination calls with the property manager.
- The management team is actively working with residents to leverage Maryland’s Emergency Rental Relief funding program for assistance.
- Jubilee Housing has transitioned to a new project manager and is working on placing clients for the remaining PBV units. The next cohort of Jubilee residents will move in December 2021.
- Site branding and marketing team is finalizing a set of brand schemes and logos for RHE leadership consideration.
- As the project nears completion, the relocation team and the management company are working hand in hand to identify and coordinate the most efficient sequence of remaining relocation phasing.

Schedule

- The project is 71.53% complete
- Construction schedule has a two-week calendar day gain for the overall project schedule
 - The project recently experienced supply chain issues with cabinet delivery resulting in a May 2022 substantial completion.

Section 3/MBE Participation

	Goal	Actual
Section 3 Goal	10%	11.64%
MBE Goal	29%	31.96%

Construction Look-Ahead

- Building 713
 - Punch out
 - Install Cabinets
 - Countertops
 - Kitchen tile
 - Faucets
 - Appliances
 - 2nd Walk
 - Turnover

- Building 709
 - Punch out
 - Install Cabinets
 - Countertops
 - Kitchen tile
 - Faucets
 - Appliances
 - 2nd Walk
 - Turnover

- Site
 - Basement Railings
 - Asphalt Mill & Overlay
 - Civil Survey/As-Builts

Pending Items

- Units under rehab: 22
- Relocation % Completed: approximately 65.7%

Construction betterments that have been implemented:

- Upgraded Window Blinds
- Upgraded Kitchen Faucet
- Extended Countertops
- Interior Bath Accessories
- HVAC Replacements
- Pool House Improvements
- Asphalt Mill and Overlay
- Painting Vents and Chimneys

Construction betterments under consideration:

- Larger Kitchen Layouts
- Exterior Plank Siding
- Interior Doors and Hardware
- Resurface Pool Deck
- Landscape Upgrades
- Retaining Wall Replacement

Community and Resident Services Report- Month Ending October 2021

25 – Public Housing FSS Participants

47 – Voucher FSS Participants

8 – Homeowner FSS Participants

Community/Resident Services

Youth Programming/Summer

Team of Stars- with Project Change, which includes theater arts and takes place in fall/winter sessions.

- After School Programming- K-12 active engagement around health and wellness, sustainability, mindfulness, service, sports, and social-emotional wellness.
- Butler’s Orchard donated pumpkins to the after-school program.

Community Events

- Food, Fresh Produce, Clothing, Household Items, and Infant and Toddler items distributed Monday-Friday 10:30 am – 6:00 pm at the David Scull Community Center
 - Open to all Montgomery County residents. – Location changed to Lakeforest Mall.
- RHE, and the City of Rockville, partnered with Mount Calvary Baptist Church on October 31, 2021 for the Fall Festival.
- Trick or Trunk with Montgomery County Police on October 27, 2021. Police officers decorated their trunks and gave out candy and cupcakes.

Fostering Youth into Independence (FYI) Vouchers

- RHE has received fourteen (14) referrals from Montgomery County Child Welfare.
- RHE has been awarded fourteen (14) Fostering Youth into Independence Vouchers.
- RHE has issued fourteen (12) vouchers to youth transitioning into housing.
- Eleven (11) youth has leased.
- 1 Youth has ported (transferred) to Prince Georges County.
 - Meeting with Generation Hope- Generation Hope provides motivation, mentors, and financial services to young parents, to ensure all young parents have the opportunities to succeed and experience economic mobility.

Resident Services

- Holiday Drive (Thanksgiving and Christmas).
- Pending Thanksgiving giveaway with the City of Rockville Police Department.
- Meeting with MoCaFi- MoCaFi to provide financial services for accessible banking and credit building services.
- Webinar - Resources to Fight a Housing Insecurity Crisis and Q&A.
- Montgomery County Agency Orientation - Volunteer Center & MCPS

7:00 PM City of Rockville (COR) Report

Director Habte, noted the City would be opening the offices to in person work and visitors on January 3, 2021, and noted the City does have a vaccination mandate with religious and health exemption. Director Habte noted that it was not clear if the vaccination mandate would affect the RHE Board as the RHE Board does not meet at City Hall. The PILOT for the scattered site conversion is on the agenda for December 20, 2021. It will be a consent item. Councilmember Ashton will work to get consensus with the other council members. On December 6, 2021, a public hearing will be held on the MPDU ordinance proposed changes. RHE is invited to attend and it will be virtual. There are 5 changes: increase the control period from 30 years to 99 years; change to set

aside requirement 15% throughout the City; Change to in-lieu fee calculation as it related to senior living with services such as skilled nursing, memory care, assisted living. MDPU rates are difficult to apply to these type facilities; administrative change by changing the implementing department from Community Development and Planning to Housing and Community Development.

7:10 PM Actions and Discussion –

There were no action or discussion items on the agenda. Director Anderson reported that approval from DCHD on the RELP refinance has not yet been received. The DCHD approval is the only item needed to close the transaction. If approval is not received by November 30, 2021, the investor will likely ask for the exit taxes to be recalculated and the exit fee will increase. Director Anderson noted if movement from DCHD is not received, RHE will reach out to our State Representative for assistance.

RHE Board reviewed the new branding for Fireside Park. The consensus was 12 was nice.

7:20 PM Commissioner Comments

Commissioner Marr commented on the additional VASH vouchers and Foster Care Vouchers received and noted that increasing our program size was great. Commissioner Marr congratulated Ms. Dyson on her work to get the additional vouchers.

7:25 PM Adjourned

Chair Hedrick called for a motion to adjourn. Commissioner Duffy moved to adjourn; Commissioner Marr moved to second. All present voted Aye.