

**Rockville Housing Enterprises  
Board of Commissioners Meeting Minutes  
January 20, 2022 Board Meeting**

**The Board of Commissioners for Rockville Housing Enterprises Annual Meeting on  
January 20, 2022**

**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  
Commissioner – Stacy Kaplowitz

**In Attendance**

Jessica Anderson, Executive Director RHE  
Christele Etienbla, RHE Staff  
Tosha Dyson, RHE Staff  
Asmara Habte, Director, DHCD City of Rockville

6:30 PM Call to Order

Chairman Hedrick called the January 20, 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 December 16, 2021. Commissioner Kaplowitz moved to approve the meeting minutes from the December, 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 two guests present. Mr. Jim Jurich, a RHE Board of Commissioner applicant, is a Rockville Resident who is interested in giving back to the community. Mr. Jurich is an attorney for the Department of Energy and a member of the Montgomery County Road Runners Club. Mr. Johnathan Robinson is also an applicant for the RHE Board of Commissioners, is a citizen of Rockville. Mr. Robinson is passionate about

affordable housing as a public policy issue and is looking forward to giving back and learning more. Mr. Robinson is the Director of Research at a political technology firm.

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

### **Activities during the month of December 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.
- The Scattered Site Conversion closed on December 23, 2021. New voucher funding began January 1, 2022.
- The RELP Investor Exit closed on December 3, 2021
- Maryland DCHD conducted a RELP Tax Credit File and unit review on December 14, 2021.
- RHE was notified of the receipt of the annual FSS grant award. This year's award was increased for a total grant award amount of \$117,917
- RHE was notified of the receipt of the Resident Services Coordinator Grant award. This grant funds a resident service coordinator for 3 years. The Total grant amount is \$245,850

#### Move to Work (MTW) Program Implementation

The Move to Work Annual Plan and MTW Supplement submittal has been accepted by HUD for approval. HUD has 75 days to review the MTW Plan for final approval. It is anticipated RHE will be able to implement the waivers in April 2022.

#### Waiting List

RHE opened the Public Housing Waiting List for 4 Bedroom units. There were 100 applications received. Of the 100 applications received only 21 qualify for a 4 BR unit. Staff plans on opening the PH waiting list for all other bedroom sizes the first quarter of 2022.

#### 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 December 2021 indicates a negative (\$44,361.89) due to real estate taxes invoice, legal fee for the Scattered Site Disposition, HVAC replacements for 2 of our First Street units, plumbing repairs for 5 of our First street units, our software renewal license and employees' bonus awards. Year to date is a positive \$8,639.56.

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

The Net Restricted Assets (HAP) for the month of December 2021 is a negative (\$287,517.96) due to a significant reduction in the Housing Voucher HAP Funds. Year to date the HAP is a negative (\$402,282.63). HUD reduced the HAP amount due to HUD providing RHE with a front loaded two months of HAP funding due to our MTW status. These funds are available for non-HAP flexible uses and does not have a negative impact on utilization.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending December 2021 is \$0. Year to date is a positive \$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 December 2021 is a negative (\$3,090) due to back payments to landlords. Year to date the HAP is positive \$8,535.

The Unrestricted Net Assets (Administrative Expenses) for the month ending December 2021 is a positive \$1,657.87. Year to date is positive \$6,956.94.

**Mod Rehab Program (5 Mod Vouchers)**

The Program cash flow for the month of December 2021 is a positive \$931. Year to date the HAP is positive \$2,803.

**RELP – (56 Low Income Housing Tax Credit Units)**

The net income for RELP One for the month of December 2021 is a negative (\$10,940.20) due to the Real estate taxes and our investor (Aegon) invoices. Year to date net income is a negative (\$17,700.08).

**RHE Properties (4 – Affordable Units)**

The Cash Flow Statement for the month ending December 2021 indicates a positive \$6,659.79. Year to date is a negative (\$6,465.48).

**RHE Corporation (the General Partnership entity for RELP One)**

There was no activity for this entity during the month of December 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 December 2021 indicates a negative (\$15,999.23) due to the wire out for the Scattered Site Disposition settlement. Year to date net income is a negative (\$116,051.03).

**RHE FIRESIDE PARK**

The Cash Flow Statement for the month ending November 2021 indicates a positive \$139,079.02. Year to date net income is a positive \$1,637,398.41.

The Cash Flow Statement for the month ending December 2021 indicates a negative (\$145,758.86). Year to date net income is a positive \$1,491,639.55.

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

- PH Occupancy (David Scull) was as follows (76 units):
  - 96.1% for the month ending December – (3 vacancies)
  - Rent Collection Percentage 99.5%
- PH Occupancy (Scattered Sites) was as follows (29 units):
  - 96.6% for the month ending December – (1 vacancy)
  - Rent Collection Percentage 105.4%
- RELP One Occupancy was as follows (56 units):
  - 94.6% for the month ending December – (3 vacant)
  - Rent Collection Percentage 93.7%
- RHEP Occupancy was as follows: (4 units).
  - 100% for the month ending December
  - Rent Collection Percentage 189.5%
- Fireside Occupancy was as follows:
  - Occupancy – 98% occupancy rate of available units
    - 47– units off-line reserved for current construction/hospitality
    - 15- units vacant available for rent

#### Maintenance Activity Summary for December

- RHE maintenance staff completed 77 work orders in December.
- The maintenance department facilitated 72 HQS inspections with third-party landlords in the month of December, which included 29 inspections for Scattered Site conversion.
- There were 5 move-ins and 4 move-outs for December. Turnovers on all vacant units are completed.
- RHE maintenance department submitted CDBG reporting to City of Rockville to close out the scattered site roofing project. All 29 single family homes have received new roofs withing the past three years.
- RHE maintenance staff pre-inspected and then accompanied DHCD on State of Maryland’s tax credit site visit. Inspections were successful with only four minor deficiencies cited out of eleven apartments randomly selected. Issues were fixed within 24 hours.

#### Housing Choice Voucher Program (HCVP) Management

##### **December 2021**

- HCV Program voucher units leased for the month ending December 2021 was 90%, and calendar year to date in December 2021 was 90.70%. HCV Program budget

utilization for the month ending December 2021 was 313.23% and calendar year to date in December 2021 was 89.62%.

- The 50-unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 96% leased for the month of December 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 December 2021.
- The 5 VASH vouchers are 80% leased. An application has been received from Veterans Affairs and has been approved. Applicant is conducting housing search.

**Fostering Youth into Independence (FYI) Vouchers**

- RHE has received sixteen (16) referrals from Montgomery County Child Welfare.
- RHE has been awarded fourteen (14) Fostering Youth into Independence Vouchers.
- RHE has issued thirteen (13) vouchers to youth transitioning into housing.
- Eleven (11) youth has leased.

**Fireside Park**

**Reporting Period:** December 1 – December 31, 2021

**Milestones**

- RHE Board and development team have re-launched the site’s new brand identity campaign. The marketing team has provided additional naming concepts for further consideration.
- RHE conducts bi-weekly transition progress/coordination calls with the property manager.
- RHE Team and Jubilee Housing manager are working to identify and place the remaining clients needed to fill the PBV units. The next cohort of Jubilee residents will move in March 2022.
- The relocation team had handed the contractor two additional buildings with the remaining three to be turned over 1st quarter 2022.
- Parking resurfacing has been completed, including new striping.

**Schedule**

- The project is 79.76% complete
- The project is currently tracking for May 18, 2022 as a substantial completion date.

**Section 3/MBE Participation**

	<b>Goal</b>	<b>Actual</b>
Section 3 Goal	10%	<b>11.64%</b>
MBE Goal	29%	<b>31.96%</b>

**Construction Look-Ahead**

- Building 717
  - Paint
  - Cabinets

- Tub Surrounds
- Flooring
- Trim
- Building 719
  - Drywall & Finishing
  - Cabinets
- Building 717
  - Demo & Abatement
  - Begin MEPS

**Site**

Civil As-Built, 717/719 Sidewalk

**Pending Items**

- Units under rehab: 22
- Relocation % Completed: approximately 76%+
- **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

**Family Self Sufficiency/Resident Services Detailed Report-Period YTD: December 2021**

25- Public Housing

47- Voucher

15- FSS Progress Reports

8- Homeownership

**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.

### **Community Events**

- Food, Fresh Produce, Clothing, Household Items, and Infant and Toddler items distributed Tuesday and Thursday 10:30 am – 6:00 pm at the David Scull Community Center
  - In January the new location will be at Lakeforest Mall.

### **Resident Services**

- Holiday Drive (Thanksgiving and Christmas).

### **7:00 PM City of Rockville (COR) Report**

Ms. Asmara Habte, Director DHCD City of Rockville noted the following:

- Mayor and Council adopted the two MPDU amendments:
  - extending the City’ MPDU control period for the rental component to 99-years;
  - standardizing the MPDU set-aside requirement to 15% throughout the City. Ms. Habte thanked Jessica and Chair Hendrick and Vice Chair Kaplowitz for your support
- The senior housing with services did not pass, but it will be revisited again as part of the overall re-write of the MPDU Code.
- Mayor and Council adopted the Climate Action Plan at its 1/10 meeting. CM Ashton shared that she would like to donate towards solar panel installation at an RHE property (s)
- M&C approved the CDBG grant application. The application was submitted to the county in December. RHE was recommended for about \$47k of its \$105k request for its proposed installation of individual water meter.
- Re-opening was scheduled for January 3<sup>rd</sup>. The plan is currently on-hold pending improvements on COVID numbers
- In coordination with the county, the City distributed COVID test-kits from two sites (Mt. Calvary tomorrow) on 1/20. There could be other distribution dates in the future.
- M&C will discuss the following items at the 1/24 meeting
  - Vaccination Requirements Ordinance for Boards, Commissions, and Contractors
  - Public Hearing on Proposed Education Commission
- The City is looking to apply for a \$75k planning grant. If awarded, the city will use the funds to develop a Strategic Action plan as part of the implementation of the housing element of the Comp Plan, which was adopted last August.
- Comp Plan implementation strategies will be discussed at the 1/31 meeting.

- The budget survey is online and open through April 16th.

Commissioner Kaplowitz offered her assistance to Ms. Habte in working to get private developers on board with the MPDU requirements to further affordable housing in the City.

Ms. Habte noted the City will be working on a grant application from COG for planning and will work with RHE as needed.

7:10 PM Actions and Discussion –

Director Anderson introduced the RELP Fiscal Year Tenant Account Recievable write offs as an additional agenda item.

RELP Write Offs for Tenant Account receivable write offs for fiscal year end December 2021 in the amount of \$628.82, represent amounts owed by tenants who left the unit owing a balance. Commissioner Kaplowitz moved to approve write off the amount of \$682.82 for RELP. Commissioner Duffy seconded the approval for the write off. All present voted aye.

**Annual Election of Officers: Rockville Housing Enterprises, RHE Properties Inc. RHE Fireside Park Inc, RHE Corporation.**

Director noted the annual election of officers includes Rockville Housing Enterprises and each RHE affiliate entity, RHE Properties Inc., RHE Fireside Park Inc, and RHE Corporation. It was also noted for the record that the Executive Director is the Secretary for all entities. The Chairman of the Rockville Housing Enterprises Board is the President for RHE Properties, RHE Fireside Park Inc and RHE Corporation. The Vice Chairman of Rockville Housing Enterprises is the Vice President of RHE affiliate entity, RHE Properties Inc., RHE Fireside Park Inc, and RHE Corporation.

Chairman Hedrick opened the floor for nominations for the Chairman of the Board of RHE and its associating affiliate entity position of President. Commissioner Duffy nominated current Chair Hedrick for Chairman of the Board. Commissioner Kaplowitz seconded the motion. All present voted aye.

Chairman Hedrick opened the floor for nominations for the Vice Chairman of the Board of RHE and its associating affiliate entity position of Vice President. Commissioner Marr nominated current Vice Chair Kaplowitz for Vice Chairman of the Board. Commissioner Duffy seconded the motion. All present voted aye.

7:20 PM Commissioner Comments

Commissioners Marr, Duffy, Kaplowitz and Hedrick all thanked our guests for attending the Board meeting and expressing interest in serving on the RHE Board of Commissioners. Commissioner Kaplowitz, noted her first closing on an affordable

housing development in Montgomery County. Director Habte noted the voluntary rent guidelines will adopt the voluntary rent increase cap imposed by Montgomery County of .04%. The City's mandatory rent increase cap expires February 16, 2022.

7:35 PM Adjourned

Chair Hedrick called for a motion to adjourn. Commissioner Kaplowitz moved to adjourn; Commissioner Duffy seconded the motion. All present voted Aye.