

**Rockville Housing Enterprises
Board of Commissioners Meeting Minutes
June 22 , 2022 Board Meeting**

**The Board of Commissioners for Rockville Housing Enterprises Regular Meeting on
June 22, 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
Commissioner – Nathan Robbins

In Attendance

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

6:30 PM Call to Order

Chairman Hedrick called the June 22, 2022, meeting of the Rockville Housing Board of Commissioners Meeting to Order.

6:35 PM Consent Items

Chairman Hedrick called for a vote to approve the meeting minutes from the following Board Meeting minutes from May 18, 2022, Commissioner Marr moved for each meeting be approved; Commissioner Duffy seconded the motion. All present voted aye.

6:38 PM Citizen Forum

Chairman Hedrick asked if there were any citizens present that had any comments. There were none.

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

Activities during the month of May 2022

Meetings/Activities

- Parkside Landing Property Management calls were held bi-weekly.

- Staff are moving toward a 100% in person office experience. RHE continues to work with client virtually or by appointment only due to COVID 19 Social Distancing.
- Food Distributions at the David Scull Community are held twice weekly.
- Mayor and Council approved the formation of the RHE Foundation non profit 501c3 entity at the May 2, 2022, City Council meeting.
- The Annual RHE Report to Mayor and Council was presented on May 16, 2022.
- Staff and RHE Board members attended the Montgomery County 31st Annual Affordable Housing Summit.
- RHE Volunteer Day held with the City of Rockville to be held on Saturday June 11, 2022, was canceled due to pending in climate weather.
- There was a shooting incident at Parkside Landing on June 10, 2022.

Upcoming Activities

- Management has been working with the HUD Assigned Technical Assistance provide to determine the best conversion vehicle for the David Scull Development. Once the best plan has been determined, Management will present it to the Board for review, discussion and eventual approval. It is hopeful the disposition application can be submitted to HUD before the end of 2022. This activity will involve the creation of a special purpose not for profit entity to hold the units and a letter of support from the City Council.

Proposed Policy Changes

Housing Choice Voucher Program – Administrative Plan

Section 5.4 Tenant Selection Preferences

Management would like to update the Waiting list selection preferences to add an Emergency Voucher Issuance Preference for the following scenario. The Emergency Voucher Issuance Preference will supersede the other waiting list preferences for instances in which a tenant-based voucher is needed to relocate a Public Housing family from Fireside Park/Parkside Landing Apartments if the family’s income under the Public Housing Program reaches a level that exceeds the income compliance levels for the LIHTC program, in the event another Public Housing unit in RHE’s portfolio is not available to relocate the family.

Public Housing Program – Admissions and Occupancy Policy

Section 3.1 Tenant Selection Preferences

Due to the extremely long processing times to verify local preferences, Staff have suggested the waiting list preferences be established by time and date of the application received instead of the current preference of living and/or working in the City of Rockville. The waiting list is populated based on a self-certification of preferences. Staff are finding that when families selected from the waiting list, the local preference of living

and or working in the city of Rockville is not met, although the families otherwise income qualify. In that scenario, Staff have to put those families back on the waiting list and select the next set of families that claim a locality preference and start the process over again to determine if those families have the required local preference. The process of finding families that actually meet the locality preference can add an additional 30 to 45 days to the eligibility process. While the units are vacant waiting on an eligible family to occupy them. Streamlining the waiting list selection criteria will assist RHE in finding income eligible families and filling the vacant unit quicker which will subsequently reduce the loss in rental income.

RHEP Project Based Voucher Units – Management Plan

Tenant Selection

Staff would like to adopt a similar waiting list policy for the RHEP Scattered Site Project Based Voucher Units due to the same reasons stated above.

Financial Management (See Tab 3)

Finance and Accounting Department has closed out the FYE2021 audit season. The audit reports will be reviewed during the July Board Meeting.

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of May 2022 is a positive \$35,650. Year to date the HAP is a negative (\$439,024.75). The RNP based on the prior year balance of \$687,865 carried over is \$248,840.25.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending May 2022 is a positive \$20,840.60. Year to date is a \$ 76,616.72.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2021

The Net Restricted Assets (HAP) for the month of May 2022 is a positive \$ 7,639. Year to date the HAP is negative (\$7,721.48) due from HUD reconciliation against held reserves necessary to reduce equity deficit to zero for financial reporting purpose.

The Unrestricted Net Assets (Administrative Expenses) for the month ending May 2022 is a positive \$1,538.38. Year to date is positive \$11,467.54.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2021

The Program cash flow for the month of May 2022 is a negative (\$1,355) due to not receiving the full funding from HUD. Year to date the HAP is negative (\$9,548). The prior year positive carry over amount is \$17,116 resulting in a program balance of \$7,568.

Public Housing Program (PH) (79 PH Units) FYB 10-1-2021

The Net Income on the PH Cash Flow Report for the month of May 2022 indicates a negative (\$13,392.52) due a decrease in rent collections, and a higher-than-average water

and sewer invoice. Year to date is a negative (\$74,032.52). Expenses will be reallocated from PH to RHEP Scattered Sites.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a negative (\$13,342.18) due to staff training invoice, a kitchen cabinet replacement invoice for one unit, flooring replacement invoices for three units, a carpet turnover invoice for 1 unit, and appliances invoices for 4 units. Year to date is a positive \$71,259.89.

RELP – (56 Low Income Housing Tax Credit Units) FYB 01-1-2022

The net income for RELP One for the month of May 2022 is a positive \$20,171.27. Year to date net income is a positive \$19,977.76.

RHE Properties (4 – Affordable Units) FYB 01-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a negative (\$457.44) due to a decrease in rent collections. Year to date is a positive \$2,904.67.

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2022

There was no activity for this entity during the month of May 2022. Year to date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds) FYB-10-1-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$6,144.25. Year to date net income is a negative (\$30,789.44).

RHE FIRESIDE PARK FYB 01-2022

The Cash Flow Statement for the month ending May 2022 indicates a positive \$233,697.29. Year to date net income is a positive \$513,681.02.

At the time of the printing of this report, the Financials for the month of May have not yet been received from RHE FIRESIDE PARK.

Asset Management May 2022 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):
 - 97.4% for the month ending May – (2 vacancy)
 - Rent Collection Percentage 88.4%
- RHEP PBV Scattered Sites Occupancy (Scattered Sites) was as follows (29 units):
 - 89.7% for the month ending May – (3 vacancy)
 - Rent Collection Percentage 95.1%
- RELP One Occupancy was as follows (56 units):
 - 96.4% for the month ending May – (2 vacancy)
 - Rent Collection Percentage 79.6%
- RHEP Occupancy was as follows: (4 units).

- 75% for the month ending May- (1 vacancy)
- Rent Collection Percentage 79.9%
- Fireside Occupancy was as follows as of June 13, 2022:
 - Occupancy – 89% occupancy rate of available units
 - 0– units off-line reserved for current construction/hospitality
 - 25- units vacant available for rent

Maintenance Activity Summary for May

- RHE maintenance staff completed 72 work orders in May.
- RHE maintenance staff conducted preventive maintenance and housekeeping inspections for 19 units on First Street. These were the first preventive maintenance inspections since before Covid-19.
- RHE maintenance staff accompanied pest control on 38 preventive pest control appointments. These were the first preventive pest control treatments since before Covid-19.
- The maintenance department facilitated 24 HQS inspections with third-party landlords in the month of May.
- The maintenance department submitted revised bids for the \$140,000 CDBG grant award. RHE will be replacing the roofs on 44 David Scull units this summer.
- There were 2 move-in and 2 move-outs for May. Vacant units are in process of turnover.

Housing Choice Voucher Program (HCVP) Management

May 2022

- HCV Program voucher units leased for the month ending May 2022 was 83.40%, and calendar year to date in May 2022 was 84.85%. HCV Program budget utilization for the month ending May 2022 was 105.97% and calendar year to date in May 2022 was 106%.
- The 50-unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 82% leased for the month of May 2022.
- 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 May 2022.
- The 10 VASH vouchers are 30% leased. Two additional VASH vouchers have been issued and the clients are searching for a unit.

Fostering Youth into Independence (FYI) Vouchers

- RHE has received twenty (22) referrals from Montgomery County Child Welfare.

- RHE has been awarded eighteen (18) Fostering Youth into Independence Vouchers.
- RHE has issued sixteen (17) vouchers to youth transitioning into housing.
- Thirteen (13) youth has leased.

Fireside Park

Reporting Period: May 2022

Milestones

- RHE conducts bi-weekly transition progress/coordination calls with WINN management.
- Relocation is complete.
- Parkside Landing branding/way-finding signage has been approved for fabrication with and will be released with completion of site work.
- Ribbon cutting event to be planned for *late* Summer 2022.

Schedule

- The project has achieved substantial completion of the unit rehabilitation scope. A few minor parking lot improvements and scope related to the entrance retaining wall have been approved by the City and are pending issuance of permit.
- Development Team is working with GC to complete close-out list for CDA.

Section 3/MBE Participation

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

Construction Look-Ahead

- Site
 - o Site Improvements, pending issuance of permit
 - o Site Package Approval

Family Self Sufficiency/Resident Services Detailed Report-Period YTD: May 2022

25- Public Housing
 15- FSS Progress Reports
 47- Voucher

8- Homeownership
 2- Homeownership Pending

Community/Resident Services

Youth Services/Programs

- After School Programming- K-12 active engagement around health and wellness, sustainability, mindfulness, service, sports, and social-emotional wellness. All youth are provided with snack and dinner.

Adult Services/Programs

- Career Pathways Workshop with Career Catchers (virtual)

City of Rockville

- Community Clean Up Day 6/11/2022
- 7 Referrals for Career Coaching
- 1 Referral for Summer Camp grant

Referrals:

- 2 Phoenix Computers
- 2 A Wider Circle

Newsletter:

- COVID Rent relief
- Personal Finance Workshops
- Job Postings
 - City of Rockville
 - Metrobus Operators
- **Career Fairs**
 - East County Regional Service Center Healthcare and Professional Services with Worksource Montgomery
- **Career Service**
 - Maryland Workforce Exchange
 - Worksource Montgomery
 - Career Catchers
- **Scholarships**
 - Bernie Scholarship
 - Montgomery College
- **Resources:**
 - Computer Pick Up at various locations in Montgomery County
 - Free internet for Low-Income Families
- **Youth Resources:**
 - FREE Summer Camp with So What Else
 - FREE Summer Camp with Team of Stars

6:50 PM City of Rockville (COR) Report

Ms. Habte Director DHCD City of Rockville relayed the following.

- The City of Rockville FY 2023 budget has been adopted by Mayor and Council. RHE will be receiving approximately \$59,000 for the water meter installation project. In addition to the CDBG funds to be received for the water meter installation a total of \$105,000 is being funded for that project.
- The Mayor and Council approved the Bank on Rockville initiative for \$292,000 that will help 20 household and 80 individuals to help connect them with low to zero cost banking services.
- County has opened up the fourth round of rent relief applications close on June 30, 2022. A household can only receive a total of \$12,000 from all funding rounds.

7:00 PM Actions and Discussion –

There were no action or discussion items. Director Anderson noted the audits are complete there were no findings. Discussions were held regarding the market valuation of the scattered sites being \$12 Mil.

7:05 PM Commissioner Comments

Chairman Hedrick and Commissioner Marr congratulation Director Anderson and the Staff on the successful Mayor and Council presentation.

7:10 PM Adjourned

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