

**Rockville Housing Enterprises
Board of Commissioners Meeting Minutes
March 22 2023 Board Meeting**

**The Board of Commissioners for Rockville Housing Enterprises Annual Meeting on
March 22, 2023, at 6:30 p.m.**

MEETING TO BE HELD VIA ZOOM/ TELECONFERENCE

To Join via Zoom Video Conference:

<https://zoom.us/join> Meeting ID: 92765065009 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 – Nathan Robbins
Commissioner – Stacy Kaplowitz
Commissioner – Steve Marr

In Attendance

Jessica Anderson, Executive Director RHE
Christele Etienbla, RHE Staff Deputy Director
Monique Ashton, Councilperson City of Rockville
Asmara Habte, Director of DHCD, City of Rockville
Wynston Smith, RHE Project Manager

6:33 PM Call to Order

Chairman – James Hedrick, PhD called the March 22, 2023, meeting of the Rockville Housing Board of Commissioners Meeting to Order.

6:34 PM Consent Items

Concerning the previous February minutes Commissioner Steve Marr noted that the discussion regarding hiring CDC needs additional detail. He also added that PHADA be spelled out. (Public Housing Authorities Directors Association). Lastly, Commissioner Marr noted grammar and punctuation corrections to be made.

Commissioner Stacy Kaplowitz clarified during the rent control discussion that the discussion was concerning the Montgomery County level and not the state legislative level.

Director Anderson noted the live recordings of the Board Meetings are posted on the RHE website which ensures maximum transparency of Board Meeting discussions and

actions. Director Anderson made the requested modifications to the meeting minutes during the discussion regarding the minutes.

Commissioner – Steve Marr called for a vote to approve the meeting minutes from the February 22, 2022, Board Meeting with the adjustments; Commissioner – Stacy Kaplowitz seconded this motion. All present voted aye.

6:41 PM Citizen Forum

Chairman – James Hedrick, PhD asked if any citizens present had any comments. There were none.

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

**Rockville Housing Enterprises
Executive Director's Report
As of March 16, 2023**

Activities during the month February 2023

Meetings/Activities

- Parkside Landing Property Management calls are now held monthly
- RHE Scarborough Square closing reception was held on February 28, 2023
- RHE Annual Report Vol. 1 is completed, and has been distributed

Upcoming Activities

RHE will open the Public Housing and Voucher waiting list on April 1, 2023.

Financial Management (See Tab 3)

Housing Choice Voucher (HCV) Program (404 Regular Vouchers ;) FYB 10-1-2022

The Net Restricted Assets (HAP) for the month of February 2023 is a positive \$14,776. Year to date the HAP is a positive \$87,035.70.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending February 2023 is a positive \$99,905.16. Year to date is a positive \$52,857.12.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2022

The Net Restricted Assets (HAP) for the month of February 2023 is a negative (\$4,463) due to retroactive payments made to the landlord. Year to date is a negative (\$13,090).

The Unrestricted Net Assets (Administrative Expenses) for the month ending February 2023 is a positive \$1,797.16. Year to date is a positive \$13,585.44.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2022

The Program cash flow for the month of February 2023 is a positive \$964. Year to date is a negative (\$32).

Public Housing Program (PH) (79 PH Units) FYB 10-1-2022

The Net Income on the PH Cash Flow Report for the month of February 2023 indicates a positive \$109,794.43. Year to date is a positive \$13,976.89.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2023

The Cash Flow Statement for the month ending February 2023 indicates a negative (\$23,542.92) due to Youth Building Grant writing fee invoices paid, one HVAC replacement, and one cabinet replacement invoices. Year to date is a positive \$1,903.26.

RELP – (56 Low Income Housing Tax Credit Units) FYB 01-1-2023

The net income for RELP One for the month of February 2023 is positive \$5,752.30. Year to date net income is a positive \$8,385.51.

RHE Properties (4 – Affordable Units) FYB 01-1-2023

The Cash Flow Statement for the month ending February 2023 indicates a positive \$2,677.57. Year to date is a positive \$5,132.55.

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2023

There was no activity for this entity during the month of February 2023. 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 February 2023 indicates a negative (\$18,620) due to Parkside Landing Asset Manager 10th Milestone payment. Year to date net income is a negative (\$32,113.12).

RHE FIRESIDE PARK FYB 01-2023

The Cash Flow Statement for the month ending February 2023 indicates a positive \$261,126.63. Year to date net income is a positive \$392,190.32.

RHE Scarborough Square FYB-01-1-2023

The Cash Flow Statement for the month ending February 2023 indicates a positive \$608,373.42. Year to date net income is a positive \$608,373.42.

The Cash Flow Statement for the month ending February 2023 indicates a negative (\$244, 515.62) due to several building repairs, plumbing repairs, turnover expenses, and mortgage payment invoices. Year to date net income is a positive \$363,857.80.

Asset Management February 2023 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):
 - 98.68% for the month ending February – (1 vacancy)
 - Rent Collection Percentage 104%
- RHEP PBV Scattered Sites Occupancy (Scattered Sites) was as follows (29 units):
 - 96.55% for the month ending February - (1 vacancy)
 - Rent Collection Percentage 88%
- RELP One Occupancy was as follows (56 units):
 - 98.21% for the month ending February – (1 vacancy)
 - Rent Collection Percentage 92.70%
- RHEP Occupancy was as follows: (4 units):
 - 100% for the month ending February
 - Rent Collection Percentage 100%
- RHE Scarborough Square Occupancy was as follows: (121 units):
 - 84.30% for the month ending February (19 vacancies)
 - 10 PBV applicants are currently in the final stages of the income validation process and should be approved for move in by the end of March
 - An additional 10 PBV applicants are in the initial stages of the income validation process and property management is looking to have them approved for move in before the end of April.
 - Rent Collection Percentage 81.20%
- Fireside Occupancy was as follows:
 - Occupancy – 97% occupancy rate for the month ending February.

Maintenance Activity Summary for February 2023

- RHE maintenance staff completed 87 work orders in January.
- RHE maintenance staff accompanied pest control on 38 preventive pest control appointments for David Scull.
- The maintenance department facilitated 0 HQS inspections with third-party landlords in the month of February.
- There was 1 move-in and 3 move-outs in the month of February. Vacant units are in the process of being turned over.

Housing Choice Voucher Program (HCVP) Management

February 2023

- HCV Program voucher units leased for the month ending February 2023 was 81.97%, and calendar year to date in February 2023 was 82.33%. HCV Program budget utilization for the month ending February 2023 was 97.54% and calendar year to date in February 2023 was 96.92%.

- 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 February 2023.
- The 5-unit Moderate Rehabilitation Single Room Occupancy (SRO) program, for which funds are allocated dollar for dollar based on utilization, is 60% leased for the month of February 2023.
- The 10 VASH vouchers are 40% 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 Eighteen (18) vouchers to youth transitioning into housing.
- Sixteen (16) youth has leased.
- Four (4) on waitlist

Parkside Landing

Reporting Period: February 2023

Updates

- LIHTC qualifications are ongoing for households. Montgomery County approved rent increases for Fireside at 6.2%. increases.
- Property Management continues to work with Harkins on final close out items and warranty items including finalizing the installation of the key fobs for the last three buildings and solving the HVAC condensation line issues.
- Underground Sewer Line Break under sidewalk & driveway. Replacement est. \$8-\$10k. Pending bids.

Look-Ahead

- Possible Upcoming Rent Restrictions are being watched closely. Specifically County Councilmember Will Jawando’s bill that would impose a permanent 3% cap on rent increases; and County Councilmember Natali Fani-Gonzalez’s bill which would imposes a rent cap of 8% plus inflation
- Ownership to pursue possible water mischarges. 6” meter is “broken” (no ETA of replacement) – City of Rockville is using estimates for 6” meter
- RHE conducts monthly transition progress/coordination calls with WINN management
- Work with management team to maintain both economic/physical vacancy goals for stabilization and conversion.

Family Self Sufficiency/Resident Services Report-Period YTD: February 2023

25- Public Housing
22- FSS Progress Reports
48- Voucher

9-Homeownership
1-Homeownership Closings Pending
1-Fss Graduate

**Resident Opportunities and Self-Sufficiency Services Detailed Report-Period YTD:
February 2023**

38- Public Housing Enrollments

6- Progress Reports

YOUTH SERVICES

- After school programming Tues & Thursday 3:30 – 6:30 pm
- MLK Day of Service

EMPLOYMENT

- Career Catchers
- Maryland State Troopers /Natural Resources Police

EDUCATION

- Montgomery College – EOC-FAFSA Week February 20-25
- Towson University Elementary Education/Special Education and Early Childhood Education

CAREER SERVICES

- Career Catchers

MISC:

- Taxes: Understanding the basics

Chairman – James Hedrick, PhD moves on to the city of Rockville

6:55 PM City of Rockville

Asmara Habte, Director of DHCD, City of Rockville

- Budget work session. The survey is still online.
- Going to submit RHE to the city manager’s office about the articles of incorporation organization (May or June)
- PILOT grant agreement and loan agreement for Scarborough. It is on the City Council Agenda for April 24, 2023, currently as a Consent Item.

- PILOT Request to the City of Rockville has been submitted for affordable housing for King Farm development.

Monique Ashton, Councilperson City of Rockville noted the following:

- It would add 217 units to the affordable mix if the PILOT is approved.
- The term would be for 15 years.
- Noted that if this passed, it would be precedent-setting.

Jessica Anderson, Executive Director RHE, noted that she would like to see longer than 15-year compliance and more like 30 years.

Chairman – James Hedrick, PhD moves on to Actions and Discussion.

7:24 PM Actions and Discussion –

2021 Maryland Statutes Housing and Community Development Division II – Housing Authorities Title 12 – Provisions of Statewide Applicability Subtitle 3 – Commissioners Section 12-310 Prohibited Financial Interests; Disclosure Requirements

Director Anderson reviewed the statute requiring financial disclosures with the Board. Director Anderson asked each Board Member to state if they had anything to disclose as it relates to the state statute.

Commissioner- Edward J. Duffy, Commissioner – Nathan Robbins, Commissioner – Steve Marr, and Chairman – James Hedrick, PhD. Noted they did not have any financial disclosures to report. Commissioner – Stacy Kaplowitz noted that she may have a financial interest in future housing projects, but they would not be related to RHE. Commissioner Kaplowitz noted that she will disclose any future interest at the appropriate time when they occur—lastly, there are no disclosure from RHE employees to be made.

7:45 PM Commissioner’s Comments

Commissioner – Steve Marr commented regarding tax credit financing for Scarborough. He asked if CDC will be able to meet the current a deadline.

Jessica Anderson, Executive Director RHE, answered yes.

8:10 PM Adjourned

Chairman – James Hedrick, PhD called for a motion to adjourn. Chairman – James Hedrick, PhD moved to adjourn; Commissioner – Steve Marr seconded the motion. All present voted Aye.