

Tab 1

Meeting Minutes

**Rockville Housing Enterprises
Board of Commissioners Meeting Minutes
January 22, 2025 Board Meeting**

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

Chair- Stacy Kaplowitz
Vice Chair – Edward J. Duffy
Commissioner- Kapres Meadows
Commissioner – Bobby Byrd
Commissioner - Mayela Ngimbi

In Attendance

Christele Etienbla, RHE Staff Executive Director
Rebecca Niaba, Voucher Manager
Tosha Dyson – Manager of Client Services and Community Engagement
Karshia Farrow-Butler – Asset Manager
Irving Hyde, Waiting List/ Housing Financial Analyst
Kurt Turnier, Youth Build Program Manager
Modoya Likekele, ROSS Coordinator
Monique Ashton – Mayor of the City of Rockville
Zola Shaw, City of Rockville Councilmember
Barry Jackson –City of Rockville Council Member
Jane Lyons Raeder – Housing Program Manager at the City of Rockville
Jacki Mills, Grady Management Regional Manager
Dominick Bonomolo, Hampstead Asset Manager
Hyunsuk Choi-CDC-Scarborough Square Consultant

6:32 PM Call to Order

Chair Stacy Kaplowitz called the January 22nd, 2024, meeting of the Rockville Housing Board of Commissioners Meeting to Order.

6:33 PM Consent items

Chair Stacy Kaplowitz motioned to approve the previous month's meeting minutes for December 17th, 2024. Vice Chair Edward Duffy moved this motion, and Commissioner Kapres Meadows seconded it. All present voted aye in favor of this motion.

6:33 PM Citizens Forum

Chair Stacy Kaplowitz called for the following item on the agenda: the Citizens Forum. No speaker

6:34 PM Executive Director Report

Chair Stacy Kaplowitz called for the following item on the agenda: The Executive Director Report.

Rockville Housing Enterprises Executive Director's Report As of January 17, 2024

Activities during December 2024

Meetings/Activities

- Monthly property management meetings for Parkside Landing were conducted.
- Weekly property management meetings for RHE Scarborough Square continue to take place.
- Monthly meetings with the HUD Officer were held to review HCV utilization.
- Weekly discussions were held regarding the submission of Scarborough Square's Low-Income Housing Tax Credit application.
- RHE celebrated the inaugural Youth Build Program Graduation on December 17, 2025.
- During the holiday season, RHE raised \$9,270 in donations through the RHE Foundation and distributed gift cards totaling \$2,200 to 53 residents not serviced by the City of Rockville.

Financial Management (See Tab 3)

Housing Choice Voucher (HCV) Program (400 Regular Vouchers ;) FYB 10-1-2024

The Net Restricted Asset (HAP) for December 2024 is positive \$7,073.71. Year to date, it is positive \$3,289.71.

The Un-Restricted Net Assets (Administrative Expenses) for the month ending December 2024 is positive \$16,556.48. Year to date is positive \$22,811.14.

Mainstream Vouchers (50 Mainstream) FYB 10-1-2024

The Net Restricted Assets (HAP) for December 2024 is positive \$859. The year-to-date is positive \$3,188.

The Unrestricted Net Assets (Administrative Expenses) for the month ending December 2024 is positive \$3,362.21. Year to date is positive \$12,877.64.

Mod Rehab Program (5 Mod Vouchers) FYB 10-1-2024

The Program's cash flow for December 2024 is positive \$431. Year to date, it is positive \$6,940.

Public Housing Program (PH) (79 PH Units) FYB 10-1-2024

The Net Income on the PH Cash Flow Report for December 2024 is positive \$30,660.80. Year to date is positive \$19,790.49.

RHE Properties Scattered (29 – Scattered Units) FYB 01-1-2024.

The Cash Flow Statement for the month ending December 2024 indicates a negative (\$3,854.91) real estate tax bill. Year to date is positive \$2,200.22.

RELP – (56 Low-Income Housing Tax Credit Units) FYB 01-1-2024

The net income for RELP One for December 2024 is negative (\$687.44). Year-to-date net income is negative (\$26,643.31). RHE is still awaiting reimbursement from HOC of \$45,000.

RHE Properties (4 – Affordable Units) FYB 01-1-2024

The Cash Flow Statement for the month ending December 2024 indicates a positive \$2.20. Year-to-date is positive \$21,638.17.

RHE Corporation (the General Partnership entity for RELP One) FYB 01-1-2024

This entity did not have any activity during December 2024. Its year-to-date net income is \$0.

RHE Development Account (bank account that receives and holds non-federal funds) FYB-10-1-2025.

The Cash Flow Statement for the month ending December 2024 indicates a positive \$6,264. Year-to-date net income is negative (\$126,134.87).

THE PARKSIDE LANDING FYB 01-2024

The Cash Flow Statement for the month ending November 2024 indicates a positive \$171,136.76. Year-to-date net income is a positive \$1,563,235.54.

As of the report date, the Cash Flow Statement for the month ending December 2024 has not yet been received.

RHE Scarborough Square FYB-01-1-2024

The Cash Flow Statement for the month ending December 2024 indicates a positive \$59,298.27. Year-to-date net income is negative (\$27,856.59).

Asset Management December 2024 (See TAB 4 and TAB 6 of Board Report)

- PH Occupancy (David Scull) was as follows (76 units):

- **94.74%** for the month ending December – (**0** move-out; **2** move-ins . **4** vacancies as of December due to personal reasons, two home acquisitions, and an eviction).
- Rent Collection Percentage **77.63%**
- RHEP PBV Scattered Sites Occupancy (Scattered Sites) was as follows (29 units):
 - **93.10%** for the month ending December - (**0** move-out; **0** move-in. **2** vacancies as of December due to a home acquisition and a pull from the HOC waiting list for a voucher).
 - Rent Collection Percentage **94.36%**
- RELP One Occupancy was as follows (56 units):
 - **98.21%** for the month ending December – (**0** move-out; **1** move-in. **1** vacancy as of December due to one skipped).
 - Rent Collection Percentage **86.16%**
- RHEP Occupancy was as follows: (4 units):
 - **100%** for the month ending December.
 - Rent Collection Percentage **67.33%**
- RHE Scarborough Square Occupancy was as follows: (121 units):
 - **62.81%** for the month ending December- (**2** move-outs; **0** move-in for December. **45** vacancies as of December due to renovation, job relocation, termination, and home acquisition)
 - Rent Collection Percentage **77.74%**
- Parkside Landing Occupancy was as follows: (236 units):
 - **90%** for the month ending December (**1** move-out for December. **23** vacancies as of December due to evictions, personnel reasons, and a skip due to non-payment).

Maintenance Activity Summary for December 2024 Work Orders.

RHE maintenance staff completed **158** work orders in December

Work Order Completed Activity

Period Date From: 12/01/2024

Period Date To: 12/31/2024

Approval Status:

Property	Total Count	Minimum Days	Maximum Days	Average Days	%
David(david)	58.00	0	8	0	37
RELP LP (relp1)	25.00	0	14	3	16
RHE Property(rhep1)	1.00	0	0	0	1
RHE Scarborough Square (the-sq)	68.00	0	43	3	43
RHEP PBV SCATTERED SITE (rhep-sca)	6.00	0	15	5	4
Total	158.00				

Pest Control

- The RHE maintenance staff attended pest control appointments at David Scull and Scarborough Square with ASAP Pest Control LLC for both preventive services and special resident requests. Please note that these special requests were made by residents outside of the regular monthly preventive pest control schedule.
- RELP1, Scattered Site, and RHEP properties receive pest control services as needed.
- Scarborough Square is currently on a weekly pest control schedule; **121 units** were scheduled for pest control service in December
- David Scull is on a weekly pest control schedule; **76** units were scheduled for pest control service during December for David. For December, we had no special treatments.

HQS

- The maintenance department facilitated **1HQ**S inspection in December. The unit failed inspection due to the resident.

Vacancy

There were **three** move-ins and **two** move-outs in December. Vacant units are being turned over

- David Scull: **2** move-in. **0** move-out.
- RELP: **1** move-in. **0** move-out.
- RHEP (Scattered and MPDU): **0** move-in. **0** move-out.
- Scarborough Square **0** move-in. **2** move-outs.

Housing Choice Voucher Program (HCVP) Management

December 2024

HCV Program voucher units leased for the month ending December 2024 was 84.02%, and the calendar year to date in December 2024 was 84.32%. HCV Program budget utilization for the month ending December 2024 was 98.37%, and the calendar year to date in December 2024 was 96.64%.

RHE purposely keeps some vouchers utilized for various reasons. There are vouchers purposely not leased, so they can be reserved for purposes such as unutilized project-based vouchers at Scarborough Square. RHE has also set aside

vouchers for Foster Youth vouchers that only have a 3-year term. Once the 3 years are up, RHE will issue the Foster Youth Voucher holders a regular RHE voucher. RHE is also required to issue a tenant-based voucher to PBV voucher holders once they have lived in a PBV unit for at least 2 years. The units are purposely under-leased to ensure RHE has enough vouchers to meet future voucher issuance obligations.

The 50-unit Mainstream Disabled Voucher program, for which funds are allocated dollar for dollar based on utilization, is 97% leased for December 2024.

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 December 2024.

The 10 VASH vouchers are 90% leased. Two additional VASH vouchers have been issued, and the clients are searching for a unit.

	Allocated	Utilized
Regular Voucher (TP, PBV, Port Out)	365	310
Vash	10	9
Scattered	29	26
Stability	5	0
Foster	29	23
Total	438	368
Mod Rehab	5	5
MS	50	49

Fostering Youth into Independence (FYI) Vouchers

Referral	Voucher Issued	Searching	RFTA in Process	Lease-Up	HAP Pending	Total Current Paid Vouchers	Total Existing Vouchers
0	0	0	3	0	1	23	29

Parkside Landing

Physical Updates

Exterior Unit Mechanical Closets:

- Several mechanical closets at the apartments are experiencing freezing on the condensation lines. Management has ordered additional heat units for the closets and is investigating alternative applications with heat tape to prevent freezing and pipe backups.
- The following building entry doors to be scheduled for repair:
701,705,717,719,721,723,729,733,747

General Maintenance

Currently, there are 42 outstanding tickets as of 12/10/24.

Evictions:

- Evictions Scheduled – 33
- Residents Awaiting Eviction Dates – 23
- New Cases Filed – 5
- Cases Redeemed/Dismissed – 8
- Resident Payment Plans: 2

The City of Rockville Housing and Community Development staff has requested to meet with the residents of Parkside Landing in a town hall format to discuss tenant rights, provide an overview of financial resources available by the City and the County, and general areas of assistance that the Rockville Housing Action team can provide. Additionally, the Rockville Housing Action team would like to meet with the on-site management team for a follow-up meeting. Prospective meeting dates are pending.

Rental License in good standing.

Look Ahead

- RHE conducts monthly transition progress/coordination calls with WINN management.
- RHE conducts a weekly site visit.

Ongoing coordination with the management team to maintain economic/physical vacancy goals for stabilization and conversion

RHE Scarborough Square

Reporting Period: December 2024

- The property collected 77.74% of the rent in December.
- The percentage of delinquent tenants with a balance this month increased from 18.5% in November to 23.0% in December. RHE staff is currently processing evictions, and the RHE team is working diligently to collect the rent on time

Look-Ahead

June/July/August 2024

- Kickoff call with CDA
- Submission of the Combined Viability/Commitment Package

October/December/December 2024

- Issuance of Building Permit
- Submitted the Application Package to HUD for Firm Commitment in December
- The Architect issued the Construction Document Set

1st Quarter 2025

Estimated closing

Low-Income Housing Tax Credit Status Update

The MAP lender submitted the firm application to HUD in December.

DHCD provided their comments on November 13, 2024, for construction comments for our application, and staff submitted our responses for construction comments to DHCD before Christmas. Based on the DHCD's staff, DHCD Housing Finance Review Committee meetings (HFRC) will discuss the Scarborough Square project in January 2025. DHCD will share the estimated Bond Closing Schedule. We are expecting to close in March 2025.

Family Self Sufficiency (FSS) /Resident Services Report-Period YTD: December 2024

- 25 Active Public Housing
- 6 Progress reports
- 52 Active HCV

Resident Opportunities and Self-Sufficiency Services (ROSS) Detailed Report-Period YTD: December

- 50 -Public Housing Active Participants
- 9 – Progress Reports
- Trinity Health Services Food Donation to Senior
- Fatherhood Initiative Meeting with HOC
- Connect Home USA Webinar
- Webinar on Learn How You Can Address Vaccine-Preventable Diseases Among Children, Adults and Seniors
- Food Deliveries for Holiday for offsite disabled person

Client Services Detailed Report-Period: December 2024

- Laptop Distributions-2
- Food Referrals-1
- Emergency Services -2
- Rockville Steering Committee
- Shop with a Cop
- CoC-Wide Training:
 - Homeless and Housing Resources
 - How health systems and hospitals can help solve homelessness
 - Housing protections for survivors under VAWA for PHA's
- Jubilee Meeting
- Technical Assistance Coach Meeting for YB
- YB Graduation
- Discuss improving access to and delivery of services in a monthly meeting with Mont. Co.
- Parkside, Jubilee, and Bi-weekly call with MOCO VETS

Youth Build Services Detailed Report

- Youth Build Bi-Weekly Call with Dept. of Labor & YB Coach.
- 4 participants applied and were interviewed for a Miller & Long Construction Co. position.
- Graduation Ceremony held for the 1st cohort.

6:55 Board Comments

Chair Stacy Kaplowitz expressed appreciation for the Youth Build graduation ceremony, highlighting its emotional impact and the importance of recognizing the program's success beyond just numbers.

She also inquired about efforts to improve coordination between the third-party manager and the asset manager and how complaints are being addressed to enhance management responsiveness. Executive Director Christele Etienbla noted that RHE has initiated weekly site visits to facilitate direct communication and updates. During these visits, one unit is inspected for compliance, and staff collaborate with the third-party manager. Issues reported by the City to RHE are addressed during these meetings, alongside reviews of ledgers, recertifications, and complaints to ensure efficiency. Regular communication with key personnel helped maintain alignment and improve teamwork.

Chair Stacy Kaplowitz raised concerns about high-profile evictions, citing nearly \$500,000 in bad debt at Parkside, and sought confirmation that this represents unpaid rent. Hampstead Asset Manager Dominick Bonomolo confirmed that the bad debt likely accumulated over prior years and maybe even higher. He noted that many residents have chosen not to pay rent, leading to eviction challenges. Some evictions were recently canceled as tenants made substantial payments, while others skipped or left voluntarily before eviction.

Chair Stacy Kaplowitz also inquired whether legal representatives for residents facing eviction had reached out and if the County, which provides grant funding to the legal aid organization, had communicated about the situation. Executive Director Christele Etienbla confirmed that no contact had been made and that RHE was working with the City on a plan, with updates to be shared once confirmed.

Mayor Monique Ashton acknowledged the difficulty of balancing financial sustainability with resident needs and communication. She informed the board that she had called a meeting with Executive Director Christele Etienbla and the City Manager to address resident concerns, particularly regarding maintenance delays and communication. Mayor Ashton also highlighted recent changes to the county's rental assistance program, which had lowered the eligibility threshold from 60% AMI to 30% AMI last year but recently reverted it to 60%, potentially allowing more residents to qualify.

Mayor Monique Ashton also emphasized the need for engagement and support for financially struggling residents; Mayor Monique Ashton suggested reviewing the resource sheet for potential improvements and stressed the importance of following up on available rental assistance. She reaffirmed the city's commitment to addressing housing quality complaints and ensuring effective communication with residents.

City Councilmember Zola Shaw echoed Mayor Ashton's concerns and followed up on an email sent to residents outlining their responsibilities for maintenance expenses. Executive Director Christele Etienbla confirmed that the letter was distributed to all Parkside residents with an effective date of August 2025.

Chair Stacy Kaplowitz inquired about the formal eviction process, which Executive Director Christele Etienbla explained.

Commissioner Bobby Bird asked whether resources or resident meetings were provided for those facing eviction. Executive Director Christele Etienbla stated that resource information is attached

to the ledger sent to residents, and while no resident meetings have been held, RHE is open to the idea.

Commissioner Kapres Meadows inquired about work orders and the maintenance process. Hampstead Asset Manager Dominick Bonomolo stated that there are typically 20-30 work orders at any given time.

Finally, Chair Kaplowitz asked about the HUD visit to Scarbrough Square. Executive Director Etienbla responded that HUD had requested to reschedule, but no new date had been set.

7:30 City of Rockville Report

Chair Stacy Kaplowitz called for the next item on the agenda, the City of Rockville report.

City Housing Program Manager Jane Lyons Raeder announced that a landlord-tenant meeting for Parkside Landing was scheduled for Tuesday, February 4th, 2025.

She noted an increase in requests for emergency rental assistance in the City and expressed hope that the county's decision to raise the income eligibility threshold to 60% would help alleviate some of the pressure. She encouraged residents to first reach out to the county for assistance.

In November, the City of Rockville helped over 2,000 families with food for the holidays, and in December, it provided toys and books to over 1,000 children and more than 450 families.

The City also completed a human needs assessment and expects to receive the results soon.

Mayor Monique Ashton and the City Council have visited local apartment buildings to engage with different communities.

The City recently hosted a housing workshop with three sessions, resulting in over 40 action items related to housing.

Mayor Monique Ashton urged attendees to show compassion to residents, especially in light of the immigration challenges ahead. Additionally, Montgomery County has introduced a hate speech portal to monitor and address hate speech in public spaces more effectively.

7:40 Approval of Bozzuto Early Release Contract for Scarbrough Square

Chair Stacy Kaplowitz called for the next item on the agenda: The approval of the Bozzuto Early Release Contract.

Executive Director Christele Etienbla informed the board that the contract was first discussed last August and is now being presented for approval. The objective is to begin renovations immediately after closing, start leasing as soon as possible, and maximize rental income.

Vice Chair Edward Duffy sought confirmation that the closing would occur in March.

CDC Asset Manager Hyunsuk Choi clarified the process, noting that the bond board meeting is scheduled for February, with the first bond call set for March. Closing is expected to occur 60 to 90 days after the first call. RHE requested that the CDA expedite the process to meet our target closing in March, although closing within 30 days is likely to be tight. Therefore, a more realistic estimate would be between April and May. Once the committee is approved in February, a clearer idea of the actual closing date will be provided.

Commissioner Bobby Bird and Chair Stacy Kaplowitz expressed concerns about the bridge loan and potential cost delays, emphasizing that the board will not cover these additional expenses. Commissioner Bird requested that CDA be informed of the cost delays and asked whether the committee had been selected.

Executive Director Christele Etienbla assured the board that it would be communicated to the investor that RHE would not pay any additional fees.

Hyunsuk Choi confirmed that the committee has not yet been selected.

Chair Stacy Kaplowitz made the motion to approve Bozzuto's Early Release Contract. Commissioner Bobby Bird moved the motion; Commissioner Kapres Meadows seconded the motion. All in favor of the state, aye, with the condition to start in April.

8:02 Commissioners Comments

Chair Stacy Kaplowitz called for the commissioners' comments on the next item on the agenda.

Board Members praised RHE for all the work done in the Youth-Build program and graduation.

RHE Youth Build Program Manager Kurt Turnier thanked the board for their support and efforts to attend the graduation.

8:07 Meeting Adjourned

Chair Stacy Kaplowitz made the motion to adjourn the meeting. Vice Chair Edward Duffy moved the motion. Commissioner Bobby Byrd seconded. All present voted aye.