

Revised: October 8, 2021



10400 Detrick Avenue
Kensington, MD 20895-2484
(240) 627-9425



BUDGET, FINANCE AND AUDIT COMMITTEE

October 12, 2021

10:00 a.m. – via Zoom

Livestream: <https://youtu.be/ehqerhMJEk4>

Approval of Minutes:

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Action Items:

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3. Calendar Year 2021 ("CY'21") HOC at Stewartown Homes LLC Budget Amendment: Presentation of the CY'21 HOC at Stewartown Homes LLC Budget Amendment	23

Minutes

HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY
10400 Detrick Avenue
Kensington, Maryland 20895
(240) 627-9425

Budget, Finance and Audit Committee Minutes

September 21, 2021

For the official record of the Housing Opportunities Commission of Montgomery County, an open meeting of the Budget, Finance and Audit Committee was conducted via an online platform and teleconference on Tuesday, September 21, 2021, with moderator functions occurring at 10400 Detrick Avenue, Kensington, Maryland beginning at 10:02 a.m. There was a livestream of the meeting held on YouTube, available for viewing [here](#). Those in attendance were:

Present

Richard Y. Nelson, Jr., Chair – Budget, Finance and Audit Committee
Frances Kelleher – Commissioner
Jeffrey Merkowitz - Commissioner

Also Present

Roy Priest – HOC Chair

Also Attending

Kayrine Brown, Acting Executive Director
Cornelia Kent, Chief Financial Officer
Olumtomi Adebo, Assistant Budget Officer
Christina Autin
Claudia Wilson
Bonnie Hodge
Nathan Bovelie
Francisco Vega
Jay Berkowitz
Jennifer Arrington
Marcus Ervin
Vivian Ikoro
Matt Husman

Aisha Memon, General Counsel
Terri Fowler, Budget Officer
Eugenia Pascual, Controller
Emma Fiorentino
Charnita Jackson
Zachary Marks
Millicent Anglin
Nilou Razeghi
Leidi Reyes
Frederick Colas
Timothy Goetzinger
Darcel Cox

IT Support

Aries Cruz

Commission Support

Patrice Birdsong, Spec. Asst. to Commission

Commissioner Nelson opened the meeting with a roll call of Commissioners who participate on the Committee, also in attendance was HOC Chair Roy Priest, Acting Executive Director Kayrine Brown, and staff.

APPROVAL OF MINUTES

The minutes of August 10, 2021, were approved as submitted with a motion by Commissioner Merkowitz and seconded by Commissioner Kelleher. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

ACTION ITEMS

1. Fiscal Year 2021 Fourth Quarter Budget to Actual Statements: Presentation of Fourth Quarter FY'21 Budget to Actual Statements

Cornelia Kent, Chief Financial Officer, introduced Terri Fowler, Budget Officer, who provided the presentation of the FY 21 Fourth Quarter Budget to Actual Statements.

Ms. Fowler reported that the agency ended the year with a surplus. The primary cause was savings in various categories in the general fund. An overview of each of the funds was provided. Staff addressed questions regarding employment, bad debt and Housing Assistance Program (HAP) funds. No vote was taken.

2. Fiscal Year 2021 Fourth Quarter Unaudited Financial Statements: Presentation of the Unaudited Financial Statements for the Fourth Quarter ended June 30, 2021

Cornelia Kent, Chief Financial Officer, introduced Eugenia Pascual, Controller, who provided a presentation of the unaudited financial statements for the fourth quarter. Ms. Pascual provided highlights of the agency financials and net income. Bonnie Hodge addressed the Committee's question in regards to the HAP utilization. No action was necessary or taken.

3. Fiscal Year (FY'22) First Quarter Budget Amendment: Presentation of the FY'22 First Quarter Budget Amendment

Cornelia Kent, Chief Financial Officer, introduced Olumtomi Adebo, Assistant Budget Officer, who provided a presentation of the FY'22 First Quarter Budget Amendment.

A motion was made by Commissioner Merkowitz and seconded by Commissioner Kelleher to move forward to full Commission for approval. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

4. Uncollectible Tenant Accounts Receivable: Presentation of Request to Write-off Uncollectible Tenant Accounts Receivable (April 1, 2021 – June 30, 2021)

Cornelia Kent, Chief Financial Officer, introduced Nilou Razeghi, Accounting Manager, who provided a presentation to request the Committee's recommendation to move forward to the full Commission to authorize write-off of uncollectible tenant accounts receivable.

A motion was made by Commissioner Kelleher and seconded by Commissioner Merkowitz to move forward to full Commission for approval. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

5. Addition of Third Signer to HOC Bank Accounts: Request to Authorize the Addition of the Human Resources Director as a Third Signer to HOC's Bank Accounts

Cornelia Kent, Chief Financial Officer, provided a presentation to request the Committee's approval to recommend to the full Commission to approve the addition of the Human Resources Director as a third signer to HOC's bank accounts.

A motion was made by Commissioner Kelleher and seconded by Commissioner Merkowitz to move forward to full Commission for approval. Affirmative votes were cast by Commissioners Nelson, Kelleher, and Merkowitz.

There was no more business to come before this open session of the Budget, Finance and Audit Committee. The meeting adjourned at 11:01 a.m. by Committee Chair Nelson. The next scheduled meeting is October 12, 2021.

Respectfully submitted,

Kayrine Brown
Acting Secretary-Treasurer

/pmb

Discussion Items

11. HOC at Stewartown Homes LLC (Stewartown);
12. Tanglewood/Sligo Hills LP (Tanglewood/Sligo Hills);
13. 900 Thayer LP (Fenton Silver Spring);
14. HOC at The Upton II LLC (Upton II);
15. Waverly House RAD LP (Waverly House); and
16. Wheaton Metro LP (MetroPointe).

As general partner, HOC is responsible for submitting draft copies of the CY'22 Proposed Budgets to the limited partners by November 1, 2021, with the final copies submitted following the Commission's approval.

Attachment 1 includes the initial compliance period end dates, status of the limited partner exit, and extended use after the initial compliance period for all our CY LIHTC partnership properties.

Other Calendar Year Budgets

CCL Multifamily LLC (The Lindley) is a recently built, 200-unit high-rise apartment building located in Chevy Chase, Maryland. The unit mix for the building is 120 market units, 40 Moderately Priced Dwelling Units ("MPDU") restricted at 50% Area Median Income ("AMI"), and 40 Workforce Housing units ("WFHU") restricted at 100% Area Median Income AMI. The property operates on a Calendar Year basis and is categorized as a discretely presented component unit.

ISSUES FOR CONSIDERATION:

Tax Credit Partnerships

The budget forecasts the collection of \$299,828 in CY'22 in Asset Management/Investor Service Fees and Partnership Management Fees from the properties (**Attachment 2**). At year end, the Asset Management/Investor Service Fees are paid to the limited partner. If sufficient funds remain, the Partnership Management Fees, or \$156,272, are paid to the general partner (HOC). All unpaid fees are accrued for payment in future years.

Please note that there are six (6) properties, shaded in peach, that have or will be resyndicated as new LIHTC transactions and commence renovations during CY'22. During renovations, vacancy is anticipated to be higher than normal to support renovations, reserve contributions will be placed on hold, and debt service payments will be incorporated into the development budgets; therefore, the projected income from operations during CY'22 is not contingent on past performance or indicative of future anticipated property performance. In addition, Upton II will begin its unit delivery in late CY'21. For these reasons, the properties will not be included in the charts in Attachments 3 through 8.

As the Managing General Partner, HOC is responsible for funding any cash deficits that occur in the operation of the tax credit properties. There are no deficits projected for CY'22.

The rent policy for CY'22 allows for in-place rental increases based on the County Executive's Voluntary Rent Guideline ("CE-VRG") of 1.4%. With the exception of **Arcola Towers, Bauer Park, Forest Oak Towers, Shady Grove, Stewartown, and Waverly House**, rent increases for all properties within the portfolio are at the CE-VRG. Several properties include Project Based Rental Assistance ("PBRA") units and the rent increases are based on the latest Operating Cost Adjustment Factor ("OCAF") of 2.5% adjusted for the anticipated debt service for the property. As a result, rent increases for Arcola Towers, Forest Oak Towers, Stewartown and Waverly House are projecting increases of 1.1%, 1.0%, 1.7% & 1.1%, respectively for the PBRA units and 1.4% for unsubsidized units. Bauer Park and Shady Grove are projecting 2.5% for PBRA units without adjustments for debt service.

Income from this portfolio is restricted to the properties. The only revenue that comes to HOC is in the form of a Partnership Management Fee, which is projected to be \$156,272 for CY'22. The proposed CY'22 budgets reflect an increase of \$9,344 or 6% in Partnership Management Fees when compared to the CY'21 Approved Budgets as a result of the escalation factor applied annually to several of the properties and the addition of the fees for the **Upton II**.

The CY'22 Budget for the properties projects modest increases in operating income per unit per annum ("PUPA") for five (5) of the properties when compared to the CY'21 Budget. In addition, the budgeted operating income at **Bauer Park, Greenhills** and **Fenton Silver Spring** have increased 14.6%, 8.6% and 13.5%, respectively. The increase at **Bauer Park** and **Greenhills** are largely driven by rent increases and lower vacancy. Income for **Fenton Silver Spring** is projected to increase as a result of the property achieving stabilization coupled with the receipt of non-dwelling income based on the Master Lease for the retail space. The decrease at **Forest Oak** and **Tanglewood/Sligo** are largely driven by removing the transfer from the County grant to cover the cost of the counselor at the property. The charge for the counselors are now directly to the County grant, which also reduces the expenses at the property. **(Attachment 3)**.

Operating expenses on a PUPA basis for the properties are projected to increase in the CY'22 Budget at seven (7) of the properties. The total operating expense increases range from 0.4% to 12.9%. The highest growth rates are at **Alexander House, Bauer Park, Greenhills, Waverly House** and **the Lindley**, which expect expense growth rates of 7.5%, 4.5%, 12.9%, 6.0%, and 8.8%, respectively. Operating expenses at **Alexander House** increased as a result of higher property and liability insurance coupled with an increase in bad debt expense offset by lower case management expense. **Bauer Park** is projected to increase due to higher administrative and tenant services cost offset by lower maintenance expense. The increase at **Greenhills** and **the Lindley** are primarily due to higher administrative, maintenance and insurance expense. Operating expenses at **Waverly House** increased primarily due to higher administrative, utility, maintenance and liability insurance expense, countered by lower COVID expenses **(Attachment 4)**. Operating expenses decreased between 4.9% and 28.1% at **Forest Oak Towers, Lasko Manor, Tanglewood/Sligo Hills** and **MetroPointe**. The majority of the decrease at Forest Oak Towers, Lasko Manor and Tanglewood/Sligo Hills are primarily a result of decreased tenant service expense based on the shift of the counselor cost to the County grant. Forest Oak Towers and Tanglewood/Sligo Hills also experienced lower maintenance costs offset by increases in utilities. MetroPointe is projecting a

reduction in expenses driven by a reduced contract management fee coupled with slightly lower utilities and bad debt expense countered by a higher security cost.

The net impact of the changes in operating income and expenses is reflected in the net operating income (“NOI”) on a PUPA basis for the LIHTC Portfolio (**Attachment 5**). Changes in NOI from budgeted CY’21 to CY’22 varied across the portfolio. Five (5) properties are projected to experience a decrease to NOI: 0.3% at **Alexander House**, 0.6% at **Spring Garden**, 5.3% at **Tanglewood/Sligo Hills**, 7.5% at **Waverly** and 3.7% at **the Lindley**. **Lasko Manor** is projecting a positive NOI for the first time, which resulted in an increase of 202.7% from the CY’21 budget. The remaining properties project NOI increases averaging 11.5%.

The minimum Debt Service Coverage Ratio (“DSCR”) requirement of 1.15:1.00 or higher is projected to be achieved for many of the properties except for Alexander House and The Lindley, which are projecting 1.08 and 0.98 respectively. This is a result of a combination of the previously stated moderate rent increases offset by the continued impact of COVID-19 on bad debt at Alexander House and the lower rent structure and concessions offered at The Lindley to achieve occupancy. It is important to note that the stated DSC for Alexander House and MetroPointe reflects only the LIHTC portion of the properties. (**Attachment 6**).

Attachment 7 shows the history of PUPA Replacement for Reserves (“RfR”) contributions for the portfolio. The fluctuation in the base required contribution between CY’21 and CY’22 reflects changes due to Bauer Park not making contributions during renovations. Aside from this, the base required contribution amount has remained relatively flat except for growth due to the escalation factor applied annually to several of the properties. Over the years, a few properties in the portfolio have required increases in their annual contributions as well as the use of property cash or the Opportunity Housing Property Reserve (“OHPR”) to meet their capital needs. For CY’21 and CY’22, both **Forest Oak Towers** and **MetroPointe** projected the need for increased RfR contributions to meet their current and future years’ capital expenditure needs. In addition, MetroPointe will require the use of \$150,000 from the OHPR for the replacement of the roof. Finally, the properties in transition may experience a small amount of capital expenditures during renovations that will be funded by property cash. As stated earlier, the properties will not make RfR contribution included in the development budget until permanent financing and stabilization is achieved. The CY’22 projections for RfR deposits on a PUPA basis by property, including the base and increased amounts, are depicted in **Attachment 8**.

Capital

Attachment 9 shows the capital budget for each property and proposed funding sources as well as the projected RfR balance as of December 31, 2022 based on the planned contributions and expenditures. Increased RfR contributions above the base requirement are intended to prevent the depletion of the respective property’s reserves and support future capital needs denoted in each property’s Five Year Capital Plans.

BUDGET IMPACT:

Approval by the Commission of these budgets will allow the Calendar Year Properties to begin operations on January 1, 2022, the beginning of their calendar year.

TIME FRAME:

For informal discussion at the October 12, 2021 Budget, Finance and Audit Committee meeting.
For formal Commission action at the November 3, 2021 meeting.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

Staff requests that the Budget, Finance and Audit Committee join its recommendation to the full Commission that the Commission approve the CY'22 Property Budgets.

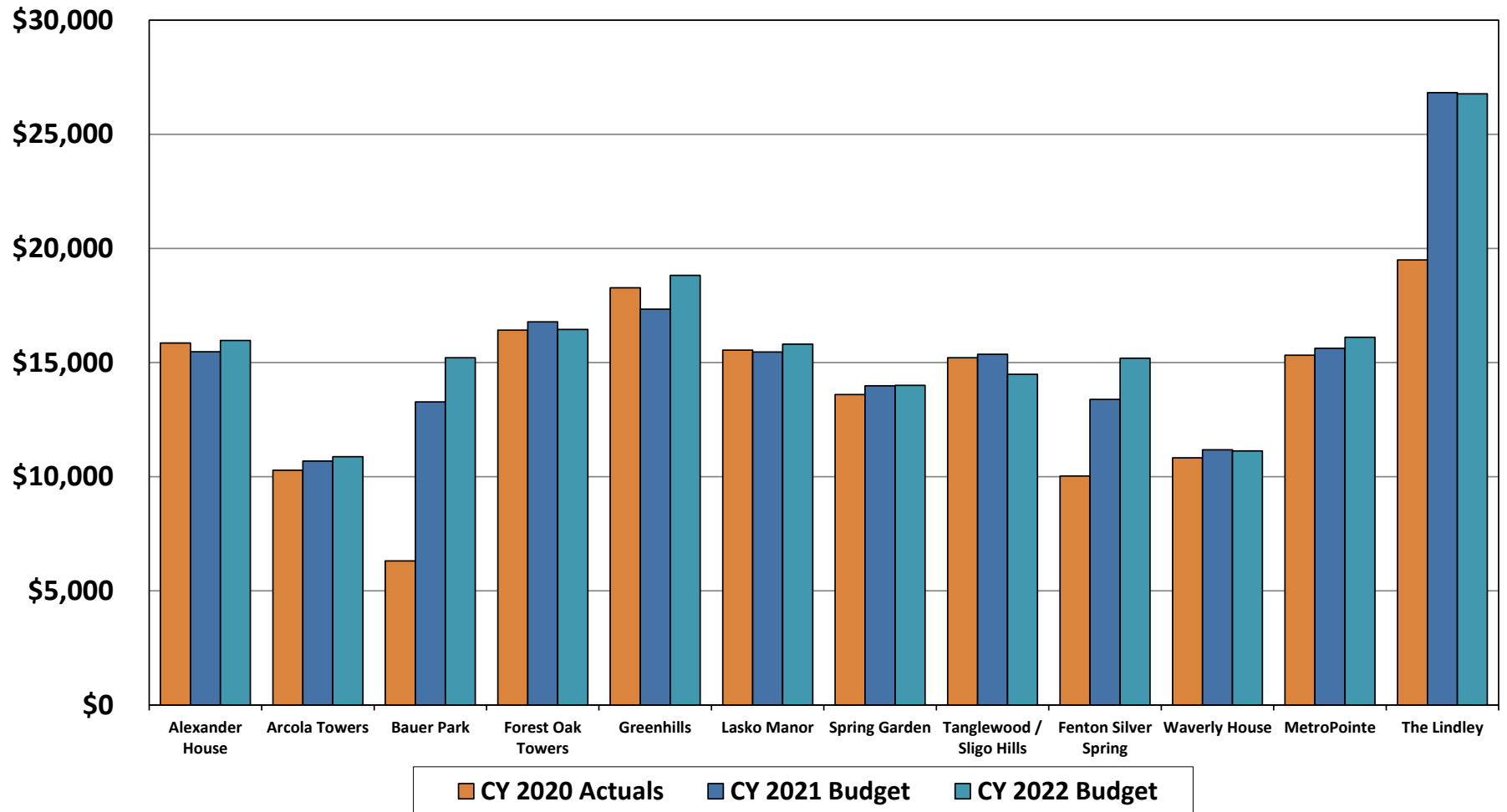
TAX CREDIT COMPLIANCE PERIOD as of October 12, 2021

PROPERTIES	# of Units	INITIAL END DATE: December	Status of Limited Partner Exit	Extended Use after Compliance Period
Spring Garden One Assoc. LP	82	2021	Ongoing monitoring	25 Years (2046)
Forest Oak Towers LP	175	2022	Ongoing monitoring	25 Years (2047)
Wheaton Metro LP (MetroPointe)	53	2023	Ongoing monitoring	25 Years (2048)
4913 Hampden Lane LP (Lasko Manor)	12	2026	Ongoing monitoring	25 Years (2051)
Tanglewood / Sligo Hills LP	132	2027	Ongoing monitoring	25 Years (2052)
Arcola Towers RAD LP	141	2031	Ongoing monitoring	15 Years (2046)
Waverly House RAD LP	157	2031	Ongoing monitoring	15 Years (2046)
Alexander House LP	122	2032	Ongoing monitoring	25 Years (2057)
Greenhills Apartments LP	77	2033	Compliance Period begins in 2018	25 Years (2058)
900 Thayer LP (Fenton Silver Spring)	124	2034	Compliance Period begins in 2019	25 Years (2059)
Bauer Park Apartments LLC	142	2036	Compliance Period begins in 2021	25 Years (2061)
HOC at Stewartown Homes LLC	94	2037	Compliance Period begins in 2022	25 Years (2062)
HOC at The Upton II LLC (Upton II)	150	2037	Compliance Period begins in 2022	25 Years (2062)
HOC at Georgian Court LLC	147	2037	Compliance Period begins in 2022	25 Years (2062)
HOC at Willow Manor LLC (Manor at Cloppers Mill)	102	2039	Compliance Period begins in 2024	TBD
HOC at Willow Manor LLC (Manor at Colesville)	83	2039	Compliance Period begins in 2024	TBD
HOC at Willow Manor LLC (Manor at Fair Hill Farm)	101	2038	Compliance Period begins in 2023	TBD
HOC at Shady Grove Apartments LLC	144	2037	Compliance Period begins in 2022	25 Years (2062)

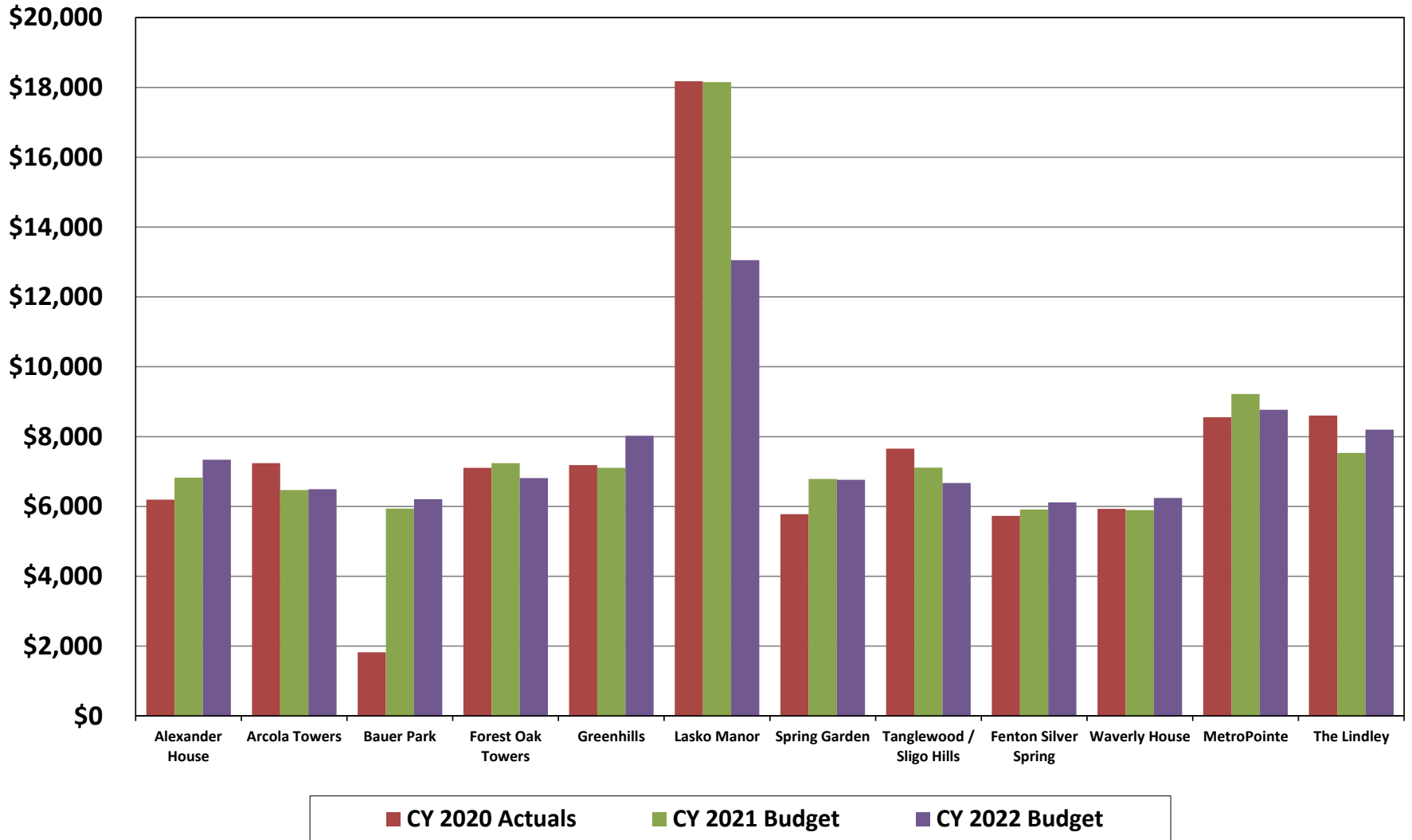
		CY 2022 BUDGET												
CY 2021 Tax Credit Operating Budget	# of Units	Rent Assumptions at Renewal	Total Operating Income	Total Operating Expenses	Net Operating Income	Annual Debt Service	Operating Reserve Contribution	Required RfR Deposits	Additional RfR Deposits	Partners Tax Expense	Cash Flow Before Distribution	Asset Management / Investor Service Fees	Partnership Management Fees	Net Cash Flow
Alexander House LP	122	1.4%	\$1,947,782	\$895,407	\$1,052,375	\$930,707	\$0	\$49,500	\$0	\$0	\$72,168	\$11,592	\$11,592	\$48,984
Arcola Towers RAD LP	141	1.1%	\$1,533,255	\$915,505	\$617,750	\$378,254	\$0	\$71,412	\$0	\$0	\$168,084	\$8,664	\$10,500	\$148,920
Bauer Park Apartments LLC	142	2.5%	\$2,160,288	\$881,071	\$1,279,217	\$0	\$0	\$0	\$0	\$0	\$1,279,217	\$5,304	\$0	\$1,273,913
Forest Oak Towers LP	175	1.0%	\$2,879,791	\$1,192,343	\$1,687,448	\$1,216,942	\$0	\$200,000	\$0	\$0	\$270,506	\$12,468	\$40,896	\$217,142
HOC at Georgian Court LLC	147	1.9%	\$1,611,610	\$853,715	\$757,895	\$24,375	\$0	\$0	\$0	\$0	\$733,520	\$10,000	\$0	\$723,520
Greenhills Apartments LP	77	1.4%	\$1,449,423	\$617,551	\$831,872	\$675,125	\$0	\$29,172	\$0	\$0	\$127,575	\$6,696	\$13,392	\$107,487
4913 Hampden Lane LP (Lasko Manor)	12	1.4%	\$189,746	\$156,622	\$33,124	\$0	\$0	\$4,320	\$0	\$0	\$28,804	\$0	\$5,000	\$23,804
HOC at Willow Manor LLC (Manor at Cloppers Mill)	102	1.4%	\$1,428,350	\$605,051	\$823,299	\$42,750	\$0	\$0	\$0	\$0	\$780,549	\$0	\$0	\$780,549
HOC at Willow Manor LLC (Manor at Colesville)	83	1.4%	\$1,139,725	\$564,173	\$575,552	\$45,000	\$0	\$0	\$0	\$0	\$530,552	\$0	\$0	\$530,552
HOC at Willow Manor LLC (Manor at Fair Hill Farm)	101	1.4%	\$1,499,932	\$567,750	\$932,182	\$33,750	\$0	\$0	\$0	\$0	\$898,432	\$0	\$0	\$898,432
HOC at Shady Grove Apartments LLC	144	2.5%	\$2,443,590	\$930,315	\$1,513,275	\$35,711	\$0	\$0	\$0	\$0	\$1,477,564	\$10,000	\$0	\$1,467,564
Spring Garden One Assoc. LP	82	1.4%	\$1,147,856	\$554,450	\$593,406	\$441,661	\$0	\$49,692	\$0	\$0	\$102,053	\$22,480	\$22,480	\$57,093
HOC at Stewartown Homes LLC	94	1.4%	\$1,458,044	\$755,526	\$702,518	\$34,344	\$0	\$0	\$0	\$0	\$668,174	\$4,700	\$0	\$663,474
Tanglewood / Sligo Hills LP	132	1.4%	\$1,912,415	\$880,806	\$1,031,609	\$645,835	\$0	\$44,700	\$0	\$0	\$341,074	\$5,940	\$25,000	\$310,134
900 Thayer LP (Fenton Silver Spring)	124	1.4%	\$1,883,588	\$757,975	\$1,125,613	\$607,167	\$0	\$44,700	\$0	\$0	\$473,746	\$17,352	\$0	\$456,394
HOC at The Upton II LLC (Upton II)	150	1.4%	\$2,609,601	\$746,924	\$1,862,677	\$1,377,014	\$0	\$45,000	\$0	\$0	\$440,663	\$8,500	\$8,500	\$423,663
Waverly House RAD LP	157	1.1%	\$1,748,131	\$980,408	\$767,723	\$521,026	\$0	\$80,706	\$0	\$0	\$165,991	\$12,300	\$0	\$153,691
Wheaton Metro LP (MetroPointe)	53	1.4%	\$854,007	\$464,571	\$389,436	\$221,836	\$0	\$90,396	\$0	\$0	\$77,204	\$7,560	\$18,912	\$50,732
TOTAL Tax Credit Properties	2,038	1.5%	\$29,897,134	\$13,320,163	\$16,576,971	\$7,231,497	\$0	\$709,598	\$0	\$0	\$8,635,876	\$143,556	\$156,272	\$8,336,048

CY 2021 Other Calendar Year Properties Operating Budget	# of Units	Rent Assumptions at Renewal	Total Operating Income	Total Operating Expenses	Net Operating Income	Annual Debt Service	Operating Reserve Contribution	Required RfR Deposits	Additional RfR Deposits	Partners Tax Expense	Cash Flow Before Distribution	Asset Management / Investor Service Fees	Partnership Management Fees	Net Cash Flow
CCL Multifamily LLC (The Lindley)	200	1.4%	\$5,353,985	\$1,639,207	\$3,714,778	\$3,733,330	\$3,000	\$53,040	\$0	\$0	(\$74,592)	\$0	\$0	(\$74,592)
TOTAL Other Properties	200	1.4%	\$5,353,985	\$1,639,207	\$3,714,778	\$3,733,330	\$3,000	\$53,040	\$0	\$0	(\$74,592)	\$0	\$0	(\$74,592)
GRAND TOTAL All Properties	2,238	1.5%	\$35,251,119	\$14,959,370	\$20,291,749	\$10,964,827	\$3,000	\$762,638	\$0	\$0	\$8,561,284	\$143,556	\$156,272	\$8,261,456

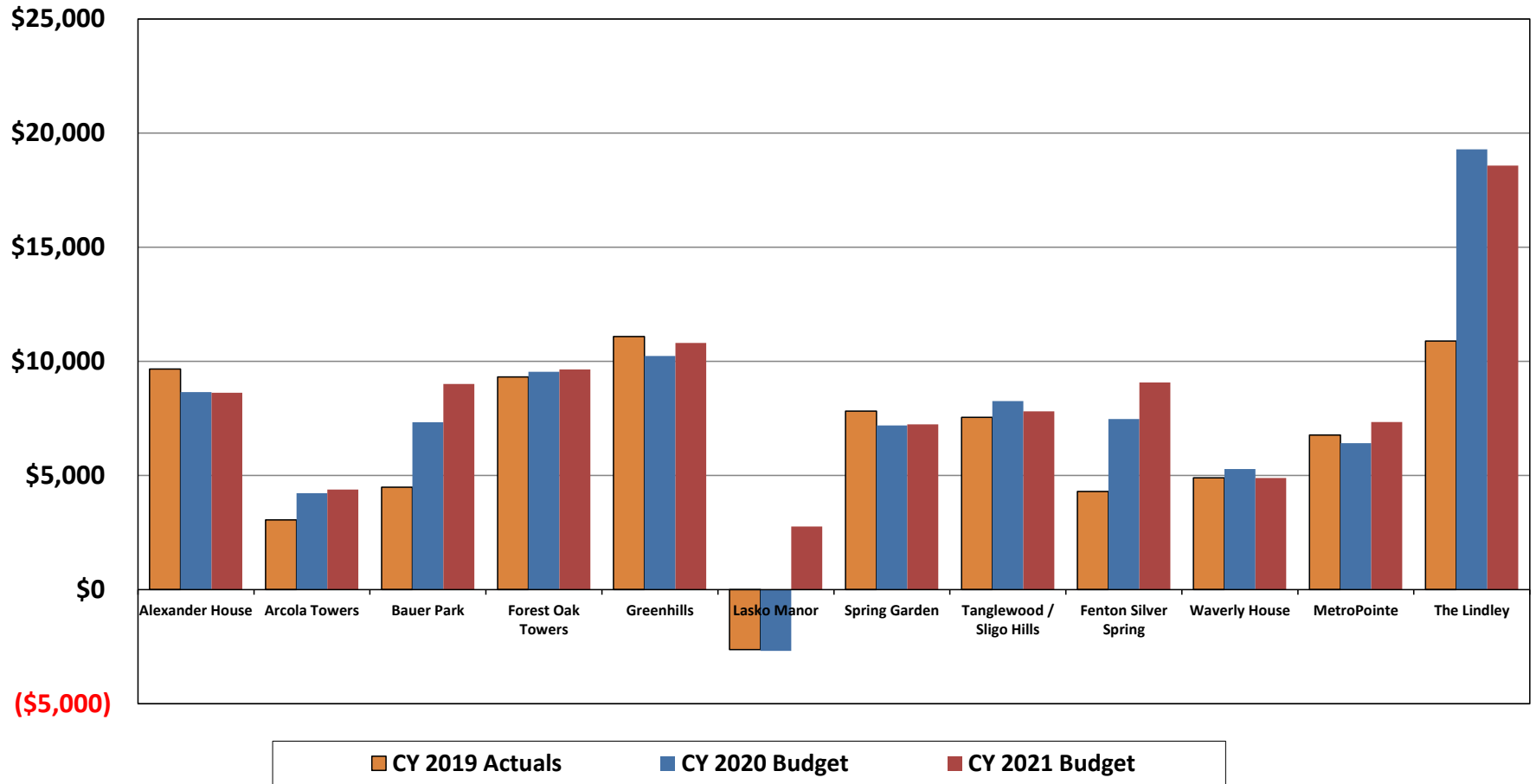
Operating Income (PUPA)



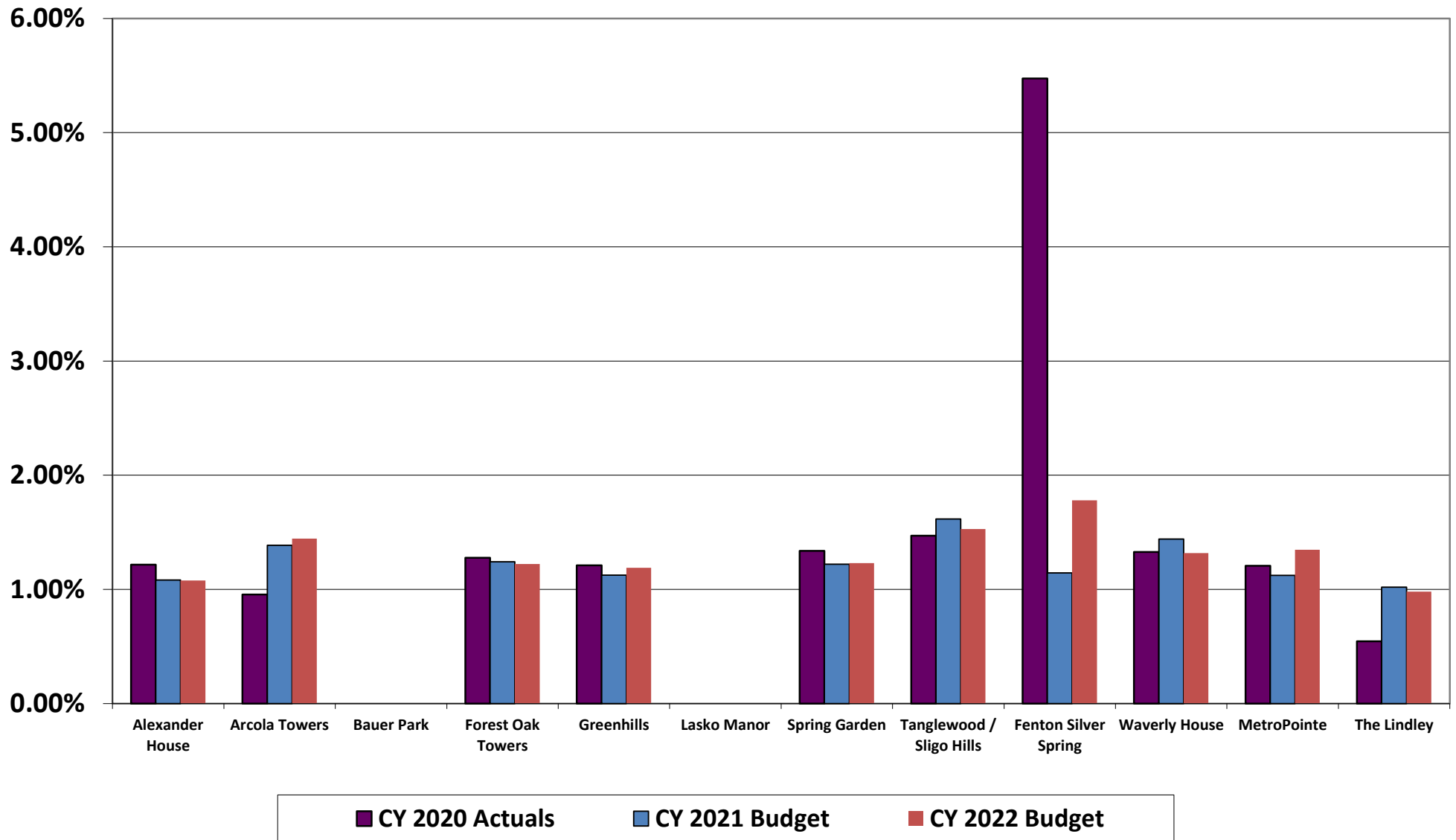
Operating Expenses (PUPA)



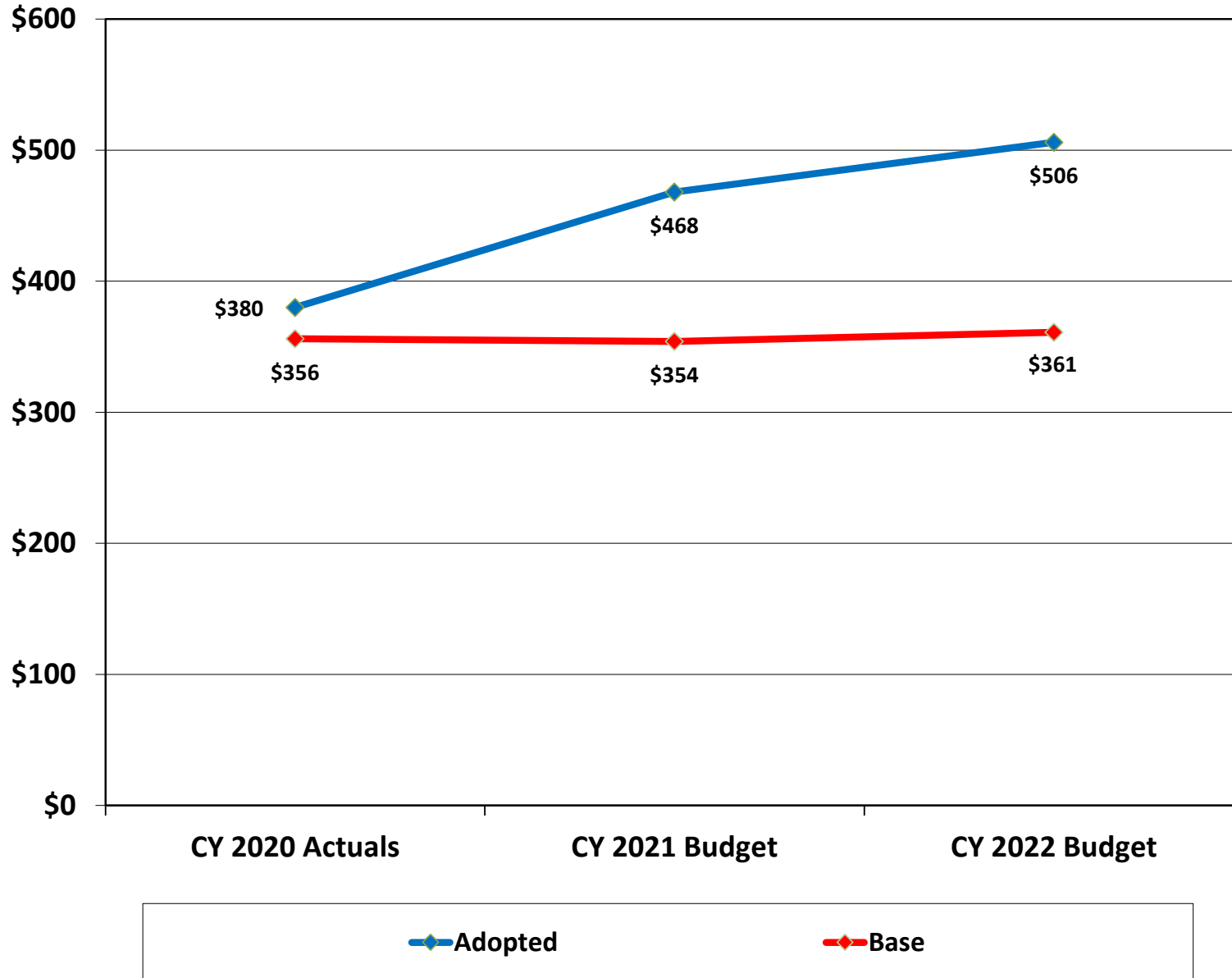
Net Operating Income (PUPA)



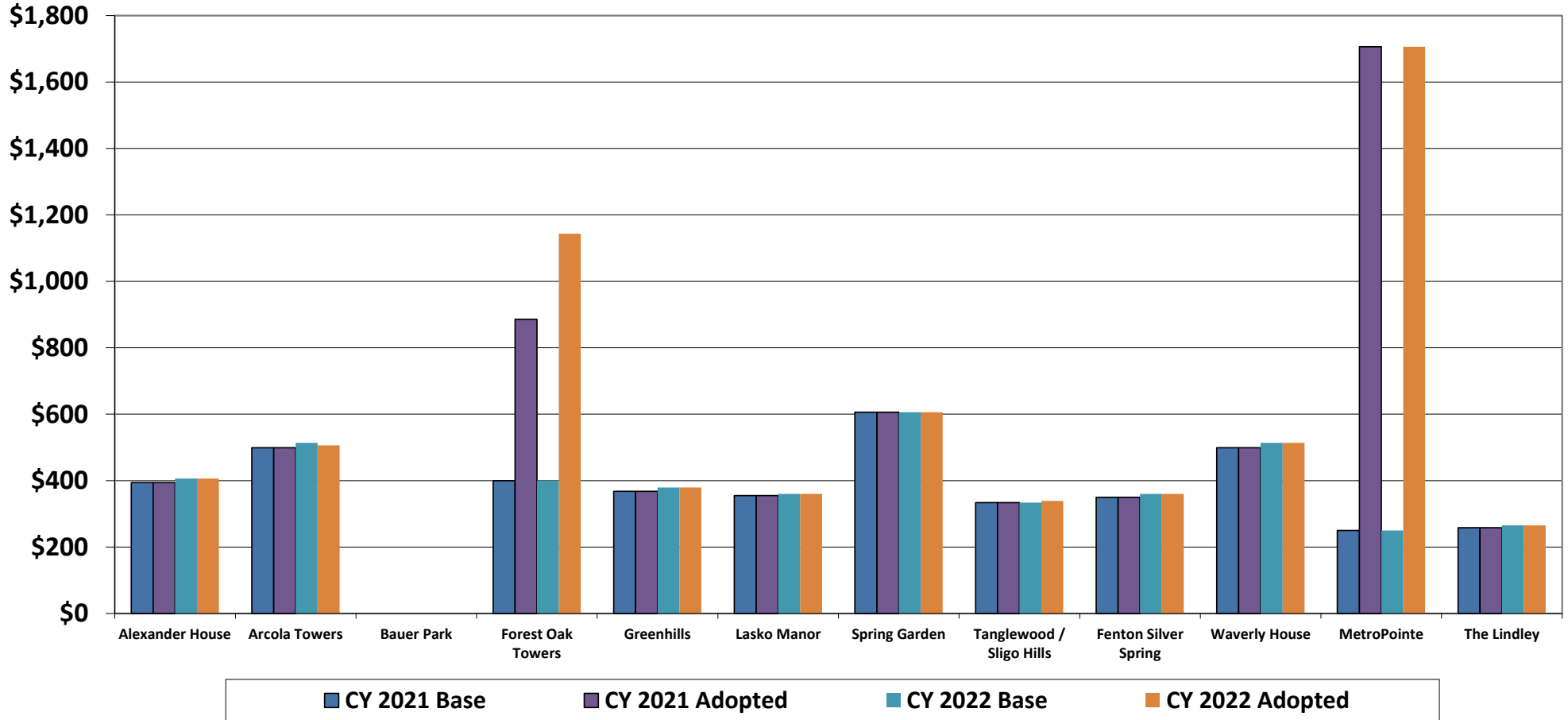
Debt Service Coverage Ratios (DSC)



RfR Contributions (PUPA)



CY 2022 RfR Contributions (PUPA)



CY 2022 Tax Credit Capital Budget	Expenses	Revenue Sources			Projected RfR Balance as of 12/31/2022
		Property Reserves	Additional Revenue Source (Property Cash, OH Property Reserve)	Current Year RfR Deposit	
Alexander House LP	\$34,589	\$34,589	\$0	\$0	\$438,456
Arcola Towers RAD LP	\$28,062	\$28,062	\$0	\$0	\$670,264
Bauer Park Apartments LLC	\$3,046	\$0	\$3,046	\$0	\$0
Forest Oak Towers LP	\$294,450	\$137,111	\$0	\$157,339	\$42,661
HOC at Georgian Court LLC	\$60,287	\$0	\$60,287	\$0	\$0
Greenhills Apartments LP	\$15,684	\$15,684	\$0	\$0	\$262,816
4913 Hampden Lane LP (Lasko Manor)	\$10,000	\$10,000	\$0	\$0	\$48,525
HOC at Willow Manor LLC (Manor at Cloppers Mill)	\$29,136	\$0	\$29,136	\$0	\$0
HOC at Willow Manor LLC (Manor at Colesville)	\$28,380	\$0	\$28,380	\$0	\$0
HOC at Willow Manor LLC (Manor at Fair Hill Farm)	\$14,500	\$0	\$14,500	\$0	\$0
HOC at Shady Grove Apartments LLC	\$6,800	\$0	\$6,800	\$0	\$0
Spring Garden One Assoc. LP	\$68,465	\$68,465	\$0	\$0	\$296,277
HOC at Stewartown Homes LLC	\$9,600	\$0	\$9,600	\$0	\$0
Tanglewood / Sligo Hills LP	\$53,268	\$53,268	\$0	\$0	\$152,854
900 Thayer LP (Fenton Silver Spring)	\$2,000	\$2,000	\$0	\$0	\$210,100
HOC at The Upton II LLC (Upton II)	\$0	\$0	\$0	\$0	\$45,000
Waverly House RAD LP	\$55,274	\$55,274	\$0	\$0	\$790,944
Wheaton Metro LP (MetroPointe)	\$329,544	\$179,544	\$150,000	\$0	\$19,631
Total Tax Credit Properties	\$1,043,085	\$583,997	\$301,749	\$157,339	\$2,977,528
CY 2022 Other Calendar Year Capital Budget	Expenses	Property Reserves	Residual Cash	Current Year RfR Deposit	Projected RfR Balance as of 12/31/2022
CCL Multifamily LLC (The Lindley)	\$41,937	\$41,937	\$0	\$0	\$138,994
Total Other Calendar Year Properties	\$41,937	\$41,937	\$0	\$0	\$138,994
GRAND TOTAL All Properties	\$1,085,022	\$625,934	\$301,749	\$157,339	\$3,116,522

Once approved by the Commission, the FY'23 County Operating Budget will be submitted to the County.

STAFF RECOMMENDATION:

Staff requests that the Budget, Finance and Audit Committee join its recommendation to the Commission for authorization to submit the proposed FY'23 County Operating Budget of \$6,895,693 to Montgomery County's Office of Management and Budget.

CY 2021 HOC at Stewartown Homes LLC Budget Amendment

	7/1/2021 - 12/31/2021
Total Revenue	\$732,093
Gross Rents	\$837,036
Concessions	\$0
Vacancy Loss	(\$109,387)
Other Revenue	\$4,444
Total Operating Expenses	\$397,052
Administrative	\$145,418
Utilities	\$72,342
Maintenance	\$90,170
Other	\$89,122
Net Operating Income	\$335,041
Annual RfR Contribution	\$0
Asset Management Fee	\$0
Excess Cash Flow Restricted	\$328,345
Annual Debt Service	\$6,696
Total Non-Operating Expenses	\$335,041
Cash Flow / (Deficit)	\$0
Capital	\$7,000

- Does the Budget, Finance and Audit Committee join staff’s recommendation to the full Commission to approve the proposed CY’21 Budget Amendment to establish the operating and capital budgets for HOC at Stewartown Homes LLC?

BUDGET IMPACT:

Approval by the Commission will establish this as the CY’21 operating and capital budgets for HOC at Stewartown Homes LLC and does not adversely impact the HOC’s operating budget.

TIME FRAME:

For informal discussion at the October 12, 2021 Budget, Finance and Audit Committee meeting and formal Commission action at the November 3, 2021 meeting.

STAFF RECOMMENDATION & COMMISSION ACTION NEEDED:

Staff recommends that the Budget, Finance and Audit Committee join its recommendation to the full Commission to approve the proposed CY'21 Budget Amendment to establish the operating and capital budgets for HOC at Stewartown Homes LLC.