

May 2018

MVF Executive Vice President's Report

1. General

- A. New CFO Starts Work** - After an extensive process, Daniel Salazar began work as MVF's CFO effective May 2. Salazar has worked as a Senior Accountant since November 2016 and has had steady career growth and is a CPA in Maryland. The CFO is responsible for the overall leadership of the financial affairs of MVF, working extremely closely with the EVP on budgeting, strategic and long range financial planning. In addition, the CFO staffs the MVF Audit Committee and MVF Investment Committee. MVF's Treasurer also works very closely with the CFO on monthly financial reporting, financial policy updates and auditor selection.
- B. Goshen Road project** – This long-funded county project became a political football this year as the county council looked for additional funding for schools and other projects. It is clear that the project scale will be adjusted when further planning is commenced, possibly in 2020. The county has already spent over \$10M to design the project over the last 4 years. The project will remain in the CIP, but no additional funding is expected before 2014 except for \$300,000 in FY20 to evaluate possible alternatives to the current project scope. It is my expectation that they will significantly downscale the project, but include some straightening of the road, intersection improvements and some sidewalk/bike path additions.
- C. Homeowners Association Road Maintenance Reimbursement** – Earlier this year, the county council tried to repeal county law that would reimburse HOAs for private road maintenance, but this failed. However, the council continued not to fund this obligation, arguing a stressed budget and other priorities. The county will meet its obligation of passing through state funds to assist with road maintenance for HOAs. The "state" program reimburses HOAs for roads eligible to be counted for State Highway User Revenue; the funds associated with these roads are sent to the county and then passed through to the HOAs. Most of the 50-odd miles of eligible roads under this program are in Montgomery Village, but there are a few miles in Olney and Germantown as well. The "county" program is supposed to reimburse HOAs for eligible roads at roughly the cost that the county spends to maintain its own roads, subject to the availability of appropriations. However, for two decades the council has limited the reimbursement to around \$1,000 per eligible mile, a fraction of the cost of maintaining a county road. For the FY2010 budget, the council reduced the appropriation to only about \$250 per eligible mile, and for FY2011 through FY2018, the council suspended funding for this program altogether. This would be the ninth year with no funding for the "county" program. The good news is that the state continues to meet its obligation. However, if in future years, the county does repeal its reimbursement program, it is likely that the state would follow suit.

D. Update on Montgomery County’s “Small Cell Tower” Legislation - On May 3 the county council’s Planning, Housing and Economic Development (PHED) Committee recommended approval of ZTA 18-02 with a few amendments. **ZTA 18-02, Telecommunications Towers – Limited Use** as introduced would have changed zoning regulations related to the placement of telecommunications antennas in non-residential zones and the provision for antennas on existing structures in all zones. But at the conclusion of the two-plus-hour hearing, the committee recommended no changes in the residential zones. This retains the current setback and building height standards for antennas on existing facilities in residential zones, and adds provisions that will require compatible antenna enclosures where antennas are allowed. The ZTA would allow more permissive standards for antennas where they are currently allowed as a limited in commercial/residential, industrial and employment zones. A majority of the committee also recommended lowering the maximum allowable tower heights for new towers that require conditional use approval. The committee recommended approval of ZTA 18-02 with the amendments it suggested. County staff prepared the amendments, which were adopted by the county council on May 15.

E. Scanning Project Update – For many years, MVF has had the goal of digitizing thousands of paper files of property records (assessment information, architectural and covenant information) as well as years of MVF board and committee minutes and HR records. This will allow for the more efficient storage of data as well as its retrieval. In addition, it will free up a large space to eventually improve the architectural standards offices, which are very cramped. In October 2017, the MVF board approved a contract for an outside vendor to perform the work. The contractor estimated there were approximately 580,000 images that would require scanning, and the estimated total cost approved was \$60,312 plus a 20% contingency. However, once the project began, it became apparent that an amendment needed to be made to the contract to ensure that the search function, once the scanning of the files was completed, would work efficiently with our document management software, Treno. Therefore, barcode separation sheets were included in each file. In March 2018, the MVF board authorized a contract amendment bringing the total cost of the project to \$81,776. In sum, the additional costs were due to the addition of barcode separator sheets, which help direct and separate documents within Treno. The project is about 50% complete. To ensure that the scanning project would not interfere with day-to-day tasks for the Architectural Standards Department, we required the contractor to first scan all of the homeowner property files on the list of priority streets the AS department provided. The priority streets are in communities that have a scheduled inspection this year. The contractor has completed scanning all the priority streets. All other files that are needed are requested by e-mail and are uploaded within a two hour window.

2. Architectural Standards

A. Architectural Application Review (April 1 - April 30, 2018)

Submitted architectural modifications reviewed In-House with Design Consultant: **143 items**

Architectural violations reviewed In-House with Design Consultant: **157 items**

Submitted architectural modifications reviewed by ARB: **0 items**

Architectural violations reviewed by ARB: **0 items**

Appeals considered by ARB: **1 Item**

Application Completion Inspections: **53 items**

TOTAL: 353 Items

B. Architectural Compliance:

1. Statistics:

The following statistics reflect the results of various *follow-up inspections and drive-through inspections* in Montgomery Village’s residential communities by the Architectural Standards Compliance team as of **April 30, 2018**. *These statistics reflect the number of properties inspected by the AS Compliance Specialists. The average number of violations noted and pursued on each property inspected is three or more.*

		2018		2017	
		YTD	MTD	YTD	MTD
a)	New Violations	56	14	158	38
b)	Cases Closed in 2017	21	15	56	0
c)	Running Violations (Correct by Resale)	0	0	7	4
d)	Executive Committee Appeals	0	0	0	0
e)	Suspended Membership Privileges	0	0	0	0
f)	Lawsuits filed	0	0	0	0
g)	Complaints filed at CCOC	0	0	0	0
h)	Resale Certificates	154	58	127	28

		2018		2017	
		YTD	MTD	YTD	MTD
a)	Total Scheduled Inspections (SmartWebs)	745	139	280	128
b)	New Smartwebs Violations	578	130	236	108
c)	Cases Closed (Smartwebs Inspections)	99	55	43	25

2. 2018 Scheduled Community Inspections:

- Patton Ridge Homes Corporation – 6 subdivisions (1,072 properties)
- Stedwick Homes Corporation – 3 subdivisions remaining (548 properties)
- Whetstone Homes Corporation – 6 subdivisions (447 properties)
- Poplar Springs Homes Corporation – 18 properties
- Eastgate Homes Corporation – 7 subdivisions (443 properties)
- [Total properties to be inspected = 2,528]

3. Inspections and Violations Processed as of April 30, 2018:

Stedwick (Darla Hyman and Christine Sharp)

- **The Heights (147 Single Family Homes)** – 147 properties have been inspected in December 2017 and processed in SmartWebs in January 2018.
- **The Clusters III (130 Townhomes)** – 130 properties have been inspected and processed in SmartWebs.
- **The Clusters II (217 Townhomes)** – 178 properties have been inspected in SmartWebs. 39 properties remain to be inspected in SmartWebs.
- **The Clusters I (201 Townhomes)** – 50 properties have been inspected and processed in SmartWebs. 151 properties remain to be inspected in SmartWebs.

South Village (Martha Cruz and Dee Wirth)

All properties were inspected & processed in SmartWebs by January 10, 2018

Patton Ridge (Martha Cruz and Dee Wirth)

- **Fairidge (217 Single Family Homes)** – 217 properties have been inspected and processed in SmartWebs.
- **Fairway Islands (189 Townhomes)** – 170 properties have been inspected in SmartWebs. Remaining 19 properties inspected in SmartWebs as of May 9, 2018, and are currently being processed.
- **Highfield (133 Townhomes)** – Inspections to being in May

Note: the above property inspections do not reflect the property inspections for follow-up of cited violations, complaints verified and resale disclosure inspections.

C. Architectural Standards Fees (MVF Revenue) through April 30, 2018:

	2018		2017	
	YTD	MTD	YTD	MTD
Violation Review Fees	\$1,700	\$800	\$2,100	\$700
Resale Disclosure Fees	\$26,892	\$9,436	\$32,700	\$8,410

D. Architectural Standards March Committee Meetings:

- **Architectural Review Board:** The Architectural Review Board (ARB) met on April 4, 2018. The agenda included a review of a black security door in The Heights of Stedwick, and consideration of a criteria change to gate styles in The Heights of Stedwick. The committee determined that the security door was actually more harmonious in its current color, black, than it would be if it were painted the front door color as required by the criteria. The committee unanimously approved the black security door, provided that it will be replaced with the community standard when it falls into disrepair or at resale, whichever comes first. The committee then considered the addition of a flat top gate style as an option for gates in The Heights. The flat top gate would be board on board style, similar to the arched gate style already in the criteria, except that it would be 48 inches high straight across the top. The committee moved to approve the new gate style as an option in The Heights and the motion passed 2-1. Additionally, the committee selected Ms. Lisa Lewis as Chair and Mr. Gary Miller as Vice Chair of the ARB for the coming year.
- **CARC:** The Commercial Architectural Review Committee (CARC) met on April 6, 2018. The agenda centered on a presentation by Atlantic Realty Companies (ARC) regarding plans for the Village Center. The ARC representatives noted that the plans were similar to what had previously been presented, with two changes – the multi-family buildings have been replaced with townhomes and additional masonry features have been added in response to feedback from the CARC. The design calls to extend Centerway Road through to the back of the property and to add outdoor café seating in that area. The corners have been “opened up” to allow for more sidewalk activity. It would be possible to close this part of the road off for festivals or other events. Elevations were shown in a neutral color pallet which will have a splash of color depending on tenants and their logos and corporate look. To maintain a uniform look, a single brick color will run along the base of the front elevation. The design features a variety of roof lines, some of which are based on the current structure and others based on the corporate branding requirements of prospective tenants. Updated lighting will be included in the façade renovation. There are stone elements added and tower features in the design. The upper level of the commercial building – currently office condos – will be converted to residential flats. Samples of some materials were available for the committee members to review. The project will be completed in phases, with the pads in the front of the site as the first phase, followed shortly by the extension of Centerway Road and the updates to the commercial site and the apartment/condo flats. The townhomes and the two over

two townhomes will be the third and final phase. The committee supported the direction in which the design concept is going. The committee encouraged the developer to consider including recreation space in their next design. It was asked that the following be provided: a hard copy of the site plan to be available in the MVF office that contains more details about grading, elevations, materials, colors; a lighting plan; a landscaping plan; signage information; information on traffic circulation (including trash removal); and side and rear views to include information of the view from the residential units and the center plaza to the retail loading dock areas. The committee will review updated plans at their next meeting on June 8, 2018.

- E. Other:** The Director of Architectural Standards attended the MakeoverMontgomery4 planning conference from May 9-11. The conference was organized by the Montgomery County Planning Board and the UMD National Center for Smart Growth Research & Education, and held in College Park and Silver Spring, MD. The conference “brought together planners, architects, developers, real estate professionals, economists, social scientists, ecologists and others to discuss cutting-edge ideas for transforming the suburbs.” Takeaways from the conference include new ideas for public outreach and community engagement, contact information for speakers who could present to Village residents on economic development, an understanding of the plans for and economic development impact of the Purple Line, and information on the county’s plans to study the gaps between the type of housing that is being built in the county and the type of housing that is needed. Information about the conference, including recordings of sessions, can be found at <http://montgomeryplanning.org/event/makeover-montgomery-4/>.

3. Communications

A. Events and Sponsorship

Staff has been recruiting corporate sponsors for our special events. To date, three sponsors have been confirmed, and one more has committed verbally for the *Summers at South Valley Park* concerts, Independence Day Celebration and Fall Festival.

Asbury Methodist Village – *Summers at South Valley Park* concerts (verbal commitment)

Atlantic Realty Companies – Swag/Race bags for Independence Day 5K

Asbury Methodist Village – T-shirts for Independence Day 5K

Holy Cross Germantown Hospital – Fall Festival

B. Village News

Issues were delivered on May 4 and May 18, including the Summer Recreation Guide (May 4) and the Residents Guide (May 18). Staff continues to perform random spot checks of delivery routes to insure that deliveries are being made according to carrier guidelines, including delivery to the doorstep of most homes (not driveway delivery). Carriers who were not performing to the prescribed guidelines were given warning strikes. Two carriers resigned their routes and reliable replacements from the substitute list were appointed to the open positions.

C. Marketing

“What’s Your Story?” Branding Campaign – the fifth video in this series will be released this month. Videos will continue to be shared via the website and social media. Staff is currently recruiting other candidates for the next several videos.

Summer Recreation Guide – Delivered with the May 4 *Village News*; this guide was the largest one produced, at 32 pages. The new format, layout and online interaction are helping maintain registration numbers for programs.

D. Technology

Jenark – staff is doing in-depth reviews of the top 2 software candidates to determine the best fit for MVF. Discussions include what processes staff may need to modify in order for either system to work in a similar manner to Jenark and/or create efficiencies that benefit residents. Through a months-long process, a hopeful new vendor will be selected and the conversion process will begin, following board approval.

Website – Staff is working with the web developer on the new layout/microsite for the *Village News* in preparation for reducing print media and increasing digital content. Initial timeline suggests that these changes can be deployed in July.

E. Online

montgomeryvillage.com:

April

monthly hits: **27,943**

mobile sessions: **3,173**

most visited pages: VN Article re: Village Center; job & volunteer opportunities; employment application; pools & swimming; assessment fees; classes & programs; development & projects; dashboard

Twitter – **505** followers (up from **499** in April)

Facebook – **1,293** followers (up from **1,278** in April)

F. Advertising Revenue (through April 2018)

April 2018 Billed:	\$ 7,414
April 2018 Budget:	\$ 8,417
April Collected:	\$ 7,409
April difference compared to budget:	\$ (1,008)
Year to Date Billed (2018):	\$ 33,868
Year to Date Budget (2018):	\$ 42,668
Year to Date Compared to Budget (2018):	\$ (7,926)
Year to Date Collected (2018):	\$ 34,742
2018 Billed vs 2017:	\$ (4,945)
2018 Collected vs. 2017:	\$ (14,586)

4. Community Management

A. Homes Corporation and Condominium Updates:

Covenant Compliance inspections for 2018 continue. Completed to date are Eastgate, North Village and Maryland Place. East Village will be completed by the end of May and will be followed by South Village Homes Corporation.

Christopher Court Land Association	The board approved to have the wood sealed on the new trash corrals. The drive lane around the circle will be painted to direct people of the one way traffic flow and improve safety. The board engaged the services of Brightview Landscaping for an attritional three year term.
Center Court Condominium	The board is reviewing proposals for interior replacement of the T1-11 boards. A concrete projects for selected locations will be scheduled for this summer. The next meeting is scheduled for May 22, 2018.

Eastgate	The board will be considering new equipment for the Charlesgate tot lot. Plans will be reviewed and the actual replacement will be schedule for early 2019. Cluster mailboxes throughout the community are scheduled to be painted in early July. The board approved an asphalt replacement project for the town homes on Hickory Grove as well as Ridgefield. The project is scheduled for early July. There will be concrete patching done in various areas in the community.
East Village	The repaving of The Estates is currently planned to be done in two phases over 2 - 3 years. Pruning of the street lining trees is planned for spring. There was no quorum for the May meeting and all decision for projects will be moved to the next meeting.
Horizon Run	The annual community clean-up scheduled for May 19 th was postponed due to weather. Despite the cancellation, dumpsters were still placed in the community on May 18 th for residents to have an opportunity to clean out large and small trash items. A roof inspection was performed on all roofs after the recent wind storms. Once a report is produced, Management will review next steps with the board. All fire lanes have been repainted.
Maryland Place	The board will be reviewing additional concrete work in 2018 as well as consideration of adding speed bumps in the roadway. A budget work session has been scheduled for June.
North Village	During the April meeting, the board approved a proposal for tree pruning. The board agreed to remove parking assigned spaces for accounts that are more than 120 delinquent.
Park Place I	A new board member was appointed at the May meeting. During recent severe weather, there was one water related matter which is currently in the process of being diagnosed and restored. The project to replace the roofs of two buildings was completed. The project to replace all concrete steps in need has been completed. The board approved to have the balconies stained. Any general maintenance will be done at that time.
Park Place II	The board has agreed to a program to replace the smoke detectors on the units at a cost to each homeowner. The plan is now being prepared and all homeowners will receive notification as the plan progresses. This is being done as a safety precaution to assure the association and all homeowners are in compliance the new law. The board approved to have the balconies stained. Any general maintenance will be done at that time. The gutters in 9801 will be replaced. Perennials will be planted in front of 9710 and 9801.
Patton Ridge	The draft reserve study was completed and is under review by management. A meeting has been scheduled for the week of March 28 th to review the draft and outline projects for 2018. The board will be considering a tree removal project in accordance with the tree plan published on the website. Mulch will be added to the tot lots early this summer.
South Village	The board has partnered with Montgomery County on various capital improvement items and are working to get an updated timeline for each. One of those projects was the installation of pet waste stations which has been completed at no cost to the association. The board will be considering proposals to replace a portion of retaining walls in various locations throughout the community as well as a tree removal and replanting project. There was no quorum for the April meeting and all items will be discussed in May.

Stedwick	The board approved to authorize residents to independently contact the tow company of a vehicle is parked in their assigned space. Residents calling in such a tow will have to sign for it at pick up of the vehicle. The board approved to engage the services of Silver Horse Security for vehicle violation enforcement. The board will be considering a full mill and overlay project for Club Hill.
Thomas Choice Condominium	WSSC will be replacing the water meter servicing the community at no cost to the association. A timeline for this has not been provided by WSSC. All roofs were inspected and all repairs have been made. The project to replace all street lights has been completed. The board will be considering a proposal to paint all fire lanes and visitor parking spaces.
Whetstone	The asphalt/concrete project was approved at the May meeting. The board reviewed proposals for the dock replacement and will be met with one of the bidders as well as an engineer on site for further discussion. The board engaged into an agreement with the engineer to continue to work on the dock project. The replacement of the dock will be a long process but planning is currently underway.

4. Finance and Administration

A. Delinquent Units and Court Cases

Delinquent Units	2018	2017	Court Cases	2018	2017
January	1,696	1,706	January	47	81
February	1,012	1,052	February	119	90
March	661	674	March	172	146
April	1,484	1,643	April	08	23

- B. **Interest** in the amount of **\$4,800.06** was billed to overdue accounts in the month of April 2018, in accordance with the Collection Policy.
- C. **Settlements: 38** new homeowners were processed between April 1, 2018 and April 30, 2018. Of those, **37** were homes corporations and 1 was a condo.
- D. **Transfer Fees: \$2,850.00** was collected from April 1, 2018 and April 30, 2018
- E. **Administrative Fees** in the amount of **\$33,950.00** was billed to overdue accounts in the month of April 2018, in accordance with the Collection Policy.
- F. **Lawsuit Judgments Paid & Satisfied:** January 2018 through April 2018- **38** Judgments

5. Recreation, Parks and Culture

Projects:

- A. Graphcom was contracted to replace the **entrance sign at Pasty Huson Ballfield**.
- B. CSAAC was contracted to provide **beverage and snack vending for MVF facilities**.
- C. **Warranty work is being completed at Peggy Mark pool** prior to the opening.
- D. Staff updated the **Emergency Action Plan for the Lake Whetstone Dam** and sent it to the Maryland Department of the Environment Dam Safety Division as is required each year.
- E. Work on the **playground at Apple Ridge** started on May 9. Weather permitting; this work will be completed by Memorial Day weekend.

- F. Fencing has been installed around the **playground at Whetstone Community Center**. The contractor will be returning to fix a few issues with the initial installation.
- G. 3 bids were received for the **fencing project at the South Valley park athletic field**. Bids were due May 14 at 4:00pm.
- H. 8,450 **Activity Card information letters** were mailed out March 16 to begin the 2018 activity card process. 3,345 letters have been returned and entered to date. Current year activity card stickers were mailed to approximately 3,000 homes on May 10. 265 photos have been taken since May 1. 31 Annual Pool memberships have been sold to date.

Programs:

- A. There were 18 happy participants at **Sangria and Succulents** on Saturday, May 5. Same number as last year.
- B. The **May issue of the e-newsletter** was sent on Friday, May 4. There was a 41% open rate and 27% click rate which shows a slight increase over the April issue. The top number of clicks hit the summer guide and pool schedule.
- C. **Overall camp enrollments** are 10% higher than last year at this time. Lake Marion up 12%; North Creek up 57%; Tiny Feet down 60%.
- D. **Creative Discovery** 2017-2018 school year will end on Wednesday, May 30. The Creative 4's class was extended one day due to excessive snow days.
- E. **Montgomery Village's Garden Club** ran a successful Herb Garden Kick Off event at North Creek Nature Center on May 5.
- F. **Lake Whetstone boat rentals** opened for the season on May 5. As of May 14, there have been 21 total rentals and 17 drinks sold.
- G. **Family Tennis Day** held on May 11 had a great turnout. There were 25 players.
- H. **Montgomery Village T-ball** has two games remaining for their season.
- I. **Adult Primetime basketball** has had an average of 15 players for the past two months.
- J. **Family Movie Night** had a total of 13 people attend.
- K. **Adult fitness classes** are currently at the exact same number of registrants overall as we had the 2018 winter session; 81 registered participants.
- L. **Youth fitness classes** have experienced a bump in registrations between the winter to spring session increasing from 66 to 81 registered participants across the classes. Much of this increase is credited to the newly created T-ball league.
- M. **Swim lesson enrollment** is 19% higher than last year at this time.
- N. **Swim lesson training** is currently being revamped and the swim lesson program is in the processes of being updated.
- O. **Private rentals** are up by 155 hours for the year. As of this time last year 378 hours had been booked, as of today 533 hours have been booked.

- P. **Seniors in Action's** winter/spring session will conclude Friday, May 25, 2018. Seniors in Action currently has 102 members signed up for the winter/spring session. Seniors in Action staff participated in the Active Aging Expo on Monday, May 7, 2018.
- Q. The **Seniors in Action trip** to the MGM National Harbor is scheduled for Wednesday, June 27, 2018. There are currently 21 registered for the trip.
- R. **Whetstone Afterschool Club** has 37 actively registered students.

Personnel:

- A. **Summer Camp positions** have been filled and contracts have all been sent out. Camp trainings including CPR/FIRST AID, Medical Administration Training and Summer Camp In-service have all been scheduled.
- B. **MV Conservation Corps Worker and Supervisor positions** have been filled and contracts have been sent out.