New Program for 2019: EMERGING LEADERS COUNCIL LAUNCHED

“ELC offers an important opportunity with a limited but quality time commitment. I have seen the value in having opportunities to meet, converse, and receive mentoring from other more experienced members of our industry and the AOBA staff.”
– Excerpted from 2019 Emerging Leaders Council applicant

The Emerging Leaders Council (ELC) for property management professionals with three to 10 years of experience was launched in December as a major new program for 2019.

The goal of ELC is to deliver personal and professional development and networking opportunities to professionals in the industry, while developing future leaders for AOBA and the industry at large. In addition to participating in Association committees and community outreach, ELC members will plan one new special event during the year.

“We believe that the future success of our Association depends on engaging more individual members at all levels. This new Council will support AOBA by engaging and educating newer-to-industry property management professionals about AOBA’s mission. It will also support efforts to recruit new members, and to coordinate an event for AOBA’s emerging leaders,” said AOBA President-Elect Jackie Duke.

Resolve to Join us for the 2019 Annual Meeting

Make a New Year’s resolution to reconnect with AOBA colleagues at the 2019 Annual Meeting luncheon, to be held on Thursday, January 17th from 11:30 am to 1:30 pm at the historic Mayflower Hotel in DC.

Members will meet AOBA’s 2019 president, Jackie Duke, Senior Vice President of Operations for Brookfield, as well as the Association’s Board of Directors, committee chairs and sponsors. We’ll hear from our advocacy team about 2018 priorities and receive a video update from the AOBA Educational Foundation.

AOBA Takes Challenge to Undergrounding Costs to DC Appeals Court

AOBA’s Board of Directors authorized an extraordinary legal challenge to the “undergrounding” charges that have begun appearing on your DC commercial property electric utility distribution bills. AOBA staff efforts have been supplemented with expert outside counsel.

Background

The Public Service Commission of the District of Columbia (DCPSC) approved a proposal by the Potomac Electric Power Company (Pepco) and the DC Department of Transportation (DDOT) to relocate certain power lines and ancillary facilities underground, and to recover the cost of the underground.
DECEMBER 2018
Advocacy Recap
DISTRICT OF COLUMBIA

Note: This content, plus more detail, appeared in the December At Issue – DC edition.

COUNCIL APPROVES FLURRY OF TENANT PROTECTION BILLS
On December 4th, the D.C. Council unanimously approved two critical bills, the “Vacancy Increase Reform Amendment Act of 2018” (B22-25) and the “Eviction with Dignity Act of 2018” (B22-809). Thanks to members’ efforts, the Council was persuaded to move forward with the two bills as voted upon at first reading.

The vacancy bill’s final version will reduce the allowable vacancy rent increase for units in rent-stabilized buildings. It establishes a new, two-tier scheme that caps vacancy rent increases to 10% for units with a previous tenancy of less than 10 years, and 20% for units with a previous tenancy of more than 10 years. The bill also eliminates any provision that allows a vacancy rent increase to match the rent charged of a “substantially identical” unit.

DOPA REGS FINALIZED, PROGRAM TO LAUNCH IN FEBRUARY
After ten years, the Bowser Administration finally published regulations for the “District Opportunity to Purchase Act of 2008” (DOPA). These regs allow the District government the right-of-first-refusal prior to the sale of certain residential buildings, in the event existing tenants are unable, or have chosen not to exercise their right, to purchase property. Mayor Bowser stated that DHCD will aggressively begin identifying properties as early as February.

LEADERSHIP CHANGES AT DCRA AND PSC
Mayor Bowser has made two prominent changes in her administration. DCRA Director Melinda Bolling stepped down in November and was replaced by Ernest Chapprah as interim director. He previously served as the head of the Department For-Hire Vehicles. At the Public Service Commission, Chair Betty Anne Kane’s term ended on Dec. 31. Bowser nominated sitting Commissioner Willie L. Phillips to succeed her as Chair. Phillips, who has served on the PSC since July 2014, is a regulatory attorney with extensive experience in public utility regulation. Also, Greer Gillis, a licensed senior professional engineer, will join the PSC as new member. She most recently served as Director of the District’s Department of General Service.

INTERNET SALES PROVIDE COUNCIL WITH RESOURCES TO REDUCE TAX INCREASE
Following a Supreme Court decision on whether online retailers were subject to state sales taxes, Councilmember Jack Evans introduced the “Internet Sales Tax Amendment Act of 2018,” which would allow the District to use the estimated $24 million in internet sales to reduce the tax rate on commercial properties valued over $10 million, restoring it from $1.89 to $1.85 per $100 of assessed value. The bill passed 12 to 1, which is a huge victory for all Class 2 properties, but the battle isn’t over. Homeless advocates will continue to urge the Council to direct this new revenue stream towards their causes during the FY 2020 budget process. As of now, the new rates for FY 2020 are:
- $1.65 for each $100 of assessed value if the real property’s assessed value is not greater than $5 million;
- $1.77 for each $100 of assessed value if the real property’s assessed value is greater than $5 million but not greater than $10 million; or
- $1.85 for each $100 of assessed value if the real property’s assessed value is greater than $10 million.

REMINDER: MANDATORY ONLINE I & E FILINGS BEGIN SOON
As a reminder, the DC Office of Tax and Revenue (OTR) will soon no longer accept paper filings of the Income and Expense (I&E) Reports.

While the e-filing option has been available for a few years, it has not been mandatory. OTR will make the e-filing templates and online system available beginning February 1 to provide additional time for input before an April 15 deadline.
Prince George’s County Update

New County Executive Alsobrooks Makes Appointments
Angela D. Alsobrooks was sworn into office on December 3 and announced priorities of schools, quality of life issues and economic development in her inaugural address. She has replaced much of the senior staff and agency heads of former County Executive Rushern Baker. Major Riddick, a veteran of State and County government, will serve as Interim Chief Executive Officer and Chief of Staff. Adam Ortiz will continue as Director of the Department of Environment, and the current public safety leadership will be retained. Melinda Bolling will replace the recently retired Haitham Hijazi as Director of DPIE at an agency likely to see several changes.

AOBA Leads Opposition to Just Cause Eviction Bill
AOBA coordinated and led eight rental housing witnesses in opposition to legislation that would impose a just cause eviction law in Montgomery County. The bill, MC 22-19, was considered at a spirited 2 ½ hour public hearing on Dec. 3 in Rockville, and will be introduced to the Maryland General Assembly in January.

As outlined in AOBA’s testimony, the bill as drafted is a sweeping measure that would disrupt the County’s rental housing market by requiring 60 days’ notice prior to any type of eviction, and make it much more difficult to remove problem tenants. Our witnesses cited the efforts by management to work with tenants before issuing a notice to vacate, and the burden on good tenants if we can’t timely remove nuisance tenants. We thank the many AOBA members who effectively testified at the hearing or provided statements in opposition to the bill.

Montgomery County Update

Elrich Administration Takes Shape
County Executive Marc Elrich, who took the oath of office on December 3, outlined his legislative priorities, including no tax increases in his first year. In lieu of tax increases, he promised to work with county officials to identify savings and opportunities to operate the government in a more efficient manner. Elrich also directly addressed concerns about his attitude towards business and the county’s reputation.

At press time, Elrich was searching for a new housing director to replace outgoing Clarence Snuggs whose last day was November 30. The status of Diane Schwartz-Jones, who currently leads the Department of Permitting Services, is unknown for now. Elrich identified Andrew Kleine as Chief Administrative Officer and former state senator Richard Madaleno as budget director.

Council Kicks off Session with New Leadership
As its first task at its first meeting in December, the Council elected Nancy Navarro (District 4), the Council’s sole woman, as president and Sidney Katz (District 3) as president-elect. The Council also approved new committee leadership and membership (listed below), and scheduled its final 2018 meeting in December.

New Council Committee Leadership/Membership:
• Planning, Housing, and Economic Development (PHED) Committee
  Hans Riemer (At Large), Chair, Andrew Friedson (District 1), Will Jawando (At Large)
• Transportation & Environment (T&E) Committee
  Tom Hucker (District 5), Chair, Hans Riemer (At Large), Ewan Glass (At Large)
• Government Operations & Fiscal Policy (GO) Committee
  Nancy Navarro (District 4), Chair, Andrew Friedson (District 1), Sidney Katz (District 3)
• Public Safety (PS) Committee
  Sidney Katz (District 3), Chair, Gabe Albornoz (At Large), Tom Hucker (District 5)
• Health & Human Services (HHS) Committee
  Gabe Albornoz, Chair, Ewan Glass (At Large), Craig Rice (District 2)
• Education & Culture (EC) Committee
  Craig Rice (District 2), Chair, Will Jawando (At Large), Nancy Navarro (District 4)
A special work group convened by Sen. Mamie Locke (D-Hampton). Through this process, stakeholders have agreed to a package of five bills to be introduced for consideration in 2019 to reduce evictions and remove barriers for tenants to remain in their housing, and find future housing, while simultaneously ensuring that housing providers are paid in full and without unduly impacting upon their ability to efficiently manage their properties. These bills would reform the appeal bond process; automatically amend an unlawful detainer for all rent, late fees, court costs, etc. due at the date of the hearing; require a written lease; vacate a writ of possession after 6 months; and extend the timeline on the execution of the tenant’s one-time right of redemption to within 48 hours of the scheduled eviction.

AOBA is also working with stakeholders on a 6th bill that would establish parameters for a pilot eviction diversion program in which qualifying tenants in otherwise good standing could enter into a payment program administered by the courts.

**Source of Income**

Legislation has also been introduced to add “source of income” to the list of protected classes under Fair Housing law. This would effectively make mandatory participation in the currently voluntary federal housing choice (“Section 8”) voucher program. AOBA has opposed and defeated similar legislation in previous sessions. However, it is possible that the issue may see new traction under the newly altered political landscape.

Also, AOBA continues to work with Delegate Mark Keam (D-Vienna) to advance legislation aimed at leveling the playing field for property owners seeking to appeal erroneously high real estate assessments at the Circuit Court level.

**Stay Tuned**

In all, it is anticipated that the General Assembly will consider and act upon between 2,500 and 3,000 individual pieces of legislation during the 45-day session. AOBA’s Virginia government affairs team reviews each bill for its impact on the industry. *Stay tuned to the Virginia advocacy homepage for regular updates throughout the legislative session.*

**FAIRFAX BOARD WILL SEE TURNOVER IN 2019**

As a jurisdiction, Fairfax County has enjoyed incredible stability and continuity both in terms of its elected leadership and staff positions. But change is coming.

In early December, Board of Supervisors Chairman Sharon Bulova announced that she would not seek reelection in 2019. Bulova has served as Chairman since 2009 and as a Board member since 1987. Also, Providence District Supervisor Linda Smyth announced her planned retirement in 2019, and there is public conjecture about whether Hunter Mill District Supervisor Cathy Hudgins will seek reelection. Added to the departures of longtime Supervisors Michael Frey (Sully District) and Gerry Hyland (Mount Vernon District) last election cycle, this constitutes a significant turnover for a jurisdiction that has also recently seen change in top level staff positions – including County Executive, Deputy County Executive and Economic Development Authority President.

Lee District Supervisor Jeff McKay quickly announced his candidacy to succeed Bulova and others may also enter the fray. AOBA will seek to provide members opportunities to interface with the County’s new elected leadership as we continue to develop new working relationships with the goal of maintaining the County’s pro-business approach.
A Festive Party with a Waterfront View

Thanks to nearly 600 members who joined us for the AOBA’s Holiday Party on December 6th at the Intercontinental Hotel–The Wharf on the stunning Southwest Waterfront. The night included an elegant reception with fantastic cuisine, “Constellation” martinis and Open Bar cocktails, talented musicians and lots of time to relax and enjoy.

We appreciate the strong member support of this year-end event, made possible by the following generous 2018 sponsors:

MARTINI & WINE BAR

HOLIDAY DECOR

ENTERTAINMENT

DESSERT

PHOTOGRAPHY

OPEN BAR

Meet Your TOBY Committee Chair
Kathryn Clement
Senior Vice President, Third Party Asset Services, JBG SMITH

A property management executive who has been with JBG SMITH (and its predecessor Vornado/Charles E. Smith) for more than 15 years, Kathryn grew up in Williamsburg, VA and moved to DC after college. She has been active with AOBA for many years, and agreed to lead AOBA’s TOBY Committee for 2019, taking over from Pam Anderson, Federal Home Loan Mortgage Corporation.

What drew you to volunteer to assist AOBA with the TOBY program?
I have been involved with the TOBY program since at least 2003 – as a participant and judge. I truly enjoy seeing the pride that people have in their properties when they are touring judges through the buildings. Developed by BOMA International, the TOBY program celebrates the “best of the best” in our industry and I enjoy being a part of it and helping teams get there.

What would you tell others about participating in the TOBY Awards process?
It may sound cliché but participating in the TOBY award process is one of the most rewarding things you can do. It builds a close bond within your property team and you will learn new things about yourself and your building. Also, WE ARE HERE TO HELP YOU! AOBA’s TOBY Committee is committed to helping you understand the judging process, provide pre-tour support and answer any questions you may have along the way. We look forward to seeing your entries in 2019! (see Commercial Awards article on page 2)
Meet Your Association President

At the Annual Meeting, Jackie Duke, Brookfield Office Properties’ Senior Vice President of Operations for the Greater DC Region, will take the leadership helm at AOBA. (Jackie is pictured at center with 2018 President Arianna Royster at left, and AOBA Executive VP Peggy Jeffers.)

Jackie is responsible for the oversight of operations for 6.5 million square feet of commercial office space, with a portfolio of 30 assets in Washington, DC that employ more than 90 Brookfield employees.

With a degree in Business Administration, Jackie holds a Certified Property Manager (CPM) designation and is LEED GA certified. She has served as Chair of the Board of Directors for Special Olympics DC, and as a member of the Board of Directors for the Downtown DC Business Improvement District.

What brought you to the DMV?
My husband and I were living in Arizona after college. We wanted to come back to the east coast, closer to our families in Southwestern Pennsylvania and chose the DC area. That was 30 years ago.

Please tell us how you landed in property management?
Like most of us, I fell into it. The first job I landed after college was as a leasing agent for a residential management company and I have been in some form of the field ever since.

Why did you choose to get engaged with AOBA and what’s your priority looking forward?
I chose to get involved because I could see the real benefits of AOBA’s advocacy efforts for our industry. I am excited to bring the next generation of management professionals into the organization and really get them involved through the new Emerging Leaders Council (see page 1). I think it is not only a great opportunity for them but will bring some new life to AOBA’s programs.

Any personal interests that you’d like to share?
I am very much a homebody but love visiting my daughters in Richmond, trying new restaurants and pretty much anything to do with music. I am also passionate about my involvement with Special Olympics DC.

Congrats to These Recent BOMI Graduates!

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<tr>
<th>Name</th>
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<tr>
<td>Tiffany Nicole Jordan</td>
<td>Columbia Property Trust</td>
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<td>Caroline Eshelman</td>
<td>Akridge</td>
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<td>Jennifer Crump Anderson</td>
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<td>John Evancho</td>
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AOBA GOLF TOURNAMENT
September 16, 2019
Woodmont Country Club

Save the date for the industry’s best golf competition!
relocation from Pepco customers. The underground relocation of lines and facilities, as well as the recovery of the related costs, was authorized by legislation approved by the DC Council and Mayor. This legislation also dictated how the cost of the underground relocation would be allocated – or split – between residential and commercial customers and authorized the recovery of $500 million over a six-year period from Pepco customers to pay for the relocation of the lines and facilities.

In approving the proposal, the DCPSC dismissed AOBA’s request for a hearing on the underground relocation of the power lines and facilities, and summarily adopted the cost allocation mandated by the legislation. The DCPSC also rejected AOBA’s claim that the legislation exceeded the Council’s authority. As finally adopted, the DCPSC allocated – or charged – approximately 90% of the authorized $500 million to commercial customers, many of whom are AOBA members.

What’s Next?
Given the impact of the 90% allocation on AOBA members, the rejection of the statutory challenge and the fact that AOBA was not afforded a hearing, AOBA appealed the DCPSC decision to the DC Court of Appeals. At press time, the DC Court of Appeals decision was pending.

Educational Foundation Awards
First Scholarship to NAPEEF

The AOBA Educational Foundation’s first scholarship award of $5,000 was presented to the Educational Foundation of the National Association of Power Engineers (NAPEEF) in December to help offset costs of NAPEEF’s innovative, new “Ready 2 Work” program.

“We are very grateful to receive this generous contribution to NAPEEF’s successful Ready 2 Work program. While some of these funds will be used to underwrite curriculum development costs, $2,000 of this grant will be earmarked for four $500 scholarships to be used for Ready 2 Work classes in 2019,” said Pamela Haberstroh, NAPEEF Executive Director.

The AOBA Educational Foundation was formed in 2017 to support the development of the building engineering profession. The Foundation offered its first paid internship program for building engineers during the summer of 2018. Expanded plans for 2019 are detailed in a flyer included with this issue.

To learn more, please visit the Foundation’s website at: www.aobafoundation.org.
It's once again time to give your maintenance staff the spotlight they deserve!

Your maintenance team is cordially invited to participate in AOBA's 8th annual NAA Maintenance Mania competition. Please see registration material online at aoba-metro.org/events.

This year's program is scheduled April 11th at Martins Crosswinds in Greenbelt, MD. This exciting and fun NAA competition is designed to recognize and reward your hard-working maintenance staff. There are opportunities to win lots of cash and great prizes, AND a chance to advance to the National Competition, to be held at NAA’s Convention, June 26 - 28, 2019 in Denver, CO.

To prepare, your maintenance professionals are encouraged to participate in complimentary, pre-event Practice Sessions on Feb. 8, Feb. 22, March 8 and March 22 from 8:00am to Noon, and on April 5 from 8:00am to 4:00pm. This year, all practice sessions will be held at SERVPRO of Rockville in Rockville, MD and RSVP is not required.

Note: the 2019 Maintenance Mania competition will no longer include a ceiling fan competition; instead, a heating element installation competition will be featured.

Interested in gaining visibility for your firm at this popular multifamily event? Please contact Jeanne Clark regarding 2019 Maintenance Mania sponsorship opportunities at jclarke@aoba-metro.org.