Join our celebration of commercial property excellence as AOBA presents three prestigious categories of awards.

COMMERCIAL AWARDS CELEBRATION★★★★★

Fairmont Hotel, Georgetown | June 13, 2019
6:00 pm Networking Reception | 7:00 – 9:30 pm Awards Program

Event registration will open in March

AOBA’s Commercial Awards offer well-deserved recognition to the amazing commercial managers, emergency preparedness programs and commercial building engineers within our region. It also provides a much-needed break from daily building operations and it feels great to win! To be recognized as best in class, in front of a crowd of DC commercial management VIPs, is a special moment. The team at AOBA encourages you to submit your nominations for one or all three unique Commercial Awards programs:

• The Outstanding Building of the Year (TOBY): Submission deadline is March 15, 2019.
• K.E.E.P. Awards: Submission deadline is March 22, 2019.
• Engineer of the Year Awards: Submission deadline is March 22, 2019.

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Thanks to more than 200 members who gathered for AOBA’s 2019 Annual Meeting at the Mayflower Hotel in January, when Jackie Duke of Brookfield (at podium) officially stepped up to serve as AOBA President.

Foundation Update:

2019 AEF Paid Internship Program
Applications Due by March 31

Following a pilot program in 2018, the AOBA Educational Foundation (AEF) has launched its 2019 AEF Paid Internship Program. Applications for this hands-on program, due by March 31st, are available on the Foundation’s new website at aobafoundation.org.

New Website Promotes Careers in Building Operations and Maintenance

In addition to details regarding the summer Internship program, the AOBA Foundation’s new website includes the following information: Continued on page 5 >>

AOBA Hosts New Emerging Leadership Council

As a major new program for 2019, AOBA launched the Emerging Leaders Council (ELC) for property management professionals, with three to 10 years of property management experience, who are members of the Association. The goal of ELC in 2019 is to deliver personal and professional development and networking

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and Grease (FOG) fee. These fees will enable the District to prevent additional clogging and deterioration of pipes caused by a backlog of these elements. The BPIF is designed to recover the costs of the existing program, including tracking, inspection, and enforcement, plus additional, anticipated inspections and reporting. If implemented, the BFIP will increase inspection frequency from once every 12 years to once every five years. The proposed FOG fee, designed to help prevent fats, oils, and grease from entering (and clogging) the sewer system, would recover the costs of inspection and enforcement.

Member Action: Member feedback on these fees is encouraged. Please contact Kirsten Williams, kwilliams@aoba-metro.org with comments.

ARE YOU PREPARED FOR DC’S PAID FAMILY LEAVE TAX? In less than six months, the District will begin the collection of taxes – 0.62 percent of employee wages – from employers for the implementation of the Paid Leave Act. As a reminder, to qualify for Paid Family Leave (PFL) benefits, an individual must be a part-time or full-time employee in the District. To assist employers, the Office of Paid Family Leave will hold another webinar on March 20 at 1:30 p.m. Register online at: https://bit.ly/pfltaxwebinar.

FY2020 BUDGET DISCUSSIONS TO ASSESS IMPACT OF NEW REVENUE SOURCES Mayor Bowser’s Fiscal Year 2020 budget will be released on March 20. While funding for key priorities is certain, questions remain regarding how the District will handle new revenue sources and challenges, including the impact of the federal government shutdown. As members may recall, the Fiscal Year 2019 budget posed concerns. AOBA was ultimately successful in obtaining a reduction in the tax rate for properties that would be most impacted by the new two-tier structure. However, it is evident that the District’s political leaders often think of taxing commercial real estate as a preeminent source of revenue to assist with budget shortfalls.

COMMERCIAL AWARDS CELEBRATION  Continued from page 1 >>
For more information about the awards program, please visit: www.aoba-metro.org/award-celebration or contact Annabel Bendz, at ABendz@AOBA-metro.org or 202.296.3390 ext. 763.

COMMERCIAL AWARDS EVENT SPONSORS
STATE ASSEMBLY APPROACHES BILL FILING DEADLINE

At press time, the pace of the Maryland General Assembly was accelerating as the Senate and House pass their bill filing deadlines. AOBA’s Maryland Government Affairs Committee meets Monday afternoons to review legislation. Please contact AOBA Maryland VP Ron Wineholt, rwineholt@aoba-metro.org, to participate on the Committee.

AOBA will be actively engaged on the following bills during the remainder of the 2019 Session:

- **Montgomery County – Just Cause Eviction** – AOBA fielded a strong panel of opponents at the Delegation’s Dec. 3 public hearing in Rockville. The state legislation would require residential rental property owners in Montgomery County to renew a tenant’s lease forever unless they can prove at least one of seven listed “just causes” for non-renewal, making it much more difficult to remove problem tenants. We will continue to strongly oppose the bill and work for its defeat. The bill is currently under consideration in the Economic Development Committee of the Montgomery County Delegation.

- **Assessment Notices and Orders – Email** – SB 59 would authorize the State Department of Assessments and Taxation to provide income and expense form requests, real and personal property assessment notices, final notices, and certain other notices to property owners by email, if the owner has provided the Department within the past 3 years an email address for receiving notices. Currently such notices must be provided by first class or certified mail, depending on the type of notice. AOBA is supporting the bill with amendments to tighten and clarify the bill’s language.

- **Charges Collectible as Rent – SB 366** would provide clearer statutory authority for landlords to collect utilities and other charges as rent, if those charges are distinctly set apart in a written lease. The bill also requires that any system of RUBS be specified in the lease, and that a landlord provide a tenant, on written request, information to document a bill for utilities. AOBA supports this bill, as it attempts to add certainty to the collection of other charges as part of summary ejectment.

- **Broadband Services – Exclusive Agreements – HB 23** would prohibit the owner of a rental residential building that receives financial assistance for the construction or rehabilitation of the building from the State DHCD from entering into or renewing an exclusive access agreement with an Internet provider, or a television provider for the building. AOBA is strongly opposing this legislation.

- **Carbon Monoxide Alarms – HB 70** would clarify that a rental dwelling is required to install a carbon monoxide alarm only if it contains a device that emits carbon monoxide or has an adjacent enclosed unventilated attached garage. AOBA supports this bill.

- **State Tax Credits – Purple Line Construction – HB 313** would provide a state income tax credit and state property tax credit for a qualified business that incurs a loss of business income resulting from construction of the Purple Line. AOBA supports this legislation.

- **Source of Income – HB 451** would add discrimination based on “source of income” to the list of prohibited practices under the housing policy of the State. AOBA has opposed similar legislation for many years, which would effectively mandate rental housing providers to participate in the Housing Choice Voucher program.

- **Residential Leases – Definition of Rent – HB 473** would provide that under a residential lease “rent” (1) means the fixed periodic sum for use and possession of the leased premises; and (2) does not include any additional payments due from the tenant to the landlord under the lease. AOBA opposes this bill since it would eliminate any possibility of a rental housing provider collecting through the summary ejectment process other charges deemed collectible as rent in the lease.

MONTGOMERY COUNTY COUNCIL NEARS APPROVAL OF “TROUBLED PROPERTIES” REGS

As a reminder, the Planning, Housing, and Economic Development Committee convened in February to discuss and approve proposed regulations regarding the “Troubled Property” designation for multifamily rental properties. The matter will now go before the full Council for final approval of the regulations. AOBA will notify members of the regulations’ effective date, and the Maryland Government Affairs section of AOBA’s website includes additional information on the new inspection protocol.

PRINCE GEORGE’S COUNTY PROMOTES AMAZON INCENTIVES

The Prince George’s County Economic Development Corporation is reaching out to AOBA members to encourage providing rental incentives to Amazon employees locating in the County. The County suggests offering Preferred Employer Program (PEP) incentives to attract Amazon HQ2 employees to your properties. If you are able to offer PEP incentives to Amazon employees, please notify David Lewis at dklewis@pgcedc.com or at (301)583-4609.
AOBA RACKS UP LEGISLATIVE VICTORIES AS SCANDAL-PLAGUED SESSION DRAWS TO A CLOSE

Despite political controversies that have drawn attention away from the regular General Assembly’s legislative business, it has been business as usual for AOBA. As Virginia’s 45-day session draws to a close, AOBA is on pace to achieve 100% of its legislative agenda in a year in which the political spotlight was focused (at least initially) on housing issues. At press time, the fate of Virginia’s three Constitutional officers remains unsettled as the General Assembly. The Governor, Lieutenant Governor and Attorney General all find themselves embroiled in political controversy with persistent calls for their resignation from office.

Housing/Evictions

AOBA entered the 2019 session having endorsed a package of 11 bills aimed at reducing evictions without unduly impinging upon the ability of housing providers to responsibly and efficiently manage their properties. See the Virginia At Issue – February edition for more details on each bill.

At press time, each of the following measures has been enacted into law, is pending gubernatorial action, or is in the final stages of the legislative process, headed toward enactment:

- S.B. 1626 reforms Virginia’s appeal bond procedure to require only that a tenant remain current on rent paid into escrow. This eliminates a significant barrier to tenant appeals.
- H.B. 1922 and S.B. 1627 ensure timely and efficient consideration of unlawful detainer motions and protect tenants by requiring that proper termination notice be entered into evidence. The bills further eliminate the practice of repetitive unlawful detainer filings, which can disadvantage tenants seeking future housing.
- H.B. 2054 and S.B. 1676 codify best industry practice of providing a written lease to protect tenants against bad actors within the housing industry and stipulates the terms that apply when a housing provider fails in their obligation.
- H.B. 2007 and S.B. 1448 vacate a writ of possession after 180 days to guard against retaliatory evictions while allowing sufficient time for offline payment arrangements between the housing provider and tenant in order to avoid eviction.
- H.B. 1898 and S.B. 1445 extend the timeline on a tenant’s one-time right of redemption, granting tenants additional time to “pay to stay.”
- H.B. 2655 and S.B. 1450 establish a pilot eviction diversion program to allow tenants with an otherwise strong rental history to recover from a financial setback and enter a payment plan to get back into good standing.

Overreaching Initiatives Related to Housing/Evictions

Source of Income: AOBA once again worked to defeat legislation that would add “source of income” to the list of protected classes under Virginia’s fair housing law. The practical effect of this change would be to effectively mandate acceptance of federal Housing Choice (“Section 8”) vouchers. Characterized by advocates as a discriminatory action, many housing providers choose not to participate in the voluntary program due to the extreme costs and regulatory burdens associated with its administration. The bill did not receive a hearing this year, but will almost certainly be back again before the General Assembly in 2020.

Nearly Tripling the Pay-or-Quit Notice Timeline: H.B. 1860 and S.B. 1438 would have changed the required pay-or-quit notice from 5 days to 14 days, significantly elongating the eviction process. AOBA registered its strong opposition to the bills, which were subsequently defeated in Committee.

Protecting Long-Term Commercial Leases

AOBA worked towards the passage of H.B. 2287 and S.B. 1422. AOBA joined as part of a coalition to secure the introduction of the two bills in response to a court decision which threatened the validity of long-term commercial leases of over five years, that were not executed under seal and in the form of a deed. Without this legislation, either party would have the ability to break such a lease and escape from their obligations at any time. The bills were adopted unanimously by the General Assembly on an emergency basis and signed by the Governor. The legislation takes effect immediately, removing the requirement that future leases are executed in such a manner. The bill also retroactively protects the validity of existing leases not adopted in the form of a deed.

Working to Establish a Tax Court in Virginia

AOBA requested legislation to initiate a study of options as a first step towards the establishment of a tax court in Virginia. Stay tuned for details.

Big Changes Coming for Residential Landlord Tenant Act

Legislation currently making its way through the Virginia General Assembly would enact significant changes to the Virginia Residential Landlord Tenant Act. The changes are as result of a multi-year effort by the Virginia Code Commission to reorganize Title 55 of the Code of Virginia to remove and update obsolete and outdated provisions and make the code section more user friendly. But the changes could potentially cause some initial confusion among those practitioners who are well-versed in the existing code structure.

Each year, AOBA partners with highly respected local law firm Compton & Duling to host a free landlord/tenant law seminar to provide an overview of obligations under the Act and to help members understand newly adopted provisions.

Next Steps: Stay tuned to the At Issue newsletter and the Virginia advocacy webpage for details on this year’s seminar.
MEMBER FEATURE: Liz Monteiro, Property Manager, Tishman Speyer

How did you begin your career in property management?
Like many in this field, I did not set out to work directly in property management. I’ve worked for Tishman Speyer for over 13 years at various properties throughout the District and in Maryland. However, in one of my first roles, my position as a Corporate Concierge, I found myself handling additional duties related to tenant requests and general property operations. I have always maintained a proactive attitude regarding problem solving and I have always been willing to work as a member of an efficient team. I think this is what caught the eye of the Owner\Manager at my company and led to my career launch. I was eventually offered a promotion into the Tenant Services Coordinator role and that is where I learned that this was the industry for me. To prepare to thrive in property management, I began taking industry courses. I was eager to learn all that I could about building operations and any areas of knowledge covering tenant relations.

Why AOBA and what is the value of membership?
AOBA and its professional members are invaluable partners for property managers and building owners. Membership provides an opportunity to participate in legislative meetings and to engage in committee work that contributes to our impact around the region. AOBA allows members to have a ‘voice’. AOBA makes sure that our concerns are heard and that best practices are shared.

What are some of the industry challenges that membership assists you in facing?
In our industry the utility and energy markets present unique challenges. The utilities are one of the largest expenses that a property incurs and they have a direct and significant financial impact on both tenants and property owners. AOBA is proactive in providing members with timely details about proposed rate hikes and pending or approved legislation, such as the Clean Energy Act.

What are your thoughts on mentoring emerging leaders?
I am an advocate for all levels of mentoring, especially for the emerging leaders in this industry. I believe it’s a positive situation when we are able to share experiences and “best in class” practices. The PM life can be unpredictable and a typical work day changes day-to-day. How you manage your time and priorities can be the difference between good tenant service and mitigating any building operation challenges. Property staff must have the tools and resources to perform their duties effectively. Having a seasoned mentor is beneficial as they become a part of your network and stand ready to provide support when needed.

In your view, what are the key skills needed for the next generation of property managers to thrive?
In my view, emerging leaders in the property management industry need a general understanding of all areas that impact property operations. Those not experienced in the field assume that property management is limited to managing repairs orders, building maintenance and keeping tenant spaces cool. However, my duties extend far beyond that. For example, it is imperative that PMs understand property taxes and how local and/or state taxes impact their properties’ expenses, or managing city issues in a timely fashion — such as knowing whether a new bike lane will impact your tenants’ daily access. I have found that attending AOBA meetings has been a time saver in terms of research, and has also been a great resource for experienced managers to extend their networks.

Spread the Word: Seeking Qualified Candidates
Scheduled June 3 through August 23, the 2019 AEF Paid Internship Program is possible thanks to the generous support of commercial owner/manager members. Currently, AEF staff is soliciting Internship candidates from area community colleges, trade schools and selected high schools.

Each intern will be paid $15 per hour and will work for an AOBA member firm for the 12-week program (expanded from eight weeks in 2018.) In addition to weekly training sessions that will incorporate the NAPE Educational Foundation’s “Intro to Engineering” and “Principles of Electricity” courses, AEF staff will work one-on-one with the interns to help them land industry jobs.

Sean Smith (far left), Donnie Brown and Diane Peters of JLL gather at a AOBA Educational Foundation reception on February 5.
Mark Your Calendar for these Signature Programs

Learn more at aoba-metro.org/events

TOBY Awards
2019 NAA Maintenance Mania
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Thursday, April 11
12:00 PM - 7:00 PM
Martins Crosswinds in Greenbelt, MD
This exciting annual competition is designed to recognize and reward your hard-working multifamily maintenance staff.

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COMMERCIAL AWARDS CELEBRATION ★★★★★
2019 Commercial Awards Celebration
Thursday, June 13
6:00 PM - 9:30 PM
Fairmont Hotel
At June’s AOBA Commercial Awards, building property managers and their teams are recognized for excellent management of their commercial building properties located in the DMV area.

AOBA Golf Tournament
Monday, Sept. 17
9:00 AM to 6:00 PM
Woodmont Country Club
We look forward to seeing everyone for a great day of golf at Woodmont. Thanks to all sponsors for your generous participation!

2019 AOBA Holiday Party
Date TBA
Members look forward to this festive, year-end event which often sells out! The night includes an elegant reception with fantastic cuisine, martinis and Open Bar cocktails, talented musicians and lots of time to relax and enjoy.

What’s in it for Me and My Company?

Individual/Team
• It feels great to win! Going up on stage with your team in front of a crowd of DC commercial management VIPs is a special moment. Displaying the trophy is a great way to feel special and recognized.
• The Grand local winning team gets a prize in addition to their building trophy! This is for the building that has the highest score among all categories.
• It is an opportunity to distinguish yourself among your peers within your organization and in the industry. A TOBY award is a great addition to your resume and Linkedin profile.
• Gets you out of your office and reminds you about how rewarding and exciting commercial management can be.
• Your team bonds through the process, leading to working more efficiently and effectively together.
• Gain an in-depth understanding of your building. Teams can incorporate comments from the judges to help improve the building and operations. This helps you manage your building more effectively and enhance tenant satisfaction.
• Different team members can gain an understanding of different skill sets, e.g. the engineers can see what PMs are thinking about day to day.
• Regional process: written description of building systems becomes a reference point for a variety of uses.
• For properties that are not BOMA 360 certified, TOBY-award winning buildings have an opportunity to receive the certification by submitting only a few minor requirements. Yet another opportunity to distinguish yourselves among your peers.

Ownership
• Enhances leasing/marketing of the property. Tenants want to be in a building that is well-managed and feel like they are getting value for their operating expense pro rata share.
• It effectively becomes an audit of your property’s management services. Judged by a third-party, the results are unbiased.
• The TOBY process is an opportunity to give the building a fresh look by painting common areas and addressing minor repairs that are needed.
• Teams can incorporate comments from the judges to help improve the building and operations.
• Regional process: written description of building systems becomes a reference point for a variety of uses – leasing packages, appraisals, insurance inspections, etc.

Management Company
• Enhances your marketing package for third-party management and building owner transitions. It is an opportunity to distinguish your company among others.
• Teams can incorporate comments from the judges to help improve the building and operations. These can also be shared with other property teams.
• Competition and recognition can be contagious – other teams will be motivated to achieve the award and standards rise throughout your company’s portfolio.
• It effectively becomes an audit of your company’s management services and an opportunity to find improvements.
opportunities to young professionals in the industry, while developing future leaders for AOBA and the industry at large.

“We believe that the future success of our Association depends on engaging more professionals at all levels. This new Council will support AOBA by engaging and educating other newer-to-industry 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 Jackie Duke, Senior Vice President-Operations, Brookfield and AOBA’s President-elect.

In February, 35 members of the Emerging Leadership Council (ELC) were invited to AOBA headquarters. Members took the opportunity to both network and learn more about AOBA’s core programs and events. After introductions, ELC members asked questions of industry executives and explored topics such as government affairs, emergency preparedness, fundraising, and community impact.

The CleanEnergy bill was transmitted to Congress on Feb. 7, 2019. The projected date for this DC bill to become law is April 4, 2019, since there is a 30-day Congressional review period required. However, a straight 30-day calendar period could place the effective date of this bill as early as March 8, 2019. Members with DC properties should act now, review their existing electric supply agreements and understand their options to potentially mitigate these increases.

On Jan. 18, 2019, Mayor Muriel Bowser signed the “CleanEnergy DC Omnibus Amendment Act of 2018” into law (pictured above, including AOBA’s Kirsten Williams second from right). The bill contains sweeping changes to the energy landscape in the District and includes several changes to the existing Renewable Portfolio Standards (“RPS”) program. The bill’s impact also includes a significant increase in the existing RPS which will require a 100% clean energy supply for all customers in the District by 2032. Based on current market conditions, new contracts for supply for 2019-2021 could see an estimated increase of $2.00/ mwh or more ($0.002/kwh) for customers in the near term.

AOBA successfully lobbied to include a grandfathering provision for current electricity supply contracts that would extend the current RPS standards through Dec. 31, 2021.

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 for April 11 at Martin’s Crosswinds in Greenbelt, MD. This exciting and fun NAA competition is designed to recognize and reward your hardworking 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 25-28, 2019 in Denver, CO.

To prepare, your maintenance professionals are encouraged to participate in a complimentary, pre-event Practice Sessions Mar 22 from 8am to Noon, and the practice session on April 5 will run 8am to 4pm. All sessions will be held at SERVPRO of Rockville at 850 E. Gude Drive, Suite H, Rockville, MD. RSVP is not required for this training session.

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

Currently, most energy efficiency programs offered by the DCSEU provide customers with rebates based on a project’s estimated future energy savings. With the DCSEU’s new Pay for Performance (P4P) program, select existing commercial and institutional buildings will now be eligible to receive incentives based on the measured change in energy usage after project implementation. P4P programs can help in calculating savings in complex efficiency projects where it is difficult to estimate savings in advance. This is especially true when building owners and managers incorporate behavioral or operational changes that impact energy use.

Watch for additional details on the program – coming soon!
Why did you select to serve AOBA and our members? AOBA has been a valuable resource for me throughout my career, so I wanted to help support the association and contribute to its efforts in a larger capacity.

Tell us about your career and what are a few highlights that contributed to your rise to Vice President of Commercial Operations for JBG SMITH. I began my career working part-time for a real estate title company in college. After graduating, I sought positions in property management. I discovered that I enjoyed the variety and challenging nature of the field. In the district, the recent repositioning of L’Enfant Plaza in Southwest is a project to which I was particularly close. My role was to lead the property management team. We were trusted with the difficult task of operating a large mixed-use portfolio during 8+ years of major construction activities. Working with my team, and seeing them advance in their own careers, has been a source of pride for me. Prior to that, I managed the U.S. Department of Transportation headquarters in Southeast DC. This was a project that served as an anchor to the Capital Riverfront revitalization when it was first gaining momentum (a decade ago). In my current role, I have the opportunity to support the property management teams across the JBG SMITH portfolio and work collaboratively on many exciting projects.

How can we cultivate the next generation of leaders and ensure that they have the skills to thrive in our industry? In my view, by ensuring that they have the practical skills required. Our industry should continue to provide fundamental course content, but we should also increase our focus on the use of technology. New ways to utilize property data are being developed faster than ever and remaining on pace with those developments is a core skill. Cultivating leadership is more difficult. I think some formal instruction on leadership is helpful, but cultivating the next generation will be largely dependent on employers providing real leadership opportunities to rising talent. Beyond that, we should encourage creative and entrepreneurial thinking, as our industry will continue to evolve and will require leaders with the ability to adapt.

What is the area that you wish to focus on enhancing as a new AOBA board member? I want to contribute to the board’s work on commercial office issues, particularly those that relate to real estate management. However, I’m hoping to be able to contribute in a variety of ways.