

MINUTES OF REGULAR MEETING OF THE
 COMMISSIONERS OF THE
 CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

The Commissioners of the City of Roanoke Redevelopment and Housing Authority met for a regular session on Monday, December 18, 2017, in the offices of the City of Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike, NW, in the City of Roanoke, Virginia.

I. CALL TO ORDER – ROLL CALL

Chair Burruss called the meeting to order at 3:05 p.m. and declared that a quorum was present.

PRESENT:	Commissioners Anguiano, Karnes, Smith, Garner and and Burruss
ABSENT:	Commissioners Butler and Witten
OFFICER PRESENT:	Mrs. Glenda Edwards Goh, Secretary-Treasurer
ALSO PRESENT:	Jackie Austin, VP of Finance/CFO; David Bustamante, VP of Housing; Stephanie Cooperstein, Section 3 Coordinator; Frederick Gusler, Director of Redevelopment and Revitalization; Mark Loftis, Legal Counsel; Joel Shank, VP of Operations; Dezaray Allaire, Executive Assistant; Kelly Martin, Senior Executive Assistant

Chair Burruss welcomed everyone to today's meeting.

II. REPORTS

1. Financial Report

Chair Burruss stated that Mrs. Austin provided a Financial Narrative along with a

Financial Report.

Chair Burruss asked if there were any comments or questions.

Responding to the request from Commissioner Anguiano, concerning the item in the Financial Report listing a loan of \$300,000 for Hurt Park, Mrs. Austin explained that this loan originated when the Hurt Park LP development was built, around 2008. She stated that during the summer of 2017, Mr. Shank was compiling information, regarding planned construction of new units, and staff in the finance department discovered that the land was not listed on RRHA's books. Mrs. Austin stated that staff had thought that all the land was transferred from RRHA to Hurt Park LP; however, RRHA had actually retained title to several parcels of land. She stated that, while researching this land transfer, staff also discovered that there was a loan that is due between 2035 and 2037.

Mr. Loftis added that the loan was a mechanism to secure repayment of funds, that were provided to the project, in the event that the LP were to either try to sell the property or to cease using it for the agreed upon purpose. Mr. Loftis stated that there was no intent for the loan to be repaid assuming the obligations are performed.

Vice Chair Garner asked if there are additional off balance sheet transactions that might be revealed somewhere down the road and did this situation with the loan only occur due to the deferred payment aspect. Mr. Loftis responded that he is not aware of any other items that are not shown on the financial statements. He was not involved with the Hurt Park LP transaction personally but, to the best of his knowledge, it simply was not recorded because there was no expectation that the note would ever have to be called or repaid.

Mrs. Goh stated that she believes that this may have happened due to a difference in the point of view of accountants compared to attorneys. She said that, if the accounting staff had been in the room when the papers were being prepared, regardless of expectation of repayment, this loan would have been listed on the books at that time. Mrs. Goh explained there were a number of documents to sign in order to complete the property and tax credit transactions. She stated that she did not recall that there was a loan note among the documents.

Mrs. Goh clarified that Hurt Park was intended to be a Phase 1 and a Phase 2 development, and the first disposition was only of the property that would constitute Phase 1; however, the accounting department did not receive that information. Therefore, she said, when the property was transferred to the LP, they thought all the parcels that were in the public housing development had been transferred but, in fact, some of them were reserved for Phase 2 and RRHA still owns those parcels. She stated that staff became aware of the loan note while these details were being researched.

Mr. Loftis went on to say that as he recalls the loan reflects HUD funds that flowed through the City to the project, and the note was intended to ensure that the property was used for affordable housing for thirty years.

Chair Burruss asked if there were any other comments or questions. There were none.

2. Executive Director's Report

Chair Burruss asked for the Executive Director's report.

Mrs. Goh stated that, in addition to her written report provided to the Commissioners with the Board meeting materials, she wanted to update the Board on the Legislative Committee conference call that was held this morning, concerning the Governor's budget proposal. She stated that there are some items included significant to redevelopment; however, those items are premised on funding becoming available through Medicaid expansion. Mrs. Goh said that 7.5 million dollars in funding is included in the Governor's proposed budget for the Virginia Grocery Investment Fund to incentivize development of grocery stores in food desert areas. She explained that Roanoke has food desert areas, so that funding may benefit Roanoke if it becomes available in the final budget. Mrs. Goh explained that food desert areas are where individuals do not have easy access to fresh produce and grocery stores.

Mrs. Goh thanked the Board for attending the staff holiday recognition luncheon on Friday, December 15, 2017. She stated that this was appreciated by the RRHA staff.

3. Staff Reports

Chair Burruss asked Stephanie Cooperstein to report on the Section 3 program.

Mrs. Cooperstein began by providing an overview of Section 3. She explained that Section 3 is a HUD regulation which specifies that economic opportunities, such as hiring or contracting, that arise from the use of HUD Section 3 covered funds should be directed to low and very low income people to the maximum extent feasible. Mrs. Cooperstein said that Section 3 meshes very well with RRHA's mission to help promote self-sufficiency, but it is also a requirement set by HUD.

Mrs. Cooperstein indicated that because RRHA is a housing authority, there is a zero dollar threshold for Section 3 applicability, which means that all monies RRHA

spends that create economic opportunities have to comply with Section 3. She also said that the regulation extends to RRHA's contracted vendors.

Mrs. Cooperstein submitted RRHA's Annual Report for FY 2017 last week. She explained that she reports on Section 3 covered funds, including the public housing operating fund, Capital Fund, and Resident Opportunities for Self-Sufficiency (ROSS) grants. She stated that she was very pleased especially with RRHA's performance on the hiring goal. Mrs. Cooperstein said that the goal set by HUD is that 30 percent of all new hires should be Section 3 residents, and RRHA exceeded that with 65 percent last year. She explained that this is an increase of 5 percent compared to the prior year. She reported that, of the 65 percent, 43 percent of the Section 3 hires were public housing residents or Housing Choice Voucher (HCV) participants. Mrs. Cooperstein clarified that individuals qualify as Section 3 residents if they reside in public housing, participate in HCV, or live in the Roanoke Metropolitan Statistical Area (MSA) and have incomes within the low or very low income housing guidelines set by HUD.

She stated that, of all the applicants interviewed last year, 51 percent were Section 3 residents. Mrs. Cooperstein told the Board she attributed the increase partially to her collaborating with RRHA's Human Resource Coordinator by attending job fairs. She said that this allowed her to spend time with each applicant explaining Section 3 and how to self-certify as a Section 3 resident.

Responding to Commissioner Anguiano's request for clarification of the meaning of self-certify, Mrs. Cooperstein explained the self-certification process for individuals who are applying for jobs. She stated that in the RRHA application, a form is provided for applicants to certify if they live in public housing, if they participate in HCV, or if they

have household income within the low income guidelines provided in the chart displayed on the form. She explained applicants who meet any of these three criteria qualify as Section 3 residents. Mrs. Cooperstein stated that she also attends job fairs held by RRHA's Resident Services staff as well as Feeding America events so she can meet and educate the people who live on RRHA properties about the Section 3 program.

Mrs. Cooperstein stated that the second goal is to have 10 percent of the total dollar amount of Section 3 covered contracts for building trades work for maintenance, repair, modernization or development to be awarded to Section 3 business concerns. She said this goal was exceeded for the operating fund at 52 percent and for the Capital Fund at 72 percent. She explained that the ROSS grants did not have any construction contracts this year.

Mrs. Cooperstein reported that the third goal is to award 3 percent of non-construction contracts to Section 3 business concerns, which RRHA exceeded with 11 percent for the operating fund. She said RRHA did not meet that goal for the Capital Fund or the ROSS grants. She stated that, in the Capital Fund, most of the contracts that were awarded last year were for A/E Services, Abatement, and Remediation Services, and none of the contractors self-certified as Section 3 business concerns. She reported that under the ROSS grants, contract expenditures were primarily for temporary employment services. She said that none of the temporary agencies self-certified as Section 3 business concerns.

Mrs. Cooperstein stated that, when the HUD Regional Administrator, Joe DeFelice, and Director of the HUD Richmond Field Office, Carrie Schmidt, visited RRHA

in August, they were very complimentary of RRHA's efforts and outcomes related to Section 3.

Mrs. Cooperstein stated that she is working toward RRHA meeting all of the goals next year and listed five focus areas for 2018.

She stated that she plans to continue educating contractors on how to self-certify as a Section 3 business concern. She said that she has tried to reach out to contractors and explain how to self-certify and the benefits to both contractors and residents, and she plans to continue these efforts in the coming year.

Mrs. Cooperstein reported that, secondly, she is working with Ms. Crow on drafting a proposal for temporary services, so that RRHA can have an ongoing contract with an agency, to assign temporary workers who are Section 3 residents to RRHA's assignments. She said she is hopeful that the temporary services contract can be awarded to a Section 3 business concern.

Mrs. Cooperstein stated that she will also be focusing on ensuring that Section 3 plans will be included with all submitted bids and quotations. She said that she understands that some professional services providers may not be able to find qualified Section 3 residents to hire for specialized positions; however, there may be other ways to provide opportunities for Section 3 residents. Mrs. Cooperstein explained that last year RRHA had a contractor who was able to provide a workshop with Section 3 residents on drywall and drywall repair. She said that it worked out well, and she is looking for additional opportunities to have contractors provide training to the residents.

Mrs. Cooperstein stated that the fourth item she has planned for 2018 involves utilizing an applicant tracking tool available in the new human resources software. She

explained that this would not only allow her to advertise RRHA openings online, but would allow the contractors to advertise their openings and get applications directly from Section 3 residents.

Lastly, Mrs. Cooperstein stated that she plans to continue to work with Section 3 residents who want to start their own businesses. She said this would create more resident owned businesses to provide services under contracts with RRHA in the future.

Commissioner Smith complimented Mrs. Cooperstein on her efforts and applauded RRHA's Section 3 successes. Commissioner Smith said that Mrs. Cooperstein has been very cooperative and meets monthly with the Joint Resident Council (JRC) to keep open communication regarding Section 3.

Mrs. Goh noted that Mrs. Cooperstein received an award on Friday at the staff recognition luncheon for her achievements. Mrs. Goh added that Mrs. Cooperstein has made a lot of progress and some of the seeds that she has sown will bear fruit in the future. Mrs. Goh stated that she believes that, even though RRHA has made significant progress on Section 3 goals this year, she believes the more important aspects of Mrs. Cooperstein's efforts include building a strong foundation for the future by holding monthly meetings with the JRC, the outreach she is doing with contractors and her ability to encourage others to come on board and embrace RRHA's Section 3 goals.

Vice Chair Garner asked for more information concerning the applicant tracking tool software. Vice Chair Garner stated that he remembered at one point RRHA encountered some difficulty in trying to get Section 8 landlords to accept electronic payments instead of checks. He stated that he was not sure what happened with that situation and asked if the applicant tracking tool would facilitate this challenge as well.

Mrs. Goh asked Mr. Bustamante to update the Commissioners regarding landlords transitioning to direct deposit. Mr. Bustamante responded that the number of landlords receiving payment by direct deposit varies, and RRHA still pays approximately 30 landlords by check.

Mrs. Goh reported that RRHA moved to direct deposit, and the majority of landlords now receive electronic payments. She explained that a part of the new software system is an applicant tracking system that will allow people to respond to RRHA's recruiting notices and advertising from the web by submitting an online application. She stated that the recruiting system will link to an onboarding system, so that all of the steps required to bring an employee on board, including the interviewing and hiring process will be electronic and integrated.

Mrs. Goh explained that the feature Mrs. Cooperstein referenced relates to the process of applying for employment online. She said the applicant will be able to self-certify for Section 3 when they apply online. Mrs. Goh stated Mrs. Cooperstein will also be able to post available contractor jobs in this new system. Mrs. Goh explained that this should facilitate Mrs. Cooperstein's efforts to connect qualified applicants who are Section 3 residents with contractors.

Mrs. Cooperstein agreed that is exactly her expectation. She clarified that right now she must post flyers at all RRHA sites and she also emails updated job postings so she can reach more people. She stated that she believes the new system will provide a valuable tool for the effort of connecting contractors with qualified Section 3 applicants.

Commissioner Garner mentioned that it was interesting that, although there are quite a number of improvements in the new software package which are superior to the

old one, he still believes that RRHA is a beta site based on the difficulties encountered with implementation.

Mrs. Goh agreed and said she is hopeful to be able to talk sometime in the future about how this is coming together and how well it is serving RRHA's needs. She explained that all these software modules operate in an integrated way so that the entire workflow beginning with employment or services applications will be electronic. Mrs. Goh stated that, once a person is in the system, if they change jobs or they become a resident, or if they are a resident and become an employee, data already in the system will not have to be re-entered. She said that the implementation has been resource intensive and frustrating; however, the new software should serve RRHA well going forward.

Commissioner Garner asked about security measures being taken to ensure that the new software does not make RRHA's systems vulnerable to intrusion. Mrs. Goh responded that Wayne DeHart, RRHA's IT Administrator, has worked diligently through the implementation process to ensure that additional doors are not opened that would make RRHA's servers vulnerable. She said that during the discussions with the software company, when they raise the possibility of features having access to RRHA's servers directly, Mr. DeHart has declined that type of configuration. He has worked with the software company on arrangements that allow data to be dropped off in a hosted location and picked up from there rather than tunneling directly into RRHA's servers. Mrs. Goh also stated that RRHA's data will reside on RRHA's servers, not in the cloud.

Mrs. Goh explained that the portals where the applicants apply are hosted on servers located elsewhere; RRHA will pick up that data through an electronic process and bring it in to RRHA's server.

Chair Burruss asked if it is a HUD requirement for Section 3 to support resident-owned businesses.

Mrs. Cooperstein replied that it is not a HUD requirement, but it is a suggestion and something RRHA staff feels is important. She said it is a way to not only comply with the regulations but to work well with the community. She explained that the idea is that a resident who owns his or her own business is putting money back into the community.

Chair Burruss asked how many residents have started their own businesses. Mrs. Cooperstein stated she is not aware of any in the past year, but Commissioner Smith may have more information.

Mrs. Goh said that she recalled that a resident started a moving company during the HOPE VI project. She said she believed the business helped with resident relocation.

Commissioner Smith confirmed and stated he thought the company was still in business.

Chair Burruss applauded the wisdom of connecting so closely with the Human Resources Department because Section 3 and the Human Resources Department are working hand in glove together to achieve these goals. She also thanked Mrs. Cooperstein for her energy and noted that she has achieved much in a relatively short period of time.

Mrs. Cooperstein thanked Chair Burruss and stated that she feels lucky because her role falls under Human Resources (HR). She has interacted with colleagues from many other agencies when attending conferences and had learned that most of them are not connected to HR, which creates more challenges for the Section 3 Coordinator.

4. Committee Reports

Chair Burruss asked if there were any committee reports. There were none.

5. Commissioner Comments

Chair Burruss asked if there were any Commissioner comments. There were none.

6. City Council Liaison Comments for Discussion

Chair Burruss said that Council Member Garland is not in attendance.

Mrs. Goh stated that due to the December meeting being moved to the third Monday, it conflicts with the City Council meeting, so Council Member Garland was unable to attend today's RRHA Board meeting.

7. Residents or other community members to address the Board

Chair Burruss stated there are no residents or other community members present to address the Board.

III. **CONSENT AGENDA**

C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, November 27, 2017.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as recorded.

C-2 Monthly Operations Report for the month of November 2017.

RECOMMENDED ACTION: File as submitted.

Commissioner Smith introduced a motion to approve the Consent Agenda. The motion was seconded by Vice Chair Garner and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Karnes, Smith, Vice Chair Garner, Chair Burruss

NAYS: None

Chair Burruss thereupon declared said motion carried as introduced.

IV. REGULAR AGENDA

Commissioner Anguiano introduced Resolution No. 3944 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY, PURSUANT TO ARTICLE III, SECTION 2 OF THE BYLAWS, DESIGNATING A DIFFERENT DATE FOR CERTAIN 2018 REGULAR MEETINGS OF THE BOARD OF COMMISSIONERS

WHEREAS, Article III, Section 2 of the Bylaws of the City of Roanoke Redevelopment and Housing Authority (RRHA) provides that the regular meeting of the Board of Commissioners shall be held the fourth Monday of each month at 3:00 p.m. at the RRHA office, 2624 Salem Turnpike, NW, Roanoke, Virginia; and

WHEREAS, Article III, Section 2 of the Bylaws of the RRHA provides that the Board of Commissioners may by resolution designate a different place, date, and/or time for any meeting; and

WHEREAS, it is in the best interest of RRHA to designate different dates for certain regular meetings of the Board of Commissioners in 2018.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that:

- (1) The regular meeting of the Board of Commissioners for the month of April 2018 shall be held on Monday, April 30, 2018 at 3:00 p.m. at the RRHA office, 2624 Salem Turnpike, NW, Roanoke, Virginia.

- (2) The regular meeting of the Board of Commissioners for the month of May 2018 shall be held on Monday, May 21, 2018 at 3:00 p.m. at the RRHA office, 2624 Salem Turnpike, NW, Roanoke, Virginia.
- (3) The regular meeting of the Board of Commissioners for the month of December 2018 shall be held on Monday, December 17, 2018 at 3:00 p.m. at the RRHA office, 2624 Salem Turnpike, NW, Roanoke, Virginia.

The motion was seconded by Commissioner Smith and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Karnes, Smith, Vice Chair Garner, Chair Burruss

NAYS: None

Chair Burruss thereupon declared said motion carried and Resolution No. 3944 adopted as introduced.

V. ADJOURNMENT

There being no further business to come before the Board, Commissioner Smith moved that the meeting be adjourned.

The motion was seconded by Commissioner Garner and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Karnes, Smith, Vice Chair Garner, Chair Burruss

NAYS: None

Chair Burruss declared the meeting adjourned at 3:35 p.m.



Gail Burruss, Chair



Glenda Edwards Goh, Secretary-Treasurer





CITY of ROANOKE REDEVELOPMENT
and HOUSING AUTHORITY

PARTNERS IN PROGRESS

DRAFT

Board of Commissioners Meeting Schedule 2018

Unless otherwise noted, meetings are scheduled at 3:00 p.m. on the fourth Monday of each month. Meeting location is RRHA Administration Building, 2624 Salem Turnpike NW, Roanoke, Virginia.

Monday, January 22, 2018

Monday, February 26, 2018

Monday, March 26, 2018

Monday, April 30, 2018*

Monday, May 21, 2018*

Monday, June 25, 2018

Monday, July 23, 2018

Monday, August 27, 2018

Monday, September 24, 2018

Monday, October 22, 2018

Monday, November 26, 2018

Monday, December 17, 2018*

* Pursuant to Resolution No. 3944 establishing dates for the April, May, and December regular meetings of the RRHA Board of Commissioners.

DRAFT - 2018 Board Meeting Schedule

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

MARCH						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

APRIL						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

MAY						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

JUNE						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

JULY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

AUGUST						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

SEPTEMBER						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

NOVEMBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DECEMBER						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

KEY:
 = Board Meeting

= Holiday - RRHA Offices Closed