

MINUTES OF A 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, April 27, 2015, 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 Witten called the meeting to order at 3:01 p.m. and declared that a quorum was present.

PRESENT: Commissioners Anguiano, Burruss, Butler, Garner, Karnes, Smith and Witten

ABSENT: None

OFFICER PRESENT: Glenda Edwards Goh, Secretary-Treasurer

ALSO PRESENT: Jackie Austin, VP of Finance/CFO; Christina Back, Human Resources and Executive Office Administrator; David Bustamante, VP of Housing; Nick Conte, Legal Counsel; Jessica Farmer, HCV Manager; Crystal Hall, Community Support Services Director; Donald Jump, Certified Public Accountant, Jump, Perry and Company, LLP; Angela Penn, TAP VP for Economic and Real Estate Development; John Prillaman, General Counsel; Lisa Reynolds, Site Manager; Joel Shank, VP of Operations; Desi Wynter, Director of Redevelopment and Modernization

Chair Witten welcomed everyone to today's meeting.

working through how that will impact the relationship relative to the Jobs-Plus Program grant, particularly as it relates to the location of the One Stop satellite center, currently at Goodwill. Crystal Hall has talked with the Workforce Investment Board Executive Director, and it appears that potential issues can be worked out by revising the MOA and working with the new provider.

Commissioner Butler stated that he spoke with the HUD regional representative from Philadelphia at the event for the Jobs-Plus Program grant announcement, and she emphasized that this was not just a case of this agency successfully completing the grant application and it being approved. They were looking for an agency that they have the utmost trust in to use the money in the most business like and constructive way possible. Commissioner Butler stated that it was much more than just a good job completing the application. HUD was placing a huge amount of confidence and trust in agencies to which these grants were awarded. He stated that he wanted to pass that along and commended the RRHA staff on a job well done.

Mrs. Goh thanked Commissioner Butler for sharing that information and complimenting the work of the RRHA staff.

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

3. Staff Reports

Chair Witten asked if there were any staff reports. There were none.

4. Committee Reports

Chair Witten asked if there were any committee reports.

Commissioner Garner stated that the Audit Committee had met earlier with

Smith, Witten

NAYS: None

Chair Witten thereupon declared said motion carried as introduced.

IV. **REGULAR AGENDA**

1. Audit Draft Presentation

Chair Witten introduced Donald E. Jump, Certified Public Accountant with Jump, Perry and Company, LLP.

Mr. Jump stated that he met with the Audit Committee earlier today and a couple of weeks ago had a phone conference with the Audit Committee, in which Chair Witten, Commissioner Garner, Mrs. Goh, and Ms. Austin participated. Mr. Jump stated that today he will provide a quick overview and discuss the audit report.

Mr. Jump stated that the Table of Contents is on page 2 and explained that the process consists of essentially two audits: the audit of the financial statements and the compliance audit. He referenced the Table of Contents, and noted that the report is divided into three sections. Pages 1 through 35 begins with the Independent Auditor's Report on page 1, followed by Management's Discussion and Analysis on page 4, and basic financial statements on page 10; this section comprises the financial statement audit. Pages 37 through 45 contain the details of the compliance audit. The last section is supplementary information required by HUD, predominantly the Financial Data Schedule which will be input into the REAC system.

Mr. Jump referred to the Independent Auditor's Report on page 1. The second section defines the responsibility of the management of the Authority. The primary responsible person would be Ms. Austin. The third section describes the auditor's

the financial requirements, and the auditors review compliance aspects involving the Authority's operation of HUD programs. The auditors' responsibility is to test those various items of compliance. The summary section of the report contains a description of the components of the compliance review. For this audit, the major programs selected were in the Housing Choice Voucher program cluster. In the previous year's audit, Public Housing and Public Housing Capital Fund Program were selected as major programs. Mr. Jump noted that, on page 39, the report states that, in the opinion of the auditors, the Authority complied, in all material respects, with the compliance requirements that could have a direct and material effect on each of its major programs. On page 40, the report addresses internal control over compliance for the major programs. The report includes a definition of what constitutes a deficiency and, once again, no deficiencies were identified.

Mr. Jump stated that there are two more pages which he would bring to the attention of Commissioners. On page 41, the Schedule of Expenditures of Federal Awards lists where funds came from and the amounts expended. Mr. Jump stated that page 43 contains a nice one page summary of everything that was just discussed. First, the Summary of Auditor's Results on the Financial Statement Section notes that the type of auditor's report is Unmodified, and there were no material weaknesses or significant deficiencies identified. The Federal Awards Section summarizes the compliance audit and notes that there were no material weaknesses or significant deficiencies identified, and the type of auditor's report issued on compliance for major programs is Unmodified. Mr. Jump stated that the audit resulted in no findings disclosed that are required to be reported in accordance with OMB Circular A-133

2. Resolution No. 3835

Mrs. Back requested adoption of Resolution No. 3835 approving a revised Personnel Policy regarding Bereavement Leave. The original date for Policy No. 316 regarding Bereavement Leave is December 20, 1996 and it was last revised on July 1, 2011. The proposed revisions to this policy include better defining the purpose and policy statements and adding the statement that separates policy from procedure. Revisions also include specifically defining family members as it pertains to Bereavement Leave and changing the timeframe for bereavement leave from three consecutive scheduled workdays to three scheduled workdays within seven calendar days of the date of death of a family member. Mrs. Back stated that the Personnel Committee supports and recommends approval of this policy revision to be effective May 1, 2015.

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

Commissioner Burruss introduced Resolution No. 3835 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING A REVISED PERSONNEL POLICY REGARDING BEREAVEMENT LEAVE

WHEREAS, the City of Roanoke Redevelopment & Housing Authority (RRHA) has undertaken a review of its personnel policies to ensure they are relevant, meet the needs of the agency and are legally compliant; and

WHEREAS, RRHA has reviewed and is proposing revisions to Personnel Policy No. 316 regarding Bereavement Leave, dated December 20, 1996, which was last revised on July 1, 2011, to better reflect current requirements and practices; and

WHEREAS, the Personnel Committee of the RRHA Board of Commissioners supports and recommends approval of this revised policy.

presented to the Board of Commissioners. The work on Patterson Avenue comprises approximately \$23,000 of the modification total of \$26,620. Procurement policy states that for all contracts over \$100,000, Board approval is required for any change order exceeding \$25,000.

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

Commissioner Smith introduced Resolution No. 3836 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING A MODIFICATION OF CONTRACT NUMBER 269-1401-1-7 FOR NEW CONSTRUCTION OF SEVEN SINGLE-FAMILY SCATTERED SITE PUBLIC HOUSING UNITS

WHEREAS, since 2007 RRHA has accumulated \$549,677 in Replacement Housing Factor (RHF) 1st increment funds and \$911,422 in RHF 2nd increment funds, for a total of \$1,461,099 for the development of new public housing units; and

WHEREAS, RRHA has been awarded a grant from the Department of Housing and Urban Development (“HUD”) Capital Fund Program (CFP), grant number VA36P01150113 in the amount of \$1,577,083.00; and

WHEREAS, a loan in the amount of \$850,000 from Freedom First Credit Union, for the development of public housing units, was approved by the RRHA Board of Commissioners by Resolution No. 3785 on April 24, 2014 and approved by the HUD Capital Fund Financing Program on September 26, 2014; and

WHEREAS, the Executive Director was authorized to execute a standard contract for construction of seven single-family scattered site units between Total Action Against Poverty and RRHA with a fixed amount of \$1,247,000, by the RRHA Board of Commissioners in Resolution No. 3789 on May 19, 2014; and

WHEREAS, RRHA staff have subsequently determined that conditions unknown at the time of receipt of bids must be addressed, including removal of underground concrete footers from previous structures; removal of buried trash and debris; furnishing and compaction of fill dirt for 1008 and 1024 Patterson Avenue building lots to provide suitable foundations for new structures; relocation of electrical panels and installation of electrical disconnects for four (4) houses to meet building code requirements; removal

Patterson Avenue building lots to provide suitable foundations for new structures; relocation of electrical panels and installation of electrical disconnects for four (4) houses to meet building code requirements; removal of deteriorated fence, trees, and vegetation located at eastern property line for 716 Jamison Avenue to improve street appeal and future lawn maintenance; correction of \$400 error in the original contract amount; and providing a credit to the contract amount for installation of attic access panels instead of pull down stairways for four (4) houses, dated February 13, 2015 and March 17, 2015.

- (3) The Executive Director be and hereby is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution.

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

AYES: Commissioners Anguiano, Burruss, Butler, Garner, Karnes, Smith, Witten

NAYS: None

Chair Witten thereupon declared said motion carried and Resolution No. 3836 adopted as introduced.

4. Resolution No. 3837

Mr. Shank requested adoption of a resolution awarding a contract for Section 504 modifications to four community room kitchens under Capital Fund Program grant number VA36P01150114. A couple of years ago, a Physical Needs Assessment was completed and identified items that did not meet current section 504 standards for accessibility. The A&E firm under contract was requested to verify and provide more detail on how to correct those items. Mr. Shank stated that this project is a result of that study, and RRHA is currently in the process of doing quite a bit of work to be compliant with 504 accessibility regulations in public areas and in some apartments units as well. Standards have changed since back in the 1990's when the original work was done.

WHEREAS, HUD regulations at 24 CFR 135.1 state that “section 3 of the Housing and Urban Development Act of 1968 (12 U. S. C. 1701u) (section 3) directs that employment and other economic opportunities generated by certain HUD financial assistance shall to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to business concerns which provide economic opportunities to low- and very low-income persons.”; and

WHEREAS, Russell’s Remodeling, LLC submitted the low quotation amount, therefore, the allowable HUD Section 3 preference is not a determining factor in the procurement; and

WHEREAS, the amount of the quotation submitted by Russell’s Remodeling, LLC was determined to be fair and reasonable for the work specified when compared to the amount of the independent cost estimate, based on estimate created by project architect Martin and Co. Architects and R S Means Cost Data, for the project; and

WHEREAS, review, evaluation, and confirmation of quotation documentation has been completed, and Russell’s Remodeling, LLC has been found to be capable and in all other respects acceptable to RRHA; and

WHEREAS, the Vice President of Operations recommends an award to Russell’s Remodeling, LLC; and

WHEREAS, the Executive Director has determined that this procurement complies with RRHA’s Procurement Policy and that it is in the best interests of RRHA to accept such quotation and execute an appropriate contract.

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

3. The quotation submitted by Russell’s Remodeling, LLC be and hereby is accepted;
4. The Executive Director be and hereby is authorized and directed to execute a standard contract for construction, which by reference is inclusive of all plans, specifications, addenda and related project documents, between Russell’s Remodeling, LLC and RRHA for the fixed price of \$111,268.74.
5. The Executive Director be and hereby is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution.

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

identify a place of interest or does the agency identify possible homes.

Mr. Wynter stated the plan is to do a marketing strategy based on the priority application groups. First a mass email will be sent to all public housing residents to inform them of this homeownership opportunity. Those who are interested will apply, and applicants will be screened for eligibility based on the eligibility criteria established for the program. Then, RRHA will market remaining homes to Section 8 participants and, lastly, anyone in the City who meets the eligibility criteria. This can be done through email blasts and working with other nonprofit organizations in order to get applicants into the program.

Mrs. Goh stated that RRHA has identified the five units to be sold in the program.

Commissioner Burruss asked about the location of the five units to be sold.

Mr. Wynter stated they are located on Dupree, at 501 21st Street, and two on Melrose.

Commissioner Burruss asked if most residents have email.

Mr. Wynter stated that he thinks many do not, and RRHA tends to use newsletters, flyers, etc. for outreach to public housing residents.

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

Vice-Chair Butler introduced Resolution No. 3838 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE SUBMISSION OF A REVISED SECTION 32 HOMEOWNERSHIP PLAN APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Chair Witten thereupon declared said motion carried and Resolution No. 3838 adopted as introduced.

6. Executive Session

Commissioner Garner moved that the Commissioners enter into Executive Session for the purpose of consultation with legal counsel and briefings by staff members pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of RRHA in accordance with Virginia Code Section 2.2-3711 (A)(7).

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

AYES: Commissioners Anguiano, Burruss, Butler, Garner, Karnes, Smith, Witten

NAYS: None

The Board of Commissioners entered into Executive Session at 3:29 p.m.

The Board reconvened into open session at 4:14 p.m.

Commissioner Garner introduced a motion stating that the members of the Board of Commissioners hereby certify to the best of their knowledge that only public business matters lawfully exempted from open meeting requirements and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board in the immediately preceding Executive Session.

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

AYES: Commissioners Anguiano, Burruss, Butler, Garner, Karnes,

BEREAVEMENT LEAVE

I. PURPOSE

To establish uniform guidelines for providing paid time off to employees for absences related to the death of a family member.

II. SCOPE

This policy applies to all regular employees.

III. POLICY

It is the policy of RRHA to provide a means for employees to secure limited time off when time is needed for bereavement for the death of a family member.

The Board of Commissioners has established this policy and delegates responsibility for establishing or modifying procedures for implementation of the policy to the Executive Director. Current procedures are detailed below.

IV. PROCEDURES

A. When Bereavement Leave May Be Taken. A regular employee may be allowed paid bereavement leave due to the death of the following family members:

- Immediate Family – Spouse, child, sibling or parent.
- Legally Adopted Relatives – Adopted brother, sister, son, daughter or adoptive parents.
- Natural Relatives – Grandson, granddaughter, grandfather, grandmother.
The term “great” as related to relatives will be limited to natural relatives as defined above.
- Step Relatives – Stepfather, stepmother, stepdaughter or stepson.
- In-Laws – Mother-in-law, father-in-law, brother –in-law, sister-in-law, son-in-law, daughter-in-law, grandmother-in-law or grandfather-in-law.
- Other Relatives – Half-sister, half-brother.

Should employees wish to have time off due to the death of any other relatives and/or friends, they may use any available Personal Time Off.

B. How Much Leave May Be Taken. An employee may be granted up to three (3) scheduled workdays, within seven (7) calendar days of the date that the death of a family member occurred. Any additional time needed for bereavement leave may be requested and will be charged against available Personal Time Off. If an employee does not have any leave time available, additional leave time will be leave without pay.

C. Duty to Notify Supervisor. Employees will make every effort to notify the appropriate Supervisor of the employee’s intent to utilize bereavement leave.

D. Misrepresentation of facts as to the event of the death in question, identity of the deceased, may result in disciplinary action.

E. Bereavement leave will only be granted in accordance with guidelines as described above and as with all types of leave is subject to approval by the employee’s Supervisor and/or the division Vice President.

Section 32 Homeownership Program Revised Application Summary

Program Term: 5 years

Number of Units: 5 – Annual Contribution Contract (ACC) units converted to homeownership

Program Description:

All units will be sold through a direct sale fee simple transaction by RRHA to eligible participants.

Eligible Participants

Existing Public Housing residents, Section 8 participants, and qualifying low-income individuals or families in the City of Roanoke.

Purchasers are required to attend homeownership education classes.

Income Eligibility & Downpayment Assistance

Purchasers must meet the following income criteria:

- Purchasers are required to meet the debt to income ratio of a private lending institution but not to exceed 35% of their income.
- Maximum purchaser income amount and percentage of AMI: \$ 50,550 = 80% (family of four)

Down payment criteria & assistance:

- Purchaser is required to provide at least 1% of sales price of purchaser's own funds towards their down payment.
- RRHA may also apply to the City of Roanoke for HOME funds as a source of down payment assistance for families.

Terms of Sale

The homes will be sold for the appraised price, which will vary depending on house size and location.

Purchasers are required to obtain a mortgage from a private lending institution.

Rehabilitation Standards

- Provide units for sale that are safe, in physically sound condition and with all systems performing their intended design function;
- Rehabilitate the units in compliance with the U.S. Department of Energy's Home Performance with Energy Star program; and

- Units will be rehabilitated so that they can be efficiently maintained at a reasonable operating cost to the purchaser.

Funding

Current 5(h) Homeownership funds and funds from RRHA's Homeownership Opportunity Program (HOP). Funds will be used to rehabilitate the houses in preparation for sale.

RRHA will apply for CDBG and HOME funds and other sources of funding to subsidize program expenses.