

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, March 26, 2012, 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

Chairperson Garner called the meeting to order at 3:03 p.m. and declared that a quorum was not present.

PRESENT: Commissioners Butler, Karnes, Garner

Commissioner Burruss arrived at 3:07 p.m.

ABSENT: Commissioners Boitnott, Smith, Witten

OFFICER PRESENT: Glenda Edwards, Secretary-Treasurer

ALSO PRESENT: Cathy Wells, VP of Resident Services and Administration; Jackie Austin, VP of Finance/CFO; Joel Shank, VP of Operations; Desi Wynter, Director of Redevelopment and Modernization; Lisa Saunders, Interim Director of Housing; Gloria Charlton, FSS Coordinator; Lydia Fuller, Resident Relations Coordinator; Katie Meyer, Executive Assistant; Nick Conte, Legal Counsel; an interested citizen

Chairperson Garner welcomed everyone to today's meeting and stated that the Board of Commissioners would move forward with the presentations of reports and that no action would be taken by the Board until a quorum was present.

## II. REPORTS

### 1. Financial Report

Chairperson Garner asked for the Financial Report.

Ms. Austin, RRHA VP of Finance/CFO, referred to page 23 of the Monthly Operations Report Finance Section and stated that Public Housing is reporting net income of approximately \$134,000. Total expenses are showing a favorable variance of \$33,000 primarily attributable to expenses that have not been incurred to date.

Administrative expenses are under budget due to costs that were budgeted but have not been incurred as of February 29, 2012. Extraordinary maintenance is over budget approximately \$51,000 due to unanticipated siding replacement at Indian Rock Village, bathtub refinishing that needed to be completed in order to prepare for Real Estate Assessment Center (REAC) inspections, and playground equipment that was purchased for Lansdowne Park. Ordinary maintenance is over budget approximately \$81,000 due to unit turnaround and REAC inspections. Replacement of equipment is over budget approximately \$67,000 due to the purchase of trucks at several sites in order to have dependable vehicles for the winter season. The purchase of these vehicles was anticipated to occur before September 30, 2011; however, the process took longer than expected. The total amount of reserve used through February 2012 is approximately \$180,000. During the month of October one lease-purchase house was sold, resulting in the transfer of approximately \$85,000 in assets to the Public Housing Program. The assets are being held in the HOPE VI Grant which has not been closed out.

The Central Office Cost Center (COCC) is reporting a net loss of approximately

\$37,000 as shown on page 32. Total expenses are showing an unfavorable variance of approximately \$53,000, and administrative expenses are showing a negative variance of almost \$62,000 primarily due to there having been three payroll periods in the month of December. Also, remaining Paid Time Off (PTO) balances from 2011 were paid out to staff. Legal expenses are showing an unfavorable variance of approximately \$17,000.

The Section 8 program is reporting a difference in revenues over expenses of approximately \$61,000 as shown on page 33. Total expenses are showing a favorable variance of approximately \$51,000. Administrative expenses are under budget \$37,000 due to vacant positions and expenses that have not been incurred to date. Two positions have been filled since the beginning of this fiscal year.

Ms. Austin asked if there were any questions.

Ms. Austin stated that Commissioner Burruss had previously inquired about RRHA's investment accounts and, in responding, Ms. Austin had failed to state that RRHA's checking account is an interest bearing account.

Chairperson Garner thanked Ms. Austin for her report.

Commissioner Burruss arrived at 3:07 p.m.

Chairperson Garner declared that a quorum was now present.

## 2. Executive Director's Report

Chairperson Garner asked for the Executive Director's report.

Ms. Glenda Edwards, RRHA Executive Director, referred to her written report in the Monthly Operations Report and noted that the Commissioners were provided a copy of a Public Housing Authorities Directors Association (PHADA) Issue Brief. The brief

provides a summary of the issues with the new PHAS rules and the fact that the new rules were implemented mid-year. As a result of the significant changes to the scoring system, as well as the fact that the new scoring was implemented mid-year and evaluates agencies based on full-year performance, scores will likely be negatively impacted for many public housing authorities, including RRHA.

Ms. Edwards stated that Ms. Cathy Wells, RRHA VP of Resident Services and Administration, has performed a comparison analysis of the initial impact of the change from sick leave to PTO. The first 6 months of 2011 sick leave cost totaled \$41,831.79. The second 6 months of 2011, after RRHA changed to PTO, the expense was \$23,044.79, resulting in a cost reduction of \$18,787. Ms. Edwards stated that consideration of renewing health insurance coverage is on the agenda today and noted that policy changes approved by the Board last year have resulted in a reduction in cost of approximately \$50,000.

Ms. Edwards stated that Ms. Bernice Robinson, RRHA Receptionist, will have been an employee of RRHA for 40 years on April 3, 2012. This milestone will be celebrated with a pot luck luncheon at Melrose Towers on Tuesday, April 3, from Noon until 2:00 p.m. Ms. Edwards invited all Commissioners to attend the luncheon if they are available.

Ms. Edwards stated that HUD has issued a Notice of Funding Availability (NOFA) for Choice Neighborhoods Planning Grants, and applications are due May 1, 2012. Ms. Edwards stated that Mr. Desi Wynter, RRHA Director of Redevelopment and Modernization, is diligently working on a grant application focusing on the Loudon-Melrose and Shenandoah West neighborhoods. The City of Roanoke is partnering with

RRHA in developing the application. Ms. Edwards stated that the grant application includes Lansdowne Park and Melrose Towers, and the purpose of the two year grant is to complete a comprehensive assessment and develop a transformation plan, including upgrades and renovations at the two public housing sites as well as substantial improvements in the surrounding neighborhoods. The grant would provide resources to support assessment and planning activities. The resulting plan should help RRHA compete for a Choice Neighborhoods implementation grant in the future.

Ms. Edwards provided Commissioners a copy of a HUD presentation that explains the grants and process for applications. The grant application process is extremely competitive and, should RRHA not be successful with this application, the process will allow RRHA to have an application that can be fine-tuned for the next submission cycle. Ms. Edwards stated that Mr. Wynter is present and would be happy to answer any questions the Commissioners may have.

Commissioner Burruss asked if the 17-20 awardees of the grant are national awardees. Ms. Edwards stated that the grant awards are national and very competitive.

Ms. Edwards stated that HUD has also issued a Moving to Work (MTW) Demonstration Program NOFA. The application process is only open to High Performing Agencies, and the application deadline is June 27, 2012.

Ms. Edwards gave an overview of the MTW Demonstration Program and stated that the purpose of the discussion today is to inform Commissioners about the program and determine whether Commissioners would be in favor of moving forward with an application. Ms. Edwards stated that community meetings will need be held at all of RRHA's public housing sites and a public hearing will be scheduled for the Board of

Commissioners to receive comments on the MTW Plan. A 30-day public comment period is required before approval of the Plan by the Board of Commissioners. The final Plan will need to be presented for consideration of approval by the Board of Commissioners at the June 25, 2012 meeting in order to meet the deadline for submission of the application to HUD by June 27, 2012.

Ms. Edwards stated that participating in the MTW program would allow RRHA to receive public housing operating funds, public housing capital funds, and Section 8 funds in the form of a block grant, with flexibility to use the funding across programs to achieve the goals of the MTW program. The program allows waivers of many HUD regulatory requirements which would enable RRHA to adopt policies at the local level allowing streamlining of administrative processes. Resulting cost savings could be invested in additional services or improvements to housing quality. The program requires housing authorities to participate in rent reform efforts and to establish evaluation and reporting methods in order to determine the effects of the new initiatives as they are implemented. RRHA would need to assign people to control groups and participant groups in order to track the outcome data for evaluation purposes.

Ms. Edwards stated that the program gives agencies the flexibility to do more with the same amount of funding; it does not provide additional funding. A downside to the Program is that it is a demonstration program with a defined end date of 2018; however, there has been legislation introduced in Congress last year and again this year to make MTW a regular HUD program and allow more housing authorities to become MTW agencies.

Ms. Edwards stated that, although RRHA is short staffed, the timeframe for

application submission is short, and RRHA is also applying for the Choice Neighborhoods Planning Grant, the prospect of having flexibility to implement policies and practices identified at the local level to improve services and better meet housing needs is very appealing, and she would like to move forward with the MTW application. Ms. Edwards gave the Commissioners a report submitted by HUD to Congress in 2010 that documents some of the outcomes achieved by agencies participating in the MTW program since its inception in 1996.

Chairperson Garner stated that he understands there will be 4 housing authorities selected, and these agencies will have to reapply in 2018. Ms. Edwards stated Chairperson Garner is correct that 4 housing authorizes will be selected. Unless the program is extended, the MTW agreements between those agencies and HUD will expire in 2018. Another possibility is that Congress may approve expanding the MTW program, making it a regular HUD program without a defined end date.

Chairperson Garner stated that Ms. Edwards had mentioned that the housing authority in San Antonio, Texas is a MTW agency. Ms. Edwards stated that San Antonio is a MTW agency, and she was able to see some of the programs and policies that had been implemented when she visited San Antonio a few years ago. Ms. Edwards stated that not all agencies approach MTW the same way, and the initiatives they implement are defined in their MTW Plan. San Antonio made large-scale upgrades to some housing properties, and then provided incentives for responsible tenant behavior by making the ability to live in the housing with the most amenities contingent on a positive tenant behavior, such as good payment history and stable employment.

Chairperson Garner stated that he wanted to clarify that the Board is taking no

action today and that Ms. Edwards is seeking the support of the Board before time and effort is dedicated to preparation of a Moving to Work Demonstration Program application. Ms. Edwards stated that she would not want to hold community meetings and discuss the program with residents without knowing that the Board of Commissioners is supportive of moving forward.

Chairperson Garner stated that the program will help RRHA by providing some flexibility relative to rules and regulations that hinder the agency's ability to serve, and the additional latitude could make a positive difference. Chairperson Garner stated he understands that, if selected, RRHA will have to maintain test and control groups to determine and validate the outcomes from the initiatives RRHA implements. Ms. Edwards stated that Chairperson Garner is correct.

Commissioner Burruss asked which staff member would be taking the lead in the application submission. Ms. Edwards stated that she would be the lead person for the application submission. Commissioner Burruss asked what duties Ms. Edwards would not be able to perform while working on the application submission. Ms. Edwards stated that she will do whatever it takes to perform her regular duties and prepare a credible application, because she thinks that the prospect of participating in MTW is that important for RRHA.

Ms. Edwards stated she and the executive team have had extensive discussion about whether it is possible to prepare applications for MTW and Choice Neighborhoods at the same time with the number of staff RRHA has and the short deadlines for both applications. Ms. Edwards stated that the MTW application is a window of opportunity that will close and RRHA will most likely be designated a Standard Performer agency

next year based on the new PHAS scoring system.

Commissioner Karnes stated that it seems like the application would be a great deal of extra work; however, if Ms. Edwards states that she and the RRHA staff can complete the application, he trusts what she says and she has his support.

Commissioner Burruss asked whether a change to Standard Performer designation after the application is submitted would impact negatively on RRHA's prospects for approval of a MTW application. Ms. Edwards stated that the notice of funding availability for MTW states that the agency must have High Performer designation on the application due date. If RRHA is notified the day after the application is due that RRHA is designated Standard Performer, it should have no bearing on the application. The final PHAS score for RRHA should not be determined until after audited financials are submitted to HUD, which will occur in June. However, there is a possibility that RRHA would be notified of Standard Performer designation before the MTW application is submitted. Should that be the case, Ms. Edwards stated that the preparatory work would serve the agency well if the opportunity to apply for MTW becomes available again in the future.

Commissioner Burruss asked if the application is the equivalent of preparing a dissertation. Ms. Edwards confirmed that the application requirements are massive. She stated that although she is taking the lead on the application she will have assistance from the senior management team. Ms. Edwards stated that she is aware that completing the application may not be humanly possible with the resources available and competing demands; however, the potential positive impact is so important for RRHA that she thinks the effort is worthwhile.

Commissioner Burruss asked if it was reasonable to say that staff may begin to work on the application and then find it may be impossible to complete. Ms. Edwards confirmed that possibility. She stated that RRHA does not intend to stay in Standard Performer designation for an extended period of time, and the work to prepare the application will be helpful for future MTW application opportunities as well.

Commissioner Burruss stated that she is not comfortable expressing a sentiment about the application. The only people who can make the decision to move forward are the people who are involved in the submission of the application; therefore, she defers to the judgment of the staff. Commissioner Burruss stated that the staff has her support.

Chairperson Garner stated that the effort to achieve some flexibility relative to the stringent rules and regulations has value and, if Ms. Edwards is willing to work to submit the application, he is inclined to give her and the RRHA staff the opportunity and his support, even though the odds are long that the agency will be selected.

Ms. Edwards stated the window of opportunity is short, but the MTW Demonstration Program could provide the ability to make fundamental changes. Ms. Edwards stated that RRHA will need the support of the Board in order to make those fundamental changes in how RRHA serves the community.

Chairperson Garner stated that the executive leadership and the RRHA staff are the people in place to submit the application. Ms. Edwards is willing to attempt to submit a credible application within the window of opportunity that RRHA is a designated High Performer, and Ms. Edwards and the RRHA staff have his support.

Chairperson Garner asked if Ms. Edwards had a consensus of support from the

Board of Commissioners. All Board members agreed to support the submission of a MTW Demonstration Program application.

Commissioner Burruss stated that the consensus of support is with the complete understanding that if the application cannot be completed, that would be acceptable.

Ms. Edwards stated that she understands and appreciates the Board's support.

Chairperson Garner thanked Ms. Edwards for her report and asked if there were any other questions. There were none.

3. Staff Reports

Chairperson Garner asked if there were any staff reports. There were none.

4. Committee Reports

Chairperson Garner asked for committee reports.

Commissioner Karnes stated that the Personnel Committee had met and discussed several policies that will be brought before the Board at a later time.

5. Commissioner Comments

Chairperson Garner asked if there were any Commissioner comments. There were none.

6. Residents or other community members to address the Board

Chairperson Garner asked if there were any residents or other community members who would like to address the Board. There were none.

III. CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, February 27, 2012.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as

recorded.

C-2 Monthly Operations Report for the month of February 2012.

RECOMMENDED ACTION: File as submitted

Commissioner Karnes introduced a motion to approve the Consent Agenda. The motion was seconded by Commissioner Butler and upon roll call the following vote was recorded:

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

Chairperson Garner thereupon declared said motion carried as introduced.

IV. **REGULAR AGENDA**

1. Executive Session

Commissioner Burruss moved that the Commissioners enter into Executive Session for the purpose of consultation with legal counsel retained by RRHA regarding specific legal matters requiring the provision of legal advice by such counsel in accordance with Virginia Code Section 2.2-3711 (A)(7).

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

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

The Board of Commissioners entered into Executive Session at 3:33 p.m.

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

Commissioner Burruss introduced a motion stating 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 Butler and upon roll call the following vote was recorded:

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

2. Resolution No. 3689

Ms. Cathy Wells, RRHA VP of Resident Services and Administration, asked for approval of Resolution No. 3689 authorizing execution of a contract modification to the Cooperative Agreement with U.S. Communities Government Purchasing Alliance HD Supply contract.

Chairperson Garner asked if the cost savings and better service RRHA receives is being documented. Ms. Wells stated an analysis of the usage was conducted and price comparisons were done against Lowe's and Home Depot which documented a cost savings. Ms. Wells stated that Lowe's and Home Depot would not agree to HUD's Terms and Conditions and, therefore, RRHA could not enter into contracts with them.

Ms. Edwards stated that when the contract modification came to her for approval she reviewed the cost analysis and noted that HD Supply offered significantly lower prices.

Chairperson Garner asked if there were any other questions. There were none.

Commissioner Butler introduced Resolution No. 3689 and moved its adoption as

introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING EXECUTION OF A CONTRACT MODIFICATION TO THE COOPERATIVE AGREEMENT WITH U.S. COMMUNITIES GOVERNMENT PURCHASING ALLIANCE HD SUPPLY CONTRACT

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) joined the U.S. Communities Government Purchasing Alliance HD Supply MRO (maintenance, repair, operations supply) contract by agreement on August 1, 2011 with a term ending date of July 31, 2014; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) procurement regulations allow RRHA to join intergovernmental cooperative agreements; and

WHEREAS, the U.S. Communities Government Purchasing Alliance HD Supply contract fully satisfies HUD's five (5) intergovernmental cooperative agreement requirements; and

WHEREAS, actual usage since the inception of the contract has exceeded the original cost estimate due to convenience of purchase, favorable cost and the necessity to address the physical needs of the housing sites; and

WHEREAS, the HD Supply agreement requires modification of the not-to-exceed amount in order to allow all RRHA sites continued access to HD Supply's maintenance, repair, and operations supplies through the remainder of the term.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized to execute a modification to the not-to-exceed amount of the U.S. Communities Government Purchasing Alliance HD Supply agreement from \$95,000 to \$245,000, a net increase of \$150,000, with all agreement terms remaining unchanged.

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

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

Chairperson Garner thereupon declared said motion carried and Resolution No. 3689 adopted as introduced.

3. Resolution No. 3690

Ms. Cathy Wells, RRHA VP of Resident Services and Administration, asked for approval of Resolution No. 3690 authorizing the Executive Director to execute necessary documents to continue participation in a Cooperative Agreement for employee medical and dental insurance coverage.

Chairperson Garner asked if there were any questions. There were none.

Commissioner Burruss introduced Resolution No. 3690 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE NECESSARY DOCUMENTS TO CONTINUE PARTICIPATION IN A COOPERATIVE AGREEMENT FOR EMPLOYEE MEDICAL AND DENTAL INSURANCE COVERAGE

WHEREAS, the City of Roanoke Redevelopment and Housing Authority's (RRHA) employee medical and dental insurance contract expires June 30, 2012; and

WHEREAS, HUD procurement procedures allow RRHA to join intergovernmental cooperative agreements; and

WHEREAS, The Local Choice Health Benefit Program was created exclusively to provide health benefits for local governments, authorities, school divisions and constitutional officers and is managed by the Commonwealth of Virginia's Department of Human Resources; and

WHEREAS, The Local Choice Health Benefit Program fully satisfies HUD's five (5) intergovernmental cooperative agreement requirements; and

WHEREAS, RRHA is currently enrolled in The Local Choice Health Benefit Program; and

WHEREAS, The Local Choice Health Benefit Program has provided satisfactory service to RRHA; and

WHEREAS, The Local Choice rate increase of 8.3% is favorable in comparison to the market; and

WHEREAS, RRHA's number of members has decreased, resulting in a net increase to RRHA of \$3,644 or 1%.

WHEREAS, staff recommends continuing RRHA's participation in The Local Choice Health Benefit Program.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized and directed to execute necessary documents to continue RRHA's participation under the Local Choice Health Benefit Program for the period of July 1, 2012 through June 30, 2013 for an amount not to exceed \$670,000.

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

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

Chairperson Garner thereupon declared said motion carried and Resolution No. 3690 adopted as introduced.

4. Resolution No. 3691

Ms. Edwards asked for approval of Resolution No. 3691 authorizing the discounted sale of (a) certain amounts owed to the Roanoke Redevelopment and Housing Authority by Shenandoah Crossings, Inc. and (b) certain amounts owed to the Roanoke Redevelopment and Housing Authority by Shenandoah Crossings, L.P. Ms. Edwards stated that the amounts owed to RRHA were not anticipated to be collected and have been fully reserved with allowances taken at 100% on RRHA's financial statements.

Mr. Nick Conte, RRHA Legal Counsel, stated that, with the exception of the Management Fees, the amount has been fully reserved on RRHA's financial statements. The notes for this debt did not anticipate repayment for decades. Mr. Conte also noted that a purpose for providing these funds was preservation of a

prominent historic building and the creation of an ongoing housing and tax asset for the City of Roanoke and its residents, which has been accomplished.

Chairperson Garner asked if there were any questions. There were none.

Commissioner Butler introduced Resolution No. 3691 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE DISCOUNTED SALE OF (A) CERTAIN AMOUNTS OWED TO THE ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY BY SHENANDOAH CROSSINGS, INC. AND (B) CERTAIN AMOUNTS OWED TO THE ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY BY SHENANDOAH CROSSINGS, L.P.

WHEREAS, Shenandoah Crossings, Inc. ("SCI"), incorporated on June 13, 2000, was created to assist the City of Roanoke Redevelopment and Housing Authority ("Authority") in the renovation of the then-vacant Norfolk & Western General Office Building South located at 8 Jefferson Street, NW, Roanoke Virginia ("Building") into an 87-unit apartment complex now known as Eight Jefferson Place ("8JP"); and

WHEREAS, Shenandoah Crossings, L.P. ("SCLP") was formed for the purpose of undertaking the acquisition and renovation of the Building, which was and is a building of historical and architectural significance located in the commercial area north of the downtown business district and an architectural landmark within the City of Roanoke; and

WHEREAS, on May 18, 2001, the Authority entered into a development agreement with SCLP whereby the Authority agreed to perform certain services relating to planning activities, coordination and arrangement of financing and administrative services of 8JP for SCLP in return for payment to the Authority of a developer's fee; and

WHEREAS, the Authority is owed accrued development fees by SCLP of approximately \$1,300,000 ("Unpaid Development Fees"), with approximately \$1,130,000 of that amount recognized during the Authority's fiscal year ended September 30, 2002, which are to be repaid with future contributions from the general partner of SCLP and cash flows of 8JP, and the entire \$1,300,000 has been fully reserved (100% allowance) on the Authority's financial statements due to lack of probability of repayment; and

WHEREAS, by multiple unsecured promissory notes of various dates made by SCI to the Authority, the Authority is owed approximately \$2,639,235, consisting of unpaid principal of approximately \$1,926,186 and accrued interest of approximately \$713,049 (collectively referred to as "Unsecured Note #1"); and

WHEREAS, by unsecured promissory note dated May 23, 2003 made by SCLP to the Authority in the original face amount of up to \$3,000,000, which note is due and payable on May 1, 2042, with interest accrued monthly, the Authority is owed approximately \$299,747 ("Unsecured Note #2"), consisting of approximately \$114,279 in remaining unpaid principal and approximately \$185,468 in unpaid interest through February, 2012; and

WHEREAS, the Authority is owed unpaid management fees in the amount of approximately \$139,121, by SCLP for management fees provided by the Authority ("Management Fees Accounts Payable"); and

WHEREAS, Northwest RailWorks, LLC has offered to purchase Unsecured Note #1, Unsecured Note #2, the Unpaid Development Fees and the Management Fees Accounts Payable for an aggregate discounted price of \$50,000; and

WHEREAS, the amounts evidenced by Unsecured Note #1 and Unsecured Note #2 have been fully reserved on the Authority's financial statements as collection is highly doubtful; and

WHEREAS, the Building has been renovated and preserved as an historic landmark and as a functioning apartment building, which were primary purposes for the Authority; and

WHEREAS, the Authority's Board of Commissioners believes that it would be in the best interests of the Authority to sell the above-referenced notes and accounts receivable to Northwest RailWorks, LLC at the aggregate discounted price of \$50,000 in cash;

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

1. The sale of Unsecured Note #1, Unsecured Note #2, the Unpaid Development Fees and the Management Fees Account Payable be sold to Northwest RailWorks, LLC for the aggregate discounted price of \$50,000, payable by certified or wired funds, without recourse to the Authority, is hereby authorized and approved;
2. The Executive Director of the Authority and other proper officers and employees of RRHA be and the same are hereby authorized and directed to take all such actions as may be necessary, in the opinion of the Executive Director to implement and accomplish the proper purposes of said transaction, with input from the Authority's legal counsel; and

3. The Executive Director of the Authority be and hereby is authorized and directed to execute all documents necessary to consummate the sale of above-referenced debt as contemplated by these recitals and resolutions.

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

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

Chairperson Garner thereupon declared said motion carried and Resolution No. 3691 adopted as introduced.

Chairperson Garner asked if there were any other items to come before the Board of Commissioners. There were none.

V. **ADJOURNMENT**

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

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

AYES: Commissioners Burruss, Butler, Karnes, Garner

NAYS: None

Chairperson Garner declared the meeting adjourned at 4:23 p.m.

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Edward Garner, Chairperson

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Glenda Edwards, Secretary-Treasurer