

MINUTES OF AN ANNUAL AND 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 an annual and regular session on Monday, August 22, 2011, 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 Burruss called the meeting to order at 3:06 p.m. and declared that a quorum was present.

PRESENT: Commissioners Burruss, Butler, Garner, Witten

ABSENT: Commissioner Boitnott, Karnes, Smith

OFFICER PRESENT: Glenda Edwards, Secretary-Treasurer

ALSO PRESENT: Cathy Wells, VP of Resident Services and Administration; Earl Saunders, VP of Real Estate Management; Jackie Austin, VP of Finance/CFO; Roger Vest, VP of Real Estate Development; Helen Shampine, HCV Director; Lydia Fuller, Resident Relations Coordinator; Gloria Charlton, FSS Coordinator; Katie Meyer, Executive Assistant; Nick Conte, Legal Counsel; Alton Knighton, Legal Counsel; Anita Price, City Council Liaison

Chairperson Burruss welcomed everyone to today's meeting.

PUBLIC HEARING

To receive comments on the proposed Fiscal Year 2012 Operating Budget.

Chairperson Burruss stated that Ms. Jackie Austin, RRHA VP of Finance/CFO, would give a brief overview of the 2011 Operating Budget and comments would be received after her presentation.

Ms. Austin stated that budgets reflect continued full implementation of asset management. The budgets for Public Housing are structured by asset management project or AMP grouping and the Central Office Cost Center (COCC) budget demonstrates full implementation of the required fee structure. The 2012 budgets reflect a very conservative budgeting approach due to the potential offset of Public Housing operating reserves, reduced funding in Section 8 administrative fees and reduced capital funds.

Ms. Austin stated that overall total revenues of the RRHA reflect no growth which presents significant budgetary challenges in light of general inflationary pressures.

Ms. Austin stated that the budget does not include any significant reductions in services or in current funded positions. The budgets do not include a salary increase for employees, and RRHA management recommend considering a one time payment to employees to help offset rising consumer prices should funding become available during the course of the year.

Ms. Austin stated that the Board will not be asked to take action regarding the proposed 2012 Operating Budget at today's meeting.

Total revenues are projected to decrease by 3% from the prior year, and the budgets include amounts for Public Housing operating subsidy. To date, Congress has not acted on HUD's proposal to fund one billion dollars in operating subsidy from Public Housing operating reserves. The operating subsidy for 2012 was projected based on

the 2011 subsidy amounts which have not been finalized by HUD; therefore, this is an estimated amount, and the proration for 2012 is also unknown.

Ms. Austin stated that the Section 8 Program projects a decrease of Administrative Fee revenue of 9%. HUD is currently funding Administrative Fees at 79% for the 2011 calendar year. The 2012 budgets are based on funding the program based on the reduced amount. Ms. Austin stated that the Section 8 Program continues to be a very challenging program to manage due to the uncertainty of funding.

Ms. Austin stated that she anticipates that HUD will notify Housing Authorities of their 2012 funding amounts by mid-June 2012, at which point RRHA will be 75% through its fiscal year.

Total fee revenues are projected to decrease by 7% in the COCC due to a decrease in the funding for the Capital Fund Program. Total investment income is projected to decrease 17% due to the anticipated offset of the Public Housing reserves and not having those funds available for investments purposes.

Ms. Austin stated that overall expenses for the 2012 budgets reflect an 11% decrease. The COCC budget shows a decrease in expenses of 8%. Administrative Expenses reflect a 9% decrease due to cost savings realized in employee turnover and a change in RRHA's policies relative to health insurance benefits for retirees that reduced the amount of GASB-45 post-retirement expense RRHA is required to budget annually.

Ms. Austin stated that Public Housing expenses are projected to decrease 12% largely attributable to decreased expenses in ordinary and extraordinary maintenance and capital need expenditures.

Ms. Austin stated the budget for Hackley reflects a 9% decrease in total expenses due to a decrease in capital expense items anticipated for 2012.

Ms. Austin stated that overall the 2012 budgets reflect a very conservative spending approach that results in a decrease of expenses of \$1.4 million over the prior year in anticipation of reduced funding of RRHA's major programs. The proposed budget shows an increase in net income of over \$1 million, which RRHA is likely not to realize due to the uncertainty surrounding the funding of the Public Housing and Section 8 Programs.

Ms. Austin stated that there is no action asked of the Board today and a resolution will be presented at the September Board Meeting for approval. Ms. Austin asked if there were any questions.

Chairperson Burruss thanked Ms. Austin for her presentation and asked if there were any members of the public who had questions or comments.

Vice-Chair Garner inquired about the 79% funding for the Section 8 Program and asked if that amount is actual or projected funding for 2011. Ms. Austin stated that RRHA received notification from HUD in June that 79% is the proration for the 2011 calendar year.

Vice-Chair Garner asked for clarification regarding Ms. Austin's statement relative to RRHA receiving funding notification in mid-June 2012 for the 2012 calendar year. Ms. Austin stated that, due to delays in the federal budget approval process, it has been well into the year before HUD notifies housing authorities of current year funding. This year, notification occurred in June 2011 for calendar year 2011 funding.

Ms. Glenda Edwards, RRHA Executive Director, stated that once the annual

budget amounts are finalized, adjustments are effective retroactive to January. If the amount of funding provided from January to the point of final funding determinations was higher than the final budget warrants, then the overage amount is recovered through decreased funding amounts for remaining months of the year.

Vice-Chair Garner stated that it appears RRHA is beginning to reap benefits from the actions of the Personnel Committee and asked if there had been any feedback on the changes that had been made. Ms. Austin stated that RRHA is seeing some positive impact on the budget from the changes relative to the liability amount that must be budgeted for future retirees. Ms. Wells, RRHA VP of Resident Services and Administration, stated that she has not received any feedback from current retirees regarding the changes to health insurance benefits.

Chairperson Burruss stated that she wants to convey to the staff that the Board certainly regrets not being able to plan to give salary adjustments, and hopefully there will be opportunities to award a one time payment.

Chairperson Burruss asked if there were any other comments.

Ms. Anita Price, City Council Liaison, stated that she would like to give her appreciation to the staff for their planning and budgeting when, once again, they do not know what the funding amount will be. Ms. Price thanked the staff for bringing it all together.

Chairperson Burruss declared the Public Hearing closed at 3:17 p.m.

II. REPORTS

1. Financial Report

Chairperson Burruss asked for the Financial Report.

Ms. Austin referred to page 23 of the Monthly Operations Report Finance Section and stated that Public Housing is reporting net income of approximately \$776,000. Total revenues are showing an unfavorable variance of \$135,000 mainly due to dwelling rental revenues and utility subsidies. Dwelling revenues are approximately \$51,000 under budget projections due to several public housing sites falling below the 95% occupancy rate earlier in the year. Villages at Lincoln also has a high number of Family Self-Sufficiency (FSS) participants who are escrowing, which affects dwelling rentals. Total expenses are showing a favorable variance of \$761,000 primarily attributable to expense categories reporting positive variances. Administrative expenses are over budget \$90,000 which is mostly attributable to there being three pay periods in the month of July. Tenant Services is reporting a favorable variance of \$81,000 due to expenses that have been budgeted but not incurred to date. Utilities expense is under budget \$400,000 due to the actual expenses being less than the budgeted amount. The budget estimate was based on anticipated utility rate increases that have not occurred at budgeted levels to date. General expenses are \$131,000 under budget due to collection of delinquent accounts that had previously been written off and to an increase that was budgeted for insurance premiums. Several sites have budgeted for replacement of equipment, capital items, betterments and additions in the operating budgets, expenses which have not been fully incurred to date.

The Central Office Cost Center (COCC) is reporting a difference in revenue and expense of \$122,000 as shown on page 32. Total revenues are \$40,000 over budget primarily due to income from property management and service fees. Service fee income is \$37,000 over budget due to projects that have been ongoing during the year

in which the Central Office staff have been involved, such as inspections. Total expenses are showing a favorable variance of \$81,000 and administrative expenses showing a positive variance of almost \$82,000 due to expenditures that have not been incurred to date. Ordinary maintenance is over budget \$15,000 due to the inspector's salary being budgeted in the capital fund but, when projects are paid for from the Public Housing operations budget, inspections must be funded from operations.

The Section 8 program is reporting a difference in revenues over expenses of approximately \$37,000 as shown on page 33. Total revenues are approximately \$16,000 over budget due to administrative subsidy being over budget due to an increase in vouchers leased and the addition of Veteran Affairs Supportive Housing (VASH) and Family Unification Program (FUP) vouchers. Total expenses are showing a favorable variance of approximately \$39,000, primarily attributable to administrative expenses which are approximately \$39,000 under budget due to other administrative expenses that have been budgeted, but costs have not be incurred to date. General expenses are over budget due to the purchase of additional insurance after the budgeting process was completed.

Ms. Austin asked if there were any other questions.

Vice-Chair Garner referred to page 23 regarding the Tenant Services favorable variance of \$81,000 and asked if those funds would be carried over to the next year. Ms. Austin stated that last year, going in to this year's budget, a lot of purchasing happened at the end of the year in an effort to buy needed supplies in advance because this year's funding was uncertain. Ms. Austin stated that in a recent Management Team meeting it was asked of managers to move expense items planned for the 2012 year

forward to the 2011 year wherever possible since most of the programs have funding available now and the funding may not be there for 2012.

Ms. Edwards stated that the Tenant Service line also reflects the award in April of the Family Self Sufficiency grant to fund a Coordinator position that had been budgeted to be funded out of the site budgets for the entire year.

Vice-Chair Garner asked about the award of additional VASH vouchers and if these vouchers are being utilized. Ms. Edwards stated that of the new 25 VASH vouchers 17 have been leased as of the end of July. Ms. Edwards stated that 21 of the initial 31 FUP vouchers have been leased as of the end of July and the second award of 50 FUP vouchers is not reflected in the report. Ms. Helen Champine, RRHA HCV Director, stated that the new FUP vouchers are currently in the referral process through the Department of Social Services.

Chairperson Burruss thanked Ms. Austin for her report.

2. Executive Director's Report

Chairperson Burruss asked for the Executive Director's report.

Ms. Edwards referred to her written report in the Monthly Operations Report and stated that the baseline period used for 2011 Section 8 funding is 2009. This reflects the period when expenses were being reduced to deal with that year's funding shortfall. Additionally, RRHA had been awarded additional vouchers that were not yet leased up during that period. The choice of this baseline period has impacted negatively on RRHA's funding for 2011. Ms. Edwards stated that RRHA is finalizing a waiver request and the Finance Department is trying to get clarification on the usage of the VASH reserves. Ms. Edwards stated that, for the first time, HUD included the VASH funds in

with the renewal and did not separate out an amount for VASH but kept the restriction that VASH reserves can only be used for VASH vouchers. Ms. Edwards stated that HUD cannot tell RRHA how much of the July through December 2011 funding amount is for VASH.

Ms. Edwards stated that HUD has informed RRHA that VASH reserves can be used to fully fund VASH vouchers. Depending on the response to the request for further clarification the Finance Department has requested from HUD, it appears RRHA will exhaust reserves in either December 2011 or March 2012. RRHA is preparing two requests to HUD asking for waiver of regulations to allow RRHA to apply the utility standard applicable to the voucher size rather than size of the actual unit leased and to allow implementation of a reduction of payment standards, reducing assistance payments for all program participants, without waiting until the second recertification date for each participant as required by HUD regulations. Ms. Edwards stated that if HUD approves these waivers quickly, RRHA should be able to manage the shortfall through reduction of payment standards to 90%, with 30 days notice for all participants.

Ms. Edwards stated that Resident Services staff hosted some events that were a part of HUD's Neighborhood Network Week Initiative. One of the events was a "Do It for You Day" where computer lab and employment services were highlighted at Jamestown Place, Indian Rock Village and Villages at Lincoln. Another event was "Know Your Neighbor Day" and an ice cream social was held at each site. Ms. Edwards stated there was fairly good attendance at the events.

Ms. Edwards passed to the Board a letter received from Congressman Goodlatte congratulating RRHA on the award of the additional FUP vouchers.

Ms. Edwards asked if there were any questions.

Commissioner Butler asked for clarification of the utility allowance for Section 8 and asked if he heard correctly that, if the waiver is approved, it will save over \$14,000 a month. Ms. Edwards stated that Commissioner Butler was correct. Commissioner Butler stated that \$14,000 is a lot of money and asked if there was a way to require recipients to only rent the unit size their voucher allows them to rent.

Ms. Edwards stated that, under HUD regulations, as long as the rent is reasonable and affordable the participant can rent a larger unit. Ms. Shampine stated that HUD has a 40% cap, meaning that participants can pay no more than 40% of income for rent, and some participants can afford a larger unit under the regulations.

Ms. Edwards stated that she learned of this waiver in a session at the NAHRO Summer Conference. The presenter said that HUD routinely approves waiver requests for this requirement.

Commissioner Witten asked why the utility allowance is based on the unit size and not the voucher size. Ms. Shampine stated it has been that way since she has been with RRHA for the past 26 years. Ms. Edwards stated she thinks this is a flaw in the regulation in that it makes the program more costly.

Vice-Chair Garner asked about reducing payment standards to 90% and asked if the payment standard is currently 100%. Ms. Edwards stated that the payment standard is currently 100% and that RRHA has the latitude to adjust payment standards between 90% and 110% without HUD approval. Ms. Edwards stated that the Board has previously supported the approach of reducing assistance a small amount to all participants as opposed to terminating assistance altogether for some participants.

Commissioner Butler stated that the whole process is going to be driven by the Section 8 Landlords and their willingness to accept the reduced payments. Ms. Edwards stated that Commissioner Butler is correct.

Ms. Edwards stated that RRHA has taken additional steps in asking other housing authorities to absorb participants who have ported to their areas and not issuing vouchers as people leave the program. Ms. Edwards stated that the reduction in vouchers further reduces administrative fees which are directly based on the number of vouchers leased. Ms. Edwards stated that the program is in a dangerous place with regard to adequate funding to administer the program, not only in compliance with regulatory requirements, but also relative to the level of service that should be provided to participants and landlords. Ms. Edwards stated that a program can be underfunded to the point that it becomes impossible to comply with everything that is required. In this program, none of the regulatory requirements have been reduced, only the funding.

Ms. Edwards stated that, in an effort to reduce cost, positions have not been filled in the Section 8 department as employees have left. Ms. Edwards stated that the Section 8 program the funding shortfall could be managed better if HUD would ease some of the administrative burden.

Commissioner Witten asked if there were other Housing Authorities that do not participate in the Section 8 program. Ms. Edwards stated she is not aware of any, although she is aware of authorities that have only Section 8 programs and no public housing.

Vice-Chair Garner asked if the Capital Fund Annual Contribution Contract (ACC) mentioned in the Executive Director's report is for the FY2011. Ms. Edwards stated

that, although HUD calls it the FY2011 Capital Fund, RRHA has two years to obligate the funds and four years to fully expend the grant.

Vice-Chair Garner asked if the surveillance cameras were operational at the Villages at Lincoln. Ms. Edwards stated that the electrical panel upgrades are complete, and the vendor has been contacted to schedule installation of the cameras.

Chairperson Burruss thanked Ms. Edwards for her report.

3. Staff Reports

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

4. Committee Reports

Chairperson Burruss asked for committee reports.

5. Commissioner Comments

Chairperson Burruss asked if there were any Commissioner comments.

Chairperson Burruss stated that today's meeting would be her last as Chair and that it has been harmonious and productive. She thanked the staff for making it a great year and stated how proud she is that RRHA achieved High Performer designation.

Commissioner Butler told Chairperson Burruss that she has done an outstanding job as Chairperson and Vice-Chair Garner agreed. Chairperson Burruss thanked her fellow Commissioners for their comments.

6. Residents or other community members to address the Board

Chairperson Burruss 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,

July 25, 2011.

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

C-2 Monthly Operations Report for the month of July 2011

RECOMMENDED ACTION: File as submitted

Vice-Chair Garner 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 Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss thereupon declared said motion carried as introduced.

IV. **REGULAR AGENDA**

1. Annual Election of Officers for 2011– 2012

Chairperson Burruss opened the floor for nominations for the office of Chairman.

Commissioner Butler nominated Vice-Chair Garner for the office of Chairman.

Commissioner Butler moved to close the nominations and accept the nomination of Vice-Chair Garner for the office of Chairman. Commissioner Witten seconded. The following vote was recorded:

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss opened the floor for nominations for the office of Vice-Chair.

Commissioner Butler nominated Commissioner Boitnott for the office of Vice-Chair. Commissioner Butler moved to close the nominations and accept the nomination

of Commissioner Boitnott for the office of Vice-Chair. Commissioner Witten seconded.

The following vote was recorded:

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

2. Resolution No. 3658

Ms. Cathy Wells, RRHA Cathy Wells, VP of Resident Services and Administration asked Ms. Gloria Charlton, RRHA FSS Coordinator, to join her and stated that Ms. Charlton takes the lead on RRHA's Homeownership Program and is working with the two people she will be discussing today. Ms. Wells asked for approval of Resolution No. 3658 authorizing the execution of documents necessary to consummate the sale of property at 1532 Dunbar Street, NW, to Allison Dillard. Ms. Wells stated that Ms. Dillard has participated in the Lease/Purchase program for approximately five years and has met the terms of the Lease/Purchase Agreement.

Ms. Edwards stated that the sale price of the homes in the Lease/Purchase program is established by the appraised value of the home when the participant initially moves in to the home.

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

Commissioner Butler introduced Resolution No. 3658 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE EXECUTION OF DOCUMENTS NECESSARY TO CONSUMMATE THE SALE OF PROPERTY AT 1532 DUNBAR STREET, NW, BEARING CITY OF ROANOKE TAX MAP NUMBER 2041224, TO ALLISON DILLARD

WHEREAS, the Roanoke Redevelopment and Housing Authority (RRHA) wishes to increase the level of homeownership in existing neighborhoods in the Washington Park and Villages at Lincoln area; and

WHEREAS, RRHA has sought to accomplish this goal through the construction of single family homes under RRHA's Lease/Purchase Homeownership program approved by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, Allison Dillard (the Buyer) has participated in the program for approximately five years and has met the terms of the Lease/Purchase Agreement for the property located at 1532 Dunbar Street, NW, bearing City of Roanoke Tax Map Number 2041224 (the Property), including completion of the homeownership education curriculum; and

WHEREAS, the Buyer has saved \$1,300 and has qualified to receive Individual Deposit Account (IDA) match funds totaling \$3,900 to apply toward down payment and closing costs; and

WHEREAS, the Buyer has also met all requirements for the Family Self-Sufficiency (FSS) program and has saved \$2,154 in a FSS escrow account; and

WHEREAS, the Buyer has qualified to purchase the Property for \$85,000; and

WHEREAS, the Buyer has been approved for mortgage financing for the Property by a local lender; and

WHEREAS, RRHA desires to sell the property to the Buyer.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is hereby authorized and directed to execute documents necessary to consummate the sale of property at 1532 Dunbar Street, NW, bearing City of Roanoke Tax Map Number 2041224, to Allison Dillard for the price of \$85,000.

The motion was seconded by Vice-Chair Garner and upon roll call the following vote was recorded:

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss thereupon declared said motion carried and Resolution No. 3658 adopted as introduced.

3. Resolution No. 3659

Ms. Wells asked for approval of Resolution No. 3659 authorizing the execution of documents necessary to consummate the sale of property at 1840 Downing Street, NW, to Randi Wright. Ms. Wells stated that Ms. Wright has participated in the Lease/Purchase program for approximately five years and has met the terms of the Lease/Purchase Agreement.

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

Commissioner Butler introduced Resolution No. 3659 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE EXECUTION OF DOCUMENTS NECESSARY TO CONSUMMATE THE SALE OF PROPERTY AT 1840 DOWNING STREET, NW, BEARING CITY OF ROANOKE TAX MAP NUMBER 2040116, TO RANDI WRIGHT

WHEREAS, the Roanoke Redevelopment and Housing Authority (RRHA) wishes to increase the level of homeownership in existing neighborhoods in the Washington Park and Villages at Lincoln area; and

WHEREAS, RRHA has sought to accomplish this goal through the construction of single family homes under RRHA's Lease/Purchase Homeownership program approved by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, Randi Wright (the Buyer) has participated in the program for approximately five years and has met the terms of the Lease/Purchase Agreement for the property located at 1840 Downing Street, NW, bearing City of Roanoke Tax Map Number 2040116 (the Property) including completion of the homeownership education curriculum; and

WHEREAS, the Buyer has saved \$1,300 and has qualified to receive Individual Deposit Account (IDA) match funds totaling \$3,900 to apply toward down payment and closing costs; and

WHEREAS, the Buyer has also met all requirements for the Family Self-Sufficiency (FSS) program and has saved \$2,793 in a FSS escrow account; and

WHEREAS, the Buyer has been approved for mortgage financing by a local lender; and

WHEREAS, RRHA desires to sell the property to the Buyer;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is hereby authorized and directed to execute documents necessary to consummate the sale of property at 1840 Downing Street NW, bearing City of Roanoke Tax Map Number 2040116, to Randi Wright for the price of \$85,000.

The motion was seconded by Vice-Chair Garner and upon roll call the following vote was recorded:

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss thereupon declared said motion carried and Resolution No. 3659 adopted as introduced.

4. Resolution No. 3660

Mr. Earl Saunders, RRHA VP of Real Estate Management, asked for approval of Resolution No. 3660 approving a Vacancy Reduction Plan. Mr. Saunders stated that as of July 31, 2011 the overall vacancy rate was 3.65%. Mr. Saunders stated that there are 20 units included in the plan for asbestos abatement, window replacement and other improvements.

Ms. Edwards stated that units meeting criteria in the plan will not be counted in RRHA's vacancy rate while work is being completed.

Commissioner Gilbert stated that he is surprised at the number of vacancies at Melrose Towers and asked if the fire was a contributing factor. Mr. Saunders stated that the fire was a contributing factor. Mr. Roger Vest, RRHA VP of Real Estate Development, stated that some of the units required asbestos abatement which

extended the amount of time the units were vacant.

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

Commissioner Butler introduced Resolution No. 3660 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY APPROVING A VACANCY REDUCTION PLAN

WHEREAS, the Roanoke Redevelopment and Housing authority (RRHA) receives operating funds from the Department of Housing and Urban Development (HUD); and

WHEREAS, HUD provides for certain exemptions to apply for vacant public housing units when they are included in the PHA Plan Capital Fund Annual Statement for the current fiscal year, thus reducing the negative impact on Public Housing Assessment System scoring for vacant units which need substantial repair to make them ready for occupancy; and

WHEREAS, funds are included in the RRHA Agency Plan Capital Fund Annual Statement for the current fiscal year for vacant units meeting specified criteria, as detailed in the attached Vacancy Reduction Plan; and

WHEREAS, RRHA has a goal of reducing the vacancy rate in public housing developments to no more than 2%; and

WHEREAS, the overall vacancy rate as of July 31, 2011 was 3.65%.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the attached RRHA Vacancy Reduction Plan is approved.

The motion was seconded by Vice-Chair Garner and upon roll call the following vote was recorded:

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss thereupon declared said motion carried and Resolution No. 3660 adopted as introduced.

5. Resolution No. 3661

Mr. Vest asked for approval of Resolution No. 3661 authorizing the execution of a Deed of Gift relative to the disposition of property to Habitat for Humanity.

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

Vice-Chair Garner introduced Resolution No. 3661 and moved its adoption as introduced:

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE EXECUTION OF A DEED OF GIFT RELATIVE TO THE DISPOSITION OF PROPERTY TO HABITAT FOR HUMANITY IN THE ROANOKE VALLEY AT 6 14th STREET, SW AND BEARING CITY OF ROANOKE TAX MAP NUMBER 1211104

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) Board of Commissioners approved Resolution No. 3639 on April 25, 2011, authorizing acquisition of a house and property located at 6 14th Street, SW, Tax Map Number 1211104, from Marie Bosley et als., for a purchase price not to exceed \$10,000 using funds provided to RRHA by the City of Roanoke through the Derelict Structures Program utilizing Community Development Block Grant funds; and

WHEREAS, documents for closing on the acquisition of said property for the purchase price of \$10,000 are being prepared by RRHA's legal counsel; and

WHEREAS, RRHA wishes to increase the level of homeownership and to revitalize the Hurt Park neighborhood; and

WHEREAS, RRHA is participating with Total Action Against Poverty, Habitat for Humanity, and Rebuilding Together - Roanoke in the Roanoke Revitalization Partnership (RNRP); and

WHEREAS, RRHA's role in the Partnership is acquiring land and structures in Hurt Park area for revitalization activities; and

WHEREAS, the structure at 6 14th Street, SW, Tax Map 1211104 has been identified as a derelict structure not suitable for rehabilitation; and

WHEREAS, RRHA has determined that the best use of this property is to demolish the structure and donate the property to Habitat for Humanity in the Roanoke Valley for further revitalization through construction of a single family house for affordable homeownership.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director be and hereby is authorized to execute a Deed of Gift concerning the conveyance of property located at 6 14th Street, SW, bearing City of Roanoke Tax Map Number 1211104, to Habitat for Humanity in the Roanoke Valley.

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

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss thereupon declared said motion carried and Resolution No. 3661 adopted as introduced.

6. Executive Session

Vice-Chair Garner 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 Butler, Witten, Garner, Burruss

NAYS: None

The Board of Commissioners entered into Executive Session at 4:03 p.m.

The Board reconvened into open session at 5:30 p.m.

Vice-Chair Garner introduced a motion stating that 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 Butler, Witten, Garner, Burruss

NAYS: None

V. **ADJOURNMENT**

There being no further business to come before the Board, Vice-Chair Garner moved that the meeting be adjourned.

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

AYES: Commissioners Butler, Witten, Garner, Burruss

NAYS: None

Chairperson Burruss declared the meeting adjourned at 5:31 p.m.

Edward Garner, Chairperson

Glenda Edwards, Secretary-Treasurer

**VACANCY REDUCTION PLAN FOR THE ROANOKE
REDEVELOPMENT HOUSING AUTHORITY**

- I. Purpose:** The purpose of this vacancy reduction plan is to maximize the use of housing resources, by using every reasonable means to achieve and maintain high levels of occupancy by eligible families in public housing developments owned and operated by the Roanoke Redevelopment and Housing Authority (RRHA). If the performance falters in this area it endangers the entire operation.

The RRHA will use a portion of its Capital Funds to implement a Vacancy Reduction Plan (VRP) for vacant units which need substantial repair to make them ready for occupancy. The reporting of these expenditures will occur at the Asset Management Project (AMP) level. The amount of Capital Funds allocated to the program, as detailed in the Capital Fund Annual Statement included in the 2010-2014 RRHA Agency Plan, will be \$ 153,892.00 beginning October 1, 2011. RRHA expects the work items to be completed within one year.

RRHA has established a goal of achieving a vacancy rate no higher than 2% at all public housing sites. RRHA's vacancy rate for the month of July 2011 was 3.65%. The VRP will be utilized at all sites to meet and maintain an occupancy rate at or above 98%.

The vacancy reductions for normal operations as well as units that meet the criteria for inclusion in the VRP are included in this plan.

II. Units to be included in the Vacancy Reduction Plan

1. Identification of Vacant Units

CURRENT VACANT UNITS

AMP	Development	Total Number of Units	Current Vacant Units	Estimated Number of Units That Meet VRP Criteria – 12 Month Period	Capital Fund amount to be utilized in the VRP
201	Lansdowne Park	300	13	0	.00
202	Villages at Lincoln Homeownership	191	8	0	.00
259	Hunt Manor /Bluestone Park	172	6	4	\$20,700.00
206	Melrose Towers	212	16	0	.00
207	Jamestown Place	150	15	16	\$133,192.00
208	Morningside Manor	105	0	0	.00

210	80 Indian Rock Village/35 Scattered Sites	133	7	0	.00
	Total Units	1,263	65	20	\$153,892.00

Funds will be utilized to repair 20 vacant units between 10/01/11 and 9/30/12.

III. Criteria for Unit Being Included In the Vacancy Reduction Plan

1. Asbestos Abatement – Includes all work required to reinstall materials removed during abatement.
2. Fire Damage > \$2,000.00.
3. Kitchen Cabinet Replacement – Includes the replacement of just the wall or base cabinets.
4. Insect damage that requires replacing unit framing members or greater than 32 square feet of wallboard.
5. Plumbing repairs that require demolition and reinstallation of concrete floor slab, or kitchen cabinets, or greater than 32 square feet of wallboard.
6. Resident damages to unit are > \$2,000.00.
7. Replacement of an entire window unit or units.
8. Ceramic tile tub surrounds: Greater than 10 square feet of ceramic tile to be replaced with backing wallboard in good condition, or replacement of deteriorated wallboard backing ceramic tile is required.
9. An AMP experiencing eight (8) or more move outs or evictions within a twenty-calendar day period. Units beyond the eighth unit will be included in vacancy reduction program.

IV. Scheduling For Units Included In the Vacancy Reduction Plan

1. Asbestos Abatement:

Action Plan for Asbestos Floor Tile: AMP Site Manager, upon inspection of vacant unit, shall contact Capital Improvements Director to schedule abatement of asbestos containing floor tile and mastic. Abatement contractor shall be under contract and shall respond to request by RRHA for abatement work within seven (7) calendar days. Abatement contractor has three (3) workdays to complete floor tile abatement in a unit. Upon RRHA acceptance

of work completed by abatement contractor, procurement of a contractor to make repairs will begin immediately with the development of specifications for work. Award of contract shall be made within 28 calendar days from beginning procurement process. Awarded contractor shall be given from 7 calendar days to 35 calendar days to complete repairs in unit(s) depending upon the number of units abated and the extent of repairs to be made. When multiple units are to be repaired at the same time, completed units shall be delivered to RRHA for acceptance by the contractor on a specified schedule to prevent units from being completed for re-occupancy all at the same time. Included in the specifications will be all work required to make the unit ready for re-occupancy. (All AMP's except 208)

For AMP 207, Jamestown Place, the second floor of the units shall receive an application of gypsum underlayment over the original lightweight concrete subfloors once asbestos abatement has been completed. Procurement of gypsum underlayment installation contractor shall begin when it is known that 2,500 – 3,500 of floor space will be available. This is the minimum amount of floor space that has been previously required by gypsum underlayment installers to be willing to provide a quotation to do the work. Generally this required a total of five (5) to seven (7) units in a group to receive gypsum underlayment. Procurement and award of contract for gypsum underlayment installation shall be completed within 21 calendar days from initiation of the process. Installation of gypsum underlayment shall be completed within 28 calendar days from issuance of purchase order to do the installation. Procurement of contractor to make repairs in the units at AMP 207 shall begin at acceptance of work completed by abatement contractor. Award of contract shall be made within 28 calendar days from beginning procurement process. Awarded contractor shall be given from 7 calendar days to 35 calendar days to complete repairs in unit(s) depending upon the number of units abated and the extent of repairs to be made. When multiple units are to be repaired at the same time, completed units shall be delivered to RRHA for acceptance by the contractor on a specified schedule so prevent units from being completed for re-occupancy all at the same time. Included in the specifications will be all work required to make the unit ready for re-occupancy.

Action Plan for Other Types of Asbestos Abatement: Procurement of abatement contractor and environmental monitoring firm to perform monitoring services will begin immediately upon receiving access to damaged unit to develop specifications for abatement. Award of contract for asbestos abatement and monitoring shall be made within 10 calendar days from initiation of procurement process. Abatement and monitoring work shall begin within 7 calendar days from issuance of purchase orders. Abatement contractor has three (2) workdays to complete abatement work in a unit. Upon RRHA acceptance of work completed by abatement contractor, procurement of a contractor to make repairs will begin immediately with the development of specifications for work. Award of contract shall be made within 21

calendar days from beginning procurement process. Awarded contractor shall be given from 7 calendar days to 14 calendar days to complete repairs in unit(s) depending upon the number of units abated and the extent of repairs to be made. When multiple units are to be repaired at the same time, completed units shall be delivered to RRHA for acceptance by the contractor on a specified schedule so prevent units from being completed for re-occupancy all at the same time. Included in the specifications will be all work required to make the unit ready for re-occupancy.

2. Fire Damage > \$2,000.00:

Action Plan: Procurement of contractor to make repairs shall begin immediately upon receiving access to damaged unit to develop specifications for repairs. Insurance adjuster shall be contacted immediately after access has been gained to unit. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 14 calendar days to 35 calendar days to complete repairs in unit depending upon the severity of the fire and smoke damage. Specifications shall include all work required to make the unit ready for re-occupancy.

3. Kitchen Cabinet Replacement:

Action Plan: Procurement of contractor to replace kitchen cabinets shall begin immediately upon access to vacant unit. Award of contract shall be made within 7 calendar days from beginning of procurement process. Contractor shall be given from 14 calendar days to 35 calendar days to complete repairs in unit depending upon the quantity of cabinets to be replaced and the manufacturer's timeframe for delivery of new cabinets. Upon acceptance of cabinet installation by RRHA, the unit(s) will be returned to AMP staff to complete maintenance, painting, and cleaning work.

4. Insect damage that requires replacing unit framing members or greater than 32 square feet of wallboard:

Action Plan: Procurement of contractor to make repairs shall begin immediately upon receiving access to damaged unit to develop specifications for repairs. Insurance adjuster shall be contacted immediately after access has been gained to unit. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 7 calendar days to 28 calendar days to complete repairs in unit depending upon the extent of insect damage. Specifications shall include all work required to make the unit ready for re-occupancy.

5. Plumbing repairs that require demolition and reinstallation of concrete floor slab, or kitchen cabinets, or greater than 32 square feet of wallboard:

Action Plan: Procurement of contractor to make repairs shall begin immediately upon receiving access to unit requiring repairs to develop specifications. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 7 calendar days to 14 calendar days to complete repairs in unit depending upon the extent of the repairs to be made. Specifications shall include all work required to make the unit ready for re-occupancy.

6. Resident damages to unit are > \$2,000.00:

Action plan: Procurement of contractor to make repairs shall begin immediately upon receiving access to unit requiring repairs to develop specifications. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 5 calendar days to 10 calendar days to complete repairs in unit depending upon the extent of the repairs to be made. Specifications shall include all work required to make the unit ready for re-occupancy.

7. Replacement of an entire window unit or units:

Action Procurement of contractor to make repairs shall begin immediately upon receiving access to unit requiring window replacement to develop specifications. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 14 calendar days to 35 calendar days to complete repairs in unit depending upon the quantity of windows to be replaced and the manufacturer's timeframe for delivery of new window units. Upon acceptance of window installation by RRHA, unit will be returned to AMP staff to complete maintenance, painting, and cleaning in unit.

8. Ceramic tile tub surrounds: Criterion is met if backing wallboard is in good condition and greater than 10 square feet of ceramic tile is to be replaced, or when replacement of deteriorated wallboard backing ceramic tile is required.

Action Plan: Procurement of contractor to make repairs shall begin immediately upon receiving access to unit requiring window replacement to develop specifications. Award of contract shall be made within 28 calendar days from beginning procurement process. Contractor shall be given from 3 calendar days to 7 calendar days to complete repairs in unit depending upon the extent of the repairs to be made. Upon acceptance of repairs by RRHA, unit will be returned to AMP staff to complete maintenance, painting, and cleaning.

9. An AMP experiences eight (8) or more move outs or evictions within a twenty-calendar day period. Units beyond the eighth unit will be included in vacancy reduction program:

Action Plan: Procurement of contractor to make repairs shall begin immediately upon notification of number of units to be included in VRP from AMP Site Manager. Award of contract shall be made within 7 calendar days from beginning procurement process. Contractor shall be given from 3 to 4 calendar days per unit, depending upon the condition and size of the units included in VRP, to complete maintenance, paint, and clean units. Specifications shall include all work required to make the unit ready for re-occupancy.

V. As of August 5, 2011, there are thirteen (13) vacant units subject to modernization, reconstruction, demolition, or disposition activities.

1. 1648 Queen Ann Drive, SE
2. 1511 Queen Ann Drive, SE
3. 1515 Queen Ann Drive, SE
4. 1627 Queen Ann Drive, SE
5. 1665 Queen Ann Drive, SE
6. 1167 Queen Ann Drive, SE
7. 1669 Queen Ann Drive, SE
8. 1985 Queen Ann Drive, SE
9. 2004 King Charles Avenue, SE
10. 2008 King Charles Avenue, SE
11. 2125 King Charles Avenue, SE
12. 2134 King Charles Avenue, SE
13. 2141 King Charles Avenue, SE

VI. Vacancy Reductions through Normal Operations

A. Actions To Be Taken By The RRHA during the course of normal operations to eliminate vacancies.

Goals to increase and maintain the required occupancy rate:

1. Provide site staff with training about policies and how they are to be applied; monitor for consistency by the use of quality control audits of work;
2. Track and analyze all facets of the process from the reasons residents are vacating to the reasons for vacancy turnaround time higher than acceptable limits; develop strategies to correct problems and foster effective teamwork;

3. Site Managers at all public housing developments will regularly review waiting list management and practices to insure compliance and thereby insure a more efficient operation at the development;
4. Perform an analysis of the application, screening, and certification process to determine where delays occur and implement procedures to shorten the process including beginning the processing steps earlier in the cycle;
5. RRHA will establish procedures and controls to ensure that average unit turnaround time for vacant units is brought within acceptable limits. Acceptable limit for turnaround time is 20 days.
6. Maintain an adequate maintenance staff to meet the 20 day turnaround time requirement of HUD.

Additional goals to increase and maintain the current occupancy rate:

7. In order to maintain a quality maintenance force, the RRHA will assure that the person who supervises the maintenance staff for each public housing development is highly qualified for the job and understands such areas as:
 - System downtime
 - Maintenance delay
 - Productivity rate
 - Coverage rate (staff)
 - Cost (Inventory)
 - Cost per standard hour, and
 - Overtime
8. Since the success or failure of the RRHA ultimately depends on performance as a whole. The RRHA understands that housing authorities designated as High Performing are typically characterized by the importance they place on the maintenance system. RRHA will view the following items as subsystems in the maintenance system and will periodically train the entire site staff on each subsystem and its measurements:
 - Annual Maintenance Plan
 - Work order
 - Routine Maintenance
 - Emergency Maintenance
 - Preventive Maintenance (sometimes referred to as scheduled maintenance)
 - Vacancy turnaround

- Inspection program
- Crime/vandalism control
- Tools and equipment maintenance
- Procurement

9. Security

- Site Managers will repair damages and remove graffiti promptly (within 24 hours if not sooner)
- Site Managers will assess causes for any decline in the development's appearance and establish a maintenance program to address the needs so that the "broken windows syndrome" will not cause conditions to worsen.
- Site Managers will seek to curb criminal activity by various methods of intervention such as increased police presence and by identifying the root causes of crime and development of programs and strategies to address.
- Site Managers will meet with local law enforcement officials to pursue initiatives that have a common goal and will work to develop a sound relationship between the RRHA and local law enforcement agencies.