

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 on Monday, September 26, 2022.

I. CALL TO ORDER – ROLL CALL

Chair Kepley called the meeting to order at 3:00 p.m. and declared that a quorum was present.

PRESENT: Commissioners Anguiano, Garner, Smith, Spickler, Vice Chair Walker, Chair Kepley
Commissioner Karney joined via phone after Chair Kepley conducted a vote

ABSENT: None

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Joel Shank, VP of Operations; Jackie Austin, VP of Finance/CFO; Jason Michaels, Human Resources Manager; Greg Goodman, Director of Community Support Services; Leanna Pagans, Interim Administrative Executive Assistant; Jasey Roberts, PR/Social Media/Marketing Manager; Stephanie Moon Reynolds, City Council Liaison; Suzzette McCoy, Compliance and Quality Assurance Specialist; Fredrick Gusler, Director of Redevelopment and Revitalization

Chair Kepley welcomed everyone to today's meeting and stated that Commissioner Karney would be joining the meeting via phone. He noted that we would need a brief explanation why she was calling in and where she was calling from. Commissioner Karney said that due to a medical issue she is unable to drive

at the moment and was dialing in from Glade Hill in Franklin County. Chair Kepley introduced a motion to allow Commissioner Karney to participate remotely.

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

AYES: Commissioners Anguiano, Garner, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Commissioner Karney was allowed to join the meeting.

II. REPORTS

1. Executive Report.

Mr. Bustamante addressed the Board stating that in addition to his written report he would like to announce that the Envision Center will open its doors to the public on October 7, at 10:00 a.m. We are excited to have those doors open and to be able to provide the services that we have planned for that center. Chair Kepley asked if there would be a ribbon cutting. Mr. Bustamante said that there would be.

In addition to that, we finally got approval for the two units that we're going to build at Bluestone. HUD sent back and approved our development plan and Mr. Shank is working with the architects to upgrade our former development so that we can get those two units built as soon as possible.

We were anticipating having good news about Spanish Terrace as well. We contacted VHDA and found that they plan to issue an RFP for the property. We can only speculate what that means, but speaking internally, it might mean that other developers are also interested in the property, thus they are trying to recoup as much

investment as they can for that property. Once the RFP is posted, we will apply and submit a proposal as to why that land should be awarded to RRHA. We will share this with the board when the time comes. Commissioner Anguiano asked what the time frame is. Mr. Bustamante stated that it hasn't come out yet, but he assumes that it is a normal timeframe, between 30 to 60 days to submit. Commissioner Garner asked what the market cost is. Mr. Gusler replied that the property is assessed at \$629,000.

Mr. Bustamante stated that we received 15 extra vouchers from HUD that were added to our current count, which will help us assist 15 families, if not more, depending on bedroom size. We are about to begin calling names from the waitlist that we just opened in 2022. We also recently applied for additional VASH vouchers as well as additional Stability Vouchers with the COC which are similar to our Emergency Housing Vouchers that will help us house the homeless. The COC has provided us with a letter of support and we are hoping to get 26 or more of those vouchers leased up relatively quickly.

We haven't had our holiday party or luncheon for the last couple of years due to the pandemic. This year, tentatively, we have scheduled the date for December 16th at 12:30 p.m. Once we confirm all of the details we will notify the board to make sure that everyone is present.

Commissioner Garner asked if we have the capacity to utilize these vouchers and for clarification regarding the Stability Vouchers. Mr. Bustamante replied that we do have the waitlist to accommodate 15 families and provide them with the voucher. However, the issue that we're having is the lack of affordable housing. Ms. Richie and the HCV department are working very hard to conduct outreach to our landlords,

because without them, this program does not exist. We're doing our best to be able to bring into the program as many landlords as possible. The other issue is that our payment standards are capped off at certain levels. Given the fact that rental property is so hard to come by, landlords are able to charge almost double what our payment standard is. To answer your second question, the Stability Vouchers are similar to the Emergency Housing Vouchers which are specifically for individuals who are homeless, facing homelessness, victims of domestic violence or victims of human trafficking. Those referrals come directly from the COC or the Continuum of Care. Last time we had 26 and we leased those vouchers relatively quickly. Commissioner Garner then asked if the COC referrals get preference over those that are on the waitlist. Mr. Bustamante replied that they come from a different pot of money, but yes, they would get preference. He added that there are also people on our own waitlist facing homelessness and they would receive the same type of local preference.

Commissioner Garner inquired about the other tax credit property that we were working with developers on. Ms. Richie stated that this project, North Ridge Commons, is moving along quite well. After conversations with the developers, they are now looking to build all the units at one time do to the current need for affordable housing. Commissioner Garner asked where the property will be located. Ms. Richie said that it will be located off of Peters Creek Road behind the North Lakes Subdivision.

Chair Kepley asked who controls the Spanish Terrace parcel. Mr. Bustamante replied that The Virginia Housing and Development Association owns it. Chair Kepley then asked if the selling of the property is voted on by the board in Richmond. Mr. Bustamante said that he assumes it is voted on internally by those within the VHDA.

Chair Kepley asked if there were over 200 units at the original property. Mr. Bustamante said that there were about 207 units, but RRHA initial development would only be between 85 to 90 units. Chair Kepley asked, as far as homelessness goes, are we going to try to address this issue by building smaller units for single people. Mr. Bustamante replied that we will take that into consideration when we get to that point but it is too early to determine what that is going to look like. Commissioner Garner asked, in relation to this property, if there will be any backlash from HUD in regards to minority and poverty concentration. Mr. Bustamante said that the property is in a very good census tract and we believe that there will not be any FHEO issues. Vice Chair Walker asked if we know the reason this property was shut down. Mr. Bustamante replied that while he doesn't know the answer to that, we do know that every unit on the property was demolished and is not something that is usually done. Typically, the units are left behind and someone else buys them. In that respect, those are all things we will check for during our due diligence period if we decide we are going to purchase the land.

Chair Kepley asked for further questions. There were none.

2. Staff Reports

Chair Kepley asked for staff reports. There were none.

3. Committee Reports

Chair Kepley asked for the status of the feasibility report and what the next steps are. Mr. Bustamante stated that the decision was made to do the Faircloth-RAD first.

We want to see how this RFP is awarded and if we do have control of the land so that we can move forward with that. If that does not work out, then we will move forward with the first step which would be to convert our Scattered Sites from Public Housing to the Section 8 platform.

Chair Kepley asked for comments or questions. There were none.

4. Commissioner Comments

Chair Kepley asked for comments or questions. There were none.

5. City Council Liaison Comments or Discussion

Chair Kepley asked for comments or questions. There were none.

6. Residents or other community members to address the Board

Chair Kepley asked if there were any residents or community members that would like to address the board. There were none.

CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held

Monday, August 22, 2022.

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

C-2 Monthly Operations Report for the month of August 2022.

RECOMMENDED ACTION: File as submitted.

Commissioner Garner introduced a motion to approve the Consent Agenda.

The motion was seconded by Chair Kepley and upon roll call the following vote was recorded:

AYES: Commissioners, Anguiano, Garner, Karney, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

REGULAR AGENDA

1. Annual Election of Officers for 2021-2022

A. Nominations for Office of Chair

Chair Kepley nominated Karen Walker for the office of Chair beginning October 1, 2022. There being no further nominations, Chair Kepley introduced a motion to approve Karen Walker for the office of Chair. The motion was seconded by Commissioner Garner and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Smith, Karney, Spickler, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried as introduced.

B. Nominations for Office of Vice-Chair

Commissioner Anguiano nominated Karen Karney for the office of Vice-Chair beginning October 1, 2022. There being no further nominations, Chair Kepley introduced a motion to approve Karen Karney for the office of Vice-Chair. The motion was seconded by Vice Chair Walker and upon roll call the following vote was

recorded:

AYES: Commissioners Anguiano, Garner, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried as introduced.

2. Resolution No. 4130

Ms. Austin presented Resolution No. 4130 seeking the board's approval for the consolidated operating budget for fiscal year ending September 30, 2023.

RRHA is required to submit a board resolution approving the annual consolidated operating budget to HUD prior to the beginning of the fiscal year. A public hearing was held on August 22, 2022 in order for the board to receive comments for the fiscal year ending September 30, 2023 operating budget, there were no comments received. There have been no changes to the budget since that public hearing.

Commissioner Garner asked how the budget is projected. Ms. Austin explained that we start with six months and then we project into the end of September, so you're really looking at March numbers. We then use our best judgement on how we are going to get to September. Commissioner Garner asked how much money is in our HOP reserves and how did that money get there. Ms. Austin explained that it is an accumulation of properties that have been sold throughout years past. There is approximately \$1.8 million in these reserves. Commissioner Garner asked why there is a 31% increase in tenant services. Ms. Austin stated that ROSS is a grant we receive that pertains to our tenants. It is

based on the amount of funds we're expecting to receive. We are not only going to spend them, however, we will receive them as well. Furthermore, we get the revenue coming in and expenses going out. Commissioner Garner asked what happened in 2022. Ms. Austin replied that we had programs that ended and new programs coming on. We are ramping up now for the Jobs Plus Program and we were given additional funding for our ROSS grants. Mr. Bustamante added that we are currently fully staffed in our Resident Services Program as opposed to last year. Commissioner Garner asked if we normally project overtime expenses. Ms. Austin replied that we don't normally keep a running total in the general ledger for that. Years ago, we were sticklers for it as we had more people working overtime. Commissioner Garner asked if we pay real estate taxes. Ms. Austin stated that we pay Payments in Lieu of Taxes (PILOT). This calculation is based on how many rents that we're charging, plus excess utilities, minus our utilities, minus ten percent. Commissioner Garner asked if this number fluctuates. Ms. Austin stated that it does because our rents and utilities are fluctuating. Commissioner Garner asked if we anticipate a major upgrade in computer software or is the budget increase routine. Ms. Austin explained that our costs have been escalating because we are using more services. In addition, we had a budget increase for additional modules for our benefit and payroll systems. Mr. Bustamante added that we are also paying for a new module that provides security to all of our software which increased the cost of our contract on a monthly basis. Commissioner Garner asked about our IT services. Ms. Austin stated that we have an outside firm as opposed to an internal IT department.

Chair Kepley asked for further questions. There were none. He then introduced Resolution No. 4130 and moved its adoption as introduced.

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

AYES: Commissioners Anguiano, Garner, Karney, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4130 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR SIGN REPLACEMENT AND IMPROVEMENTS FOR VARIOUS SITES, USING OPERATING SUBSIDY FUNDS

WHEREAS, the City of Roanoke Redevelopment and Housing Authority has prepared a Consolidated Operating Budget for fiscal year ending September 30, 2023, covering the following programs: Central Office, Public Housing, Section 8, Hackley, Private Management, Jobs Plus Grant, Jamison/Downing, CDBG/HOME, Homeownership Opportunities (HOP), ROSS Grant, City Activities, and Capital Fund Grants; and

WHEREAS, RRHA is required to submit a Board resolution approving the annual operating budget for U.S. Department of Housing and Urban Development (HUD) funded programs to HUD within 60 days of the beginning of the fiscal year; and

WHEREAS, the Board of Commissioners having reviewed the Consolidated Operating Budget has determined that the budget presented is a fair representation of projected operating revenues and expenditures for fiscal year ending September 30, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Consolidated Operating Budget is approved for the fiscal year ending September 30, 2023.

3. Resolution No. 4131

Mr. Shank presented Resolution No. 4131 requesting the board's approval to

award contract for phase two of the porch roof repairs at the Villages at Lincoln. We are just now completing the first phase and this new phase will involve 31 units. They have determined that the framings had deteriorated due to water infiltration. This is the second round of that work which we will now extend to the one bedroom units. We issued an IFB in August and received one responsive bid from Russell's Remodeling. They are the ones that did the work on the first phase, therefore, they know what they are getting into. Their bid amount was \$464,010.50 and my cost estimate was \$459,600.00. This project will be paid for out of the fiscal year 2022 capital funds. Mr. Shank asked if anyone had any questions.

Chair Kepley asked if cost works out to be around \$7,000 per porch. Mr. Shank said that it does and explained that we are tearing off the old roof and part of the plywood and putting on a new one. There are unit costs for replacing various components of the porch. When there is a rotten porch beam it costs so much per foot to replace that. There is a unit cost for replacing and repairing trusses as well as the vinyl siding. We found that when the vinyl siding was initially installed, a place was left that allowed water to enter and infiltrate an area of the porch. We are also reconfiguring the way the porch is tied back to the main part of the building to eliminate a pocket where water can gather.

Chair Kepley asked how long these porches have been there. Mr. Shank stated that they were constructed during HOPE VI back in 2001-2002. We discovered that a flashing should have been installed at that time that was not even in the architectural plans. There was an area back under the overhang where water was coming around and falling where the flashing should have been. The problem has manifested itself

over a 20 year period and now we are seeing water entering in different places and roofs that are starting to sag. Installation of this flashing will allow water to run right into the gutter eliminating the problem.

Chair Kepley asked for further questions. There were none.

Commissioner Garner introduced Resolution No. 4131 and moved its adoption as introduced.

The motion was seconded by Chair Kepley and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Karney, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4131 was adopted as introduced.

**RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND
HOUSING AUTHORITY AUTHORIZING EXECUTION OF A CONTRACT
WITH WOODS ROGERS, PLC TO PROVIDE LEGAL SERVICES**

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a grant from the Department of Housing and Urban Development ("HUD") Capital Fund Program (CFP), grant number VA36P01150122 in the amount of \$4,741,515.00; and

WHEREAS, Porch Renovations was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150122, which was approved by the RRHA Board of Commissioners by Resolution 4119 on May 23, 2022; and

WHEREAS, RRHA needs a qualified contractor to complete Porch Repairs for Single-Story Apartment Units for Villages At Lincoln, AMP 202 – Phase 2; and

WHEREAS, RRHA issued a Invitation for Bid on August 7, 2022, with bids being due on September 6, 2022; and

WHEREAS, RRHA received one (1) responsive bid to the invitation, which was opened for consideration, such bid being as follows:

<u>Bidder</u>	<u>Total Bid Amount</u>
Russell's Remodeling, LLC	\$464,010.50

WHEREAS, the amount of the bid submitted by Russell's Remodeling, LLC was determined to be fair and reasonable for the work specified when compared to the amount of the revised independent cost estimate based on R S Means Cost Data, for the project; and

WHEREAS, review, evaluation, and confirmation of bid 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 bid and execute an appropriate contract.

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

- (1) The bid submitted by Russell's Remodeling, LLC be and hereby is accepted;
- (2) 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 \$464,010.50.

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

Chair Kepley thanked everyone and said that he has enjoyed his time as Chair and looks forward to continuing to work with everyone in the future.

III. ADJOURNMENT

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

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

AYES: Commissioners Anguiano, Garner, Karney, Smith, Spickler, Vice Chair Walker, Chair Kepley

NAYS: None

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

Drew Kepley, Chair

David Bustamante, Secretary-Treasurer

Exhibits from September 26, 2022 Minutes previously circulated