

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, February 27, 2023.

I. CALL TO ORDER – ROLL CALL

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

PRESENT: Commissioners Anguiano, Kepley, Garner, Spickler,
Vice Chair Karney, Chair Walker

ABSENT: Commissioner Smith

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Evangeline Richie, VP of Housing; Jackie Austin, VP of Finance/CFO; Leanna Pagans, Administrative Executive Assistant; Jasey Roberts, PR/Social Media/Marketing Manager; Suzette McCoy, Compliance and Quality Assurance Specialist; Jason Michaels; Manager of Human Resources; Frederick Gusler, Director of Redevelopment and Revitalization; Lyn Relf, HCV Manager; Stephanie Moon Reynolds, City Council Liaison

Chair Walker welcomed everyone to today's meeting.

II. REPORTS

1. Executive Report.

Mr. Bustamante addressed the Board stating that in addition to his report he

would like to announce that RRHA completed its full week of Community Meetings last week for the annual plan. Some of the sites had very good turn out and some sites did not. In addition to the meetings, RRHA did receive a lot of questionnaires that are going to be added to the annual plan. HCV had a very lively meeting with the landlords and RRHA plans to have more of those meetings throughout the year as there is definitely a need to keep the landlords informed of what is going on and to listen to what is happening on their end.

Mr. Bustamante added that RRHA also received its Capital Fund Award for 2023 from HUD in the amount of \$4.8 million which is roughly \$100,000 more than what was awarded last year. This money will help fund a lot of projects RRHA has planned for 2023. Mr. Shank is currently working on the five year Capital Fund Rolling Plan and will be adding some new projects, as well as addressing the ones already in place for 2023, with this money. Mr. Bustamante offered to answer any questions.

Commissioner Garner asked if the proposed reduction that congress is considering this year is still on the table. Mr. Bustamante said that it is still on the table, but it will not affect what RRHA was awarded for 2023. Commissioner Garner asked, in reference to the Executive Report, about a rollback to fiscal year 2022 funding. Mr. Bustamante stated that if the issue with debt ceiling is not addressed then it may end up creating a very bad situation. Commissioner Garner asked how you come up with a 25% reduction even in terms of inflation. Mr. Bustamante replied as a warning for what might be expected in FY 24, Republicans put out spending and budget objectives that include tying the debt ceiling to spending cuts and capping FY 24 discretionary spending, which includes HUD programs, at enacted FY 22 levels or even lower.

Commissioner Anguiano asked if the landlords at the meeting had any specific concerns or were there any specific things that staff was able to address. Mr. Bustamante commented that a lot of what they presented, staff was able to address. There seems to be more of an issue with lack of communication between the landlords and their tenants that pertain to housekeeping or maintaining their units and not being compliant with those issues. This can create a situation when the tenant moves out where the landlord then has to use their own money to pay for those expenses. The landlords were reminded that they have the right to go into the unit with a notice just as they would with a private pay tenant. Commissioner Garner asked if we have gotten to a point where we are comfortable with the Section 8 landlords as it relates to inspections and, specifically, lead based paint in the units. Mr. Bustamante noted that RRHA inspects Housing Quality Standards (HQS) which looks for peeling paint etc. throughout the house. If none is found then it passes inspection. If there are issues with peeling paint, then further action is required from the landlord to prove that the peeling paint is not associated with lead. Most of the stock that we have here in Roanoke is somewhat old. The hope is that at some point they have had some lead remediation before they painted the units.

Commissioner Garner mentioned the \$2.7 million funded for the Community Development Block Grant (CDBG) and asked if RRHA has participated in any of the ongoing city meetings about affordable housing. Mr. Bustamante stated that RRHA was contacted by Keith Holland and Chris Chittum to participate and give our view of affordable housing and the need for it. When the money for that grant becomes available RRHA plans to submit to use that money for our developments.

Chair Walker asked for further questions. There were none.

2. Staff Reports

Ms. Richie addressed the Board stating that she, along with the HCV Manager Lyn Relf, would like to provide specifics regarding the HCV programs. To date, RRHA currently has approximately 264 families that are still on the 2019 waitlist and actively holding voucher briefings on a weekly basis to ensure that we exhaust this waitlist by the beginning of the third quarter in fiscal year 2023. The program currently has a little less than 2,100 participants in all HCV programs, including approximately 900 landlords. The HCV team, which consists of six specialists, is very active in addressing the 7,500 individuals associated with the program. During the last quarter of 2022, RRHA reinstated a retired position of HCV Coordinator to accommodate for the present day needs of the many families and landlords. Ms. Richie then introduced the HCV Manager, Lyn Relf.

Ms. Relf addressed the Board explaining that within the HCV department there are also five additional special programs. They are called special programs because they each have their own regulations and policies that determine who is actually able to get admitted into these programs. The newest program is the Emergency Housing Voucher (EHV) program which helps individuals who are homeless or at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault or human trafficking. HUD allocated to RRHA 26 vouchers for this program, 22 of which are currently housed.

The next program is the Family Unification Program also known as FUP. These

vouchers are associated with the Department of Social Services and is our foster care program. There are two different populations that the program serves. The first includes families who are trying to get their children out of foster care and reconnect their families. The second, involves children who are coming of age, between 18 and 24, who are getting ready to leave foster care and need some sort of housing. The FUP program offers these vouchers only on a term of 36 months. RRHA was allocated 81 vouchers for this program and currently have 78 housed.

The Mainstream Program houses non elderly persons with disabilities and uses the same rules and regulations as HCV. RRHA was recently awarded an additional 30 Mainstream vouchers, though in total there are 217 allocated vouchers, with 196 currently housed.

The next program is the Veteran Affairs Supportive Housing (VASH) program. RRHA has partnered with the Department of Veterans Affairs to provide case management and clinical services by the VA to homeless veterans. This program was also recently awarded additional vouchers which brings the total to 130 allocated with 116 housed. The last program is the State Rental Assistance Program which serves individuals that have mental disabilities and are trying to reenter society. RRHA was allocated 40 vouchers for this program and 17 are currently housed. Ms. Relf offered to answer any questions.

Commissioner Garner asked what HCV does differently to make more housing available considering the fact that the regular voucher holders are having such a difficult time finding housing. Ms. Relf replied that each special program has a hurdle within its own self. The hurdle with the veteran's program is that a lot of veterans that come

through this program are very combative, such as they do not want to provide their personal information to staff. They do not understand why they need to provide their social security number and birth date. They are combative about providing their documentation because they do not feel we have a right to know what they earn each month. The EHV program actually has a service fee that is connected to these vouchers. These service fees allow RRHA to pay for security deposits, application fees or past due utility balances. This allows staff to move forward with getting these individuals housed as effectively as possible. Once the landlords are made aware that those hurdles can be addressed together and that the security deposit is coming from the PHA, they are more willing to rent.

Commissioner Garner asked if there is any collaboration with Blue Ridge Behavioral Health or other agencies to help people with disabilities find housing. Ms. Relf stated that for this program, each referral has approximately two to three clinicians that are tagged along with them. This helps if there are barriers understanding what their obligations to the program will be. These conditions are there to support HCV staff as well. Commissioner Garner asked if there is competition with any of these agencies to find housing for people. Ms. Relf said that 80% of the referrals come from the CoC. They have already done outreach to most of the organizations and shelters that are in our area and tried to sift through the families there, therefore, the PHA is not competing with other agencies. In all, the families are competing with each other to find housing.

Commissioner Kepley asked if the lack of housing stock is the major challenge for staff. Ms. Relf replied that the housing stock and affordability are the major barriers. Commissioner Kepley commented that the normal housing model seems to be very

labor, time and cost expensive to implement and asked if there might be a better route to go. Ms. Relf stated that across the street at the former Shenandoah Village, which is now 733 West Apartments, the rent for a three bedroom townhome is \$1,350. They have done renovations to their units, however, the amenities do not match what you can find across the interstate. Being affordable yet reasonable is very tricky. Ms. Relf noted that this was an issue that also came up at the landlord meeting. They were very upset at how staff have not been approving rent increases. Commissioner Kepley asked if \$1,350 is expensive for a three bedroom. Ms. Relf said that it is and this price has jumped from approximately \$700 to \$800 in less than a year. Commissioner Garner asked how that compares to the real market. Ms. Relf replied that this is just in the apartments across the street from RRHA versus an actual single family home in NW or in any area of Roanoke. It is hard when there are families that are recertifying and are not moving whatsoever. They want to stay in their current unit and the rent is jumping \$500. There have been instances before where auditors have asked how some large rent increases are justified and if any major improvements have been done to the particular unit. Commissioner Anguiano asked how the rate increase is determined. Ms. Relf stated that there is no fixed amount, however, there are several factors that determine it. One is if the amount is comparable to units that are not assisted whatsoever in the area. The budget is also a determining factor. If all \$300 to \$500 rent increases are approved then we would not be able to pull anyone off of the waitlist and just maintain what we currently have instead of providing services to the rest of the community. Commissioner Anguiano commented that the challenge seems to be that we are benchmarking it to other places within the community, but we have a process

that does not allow a quick response when these rapid increases occur. Mr. Bustamante added that it comes down to affordability and rent reasonableness. If a landlord comes in and they want to ask \$1,350 for their unit and the results, after running the comparables on our software, are that it cannot be done then as an agency we cannot do it. Staff then has to go back and negotiate that rent. Unfortunately, if they are able to rent these units because they can rent it on the fair market and individuals need a place to live and they have the money to pay it then that eliminates what RRHA is able to do as far as housing someone. At some point if this upward trend continues, this higher price will eventually be reasonable because every other landlord is charging the same amount for a non-assisted unit. RRHA's housing assistance payments per month will increase and thus, the number of individuals that can be pulled off the waitlist will decrease. Commissioner Garner asked if HUD controls what the maximum amount RRHA can pay for a unit is. Ms. Relf replied that the affordability factor is different for every single family that has been approved for a voucher. This differs due to household income, household size and the type of unit that they select. Utility responsibility and voucher size are also determining factors. The payment standards, how much subsidy we offer based on a families eligible voucher size, affect affordability. What is affordable is different for each family.

Commissioner Spickler asked how things are going with acquiring new landlords. Ms. Relf noted that Ms. Richie has been broadcasting with the news that RRHA really needs more participation from landlords and hopefully this will help with building the inventory stock. It is important to remember that each of the families have their own expectations of what their living arrangements can be. Some families prefer that their

children graduate from William Fleming High School so they are only searching in the District of William Fleming High School. It is not RRHA's position to say that they cannot have that expectation. Personal preferences are encouraged, because that is where they will be raising their children.

Chair Walker asked if HUD can raise the voucher amounts given the increased prices for rental property. Ms. Relf said that the vouchers are increased once a year. Commissioner Garner asked when the payment standards are increased if that decreases the number of people that we can extend vouchers to. Mr. Bustamante stated that the money RRHA receives from HUD every year is based on the leasing from the prior year. If you increase the payment standards more than it was the year before then you would have to stop leasing in order to maintain within the budget of what you receive from HUD. Ms. Relf added that the payment standards also equate to per unit cost. The average per unit cost is \$592 as of right now. Ms. Riche noted that RRHA recently increased the payment standards effective February 1, 2023. This will continue to be monitored as per unit costs continue to increase based on the average lease of the units to make sure that there is going to be enough funds to cover and to avoid running into a shortfall.

Chair Walker asked for further questions. There were none.

3. Committee Reports

Vice Chair Karney announced that the personnel committee met and saw a very detailed presentation regarding the performance evaluations and increases for staff. The Committee recommends these changes 100%.

Chair Walker asked for further questions. There were none.

4. Commissioner Comments

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

5. City Council Liaison Comments or Discussion

Councilwoman Moon Reynolds addressed the Board stating that she did not have anything new to address at today's meeting.

Commissioner Garner asked if the two new homes on Rorer and Centre Avenue will be bought new or be rewired. Mr. Shank replied that there will be new construction and the \$111,000 will be a supplement to the funds that are already in the program.

Commissioner Garner asked if there was any new information regarding the Gun Violence Commission. Councilwoman Moon Reynolds stated that the Council has requested an audit of the many grants and any of the funding that the Gun Violence Commission has been awarded. Council is currently waiting to hear back from the auditor to determine if they were in compliance with awarding the money. Council is looking to see if that was part of their purview, as the measure that was adopted is not what was set up as part of the purpose. There were only three things set up and one was not to distribute any funds. Commissioner Garner asked what the composition was of that Commission. Ms. Moon Reynolds said that when they adopted the measure in 2021, nine members were presented to us. If applications were done by council they came from the recommendation that these were the people that they wanted to serve at the time. Councilwoman Moon Reynolds noted

that three or four of the members were non City residents. Commissioner Garner asked if there were any criminal justice professionals on the commission as they are starting off handicapped if they do not have that kind of input. Councilwoman Moon Reynolds stated that is something Council is looking at, should the Commission continue. It may be helpful to readjust the mission and their policy and look at putting people on with that type of background. Commissioner Garner asked if the City is consulting with Commissions in other areas that have already had success with this. Councilwoman Moon Reynolds replied that Vice Mayor Cobb did go visit other localities outside of the state, but she does not recall if that was presented to Council. Commissioner Kepley expressed concern that recently there has not been much cooperation from the community with the police in these investigations. Ms. Moon Reynolds stated that most people will say that they fear for their lives. They worry that the person can be taken into custody and then bonded out within two hours of arrest. Commissioner Kepley asked how we can protect those people that come forward and testify against someone. Commissioner Garner added that one of the things that the successful commissions were able to do was get the buy in from the community. They brought in former gang members and the police. It is important that the people in the community have some kind of trust in the police, need to have some faith and trust in the community. Councilwoman Moon Reynolds replied that it is necessary to make sure the right people are at the table. A roundtable discussion needs to be had that includes the people in the community that are being affected by gun violence, as well as the youth. There was an ex-felon that came forward and said that no one has come and talked with him. The issue becomes that no one

wants to talk with ex-felons or put them on a commission to get their buy in and show that they are serious about trying to eradicate gun violence.

Ms. Richie added that the housing authority added several Tsunami camera systems at Lansdowne Park, Bluestone Park, Villages at Lincoln and Hunt Manor. RRHA has a very strong partnership with Roanoke City Police Department and has met with several detectives in recent months. The camera systems that RRHA has installed have assisted them with solving a lot of the crimes in and around RRHA multi-family developments. Ms. Richie noted that she sent a notice to Joe Cobb requesting additional funding through this particular program to get more cameras for some of the other developments. RRHA operates on a budget and was only able to get so many cameras and license plate readers. Roanoke City Police Department has access to our information, therefore, if something is happening they have eyes on it. This partnership has reduced a lot of crime in our developments and Roanoke City Police are now telling other agencies how affective these systems have been for RRHA and are requiring them to get the same apparatus. Commissioner Kepley asked if these cameras are continually monitored. Ms. Richie stated that the police department can login and see all activity that is going on. If they are looking for a particular vehicle that has committed a crime, they can plug that tag number into the license plate reader and they will get an alert when that particular tag is in a certain area. Commissioner Kepley commented that the cameras are recording activity, but if nothing else they probably serve as a deterrent as well. Ms. Richie noted that RRHA has solicited for funding to be able to get additional cameras. Mr. Gusler submitted a grant that would allow for cameras at Melrose Towers and Morningside

Manor. Ms. Richie stated that she send a funding request to the City seeking additional cameras in the multi-family developments where there is more activity. RRHA wants to aid the police department to be more efficient and effective in reducing the crime in those areas. Commissioner Anguiano asked if RRHA has had any kind of formal security assessment. Mr. Bustamante said that the last one was done during Glenda Edwards' tenure. Some of the information that was discussed back then were things that could not be addressed due to the topography here at Lansdowne Park. RRHA has cut down trees to help eliminate dead spots as well as make sure there is a lot of lighting within all of the developments. The biggest concern was getting good security cameras. Commissioner Anguiano asked if we can look at it with a new set of eyes that may bring something new to light. Councilwoman Moon Reynolds said that these are the kinds of things City Council was speaking of, instead of just the Commission, doing different going forward. Last week council talked about trying to come up with a curfew for the youth as well as holding community meetings throughout the month of March. The city is looking at holding one in northwest, southwest and possibly southeast Roanoke.

Commissioner Kepley asked if the cameras are bullet proof. Mr. Bustamante stated that they can continue to work if they are shot with an AK47.

Chair Walker asked for further questions. There were none.

6. Residents or other community members to address the Board

Chair Walker 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, January 23, 2023.

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

- C-2 Monthly Operations Report for the month of January 2023.

RECOMMENDED ACTION: File as submitted.

Commissioner Anguiano introduced a motion to approve the Consent Agenda.

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

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

NAYS: None

REGULAR AGENDA

1. Resolution No. 4148

Mr. Shank presented Resolution No. 4148 seeking the Board's approval to award a contract for repairs due to fire and smoke damage at 1713 Dunbar Street at Villages at Lincoln. An IFB was issued and RRHA received one bid from Russell's Remodeling for the amount of \$173,531. This job will require an entire gut out as the fire was very severe and affected both floors of the unit. RRHA has received the insurance adjustment in the amount of \$163,821.10. Interconnected smoke detectors will be added in the unit which is part of the offset of the cost. Mr. Shank offered to

answer any questions.

Commissioner Garner asked if any of the extra cost not covered by insurance can be charged to the offender. Mr. Shank replied that RRHA can ask, although it is uncertain if it will get anywhere or not.

Chair Walker asked for further questions. There were none.

Commissioner Anguiano introduced Resolution No. 4148 and moved its adoption as introduced.

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

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

NAYS: None

Chair Walker thereupon declared said motion carried and Resolution No. 4148 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDING A CONTRACT FOR REPAIRS DUE TO FIRE AND SMOKE DAMAGE FOR 1713 DUNBAR ST., NW, VILLAGES AT LINCOLN, AMP 202, UNDER INSURANCE REIMBURSEMENT AND OPERATING FUNDS

WHEREAS, on November 9, 2022, 1713 Dunbar St., NW, Villages At Lincoln, AMP 202, was severely damaged by fire; and

WHEREAS, a claim was submitted to Virginia Risk Sharing Association (VRSA) for damage due to the fire at 1713 Dunbar St., NW, Villages At Lincoln, AMP 202; and

WHEREAS, after an assessment of the fire and smoke damage to 1713 Dunbar St., NW, Villages At Lincoln, AMP 202, was made by an adjuster sent by VRSA, the value of the damage was established at \$163,821.10; and

WHEREAS, RRHA needs a qualified contractor to complete repairs due to fire and smoke damage for 1713 Dunbar St., NW, Villages At Lincoln, AMP 202; and

WHEREAS, RRHA issued a Invitation for Bid on January 15, 2023, with bids being due on February 7, 2023; 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	\$173,531.00

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 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 \$173,531.00.
- (3) The Executive Director be and hereby is authorized to take such other actions as may be necessary to fulfill the intent of this Resolution.

Mr. Gusler presented Resolution No. 4149 stating that this resolution will allow RRHA to apply to submit a proposal to Virginia Housing for the property formerly known as Ashton Hill on Old Spanish Trail. This property has almost 13 acres and sits at the corner of Peters Creek Road and Shenandoah Avenue. This proposal would include a concept plan that is currently underway. This is not a detailed plan as of yet, but is a concept plan that would allow for the development of 86 affordable housing units. Virginia Housing owns this property because they foreclosed on it in 2010. They ended up demolishing all of the units that were there because they could not lease all of them. It is a vacant site and one of the best in the city in terms of the opportunity to develop new units. As noted in the resolution, this would begin the Faircloth-to-Rental Assistance Demonstration process. The financing would be through low income housing tax credits and Capital Fund for the acquisition of the land. This is the initial step towards a very long process of applying for tax credits with HUD to then convert them through the Rental Assistance Demonstration. The proposal is due March 17 and will be further discussed in the executive session. Mr. Gusler offered to answer any questions.

Commissioner Garner asked if RRHA has done anything comparable to this in the past. Mr. Gusler replied that RRHA has not gone after a piece of property this size before, although there is past experience with the tax credit developments. Before the days of RAD, Hurt Park was public housing and was demolished through the Section 8 process and redeveloped as a low income housing tax credit. RRHA did do the historic tax credit project at what was then Eight Jefferson Place, the former Norfolk and Western office building, which spurred the downtown housing

market. Mr. Gusler added that RRHA has had ongoing discussions with city officials in an attempt to leverage their funding, specifically the American Rescue Plan Act. The city has public comments open on that study and plan through February 28. Their next step would then be to put out a request for proposal. There are other city American Rescue Act Plan funds that are still unspoken for, as well as the Community Development Block Grant Funds that the city gets from HUD. RRHA applies for these funds periodically and will be looking for their help on this project.

Commissioner Kepley asked if six units per acre will be dense enough. Mr. Gusler stated that RRHA is looking to acquire the whole site and is reserving part of the land for future development. It is a large sight with approximately 212 units when it was first developed. Commissioner Kepley asked why the prior owners were unsuccessful in renting it before. Mr. Gusler said that they tried for a couple of years to keep it afloat and rent out the units, but continued to lose money and ultimately decided that they could not make it work. At the time, the market for affordable housing was such that they felt like they were competing with another one of their developments that was a couple of miles away.

Commissioner Garner asked how much weight will be given to the price of the land not being solely driven by the offer. Mr. Gusler noted that discussion has been had with Virginia Housing over the years about this property when RRHA was applying for the Choice Neighborhoods Grant. They are willing to support our mission to build affordable housing and are insistent that they really want a large development on the site. They are a finance agency created by the state, however, and do rely on their return on investment.

Councilwoman Moon Reynolds noted that there are three parcels of land and RRHA has the option on one and asked if the authority is considering the other two. Mr. Gusler stated that he believes that this reference is to previous meetings with the city where RRHA has discussed other sites as well. This property has a better census tract with the goal of deconcentrating poverty. The problem with doing that is the properties that are in a better census tract, cost more. The goal is to give people an opportunity to live in areas with lower poverty levels. RRHA is only pursuing the parcel that is owned by Virginia Housing Development Association (VHDA).

Commissioner Kepley asked if there are financial stipulations that would not allow market rate apartments to be mixed in with the affordable apartments. Mr. Gusler said that there is no regulatory agency dictating to them on what they have to do with the site. Virginia Housing is also in charge of getting applications every year for the low income housing tax credits on behalf of the state. Commissioner Kepley asked how we can make this work to maximize the unit count. Mr. Gusler replied that when you go through the RAD process you are converting public housing into a Section 8 subsidy. RRHA would still have the remaining land to potentially build on later.

Chair Walker asked if it will be 86 single units. Mr. Gusler stated that it would be an apartment building, however the concept plan does not have a total number yet. Mr. Shank added that in the beginning stages, RRHA has looked at buildings that would be a triplex or a quad so that you have some density on the site. The conceptual plan that will be submitted with the application also includes a building that has community, administrative and maintenance space. Ms. Richie commented

that at this time, RRHA does have management with experience in the private housing sector. There are some low income housing tax credit developments that do allocate a certain percentage of units within that development for market rate rent. There is potential to allocate ten or fifteen percent but, on the management side, it would require keeping that percentage at market rate. Mr. Bustamante commented that mixed finance developments are very prevalent throughout the country. The first step is for VHDA to agree to the proposal. Once that comes into play, then discussion can begin on what the plan is for the rest of the land. Mr. Shank noted that Faircloth-to-RAD has income limitations that rule out the market rate. The plan was to deal directly with the need for very affordable housing. Commissioner Anguiano asked if we used up those 186 units, can we exceed that with market base rent. Mr. Shank stated that Faircloth says that you cannot use public housing funds to develop any further public housing beyond your Faircloth limit. Commissioner Garner asked if the limit on the program is for all of our developments or just for Lansdowne Park. Mr. Shank said that number is based on the number of public housing units in 1990 which was 1,453. RRHA tore down some at Lincoln and tore down Hurt Park and then built back some during the HOPE-VI process.

Chair Walker asked for further questions. There were none.

Commissioner Anguiano then introduced Resolution No. 4149 and moved its adoption as introduced.

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

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

NAYS: None

Chair Walker thereupon declared said motion carried and Resolution No. 4149 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO SUBMIT A PROPOSAL TO AND ENTER INTO AN OPTION OR CONTRACT FOR THE PURCHASE OF PROPERTY WITH VIRGINIA HOUSING (FORMERLY VIRGINIA HOUSING DEVELOPMENT AUTHORITY)

WHEREAS, in 2022, the City of Roanoke Redevelopment and Housing Authority (RRHA) had a Repositioning Plan created to evaluate the future operation of its public housing portfolio; and

WHEREAS, the RRHA Board of Commissioners was briefed on the Repositioning Plan by Dominion Due Diligence, Inc. and RRHA staff on July 25, 2022; and

WHEREAS, the Repositioning Plan includes a recommendation to create new affordable housing units through the Faircloth to Rental Assistance Demonstration (RAD) process by which HUD allows public housing authorities (PHAs) that have Faircloth authority to build new public housing units and thereafter reposition them to the Section 8 Program; and

WHEREAS, currently RRHA has Faircloth authority of 186 public housing units; and

WHEREAS, RRHA recognizes the dire need for the development of more affordable housing units in the City of Roanoke; and

WHEREAS, RRHA staff has consulted with leadership of the City of Roanoke, who also expressed a strong desire to see more affordable housing units developed in the City; and

WHEREAS, Virginia Housing has publicly advertised a Notice of Sale for the purchase and development of affordable housing on the *Ashton Hill* property located at 4301 Old Spanish Trail, NW, Roanoke, VA 24017, which contains over 12.8 acres of vacant land on two parcels; and

WHEREAS, Virginia Housing's Notice of Sale for the Ashton Hill property notes that the 2023 tax assessment for the two properties is \$624,300 and the land was recently appraised for \$1,040,000 in September 2022, and

WHEREAS, the Notice of Sale also states that proposals will be considered for the development of affordable housing and how it improves the community and their decision "will not be driven solely by the offer amount."

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 submit a proposal and subsequent option or contingency contract to Virginia Housing for the purchase of Ashton Hill property.

3. Resolution No. 4150

Mr. Shank presented Resolution No. 4150 requesting the Board's approval to modify contract 573-2306-1-7 under the Capital Fund program. This was a contract that was awarded to Building Specialists for replacing the apartment entrance doors at Morningside Manor. There was an omission in that process that had not come to light until review was done of submittals for materials. In these units there is a pull cord in the bathrooms in case the resident falls or gets into trouble. When the cord is pulled it turns on a light out in the hallway and also unlocks an electric strike on the door so it can be opened without the door being unlocked. The electric strike was omitted from the initial specifications. Instead of a standard lock set there will be a lock set plus a deadbolt. Building Specialists gave a proposal of \$42,920.42 for 105 electric strikes which works out to just over \$400 apiece. There is a broad range of models with varying prices anywhere from \$200 to \$1,000 and their proposal falls in the middle. RRHA is requesting the Board's approval because the proposal amount is over \$25,000.

Chair Walker asked for further questions. There were none.

Commissioner Anguiano introduced Resolution No. 4150 and moved its adoption as introduced.

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

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

NAYS: None

Chair Walker thereupon declared said motion carried and Resolution No. 4150 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY MODIFYING CONTRACT 573-2306-1-7 UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150122

WHEREAS, RRHA Board of Commissioners by Resolution 4144 authorized the execution of a contract for Replacement of Apartment Entrance Doors and Painting of Common Areas for Morningside Manor, AMP 208, for a fixed amount of \$352,500.00; and

WHEREAS, it was determined after receipt of bids and contract award that furnishing and installation of new electric strikes for the emergency call system for each of the new apartment entrance doors was not included in the specifications for the project; and

WHEREAS, Building Specialists, Inc. was requested to provide a proposal for furnishing and installation of 105 new electric strikes; and

WHEREAS, the amount of the change proposal submitted by Building Specialists, Inc. is \$42,920.42; and

WHEREAS, the amount of the change proposal submitted by Building Specialists, Inc. was determined to be fair and reasonable for furnishing and installation of 105 new electric strikes; and

WHEREAS, review, evaluation, and confirmation of change proposal documentation has been completed, and has been found to be in all respects acceptable to RRHA; and

WHEREAS, the Vice President of Operations recommends the acceptance of the change proposal submitted by Building Specialists, Inc.; and

WHEREAS, the Executive Director has determined that this contract modification complies with RRHA's Procurement Policy and that it is in the best interests of RRHA to accept such change proposal and execute an appropriate contract modification; and

WHEREAS, RRHA's Procurement Policy states, "For all contracts of \$100,000 or more, any and all change orders, contract modifications, and/or amendments having a dollar value of \$25,000 or more must be submitted to the Board of Commissioners for review and approval prior to executing the contract modification."

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

- (4) The change proposal submitted by Building Specialists, Inc. in the amount of \$42,920.42 be and hereby is accepted;
- (5) The Executive Director be and hereby is authorized and directed to execute a contract modification, which by reference, is inclusive of all Building Specialists, Inc.'s change proposal for furnishing and installation of 105 new electric strikes for Replacement of Apartment Entrance Doors and Painting of Common Areas for Morningside Manor, AMP 208.

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

4. Resolution No. 4151

Ms. Richie presented Resolution No. 4151 requesting the Board's approval to modify purchase order number 1221 for maintenance and operating funds for Ferguson Enterprises, LLC. The contract for Ferguson ended on January 31, 2023 and the expenditures for closeout were more significant than expected to cover the remaining cost after closeout. RRHA requests approval for a modification of \$40,000 to cover known expenses and to pay the final invoices. Ms. Richie offered to answer any questions.

Commissioner Kepley asked if the purchase order doubled in price. Ms. Richie stated that the original purchase order was for \$95,000. In 2022 RRHA requested a modification to increase up to \$170,000 with the closeout being January 31, 2023.

Additional invoices were continuously coming in from the property management teams. The percentage increased beyond the allotted ten percent which required the Board's approval. Commissioner Kepley asked if this was for general maintenance repairs. Ms. Richie replied that back in December and January all of RRHA's public housing developments underwent the Nspire Inspections. In addition, emergency services were needed as a result of the arctic freeze in December which required a lot of additional expenses towards the end of the contract period. Staff has been working with the contracting company to make sure that all invoices have been received for closeout. Once those invoices were received the total was more than what was anticipated based on those emergency expenditures.

Commissioner Spickler introduced Resolution No. 4151 and moved its adoption as introduced.

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

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

NAYS: None

Chair Walker thereupon declared said motion carried and Resolution No. 4151 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING EXECUTION OF A MODIFICATION TO PURCHASE ORDER #1221 FOR MAINTENANCE, REPAIR, AND OPERATING SUPPLIES UNDER OPERATING FUNDS

WHEREAS, a Request for Quotation (RFQ) for Maintenance, Repair and Operating supplies and related products (MRO) for all Public Housing properties for one

(1) year, with a not-to-exceed amount of \$95,000.00, was issued on October 20, 2021, with quotations being due November 18, 2021; and.

WHEREAS, RRHA received one (1) responsive quotation in response to the RFQ; and

WHEREAS, Purchase Order #1221 for MRO, with a not-to-exceed amount of \$95,000.00 and a contract end date of January 12, 2023, was awarded to Ferguson Enterprises, LLC on January 13, 2022 ; and

WHEREAS, due to Ferguson Enterprises, LLC being found to be the only known source for certain MRO supplies that were frequently used by some of the properties, the expenditures for Purchase Order #1221 were much greater than expected when quotations for the MRO service were received; and

WHEREAS, on August 01, 2022, due to the increased expenditures for MRO, Purchase Order #1221 was modified to increase the not-to-exceed amount from \$95,000.00 to \$170,000.00, to cover the remainder of the contract period; and

WHEREAS, by the end of the contract period costs for MRO had exceeded the revised not-to-exceed amount for Purchase Order #1221; and

WHEREAS, the not-to-exceed amount for Purchase Order #1221 will need to be increased by \$40,000.00 to \$210,000.00 to cover known expenditures for MRO through January 12, 2023; and

WHEREAS, the Vice President of Housing recommends the execution of the change modification; and

WHEREAS, the Executive Director has determined that this contract modification complies with RRHA's Procurement Policy and that it is in the best interest of RRHA to execute an appropriate contract modification; and

WHEREAS, RRHA's Procurement Policy states, "For all contracts of \$100,000.00 or more, any and all change orders, contract modifications, and/or amendments having a dollar value of \$25,000.00 or more must be submitted to the Board of Commissioners for review and approval prior to executing the contract modification."

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 Purchase Order #1221, between RRHA and Ferguson Enterprises, LLC, increasing the not-to-exceed amount from \$170,000.00 to \$210,000.00, a net increase of \$40,000.00, with all other terms remaining the same.

5. Executive Session

The closed session began at 4:32 p.m. with Chair Walker stating that the Executive Session of the Roanoke Redevelopment and Housing Authority for the purpose of discussion of the performance and compensation of RRHA's Executive Director, which discussion is exempt under Virginia Code Section 2.2-3711 (A)(1); discussion of the specifics of the proposal to be made to Virginia Housing for the purchase of the property described in Resolution No. 4149, which discussion is exempt under VA Code 2.2-3711(A)(3); and consultation with legal counsel and staff members concerning a claim by a former employee of RRHA, which discussion is exempt under VA Code 2.2.3711(A)(7)

.The Commissioners came back into an open session at 5:18 p.m. Commissioner Kepley moved to approve the closed meeting certification and Commissioner Garner seconded the motion. Mr. Loftis conducted a roll call vote, which was unanimously voted yes.

III. ADJOURNMENT

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

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

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

NAYS: None

Chair Walker declared the meeting adjourned at 5:19 p.m.

A handwritten signature in blue ink, appearing to read 'David Bustamante', written over a horizontal line.

David Bustamante, Secretary-Treasurer

A handwritten signature in blue ink, appearing to read 'Karen Walker', written over a horizontal line.

Karen Walker, Chair

Exhibits from February 27, 2023 Minutes previously circulated

