

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, June 26, 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, Smith, Spickler, Vice Chair Karney, Chair Walker

ABSENT: None

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Jackie Austin, VP of Finance/CFO; Joel Shank, VP of Operations; Leanna Pagans, Executive Administrative Assistant; Jasey Roberts, PR/Social Media/Marketing Manager; Frederick Gusler, Director of Redevelopment and Revitalization; Evangeline Richie, VP of Housing; Jason Michaels, Manager of Human Resources; Greg Goodman, Director of Community Support Services; 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 written

report, he has two other items to discuss. First, he reminded the Board that August 24<sup>th</sup> is the State of the City Address. If any of the board members have not registered, but would like to go, please contact Ms. Pagans and she will reserve your seat.

The second item is regarding the Fiscal Responsibility Act of 2023 that was signed by President Biden on June 3<sup>rd</sup>. This bill raises the debt ceiling through January of 2025. In exchange for raising the debt ceiling, the bill imposes caps on non-defense discretionary spending for fiscal year 2024 and 2025 budgets, capping the former at roughly fiscal year 2023 levels and allowing for only a one percent increase in fiscal year 2025. The agreement also imposes additional spending cuts if Congress is unable to pass all 12 appropriation bills by January 1<sup>st</sup> of their respective fiscal years. If this were to happen, spending would be capped at one percent below fiscal year 2023 levels. As most of you are aware, Congress has often failed to pass all 12 appropriation bills by this deadline in previous years. Given persistent inflation, rent collection challenges and the costs of training staff to implement the onslaught of new programs and regulations, even flat funding will challenge our budgets in the coming years. In addition, the debt ceiling only establishes top line non-defense discretionary spending levels. It will be up to Congress to pass a T-HUD bill, or Transportation and HUD Appropriations Bill, which funds specific HUD programs. The congresswoman that is the head of the House of Appropriations Committee has noted that these limits imposed by the debt ceiling are a ceiling and not a floor. She is not planning to increase it any more than it already is, but she has also proposed that given this discretionary funding, she would like to reduce our budgets to the 2022 levels. Mr. Bustamante stated that if RRHA is being funded at the fiscal year 2023 levels, plus a one percent increase or decrease depending on whether

or not Congress passes all 12 appropriation bills, and then they take us back to 2022 fiscal year, that would be roughly a 23% cut to our budgets for fiscal year 2024 and 2025 and roughly \$22 billion for HUD. Mr. Bustamante noted that he is involved in a lot of committees through NAHRO and through FATA and is also talking to senators and legislators to let them know just how important it is for RRHA to be funded, at least at level funding and not to be reduced. It would equate to roughly 600,000 families that would lose their homes if funding is cut back to fiscal year 2022 levels. There is no way to say how deeply this would impact this housing authority and the communities that it serves.

Ms. Richie asked with the possibility of a substantial decrease in funding, if it is the ideal time to try to acquire this property when perhaps those particular funds may be needed to sustain the housing boom. Mr. Bustamante replied that the property that RRHA acquired was purchased through the capital fund and not through the operating subsidy, therefore none of the operating subsidy would be affected or reduced by the cost of acquiring this property. Mr. Bustamante added that while it is still an expenditure, it is one he believes the housing authority needed, in order to move forward. Even if forward progress is not immediate, then to move forward when the time is right, as a piece of property of that nature is hard to find in this area.

Commissioner Garner stated that there is an imperative shortage of housing and he hopes that RRHA will come up with an overall plan to make sure that we proceed forward if at all possible. Mr. Garner added that we have fallen so short with affordable housing that he does not see delaying the process unless the budget is cut severely. Mr. Bustamante noted that as soon as he is made aware of what the funding is going to be,

staff will meet to plan and the Board will be informed. Ms. Austin added that RRHA goes into every year not knowing what the funding is going to be and that has always been a challenge. In the past, this has been handled by asking staff to cut down their expenditures if possible and to also look at modifying services. That is how it has been handled previously, but that does not mean that the budgets cannot be reopened for a second look. Commissioner Garner asked if RRHA has received the money from the recapture in 2012. Mr. Bustamante stated that the authority received \$2 million. Commissioner Garner asked if that money has been earmarked for anything specific and if a solution may be to utilize our reserves. Mr. Bustamante replied that these are the types of conversations that will need to be had as soon as notification is made on what the budget is going to be and how much is going to be affected. Ms. Austin commented that RRHA cannot use operating reserves for capital fund projects. Commissioner Garner asked if there is a restriction on what reserves are used for. Mr. Bustamante said that money is nonfederal and can be used for whatever may be needed.

Commissioner Garner asked, in reference to the written executive report, which side of housing is experiencing the challenges with rent collection and what the reasons are. Mr. Bustamante stated that it is with public housing and the tax credit properties and the reason, unfortunately, is because the tenants are not paying the rent. Ms. Richie noted that since the moratorium with the pandemic, RRHA did acquire a lot of funds through the Virginia Rent Relief Program. Unfortunately, not all tenants were able to apply or they just could not apply. There are a handful of families that RRHA will have to seek legal processes to be able to recoup that money. There have been recent legislative changes within the public housing and PHA development to where the 14 day

notice became a 30 day notice and then went back to the 14 day notice. Also keep in mind that RRHA must make sure to follow the regulations with the Landlord Tenant law and also certain regulations with federal law. Recently, there has been another change in the federal law where we now have to revert back to a 30 day notice. RRHA legal counsel, Woods Rogers, updated documents for a notice to cure that went out in June and will cure any prior notices that went out due to all of these regulatory changes. Effective July 1<sup>st</sup>, RRHA is anticipating having a meeting to move forward with evictions on rent. Legal Aid is now taking on almost all of the rent cases that come down the pipeline thus, for RRHA to be successful in getting possession of these units, all paperwork must be up to date. There have been many legislative changes which have caused drastic delays in our ability to be able to process on a monthly basis as before.

Chair Walker asked for staff reports. There were none.

## 2. Staff Reports

Mr. Goodman greeted the Board and announced that RRHA was recently invited to attend a conference at Eastern Virginia Medical School in Norfolk where he was a guest speaker. This is also a chance to brag on the resident services staff that have been doing amazing work at the EnVision Center. Directly across the street you will see an organic garden that residents have been working on that will help us feed our neighbors. Mental wellness is now being provided at three of our locations including the EnVision Center, as well as Jamestown Place and Morningside Manor. RRHA currently has over 60 residents that are utilizing this service with a 100% retention rate. Many of these services are helping residents with their rent, employment, and career goals. The

question was asked, how can RRHA help its residents to get caught up on their rent, and these are the ways that we do that. There has been a lot of good feedback and a lot of things that RRHA and the EnVision Center are doing are not things that every housing authority are doing. Mr. Goodman added that the staff is continuing to work very hard and he is very proud of them.

Commissioner Garner commented that everything looks really good. Mr. Goodman replied that the garden is just another tool to get people to come through. Also, Carilion is teaching the kids recipes with the food that they are harvesting from the garden. Chair Walker asked how many people are attending Harvest Club on Wednesdays. Mr. Goodman replied that it varies depending on the weather, but last week there were over 30 people in attendance.

### 3. Committee Reports

Chair Walker asked for committee reports. There were none.

### 4. Commissioner Comments

Chair Walker asked for commissioner comments. There were none.

### 5. City Council Liaison Comments or Discussion

Councilwoman Moon Reynolds addressed the Board stating that she had one item she would like to share. The City State Youth Apprenticeship held its fifth cohort of the City's Team Apprenticeship Program graduation last Thursday at 4:30 p.m. at the Berglund Center. Eleven teams graduated from this program, which makes a total of

about 37 since the program started in 2021. Ms. Moon Reynolds noted that she brags on this because the teams that attend the Wednesday programs at the Melrose Library primarily come out of Lansdowne Park.

Councilwoman Moon Reynolds added that the Mayor's office received some resident complaints with regards to conditions in their complex at Bluestone Park and Hunt Manor. The mayor asked if the commissioners go on a regular basis to check the conditions of the sites. Chair Walker asked if he means the inside of the buildings. Ms. Moon Reynolds replied that he just means the grounds themselves and to see what the conditions are now that residents are reaching out to the council members about trash overgrowth on the premises. There have been discussions about the dumpster that is in the parking lot at Hunt Manor during the summer months. There were some health concerns about this possibly creating a rodent issue. Commissioner Anguiano said that it is not a bad idea for the Board to be able to do tours again. He has done tours of all the facilities, but that has been awhile. Commissioner Anguiano stated that his primary way of getting out previously was attending the resident meetings, but those were discontinued for a while during COVID. Commissioner Anguiano asked if staff had any insight into the specific complaints. Mr. Bustamante said that RRHA was called by the city as well about trash at Bluestone. The property manager was notified and she found that there was some trash in areas surrounding the playground and she stated that the maintenance team would be picking it up. Commissioner Garner asked if it is coming from tenants not putting the trash in the dumpster properly. Mr. Bustamante noted that it could vary. Indian Rock Village has similar issues where there is a dumpster in close proximity to some of the buildings. Mr. Bustamante added that he has been at the site before and

witnessed residents throwing the bag over the wall to get it into the dumpster and it not making it all the way to the actual container. Also, when the garbage truck comes to pull out the dumpster, if there is paper or something that is loose, it flies all over the place. RRHA maintenance staff has tried to pick it up the best they can. When the managers see it they usually have someone pick it up. If a tenant is seen dropping something on the ground instead of putting it in a trash can, staff reminds them that they live there and it might be a good idea to put it in the trash. Ms. Richie commented that Hunt and Bluestone do their own internal landscaping and mowing, whereas a lot of the other properties have contracts with contractors that handle mowing. The property has been severely short staffed for a very long time. They are trying to go out as much as they possibly can, but looking at three maintenance staff for two to three developments in addition to trying to mow, there may be some lag time. It is definitely not an effort that the staff is just not doing, they simply do not have all the resources to be able to go out there every single day. The plan for the fiscal year 2024 budget is to get a landscaping contract for that property but as you can see, the budget cuts do affect operations. Commissioner Garner asked if we need a PR campaign with the residents to let them know that they have a responsibility as well. Ms. Richie replied that resident services has joined together in an effort to assist when property managers are short staffed. Commissioner Smith stated that he visits the properties occasionally and has noticed that parents will send children out who do not want to take the trash out and they do not get the trash anywhere near the dumpster. Some of this responsibility does fall on the parents. Mr. Smith noted that he tried to speak to some of the youth about these things and some are receptive to it and some are not.



Commissioner Garner asked if joint resident council is still active. Commissioner Smith replied that they are just getting back and that they have had to rebuild the councils. Elections are coming up and we have reached out to those who are interested and even those that are not and may just want to help council with certain things. A schedule will be put out soon with different events including a movie night for residents.

Mr. Bustamante added that if any of the Commissioners are interested in touring any of the properties and you need RRHA's assistance coordinating that, please let us know. You are more than welcome to drive by the sites on your own and let us know what you see or if there is anything that staff needs to pay attention to. Commissioner Anguiano asked, from an open meeting standpoint, if it is possible to put all of the commissioners on a bus. Mr. Loftis stated that discussion can be had, but the answer to that is yes.

6. Residents or other community members to address the Board

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

### **CONSENT AGENDA**

C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, May 22, 2023.

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

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

RECOMMENDED ACTION: File as submitted.

Commissioner Garner introduced a motion to approve the Consent Agenda. 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

### **REGULAR AGENDA**

#### 1. Executive Session

The closed session began at 3:33 p.m. with Chair Walker stating that the Executive Session of the Roanoke Redevelopment and Housing Authority for the purpose of consultation with the Authority's legal counsel to discuss potential procurement issues in connection with a contract previously awarded by the Authority, which discussion is exempt under Virginia Code 2.2-3711(A)(8).

The commissioners came back into an open session at 4:04 p.m. Commissioner Anguiano 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 Garner moved that the meeting be adjourned.

The motion was seconded by Commissioner Smith 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 declared the meeting adjourned at 4:06 p.m.



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David Bustamante, Secretary-Treasurer



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Karen Walker, Chair

Exhibits from June 26, 2023 Minutes previously circulated