

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY



BOARD OF COMMISSIONERS

REGULAR MEETING

February 26, 2024



PUBLIC NOTICE OF MEETING

The **REGULAR MEETING** of the

City of Roanoke Redevelopment and Housing Authority

BOARD OF COMMISSIONERS

will be held on

**Monday, February 26, 2024
at 3:00 p.m.**

As set forth in the Americans with Disabilities Act (ADA) of 1990 and Section 504 of the Rehabilitation Act of 1973, RRHA does not discriminate on the basis of disability, and is willing to assist citizens with special needs. If you have a hearing or vision disability and wish to attend any RRHA public meeting, please contact us seven (7) days prior to meeting date at (540) 983-9286 or Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike, NW, Roanoke, VA 24017.

Date of Public Notice: February 20, 2024



AGENDA

REGULAR MEETING OF THE COMMISSIONERS OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY 2624 Salem Turnpike, NW – Roanoke, Virginia – 24017

February 26, 2024
3:00 pm

I. CALL TO ORDER – ROLL CALL

☐ Anguiano; ☐ Garner; ☐ Karney; ☐ Kepley; ☐ Smith; ☐ Walker

II. REPORTS

1. Executive Report
2. Staff Reports – Frederick Gusler
3. Committee Reports
4. Commissioner Comments
5. City Council Liaison Comments or Discussion
6. Residents or other community members to address the Board

III. CONSENT AGENDA

All matters listed under the consent agenda are considered to be routine by the Board of Commissioners and will be enacted by one motion in the form listed below. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and considered separately.

- C-1 Minutes of the Regular Meeting of the Board of Commissioners held Monday, January 26, 2024.

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

- C-2 Monthly Operations Report for the month of January 2024.

RECOMMENDED ACTION: File as submitted.

Consideration for approval of the above Consent Agenda:

Motion _____ Second _____

☐ Anguiano; ☐ Garner; ☐ Karney; ☐ Kepley; ☐ Smith; ☐ Walker

IV. **REGULAR AGENDA**

1. **Resolution No. 4190**

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR BULK CONTAINER SERVICES FOR HOUSING DEVELOPMENTS

Motion _____ Second _____

☐ Anguiano; ☐ Garner; ☐ Karney; ☐ Kepley; ☐ Smith; ☐ Walker

2. **Resolution No. 4191**

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR REPLACEMENT OF ROOFTOP-MOUNTED HVAC EQUIPMENT FOR FLOORS 2 - 9 FOR MELROSE TOWERS, AMP 206, UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150123 AND VIRGINIA HOUSING PUBLIC HOUSING REVITALIZATION GRANT

Motion _____ Second _____

☐ Anguiano; ☐ Garner; ☐ Karney; ☐ Kepley; ☐ Smith; ☐ Walker

V. **ADJOURNMENT**

Motion _____ Second _____

☐ Anguiano; ☐ Garner; ☐ Karney; ☐ Kepley; ☐ Smith; ☐ Walker

The Public is advised that members of the Roanoke Redevelopment & Housing Authority (RRHA) Board of Commissioners receive the RRHA Board meeting agenda and related communications, reports, and resolutions, etc., on the Tuesday prior to the Board Meeting to provide sufficient time for review of information. Citizens who are interested in obtaining a copy of any item listed on the Agenda may contact the office of the RRHA Executive Director, 2624 Salem Turnpike, NW, Roanoke, Virginia 24017 or by calling 540-983-9283. NOTE: Full disclosure of some items on the agenda may not be available until after the RRHA Board of Commissioners has approved and/or acted upon such items.

APPROVAL OF MINUTES
REGULAR MEETING
JANUARY 26, 2024

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 Friday, January 26, 2024.

I. CALL TO ORDER – ROLL CALL

Chair Karney called the meeting to order at 10:01 a.m. and declared that a quorum was present.

PRESENT: Commissioners Anguiano, Kepley, Garner, Chair Karney

ABSENT: Commissioners Smith, Walker

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Patice Holland, Legal Counsel; Jackie Austin, VP of Finance/CFO; Jonathan Smith, Human Resources Coordinator; Leanna Pagans, Administrative Executive Assistant; Brenda Prieto, PR/Social Media/Marketing Manager; Fredrick Gusler, Director of Redevelopment and Revitalization

Chair Karney welcomed everyone to today's meeting.

II. REPORTS

1. Executive Report.

Mr. Bustamante addressed the board stating that Congress issued another continuing resolution until March 1st, 2024. At that time, Congress will either finalize the budget for fiscal year 2024, pass another continuing resolution or face a partial government shutdown. RRHA is currently operating under the fiscal year 2023 budget

appropriations.

Mr. Bustamante referenced the vacancy chart in the board report, noting that the issue is being corrected, however, the process is taking longer than expected and remains a work in progress. Mr. Bustamante stated that he has met with all of the property managers and gone over their tenant account receivables and in doing so, identified individuals that need to be taken to court. This department was not left in good shape and it is going to take time to get it to where it needs to be. Mr. Bustamante added that the issue at hand is bigger than simply failing to take people to court and noted that another property manager was terminated from the company due to subpar performance.

Commissioner Anguiano asked how far we are through this process. Mr. Bustamante replied that RRHA has been granted possession of a large number of units and the court allows six months to submit a writ for each. Due to the large amount of backlog, the goal is to submit no more than five writs per month to avoid having a large number of vacant units. However, there are a couple developments with a high operational maintenance staff, Indian Village for example, that are able to issue more writs since their team can turn units at a quicker pace.

Commissioner Garner asked if these families are aware that the likelihood of finding other affordable housing is almost non-existent. Mr. Bustamante stated that he believes the eviction moratorium was perceived by many as a nonpayment of rent moratorium, which in fact it was not. Most of the families that owe a \$10,000 balance or higher have been taken to court or are about to go to court. The next group to go through this process will be those families that owe a balance of \$3,000 to \$5,000.

Commissioner Kepley asked what the next step is once the writ is filed. Mr.

Bustamante replied that the Sheriff's Office will come out and place a notice on the front door giving the family 72 hours to vacate the unit. If they have not done so by 5:00 p.m. on the final day, the door is then locked and they are not allowed back into the unit. Commissioner Kepley asked if their belongings are then set outside. Mr. Bustamante stated that is no longer the procedure due to the fact that other individuals could then go through their belongings. Commissioner Kepley asked if any of the families that have received a judgement are leaving. Mr. Bustamante replied that the sheriff is present for every one of the evictions and the families are moving on.

Mr. Bustamante announced that all of the RRHA HCV and Public Housing employees attended a training last week at Melrose Towers hosted by Nan McKay and Associates. This three day seminar covered the new HOTMA updates that will go into effect January of 2025, as well as HCV and Public Housing rent calculation.

Lastly, Mr. Bustamante stated that RRHA is planning to reapply for the Emergency Safety and Security Grant in the amount of \$250,000. The selection process for this grant is typically lottery based and would allow RRHA to upgrade the camera systems at Melrose Towers and Morningside Manor.

Chair Karney asked for further questions. There were none.

2. Staff Reports

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

3. Committee Reports

Commissioner Garner announced that the Roanoke Valley Housing Corporation (RVHC) met on Friday, January 19th to discuss a solution to the ongoing financial situation within the tax credit properties. Stopgap measures were considered with the goal in mind of making these properties more financially sustainable. The result of this meeting is Resolution No. 4188 which will ensure that these properties have adequate funding to turn vacant units, thus making them available to rent.

Chair Karney asked for committee reports. There were none.

4. Commissioner Comments

Chair Karney asked for commissioner comments. There were none.

5. City Council Liaison Comments or Discussion

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

6. Residents or other community members to address the Board

Chair Karney 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, December 18, 2023.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as

recorded.

C-2 Monthly Operations Report for the month of December 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, Chair Karney

NAYS: None

REGULAR AGENDA

1. Election of Vice Chair

Chair Karney nominated Ed Garner for the office of Vice Chair beginning January 23, 2024. There being no further nominations, Commissioner Anguiano introduced a motion to approve Ed Garner for the office of Vice Chair. The motion was seconded by Commissioner Kepley and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Garner, Kepley, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried as introduced.

2. Resolution No. 4185

Mr. Smith presented Resolution No. 4185 seeking the board's approval of updates to the employee handbook. The primary change is to the drug and alcohol

policy as referenced in the Agenda Packet. The main callout, is that if any active employee obtains a medical marijuana card they will go through the reasonable accommodation process, but at no time will the employee be allowed to work under the influence that inhibits their ability to work safely.

Commissioner Anguiano asked for Mr. Bustamante's thoughts on this change. Mr. Bustamante stated that one of the biggest barriers RRHA faces when interviewing applicants is their ability to successfully pass a drug screen. The overall consensus was that it was in RRHA's best interest to provide this accommodation, as there are some employees that do have a medical marijuana card. It is equally important that the policy addresses how this process should work. In saying that, under no circumstances is anyone allowed to be under the influence, as Mr. Smith mentioned, while at work. Mr. Bustamante noted that RRHA will continue to conduct immediate drug testing if there is any reasonable suspicion that an employee is under the influence while at work. It is, however, in the authority's best interest to accommodate those employees that do have a medical marijuana card in the event that they test positive during a random drug screening.

Commissioner Anguiano asked if this policy is compatible with HUD guidelines. Mr. Bustamante stated Woods Rogers was involved in the drafting of this policy and it is indeed in line with HUD guidelines.

Mr. Smith stated that the next policy change involves the extended illness bank and refers to one of the insurance carriers not allowing the use of PTO to supplement short term disability or long term disability payments. Short term

disability allows for 60% of their salary to be paid.

Commissioner Garner asked if that is part of the resolution. Mr. Bustamante stated that it is a procedural change and not a policy change and therefore is not part of Resolution No. 4185.

Mr. Smith continued stating that the method of communication has changed in regards to the inclement weather policy. If there is a change in the operating schedule, employees will be notified by text and/or email. RRHA posts these announcements on social media as well.

Chair Karney asked for further questions. There were none.

Commissioner Anguiano then introduced Resolution No. 4185 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, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4181 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY, APPROVING UPDATES TO ITS EMPLOYEE HANDBOOK.

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has undertaken a review of its Personnel Policies and Procedures Manual (Policies) and its employee handbook (handbook) to ensure they are relevant, meet the needs of RRHA and are legally compliant; and

WHEREAS, RRHA has revised the Handbook and Policies with legal counsel to update and streamline the document for better understanding; and

WHEREAS, legal counsel has recommended based on current legal and industry best practice trends to combine RRHA's current Policies into the Handbook; and

WHEREAS, RRHA is proposing approval of these revisions to the Handbook; and

WHEREAS, the Personnel Committee of the RRHA Board of Commissioners supports and recommends approval of this revised and updated Handbook.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority (RRHA) that the attached revised RRHA Employee Handbook is approved effective February 1, 2024.

3. Resolution No. 4186

Mr. Gusler presented Resolution No. 4186 requesting the board's approval to award a contract to Classic City Mechanical, Inc. for improvements to the natural gas utility infrastructure at Jamestown Place. This will be the fourth property out of five to have their gas lines transferred to Roanoke Gas Co. in order to avoid a difficult regulatory process of being a small natural gas operator for federal and state law. Two responsive bids were received with Classic City Mechanical, Inc. submitting the lowest bid at \$857,416. They performed the same work at the previous three properties and did so in a satisfactory manner.

Commissioner Garner asked if this will be at a cost for RRHA. Mr. Bustamante replied that the money that RRHA is spending on this work will bring the infrastructure up to par so that it can be turned over to Roanoke Gas Co. who will then be responsible for future maintenance. Commissioner Garner asked if the cost is based on linear feet. Mr. Bustamante stated that it is based on linear feet, but it is also based on the size of the development. Lansdowne Park is the largest of RRHA's developments and will be the last to undergo this process with the cost likely reflecting

this fact.

Chair Karney asked for further questions. There were none.

Commissioner Garner introduced Resolution No. 4186 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, Walker, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4186 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDING A CONTRACT FOR NATURAL GAS UTILITY INFRASTRUCTURE IMPROVEMENTS FOR JAMESTOWN PLACE, AMP 207, UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150123

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 VA36P01150123 in the amount of \$4,840,100.00; and

WHEREAS, Upgrade of Gas Utility Infrastructure for Jamestown Place was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150123, which was approved by the RRHA Board of Commissioners by Resolution 4157 on May 22, 2023; and

WHEREAS, RRHA needs a qualified contractor to complete Upgrade Gas Utility Infrastructure for Jamestown Place; and

WHEREAS, RRHA issued a Invitation for Bid on December 3, 2023, with bids being due on January 9, 2024; and

WHEREAS, RRHA received two (2) responsive bids to the invitation, which were opened for consideration, such bids being as follow:

| <u>Bidder</u> | <u>Total Bid Amount</u> |
|-------------------------------|-------------------------|
| Classic City Mechanical, Inc. | \$857,416.00 |
| E. C. Pace Company, Inc. | \$963,981.40 |

WHEREAS, the amount of the bid submitted by Classic City Mechanical, Inc. 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 Classic City Mechanical, Inc. 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 Classic City Mechanical, Inc.; 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 Classic City Mechanical, Inc. 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 Classic City Mechanical, Inc. and RRHA for the fixed price of \$857,416.00.
- (3) The Executive Director be and hereby is authorized

4. Resolution No. 4187

Mr. Bustamante presented Resolution No. 4187 requesting the board's approval to authorize the execution of a contract for continued maintenance of the comprehensive software system for housing programs and agency management and accounting. This resolution will retain Yardi, Inc. as the software provider for another

five year term with a not to exceed amount of \$686,622.03. This contract will include all of the licenses and other user agreements that are already in place, as well as any on-call services or support that may be needed.

Commissioner Anguiano noted that the previous contract ended on November 11, 2023 and asked if RRHA was granted an extension. Mr. Bustamante replied that RRHA was granted an extension to January 31, 2024. There was a delay in this process due to issues surrounding the terms and conditions which, after guidance from Woods Rogers, was able to be resolved.

Commissioner Anguiano asked if the organization is happy with the way that Yardi has been integrated. Mr. Bustamante stated that while there are still some issues with the software that RRHA is still trying to work through, overall RRHA is happy with the service provided. Mr. Bustamante added that due to turnover and the large number of new employees at RRHA, Yardi has been asked to provide on-site training to all staff in the coming months, as well as to address any issues or concerns.

Commissioner Kepley asked if the camera systems at the developments are being monitored on a daily basis. Mr. Bustamante noted they are not automated. If an incident were to occur, certain staff members are able to access that particular footage and download it to a flash drive if needed. RCPD has 24 access to RRHA cameras.

Chair Karney asked for further questions. There were none.

Commissioner Anguiano introduced Resolution No. 4187 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, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4187 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING EXECUTION OF A CONTRACT FOR CONTINUED MAINTENANCE OF THE COMPREHENSIVE SOFTWARE SYSTEM FOR HOUSING PROGRAMS AND AGENCY MANAGEMENT AND ACCOUNTING

WHEREAS, the RRHA Board of Commissioners approved the execution of a contract with Yardi Systems, Inc. for a comprehensive software system for housing programs and agency management and accounting by Resolution No. 3981 on September 24, 2018; and

WHEREAS, the contract with Yardi Systems, Inc. included continued maintenance of the comprehensive software system; and

WHEREAS, the contract with Yardi Systems, Inc. ended November 11, 2023; and

WHEREAS, RRHA must have a comprehensive software system for housing programs and agency management and accounting with continued maintenance services for its ongoing operation and compliance; and

WHEREAS, the statutory authority permitting other than full and open competition is 41 U.S.C. 3304 and 10 U.S.C. 3204 as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 (Only one responsible source and no other supplies of services will satisfy agency requirements.); and

WHEREAS, the awarding of a contract to an entity other than Yardi Systems, Inc. would result in substantial duplication of cost that is not expected to be recovered through competition; and

WHEREAS, the awarding of a contract to an entity other than Yardi Systems, Inc. would result in substantial staff involvement in the transfer of data and in staff training; and

WHEREAS, Yardi Systems, Inc. was requested to submit a proposal for continued maintenance of the comprehensive of the current comprehensive software system for housing programs and agency management and accounting; and

WHEREAS, the amount of the proposal submitted by Yardi Systems, Inc. is based on standard fees and charges published by Yardi, and has been determined to be fair and reasonable when compared the independent cost estimate; and

WHEREAS, review, negotiation, evaluation, and confirmation of proposal documentation has been completed, and Yardi Systems, Inc. has been found to be capable and in all other respects acceptable to RRHA; 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 proposal and execute an appropriate contract.

WHEREAS, prior to the end of this contract RRHA will procure the comprehensive software system for housing programs and agency management and accounting through the full and open competition process; and

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 contract with Yardi Systems, Inc. for a contract term of five years, at rates specified in the pricing proposal submitted by the company to RRHA, with a total contract amount of not-to-exceed \$686,622.03 for the five-year contract term.

EXPLANATION: The not-to-exceed amount for the five-year term of the contract is detailed below. The amount for year 1 includes a one-time concession of \$13,198.64. The amounts for year 2 through year 5 are estimated based on a base recurring fee amount of \$131,908.60 with annual increases that shall not exceed the lesser of a) the percentage increase outlined by the U. S. Department of Labor (per the Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): U. S. City Average table) for the preceding year, or b) 3%; thereafter, such increases shall not exceed the percentage increase outlined by the U. S. Department of Labor (per the Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): U. S. City Average table) for the preceding year.

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 1 | \$ 118,209.96 |
| 2 | \$ 135,865.86 |
| 3 | \$ 139,941.83 |
| 4 | \$ 144,140.09 |
| 5 | \$ 148,464.29 |

5. Resolution No. 4188

Mr. Gusler presented Resolution No. 4188 requesting the board's approval to authorize a line of credit to several RRHA properties. Before that step is taken the board's approval is needed to amend the line of credit for Hurt Park, LP from \$100,000 to \$150,000 and thus amending the total amount on page three to \$450,000.

Commissioner Anguiano introduced Resolution No. 4188 and moved its amendment as introduced.

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

AYES: Commissioners Anguiano, Kepley, Garner, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4188 was amended as introduced.

Mr. Gusler continued stating that all four of these developments need assistance to get units back online as they have a total of 12 vacant units between them. Currently, there is not enough funding in the limited partnerships to fund their renovations.

Commissioner Anguiano asked if they are vacant because they are not habitable. Mr. Bustamante replied that the majority of these units are vacant due to the fact that there is not enough money to be able to replace flooring, appliances, etc. which is necessary to prepare them for re-occupancy. There are also three units at Hurt Park that sit on a piece of land that has settled and will require more extensive work than the others. This is also the reason for the higher credit line for this property. Commissioner Anguiano asked if \$150,000 will be enough to cover the work at Hurt Park. Mr.

Bustamante stated that he believes it will be, however, if additional funds are needed then another resolution will be brought before the board if and when that time comes. In addition, there is one unit at Park Street Square that needs plumbing work done and one unit at Stepping Stone that was struck by a vehicle and is in need of repairs.

Chair Karney asked for further questions. There were none.

Commissioner Garner introduced Resolution No. 4188 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, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4188 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING A LINE OF CREDIT TO PARK STREET HOUSING, LP IN THE AMOUNT OF \$100,000.00; AUTHORIZING A LINE OF CREDIT TO INDIAN VILLAGE, LP IN THE AMOUNT OF \$100,000.00; AUTHORIZING A LINE OF CREDIT TO HURT PARK, LP IN THE AMOUNT OF \$150,000; AND AUTHORIZING A LINE OF CREDIT TO STEPPING STONE, LIMITED PARTNERSHIP IN THE AMOUNT OF \$100,000.

WHEREAS, the City of Roanoke Redevelopment and Housing Authority ("RRHA") was involved as a sponsor organization in the formation of Park Street Housing, LP, which was formed for the purpose of constructing, owning and maintaining the Park Street Square Apartments; and

WHEREAS, RRHA was involved as a sponsor organization in the formation of Indian Village, LP, which was formed for the purpose of constructing, owning and maintaining the Indian Rock Village Apartments; and

WHEREAS, RRHA is a party to management agreements with Park Street Housing, LP and Indian Village, LP, under which RRHA manages the referenced

projects; and

WHEREAS, each project currently has an operating shortfall such that it has insufficient cash on hand to fund ongoing operations; and

WHEREAS, each project is also in need of capital improvements, but lacks sufficient funds to make these required improvements; and

WHEREAS, Park Street Housing Development, LLC is the General Partner of Park Street Housing, LP; and

WHEREAS, Indian Village Development, LLC is the General Partner of Indian Village, LP; and

WHEREAS, Hurt Park Development, LLC is the General Partner of Hurt Park, LP; and

WHEREAS, Stepping Stone Apartments, LLC is the General Partner of Stepping Stone, Limited Partnership; and

WHEREAS, under the terms of the Amended and Restated Limited Partnership Agreement of Park Street Housing, LP, the General Partner is required to make a loan (designated as an "Operating Deficit Loan") to Park Street Housing, LP to pay any operating deficits, and the General Partner may also make a loan to fund other reasonable expenses of the partnership/project (designated as a "GP Loan"); and

WHEREAS, under the terms of the Amended and Restated Limited Partnership Agreement of Indian Village, LP, the General Partner is required to make a loan (designated as an "Operating Deficit Loan") to cover any operating deficit, and the General Partner may also make a loan to fund other reasonable expenses of the partnership/project (designated as a "GP Loan"); and

WHEREAS, under the terms of the Amended and Restated Limited Partnership Agreement of Hurt Park, LP, the General Partner is required to make a loan (designated as an "Operating Deficit Loan") to cover any operating deficit, and the General Partner may also make a loan to fund other reasonable expenses of the partnership/project (designated as a "GP Loan"); and

WHEREAS, under the terms of the Amended and Restated Limited Partnership Agreement of Stepping Stone, Limited Partnership, the General Partner is required to make a loan (designated as an "Operating Deficit Loan") to cover any operating deficit, and the General Partner may also make a loan to fund other reasonable expenses of the partnership/project (designated as a "GP Loan"); and

WHEREAS, Park Street Housing Development, LLC, Indian Village Development, LLC, Hurt Park Development, LLC, and Stepping Stone Apartments, LLC

each lack sufficient funds to make an Operating Deficit Loan or a GP Loan; and

WHEREAS, Virginia Code § 36-19(4) permits RRHA “to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein” in connection with any housing project; and

WHEREAS, Virginia Code § 36-19(7) permits RRHA “[t]o make loans or grants for the prevention and elimination of blighted or slum areas and for assistance in housing construction or rehabilitation by private sponsors”; and

WHEREAS, the continued operation of the each of the referenced projects is in RRHA’s interest and furthers RRHA’s mission; and

WHEREAS, funding to cover each project’s operating deficit, and to make the necessary capital improvements at each project, is necessary for the continued operation of the project; and

WHEREAS, RRHA estimates that the amount required to adequately fund each Project’s ongoing operations, and to make the necessary capital improvements, at this time is approximately One Hundred Thousand Dollars (\$100,000.00) per project; and

WHEREAS, the 15-year compliance period on each project has expired, so that it is now permissible for RRHA to extend an Operating Deficit Loan and a GP Loan directly to the limited partnership which owns each project; and

WHEREAS, RRHA has identified Two Hundred Thousand Dollars (\$450,000.00) of non-Federal funds which it can use to extend a credit line to Park Street Housing, LP to Indian Village, LP, to Hurt Park, LP, and to Stepping Stone, Limited Partnership;

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

1. The RRHA Board of Commissioners authorizes RRHA to establish a credit line in the amount of One Hundred Thousand Dollars (\$100,000) from RRHA to Park Street Housing, LP, and to loan funds to Park Street Housing, LP up to that maximum amount, on the terms and conditions set forth in the attached Loan Agreement.
2. The RRHA Board of Commissioners authorizes RRHA to establish a credit line in the amount of One Hundred Thousand Dollars (\$100,000) from RRHA to Indian Village, LP, and to loan funds to Indian Village, LP up to that maximum amount, on the terms and conditions set forth in the attached Loan Agreement.
3. The RRHA Board of Commissioners authorizes RRHA to establish a credit line in the amount of One Hundred Thousand Dollars (\$150,000) from

RRHA to Hurt Park, LP, and to loan funds to Hurt Park, LP up to that maximum amount, on the terms and conditions set forth in the attached Loan Agreement.

4. The RRHA Board of Commissioners authorizes RRHA to establish a credit line in the amount of One Hundred Thousand Dollars (\$100,000) from RRHA to Stepping Stone, LP, and to loan funds to Stepping Stone, Limited Partnership up to that maximum amount, on the terms and conditions set forth in the attached Loan Agreement.
5. The amounts loaned by RRHA shall be taken from non-Federal or other non-restricted funds.
6. The Executive Director, or his designee, is authorized and directed to execute the attached Loan Agreement, and to execute such documents, and to take such other appropriate actions as may be necessary, to effectuate the line of credit and loan to Park Street Housing LP, to Indian Village, LP, to Hurt Park, LP, and to Stepping Stone, Limited Partnership, on the terms set forth in the attached Loan Agreement.

6. Resolution No. 4189

Mr. Gusler presented Resolution No. 4189 requesting the board's approval to award a contract for repositioning and rental assistance demonstration (RAD) consulting services. A Request for Proposal (RFP) was issued on November 12, 2023 to several firms with Dominion Due Diligence Group (D3G) being the only consultant that replied. RRHA spoke with a number of their references during this process and it was determined that D3G has a positive record of performance in this area. Years ago the firm switched from a mainly environmental consulting firm to focusing exclusively on public housing authorities and repositioning efforts. Repositioning is the conversion of a public housing asset into a public private partnership where RRHA, for example, is part owner under a limited partnership with investors through the tax credit process. There will be a number of details that will be worked out on how that project is to be formulated

and that guidance will come from this firm. This will be a two year contract with a not to exceed amount of \$250,000.

Commissioner Garner asked how the accounting for this is placed on the books. Ms. Austin replied that it will be on the books as a capital asset. Commissioner Garner asked if it will be identifiable as part of any specific project or property. Ms. Austin stated that it will have its own project code, but when the grant is closed at the end it will be expended as a soft cost. This means that the fees will become a permanent costs of the project and will be expensed over time as depreciation. Mr. Gusler added that the RAD process allows you to operate as public housing until a real estate transaction is closed and it is then converted to the new ownership. Housing authorities are encouraged to identify their capital needs and use existing capital fund public housing money on as much as possible leading up to that conversion. Ms. Austin added that a new amp has to be created in order to build on that property, per HUD regulations.

Commissioner Kepley asked if D3G will be guiding RRHA through the design construction process. Mr. Gusler replied that during the interview with the CEO he advised that it is best if they look at the proposals so that they can identify and ensure that RRHA is getting the energy credits and everything in the tax credit process from a design standpoint. A Request for Quote (RFQ) will be issued for design services and D3G will consult with the awardee on their plans and any changes that may need to be made to ensure RRHA is getting the best out of the scoring process. Commissioner Garner asked if the 86 units will be completed within that two year period. Mr. Gusler stated that the construction will not necessarily be completed but, rather, the financing and the regulatory process when working with HUD will be. Commissioner Kepley

asked if we will be interacting with the consulting firm on a monthly basis. Mr. Bustamante said that he will be better able to inform the board on this process once the resolution is approved. Mr. Bustamante added that he would like for D3G to come before the board and speak about what their process is and allow the board to ask questions in return. He will notify the board once a date has been scheduled.

Chair Karney asked for further questions. There were none.

Commissioner Anguiano introduced Resolution No. 4189 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, Walker, Chair Karney

NAYS: None

Chair Karney thereupon declared said motion carried and Resolution No. 4189 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR REPOSITIONING AND RENTAL ASSISTANCE DEMONSTRATION CONSULTING SERVICES FOR RRHA UNDER THE FY 2023 CAPITAL FUND PROGRAM NO. VA36P01150123.

WHEREAS, the City of Roanoke 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), which is grant number VA36P01150123 (574) in the amount of \$4,840,100.00; and

WHEREAS, Planning Consultant for RRHA was included on the Annual Statements detailing the planned use of CFP grant number VA36P01150123, which was approved by the Board of Commissioners under Resolution No. 4157 on May 22, 2023; and

WHEREAS, repositioning and rental assistance demonstration consulting services are essential to the future development of affordable housing; and

WHEREAS, RRHA issued a Request for Proposals ("RFP") on November 12, 2023, with Proposals being due on December 12, 2023; and

WHEREAS, RRHA received one (1) Proposal in response to the RFQ from the following companies:

- Dominion Due Diligence Group (D3G)

WHEREAS, the hourly rates Dominion Due Diligence Group (D3G) are determined to be fair and reasonable for the consulting services to be provided; and

WHEREAS, Dominion Due Diligence Group (D3G) has been found to be capable and in all other respects acceptable to RRHA; and

WHEREAS, the Vice President of Operations recommended to the Executive Director that a contract be awarded to Dominion Due Diligence Group (D3G);

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 qualification 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 Proposal submitted by Dominion Due Diligence Group (D3G) be and hereby is accepted;
- (2) The Executive Director be and hereby is authorized and directed to execute standard contract for non-construction, which by reference is inclusive of Scope of Services and all related documents included in the Request for Proposals, between Dominion Due Diligence Group (D3G) and RRHA for a term of two (2) years, in the not to exceed amount of \$250,000.00.
- (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.

If approved, this contract will be funded from CFP 574.

7. Executive Session

The closed session began at 10:56 a.m. with Chair Karney stating that the

Executive Session of the Board of Commissioners of the City of 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).

The commissioners came back into an open session at 11:17 a.m. Commissioner Garner moved to approve the closed meeting certification and Commissioner Anguiano seconded the motion. Ms. Holland 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 Kepley and upon roll call the following vote was recorded:

AYES: Commissioners Anguiano, Kepley, Garner, Chair Karney

NAYS: None

Chair Karney declared the meeting adjourned at 11:18 a.m.

Karen Karney, Chair

David Bustamante, Secretary-Treasurer

Karen Ramsey, Chair

David Ruckenstein, Secretary-Treasurer

Exhibits from January 26, 2024 Minutes previously circulated

RESOLUTION
NO. 4190

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

RESOLUTION NO: 4190

Meeting Date: February 26, 2024

Agenda Item Number: 1

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARING A CONTRACT FOR BULK CONTAINER SERVICES FOR HOUSING DEVELOPMENTS

WHEREAS, the current contract of the City of Roanoke Redevelopment and Housing Authority (RRHA) for provision of bulk container services for eight RRHA Public Housing sites expires March 31, 2024; and

WHEREAS, funding to support provision of bulk container services is included in the operating budgets for the Public Housing sites; and

WHEREAS, RRHA issued an Invitation for Bid for Bulk container services for Eight RRHA Public Housing Sites on January 7, 2024, with bids being due on January 30, 2024; and

WHEREAS, RRHA received (2) responsive bids to the invitation which were opened for consideration, such bids being as follows:

| <u>Bidder</u> | <u>Total Bid Amount</u> |
|-----------------------------|-------------------------|
| Republic Services, Inc. | \$550,021.34 |
| GFL Southwest Virginia, LLC | \$1,053,627.42 |

WHEREAS, HUD regulations at 24 CFR 135.1 state that "section 3 of the Housing and Urban Development Act of 1968 (12 U. S. C. 1701u) (section 3) directs that employment and other economic opportunities generated by certain HUD financial assistance shall to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to business concerns which provide economic opportunities to low- and very low-income persons."; and

WHEREAS, neither contractor self-certified as a Section 3 Business Concern; and

WHEREAS, the allowable HUD Section 3 preference is not a determining factor in the procurement; and

WHEREAS, the amount of the bid submitted by Republic Services, Inc., was determined to be fair and reasonable for the work specified when compared to the

amount of the independent cost estimate based on previous contract costs for bulk container services; and

WHEREAS, review, evaluation, and confirmation of bid documentation has been completed, and Republic Services, Inc. has been found to be capable and in all other respects acceptable to RRHA; and

WHEREAS, the Executive Director recommends an award to Republic Services, Inc.; 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 Republic Services, Inc. be and hereby is accepted;
- (2) The Executive Director be and hereby is authorized and directed to execute a standard contract for services, which by reference is inclusive of scope of services, addenda and related project documents, between Republic Services and RRHA with a fixed contract amount of \$99,540.00 for a one (1) year term, and with the option of four one-year renewals at the fixed amounts of \$104,517.00 for option year 1, \$109,742.85 for option year 2, \$115,230.00 for option year 3, and \$120,991.49 for option year 4.
- (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.

Approved by: _____


Executive Director

Date

2-8-24

COMMISSIONERS ACTION:

☐ Approved

☐ Not Approved

Remarks: _____

RESOLUTION
NO. 4191

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY

RESOLUTION NO: 4191

Meeting Date: February 26, 2024

Agenda Item Number: 2

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDED A CONTRACT FOR REPLACEMENT OF ROOFTOP-MOUNTED HVAC EQUIPMENT FOR FLOORS 2 - 9 FOR MELROSE TOWERS, AMP 206, UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150123 AND VIRGINIA HOUSING PUBLIC HOUSING REVITALIZATION GRANT

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 VA36P01150123 in the amount of \$4,840,100.00; and

WHEREAS, Replacement of HVAC Equipment for Common Areas for Floors 2 – 9 was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150123, which was approved by the RRHA Board of Commissioners by Resolution 4157 on May 22, 2023; and

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) has been awarded a Public Housing Revitalization Grant from Virginia Housing in the amount of \$3,836,496.00; and

WHEREAS, Replacement of Rooftop HVAC Equipment for Melrose Towers was included on the budget detailing the planned use of the Virginia Housing Public Housing Revitalization Grant; and

WHEREAS, RRHA needs a qualified contractor to complete Replacement of Rooftop-Mounted HVAC Equipment for Floors 2 – 9 for Melrose Towers, AMP 206; and

WHEREAS, RRHA issued a Invitation for Bid on January 14, 2024, with bids being due on February 13, 2024; and

WHEREAS, RRHA received five (5) responsive bids to the invitation, which were opened for consideration, such bids being as follow:

| <u>Bidder</u> | <u>Total Bid Amount</u> |
|-------------------------------------|-------------------------|
| Varney, Inc. | \$956,858.00 |
| HTF Mechanical Services | \$936,157.87 |
| Russell's Remodeling, LLC | \$1,063,644.00 |
| Comfort Systems USA (Roanoke), Inc. | \$748,300.00 |

Comfort Services, Inc.

\$819,900.00

WHEREAS, the amount of the bid submitted by Comfort Systems USA (Roanoke), Inc. 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 Comfort Systems USA (Roanoke), Inc. 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 Comfort Systems USA (Roanoke), Inc.; 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 Comfort Systems USA (Roanoke), Inc. 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 Comfort Systems USA (Roanoke), Inc. and RRHA for the fixed price of \$748,300.00.
- (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.

Recommended by: 
VP of Operations

Date 2/15/2024

Approved by: 
Executive Director

Date 2-15-24

COMMISSIONERS ACTION: ☐ Approved

☐ Disapproved