

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, May 19, 2025.

I. CALL TO ORDER – ROLL CALL

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

PRESENT: Commissioners Carter, Coles, Karney, Chair Kepley

ABSENT: Commissioners Walker and Wright, Vice Chair Carr

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Joel Shank, VP of Operations; Jackie Austin, VP of Finance/CFO; Tina Bousman, Human Resources Manager; Meghan Castañeda, Administrative Manager/Executive Assistant; Fredrick Gusler, Director of Redevelopment and Revitalization; Greg Goodman, Director of Community Support Services; Brenda Prieto, Manager of PR/MKTG/SM; Victoria Croy, Jobs Plus Case Manager; Reed Kennedy, Cornerstone Leadership Strategies; Ken Smith, COO Virginia Tech Foundation, Inc.;

Chair Kepley welcomed everyone to today's meeting and opened the meeting to public comments on the proposed 2025 – 2029 Agency Plan. There were none.

Chair Kepley opened the floor to receive comments on the proposed 2025 Capital Fund Program Five-Year Action Plan. Hearing none, he closed the Public Hearing.

He then introduced Mr. Kennedy to present the Strategic Planning Presentation.

II. REPORTS

1. Strategic Planning Presentation

Mr. Kennedy began by expressing his appreciation for the opportunity to be involved with the organization. He shared it had been a privilege to collaborate with the planning team over the past year and commended their efforts, particularly acknowledging Commissioner Carter, Vice Chair Carr, and several others for their contributions.

Reflecting on his history with the organization, Mr. Kennedy mentioned this was his second time assisting with the strategic planning process, having previously been involved in 2020. He praised the organization's decision to proceed with strategic planning despite the uncertain political climate, noting while some might have opted to take a reactive stance, this organization chose a proactive approach to chart its own path forward. The current plan was designed to remain fluid and adaptable over time.

He proceeded to give an overview of the planning process referring to a handout that had been circulated. Beginning at a high level, the team reviewed the organization's mission, vision, and values—last revised in 2020—and made minor updates to better reflect current goals. The process involved comprehensive internal and external assessments, utilizing eleven years of financial data and considering various political, technological, legal, and cultural factors. These findings informed a SWOT analysis, which in turn identified the key strategic issues the plan needed to address.

Mr. Kennedy explained the planning approach followed a logical progression of answering three core questions: "Where are we now?", "Where are we going?", and

"How will we get there?" The planning team retained most of the previous long-term strategies, ensuring a balanced perspective across financial, human resources, and operational concerns, using a Balanced Scorecard (BSC) framework.

He described the plan as cascading from broad strategies down to specific, measurable performance objectives—typically one-year goals—which were then further broken down into actionable initiatives detailing who would do what, and by when. This structure provided a clear accountability framework and allowed progress to be monitored regularly through the scorecard system.

Mr. Kennedy then directed the board's attention to the visual structure of the plan included in the handout, which illustrated the hierarchy from mission and vision to strategies, performance objectives, and individual initiatives. He noted while the diagram showed only two strategies, the actual plan included five, each supported by multiple objectives and initiatives.

Moving on, Mr. Kennedy briefly summarized key updates from the previous strategic plan. He stated while the mission and vision statements had been slightly refined for clarity and specificity, the most significant change was the reduction of overarching strategies from seven to five. Notably, a financial strategy and contingency planning were newly introduced, recognizing the need to adapt to unpredictable developments.

Commissioner Carter raised a concern regarding the president's proposed "skinny budget," which threatened the elimination of the FSS and Jobs Plus programs—both integral to the organization's goals. Mr. Kennedy acknowledged this challenge and reiterated the importance of maintaining flexibility within the strategic plan. As external

conditions shift, the organization should reassess and adjust as needed.

In conclusion, Mr. Kennedy highlighted eight newly developed performance objectives within the updated plan. He encouraged board members to review the full plan document and welcomed any additional questions. He closed by thanking the board for the opportunity to serve and contribute to the process.

Chair Kepley thanked Mr. Kennedy for his comprehensive presentation and recognized the contributions of everyone involved.

2. Executive Report

Mr. Bustamante began his report by sharing insights from several recent virtual webinars in which he had participated alongside fellow executive directors and representatives from the Public Housing Authorities Directors Association (PHADA), National Association of Housing and Redevelopment Officials (NAHRO), and Housing and Urban Development (HUD). He noted, regrettably, there remains significant uncertainty surrounding the proposed federal budget. Despite numerous discussions and varied opinions, the consensus among participants in the webinars he attended was clear—no one truly knows what outcomes to expect until formal decisions are made. This uncertainty, while frustrating, is the current reality.

However, Mr. Bustamante highlighted several important takeaways from those meetings. One point of interest was that even some HUD staff expressed skepticism regarding the likelihood of the proposed budget's passage. They noted many of the proposed policy changes had not yet been written, and since Congress does not create policy but only allocates funding, this presents a substantial obstacle. Some participants speculated the budget might pass the House but was unlikely to survive the Senate, as

it would require at least six Democratic senators to vote in favor—an improbable scenario.

Reflecting on the past three weeks of discussions, Mr. Bustamante concluded the common thread across all conversations was uncertainty. “Nobody knows until we know,” he reiterated.

Turning to program funding, Mr. Bustamante offered some reassurance regarding two key initiatives. He confirmed the Family Self-Sufficiency (FSS) program had secured funding through fiscal year 2026, with allocations already made for 2025. Similarly, the Jobs Plus program had been extended through June 2026, with funding in place to support its continuation until then.

However, he raised serious concerns regarding the Emergency Housing Voucher (EHV) program. The organization had been allocated 26 emergency housing vouchers in 2021, accompanied by roughly \$150,000 to subsidize housing for participating families. With those funds nearing expiration, 25 families face potential displacement within three months if new funding is not allocated. Mr. Bustamante emphasized this issue was widespread, affecting housing authorities across the country. In response, letters had been sent to Congress and specifically to Representative Ben Cline’s office urging action.

Mr. Bustamante referenced a letter written by Councilwoman Powers to Representative Cline. He had provided feedback on the letter, clarifying two key points: first, the proposed 43% reduction pertained to public housing and Section 8—not the Community Development Block Grant (CDBG), which was actually slated for complete elimination under the proposed budget. Second, he requested the inclusion of a

roundtable meeting with Representative Cline. Mr. Bustamante believed hearing directly from those impacted—particularly members of the Continuum of Care (COC)—could influence the Congressman’s perspective on the potential consequences of the cuts to homelessness programs.

He shared he had not yet received the revised version of the letter but would distribute it to the board as soon as it became available.

Mr. Bustamante then offered a piece of positive news: the organization had received \$4.6 million in capital fund program dollars, a slight decrease from the previous year’s \$4.9 million but not as significant of a cut as feared. He noted a resolution for the allocation of these funds would be presented later in the meeting by Mr. Shank.

Lastly, he mentioned a disappointing development regarding a grant application tied to air conditioning improvements at the Lansdowne property. Despite advocacy from residents who had presented their concerns to the board, the EPA terminated the grant they had been pursuing for funding, effectively ending their chances of securing financial support for the project.

He concluded by opening the floor for any questions or comments from the board, stating he had no further updates to present at that time. Chair Kepley thanked Mr. Bustamante for his report and invited questions from the board. There were none.

3. Staff Reports

Chair Kepley asked if there were any staff reports to be shared. Mr. Gusler stepped forward and provided an update on the Old Spanish Trail development proposal. He explained they had received the preliminary scores from Virginia Housing. Unfortunately, out of the five public housing authorities in their pool, they had ranked

fifth—last place. Only one project scored high enough to secure funding outright, and another was being considered for a different pool with the potential for partial funding. Their project, however, did not make the cut.

Mr. Gusler elaborated that late in the process, they had received a revised cost estimate from the architectural firm, which significantly increased the projected building costs. This forced them to raise their tax credit request from \$1.7 million to \$2.1 million. While technically within the allowable limits, Virginia Housing tends to look more favorably on applicants who demonstrate they can complete a project with less than the maximum request. The change may have negatively impacted their score, but they believed it was the fiscally responsible decision to minimize long-term risk to the Housing Authority.

He acknowledged the process revealed several serious challenges, particularly in navigating the system's complexities. Still, he noted it's not uncommon for agencies—whether housing authorities or nonprofits—to be successful on a second application attempt. He mentioned they would be consulting with an application expert that week and noted a slim chance the project could still move forward under the 4% tax credit program, though that seemed unlikely due to the economics involved.

One key factor complicating development right now, he said, is the volatility of material costs, which can fluctuate by the time construction begins. The team was still in early conversations about next steps. Comments on the current round of applications could be submitted until Thursday, and they were exploring whether errors in scoring might have occurred—particularly in areas their consultant found puzzling. Still, even correcting those discrepancies likely wouldn't be enough to have changed

the outcome.

Looking ahead, they would decide whether to reapply next year, consider partnering with another developer, or explore alternative uses for the site.

Chair Kepley asked what the major shortcomings in the application were. Mr. Gusler said they had lost points for the legal opinion and for a map showing the bus stop location—losses he described as surprising. The bus map had to be drawn and certified by a surveyor, which they did, but it still led to a deduction. Regarding the legal opinion, there might have been a formatting issue, but they still needed to investigate.

Another area of lost points involved the development's location. Though they received points for being in a revitalization area thanks to a city ordinance, the site wasn't in a qualified census tract or opportunity zone. These are key scoring elements Virginia Housing uses to prioritize areas with concentrated poverty. This created a disconnect between HUD's goals of deconcentrating poverty and Virginia Housing's preference for funding developments in higher-poverty census tracts.

Chair Kepley asked if their proposed unit mix contributed to the scoring issue. Mr. Gusler clarified the issue was more about location characteristics than the housing mix. He added although they had secured a \$1.2 million commitment from the city's American Rescue Plan Act (ARPA) funds through the Home Safe program, the award was contingent and not finalized, so it didn't score. Their application for Community Development Block Grant (CDBG) funding was also still pending, further reducing available points.

From a community perspective, he believed the site was strong—it was close to Salem and the VA Building, and met many local needs—but from a scoring standpoint,

it had limitations.

Commissioner Carter pointed out the location was still in a predominantly low-income area. Mr. Gusler agreed but described it as more suburban and somewhat isolated—it didn't sit squarely within a low-income neighborhood, at least not as defined by scoring criteria.

Chair Kepley asked who they were up against. Mr. Gusler replied Lynchburg had the highest-scoring proposal in their pool, followed by Norfolk, Richmond, and Newport News—all larger cities with more acute housing needs. Some of those cities had been aggressively repositioning public housing and regularly submitted applications. He remarked the process seemed to favor applicants with more experience and recurring engagement.

As the discussion wrapped up, Chair Kepley inquired about the sunk costs. Mr. Gusler said the consultant had cost around \$250,000, and design work was close to \$1 million. If they chose to reapply next year, they wouldn't have to start from scratch—tweaking the design and reusing most of the application materials would reduce costs significantly. However, the team would need to decide whether to go it alone or rehire a consultant. He acknowledged their current staff lacked recent experience with this type of tax credit application, and they were also facing internal staffing transitions.

Chair Kepley noted at least they now had experience under their belt and could better prepare for a future application. Mr. Bustamante agreed, pointing out the extensive staff time and financial investment already made. He suggested they take time to plan carefully and perhaps aim for the next cycle.

Kepley added having the land and designs already in place gave them flexibility,

even if code requirements might shift slightly over time. Commissioner Coles asked whether they received points for revitalizing property previously owned by Virginia Housing. Gusler explained while Virginia Housing sold them the land and had a development agreement in place, they also served as the scoring body—putting them in an awkward position. It was something they'd have to revisit, especially regarding timelines.

Finally, they confirmed the next opportunity to reapply would be in March of the following year for the 9% credits, with two additional application windows for 4% credits during the year—though the 4% route still seemed financially unviable. Chair Kepley thanked Mr. Gusler for the thorough report.

4. Committee Reports

Chair Kepley asked for committee reports. There were none.

5. Commissioner Comments

Chair Kepley asked for commissioner comments. There were none.

6. City Council Liaison Comments or Discussion

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

7. Residents or other community members to address the Board

Chair Kepley asked for further questions. There were none.

CONSENT AGENDA

- C-1 Minutes of the Regular Meeting of the Board of Commissioners held
Monday, April 28, 2025.

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

- C-2 Monthly Operations Report for the month of April 2025.

RECOMMENDED ACTION: File as submitted.

Commissioner Carter introduced a motion to approve the Consent Agenda.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

REGULAR AGENDA

1. Resolution No. 4245

Mr. Bustamante presented Resolution 4245 requesting the board's approval to submit the 2025-2029 Agency Plan to HUD by June 18th. He noted drafts were available of the Agency Plan at all sites and at the city offices beginning April 1, 2025, and that RRHA provided the 45-day notice for comment as required. There were no comments or revisions. Chair Kepley asked for questions. There were none.

Commissioner Carter then introduced Resolution No. 4242 and moved its

adoption as introduced.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4245 was adopted as introduced.

**RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND
HOUSING AUTHORITY APPROVING THE 2025-2029 AGENCY PLAN FOR
SUBMISSION TO HUD**

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

WHEREAS, pursuant to Section 511 of the Quality Housing and Work Responsibility Act of 1998, RRHA is required to adopt an Annual and 5-Year Plan (the Plan); and

WHEREAS, the Plan is designed to provide a framework for local accountability and an easily identifiable source by which public housing residents, participants in the tenant-based assistance program, and other members of the public may locate basic public housing and tenant-based assistance program policies, rules and requirements concerning operations, programs, and services; and

WHEREAS, RRHA staff have consulted with the Joint Resident Council, Inc. and all active resident councils and have conducted community meetings at all public housing sites and with participants and landlords in Section 8 programs to gather input, which has been considered in development of the Plan; and

WHEREAS, RRHA Commissioners were provided with copies of the draft to the 2025-2029 Agency Plan in May 2025; and

WHEREAS, the Plan and Attachments have been revised to include updated information regarding the Rental Assistance Demonstration Program and to reflect items approved by the Board of Commissioners subsequent to publication of the draft; and

WHEREAS, RRHA gave 45 days public notice for the draft 2025- 2029 Agency Plan and made the Plan available for public review at RRHA administrative offices, public housing site management offices, the Roanoke City Municipal Building, and on the RRHA website; and

WHEREAS, the RRHA Board of Commissioners gave notice and held public hearings to receive public comments on the draft 2025- 2029 Agency Plan on May 18, 2025; and

WHEREAS, the 2025- 2025 Agency Plan meets the current regulatory and statutory requirements; and

WHEREAS, the final Plan must contain a certification by City officials that the Plan is consistent with the Consolidated Plan of the City of Roanoke; and

WHEREAS, RRHA is required to submit the 2025- 2029 Agency Plan to HUD by July 18, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the 2025-2029 Agency Plan, in substantially the form circulated to the RRHA Board of Commissioners, is hereby approved for submission to the U.S. Department of Housing and Urban Development upon receipt of certification from City officials that the Plan is consistent with the Consolidated Plan of the City of Roanoke

2. Resolution No. 4246

Mr. Shank began by explaining the nature of their Capital Fund Plan, describing it as both a five-year and a rolling plan—updated annually to reflect completed projects and new priorities. This adaptability allowed the team to respond to lessons learned and emerging needs. He emphasized the plan, like the Agency Plan, had been made available for public comment and that feedback, including survey responses, had been taken into consideration.

In preparing the updated plan, staff and management teams met to discuss potential additions. As a result of those discussions, new items were incorporated into the first year of the plan. Mr. Shank distributed a highlighted document showing the first-year budget, pointing out additions based on site-specific input.

He outlined the primary budget categories: \$10,000 for management improvements, \$460,000 for administration (capped at 10% of the total grant), and the remainder for general capital activity. These funds covered a broad range of items, from inspections to project costs, and included audit expenses for the capital fund grant. The total grant amount for the fiscal year was \$4,666,662—a

figure slightly less than the previous year but still appreciated.

The document, required by HUD, detailed planned fund usage. Mr. Shank noted their strategy of maintaining flexibility to address unanticipated costs and highlighted several new inclusions—such as sewer lateral replacements at James Town and Bluestone, due to recurring problems. Another concern was the failure of original cast iron waste piping under concrete slab floors, which often required extensive and costly repairs, typically affecting two units at a time.

Commissioner Carter inquired about a parking lot repainting project at Melrose, which had been previously budgeted. Mr. Shank confirmed it was an operational matter and had spoken with the Property Manager, Lisa Saunders, about it. They also discussed inadequate lighting in the Melrose lot, which became dangerously dark when trees were in full leaf. Mr. Shank acknowledged more lighting might need to be added.

When Commissioner Coles asked about the “management improvement” category, Mr. Shank clarified it covered staff and resident training initiatives, although it was often underutilized. He reiterated their focus on using funds to maintain property viability and operational functionality.

Chair Kepley asked about the continuity of projects and the nature of the grant. Mr. Shank explained while some items were carryovers, others—like failing commercial hot water heaters—were proactively included based on equipment lifespan and usage. The current grant was specifically for fiscal year 2025, with funds required to be 90% obligated within two years and fully expended within four. Future funding would depend on congressional allocations.

Mr. Bustamante added any major unexpected expenses would require a substantial amendment to the plan, and would be reviewed and approved by the board before becoming effective. Mr. Shank also mentioned while year one was detailed, subsequent years were intentionally less detailed, allowing for adjustments via the plan's built-in flexibility.

Lastly, Commissioner Karney brought up accessibility modifications. Mr. Shank shared at Melrose Towers and Morningside Manor, the team had identified one-bedroom units suitable for conversion into wheelchair-accessible units. This effort was part of meeting the federally required 5% of accessible units in their public housing portfolio. While some properties posed physical limitations for accessibility upgrades, others—like Morningside—had increasing demand, and the plan was adapting to meet those needs.

Chair Kepley thanked Mr. Shank for the detailed presentation and asked if there were any additional questions. There were none.

Commissioner Karney introduced Resolution No. 4243 and moved its adoption as introduced.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4246 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND
HOUSING AUTHORITY APPROVING THE 2025 CAPITAL FUND FIVE-
YEAR ACTION PLAN AND BUDGET

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) receives Capital Funds from the Department of Housing and Urban Development (HUD); and

WHEREAS, pursuant to 24 CFR 905.300, RRHA is required to develop and submit to HUD a Five-Year Action Plan and budget reflecting capital improvements planned for RRHA's Public Housing developments; and

WHEREAS, HUD allows public housing authorities to adopt either a fixed or rolling Five-Year Action Plan, and RRHA has adopted a rolling plan; and

WHEREAS, the Five-Year Action Plan is designed to provide a framework for local accountability and easily identifiable source by which public housing residents and other members of the public may review RRHA's Plan for capital improvements to Public Housing; and,

WHEREAS, RRHA distributed questionnaires to public housing residents to gather input, which has been considered in the development of the 2025 Capital Fund Program Five-Year Action Plan; and

WHEREAS, RRHA Commissioners were provided with copies of the draft 2025 Capital Fund Program Five-Year Action Plan; and

WHEREAS, RRHA gave 45 days public notice and made the 2025 Capital Fund Program Five-Year Action Plan available for public review at RRHA administrative offices, public housing site management offices, and on the RRHA website; and

WHEREAS, the RRHA Board of Commissioners held a public hearing to receive public comments on the proposed Plan on May 19, 2025; and

WHEREAS, the RRHA 2025 Capital Fund Program Five-Year Action Plan meets the current regulatory and statutory requirements; and

WHEREAS, RRHA is required to submit the 2025 Capital Fund Program Five-Year Action Plan to HUD following approval by the RRHA Board of Commissioners. NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the attached RRHA 2025 Capital Fund Program Five-Year Action Plan is hereby approved.

3. Resolution No. 4247

Mr. Shank introduced Resolution No. 4247, authorizing the renewal of the commercial insurance policies held by the Virginia Risk Sharing Association (VRSA). He noted the commercial insurance covered RRHA properties, including public housing, and that the policy renewal aligned with the fiscal year beginning July 1.

Mr. Shank reported a total premium increase of \$21,950, representing a 6% rise from the previous year—slightly below the industry-expected average increase of 7.5%. He provided a detailed comparison sheet outlining the cost breakdowns and category-specific increases. Notably, the largest increase percentage-wise was in automobile physical damage coverage, attributed to the rising cost of vehicle repairs. RRHA currently maintains approximately 43 vehicles, most of which were used for maintenance.

General liability premiums increased just under 5%, in line with overall operating expense increases. Public officials' liability rose nearly 10%, a result of broader cost adjustments within the pooled insurance group. Mr. Shank explained this coverage included protection for staff and board members against potential lawsuits in their official capacities.

Other notable increases included cyber liability and excess liability, both driven by rising costs and RRHA's expenditure levels. Property insurance premiums rose due to a \$5 million increase in the agency's property valuation. Miscellaneous categories saw minimal impact, and boiler/equipment coverage remained modest. Surety bonds and environmental impairment liability costs

remained unchanged.

Workers' compensation premiums decreased by nearly 7%, a result of improved claims history, although some savings were offset by increased salary expenses.

In response to questions from Commissioners Carter and Coles, Mr. Shank confirmed various deductibles applied depending on the claim type—for instance, \$5,000 for fire and \$25,000 for vandalism. He clarified tenants' personal belongings were not covered by RRHA's policies and that while renters insurance was recommended in leases, it could not be mandated.

Discussion followed about VRSA's competitive service history, responsiveness to claims, and value as a pooled insurance provider. Mr. Shank emphasized VRSA's ongoing support in a current claim related to fire-damaged units in Jamestown. He reiterated while a 6% increase was not ideal, it remained reasonable given market trends and pool participation with over 500 members.

With no further questions, Chair Kepley thanked Mr. Shank and called for a motion and second to approve the resolution.

Commissioner Carter introduced Resolution No. 4247 and moved its adoption as introduced.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4247 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING THE RENEWAL OF COMMERCIAL INSURANCE POLICIES CURRENTLY HELD BY THE VIRGINIA RISK SHARING ASSOCIATION

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) is required by 24 CFR 965 Subpart B to procure adequate insurance for its public housing properties to protect RRHA from financial loss resulting from various hazards; and

WHEREAS, on September 27, 2007, HUD authorized non-competitive procurement with the Virginia Municipal League (VML) Insurance Programs as provided for under 24 CFR Part 85 – Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments; and

WHEREAS, RRHA has held commercial insurance policies through the VML since 2008; and

WHEREAS, Virginian Municipal League Insurance Programs changed their name to Virginia Risk Sharing Association (VRSA) effective July 1, 2019; and

WHEREAS, the contract for commercial insurance policies was publicly competed in 2022, with VRSA submitting the highest ranked proposal; and

WHEREAS, VRSA provided a \$21,950.00 increase in the 2024-2025 renewal rate for RRHA's Automobile, Property, Excess Auto Liability, Boiler & Machinery, Crime, Worker's Compensation, General Liability, and Miscellaneous Coverage policies; and

WHEREAS, the cost of this insurance is deemed fair and reasonable, based on cost analysis completed by RRHA staff.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the Executive Director is authorized to provide a Notice of Renewal for and execute necessary documents to review Automobile, Automobile Excess, Property, Crime, Boiler & Machinery, Worker's Compensation, General Liability, and Miscellaneous Coverage policies from Virginia Risk Sharing Association for the term of July 1, 2025 through June 30, 2026, for a not to exceed contract amount of \$387,132.00.

4. Resolution No. 4248

Mr. Gusler introduced Resolution No. 4248, authorizing a fourth amendment to the purchase and redevelopment agreement with the Virginia Tech Foundation, Inc., concerning property located at 1255 Williamson Road SE in the South Jefferson Redevelopment Area.

Mr. Gusler explained the resolution would grant the Foundation an additional three years—until June 7, 2028—to submit a development plan for the site. Although no finalized plans have been created yet, the Foundation has continued to envision a mixed-use project, potentially including biotech incubator space and residential buildings.

Ken Smith of the Virginia Tech Foundation was present to show the Foundation's continued commitment to development in the area. Mr. Gusler noted while construction had not yet begun on this particular parcel, some progress had occurred, including the demolition of the former Quality Tire building in 2023. Delays were attributed in part to setbacks during the 2020 Pandemic.

In response to a question from Commissioner Carter, Mr. Gusler clarified the redevelopment agreement did not include provisions for guaranteed low-income housing, as the Authority's primary role was limited to property acquisition and ensuring compliance with design guidelines.

Commissioner Coles inquired about maintenance responsibility for the site. Mr. Gusler confirmed the Authority sold the property in 2018 and relocated the former tenant who was operating the Quality Tire, thus concluding its obligations aside from monitoring the redevelopment agreement.

Chair Kepley acknowledged the specifics of the development plan were still evolving and that the extension would allow the Foundation time to refine their approach. Mr. Gusler added while detailed plan reviews are typically handled administratively, the Board would be informed of major developments, such as property sales or agreement extensions. He also mentioned only two properties in the South Jefferson area remained under active redevelopment agreements, indicating significant progress in transforming the district.

Chair Kepley asked if there were any additional questions, and seeing none he concluded by inviting a motion to approve the resolution. Commissioner Karney introduced Resolution No. 4248 and moved its adoption as introduced.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution No. 4248 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING FOURTH AMENDMENT TO PURCHASE AND REDEVELOPMENT AGREEMENT WITH VIRGINIA TECH FOUNDATION, INC. RELATING TO PROPERTY IN THE SOUTH JEFFERSON REDEVELOPMENT AREA

WHEREAS, the City Of Roanoke Redevelopment and Housing Authority ("RRHA") and Virginia Tech Foundation, Inc. ("VTF"), entered into a Purchase and Redevelopment Agreement South Jefferson Redevelopment Area dated November 27, 2018, with respect to One (1) parcel in the South Jefferson Redevelopment Area, bearing City of Roanoke Official Tax Map Number 4030212, and known as 1255 Williamson Road, SE in the City of Roanoke, Virginia (the "Property"), as more particularly described in Exhibit A to that agreement.

WHEREAS, in May 2019 the parties executed Amendment No. 1 to the Purchase and Redevelopment Agreement South Jefferson Redevelopment Area dated November 27, 2018, which amendment dealt with matters relating to the tenant then occupying a portion of the Property (the Purchase and Redevelopment Agreement South Jefferson Redevelopment Area dated November 27, 2018, along with Amendments, being hereinafter referred to the "Purchase Agreement"); and

WHEREAS, in June 2020 VTF requested an extension of the Purchase Agreement and the RRHA Board of Commissioners passed Resolution Number 4048 on June 22, 2020; and

WHEREAS, the parties executed Amendment No. 2 to the Purchase Agreement to extend the date for submission of a proposed development plan for the Property for an additional two (2) years, to not later than June 7, 2022; and

WHEREAS, in April 2022 VTF requested an extension of the Purchase Agreement and the RRHA Board of Commissioners passed Resolution Number 4115 on April 25, 2022; and

WHEREAS, the parties executed Amendment No. 3 to the Purchase Agreement to extend the date for submission of a proposed development plan for the Property for an additional three (3) years, to not later than June 7, 2025; and

WHEREAS, VTF has requested an amendment to the Purchase Agreement to extend the date for submission of a proposed development plan for the Property for an additional three (3) years, to not later than June 7, 2028; and

WHEREAS, the Property that is the subject of the Purchase Agreement is located in the South Jefferson Redevelopment Area; and

WHEREAS, Virginia Code § 36-53 permits RRHA to establish such period of time for the building of improvements on property purchased in a redevelopment area as RRHA "fixes as reasonable"; and

WHEREAS, VTF has presented substantial justification for its desire to extend the time period described in the foregoing recitals including but not limited to progress on the site that has been made such as asbestos abatement and demolition, and progress on numerous other initiatives in the redevelopment area; and

WHEREAS, based on the information provided to it, RRHA is satisfied that extending the date for submission of a proposed development plan for the Property to not later than June 7, 2028 is reasonable under the circumstances; and

WHEREAS, RRHA and the City of Roanoke will be required to approve any proposed development plan;

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

1. The Executive Director (or his designee) is authorized to execute a Fourth Amendment to the Purchase Agreement in substantially the form attached to this Resolution; and
2. The Executive Director (or his designee) is further authorized to execute such documents as may be necessary to effectuate the Second Amendment to the Purchase Agreement as described in this resolution.

5. Resolution No. 4249

Ms. Austin presented Resolution No. 4249 to the board, requesting acceptance of the audited financial statements for the fiscal year ending September 30, 2024. She reminded the board that Don Jump had delivered a full presentation of the audit findings during the previous month's meeting. The audit had yielded no findings and resulted in an unmodified opinion, indicating a clean report. Ms. Austin expressed her readiness to answer any questions from the commissioners.

Chair Kepley invited questions from the board, noting the document was thorough. When asked whether there were any concerns or issues the board should be aware of, she confirmed the process had gone smoothly and according to plan.

Commissioner Karney commended her on a job well done, to which Ms. Austin expressed her appreciation. With no further comments or concerns raised, Chair Kepley thanked Ms. Austin and called for a motion to approve Resolution No. 4249 and accept the audit.

Commissioner Coles introduced Resolution No. 4249 and moved its adoption as introduced.

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

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley thereupon declared said motion carried and Resolution

No. 4249 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND
HOUSING AUTHORITY ACCEPTING THE AUDITED FINANCIAL
STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2024 AND
ASSOCIATED REPORTS PROVIDED BY JUMP, PERRY AND
COMPANY, LLP.

WHEREAS, The City of Roanoke Redevelopment and Housing Authority has received documents from JUMP, PERRY AND COMPANY, LLP entitled "ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY FINANCIAL STATEMENTS, FOR THE YEAR ENDED SEPTEMBER 30, 2024 (with Independent Auditor's Report thereon)

WHEREAS, JUMP, PERRY AND COMPANY, LLP auditors provided a presentation of the reports to the Roanoke Redevelopment and Housing Authority Board of Commissioners at the April 28, 2025 meeting; and

WHEREAS, the Roanoke Redevelopment and Housing Authority Board of Commissioners having reviewed these reports has determined that they include the necessary components of an independent audit of the Agency's financial statements for the year ended September 30, 2024.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the City of Roanoke Redevelopment and Housing Authority that the JUMP, PERRY AND COMPANY, LLP report identified above is hereby accepted.

EXPLANATION:

This resolution is needed to document the RRHA Board of Commissioner's acceptance of the annual independent audit.

III. ADJOURNMENT

There being no further business to come before the Board, Commissioner

Carter moved that the meeting be adjourned.

The motion was seconded by Commissioner Karney and upon roll call the

following vote was recorded:

AYES: Commissioners Carter, Coles, Karney, and Chair Kepley

NAYS: None

Chair Kepley declared the meeting adjourned at 4:15 p.m.



Drew Kepley, Chair



David Bustamante, Secretary-Treasurer

Exhibits from May 19, 2025 Minutes previously circulated