

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, March 23, 2026.

I. CALL TO ORDER – ROLL CALL

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

PRESENT: Commissioners Coles, Jennings, Karney, Walker, Wright, Chair Carr, Vice Chair Carter

ABSENT: None

OFFICER PRESENT: Mr. David Bustamante, Secretary-Treasurer

ALSO PRESENT: Mark Loftis, Legal Counsel; Jackie Austin, VP of Finance; Joel Shank, VP of Operations; Tina Bousman, Human Resources Manager, Meghan Castañeda, Administrative Manager/Executive Assistant; Frederick Gusler, Director of Redevelopment and Revitalization; Sylvia Williams, Jobs Plus Program Manager; James Hamm, Jobs Plus Case Manager; Katherine Gibson-Cromer, Morningside Manor Resident;

Chair Carr welcomed everyone to today's meeting and invited Mr. Bustamante to share the Executive Report.

II. REPORTS

1. Executive Report

Mr. Bustamante opened with an update to prior discussions concerning

Freedom of Information Act (FOIA) requests to the City of Roanoke for crime reports related to public housing properties. RRHA staff requested the reports for January and February and was able to obtain copies of both reports. He noted no response had been received regarding the establishment of a standing FOIA request; therefore, he anticipates that staff will continue to submit requests on a monthly basis. No costs have been incurred to date.

Regarding the Housing Choice Voucher (HCV) waiting list, Mr. Bustamante stated approximately 4,000 families applied to receive assistance in August of 2022. He announced that RRHA is now in the position to issue vouchers again and sent appointment letters to 100 families. However, he noted, only about 30 families responded to the invitation to qualify. In an effort to increase leasing success, staff initiated a full purge of the HCV Waiting List by mailing almost 4,000 "Waiting List Update" letters to all families still on the HCV Waiting List. He explained applicants are required to respond within a specified timeframe or they will be removed from the list. He emphasized the importance of applicants maintaining updated contact information in the applicant portal to ensure they are receiving correspondence from RRHA and therefore prevent removal for no response.

Mr. Bustamante indicated the agency aimed to issue approximately 100 vouchers in the coming months, with the possibility of issuing additional vouchers depending on attrition and leasing progress.

He further reported revisions to the Administrative Plan and Admissions and Continued Occupancy Policy (ACOP) will be presented at the next Board meeting. These revisions include significant changes, such as the removal of the Limited English

Proficiency section in response to HUD guidance. However, he stated the agency intends to continue providing interpretation services. He also noted changes to criminal background considerations, including the requirement to consider arrests as part of eligibility determinations, with discretion varying based on the nature of the offense.

Mr. Bustamante reported all environmental reviews associated with agency projects, including the Radon grant, have been completed, approved, and submitted to HUD, with no outstanding items remaining.

With respect to the FY 2027 budget, he advised the federal appropriations process faces potential delays due to the legislative calendar and broader federal budget uncertainties. He noted delayed funding could impact planning for capital projects and program operations. He further reported a 14 percent reduction in the public housing budget but stated that no budget revisions are required at this time.

Mr. Bustamante also discussed HUD guidance related to the Enterprise Income Verification (EIV) system and SAVE tenant matching reports. He indicated HUD has provided examples rather than formalized procedures for addressing discrepancies, requiring agencies to review records, make corrections as needed, and resubmit documentation where applicable.

He then outlined a proposed HUD rule regarding verification of eligible status, which would require all household members, regardless of age, to authorize verification through the Department of Homeland Security. The proposal would eliminate prorated assistance for mixed-status families and the “do not contend” option, potentially resulting in full household ineligibility if any member did not meet requirements. He noted the rule remains open for public comment and encouraged participation in the

comment process.

Mr. Bustamante also presented a proposed rule related to work requirements and term limits in housing programs. He explained, while currently optional, such policies could become mandatory in the future. He referenced the agency's existing Family Self-Sufficiency (FSS) program at Lincoln Terrace as a successful model, noting that 65 participants were enrolled, with 30 actively escrowing funds totaling approximately \$118,000. Participants have experienced an average annual income increase of approximately \$19,634. He indicated the agency might consider strengthening work requirements but expressed reservations about implementing strict term limits that would require participants to exit housing assistance regardless of their circumstances.

Mr. Bustamante informed the Board that HUD's NSPIRE inspection protocol would be implemented later in the year, with inspections anticipated to begin in June. He stated staff would provide a detailed presentation at a future meeting outlining changes from the previous REAC inspection system and expectations for both staff and residents.

In response to questions from the Commissioners, Mr. Bustamante acknowledged the ongoing challenges faced by residents in achieving self-sufficiency, particularly given rising living costs and the prevalence of entry-level wages. He emphasized that, while employment opportunities existed, many positions did not provide sufficient income to support independent living. Chair Carr added it is a complex landscape that requires other public assistance programs that are also impacted by HUD policy changes to work together somehow. Mr. Bustamante agreed

that this was true and asked if there were any further questions. There were none.

Staff Reports

Chair Carr asked for staff reports. Mr. Gusler provided an overview of a potential item that may be presented for Board consideration at the next board meeting. He reported Related Affordable, LLC recently approached RRHA with a request to issue tax-exempt private equity bonds to support the recapitalization of two existing affordable housing developments in Roanoke: Westwood Village and Ferncliff South. He explained both properties are longstanding developments, each over 40 years old, and are undergoing rehabilitation through financing programs administered by U.S. Department of Housing and Urban Development's Office of Multifamily Housing.

Mr. Gusler explained the proposed process would begin with Board inducement of the bonds, followed by approval from City Council and submission of a formal application to the Virginia Department of Housing and Community Development. He noted that the transaction would function similarly to a refinancing, in which the current ownership entity would create a new affiliated ownership structure to facilitate the financing and rehabilitation of the properties. The bonds would be issued as part of a conduit financing structure, allowing the developer to generate equity for substantial capital improvements.

He reported the agency's Bond Issuance Policy, adopted in 2011, permits RRHA to collect a \$2,500 application fee, a 0.25 percent issuance fee, and an annual fee of 0.125 percent of the outstanding principal balance. Based on preliminary figures, Westwood Village is expected to request approximately \$9.15 million in bonds, while Ferncliff South is expected to request approximately \$6 million. He noted this would

result in estimated issuance fees of \$22,875 and \$15,000, respectively, with corresponding annual fees decreasing over time as principal balances are reduced.

Mr. Gusler stated, under the conduit bond structure, RRHA would not bear financial liability related to the bonds and would primarily serve an administrative role in authorizing the issuance. He acknowledged the agency has not issued bonds under the current policy and noted external expertise, including consultation with Woods Rogers would be utilized to guide the process. He indicated that additional details, including any potential risks or obligations, would be presented to the Board at the next meeting.

He further noted both developments are income-restricted affordable housing properties with project-based Section 8 assistance administered directly through HUD, and therefore do not impact RRHA's Housing Choice Voucher program.

In response to Board discussion, it was noted this financing structure supports the long-term preservation of affordable housing by enabling periodic reinvestment in aging properties. Mr. Gusler confirmed that Westwood Village consists of 113 units and Ferncliff South consists of 84 units. Chair Carr observed the rehabilitation of these privately owned properties could contribute to maintaining affordable housing inventory and potentially support the local tax base.

Mr. Gusler concluded by stating additional information would be brought forward for Board consideration at the next meeting.

Committee Reports

Chair Carr asked for committee reports. There were none.

2. Commissioner Comments

Chair Carr asked for commissioner comments. Vice Chair Carter reported, in

her capacity as Joint Resident Council President, she recently discovered a historical proclamation from the City of Roanoke while organizing the resident council office. She stated the proclamation, issued by former Mayor David A. Bowers, recognized the achievements of the nine resident councils in existence at that time and designated January 6, 1994 as “Resident Council Appreciation Day.” Vice Chair Carter shared the document with the Board.

Chair Carr noted the City maintains a formal process for issuing proclamations and suggested the Joint Resident Council may consider pursuing an updated recognition.

Vice Chair Carter further explained, while nine resident councils existed at the time of the original proclamation, the agency is currently working to reestablish councils across its properties and does not yet have representation at all sites.

There were no further Commissioner comments.

3. City Council Liaison Comments or Discussion

Chair Carr asked for comments from the City Council Liaison. There were none.

4. Residents or other community members to address the Board

Chair Carr asked for comments from community members. There were none.

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CONSENT AGENDA

C-1 Minutes of the Regular Meeting of the Board of Commissioners held
Monday, February 23, 2026.

RECOMMENDED ACTION: Dispense with the reading thereof and approve as

recorded.

C-2 Monthly Operations Report for the month of February 2026.

RECOMMENDED ACTION: File as submitted.

Commissioner Walker 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, Jennings, Karney, Walker, Wright, Chair Carr, Vice Chair Carter

NAYS: None

III. **ADJOURNMENT**

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

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

AYES: Commissioners, Jennings, Karney, Walker, Wright, Chair Carr, Vice Chair Carter

NAYS: None

Chair Carr declared the meeting adjourned at 3:43 p.m.



David Bustamante, Secretary-Treasurer



Thomas Carr, Chair

Exhibits from February 23, 2026 Minutes previously circulated