

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, July 27, 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; Brenda Prieto, PR/Marketing/Social Media Manager; Phazon Nash, City Council Liaison; Hannah Abdullah, Lansdowne Park, Resident Council Vice President;

Chair Carr welcomed everyone to today's meeting and asked for the Executive Report.

II. REPORTS

1. Executive Report

Mr. Bustamante provided an update on the HUD budget. He reminded the

board the House had previously passed a proposal for the HUD budget reflecting a 10% decrease, or approximately \$10.7 billion less than the amount enacted for fiscal year 2026. He reported Congress had passed a continuing resolution extending funding through December 4th at the same level as fiscal year 2026. He noted the Senate and House still must pass twelve appropriations bills before the beginning of the year, or the government will shut down again. He stated it was his opinion, though not confirmed, the continuing resolution could be extended through the remainder of 2027. Mr. Bustamante reported staff prorated the Housing Authority's budgets at 90% in anticipation of a possible cut. He explained he and Ms. Austin reviewed developments with budget surpluses, totaling approximately \$270,000, and reallocated those funds, along with an additional \$206,000 in reserves, to other developments with need. He noted this reserve draw was lower than the \$300,000 to \$400,000 typically funded from reserves in past years. He stated the Housing Authority is prepared for a potential 10% cut but expressed hope it will not be necessary.

Mr. Bustamante reported Congress passed the 21st Century Road to Housing Act, which provides local governments and affordable housing providers expanded financing tools, reduced administrative barriers, a streamlined development process, and provisions to preserve existing affordable housing stock. He highlighted several provisions relevant to the Housing Authority: an expansion of the Rental Assistance Demonstration (RAD) program by 100,000 units and removal of the RAD sunset date, making the program a permanent preservation tool; streamlined environmental reviews to prevent duplicative review when additional federal funding is added to a project that has already completed review; a new eligible activity under the Community

Development Block Grant (CDBG) program allowing up to 20% of a grantee's annual CDBG allocation to be used for new affordable housing construction; and an expansion of the Moving to Work (MTW) demonstration program, creating a new Economic Opportunity and Pathways to Independence cohort that will allow up to 25 additional high-performing public housing authorities to join MTW. Mr. Bustamante stated he will bring additional information to the board as it becomes available regarding how the Housing Authority may benefit from these provisions.

Mr. Bustamante provided an update on Cherry Hill. He reported Mr. Gusler spoke with the city attorney several months ago regarding a contract to return the property to the City, but the Housing Authority has not received a response. He stated staff also raised the matter again with Desi Wynter, Director of Housing for the City of Roanoke, during a recent meeting on other issues, and the Housing Authority continues to hope to transfer Cherry Hill back to the City.

Regarding the Spanish Trail development, Mr. Bustamante reported staff submitted a site acquisition proposal to HUD through the field office, which will be forwarded to the Fair Housing office for review. He stated the Fair Housing office has reportedly been significantly reduced in staff, and although the Housing Authority has contacted the field office by email seeking a status update, no response has been received.

Mr. Bustamante addressed the eight project-based voucher (PBV) units awarded to Trinity Commons. He clarified there has been confusion regarding the Housing Authority's role in this process. He explained Restoration Housing, the developer, must submit a subsidy layering review to HUD, which it did, and Mr. Gusler

uploaded that review to the HUD field office for forwarding to HUD headquarters. Mr. Gusler confirmed the review was submitted early in the calendar year, and Mr. Bustamante estimated the submission occurred around February. He reported the units have since been ready for occupancy and staff has been screening prospective tenants, but the Housing Authority cannot lease the units under the PBV program without HUD approval. He stated he has received numerous calls and emails from individuals asking why the units remain vacant and has explained to them the delay is outside the Housing Authority's control. He noted the Housing Authority has contacted the field office regarding this matter as well, without response.

Vice Chair Carter asked whether the field office had been downsized. Mr. Bustamante confirmed the office was reduced from five staff to two, and a new hire has since brought the office to three. Vice Chair Carter observed the reduced staffing affects a broader portfolio, not solely the Housing Authority's applications. Mr. Bustamante explained the field office receives paperwork and forwards it to other HUD offices, which have also experienced significant staff reductions, contributing to delays. He stated staff continues to interview prospective tenants so units can be filled quickly once HUD approval is received. Chair Carr asked whether there was anything the board could do to help move the matter along. Mr. Bustamante responded he did not believe there was further action available beyond what staff is already doing, unless board members have a direct contact within the Fair Housing or Subsidy Layering Review offices. Vice Chair Carter suggested affected individuals be encouraged to contact their congressman, noting Roanoke's congressman sits on the House committee overseeing HUD.

Mr. Bustamante announced the State of the City address will be held August

27th at 7:30 a.m. at the Hotel Roanoke, and noted Commissioners Karney, Wright, Carter, and Coles have indicated interest in attending. He asked any additional board members interested in attending to notify Ms. Castañeda as soon as possible. He also reminded the board staff from Public Housing and Section 8, along with himself, will be in training that day on new HOTMA policies and he will therefore not attend the State of the City address.

Chair Carr thanked Mr. Bustamante for his report and asked if there were any further questions. There were none.

2. Staff Reports

Chair Carr asked for staff reports. There were none.

Committee Reports

Chair Carr asked for committee reports. There were none.

3. Commissioner Comments

Chair Carr asked for Commissioner Comments. Vice Chair Carter thanked the Lansdowne maintenance staff for keeping the alleyway near 30th Street clear of glass and debris, noting the lack of a curb cut at the end of the sidewalk requires her to use that route while using her scooter. She also reported the community garden at Melrose Towers is growing a variety of basil used in ceremonial tea by the Cherokee.

4. City Council Liaison Comments or Discussion

Chair Carr asked for comments from the City Council Liaison. Councilman Nash reported he is drafting correspondence to City Attorney, Laura Carini, Esq. and City Manager, Valmarie Turner, regarding Cherry Hill. Commissioner Karney asked him to share his views on the zoning code changes referred back to the planning department.

Councilman Nash stated he opposes the current zoning proposal adopted in 2024. He explained his concerns regarding gentrification and the ability of developers to acquire properties, demolish existing housing, and construct market-rate apartment units in their place, citing an example on Grandin Road in which a developer purchased and demolished several buildings that had provided affordable rents, displacing tenants who were unable to find comparable affordable housing elsewhere in the city. He stated similar redevelopment has occurred in Crystal Spring, the city's most expensive neighborhood, and expressed concern about the potential effect of similar development pressure in other parts of the city, including sections of southeast and northwest Roanoke. He noted he supports certain provisions of the code allowing greater development flexibility, but objects to the lack of a cap on dwelling units permitted under Residential Multi-Family (RMF) zoning and to provisions allowing by-right development without public notification to adjoining property owners. He stated the current process removes council and the planning commission from decisions and eliminates the opportunity for residents to raise concerns at a public hearing. He stated he does not think a vote should be required on such matters but believes a public notification process should be established so residents are aware of development activity in their neighborhoods, even where formal review is not required.

Commissioner Coles asked how public notifications are currently distributed and whether residents who do not regularly follow social media have access to that information. Councilman Nash responded he has asked city staff to identify a workable process, and described his preference for requiring written notice by mail to residents within a defined radius of a demolition or construction project, including a general

description of the work, an estimated timeline, and confirmation the project will comply with the city's noise ordinance. Vice Chair Carter noted residents in multi-story buildings are sometimes not notified of nearby demolition activity and are instead awakened by the noise. Councilman Nash agreed and stated he is working with staff to establish a notification process to address this concern.

Commissioner Wright asked about the decision-making process involved. Commissioner Jennings clarified the distinction under discussion: a developer who lawfully owns property may currently proceed by right under the 2024 code without additional review if the project meets zoning parameters, and any project that does not meet those parameters must still go through the planning commission. He stated the intent is to establish a middle step requiring neighbor notification, without altering a developer's underlying right to proceed, so the community is made aware of development activity in advance.

Vice Chair Carter asked about the status of the city's gunshot detection sensor program, referencing an earlier issue involving integration with the Housing Authority's camera system. Mr. Bustamante clarified the Housing Authority's cameras are shared with the Roanoke City Police Department's server under an existing agreement, and the issue instead involved a separate attempt to integrate Flock cameras into the Housing Authority's system, which he stated will not occur. Vice Chair Carter described an instance in which a sensor at her property on Melrose was placed on the Housing Authority's side of the sidewalk rather than the city's right-of-way. Councilman Nash reported City Council voted at its first meeting in August to repeal the ordinance authorizing placement of the sensors, and the hardware has since been removed from

all locations where it had been installed. He stated the future of the Raven gunshot detection program remains under review, including how to handle related federal grant funds, but noted the program is not currently moving forward. He attributed the pause to a clerical error that damaged public trust in the technology and stated he believes community education and engagement should be improved before revisiting the program, potentially with a different vendor. He stated the city intends, for now, to continue relying on license plate reader cameras rather than expand gunshot detection technology.

Vice Chair Carter shared she previously heard gunfire near her residence and was uncertain where to direct emergency responders due to sound carrying from the nearby golf course, and noted the sensor had provided some reassurance. Councilman Nash responded the intent of the technology is primarily reactive rather than preventive, allowing police to respond to a scene, confirm whether a firearm was discharged in violation of city ordinance, and engage with residents in high-incident areas to build trust and connect them with city services. He reiterated the program remains paused for the present time.

Chair Carr thanked Councilman Nash, and there were no further questions.

5. Residents or other community members to address the Board

Chair Carr asked for comments from community members. Ms. Abdullah addressed the Board regarding the Lansdowne neighborhood. She reported the Resident Council met with the Police Department and is working to make the Lansdowne neighborhood a more unified community. She stated the Resident Council plans to plant flowers for residents to help beautify their homes, including

flowers which will return each year and require less maintenance for older residents who may have difficulty maintaining them. Ms. Abdullah expressed her hope the effort will be successful and stated she appreciates her home and would like to see other residents take pride in their homes and make them feel more like a home rather than simply a house. She stated Lansdowne is a nice place to live and would be an even better community if residents developed a stronger sense of community.

Chair Carr asked where the flower gardens would be located. Ms. Abdullah clarified the project is not limited to flower gardens in a particular location but is intended to provide flowers for residents to use in beautifying their individual homes. Chair Carr stated he looks forward to seeing the improvements next spring and thanked Ms. Abdullah and the Resident Council for their efforts.

CONSENT AGENDA

- C-1 Minutes of the Regular Meeting of the Board of Commissioners held
Monday, June 22, 2026.

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

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

RECOMMENDED ACTION: File as submitted.

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

NAYS: None

REGULAR AGENDA

1. **Resolution No. 4288**

Mr. Shank explained the proposed modification to the Maintenance, Repair, and Operations (MRO) Cooperative Agreement contract with Ferguson, which allows RRHA to utilize a procurement contract already established by another governmental entity. He noted the agreement provides favorable pricing for a broad range of maintenance materials and services, including appliances, plumbing materials, and HVAC supplies.

Mr. Shank stated staff has increasingly shifted purchases to Ferguson because the company provides a broader range of materials, including items uniquely needed at certain properties, as well as better pricing and service. As a result, funds originally allocated to another contractor are now being used for purchases from Ferguson.

Mr. Shank further explained costs have increased due to the age of RRHA's units and the amount of damage sometimes left when units become vacant. He noted staff is currently preparing several properties for upcoming inspections, which has contributed to the increased need for materials.

Mr. Shank requested an additional \$375,000 be added to the Ferguson contract, which would provide sufficient funding through the contract's expiration at

the end of April. He stated the requested amount is based on historical expenditures with Ferguson. Staff will seek another cooperative agreement for these services in the future while also monitoring Ferguson for any new cooperative procurement opportunities. He emphasized Ferguson has provided good service and has been responsive to RRHA's needs. Chair Carr asked if there were any questions for Mr. Shank. There were none.

Commissioner Karney then introduced Resolution No. 4288 and moved its adoption as introduced. The motion was seconded by Vice Chair Carter and upon roll call the following vote was recorded:

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

NAYS: None

Chair Carr thereupon declared said motion carried and Resolution No. 4288 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING MODIFICATION OF CONTRACT 900-2404-1-5 WITH REGION 14 EDUCATION SERVICE CENTER/OMNIA PARTNERS AND FERGUSON ENTERPRISES, LLC

WHEREAS, the City of Roanoke Redevelopment and Housing Authority (RRHA) includes Maintenance, Repair, and Operations supply (MRO) as a necessary expense in its annual operating budget; and

WHEREAS, the Department of Housing and Urban Development (HUD) procurement regulations allow RRHA to join intergovernmental cooperative agreements; and

WHEREAS, RRHA has determined that joining the Region 14 Education Service Center/Omnia Partners and Ferguson Enterprises. LLC contract, identified

as contract #02-138, as awarded on April 19, 2022 with an effective date of April 19, 2022 and with a term ending on April 30, 2025 with two (2) option years, if mutually agreed upon by Region 14 Education Service Center/Omnia Partners and Ferguson Enterprises. LLC, is cost effective and in the best interest of RRHA; and

WHEREAS, RRHA has requested an option year extension and Region 14 Education Service Center/Omnia Partners and Ferguson Enterprises has accepted the option year extension; and

WHEREAS, the Region 14 Education Service Center/Omnia Partners and Ferguson Enterprises. LLC contract is routine in nature for purchasing plumbing supplies, HVAC products and building supplies; and

WHEREAS, the Region 14 Education Service Center/Omnia Partners and Ferguson Enterprises. LLC contract fully satisfies HUD's five (5) intergovernmental cooperative agreement requirements; and

WHEREAS, the not-to-exceed amount for this contract was determined based on review of RRHA's average expenses for MRO for the past five (5) years; and

WHEREAS, a larger number of supply orders than previously anticipated resulted in costs much higher than expected at the time Contract 900-2404-1-5 was awarded; and

WHEREAS, Board approval was given under Resolution 4241 on March 24, 2024 to increase the Not-to-Exceed amount for Contract 900-2404-1-5 by \$200,000.00 under Contract Modification #1; and

WHEREAS, Board approval was given under Resolution 4265 on October 27, 2025 to increase the amount of the Not-to-Exceed amount for Contract 900-2404-1-5 by \$225,000.00 under Contract Modification #2; and

WHEREAS, the end date for Contract 900-2404-1-5 was extended to April 30, 2027 under Contract Modification #3; and

WHEREAS, in order to continue to obtain supplies from Ferguson Enterprises through the end date of the contract, April 30, 2027, the Vice President of Operations recommends increasing the amount of contract 900-2404-1-5 by \$375,000.00; and

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

WHEREAS, RRHA's Procurement Policy states, "For all contracts of \$200,000 or more, any and all change orders, contract modifications, and/or amendments having a dollar value of \$25,000 or more must be submitted to the Board of Commissioners for review and approval prior to executing the contract modification."

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

- (1) The recommended change proposal in the amount of \$375,000.00 be and hereby is accepted;
- (2) The Executive Director be and hereby is authorized and directed to execute a modification of Contract 900-2402-1-5.
- (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.

2. Resolution No. 4289

Chair Carr introduced Resolution 4289, a resolution awarding a contract for security measures at the Bluestone Park administration and maintenance buildings under the Capital Fund Program. Mr. Shank stated this project is similar to security upgrades previously presented to the board for Villages at Lincoln. He explained the project will add security measures to the administration building used by the site manager and staff, install the same electronic door access system used across other Housing Authority properties to control access, and add accessibility features such as push pads or wave pads for automatic door operation. He noted the project also includes energy-efficiency improvements to the building's glazing and installation of a transaction pass-through in the lobby, similar to the one at the central office, allowing staff to conduct business without direct contact with the public. He stated these upgrades have become necessary because Housing Authority Property Managers have faced threats and uncomfortable situations, and this project is the next to last of

the properties scheduled for these upgrades, with one remaining. He reported the Housing Authority advertised for bids beginning June 7th and received two responsive bids, from G & H Contracting, Inc. and Thor Construction, LLC, with G & H submitting the lower bid. He stated he met with G & H's project manager, reviewed the bid, and found no discrepancies. He noted his own cost estimate for the project was approximately \$406,000.00, placing it between the two bids received, and recommended the board approve awarding the contract to G & H Contracting, Inc.

Commissioner Coles asked how long a contractor's coverage of such a security system typically lasts and whether the system becomes outdated or requires replacement. Mr. Shank explained the door access system is centralized and governs multiple properties, including Jamestown, Melrose Towers, and Morningside, with each new building added to the existing system. He stated the Housing Authority works directly with a separate firm to manage software upgrades to the system, and the contractor's responsibility is limited to installing the equipment and ensuring it functions properly. Hearing no further questions, Chair Carr called for a motion, which was made by Commissioner Wright and seconded by Vice Chair Carter. Upon roll call the following vote was recorded:

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

NAYS: None

Chair Carr thereupon declared said motion carried and Resolution No. 4289 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AWARDING A CONTRACT FOR SECURITY MEASURES FOR BLUESTONE PARK ADMINISTRATION AND MAINTENANCE BUILDINGS, BLUESTONE PARK, AMP 259 UNDER CAPITAL FUND PROGRAM (CFP) GRANT NUMBER VA36P01150125

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 VA36P01150125 in the amount of \$4,702,682.00; and

WHEREAS, Building Security for Bluestone Park was included on the Annual Statement detailing the planned use of CFP grant number VA36P01150125, which was approved by the RRHA Board of Commissioners by Resolution 4246 on May 19, 2025; and

WHEREAS, RRHA needs a qualified contractor to complete Security Measures for Bluestone Park Administration and Maintenance Buildings, Bluestone Park, AMP 259; and

WHEREAS, RRHA issued a Invitation for Bid on June 7, 2026, with bids being due on June 30, 2026; 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>
G & H Contracting, Inc.	\$391,200.00
Thor Construction, LLC	\$452,800.00

WHEREAS, the amount of the bid submitted by G & H Contracting, 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 G & H Contracting, 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 G & H Contracting, 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 G & H Contracting, 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 G & H Contracting, Inc. and RRHA for the fixed price of \$391,200.00.
- (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.

3. Resolution No. 4290

Chair Carr introduced the next resolution, ratifying modifications to Contract 900-2109-1-5 under operating funds. Ms. Bousman explained the contract concerns temporary employment services provided through Elwood Staffing and Evolution HR, which the Housing Authority uses for recruitment and to meet immediate staffing needs. She stated the two contracts carried a combined not-to-exceed amount of \$841,614.00 over a four-year term beginning August 1, 2021, with a one-year option period, and both contracts ended June 30th of this year. She reported the not-to-exceed amount was increased by \$50,000 to meet staffing needs during the final two months of the contract period. She stated the Housing Authority elected to hire three temporary employees from Elwood Staffing directly before the contract ended, which required the Housing Authority to buy out their remaining hours, since temporary staffing agency employees must work a minimum of 600 hours before being hired on without an additional fee, and these three employees had not yet met that threshold. She reported the buyout cost totaled \$5,098.28, bringing the total increase to the not-

to-exceed contract amount to \$55,078.28. She stated Contract Modification No. 3 was executed June 24th to continue covering costs for temporary staffing during the final two months of the contract period and to cover the buyout for the three employees hired on permanently, and she requested board approval of the modification.

Chair Carr remarked it was notable the Housing Authority is gaining three permanent employees rather than continuing to rely on temporary staffing. Ms. Bousman agreed and stated the Housing Authority did not want to lose these employees, noting two are assigned to Lansdowne and one to Morningside. Vice Chair Carter asked whether the employee hired with fewer than 600 hours worked had been exceptional. Ms. Bousman confirmed the employee has performed exceptionally and the Housing Authority hopes to eventually promote him. Commissioner Coles asked whether reliance on a limited number of staffing services restricts access to candidates from other agencies. Ms. Bousman explained the prior contract has ended and the Housing Authority is currently in the process of procuring Temporary Placement Services. She reported responses have been received from vendors in Texas, Florida, and Washington, D.C., as well as from local vendors, with bids due by 5:00 p.m., July 27th, and stated the Housing Authority will select the bid offering the best value.

Chair Carr called for a motion to approve Resolution No. 4290. Vice Chair Carter made a motion, which was seconded by Commissioner Karney and upon roll call the following vote was recorded:

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

NAYS: None

Chair Carr thereupon declared said motion carried and Resolution No. 4290 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND
HOUSING AUTHORITY RATIFYING THE MODIFICATION OF CONTRACT
900-2109-1-5 UNDER OPERATING FUNDS

WHEREAS, RRHA utilizes temporary employment agencies as a recruitment source for temp-to-hire or when meeting a performance measurement requires additional temporary staffing; and

WHEREAS, funding for these services is provided through the operating budgets of cost centers where the temporary staffing is utilized; and

WHEREAS, RRHA Board of Commissioners by Resolution 4263 authorized the execution of two (2) contracts for Temporary Employment Services with each contract having a not-to-exceed amount of \$841,614.00 and a four-year term beginning August 1, 2021 with a one-year option year period; and

WHEREAS, one (1) of the two (2) contracts was executed with Elwood Staffing Services, Inc., Contract 900-2109-1-5, and the other contract was executed with Evolution HR, Contract 900-2110-1-5; and

WHEREAS, due to changes in the labor market in recent years, RRHA staffing needs have resulted in a greater reliance on the services of two (2) temporary employment agencies than what was expected when the contracts were executed; and

WHEREAS, the contract end date was June 30, 2026 for contract 900-2109-1-5; and

WHEREAS, in order to continue to meeting RRHA staffing needs for the final two (2) months of the contract period, the not-to-exceed amount of contract 900-2109-1-5 for Elwood Staffing Services, Inc. was increased by the amount of \$50,000.00; and

WHEREAS, RRHA staff decided to permanently hire three (3) current temporary employees from Elwood Staffing before June 30, 2026 contract end date; and

WHEREAS, this will require RRHA to buy out the remaining hours (600 total must be worked in order to hire a temp employee on without additional fees) in order to hire them as full-time RRHA employees before June 30, 2026. The amounts due for these buy out hours are:

- Xavier Hairston – Maintenance Staff at Lansdowne - \$641.52 for 99 buy out hours (501 of 600 worked);

- Marcus Carter – Maintenance Staff at Lansdowne - \$1,177.92 for 204.50 buy out hours (395.50 of 600 worked); and
- Conner Higgins – Maintenance Staff at Morningside/Jamestown - \$3,258.84 for 565.77 buy out hours (34.23 of 600 hours worked)

WHEREAS, the total amount of buyout hours is \$5,098.28; and

WHEREAS, the Manager of Human Resources recommended the increase in the not-to-exceed amount for Contract 900-2109-1-5 and to hire the current three (3) Elwood employees as permanent full-time RRHA employees to service RRHA maintenance needs; and

WHEREAS, the total increase in the not-to-exceed amount for contract 900-2109-1-5 was \$55,078.28; and

WHEREAS, contract modification number 3 was executed June 24, 2026 in order to continue paying for costs incurred using temporary service employees for the final two (2) months of the contract period and to pay buy out hours for three (3) temporary service employees from Elwood Staffing; and

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

WHEREAS, RRHA's Procurement Policy states, "For all contracts of \$200,000 or more, any and all change orders, contract modifications, and/or amendments having a dollar value of \$25,000 or more must be submitted to the Board of Commissioners for review and approval prior to executing the contract modification."

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

- (1) The contract modification number 3 executed on June 24, 2026 with Elwood Staffing Services, Inc., with an increase in the not-to-exceed amount of \$55,078.28 for contract 900-2109-1-5, is hereby ratified.

4. Resolution No. 4291

Chair Carr introduced Resolution No. 4291, a walk-in resolution authorizing a line of credit to Indian Village Limited Partnership in the amount of \$60,000 and a line of credit to Hurt Park Limited Partnership in the amount of \$200,000. Mr. Shank explained these low-income housing tax credit properties generate limited excess

income by design, and both properties have reached a point where significant capital repairs are needed. He cited recent sewer lateral failures at Hurt Park costing approximately \$13,000 to repair, an amount exceeding the property's typical monthly income once operating costs and mortgage payments are accounted for. He reported several units at Hurt Park are currently vacant and generating no income, as these units receive no subsidy and rely solely on rental income. He described one unit that has been offline for an extended period following a fire, with repair costs exceeding the insurance payment received by an estimated \$30,000 to \$40,000, and two additional units requiring floor covering replacement at an estimated cost of \$13,000 to \$15,000 per unit, depending on unit size. He estimated total repair costs across the three affected units at Hurt Park at approximately \$30,000, \$50,000, and \$70,000 to \$80,000, respectively, which together with the sewer lateral repairs form the basis for the requested funding. He stated Indian Village Limited Partnership requires floor covering repairs in three units, forming the basis for that request, and clarified the Housing Authority would provide non-federal funds as a loan to each limited partnership.

Commissioner Coles asked whether tenants can be required to carry personal property or fire insurance, as some private landlords require. Mr. Bustamante responded the Housing Authority may suggest but cannot mandate such coverage. Chair Carr asked how the line of credit would be repaid. Mr. Bustamante explained the Housing Authority is evaluating two long-term options for Hurt Park: selling the property, an avenue currently being pursued, or re-syndicating the tax credits once the property exits its compliance period and enters extended use. He noted rents at Hurt

Park are very low and, unlike public housing, the property does not receive capital fund assistance, leaving the mortgage payment roughly equal to monthly rental collections and making it difficult to generate funds for capital needs. He stated the Housing Authority is pursuing one of these two options as soon as possible and will keep the board informed, and explained the requested funds are needed to restore the vacant units to occupancy so the property can generate sufficient income to meet its monthly obligations.

Commissioner Jennings asked whether the property is breaking even relative to its normal vacancy rate. Mr. Bustamante confirmed additional funds are needed but stated Hurt Park does not typically experience high vacancy, historically remaining occupied at a rate of 96% to 98%, and noted rents will increase in October following the required two-month notice, which should further improve income. Commissioner Coles asked whether the flooring costs applied to Hurt Park or both properties. Mr. Shank confirmed both properties are affected, with \$60,000 set aside for Indian Village Limited Partnership, including approximately \$40,000 for flooring in three units and additional funds for an older unit expected to become vacant. Mr. Bustamante noted the affected units were originally constructed with carpet, and the Housing Authority has since decided to install vinyl plank flooring in place of carpet due to wear from tenant turnover, at a cost of approximately \$13,000 per unit.

Chair Carr asked whether the properties would be sold as a whole or as individual units, and Mr. Bustamante confirmed the Housing Authority would sell the complex in its entirety. Chair Carr asked whether re-syndication is comparable to the process previously presented to the board regarding Ferncliff Apartments, and Mr.

Bustamante confirmed it involves the same concept using 4% tax credits.

Commissioner Jennings stated he is not opposed to the underlying need for the funding but expressed discomfort voting to approve the line of credit without a defined plan for whether the property will be sold or re-syndicated, noting he would feel more confident with a clearer plan, potentially at the next meeting. Mr. Bustamante acknowledged his concern. Commissioner Jennings added the funds will need to be accounted for and require close monitoring going forward.

Chair Carr asked how long the fire-damaged unit has been vacant, and Mr. Shank estimated approximately half a year. Chair Carr asked about the cause of vacancy for the remaining units, and Mr. Bustamante confirmed all three units under consideration require repair before re-occupancy, with Mr. Shank noting one unit has bathroom floor water damage that must be corrected before it can be leased. Chair Carr asked whether the Housing Authority would recover its investment under either a sale or re-syndication, and Mr. Bustamante stated the Housing Authority expects to recover some portion of the funds under either option.

Vice Chair Carter stated she does not object to extending the lines of credit but expressed concern that selling the property would reduce the affordable housing stock the city needs, particularly without contractual stipulations ensuring a buyer maintains affordability. Mr. Bustamante agreed with her concern but clarified a buyer would be required to honor the property's current affordability restrictions until they expire. Chair Carr asked whether the rents at the property are above or below fair market rate, and Mr. Bustamante confirmed they are well below market rate, explaining the original tax credit application was structured to maximize scoring points by setting low rents, which

benefits the community but has contributed to the property's current financial constraints.

Chair Carr asked how quickly a decision on selling or re-syndicating would be made. Mr. Bustamante stated the Housing Authority has identified interested parties and set an asking price, and Mr. Shank confirmed final offers are expected by the end of August. Mr. Bustamante stated if no offer meets the asking price, re-syndication would be the remaining option, which he estimated would take approximately one year to complete depending on the start date. He further noted any purchase offer received is likely to reflect a reduction to account for the cost of repairing the vacant units.

Hearing no further questions, Chair Carr called for a motion. Commissioner Karney introduced the resolution and moved its adoption as introduced. The motion was seconded by Commissioner Wright and upon roll call the following vote was recorded:

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

NAYS: Jennings

Chair Carr thereupon declared said motion carried and Resolution No. 4291 was adopted as introduced.

RESOLUTION OF THE CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY AUTHORIZING A LINE OF CREDIT TO INDIAN VILLAGE, LP IN THE AMOUNT OF \$60,000.00; AND AUTHORIZING A LINE OF CREDIT TO HURT PARK, LP IN THE AMOUNT OF \$200,000.

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 Hillcrest Heights Apartments;

and

WHEREAS, RRHA was involved as a sponsor organization in the formation of Hurt Park, LP, which was formed for the purpose of constructing, owning and maintaining the Hillcrest Heights Apartments; 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, 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, 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, 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, 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 Sixty Thousand Dollars (\$260,000.00) of non-Federal funds which it can use to extend a credit line to Indian Village, LP, and to Hurt Park, LP.

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 Sixty Thousand Dollars (\$60,000) 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.
- (2) The RRHA Board of Commissioners authorizes RRHA to establish a credit line in the amount of Two Hundred Thousand Dollars (\$200,000) 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.
- (3) The amounts loaned by RRHA shall be taken from non-Federal or other non-restricted funds.
- (4) 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 Indian Village, LP, and to Hurt Park, LP.

III. ADJOURNMENT

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

The motion was seconded by Chair Carr and upon roll call the following vote was recorded:

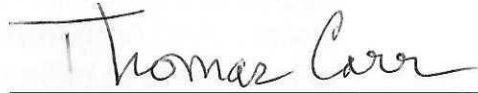
AYES: Commissioners, Coles, Jennings, Karney, Walker, Wright, Chair Carr, Vice Chair Carter

NAYS: None

Chair Carr declared the meeting adjourned at 4:09 p.m.



David Bustamante, Secretary-Treasurer



Thomas Carr, Chair

Exhibits from June 22, 2026 Minutes previously circulated