

MINUTES OF A SPECIAL MEETING OF THE COMMISSIONERS
OF RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
HELD IN THE OFFICES OF RRHA
901 CHAMBERLAYNE PARKWAY, RICHMOND, VIRGINIA
ON MONDAY, JUNE 9, 2008

The Commissioners of Richmond Redevelopment and Housing Authority (“RRHA”) met in special session at the 901 Chamberlayne Parkway, Richmond, Virginia on June 9, 2008 at 9:00 a.m.

Chairman Brian K. Jackson, Esq. called the meeting to order at 9:08 a.m. with *General Counsel M. Maxine Cholmondeley, Esq.* present and upon roll call, the following were present:

Brian K. Jackson, Esq., Chairman

Marilyn B. Olds, Vice Chairman

J. Russell Parker, III

Cindy A. Mims

James A. Sties

And the following were absent:

Elliott M. Harrigan

Guenet M. M. Beshah, Esq.

Also present:

Anthony Scott, Executive Director

Doris Jackson-Crocker, Assistant to Executive Director

Cassandra Scarborough, Deputy Executive Director of Administration (end of meeting)

Leslie Cohoon, Acting Deputy Executive Director of Technology, Planning & Research

John Hill, Deputy Executive Director of Affordable Housing

Rodney Forte, Deputy Executive Director of Community Revitalization

Valena Dixon, Director of Communications

M. Maxine Cholmondeley, General Counsel

Garland Curtis, Deputy Director of Community Revitalization

LaTanja Davenport, Internal Auditor

Adam Harrell, Harrell & Chambliss

Michael Graff, Jr., McGuireWoods LLP

Chief Hal Hazelton, RRHA

Sergeant Banberger, RRHA

Desi Wynter, RRHA

Denise Vice, RRHA

Maya Eakins, RRHA

Darlene Giles, RRHA

Eric Leabough, RRHA

Shawn Williams, RRHA

Ed Pittman, McGuire Woods

John August, OHI

Kelly King Horne, Homeward

Merv Stephens, Clifton Gunderman

Karen Grooms, Clifton Gunderman

Tom Kagpa, KMC

Rob Kagpa, KMC

Minutes

A quorum for the meeting was established and the Minutes from the *May 29, 2008 Board Meeting* were presented for approval. Commission Sties pointed out two corrections that needed to be made:

Page 3 of the minutes showed Commissioner Olds abstaining from voting on the April 16th minutes. However, Commissioner Olds was not at the May 29th meeting, so her name should not be reflected at all.

Page 19 of the minutes indicated that Commissioner Harrigan read the Certification of Closed Meeting. In fact, Commissioner Sties had read the Certification.

Chairman Jackson stated that the corrections would be made. Commissioner Cindy Mims moved for adoption of the Minutes as corrected, which was seconded by Commissioner Marilyn Olds.

Commissioner Jackson stated that the motion to adopt the minutes had been

properly moved and seconded and upon roll call the following voted “Aye”:

Commissioners J. Russell Parker, III, Cindy A. Mims and James A. Sties

And the following voted “Nay”:

None

And the following abstained:

Commissioners Brian K. Jackson, Esq., and Marilyn B. Olds.

Citizens Information Period

Ms. Kelly King Horne with Homeward addressed the Board in reference to their regional ten-year plan to prevent and end homelessness. Homeward is the regional planning and coordinating agency for homelessness representing Richmond, Chesterfield, and Hanover. They want to lessen the economic impact of homelessness in the community. They have set up their ten-year plan to compliment RRHA’s strategic plan. Ms. King highlighted some parts of the plan that are opportunities for cooperation between RRHA and Homeward.

- Prevention of Evictions/Homelessness – working with Commonwealth Catholic Charities Central Intake and Virginia Supportive Housing’s Housing Resource Center
- Targeted Vouchers for High Need Populations
- Case Management/Transition Planning for Families
- Staff Training: Mental Health Issues
- Community Referrals
- Have an RRHA representative on the Homeward Board to facilitate coordination of strategic plans and of resources for persons earning between 0 – 30% of area median income
- Partnership to house homeless families in RRHA subsidized units and to provide case management/transition planning
- Exploration of targeted vouchers for high-need individuals and families
- Exploration of training opportunities and collaborative case management

Commissioner Parker addressed one of the goals regarding working with mentally

handicapped persons. Ms. Horne said that there has been a specific program in place since December called “A Place to Start” led by the Virginia Supportive Housing and the regional community service boards of mental health agencies. They have housed 22 people. They are looking to expand the program. Eventually, aid will come from Medicaid because of the medical nature of their conditions. Commissioner Parker asked if Homeward was looking for RRHA’s help. Ms. Horne said, yes, they would be looking for help to expand the program to provide more beds. She explained how a program in New York is working. It is for homeless people with serious mental problems. The Homeward program is based on the one in New York which seems to be working, with an 80% effective rate.

Chairman Jackson thanked Ms. Horne for speaking to the Board. He suggested to the Affordable Housing department that they consider the possibilities for collaboration.

Committee Reports

There were no Committee Reports presented at this Special meeting.

RESOLUTIONS

Note: Resolutions 1 - 8 were handled as a block. Resolutions 9 – 11 were then handled as a block. Resolution 12 was handled separately, after the Board met in Executive Session.

Agenda Item No. 1 – Resolution of Richmond Redevelopment and Housing Authority Authorizing approving the Amendments to the Management Agreement between Richmond Redevelopment and Housing Authority and Richmond Development Corporation, which was read and considered:

(08-40) WHEREAS, on November 19, 2007, by Resolution No. 07-69 the Richmond Redevelopment and Housing Authority (“RRHA”) approved the Management Agreement Between Richmond Redevelopment and Housing Authority and Richmond Development Corporation.

WHEREAS, RDC is a Virginia nonstock corporation designated as a Section 501(c)(3) tax-exempt organization which is organized to develop housing and commercial real estate in the Richmond, Virginia metropolitan area and in the Commonwealth of Virginia (the “Commonwealth”).

WHEREAS, it is expected that RDC will be involved with various real estate projects in the Commonwealth.

WHEREAS, based on the request of RDC, RRHA has taken steps to assist RDC in reconstituting its Board of Directors and seeking resources from various sources so that RDC can start to operate as a viable entity in the real estate development industry.

WHEREAS, in addition, at the behest of RDC, RRHA has been asked to manage the business and affairs of RDC. This includes the operation, direction, staffing, management and supervision of the business of RDC as set forth in a

certain management agreement to be entered into between RRHA and RDC (the “Management Agreement”).

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Richmond Redevelopment and Housing Authority that having duly reviewed and considered said Amendments to the Management Agreement executed between RRHA and RDC:

- (1) The Amended Management Agreement, in substantially final form, is hereby adopted and approved.
- (2) The Chairman and/or Executive Director are hereby authorized to enter into and execute for and on behalf of RRHA the Amended Management Agreement and any other collateral agreement or document required in conjunction with RRHA’s governing and business relationship with RDC.
- (3) This resolution shall become effective immediately upon adoption.

Agenda Item No. 2 – Resolution of the Richmond Redevelopment and Housing Authority Approving Authorization for the Executive Director to Amend and Adopt the Revisions to RRHA’s Administrative Plan, Chapter 20, Housing Choice Voucher Program (Section 8) Homeownership, which was read and considered:

(08-41) BE IT RESOLVED BY THE Board of Commissioners of the Richmond Redevelopment and Housing Authority that the Executive Director is hereby authorized to approve the amendments to Chapter 20 Housing Choice Voucher Program (Section 8) Homeownership.

WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) currently administer the Housing Choice Voucher Program, the RRHA is currently providing rental assistance to families. The current Housing Choice Voucher/Section 8 Program Administrative Plan provides the method by which the RRHA will administer rental and homeownership vouchers.

BE IT RESOLVED, that the Board of Commissioners of the Richmond Redevelopment and Housing Authority request and authorize the Executive Director to amend the Housing Choice Voucher Program/Section Administrative Plan Chapter 20, to update the Administrative Plan.

Agenda Item No. 3 – Resolution approving the Issuance of Multifamily Housing Revenue Bonds for the Acquisition, Construction and Equipping of a 144-Unit Multifamily Residential Housing Facility to be known as Meadow Creek Apartments, to be located in the City of Richmond, Virginia, which was read and considered:

(08-42) WHEREAS, there have been described to the Richmond Redevelopment and Housing Authority (the “Authority”) the plans to acquire, construct and equip an approximately 144-unit multifamily residential housing project to be known as Meadow Creek Apartments (the “Project”), to be located at 5326 Hull Street, in the city of Richmond, Virginia (the “City”), by Meadow Creek Apartments LLC, a Virginia limited liability company (the “Purchaser”) through the issuance by the Authority of its multifamily housing revenue bonds in an amount not to exceed \$6,000,000 (the “Bonds”); and

WHEREAS, the Project shall be established and maintained as a “qualified residential rental project” within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Authority is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 of the Code of Virginia of 1950, as amended (the “Act”), to issue its bonds for the purpose, among others, of financing the acquisition, construction and equipping of multifamily residential rental apartment projects such as the Project, located within the territorial boundaries of the City; and

WHEREAS, on February 20, 2008, a public hearing was held by the Authority with respect to the Project and the Bonds in accordance with Section 147(f) of the Code and 15.2-4906 of the Virginia Code after which the Authority adopted an Inducement Resolution (the “Inducement Resolution”) approving, among other things, the Purchaser’s application for financing of the Project by issuance of the Bonds; and

WHEREAS, on April 14, 2008, the City Council of the City (the “City Council”) approved the issuance of the Bonds by the Authority as requested in the Inducement Resolution and as required by Section 147(f) of the Code and Section 15.2-4906 of the Virginia Code; and

WHEREAS, there have been reviewed by Bond Counsel the forms of the following documents and instruments, some of which the Authority proposes to execute to carry out the transactions described above, copies of which instruments shall be filed among the records of the Authority (collectively, all such instruments and documents shall be referred to as the “Documents”) (Capitalized terms used and not defined herein shall have the meanings given such terms in the hereinafter defined Indenture):

- (a) The form of the Trust Indenture to be dated as of June 1, 2008 (the “Indenture”) by and between the Authority and U.S. Bank National Association, as Trustee (the “Trustee”); and
- (b) The form of the Authority’s Multifamily Housing Revenue Bonds (Meadow Creek Apartments Project), Series 2008 (the “Bonds”), to bear interest and be payable as set forth therein; and
- (c) The form of the Loan Agreement to be dated as of June 1, 2008 (the “Loan Agreement”) by and between the Purchaser, the Authority and the Trustee; and
- (d) The form of the Bond Purchase Agreement to be dated the date of its execution and delivery by and between the Purchaser, the Authority and the Underwriter; and
- (e) The form of the Official Statement to be dated the date of its execution and delivery relating to the Bonds; and
- (f) Such other instruments, closing certificates, financing statements and documents as may be required in connection with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The Chairman or Secretary of the Authority is hereby authorized and directed to execute the Bonds, which shall bear interest and be issued on the terms established by D.A. Davidson & Co. or an affiliate thereof (the “Underwriter”), as underwriter of the Bonds, provided that the interest rate borne by the Bonds upon issuance shall not exceed the sum of 12% per annum and thereafter the Bonds shall bear interest at a variable rate as provided in the Indenture, the final maturity of the Bonds shall not be later than June 1, 2048, and the principal amount of the Bonds shall not exceed \$6,000,000. The Secretary is further authorized and directed to affix the seal of the Authority on the Bonds, and is authorized and directed to deliver the Bonds to the initial purchaser and Underwriter

thereof, as the case may be, for the agreed upon purchase price therefore.

2. Each of the documents described above in paragraphs (a) through (e) of this Resolution shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be approved by the officers executing them, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.
3. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and instruments, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the undertaking of the Project, including, but not limited to, approving, executing and delivering a bond purchase agreement with respect to the initial sale and purchase of the Bonds and approving and authorizing the use and distribution by the Underwriter of an offering document with respect to the Bonds and deeming such offering document final for purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Act of 1934, as amended; provided, however, that such bond purchase agreement and offering document shall be in forms approved by the Chairman or Secretary of the Authority in consultation with Bond Counsel.
4. Any authorization herein to execute a document shall include authorization to change the date of such document, record such document where appropriate and to deliver it to the other parties thereto.
5. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds and the undertaking of the Project are hereby approved and confirmed.
6. All costs and expenses in connection with the Project, including the fees and expenses of the Authority related to the issuance and sale of the Bonds, including without limitation, the Authority's application fee, origination fee and annual administrative fee, and the fees of Bond Counsel, the Underwriter, and the Underwriter's counsel, shall be paid from the proceeds of the Bonds or from moneys provided by the Purchaser.
7. The Purchaser has agreed in the Loan Agreement to indemnify and save harmless the Authority, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Bonds.
8. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the City of Richmond, Virginia, and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the bonds be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The

Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

9. This resolution shall take effect immediately upon its adoption.

Agenda Item No. 4 – Resolution authorizing the Executive Director to begin negotiation of a Deed of Lease by and between the Richmond Redevelopment and Housing Authority, as landlord, and the Commonwealth of Virginia, Virginia Commonwealth University, as tenant, for approximately 54,000 rentable square feet of office space located in the Theatre Row Office Building and, upon completion of negotiation of the Deed of Lease, authorizing the Executive Director to execute such Deed of Lease, which was read and considered:

(08-43) WHEREAS, the Richmond Redevelopment and Housing Authority (“RRHA”) is the owner of that certain building located at 730 East Broad Street in the City of Richmond and more commonly known as the Theatre Row Office Building (the “Building”); and

WHEREAS, the Commonwealth of Virginia, Virginia Commonwealth University (“VCU”) and the City of Richmond have approached RRHA regarding VCU’s desire to lease approximately 54,000 rentable square feet of office space located on a portion of the first, seventh, eighth and ninth floors of the Building from RRHA (the “Premises”); and

WHEREAS, it is necessary for RRHA and VCU to begin negotiation of the terms of a Deed of Lease for the Premises (the “Lease”) in order to permit the Premises to be leased to VCU by VCU’s required possession date; and

WHEREAS, it is necessary for the Commissioners of RRHA to take appropriate official action to authorize the Executive Director to enter into negotiation of the Lease and, upon completion of negotiation of the Lease, to authorize the Executive Director to execute and deliver the Lease;

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

1. The Executive Director, on behalf of RRHA, is hereby authorized to enter into negotiations with VCU regarding the terms and form of the Lease for the Premises.
2. Upon completion of negotiations regarding the terms and form of the Lease for the Premises, the Executive Director is hereby authorized, on behalf of RRHA, to execute and deliver the Lease, provided the Lease is in a form and contains terms acceptable to the Executive Director and the Vice Chairman of the RRHA Board of Commissioners.

Chairman Jackson reminded the Board that, because of his affiliation with VCU, he would not be participating in the vote.

Agenda Item No. 5 – Resolution of the Richmond Redevelopment and Housing Authority Approving Acquisition Price for One (1) Parcel in the Matthews Heights Area – 1628 Matthews Street, which was read and considered:

(08-44) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority (RRHA) that based on the review of the price recommended by the City of Richmond for the acquisition of one (1) vacant parcel located at 1628 Matthews Street, Block N-339, Parcel 1, in the Matthews Heights Area, be and hereby is accepted as the fully established and approved price for the acquisition of such parcel; and

BE IT FURTHER RESOLVED that the Executive Director, acting on behalf of RRHA, be and hereby is authorized to accept the signed option to purchase 1628 Matthews Street, Block N-339, Parcel 1 at the said price.

Agenda Item No. 6 – Resolution of the Richmond Redevelopment and Housing Authority Approving Acquisition Price for One (1) Vacant Parcel in the Blackwell Neighborhoods In Bloom Revitalization Area - 25 Jefferson Davis Highway, which was read and considered:

(08-45) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority (RRHA) that based on full and careful appraisals of the property that the price recommended by the Executive Director for the acquisition of one (1) vacant parcel in the Blackwell Neighborhoods In Bloom Revitalization Area, the Blackwell Conservation Area and in the proposed Blackwell Redevelopment Area be and hereby is accepted as the fully established and approved price for the acquisition of such parcel; and

BE IT FURTHER RESOLVED that the Executive Director, acting on behalf of RRHA, be and hereby is authorized to accept the signed option to purchase 25 Jefferson Davis Highway, Block S-240, Parcel 15 at the said price.

Agenda Item No. 7 – Resolution of the Richmond Redevelopment and Housing Authority to Establish Disposition Prices and Purchaser for Three (3) Parcels in the Blackwell Neighborhoods In Bloom Revitalization Area - 25 Jefferson Davis Highway, 27 Jefferson Davis Highway and 29 Jefferson Davis Highway, which was read and considered:

(08-46) BE WHEREAS, WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) is the owner of certain properties in the Blackwell Neighborhoods In Bloom (NIB) Revitalization Area; and

WHEREAS, Southside Community Development and Housing Corporation submitted a proposal to purchase 25 Jefferson Davis Highway, Block S-240, Parcel 15, 27 Jefferson Davis Highway Block S-240, Parcel 14 and 29 Jefferson Davis Highway, Block S-240, Parcel 13 respectively, in the Blackwell NIB Revitalization Area, the Conservation Area and the proposed Redevelopment Area for the development of a new single-family home to be made available for sale to a low-to-moderate income family; and

WHEREAS, Southside Community Development and Housing Corporation has demonstrated that as of the date of this resolution it possesses the financial qualifications and abilities to acquire and develop the properties in accordance with the Blackwell Neighborhoods in Bloom Revitalization Plan;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of RRHA that \$1.00 per parcel is the duly established and approved price for the

disposition of 25 Jefferson Davis Highway, Block S-240, Parcel 15, 27 Jefferson Davis Highway Block S-240, Parcel 14 and 29 Jefferson Davis Highway, Block S-240, Parcel 13 respectively, in accordance with the proposed use;

BE IT FURTHER RESOLVED THAT:

1) The offer of \$1.00 for each of the three (3) parcels from Southside Community Development and Housing Corporation for 25 Jefferson Davis Highway, Block S-240, Parcel 15, 27 Jefferson Davis Highway Block S-240, Parcel 14 and 29 Jefferson Davis Highway, Block S-240, Parcel 13 respectively, in the Blackwell NIB Revitalization Area be and hereby is accepted;

2) The Executive Director be and hereby is authorized and directed to execute contracts covering the sale of said parcels, design, construction and owner occupancy requirements;

3) The conveyance of said parcels to Southside Community Development and Housing Corporation by the Executive Director on behalf of RRHA, utilizing a form of deed satisfactory to counsel, be and hereby is in all respects approved.

Agenda Item No. 8 – Resolution of the Richmond Redevelopment and Housing Authority to Establish Disposition Price and Purchaser for the Sale of a portion of land located in the Newtowne-West Redevelopment and Conservation Area and in the Carver/Newtowne-West Neighborhoods In Bloom Revitalization Area – 1738 West Leigh Street, which was read and considered:

(08-47) WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) is the owner of a certain property located at 1738 West Leigh Street, Block N-940; Parcel 67 in the Carver/Newtowne-West Neighborhoods In Bloom (NIB) Revitalization Area and the Newtowne-West Redevelopment and Conservation Area; and

WHEREAS, Elder Homes Corporation requested to purchase 11.5 feet of a vacant parcel known as 1738 West Leigh Street, Block N-940; Parcel 67 in the Carver/Newtowne-West NIB Revitalization Area and the Newtowne-West Redevelopment and Conservation Area to be used to meet the required side set back for the development of a new single-family home on the adjacent property at 1740 West Leigh Street and;

WHEREAS, Elder Homes Corporation has demonstrated that as of the date of this resolution, it possesses the financial qualifications and abilities to develop the property in accordance with the Carver/Newtowne West NIB Revitalization Plan and the Newtowne-West Redevelopment and Conservation Plan;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of RRHA that \$1.00 is the duly established and approved price for the disposition of 11.5 feet of land located at 1738 West Leigh Street, Block N-940; Parcel 67; in accordance with the proposed use;

BE IT FURTHER RESOLVED THAT:

1) RRHA hereby approves the sale of the property to Elder Homes Corporation for the sale price of \$1.00;

2) The Executive Director be and hereby is authorized and directed to execute contracts covering the sale of said parcel, design, construction and owner occupancy requirements;

3) The conveyance of the said land to Elder Homes Corporation on behalf of RRHA, utilizing a form of deed satisfactory to counsel, be and hereby is in all respects approved.

Discussion

Regarding Resolution 3, Commissioner Parker asked if this was the first time the Board had considered the Bond and if low-income units were available. Executive Director Scott replied that the Board had considered the bond before and that it has a tax credit application associated with it. Commissioner Parker also had some questions regarding Resolution 5. He questioned the disparity between the appraisal amount and the acquisition price. Mr. Scott noted that Commissioner Harrigan had the same question. Deputy Executive Director Rodney Forte responded that this was a request from the City of Richmond for RRHA to acquire this property, with city funds.

Chairman Jackson once again brought to the Board's attention his conflict with Resolution 4 (pertaining to the Theatre Row Building) since he is on the Board of Visitors for VCU. Chairman Jackson wanted it noted in the minutes that, in addition to abstaining from the voting, he has a conflict.

Chairman Jackson entertained a motion to adopt Resolutions 1 – 8. Commissioner Cindy Mims moved for adoption, which was seconded by Commissioner Marilyn Olds and upon roll call the following voted "Aye":

Commissioners Olds, Parker, Mims, Sties

And the following voted "Nay":

None

And the following abstained:

Commissioner Jackson

Recess

At 9:22 a.m., Chairman Jackson called for a brief recess. The meeting resumed at 9:30 a.m.

Agenda Item No. 9 – Resolution of the Richmond Redevelopment and Housing Authority Approving Accepting Clifton Gunderson, LLP Independent Auditor's Report for the fiscal year ended September 30, 2007, which was read and considered:

(08-48) WHEREAS, Chapter 24 of the Code of Federal Regulations, part 5 subpart H, requires public housing authorities to have an independent audit annually; and

WHEREAS, the Richmond Redevelopment and Housing Authority has complied with this federal regulation by procuring Clifton Gunderson, LLP to conduct the independent audit for the fiscal year-ended September 30, 2007; and

WHEREAS, the independent audit was conducted in compliance with federal regulations issued by the Office of Management and Budget referred to as A-133, and generally accepted government audition standards established by the U.S. Government Accountability Office; and

WHEREAS, the independent audit for the year ended September 30, 2007 resulted in an unqualified audit opinion.

NOW, THEREFORE, BE IT RESOLVED, the Commissioners of RRHA accept the Independent Auditor's Report for the Richmond Redevelopment and Housing Authority for fiscal year-ended September 30, 2007. Any significant modification made to this audit report subsequent to this resolution will require board approval.

Agenda Item No. 10 – Resolution of the Richmond Redevelopment and Housing Authority to Approve the Annual Plan for Fiscal Year 2009, which was read and considered:

(08-49) BE IT RESOLVED by the Board of Commissioners of the Richmond Redevelopment and Housing Authority that the Annual Plan for Fiscal Year 2009 is approved and adopted.

Agenda Item No. 11 – Resolution authorizing the Executive Director to execute an agreement(s) with Jackson Commons Partnership, LLC, to acquire a total of four housing units on parcels within the Jackson Place Redevelopment Area, more specifically within the Jackson Commons Development, which was read and considered:

(08-50) BE WHEREAS, the Richmond Redevelopment and Housing Authority (“RRHA”) has executed a “Disposition and Development Agreement” by and between RRHA and Jackson Commons Partnership, LLC, dated September 29, 2003; and

WHEREAS, the RRHA has received a 1st increment of Replacement Housing Factor funding from the U. S. Department of Housing and Urban Development in the amount \$3.8 million, of which \$591,000 remain; and

WHEREAS, the RRHA intends to utilize the remaining Replacement Housing Factor funds to acquire four housing units with the Jackson Commons Development for the purpose of providing replacement housing opportunities;

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

1. The Executive Director is hereby authorized to use the remaining Replacement Housing Factor funding and to execute any all agreement(s) with Jackson Commons Partnership, LLC, in connection with the purchase of a total of four housing units on parcels within the Jackson Place Redevelopment Area.

Chairman Jackson entertained a motion to adopt Resolutions 9 - 11. Commissioner Russell Parker moved for adoption, which was seconded by Commissioner Cindy Mims and upon roll call the following voted "Aye":

Commissioners Olds, Parker, Mims, Sties

And the following voted "Nay":

None

And the following abstained:

Commissioner Jackson

Closed Session

Commissioner Jackson stated that it would be necessary to go into closed session at 9:32 a.m. to discuss some matters. Commissioner Parker read the following:

"I move that we go into closed meeting to consult with legal counsel and staff pertaining to litigation regarding Echo Harbour, as permitted by Section 2.2-3711(A)(7) of the Virginia Freedom of Information Act."

Commissioner Parker moved for adoption, which was seconded by Commissioner Sties and upon roll call the following voted "Aye":

Commissioners Jackson, Olds, Parker, Mims and Sties

And the following voted "Nay":

None

And the following abstained:

None

Commissioner Mims read the following Certification of Closed Meeting:

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Board of Commissioners of the Richmond Redevelopment and Housing Authority (the "Board") convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(B) of the Code of Virginia of 1950, as amended, requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this

certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board.

Commissioner Mims moved for adoption, which was seconded by Commissioner Olds and upon roll call the following voted “Aye”:

Commissioners Jackson, Olds, Parker, Mims and Sties

And the following voted “Nay”:

None

And the following abstained:

None

The meeting officially reconvened at 10:00 a.m.

Agenda Item No. 12 – Resolution approving the proposed Settlement Agreement, as just amended in closed session, that agreement by and between the Richmond Redevelopment and Housing Authority and USP Echo Harbour LLC and authorizing the Executive Director to execute such Settlement Agreement, which was read and considered:

(08-51) BE WHEREAS, the Richmond Redevelopment and Housing Authority (“RRHA”) and USP Echo Harbour LLC, formerly known as USP Rockets LLC (“Rockets”) are currently involved in a pending case before the Circuit Court of the City of Richmond, Virginia, styled as *USP Rocketts LLC v. Richmond Redevelopment and Housing Authority*, Case No. CL08-605 (the “Pending Litigation”); and

WHEREAS, RRHA and Rockets have negotiated the Settlement Agreement, as amended by the Board, attached hereto (the “Settlement Agreement”) in order to resolve all claims brought in the Pending Litigation; and

WHEREAS, it is necessary for the Commissioners of RRHA to take appropriate official action to approve the Settlement Agreement and to authorize the Executive Director to execute and deliver the Settlement Agreement on behalf of RRHA;

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

The Settlement Agreement, with any subsequent modifications thereto that may be acceptable to the Executive Director, the Chairman of the RRHA Board of Commissioners and RRHA’s legal counsel, is hereby approved, and the Executive Director is hereby authorized, on behalf of RRHA, to execute and deliver the Settlement Agreement.

Chairman Jackson entertained a motion to adopt Resolution 12. Commissioner Cindy Mims moved for adoption, which was seconded by Commissioner Marilyn Olds

and upon roll call the following voted "Aye":

Commissioners Olds, Parker, Mims, Sties

And the following voted "Nay":

None

And the following abstained:

Commissioner Jackson

Chairman Jackson entertained a motion to adjourn. There being no further business and upon unanimous vote, the meeting adjourned at 10:03 a.m.

Chairman

Executive Director/Secretary-Treasurer