

MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS  
OF RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY  
HELD IN THE OFFICES OF RRHA  
901 CHAMBERLAYNE PARKWAY, RICHMOND, VIRGINIA  
ON WEDNESDAY, DECEMBER 16, 2008

**In Attendance:****Board of Commissioners**

Elliott M. Harrigan, Chairman  
Marilyn B. Olds, Vice Chairman  
Guenet M. N, Beshah, Esq.  
Cindy A. Mims  
James A. Sties

**Absent:**

J. Russell Parker, III

**RRHA Staff**

Anthony Scott, Executive Director

Chairman Elliott M. Harrigan called the meeting to order at 5:30 p.m. with *General Counsel George Keith Martin, McGuireWoods, LLC* serving as Legal Counsel.

***Minutes***

The Minutes from the *November 24, 2008 Regular Board Meeting and the November 24, 2008 Annual Board Meeting* were presented for approval.

***1 Motion: (Mims/Olds) Move to adopt the Minutes from the November 24, 2008 Regular Board Meeting and the November 24, 2008 Annual Board Meeting.***

**Motion Carried - Harrigan Abstained**

***Citizens Information Period***

Chairman Harrigan informed those speaking that they are allowed 3 minutes to address the Board.

Ms. Kelly King Horne, the Executive Director of HOMEWARD, addressed the Board with an update on the HOMEWARD project. The partnership among RRHA, the Richmond Behavioral Health Authority and HOMEWARD, representing homeless service providers in the city and in the region, is very close to being finalized. Step One of the partnership is making the best use of resources. Ms. Horne distributed a fact sheet showing a "January 2008 Snapshot of Individuals Experiencing Homelessness in the Richmond Region Who Have Lived in Subsidized or Public Housing." What the sheet does not include is: at what point did they live in subsidized housing, for how long, and was subsidized housing the last step before homelessness. It does show the demographics of the fact that 24% of the adults experiencing homelessness in this region have lived in subsidized or public housing at some point.

Commissioners Sties and Beshah made some inquiries to which Ms. Horne responded.

- Is the number stated a real number? The number of homeless people for this study is conservative. The definition of homelessness for this study is “someone living in a shelter or sleeping in a place not meant for human habitation.” HOMEWARD doesn’t believe they missed many people – they are reaching pretty far out.
- What percentage of your statistics can you attribute to the current economic crisis and what are you forecasting for 2009? In July, HOMEWARD asked what percentage of the homeless had experienced a foreclosure and the answer was 6%. They will ask again in January and include job losses and bankruptcy. Comparative numbers will be available in July 2009. They do have the ability to predict the demand for shelter and, compared to 2007, the rate has doubled in 2008. This is an unprecedented demand for shelter that can’t be met.
- Is there a basis for the increase that correlates to the unemployment rate? This has not been looked at. They are trying to see what the homelessness component specifically is since financial trouble doesn’t necessarily equate to homelessness.
- Of the people who are homeless, how many of them apply to find permanent shelter? The majority of the people who are homeless are in shelters which means they are working with a case manager in trying to get permanent housing. The majority are the working poor or people with disabilities.
- So the people camped out on the Island are not typical? Very un-typical. A survey was done last year to determine for how many was homelessness a choice. People who reported mental health disorders, chronic substance abuse, and who were homeless for a long time were backed out of the numbers. A conservative estimate is that only 4% of homeless people choose to be homeless. For most, it is not a choice.

### ***Committee Reports***

Commissioner Harrigan requested that Board Committee Reports be presented.

Acting Deputy Executive Director of Finance Stacey Fayson delivered the *Administration and Finance* report. She reported that the Administration and Finance Committee had not met in December. Their next meeting will be January 14, 2009.

Deputy Executive Director of Affordable Housing John Hill provided the *Affordable Housing Report*.

- Dr. Diane Helentjaris from the Richmond City Health Department and VCU entered into an agreement with RRHA to re-open some of the clinics that formerly were located at Creighton, Fairfield and Whitcomb. The hope is to have these open by the middle of February at the latest. One of the clinics will be brought to Gilpin as well.
- In Gilpin, the City has agreed to give RRHA eight (8) curb cuts for the sidewalks.

The cost is projected at \$14,700 and the task will start in January.

Commissioner Elliott Harrigan provided the *Real Estate Committee Report*. The committee met earlier on December 17, 2008. A new chair will be appointed in January. The committee reviewed the two resolutions being presented and unanimously agreed to recommend them for approval by the Board.

### ***Executive Director's Comments***

Mr. Anthony Scott stated that a report had been included in the Board packet summarizing the activities for the past month. He highlighted the following items:

- The Master Planning meetings for North Jackson Ward (NJW) and the Dove Street Corridor (Dove) have been occurring. All the data has been gathered. Meetings will be held on February 3 and 4 to share the public's input and the findings from the consultants. The process has been extremely productive and the input from the community has been great. There have also been a series of stakeholder meetings and resulting conversations have been very constructive and positive. The process has been well done and well attended. Approximately 50 people attended the Dove meeting while almost 100 attended the NJW meeting.
- Public Safety update:
  - o Crime for the year is down 4%
  - o 72 arrests in November
  - o Violent crime down 13%
  - o Property crime up 2%

Chairman Harrigan asked if the report on crime comes from the Housing Committee. Commissioner Olds confirmed that the Resident Tenant Organization had asked for reports at their meetings and that the reports have been coming from the Housing Committee.

### ***RESOLUTIONS***

*Note: Resolutions 1 through 3 were handled as a block.*

***Agenda Item No. 1*** –Resolution of Richmond Redevelopment and Housing Authority Authorizing the Execution of the Amendment to ECI/HRI Letter Agreement

**(08-68)** WHEREAS, the City of Richmond, Virginia (the “City”), Richmond Redevelopment and Housing Authority (“RRHA”) and ECI Investment Advisors, Inc. (“ECI”) decided to pursue the development of the former Miller & Rhoads department store property (the “M&R Property”) and the former Woolworth’s department store property (the “Woolworth’s Property”) (the M&R Property and the Woolworth’s Property are collectively, the “Property”) located in the Broad Street Redevelopment Area. The City, RRHA and ECI reached a consensus pursuant to a certain agreement (the “Master Development Agreement”) that governs ECI’s obligations to purchase the Property from RRHA and to subsequently develop the same, upon the terms

and conditions set forth therein.

WHEREAS, RRHA by resolution dated May 15, 2002 adopted a resolution approving the Master Development Agreement and authorizing the Executive Director to execute the same. On May 21, 2002, the parties executed the Master Development Agreement.

WHEREAS, on November 12, 2003, RRHA adopted a resolution authorizing the amendment of the Master Development Agreement which provided for changes necessary for RRHA to acquire the Property and be in a position to sell the Property to ECI (the "Amendment"). Shortly after the resolution was adopted, the parties executed the Amendment. The Master Development Agreement and the Amendment are collectively, the "Agreement".

WHEREAS, ECI approached the City and RRHA and informed the City and RRHA that in order for ECI to develop the Property as expected by the City and RRHA pursuant to the terms of the Agreement, ECI needed to bring in a co-developer to participate in the development of the Property. The co-developer presented by ECI to the City and RRHA to participate in the development of the Property was Historic Restoration, Incorporated, a Louisiana corporation ("HRI"). HRI is a real estate development company based in New Orleans, Louisiana that has locations in other cities in the United States. ECI and HRI are collectively, the "Developer".

WHEREAS, after careful and diligent negotiations among the City, HRI, ECI and RRHA, the parties have reached an agreement on the joint venture arrangement (the "ECI/HRI Letter Agreement") that will govern ECI's and HRI's obligations to purchase the Property from RRHA and to subsequently develop the Property upon the terms set forth in the Restated Agreement (defined below). The Agreement and the ECI/HRI Letter Agreement are collectively, the "Restated Agreement".

WHEREAS, on December 21, 2005, the Commissioners ratified and approved the Restated Agreement which was executed by RRHA as of November 30, 2005.

WHEREAS, on March 17, 2006, RRHA closed on the sale of the Property to Miller & Rhoads Building, L.L.C. ("M&R"), an affiliate entity to HRI and ECI for \$2,909,592.39.

WHEREAS, under the ECI/HRI Letter Agreement, it provides for the Developer to complete the development of the Property, which is defined as the Developer's receipt of certificates of occupancy of the hotel and the residential condominiums by April 30, 2008.

WHEREAS, during the events leading up to the conveyance of the Property to M&R, the Developer requested from the City and RRHA that the completion date of the project be moved from April 30, 2008 to December 31, 2008.

WHEREAS, by Resolution adopted on May 17, 2006, RRHA granted the Developer the extension of the completion date from April 30, 2008 to December 31, 2008.

WHEREAS, the Developer and RRHA executed a First Amendment to the Restated Agreement, dated May \_\_\_ 2006 (the "First Amendment") moving the completion date to December 31, 2008. The Restated Agreement and the First Amendment are collectively, the "First Amended Restated Agreement".

WHEREAS, the Developer has requested an additional extension of the completion date from the City and RRHA from December 31, 2008 to March 15, 2009.

WHEREAS, a second amendment to the Restated Agreement (the "Second Amendment") is attached to this resolution which sets forth the extension request made by the Developer.

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

- (1) RRHA hereby approves the Second Amendment in substantially final form as attached hereto.
- (2) RRHA hereby authorizes the execution of the Second Amendment on behalf of RRHA by the Executive Director.
- (3) All other acts of the officers and Commissioners of RRHA that are in conformity with the purposes and intent of this resolution, whether such acts occurred before or occur after the adoption of this resolution, are hereby ratified, approved and confirmed.
- (4) This resolution shall become effective immediately upon adoption.

*Agenda Item No. 2* – Resolution of the Richmond Redevelopment and Housing Authority to Establish Disposition Price and Purchaser for One (1) Structure in the Blackwell Neighborhoods In Bloom Revitalization Area – 1112 Decatur Street

**(08-69)** WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) is the owner of property located at 1112 Decatur Street, Block S-115; Parcel 2 in the Blackwell Neighborhoods In Bloom Area for the Replacement Housing project; and

WHEREAS, Southside Community Development and Housing Corporation (SCDHC) submitted a letter requesting to purchase 1112 Decatur Street, Block S-115; Parcel 2 in the Blackwell neighborhood for rehabilitation as a single-family residence; and

WHEREAS, SCDHC has demonstrated that as of the date of this resolution, it possess the financial qualifications and abilities to acquire and develop the property in accordance with requirements established by Richmond Redevelopment and Housing Authority, the Blackwell Conservation Area Plan and the Blackwell Neighborhoods in Bloom Revitalization Plan;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of RRHA that \$32,529 for the vacant structure is the duly established and approved price for the disposition of 1112 Decatur Street, Block S-115, Parcel 2 in accordance with the proposed use;

BE IT FURTHER RESOLVED THAT:

- 1) RRHA hereby approves the sale of the property to SCDHC for the sale price of \$32,529 for the parcel;
- 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 property to SCDHC by RRHA, utilizing a form of deed satisfactory to counsel, be and hereby is in all respects approved.

*Agenda Item No. 3* – Resolution of the Richmond Redevelopment and Housing Authority Approving Authorization for the Executive Director to Accept Late

Responses to the Housing Choice Voucher Program (Section 8) Waiting List Purge.

**(08-70)** BE IT RESOLVED BY THE Board of Commissioners of the Richmond Redevelopment and Housing Authority that the Executive Director is hereby authorized to accept requests for reinstatement to the Housing Choice Voucher Waiting List as a result of the purge conducted in 2008.

WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) administers the Housing Choice Voucher Program and the RRHA is currently providing rental assistance to families. The Housing Choice Voucher/Section 8 waiting list was purged in 2008 to ensure that the list remains current. The purge was conducted in accordance with HUD Regulations and the RRHA Administrative Plan.

BE IT RESOLVED, that the Board of Commissioners of the Richmond Redevelopment and Housing Authority request and authorize the Executive Director to extend the deadline to accept late requests for reinstatement to the Housing Choice Voucher waiting list from December 2008 to January 2009.

#### ***Discussion***

Concerning Resolution #1, Mr. Brian McGee, General Manager for Hilton Gardens Inn (known to RRHA as the Miller and Rhoades Hotel) relayed to the Board that they had thought the project would be completed by the end of December. That is not the case, so they are asking for an extension to the end of March. Anthony Scott had toured the premises about one month ago and again on December 17. The progress since then is substantial - the lobby is almost completed. The 113 condos are almost complete. There will also be 250 hotel rooms.

Concerning Resolution #3, the Board was concerned about setting a precedent for exceptions. Also, the Board objected to the fact that there was no stated end date for the extension. Thus, the last paragraph of the resolution is to read:

BE IT RESOLVED, that the Board of Commissioners of the Richmond Redevelopment and Housing Authority request and authorize the Executive Director to extend the deadline to accept late requests for reinstatement to the Housing Choice Voucher waiting list from December 2008 to *January 31, 2009*.

**2 Motion: (Mims/Beshah) Move to adopt Resolutions 1, 2, and 3.**

**Motion Carried – Harrigan Abstained**

There being no further business and upon unanimous vote, the meeting adjourned at 6:00 p.m.

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Chairman

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Executive Director/Secretary-Treasurer