

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, MARCH 18, 2009

In Attendance:

Board of Commissioners

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

RRHA Staff

Anthony Scott, Executive Director

Chairman Elliott M. Harrigan called the meeting to order at 5:39 p.m. with *General Counsel M. Maxine Cholmondeley, Esq.* serving as Legal Counsel.

Minutes

The Minutes from the *February 18, 2009 Regular Board Meeting* were presented for approval.

1 Motion: (Beshah/Parker) Move to adopt the Minutes from the February 18, 2009 Regular Board Meeting.

Motion Carried - Harrigan Abstained

Citizens Information Period

Three citizens addressed the Board during the Citizens Information Period.

Ms. Lillie Estes, a resident of Gilpin Court, was the first to address the Board.

- Ms. Estes has concerns over RRHA's policy impact as it relates to residents of public housing.
- At the February meeting, Ms. Estes had asked the Commissioners to write down and send to her what their personal commitment was to the revitalization of Gilpin Court and other public housing communities and how it is going to impact the residents. She is concerned about behavior impact.
- She informed the Board that the NAACP passed a resolution at their convention last year that speaks to generational neglect issues. She is looking forward to seeing that more energy is expended towards the human capacity building side of the revitalization process.
- Ms. Estes requested that the minutes reflect she only received communications from two Commissioners from her request last month. This disturbed her because she left her email address with each of the commissioners.

Ms. Vanessa Valentine, a resident of Gilpin Court, was the next person to speak. Her topics involved the stimulus money that RRHA will be receiving and some issues/concerns voiced to her by other residents. Specifically, she addressed the following:

1. Ms. Valentine understands that Gilpin will be receiving some new boilers. However, currently tenants are being provided with electric heaters. When the heaters are run, the tenant's electric bill increases. In effect, the residents are being penalized because the existing units are not sufficient. What can be done about this?
2. Is information going to be distributed to each project regarding the summer youth program: ages, type of work, etc.? The tenant council always provides a clean up program during the summer. The age group they are most concerned about is the 15 – 18 year olds. Will there be any outreach for them?
3. The tenants would like the basements at Gilpin sanitized. There is fear the condition of the basements is causing health problems. They would like some of the stimulus money to be used to clean them up. They feel it is a priority.
4. The tenants would like to incorporate more seniors into the recreational programs, like aerobics in the pool. But seniors cannot get down into the pool unless they sit in the chair and they are afraid to sit in the chair. What is the possibility they could get movable stairs that go down into the pool as the person steps on them?

Chairman Harrigan explained that the stimulus money went to specific building repair/renovation/improvement projects that were identified in a study in the last couple of years. There is still a chance that some of the items she mentioned could be covered outside of the stimulus money.

Ms. Joyce Cheeks, a resident of Gilpin Court, was the last to speak. She expressed her gratitude for the granting of hardship status (\$0 rent income and utilities covered) to help her get back on her feet.

- Ms. Cheeks reported that while still under hardship status, she received an \$85 bill for utilities. She is being asked to move because she has not paid it or her rent.
- She has tried to make an appointment with the new manager on several occasions. Ms. Cheeks feels that there has been unprofessional behavior conducted in the Gilpin office. She suggested that the tapes from the cameras be reviewed to see the way tenants are treated.
- Ms. Cheeks tried several times to report her income, as required. She was informed on December 17, 2008 that management was going to evict her. She has until March 30, 2009.
- She mailed her rent on March 4, 2009. She feels sure that her rent was

received by the 5th or 9th of the month. The management office is claiming non-payment of rent and the \$85 utility charge as the reasons for Ms. Cheeks' eviction. RRHA and her lawyers set up the hardship case contract. She needs someone to listen to her so she can prove she has paid her rent and does not owe the \$85 utility charge.

- Ms. Cheeks was invited to stay and speak with John Hill, Deputy Executive Director of Affordable Housing, after the meeting to give Mr. Hill the details so the complaint could be handled.

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 met on March 12, 2009. There were primarily two items of discussion: the single audit finding as it relates to the compliance portion of the current audit and the Housing Choice Voucher Program (HCVP.) There were several findings that were consistent in prior years. There were also findings relating to procurement testing – in particular the Davis-Bacon testing. In addition, the committee discussed the January financial statements and projections (a deficit) for the rest of the year. They also went through each program to discuss specific issues.

Commissioner Parker stated that these two items possibly encompass the major portion of the deficit: the GASB 45 and extremely high utilities. If those two items are factored in, the projection is actually a slight positive. Also, Commissioner Parker spoke about the single audit. He said the committee was worried about the materiality of one of the points. Ms. Fayson will be meeting with the auditors later in the week and will discuss the issue with them then. The commissioner asked to be kept informed.

Deputy Executive Director of Affordable Housing John Hill provided the *Affordable Housing Report*. The Committee did not meet in March since the office was closed due to snow. Packets were sent out to the committee.

- Rent collection for February – the average of all Asset Management Program's (AMP) has increased from 78% in December 2008 to 87% in February 2009. This is due to a huge decrease in RRHA's outstanding receivables. Back in September 2007, RRHA had outstanding receivables in excess of \$524,000. As of today, it is \$107,000. The rent collection protocol has aided this endeavor.

Rodney Forte, Deputy Executive Director of Community Revitalization, provided the *Real Estate Committee Report*. The committee met earlier in the day. The topics covered were financial projections, the need to have a quarterly financial review, and developing some different reporting tools. Additionally, the Public/Private Education Act (PPEA) proposal was discussed.

Chairman's Remarks

Chairman Harrigan stated that he was really pleased to see the story in the March 18, 2009 Richmond Times Dispatch about the RRHA Police Department. It was a good article and great publicity.

Executive Director's Comments

Mr. Anthony Scott stated that an Executive Summary had been included in the Board packet highlighting the activities for the past month. He also reported on the following items:

- As a follow up to last month's Citizen Information Period when Ms. Cora Hayes brought to the Board's attention the situation of Ms. Annejeanette Bowen, that situation has been reviewed. Ms. Bowen has an appointment on April 1, 2009 to get her house.
- As to Ms. Estes' presentation last month, RRHA is still reviewing it and some of the earlier information she received. A report will be forthcoming.

Mr. Scott spoke about the time he recently spent in Washington, DC. He visited with the offices of all of RRHA's Virginia representatives: Senator Webb, Senator Warner, Congressman Bobby Scott and Congressman Eric Cantor. They spoke about: the projects that RRHA is pursuing and the need for their assistance to make the Dove Court, North Jackson Ward and a lot of other efforts at RRHA successful. All was received very well. Congressman Cantor actually stopped in and said he would be willing to come down and do a tour. Congressman Scott and Senator Webb's offices also expressed a desire to come down and visit. RRHA looks forward to continued interaction with its elected representatives.

RESOLUTIONS

Note: Resolution number 1 was withdrawn. Resolution number 2 was recognized.

Agenda Item No. 1 (Withdrawn) - Resolution of the Richmond Redevelopment and Housing Authority Resolution concerning issues related to the unsolicited conceptual phase proposal from Windsor/Aughtry Company as submitted under the Public-Private Educational Facilities and Infrastructure Act of 2002 ("PPEA") for the design and construction of a mixed use development project at the parcel known as Jackson Place (the "Project"), including (1) to accept the proposal for conceptual phase review, (2) to publish a notice of acceptance and invitation for additional proposals, and (3) to designate employees of the Richmond Redevelopment and Housing Authority to perform analysis of the proposal and any other proposals submitted under the PPEA on behalf of the Authority, and (4) to take such further actions necessary in relation thereto, which was read and considered:

WHEREAS, the Richmond Redevelopment and Housing Authority (the "Authority"), has received an unsolicited proposal from Windsor/Aughtry Company for the design and construction of the Project;

WHEREAS, the Authority has determined that it should accept the proposal for conceptual phase review;

WHEREAS, the Authority must post and publish notices of its acceptance as required under the PPEA and the Authority's Guidelines for Implementation of the PPEA in anticipation of receiving additional conceptual proposals for the Project;

WHEREAS, the Authority has determined that analysis of the specifics of the proposal(s), including their advantages, disadvantages, and the long and short term costs, can be capably performed by employees of the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Authority that:

1. The Authority accepts the unsolicited proposal from Windsor/Aughtry Company, dated September 23, 2008, for conceptual phase review.
2. The Authority will post and publish notices of its acceptance of the proposal, and make the proposal available for public review on its web site and at its offices for 45 days.
3. All other acts of the officers and commissioners of the Authority 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 Resolution of the Richmond Redevelopment and Housing Authority to approve the Capital Fund Program Amendment Grant Number: VA36S00750109 pursuant to the American Recovery & Reinvestment Act (ARRA) of 2009.

(09-10) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority (the "Commissioners") that a federal economic stimulus package in the form on the American Recovery & Reinvestment Act was approved by Congress and President Barack Obama in February 2009; and

BE IT RESOLVED that HUD has awarded \$2.985 billion in Capital Funds to Public Housing Authorities participating in the public housing program throughout the nation; and

BE IT RESOLVED that the proposed Capital Fund Annual Statement, HUD Form 50075.1, totaling \$10,764,797 describes the specific activities that RRHA will undertake using these funds; and

BE IT RESOLVED that by signing the ACC Amendment, the PHA is agreeing that capital and management activities will be carried out in accordance with all HUD regulations, including 24 CFR 905.951, 24 CFR 968, and other requirements applicable to the Capital Fund Program, with the PHA's current Five Year Capital Fund Action Plan as well as the Recovery Act requirements; and

BE IT RESOLVED that the Capital Fund Program Amendment and the corresponding HUD Form 50075.1 Capital Fund Annual Statement are hereby approved and adopted; and

BE IT FURTHER RESOLVED that to the extent possible RRHA shall increase the amount of energy efficient measures into the capital and management activities taken under this resolution.

2 Motion: (Mims/Olds) Move to adopt Resolution 2.

Motion Carried – Harrigan Abstained**Comments**

Commissioner Parker made the following comments about the passage of Resolution 2.

- He reinforced the importance of RRHA utilizing the monies more efficiently.
- Based on Commissioner Parker's review of the plan only about 5% of the monies appear to be aimed at energy efficiency. He recommended that RRHA seek out areas that would save energy.

Capital Fund Stimulus Spending Plan

John Hill provided a presentation of the American Recovery and Reinvestment Act (ARRA) outlining what the ARRA was and how RRHA was planning on using the funds that have been allocated to the Authority. (See Attachment A.) Several questions were asked by Board members and guests during the presentation.

- ❖ *What do you perceive as our key threats to being able to spend down in the prescribed time?* Zero, due to the Asset Reinvestment Program that is already in place that charts when maintenance has been done and boilers/AC units/roofs/etc. replaced. The chart shows when these items will need to be replaced.
- ❖ *So procurement is really the big time consideration?* Yes. RRHA has already negotiated over thirty-five (35) contracts to perform a variety of projects that can be bid and assigned now.
- ❖ *Are we going to establish a specific matrix around Section 3 Opportunities so that whatever is measured is what gets done? Do we have specific goals?* Yes. (Commissioner Beshah requested that the percentage of RRHA residents that are getting jobs, that are getting different skills with the money, be reported to the Board.)
- ❖ In reference to Commissioner Parker's earlier comment about saving energy, Mr. Hill advised that the targeted projects are geared and focused in that direction.
- ❖ *What does the "year" column on the RRHA Plan-Targeted Project reflect?* It reflects the year the work will start. The dates are flexible and can be shifted around. They are merely place-holders at this time. The target is to get all work done in 30 months.
- ❖ *How many units are in Creighton and how many of those units do you plan on doing?* There are 504 units and RRHA is going to do them all.
- ❖ *Given the age of these developments, how do these improvements reconcile with extending life by 20 years?* HUD uses broad language. Everything you do with capital funds can't be for 20 years. What HUD is looking to do is increase the life of the development by doing the different things necessary to keep it in good shape – even though some of those things may be done three to four times

during the 20 years.

- ❖ *Isn't this just throwing money away if you're going to be tearing them down eventually?* RRHA is not tearing any of this down. It may happen some time in the distant future. But, as good and responsible landlords, RRHA has to make sure that it is providing the best housing today.
- ❖ *How much emphasis is RRHA going to put towards the energy efficiency? Are there any guidelines as far as efficiency is concerned?* Yes, there are. Some of the systems currently in place only operate at 65% - 68% efficiency. The goal is 80%.
- ❖ *On the conversion of the hot water boilers, is RRHA purchasing ones that use gas?* Yes. Our current system is all gas already.
- ❖ *The water coming out of the boilers is brown and nasty. Will replacing the boilers fix that?* That is the hope but the brown water may not be caused by that system. This problem will be researched.
- ❖ *Who is responsible for the grounds maintenance? During the summer, some of the plants grow very tall and the grass isn't cut.* RRHA is now working with a grass and grounds contractor to make sure these problems don't happen again this year.
- ❖ *Do you have the data (RRHA PLAN – Targeted Projects) presented in another way? Right now, it is cut by development and agency-wide. Do you have it aggregated by unit or type of project? For example, everything that is related to Creighton or everything that is focused on energy efficiency so that we can see the total dollar amount we are spending relative to the size of the complex.* It will be provided.
- ❖ *In regards to breaking down the costs, can you also give the Board an energy savings projection on, for example, water heater replacements where the unit costs more but the savings over the years makes the initial cost worthwhile?* Yes.
- ❖ *In regards to the previously reported problems in the Gilpin basement, is there flexibility in the funds so that a revealed problem can be investigated and remedied?* Yes.
- ❖ *Some common areas have been treated for several years to get grass to grow but the areas are still bald. The improvement looks good at first it doesn't last. It seems like good money is being thrown after bad. The improvements should not be for the people who walk by but the people who live in the developments. The point is well taken. As to the areas where grass cannot thrive, alternative solutions are being reviewed.*
- ❖ *The clotheslines need to be tightened so the clothes don't drag on the ground. Also, ovens and stoves don't work properly in the units. One of the things RRHA is doing when modernizing is upgrading the stoves so they are not the*

tiny ones currently in the units.

- ❖ *Joyce Cheeks mentioned that she was having problems with her gas stove not operating properly and when she complained to the management office about it, she received a derogatory response from management. Because this is not RRHA's standard, Mr. Hill offered to speak with the tenant after the meeting to discuss the matter further.*

Adjournment

3 Motion: (Mims/Beshah) Move to adjourn.

Motion Carried Unanimously

There being no further business and upon unanimous vote, the meeting adjourned at 6:42 p.m.

Chairman

Executive Director/Secretary-Treasurer