

MINUTES OF THE REGULAR MEETING OF THE COMMISSIONERS
OF RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
HELD AT THE VIRGINIA HOUSING CENTER (VHC)
4224 COX ROAD, GLEN ALLEN, VIRGINIA
ON TUESDAY, JULY 28, 2009

In Attendance:

Board of Commissioners

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

RRHA Staff

Anthony Scott, Chief Executive Officer

Chairman Elliott M. Harrigan called the meeting to order at 9:10 a.m. with *General Counsel M. Maxine Cholmondeley, Esq.* serving as Legal Counsel.

Minutes

The Minutes from the *June 22, 2009 Regular Board Meeting* were presented for approval.

1 Motion: (Mims/Olds) Move to adopt the Minutes from the June 22, 2009 Regular Board Meeting.

Motion Carried

Committee Reports

Commissioner Harrigan requested that Board Committee Reports be presented.

Controller Stacey Fayson delivered the *Administration and Finance* report. She reported that the Administration and Finance Committee met on July 9, 2009. Several items were discussed.

- Discussion about the Dove/Carrington project
- Discussion about the Wachovia Line of Credit in terms of the project repayment schedule – provided information that was requested by one of the Commissioners
- Jerry Crews provided a detailed report on RRHA's cash flow projections in terms of what is considered unrestricted and restricted by program
- Stacey Fayson provided an analysis of the HCVP administration funding.
- Darlene Giles presented the main financial statement projections.

Senior Vice-President of Property Management John Hill provided the *Affordable Housing Report*.

- The units occupied are at 96%. Our goal is 98%.

- Rent collection remains above 91%. Our goal is 90%.
- Shawn Williams is returning as the HCVP program Director. She will be starting on August 5th.

Garland Curtis, Acting VP Real Estate & Community Development, provided the *Real Estate Committee Report*. The committee met on Wednesday, July 15, 2009. The following topics were covered.

- Eight resolutions were considered and discussed. Nine resolutions had been submitted, but Resolution #1 was withdrawn and will be re-submitted at a later time.
- The Committee recommended to the full Board that Resolutions 2 – 9 be approved. At the meeting, the Committee announced they would be presenting another resolution at a later time. The disposition of RRHA parcel at 4303 E. Main Street, to be sold to either Restaurateur, Inc. or directly to the City for a proposed restaurant was presented to the full Board as Resolution 13.

Chairman's Remarks

Chairman Harrigan had no comments.

Chief Executive Officer's Comments

Mr. Anthony Scott made some comments in addition to the Executive Summary, which had been included in the Board packet highlighting the activities for the past month.

- On July 27, the City Council recognized RRHA's Tomorrow's Promise winners publically and presented them with certificates. RRHA appreciates Council's support, which was led by Councilwoman Robertson.
- The Senior Wellness Day event will take place on Friday, August 21.
- Upcoming activities with some of our Congressional and elected officials
 - o On July 27, Mr. Scott was on a conference call with Congressman Scott's office to talk about some concerns with the Carrington Gardens Project and HUD's response. They asked to be kept informed as they may be able to help out.
 - o On July 29 from 10:00 a.m. to 1:00 p.m., conducting a tour with Assembly member, Bill Janis, to speak about Jackson Ward and Eminent Domain.
 - o On July 30, Senator Webb's office will be conducting a tour with RRHA.
 - o At the request of the Mayor and conversations previously held, Dr. Brandon, Chief Norwood, and Mr. Scott will be meeting to discuss how the three of them can work better in terms of advancing the overall goals of the City.

Mr. Rick Sample, RRHA's new Chief Financial Officer, was welcomed to RRHA

and introduced to the Board. He will start with RRHA on August 10.

RESOLUTIONS

Note: Resolution number 1 was withdrawn and Resolution number 13 was tabled. Resolutions number 2 through 12 were recognized.

Agenda Item No. 1 (Withdrawn) - Resolution of the Richmond Redevelopment and Housing Authority Approving the Redevelopment Plan for the North Jackson Ward Redevelopment Area.

Agenda Item No. 13 (Tabled) - Resolution of the Richmond Redevelopment and Housing Authority to Establish the Disposition Price and Authorize the Disposition of One (1) Parcel located at 4303 East Main Street.

WHEREAS, the Richmond Redevelopment and Housing Authority (“RRHA”) is the owner of certain property located at 4303 East Main Street; and

WHEREAS, the City of Richmond (the “City”) has approached RRHA about the possibility of acquiring 4303 East Main Street, Block E - 1127, Parcel 13 or selling the parcel directly to the Restaurateur, Inc. in connection with a court settlement between the City of Richmond and Restaurateur Inc; and

WHEREAS, RRHA is willing to dispose of 4303 East Main Street to the City or directly to Restaurateur, Inc. by fee simple conveyance; and

WHEREAS, it is necessary for the Commissioners of RRHA to take appropriate official action to authorize the disposition of the Property by fee simple conveyance and to authorize the Chief Executive Officer to execute and deliver any and all documents required in connection with such disposition;

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority that \$83,665 is the duly established and approved price for the disposition of 4303 East Main Street, Block E-1127, Parcel 27;

BE IT FURTHER RESOLVED THAT:

1. The offer of \$83,665 for the one (1) parcel from the City of Richmond, for 4303 East Main Street, Block E-1127, Parcel 27 be and hereby is accepted;

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

1. The Chief Executive Officer be and hereby is authorized and directed to execute a contract covering the disposition of said parcel to the City of Richmond or Restaurateur, Inc. by fee simple conveyance;
2. The disposition of the Property by RRHA to the City of Richmond or Restaurateur, Inc. by fee simple conveyance on terms to be negotiated with the City and acceptable to the Chief Executive Officer is hereby approved.
3. The Chief Executive Officer is hereby authorized, on behalf of RRHA, to execute and deliver any and all documents required in connection with such

disposition, provided such documents are in a form acceptable to the Chief Executive Officer.

Agenda Item No. 2 – Resolution approving the form of the Matthew Heights Project Cooperation Agreement between the Richmond Redevelopment and Housing Authority and the City of Richmond and authorizing the Chief Executive Officer to execute and deliver such Agreement on behalf of the Richmond Redevelopment and Housing Authority, which was read and considered:

(09-26) WHEREAS, in connection with the City’s Matthew Heights Project, the City requested that the Richmond Redevelopment and Housing Authority (“RRHA”) provide consulting, planning and administrative services related to a plan of development for Matthew Heights; and

WHEREAS, the City has agreed to provide funding of \$37,800 (the “Project Funds”) to RRHA for the costs associated with the Authority Services; and

WHEREAS, the Authority Services were provided by RRHA, and RRHA is requesting reimbursement in the amount of \$37,800 (“the Project Funds”) to be provided by the City pursuant to the Matthew Heights Project Cooperation Agreement, the form of which is attached hereto (the “Cooperation Agreement”); and

WHEREAS, it is necessary for the Commissioners of RRHA to take appropriate official action to approve the form of the Cooperation Agreement and to authorize the Chief Executive Officer to execute and deliver the Cooperation Agreement;

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

1. The form of the Cooperation Agreement attached hereto, with any changes thereto acceptable to the Chief Executive Officer, is hereby approved.
2. The Chief Executive Officer is hereby authorized, on behalf of RRHA, to execute and deliver the Cooperation Agreement, with any changes thereto acceptable to the Chief Executive Officer.

Agenda Item No. 3 – Resolution Approving the Form of the Dove Street Redevelopment Program Area Implementation Program Cooperation Agreement Negotiated by and between the Richmond Redevelopment and Housing Authority and the City of Richmond and Authorizing the Chief Executive Officer to Execute and Deliver such Agreement, which was read and considered:

(09-27) WHEREAS, the City of Richmond and the Richmond Redevelopment and Housing Authority (RRHA) have entered into a City of Richmond FY 2009-2010 CDBG contract, dated July 1, 2009, for the purposes of demolishing the Carrington Gardens/Northridge apartment complex and providing infrastructure planning and improvements for the housing development for the Dove Street Redevelopment Area which consist of all parcels of land fronting Dove Street between Richmond-Henrico Turnpike and 1st Avenue (the “Project Area”); and

WHEREAS, the City wishes to make available to RRHA funds up to \$500,000.00 to continue to demolish these structures and plan and develop infrastructure improvements for housing development for neighborhood revitalization purposes in the Project Area; and

WHEREAS, it is necessary for the Commissioners of RRHA to take appropriate official action to approve the form of the Cooperation Agreement and to authorize the Chief Executive Officer to execute and deliver the Cooperation Agreement;

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

1. The form of the Cooperation Agreement attached hereto, with any changes thereto acceptable to the Chief Executive Officer, is hereby approved.
2. The Chief Executive Officer is hereby authorized, on behalf of RRHA, to execute and deliver the Cooperation Agreement, with any changes thereto acceptable to the Chief Executive Officer.

Agenda Item No. 4 – Resolution of the Richmond Redevelopment and Housing Authority Approving Acquisition Price for One (1) Parcel in the 25th Street/Nine Mile Road Redevelopment Area – 1320 North 26th Street, which was read and considered:

(09-28) 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 Chief Executive Officer for the acquisition of one (1) structure in the 25th Street/ Nine Mile 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 Chief Executive Officer, acting on behalf of RRHA, be and hereby is authorized to accept the signed option to purchase a deteriorated single-family home at 1320 North 26th Street, Block E-620, Parcel 4 at the said price.

Agenda Item No. 5 – Resolution of the Richmond Redevelopment and Housing Authority Approving Acquisition Price for One (1) Vacant Parcel in the 25th Street/Nine Mile Road Redevelopment Area – 2603 Nine Mile Road, which was read and considered:

(09-29) 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 Chief Executive Officer for the acquisition of one (1) parcel in the 25th Street/Nine Mile 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 Chief Executive Officer, acting on behalf of RRHA, be and hereby is authorized to accept the signed option to purchase 2603 Nine Mile Road, Block E-714, Parcel 19 at the said price.

Agenda Item No. 6 – Resolution of the Richmond Redevelopment and Housing Authority to Authorize the Disposition for One (1) Vacant Parcel at 210 East 12th Street in Exchange for 214 East 12th Street in the Blackwell HOPE VI Project Area, which was

read and considered:

(09-30) WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) is the owner of property located at 210 East 12th Street, Block S-145, Parcel 20 in the Blackwell HOPE VI Project Area for the Replacement Housing project; and

WHEREAS, the Jerusalem Holy Church submitted a letter requesting that we exchange the parcel located at 210 East 12th Street, Block S-145, Parcel

20 with a parcel that Jerusalem Holy Church owns located at 214 East 12th Street, Block S-145, Parcel 17 in the Blackwell HOPE VI Project Area; and

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of RRHA that RRHA, subject to approval from HUD, will exchange the lot located at 210 East 12th Street, Block S-145, Parcel 20 with a parcel that Jerusalem Holy Church owns located at 214 East 12th Street, Block S-145, Parcel 17 in the Blackwell HOPE VI Project Area;

BE IT FURTHER RESOLVED THAT:

- 1) RRHA hereby approves the exchange of the property located at 210 East 12th Street, Block S-145, Parcel 20 with a parcel that Jerusalem Holy Church owns located at 214 East 12th Street, Block S-145, Parcel 17 in the Blackwell HOPE VI Project Area;
- 2) The Chief Executive Officer be and hereby is authorized and directed to execute contracts covering the exchange of said parcel;
- 3) The conveyance of the said property to Jerusalem Holy Church by RRHA, utilizing a form of deed satisfactory to counsel, be and hereby is in all respects approved.

Agenda Item No. 7 – Resolution of the Richmond Redevelopment and Housing Authority to Establish Disposition Prices and Purchaser for Three (3) Parcels in the 25th Street/Nine Mile Road Redevelopment Area – 1301 North 26th Street, 1317 North 26th Street and 1320 North 26th Street, which was read and considered:

(09-31) WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) is the owner of certain properties in the 25th Street/Nine Mile Road Redevelopment Area; and

WHEREAS, Southside Community Development and Housing Corporation submitted a proposal to purchase three vacant deteriorated structures located at 1301 North 26th Street, Block E-621, Parcel 19; 1317 North 26th Street, Block E-621, Parcel 26 and 1320 North 26th Street, Block E-620, Parcel 4, in the 25th Street /Nine Mile Road Redevelopment Area for rehabilitation and to be made available for sale to a low-to-moderate income first-time homebuyer; 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 25th Street/Nine Mile Road 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 1301 North 26th Street, Block E-621, Parcel 19; 1317 North 26th Street, Block E-621, Parcel 26 and 1320 North 26th Street, Block E-620, Parcel 4, 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 1301 North 26th Street, Block E-621, Parcel 19; 1317 North 26th Street, Block E-621, Parcel 26 and 1320 North 26th Street, Block E-620, Parcel 4, in the 25th Street/Nine Mile Road Redevelopment Area be and hereby is accepted;
2. The Chief Executive Officer 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 Chief Executive Officer 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 Authorizing Approval to File for Condemnation for One (1) Parcel in the Blackwell Conservation and Redevelopment Area – 211 East 18th Street, which was read and considered:

(09-32) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority (RRHA) that the Chief Executive Officer and counsel are hereby authorized and directed to institute condemnation proceedings for the acquisition of the property listed herein. These proceedings are essential to the conveyance of property and the construction of new single-family housing as part of the Blackwell revitalization effort.

<u>Block/Parcel</u>	<u>Name of Owner/ Address of Property</u>
S-237/12	Heyward J. Blackwell and Grace Perkins 211 East 18 th Street

BE IT FURTHER RESOLVED that prior to instituting eminent domain proceedings, staff is directed to avoid such proceedings if possible.

Agenda Item No. 9 – Resolution of the Richmond Redevelopment and Housing Authority Authorizing Approval to File for Condemnation for Three (3) Parcels in the Carver/Newtowne-West Neighborhoods in Bloom Area – 1856 Moore Street, 2031 Moore Street and 2039 Moore Street, which was read and considered:

(09-33) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority (RRHA) that the Chief Executive Officer and counsel are hereby authorized and directed to institute condemnation proceedings for the acquisition of three (3) vacant parcels located at 1856 Moore Street, Block N-942, Parcel 68; 2031 Moore Street, Block N-

1004, Parcel 11; 2039 Moore Street, Block N-1004, Parcel 10 in the Carver/Newtowne-West Neighborhoods In Bloom (NIB) Area and in the Newtowne-West Conservation and Redevelopment Area. These proceedings are essential to the conveyance of property and the development of new single-family dwellings as part of the Carver/Newtowne-West Neighborhoods in Bloom Revitalization Area and the Newtowne-West Conservation and Redevelopment efforts.

<u>Block/Parcel</u>	<u>Name of Owner/ Address of Property</u>
N-942/68	1856 Moore Street Moore Street Properties
N-1004/11	2031 Moore Street Moore Street Properties
N-1004/10	2039 Moore Street Moore Street Properties

BE IT FURTHER RESOLVED that prior to instituting eminent domain proceedings, staff is directed to avoid such proceedings if possible.

Agenda Item No. 10 – Resolution of the Richmond Redevelopment and Housing Authority Approving Authorization for the Chief Executive Officer to Amend and Adopt the Revisions and Approve the Admissions and Continued Occupancy Policy (ACOP), which was read and considered:

(09-34) BE IT RESOLVED BY THE Board of Commissioners of the Richmond Redevelopment and Housing Authority that the Chief Executive Officer is hereby authorized to approve the amendments to the Admissions and Continued Occupancy Policy (ACOP).

WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA) currently administers a Public Housing Program by providing rental assistance, maintenance and services to qualified families through it’s Property Management Division. The Admissions and Continued Occupancy Policy (ACOP) describes the method by which the RRHA will administer the Public Housing program.

BE IT RESOLVED, that the Board of Commissioners of the Richmond Redevelopment and Housing Authority authorizes the Chief Executive Officer to revise the Admissions and Continued Occupancy Policy (ACOP) to govern it’s Public Housing Program.

Agenda Item No. 11 – Resolution of the Richmond Redevelopment and Housing Authority Approving Authorization for the Chief Executive Officer to Amend and Adopt the Revisions to the Housing Choice Voucher Program (Section 8) Administrative Plan, which was read and considered:

(09-35) BE IT RESOLVED BY THE Board of Commissioners of the Richmond Redevelopment and Housing Authority that the Chief Executive Officer is hereby authorized to approve the revised Administrative Plan for the Housing Choice Voucher /SC8 program.

WHEREAS, the Richmond Redevelopment and Housing Authority (RRHA)

currently administers the Housing Choice Voucher Program and the RRHA is currently providing rental assistance to families. The 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 authorizes the Chief Executive Officer to revise the Housing Choice Voucher Program/Section 8 Administrative Plan to govern its Housing Choice Voucher Program/Section 8.

Agenda Item No. 12 – Resolution of the Richmond Redevelopment and Housing Authority to Approve the **Amended** Annual Plan for Fiscal Year 2010, which was read and considered:

(09-36) BE IT RESOLVED by the Commissioners of the Richmond Redevelopment and Housing Authority that the **Amended** Annual Plan for Fiscal Year 2010 is approved and adopted.

Discussion

Resolution 2

Question: *Will we be fully refunded?*

Answer: Correct

Resolution 3

Question: *On the \$500,000, is there anything in there to reimburse the money that RRHA has already spent and gotten through the Wachovia Line of Credit?*

Answer: No.

Resolution 4

Question: *Is RRHA responsible for the demolition of this?*

Answer: The house had a bad fire last week and RRHA is in the process of having the property reappraised. It will be demolished and the City will probably have it reassessed.

Resolution 5

Question: *Is this piece going to be accumulated with other pieces?*

Answer: Yes.

Question: *What is the average cost that those three single-family lots are going to run? What will be the total accumulated-to-acquire costs of these properties RRHA is going to divide up into single units?*

Answer: RRHA doesn't have the cost on one – it would be an accumulation and would include legal costs.

Question: *Would the swap be an "even up swap?"*

Answer: Yes.

Resolution 7

Question: *Are all three of these going to be demolished?*

Answer: No. They will be transferred to Southside and Southside will have the cost of demolishing and rehabbing 1320. 1301 and 1327 will be rehabbed.

Question: *Were they bought for rehab?*

Answer: Yes. 1320 needs to be demolished because of the fire in the home.

Commissioner Parker requested that, in the future, it be indicated whether the property will be a rehab or new.

Resolution 13

This is part of a five-year option - the City and RRHA had previously agreed to sell this property as part of the Option Agreement. History was done on this situation as the current staff did not know all of it.

This resolution involved a great deal of communication between RRHA staff, City of Richmond staff, and the commissioners. Most of the questions were from Commissioners Parker and Sties.

Question: *Is there a document that shows RRHA had an agreement or was it a conversation?*

Answer: RRHA acquired the property back in 1974 as part of the Fulton Redevelopment project. HUD put up two-thirds of the money and the City put up one-third. The City's portion was only supposed to be used for streets and infrastructure-related items. HUD money was used to acquire properties in the Fulton Redevelopment area. It was brought to RRHA's attention by the City's administration that Restaurantur, Inc. had exercised their five-year option. Apparently, the City Manager and/or the housing director at that time made an arrangement to include 4303 East Main Street. RRHA does not have any kind of documentation that supports this. RRHA did speak with some of the former staff who felt that there was no obligation by RRHA to repay any monies back to HUD, but that may need some additional investigation.

There is nothing that RRHA has been able to locate that specifically obligated RRHA to convey this parcel. There was no formal agreement. There is only a statement in the purchase/option agreement between the City and Restaurantur that the City would convey 4303 E. Main Street to Restaurantur. There is also a reference in the Memorandum of Understanding between the City and Restaurantur that the City would

convey, or have RRHA convey, 4303 E. Main Street to Restauranteur.

Question: *Could we use the full value of that property if we are going to sell it? And, if it is not used for the purpose that is stated, can RRHA get it back for whatever we sell it for?*

Answer: Incorporated into the resolution is a request that RRHA have the authority to enter into a written agreement with either the City or with Restauranteur for the transfer of the property. There is not a reversion clause.

The City's Real Estate Department contacted RRHA saying that RRHA needed to act on this within the 90-day time frame. It did not come from Restauranteur. That was when current RRHA staff was made aware of this situation for the first time.

Statements by the Board included "that the whole area is changing." They do not want RRHA "waltzing into a mine field." RRHA should have something from the Mayor or the City Council saying they would like RRHA to transfer this property.

Alicia Zatcoff from the City's Real Estate Department spoke to the issue. The City does not have documentation in their files from when the purchase option agreement was first drafted. The City did approach RRHA at that time to request the authorization of the Board to sell this property. It is in the purchase option agreement from 2004. Even without documentation, it can be inferred that was the intent of the City to include this parcel. The City does know that they want to include it as part of the agreement under the option. On June 10, 2009, the option was exercised by Restauranteur. They are moving forward with other obligations under the contract which comprise different time lines to obtain different permits, etc. included in Restauranteur's pre-closing obligations. The City is moving forward on its obligations now to sell the parcel. RRHA would be authorizing the parcel to be included in the transaction and to have the contract executed. The deal may not go through since the parcel must be used as a restaurant and there are a lot of hurdles that the company needs to cross.

Question: *Why would the City proceed when it did not have control to grant the option? Why should RRHA sell the property for less than one-fifth of the value?*

Answer: Ms. Zatcoff did not have an answer. Garland Curtis reported that RRHA looked at the assessed value of the three parcels and took into consideration that RRHA's parcel is going to be used for a parking lot and that the main building for the restaurant is going to have a 3101 Main Street

address. This site is undeveloped which means there might be some environmental or flood plain issues. Taking that into consideration, RRHA took the total acreage of the three parcels and what percentage RRHA's parcel represented (11.54%) and arrived at the \$83,665 figure that was mutually agreed to with the City.

It was noted that the number that the calculation of the 11.54% was based on was a 2004 assessment, not a 2009 assessment. There was discussion that the property should not be given away for \$84,000, especially since someone else promised RRHA would. The Board does not feel it is in the housing authority's best interests to proceed with the way this is structured because someone five years ago promised it. Garland Curtis replied that RRHA does not know what transpired between RRHA's Executive Director at that time and the City Manager.

Question: *When will RRHA have an answer as to what obligations RRHA may have in regards to this? Will the money be restricted?*

Answer: It will take HUD awhile to give RRHA an answer on that.

Question: *Where was the reference made that there was some discussion?*

Answer: In the Purchase Option Agreement, on the first page, first paragraph under Paragraph A.

Question: *There is no reference whatsoever that anyone from RRHA ever talked to the City. Is that correct?*

Answer: That is the understanding. That is correct.

Question: *To what does the 90-day time frame refer?*

Answer: Restauranteur has 90 days to close after they exercise their option: either the exercise of the option or getting their permits, whichever is later.

The following concerns were expressed:

1. The document has RRHA agreeing to something that happened five years ago for which RRHA has no documentation.
2. The purchase price is way below the value of the land.
3. The way the document is written, if RRHA were to accept it, RRHA would be agreeing to the purchase price and the RRHA Board would not see any further documentation of the process. Without a reversion clause, and knowing that what is going on in the area of the property is subject to change, there might be a better offer in the future. The Board would like to see the contract for sale come back to them to ensure there is a reversion clause in it so that RRHA does not relinquish the property only to find that someone else is going to build something not

currently being considered.

The City has not received any detailed plans from Restauranteur regarding their development plans. The Board wants to work closely with all aspects of the City administration, particularly in light of the Master Plan which was approved July 27, 2009. Ms. Zatcoff said the City would respond to the Board on all the inquiries raised.

Question: *Has this been submitted to HUD?*

Answer: There is no need to at this point. HUD only questions what is done with the proceeds. This is all under the Renewal project.

2 Motion: (Mims/Olds) Move to adopt Resolutions 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12.

Motion Carried – Harrigan Abstained

Closed Session

At 9:55 a.m., Commissioner Harrigan stated that it would be necessary to go into closed session to discuss an issue. Commissioner Parker read the following:

“I move that we go into closed meeting to consult with legal counsel and staff pertaining to actual or probable litigation or other specific legal mattering including the Alaida Jones and Adams Jones litigation as permitted by Section 2.2-3711(A)(7) of the Virginia Freedom of Information Act.”

3 Motion: (Parker/Sties) Move to go into a closed session.

Motion Carried Unanimously

Vice-Chair Marilyn Olds was absent from both the discussion and the vote.

Commissioner Parker 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.

The Certification was signed by all Board members.

The meeting officially reconvened at 10:45 a.m.

Additional Resolution

Agenda Item No. 14 – Resolution of the Richmond Redevelopment and Housing Authority to Approve the Settlement Agreement in the Alaida Jones and Adam Jones litigation, which was read and considered:

(09-37) BE IT RESOLVED that the Board of Commissioners approves the settlement of the lawsuit of Alaida Jones and Adam Jones and authorizes the Chief Executive Officer to execute a settlement agreement on terms satisfactory to the Chief Executive Officer.

4 Motion: (Mims/Beshah) Move to adopt Resolutions 14.

Motion Carried – Harrigan & Olds Abstained

Adjournment

5 Motion: (Parker/Sties) Move to adjourn.

Motion Carried Unanimously

There being no further business and upon unanimous vote, the meeting adjourned at 10:47 a.m.

Chairman

Chief Executive Officer/Secretary-Treasurer