

**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY  
BOARD OF COMMISSIONERS REGULAR MEETING**

**April 16, 2024  
8:30 a.m.  
227-27<sup>th</sup> Street, Newport News**

1. Pledge of Allegiance to the Flag of the United States of America
2. Roll Call
3. Consider approval of minutes of regular meeting, March 19, 2024.
4. Communications
5. New Business
  - a. Report on examination of Financial Statements for Year Ended June 30, 2023
  - b. Consider a resolution approving the Contract for Services between the NNRHA and City of Newport News for the administration of the HOME Investment Partnerships Program for PY 2023-2024
  - c. Consider a resolution authoring the continuation of the Authority Scholarship Program
6. Report to the Board
7. Closed session in accordance with the Virginia Freedom of Information Act, Code of Virginia, Section 2.2-3711
8. Consider adoption of resolution certifying a Closed Meeting in conformity with Virginia law.
9. Any other business to come before the Board.
  - Comments from the Public: (*Time Limit 3 Minutes*)
10. Adjournment

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
March 19, 2024**

Having duly given public notice, the Board of Commissioners of the Newport News Redevelopment and Housing Authority met at 227 27<sup>th</sup> Street, in the City of Newport News, Virginia, at 8:30 a.m. on Tuesday, March 19, 2024.

**Pledge of Allegiance**

Commissioner Black led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

**Roll Call**

The meeting was called to order by the Chairman, and those present were as follows:

Commissioners present: -

Lisa Wallace-Davis  
Thaddeus Holloman  
Kenneth Penrose (he left by 10:00am)  
William Black  
George Knight  
Barbara Holley  
Lou Call

Also present: Raymond H. Suttle, Jr.  
Kaufman & Canoles, P.C.

Karen R. Wilds  
Executive Director

Lysandra Shaw  
Deputy Executive Director

Valarie Ellis, Director  
Administrative Services

Lisa Dessoffy, Director  
Finance

Torkeesha Brooks  
Deputy Executive Assistant

Justin Orié – from NNRHA Board Room  
NNRHA IT Department

Tricia Wilson – via ZOOM  
City of Newport News, Department of Development

**Approval of Minutes February 20, 2024**

Commissioner Black moved that the minutes of the regular meeting of the Board of Commissioners held on February 20, 2024 be approved. The motion was seconded by Commissioner Knight and passed with a majority vote.

**Communications**

The following communications were provided to the Board and reviewed by the Executive Director. 1) On March 12, 2024 a letter was addressed to Ms. Wilds from the U.S. Department of Housing and Urban Development stating that on October 25, 2023, HUD published the Small Area Fair Market Rent (SAFMR) notice designating 41 new metropolitan areas where the program will be implemented on October 1, 2024. PHAs operating in the newly designated metropolitan areas will then have until January 1, 2025, in accordance with 24 CFR 982.503(b)(1)(i) to implement SAFMR-based payment standards. PHAs in designated SAFMR areas are required to use SAFMRs for their tenant-based HCV vouchers and may choose to apply SAFMRs to their Project-based Voucher (PBV) program, if applicable. HUD recognizes that PHAs located in a designated SAFMR area may incur additional, implementation-

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
March 19, 2024**

related administrative costs. On October 26, 2023, HUD published "Notice PIH 2023-07, Revision 1" which added a new category of special administrative fees for PHAs operating in newly designated SAFMR areas. Under the special fees, PHAs operating in the new SAFMR areas will receive \$10,000 to offset the administrative costs of transitioning to SAFMRs. Our PHAs is identified as operating in one of the newly designated SAFMR areas.

**New Business**

**Public Hearing  
Five Year Agency Plan  
and Annual Plan for 2024**

Dr. Davis announced a Public Hearing was being held to receive comments on the proposed Public Housing Agency plan for fiscal year 2020-2024 and submission of HUD form 50077-ST. A notice advertising the Public Hearing was posted in the lobby of the Authority at 227 27<sup>th</sup> Street, Newport News and appeared in the Daily Press on Sunday, January 28, 2024 and all the Public Housing rental offices and the occupancy office stating the draft Five Year Plan was available for public review at the Authority's office during business hours. The NNRHA staff met with the Resident Advisory Board on January 29, 2024 to present the draft plan.

No public comments or emails were made or received.

Commissioner Holloman made a motion to close the Public Hearing. Commissioner Knight seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of  
Commissioners of the  
Newport News  
Redevelopment and  
Housing Authority  
approving the Public  
Housing Agency Plans  
(Five Year Plan and  
Annual Plan for FY 2020-  
2024 and submission of  
HUD Form 50075-ST**

The Board had been provided copies of a resolution about the proposed Five-Year Agency Plan which includes the Annual Plan for FY 2024 along with the required attachments. The public housing Agency Plan is a comprehensive guide to our policies, programs, services offered to clients, operations and plans to assist with local housing needs. There are two parts to the PHA Plan, which are the Five Year Plan and the Annual Plan. The Five Year Plan describes the mission and goals of the Authority. The Annual Plan is a detailed review of all Authority operations along with the Capital Fund Program priorities. The Plan is required by the Department of Housing and Urban Development. The proposed plan covers the period 2020 - 2024 and includes an Annual Plan for FY 2024. The Agency Plan includes all updated requirements and the new Housing Opportunity Through Modernization Act (HOTMA) instituted by HUD. Ms. Wilds stated the new HOTMA income exclusions included retirement and education savings up to \$100,000. Our revisions also updated section 504 accommodation policies to address a section 504 conciliation agreement with HUD. The Agency Plan has to be submitted 75 days before the fiscal year, June 30, 2024 and it's due to HUD by April 14, 2024.

Commissioner Knight made a motion to approve the resolution. Commissioner Black seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**Public Hearing  
(Capital Fund Program FY24-  
FY28 Capital 5-Year Plan)**

Dr. Davis announced a Public Hearing was being held to receive comments on the proposed Capital Fund Program (CFP) FY 2024 - FY 2028 5-Year Plan. A notice advertising the Public Hearing was posted in the lobby of the Authority at 227 27<sup>th</sup> Street, Newport News and appeared in the Daily Press on Sunday, January 28, 2024 and at the NNRHA Wilbern building, as well as all Public Housing rental offices and the occupancy office stating the draft Five Year Plan was available for public review at the Authority's office at 227 27<sup>th</sup> Street, Newport News, Virginia during business hours. NNRHA staff met with the Resident Advisory Board on January 29, 2024 to present the draft plan.

No public comments or emails were made or received.

Commissioner Penrose made a motion to close the Public Hearing. Commissioner Knight seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of  
Commissioners of the  
Newport News  
Redevelopment and  
Housing Authority  
approving the Capital  
Fund Program 5-Year  
Plan FY 2024-2028**

The Board had been provided copies of a resolution about the proposed Capital Fund Program (CFP) FY 2024 - FY 2028 5-year plan. The Capital Fund Program 5-Year Plan is a detailed review of all planned PHA capital activities over 5 year duration. The activities address all current public housing properties and outlines plans to perform interior and exterior improvements and upgrades, long with anticipated RAD conversions. Ms. Shaw stated HUD requires for us to solidify a new plan every year. The 5 year annual plan for capital improvements includes: Aqueduct: Replace kitchen cabinets, countertops and appliances, sinks, range hoods, bathroom vanities

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
March 19, 2024**

fixtures, HVAC equipment, windows, water heaters, gutters, and stair treads in common areas, asphalt paving and restriping. Pinecroft – Kitchen cabinets, countertops and appliances, sinks, range hoods, corridor air handling units, floor tile replacement, HVAC, cooling towers, plumbing fixtures, asphalt paving and restriping. Ashe Manor – Replace roof, asphalt paving, restriping, kitchen cabinets, countertops and appliances. Marshall Courts – Planning exterior renovations including replacement of damaged cement board siding and trim, damaged windows, gutters, porch soffit, fascia board, asphalt paving, electrical upgrades, power washing, and painting.

NNRHA will submit the Capital Fund Program 5-Year Action Plan for fiscal years 2024- 2028 in accordance with NNRHA and the Department of Housing and Urban Development policy for approval by HUD.

Commissioner Knight made a motion to approve the resolution. Commissioner Black seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of Commissioners of the Newport News Redevelopment and Housing Authority approving the sale of 814, 818, 820, 822 & 824 24<sup>th</sup> Street, Newport News, VA**

The Board had been provided copies of a request from Habitat for Humanity Peninsula and Greater Williamsburg to transfer four single family residential lots owned by Newport News Redevelopment and Housing Authority for the purpose of building four single-family homes for lower to moderate-income first time home buyers. The subject lots are located at: 814, 818, 820-822 & 824 24<sup>th</sup> Street. All transfers will be subject to sales and development agreements and will include HOME program regulatory provisions and will be reviewed by NNRHA legal counsel.

Commissioner Holloman made a motion to approve the resolution. Commissioner Knight seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of Commissioners of the Newport News Redevelopment and Housing Authority approving the Choice Neighborhood II Permanent Financing Loan**

The Board had been provided copies of a resolution regarding the Choice Neighborhood II permanent financing loan. The NNRHA, the Development Corporation for the referenced project and Pennrose Development need to close on the permanent financing for the Choice Neighborhood II development, known as Lift and Rise II. Permanent financing is through Citibank (Citi), the Virginia Housing Trust Fund (VHTF) and the Virginia Department of Housing and Community Development (DHCD) through the National Housing Trust Fund (NHFT) and other financing resources. The Authority is making a loan to Choice II in the approximate amount of \$700,000 (the sponsor loan) to be funded from funds provided by VHDA and VHCD through VHTF and NHFT (the deferred loan). Mr. Suttle stated that the sponsor loans have to be funneled through NNRHA based on the tax structure. Conversion closing will occur in late May.

Commissioner Knight made a motion to approve the resolution. Commissioner Holloman seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**The Board of Commissioners of the Newport News Redevelopment and Housing Authority authorizing the Executive Director to enter into a contract for services with the City Newport News for the administration of the Community Development Block Grant (CDBG) Program for 2023-2024**

The Board had been provided copies of a resolution for the Executive Director to execute contracts for services between the City of Newport News and the Newport News Redevelopment and Housing Authority (NNRHA) for the administration of the Community Development Block Grant (CDBG) for the 2023-2024 fiscal years. The City Council approved the Consolidated Plan for Housing and Community Development and the Annual Action Plan May 23, 2023 and the documents were submitted to the U.S. Department of Housing and Urban Development (HUD). The plan included CDBG assistance to several non-profits to carry out eligible activities. The contract outlines specific programs for which the Authority has administrative and program responsibilities and programs the Authority undertakes as a sub-recipient to the City which include housing rehabilitation, acquisition of real property and commercial loan activities. The 2023-2024 Annual Action Plan (AAP) budget for CDBG activities consists of \$1,278,265 and expected program income of \$130,000, for a total of \$1,417,370. In preparation for the 2023-2024 Annual Action Plan update, two public meetings were held by NNRHA's Community Development and City staff on December 6, 2022 and April 20, 2023. Ms. Wilds stated the City Manager had already signed the contract.

Commissioner Black made a motion to approve the resolution. Commissioner Holloman seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
March 19, 2024**

**Report to the Board**

A Report to the Board for March, 2024 had been provided to the Commissioners. A copy of the subject report is on file in the office of the Executive Director.

Ms. Shaw summarized the Community Development Department report in the absence of Mr. Staley.

The City of Newport News received a total of 20 applications for CDBG 2024/2025 program funding. The applicant pool included 14 non-profit organizations, the City of Newport News and NNRHA. All funding recommendations are tentative until HUD releases the determination of PY2024-2025 grant fund allocation amounts to be awarded to the City of Newport News.

NNRHA received \$2M in SPARC funding from Virginia Housing. This source of funding is available to assist first time homebuyers by buying down the mortgage rate by 1%. NNRHA has received 12 SPARC applications, thus far. The expenditure deadline for the SPARC funds is June 30, 2024.

NNRHA's Rehabilitation Program has received a total of 25 applications since July 2023. The cases are in various stages of being reviewed. The HOME Down Payment Assistance Program has received 13 DPA applications for the fiscal year.

Ms. Shaw provided a summary of the Redevelopment and Capital Fund Projects. The demolition of 88 units at Marshall Courts Phase VII will soon be underway. Hazardous materials test results, analysis, and hazardous material removal specifications will be provided later this month. The Marshall Courts HVAC system has been replaced. The renovation of Orcutt Townhomes, is approximately 40% complete. The Southeast Family Project received final project estimates and work schedules are being prepared by the General Contractor for the project. Future capital projects, NNRHA has received estimates for exterior repairs and improvements for Marshall Courts Apartments. Scope of work but is not limited to: power washing, painting, repair and replacement of damaged cement board siding and trim, electrical meter base improvements and replacement of damaged windows and gutters. There are 6 parking lot repaving projects that will be completed in 2024 at the following locations: Wilburn Building, Ashe Manor Apartments, Pinecroft Apartments, Aqueduct Apartments and Marshall Courts. An investigation was completed of the Pinecroft sewer lines. It was found we don't need to reline the sewer line. Instead, the sewer lines will be descaled and cleaned.

Marshall-Ridley Residential Façade Program received \$2.1M from the City to provide up to \$20,000 per property for façade repairs. Thus far, a total of 31 residents have been assisted and 14 were not eligible.

Ms. Shaw introduced our new CNI Project Manager, Kimberly Harrell to the NNRHA Board Committee. She started with us last month. Ms. Harrell previously worked for the City of Newport News and she has experience as Project Manager. Welcome to the team Ms. Harrell.

Ms. Shaw reported CNI. The Lift and Rise is still at 100% occupancy. Choice Neighborhood III-R construction is approximately 75% complete. Choice Neighborhood IV-R construction is approximately 55% complete. The infrastructure is approximately 75% complete and the Wellness Trail is approximately 12% complete. The Downtown Phase located at 28<sup>th</sup> and Washington Ave. is in a pre-development stage. NNRHA met with Pennrose last week about how to move forward with the design process and initiating a virtual design charette. Urban Strategy Inc. (USI) continues to work with families. A total of 197 families were assessed, and ongoing outreach activities were conducted to provide family supportive services.

Ms. Dessoify reported about finalizing the annual audit for HUD and it is due by March 31, 2024. She is working with the auditor on the tax credit audits for our LLCs. This should be completed by the end of March 2024.

Ms. Ellis reported on Community Resources. Currently there are 6 students that have successfully applied for the VAHCDO scholarship, two were awarded. This past Fall, Spratley House residents prepared their garden and planted kale and collard plants; and the garden now looks great.

Ms. Wilds mentioned that an offer was made and accepted for the Director of Housing of Operations position, Tera Lockley will start next week.

Ms. Wilds stated the City had a street and place naming contest; results will be announced soon.

**Minutes of a Meeting of the  
Newport News Redevelopment and Housing Authority  
March 19, 2024**

**Closed session**

Mr. Black moved for the Board to go into a closed session in accordance with the Virginia Freedom of Information Act, Virginia Code Section 2.2-3711A(1) personnel matters and (7) consultation with legal counsel regarding actual or probable litigation.

Coming out of closed session Dr. Davis asked for a motion to certify that only public business matters lawfully exempted from open meeting requirements by Virginia Law and only those matters as identified in the motion were discussed in the closed meeting, today.

Mr. Holloman requested approval of the resolution certifying adherence to the Virginia Freedom of Information Act. The motion was seconded by Mr. Black and passed with a unanimous vote.

**Other Business**

**Adjournment**

There being no other business to come before the Board, the Chairman adjourned the meeting at 10:14 a.m.

\_\_\_\_\_  
Secretary-Treasurer

**ITEM NO. 4**

**COMMUNICATIONS**



**PUBLIC HOUSING  
AUTHORITIES DIRECTORS  
ASSOCIATION**

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# President's Forum: HUD Budget Raises Major Concerns

## Robs Peter to Pay Paul



PHADA President  
Mark Gillett.

PHADA has reported on President Biden's FY 25 budget request in recent editions. Below, I focus on two important aspects, which we believe are misguided. The association feels they set a bad precedent, run counter to prudent business practices, and would penalize well-run housing authorities.

All federal agencies including HUD face difficult budget challenges in FY 25. The Fiscal Responsibility Act holds domestic discretionary spending to current levels with little room for even inflation adjustments. As a result, the Administration's proposal relies on gimmicks that involve capturing or offsetting reserves to backfill public housing funds and voucher renewals. In short, the Department uses a *Rob Peter to Pay Paul* approach in some parts of its proposed budget.

### Public Housing Operating Fund

It is important to note that operating funds are based on a negotiated rule and the Harvard Operating Fund Cost Study that is benchmarked to private nonprofit operating costs. The Department claims its budget request would fund HAs at 90 percent of their formula eligibility. Almost \$200 million that would normally be allocated under the formula would instead go to other HAs in shortfall situations. We have suggested that HUD request supplemental funding for those agencies. While we appreciate the President's request to increase the shortfall account, it should not be explicitly tied to underfunding the public housing operating budget.

The Department's proposal could make things worse for even more of us. About one in five HAs continue to have difficulty collecting rents, with HUD noting these agencies are "severely impacted" by abnormally high Tenant Accounts Receivable (TARs) that trace back to the pandemic. Ironically, the



Department itself acknowledges that its plan will put more HAs closer to fiscal insolvency. *“HUD estimates that, due to the projected 90 percent proration, there will be increased shortfall need compared to prior years,”* states the budget.

## **Reserves Are Not “Extra” Money**

Adequate operating reserves are essential to any prudent business operation, including those we administer. This is especially true in an environment of rising maintenance costs, salary and retention expenses, skyrocketing insurance rates, OPEB, higher TARs levels, utility cost increases, and the onslaught of HUD regulations and associated training costs. Contrary to what some in Washington assert, reserves are not “extra” funds. They serve a vital purpose for agency and program stability and sustainability.

In addition to driving more HAs into shortfall situations, there are other negative impacts on HAs and their residents stemming from this proposal. Some HAs will see declining PHAS and SEMAP scores through no fault of their own. This in turn hurts their standing in the community. Future RAD deals may be jeopardized because the rents are based on operating and capital funding, which will now be even more inadequate.

Well-run agencies have used sound fiscal management and judgment to accumulate needed reserves—they should not be penalized for their effective stewardship. Similarly, many Moving to Work (MTW) agencies have designated plans for reserves (development, preservation, etc.) to meet local housing needs.

HUD and Congress have long advised HAs to act more entrepreneurial. The Administration’s plan undermines those stated goals. HAs need their reserves to weather the present storm and/or create more innovative affordable housing programs.

## **The Housing Choice Voucher Account**

HUD is taking a similar approach in the HCV part of the budget. Renewal funding relies on the recapture of nearly \$1 billion of HAP reserves. As we all know, voucher program costs are increasing rapidly. In fact, renewal requirements have grown by about 40 percent in the last half-decade.

Over the past year, HUD strongly encouraged my housing authority—and many of yours—to aggressively lease-up, raise payment standards, and fully utilize our voucher funds. We understand the rationale, but such a strategy can be precarious with Congress constantly delaying budget approval under lingering threats of government shutdowns. Our agency maximized the usage of our funds and came quite close to a shortfall situation, which could have created problems for us (and other HAs in their own communities). The FY 25 proposed budget would likely place more of us in this same kind of difficult situation.

There are other uncertainties and concerns. About \$6 billion of the proposed renewal funding is categorized as “emergency” to avoid strict budget caps. It is assumed Congress, or the next session of Congress will continue to support this approach to renewal funding. Is that a safe assumption?

In addition, while the Department aggressively pushes HAs to lease up, it is not requesting sufficient administrative funds to run the program. For that matter, HUD has instituted some policies that many believe will result in the loss of more private owners (NSPIRE V and the 30-day notice rule), further hindering our ability to serve eligible families. HUD’s lack of transparency regarding inflation factor formula changes also creates more uncertainty for our operations.

The pressure on HAs to expand lease-up, spend reserves, and adopt payment standards to increase housing options—combined with the potential recapture of HAP reserves—undermines our ability to effectively plan and manage in the context of a tenuous budget outlook.

## Conclusion

The HUD plan creates a “moral hazard” for HAs because it encourages risky and even irresponsible agency behavior. In light of the foregoing, our message and request of Congress is: **do not balance the HUD budget using needed reserves. They are crucial for well-run HAs in today’s environment of uncertainty and rising costs.**



Not a PHADA  
Member?  
**JOIN  
NOW!**

> Click to Apply

**ITEM NUMBER 5**

**New Business**

- a. Report on examination of Financial Statements for Year Ended June 30, 2023
- b. Consider a resolution approving the Contract for Services between the NNRHA and City of Newport News for the administration of the HOME Investment Partnerships Program for PY 2023-2024
- c. Consider a resolution authoring the continuation of the Authority Scholarship Program

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**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**

**MEMORANDUM**

**DATE:** April 10, 2024  
**TO:** All Members, Board of Commissioners  
**FROM:** Karen R. Wilds, Executive Director *KRW*  
**SUBJECT:** Report on Examination of Financial Statements for the Year Ended June 30, 2023

Attached is a copy of the Financial Statements and Report of Independent Auditor prepared by the accounting firm of CliftonLarsenAllen LLP for the Authority's year ending June 30, 2023.

I am pleased to advise you that this is an unmodified opinion for the financial statements. For the Housing Voucher Cluster Federal awards, the opinion is qualified due to identified material weaknesses and significant deficiencies.

There were six programmatic findings related to the Low-Rent Public Housing Eligibility, Section 8 Project-Based Cluster Eligibility, and the Housing Choice Voucher Program Cluster related to eligibility, HQS Inspections, reasonable rent calculations, and HUD-50058 PIC submissions.

Significant deficiencies in internal control over compliance, material weakness and material noncompliance (Modified Opinion) were noted in the programs. Required documentation to support the eligibility determinations, inspections, rent determinations, and PIC submissions were not maintained in several of the tenant files reviewed.

Gaby Miller, a Director in the firm, will attend our Board meeting to do a brief presentation and respond to any questions you may have about the audit.

In the meantime, if there are any questions, please contact me or Lisa Dessoffy.

**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**

**MEMORANDUM**

**DATE:** April 5, 2024

**TO:** All Members, Board of Commissioners

**FROM:** Karen R. Wilds, Executive Director *KRW*

**SUBJECT:** Contract for Services between the NNRHA and City of Newport News for the administration of the HOME Investment Partnerships Program for PY 2023-2024

Attached is a resolution authorizing the Executive Director to execute contracts for services between the City of Newport News and the Newport News Redevelopment and Housing Authority for the administration of the HOME Investment Partnerships (HOME) for the 2023-2024 program year. The City Council approved the Consolidated Plan for Housing and Community Development and the Annual Action Plan on May 23, 2023 and authorized the City Manager to execute contracts with NNRHA.

The City of Newport News' Consolidated Plan for Housing and Community Development is a planning requirement of the U.S. Department of Housing and Urban Development (HUD) for the receipt and use of Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. As a recipient of these funds, the City is required to prepare a long-range consolidated plan that identifies housing, community and economic development needs and determines priorities, establishes strategic goals and allocate resources for programs funded by HUD and administered by the City. The Authority administers the both programs of behalf the City of Newport News under separate contract agreements.

The overall objective of the HOME program is to expand the supply of safe, decent, and affordable housing in the community. This encompasses a wide range of activities including building, buying, and rehabilitating affordable housing for rent or homeownership down payment assistance to low-income people. The HOME program also helps to expand the capacity of non-profit, Community Housing Development Organizations (CHDOs).

The 2023-2024 HOME budget consists of \$858,556 in entitlement funding from the Department of Housing and Urban Development (HUD) and \$140,000 in estimated program income for a total of \$998,556. Administrative costs are set at 10% of the total HOME budget and at least 15% of funds must be set aside for specific activities to be undertaken by an approved CHDO.

In preparation for the 2023-2024 Annual Action Plan update, three public meetings were held by NNRHA's Community Development and City staff: December 6, 2022 and April 20, 2023. The Annual Action Plan was submitted to HUD and has been approved

Board approval of the attached resolution is recommended in order to continue important community development initiatives in the City of Newport News. The Board's action will allow the Executive Director to carry out the activities outlined in the executed agreements subject to HUD's formal approval.

The Contracts outline specific programs for which the Authority has administrative and program responsibilities. Attorney Suttle has reviewed and approved the Contracts.

Board approval of the attached resolution is recommended to continue important community development initiatives in the City of Newport News.

Attachment

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY  
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A  
CONTRACT FOR SERVICES BETWEEN THE CITY OF NEWPORT  
NEWS AND THE NEWPORT NEWS REDEVELOPMENT AND  
HOUSING AUTHORITY TO ADMINISTER THE PROGRAM YEAR  
2023-2024 HOME INVESTMENT PARTNERSHIPS PROGRAM**

**WHEREAS**, it is anticipated that the Department of Housing and Urban Development (HUD) will provide the City of Newport News HOME Investment Partnerships (HOME) entitlement funds in the amount of \$858,556 for the program year ending June 30, 2024 to carry out eligible HOME activities; and

**WHEREAS**, additional funds in the amount of \$140,000 in HOME estimated program income will be available as part of the HOME program; and

**WHEREAS**, the City Manager is authorized to execute a contract with the Newport News Redevelopment and Housing Authority to administer the HOME program as approved for PY 2023-2024; and

**WHEREAS**, the Board's action will allow the Executive Director to carry out the activities outlined in the executed agreements; and

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of the Newport News Redevelopment and Housing Authority that the Chairman or Secretary-Treasurer is authorized to execute a Contract for Services between the City of Newport News and the

Newport News Redevelopment and Housing Authority for the HOME Investment Partnerships program subject to the City Manager's signature.



## NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY

## MEMORANDUM

**DATE:** April 9, 2024

**TO:** All Members, Board of Commissioners

**FROM:** Karen R. Wilds,  
Executive Director

**SUBJECT:** Continuation of Authority Scholarship *KRW*

The attached resolution provides for the continuation of the NNRHA scholarship program for our Public Housing residents and Housing Choice Voucher program participants. Since 1989, we have been able to provide two scholarships annually in the amount of \$1,000 each for four years to graduating seniors or others who wish to pursue higher education who reside in public or assisted housing. These two scholarships are awarded each year at the Scholarship Banquet along with those supported by our private scholarship donors. Last year, a total of twelve (9) scholarships were awarded to our public housing residents and Section 8 clients. This year's banquet will be held at the Downing- Gross Cultural Arts Center on May 22<sup>nd</sup> at 5:00 p.m.

Funds are available to continue this program with two scholarships for 2024 and adoption of the resolution is recommended.

**RESOLUTION OF THE NEWPORT NEWS REDEVELOPMENT AND  
HOUSING AUTHORITY AUTHORIZING CONTINUATION OF A  
SCHOLARSHIP PROGRAM**

**WHEREAS**, on February 26, 1980, the Board of Commissioners of the Newport News Redevelopment and Housing Authority authorized a scholarship be awarded to a public or assisted housing resident; and

**WHEREAS**, said scholarship was determined to be in the amount of ONE THOUSAND DOLLARS (\$1,000) per year for four years provided the recipient maintains satisfactory scholastic averages and complies with the rules and regulations of their institution of higher learning; and

**WHEREAS**, on January 17, 1989, the Board of Commissioners authorized an additional scholarship in the amount of ONE THOUSAND DOLLARS (\$1,000) per year for four years provided the recipient maintains satisfactory scholastic averages and complies with the rules and regulations of their institution of higher learning;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Newport News Redevelopment and Housing Authority that the award of two such scholarships in accordance with the established guidelines is hereby authorized and approved.

April 9, 2024





# REPORT TO THE BOARD

NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY

## April 2024

The mission of the Newport News Redevelopment & Housing Authority (NNRHA) is to create affordable housing, viable neighborhoods, and opportunities for self-sufficiency that enhance the quality of life for all citizens of Newport News.

### CONTENTS

Community Development	Page 1
CNI	Page 3
Wait List Data	Page 4
Family Self Sufficiency	Page 7
Finance	Page 8





## **BOARD OF COMMISSIONERS**

**Lisa Wallace-Davis – Chairperson**  
**Thaddeus Hollomon – Vice Chairman**

**William Black**  
**Kenneth Penrose, Jr.**  
**George Knight**  
**Lou Call**  
**Barbara Holley**  
**Raymond Suttle, Jr., Attorney**

## **STAFF**

**Karen R. Wilds, Executive Director**  
**Secretary-Treasurer**  
***Kayonia M. Betts, Assistant Secretary-Treasurer***

**Lysandra Shaw, Deputy Executive Director**  
**Valarie Ellis, Director of Administrative Services**  
**Lisa Dessoffy, Director of Finance**  
**David Staley, Director of Community Development**

# COMMUNITY DEVELOPMENT

## Community Development Block Grant (CDBG)

The preparation of the Annual Action Plan for PY 2024-2025 is underway. As of March 31st, HUD has yet to determine the City's PY 2024/2025 CDBG allocation amount.

### Sponsoring Partnerships & Revitalizing Communities (SPARC)

Virginia Housing awarded NNRHA with \$2 million in SPARC funding. The SPARC program allows those buyers utilizing a Virginia Housing loan product to buy down their interest rate by 1%. With the addition of SPARC funding, we are able to expand our reach and offer Down Payment Assistance to qualified buyers. The program year for SPARC funding began July 1, 2023 and ends June 30, 2024. SPARC allocations are approved on an annual basis. NNRHA has received and processed 12 SPARC applications.

<b>Total Housing Rehabilitation Activity for Fiscal Year July 1, 2023 – June 30, 2024</b>	
	Residential Repair Program
Projects Completed	18
Projects in Underwriting	17
Projects Pending Approval	1
Projects Ongoing	2
Projects Denied	13
<b>Total</b>	<b>51</b>

<b>New Housing Rehabilitation Applications for March 1, 2024 - March 31, 2024</b>	<b>Total New Housing Rehabilitation Applications Received for July 1, 2023 - June 30, 2024</b>
4	29

## REDEVELOPMENT

NNRHA administers the Citywide, Down Payment Assistance Program for first-time homebuyers through the HOME Investment Partnerships Program (HOME). This program assists eligible first-time homebuyers in purchasing a home in the City.

<b>Down Payment Assistance (DPA)</b>					
<b>Fiscal Year: July 1, 2023 – June 30, 2024</b>					
(Completed)	Denied	Pending Additional Documentation	Current Month (Completed)	Underwriting in Process	Withdrawn
3	5	3	2	3	1

<b>New DPA Applications March 2024</b>	<b>Total New DPA Applications Received for July 1, 2023 – June 30, 2024</b>
3	15



## CAPITAL ACTIVITY

### Marshall Courts Phase VII Demolition of 88 units

We are awaiting the final test results from Marine Chemist in order to finalize the documentation that will be needed to prepare the demolition bid package and solicitation for a general contractor to perform the work.

### Marshall Courts - Administrative Office – HVAC Replacement

Staff is in the process of moving back into the administrative building. The system will continue to be monitored in the upcoming weeks to make sure that everything is functioning as needed.

### Orcutt Townhomes I

The renovation for Orcutt Townhomes I is 62% complete. At this time, condensing units are being set on 35th St. Painting continues on both sides of 34th St. Siding continues along 33rd St. Bathroom fixtures are getting installed and handrails for the accessible units are in the staging process. Work is progressing on schedule.

### Southeastern Family Project 2351 Terminal Avenue

The final renovation estimate that the General Contractor has prepared is currently under review by Matt Burton and NNRHA staff. Once the review is complete along with any modifications, the Hampton-Newport News Community Services Board will initiate their relocation plan for the residents of the building.

## Future Capital Projects

The proposal from Centennial Contractor's Inc. for the first phase of Marshall Courts Apartments exterior renovations has been approved.

Contracts for paving projects to include the Wilburn Building, Ashe Manor Apartments, Pinecroft Apartments, and Marshall Courts Apartments are being finalized. A paving project for Aqueduct Apartments is currently in the estimating phase.

### **Marshall-Ridley Residential** **Facade Program**

The Marshall-Ridley Residential Facade Program is a \$2.1 million dollar grant program to assist owner occupied homeowners in the Choice Neighborhood Initiative area with exterior home improvements. The grant allows for exterior improvements up to \$20,000 for each property. A total of 113 applications were received and 58 have been processed and are currently at varying stages as indicated in the chart below.

<b>Marshall-Ridley Residential</b> <b>Facade Program Activity</b>	
Total Applicants	113
Finance Review	58
Inspected	44
Codes Review	44
Contract Pending	6
Contracted	1
Completed	31
Not Eligible	14



## **CHOICE NEIGHBORHOOD INITIATIVE (CNI)**

### Lift and Rise on Jefferson

Currently, the Lift and Rise complex operates at 98% occupancy, comprising two buildings, 2700 and 2800. Presently, two units are available for lease in the 2700 building, while all residential units in the 2800 building are fully occupied.

### Former Ridley Place Site- (12<sup>th</sup>-18<sup>th</sup> Street between Jefferson and Ivy Ave)

There are two phases of work Ridley III-R and Ridley IV-R. CNI III-R

The construction project has reached approximately 80% completion, with progress being made across various fronts. Adjustments to the schedule have been made for the corner porch foundation work, now slated for completion by the end of May.

In the mixed-use building, storefront installation is ongoing, the elevator has been delivered, and siding is nearing completion. In Buildings A-C, preparations for cabinetry, tile, MEP trim outs, and stair railing installations are underway, alongside finishing touches on siding and window trim.

Site work progresses with sidewalk installation throughout CN III and topsoil placement behind Building A.

### CNI IV-R

The construction project is approximately 60% completed. Sitework includes tasks such as installing water mains, asphalt, and lane closures for a 60-inch storm crossing. Roof drains for buildings N-P have been completed. Building E is undergoing interior painting and siding installation, while Building F is in the sheetrock installation phase. Buildings G, H, and J are finishing rough-ins and insulation. Buildings K, L, N, and P are completing framing and rough-ins. Building M is having its roofs shingled while zip tape and rough-ins continue.

Building D is on standby due to the relocation of overhead power and removal of existing underground utilities. Efforts are being made to accelerate the completion date for Building D.

Infrastructure is approximately 80% construction completed.

Wellness Trail 12% construction completed.

### Downtown Phase 28<sup>th</sup> and Washington

The project is currently in its pre-development phase, with Penrose ready to kickstart the architectural design process with WRT Architects. In collaboration with NNRHA, Penrose intends to host a virtual design charrette to actively engage citizens in the planning process at this crucial stage. This inclusive approach ensures that community input is integrated into the design, aligning with the project's goal of creating a development that meets the needs and preferences of local residents. By involving stakeholders early on, Penrose and NNRHA aim to foster a sense of ownership and collaboration, laying a solid foundation for the successful implementation of the project.

### Urban Strategies, Inc.

During the reporting period, Urban Strategies, Inc. (USI) has assessed 199 families and continues to provide family supportive services through outreach efforts. A significant development this month includes the hiring of an Outreach Specialist by USI's Newport News team, enhancing support for families. The new specialist, a resident of Marshall Ridley, has effectively engaged families, leading to the assessment of 2 new families.

In terms of community initiatives, USI, in collaboration with NNPS, has enrolled 10 youths in a spring STEM-based youth enrichment program. Old Dominion University has reserved program spaces for Marshall Ridley youth, while the City of Newport News is contributing meals.



USI underscores the significance of housing stability for economic mobility. Notable achievements during this period include a household member securing a job paying 60% above the state minimum wage, which advances their goal of homeownership. Additionally, another member graduated from high school with certifications from Youth Build, positioning them for higher-paying employment opportunities.

**PUBLIC AND ASSISTED HOUSING OCCUPANCY REPORT**

<b>Total Waiting List Applications</b>	
Public Housing	1527
Approved/Eligible	15
Pending	1512
Housing Choice Voucher	330
Approved/Eligible	90
Pending	240

The pending numbers for the Public Housing Program (1512) and the Housing Choice Voucher Program (240) present the total number of applications being processed for eligibility for housing assistance. Some of these families will be determined to be ineligible based on income, landlord references or criminal activity. Therefore, these numbers may fluctuate each month.

<b>New Applicants Housed</b>	
Public Housing Program	8
Housing Choice Voucher	13
Mod-Rehab (SRO)	1
<b>Total</b>	<b>22</b>
<b>Occupancy Statistics:</b>	
Public Housing Program	97%
Housing Choice Voucher Program	95%
Mod-Rehab Program (Warwick SRO)	96%
Mod-Rehab (Warwick SRO)	84
Avg. # Leasing Days (PH)	23
Avg. Rent for Move-Ins (PH)	\$329

New Mod-Rehab (SRO) participants	\$25
Total Public Housing	799
Housing Choice Vouchers	2,936
Lease Rate – March 2024	95%

<b>Average Family Rent Contribution for Move-ins Last Month:</b>	
Public Housing	\$329
Housing Choice Voucher	\$206
Warwick SRO	\$25
Cumulative Percentage of Section 8 Budget Authority Utilized Mar 2024	95.2%

**FAMILY INVESTMENT CENTER (FIC) ACTIVITIES**

<b>EMPLOYED F.I.C. PARTICIPANTS</b>	
<b>March 2024</b>	
<b>(since 1995)</b>	
<b>Aqueduct</b>	<b>124</b>
<b>Ashe Manor</b>	<b>0</b>
<b>Brighton</b>	<b>46</b>
<b>Cypress Terrace</b>	<b>24</b>
<b>Dickerson Courts</b>	<b>185</b>
<b>Harbor Homes</b>	<b>126</b>
<b>Lassiter Courts</b>	<b>95</b>
<b>Marshall Courts</b>	<b>181</b>
<b>Orcutt Homes</b>	<b>28</b>
<b>Orcutt Townhomes</b>	<b>10</b>
<b>Oyster Point</b>	<b>23</b>
<b>Ridley Circle</b>	<b>383</b>
<b>Housing Choice Voucher</b>	<b>72</b>
<b>Sprately House</b>	<b>2</b>
<b>Pinecroft</b>	<b>7</b>
<b>Total</b>	<b>1,306</b>



**HOMEOWNERSHIP PROGRAM**

**196** Housing Choice Voucher and Public Housing clients have completed their goal of homeownership as follows:

FSS		
Housing Choice Voucher Families-FSS	69	\$6,675,318
Public Housing Families/FSS	56	\$5,852,540
HCV-V Homeownership	71	\$11,909,922
<b>Total</b>	<b>196</b>	<b>\$24,443,780</b>

**COMMUNITY RESOURCES • Resident Relations • Senior Resident**



**Seniors Feeling "Hoppy" That Easter is Coming**

Residents at Spratley House, Ashe Manor, and Pinecroft Apartments enjoyed the Easter craft that the Newport News Public Library's Outreach Department prepared for them this month. It was an excellent opportunity for residents to socialize, be creative, and take home something that they can be proud of.

**Other Events in March:**

**Serve the City (STC):** STC volunteers visited Ashe Manor and Spratley House in March. They provided games, snacks, and fellowship. Residents look forward to their visit every month.

**Jencare Senior Medical Center:** Rita Council, Jencare, provided musical bingo with prizes at Spratley, Ashe, and Pinecroft.

**Virginia Cooperative Extension's 'My Plate'** nutrition program, led by Sherry Bazemore, Nutrition Educator, continued its successful run with another engaging recipe demonstration at Spratley House. This series, which has been well-received by the residents, will continue in April.

**NNRHA Community Resources VAHCDO Scholarship Opportunity for NNRHA Residents**

NNRHA has been promoting the 2024 VAHCDO Scholarship to high school senior residents. VAHCDO provides scholarship opportunities to foster the higher education aspirations of public and Section 8 assisted housing students. The Community Resources Team has been working hand in hand with these residents to ensure the best possible outcome, which is for them to receive financial assistance to help relieve some of the burden of student loans. Currently, six students have successfully applied for the scholarship.

Scholarships are more than just financial aid. They are a gateway to a brighter future, offering students the chance to minimize debt, excel academically, and open doors to rewarding career opportunities. VAHCDO scholarships creates a pathway for deserving low-income students to access higher education.

We are pleased to announce that out of the



six residents who applied, two have been selected. Congratulations to Teniyah Corprew of Aqueduct Apartments and Tah'Jay Underwood of Marshall Courts. These young ladies have persevered and shown great ambition and potential.



Teniyah Corprew is currently attending Achievable Dream High School and maintains a 3.1 G.P.A. She plans to attend Regent University in the fall and major in Human Resource Management.



Tah'Jay Underwood is a dedicated student at Heritage High School with a solid 3.2 GPA. Her passion lies in animation, and she is determined to pursue her studies at the College for Creative Studies.

## 2024 Black Family Expo

The Community Resources team participated in the 2024 Black Family Wellness Expo, hosted by Gaylene Kanoyton Events. Connecting with vendors and partners who were passionate about promoting health and wellness in the Black community was inspiring. The expo was teeming with individuals and organizations dedicated to empowering and uplifting our community, from fitness experts and nutritionists to mental health advocates and holistic wellness practitioners.

In addition to individual interactions, the expo provided a platform for meaningful conversations about health disparities, access to healthcare, and holistic well-being within the Black community. The panel discussions and workshops were thought-provoking and informative, shedding light on crucial issues and sparking ideas for collaborative solutions.

The expo underscored the power of community and collaboration in advancing our collective wellness, and we were privileged to have been part of such a transformative event.



**Other NNRHA Controlled Multi-Family Properties  
Waiting Lists as of March 2024**

<b>Property</b>	<b>Occupancy Rate</b>	<b>Approved/Eligible</b>	<b>Pending</b>	<b>Total</b>
Orcutt Townhomes III	Converting to RAD			
Cypress Terrace	96%	10	19	29
Oyster Point/Brighton	96%	10	43	53
Great Oak	96%	119	236	355
Lofts on Jefferson	85%	0	45	45
Jefferson Brookville	98%	3	15	18
Lassiter Courts	98%	23	184	207
Spratley	96%	0	51	51

**FAMILY SELF-SUFFICIENCY (FSS)**

The following is a current breakdown of the status of FSS participants in the Public Housing and Housing Choice Voucher Programs for the month of March 2024.

<b>Participants</b>	<b>Public Housing</b>	<b>Housing Choice Voucher</b>	<b>TOTAL</b>
<b>Total</b> number in FSS Program	32	101	<b>133</b>
Employed	16	82	<b>98</b>
Currently not working	13	14	<b>27</b>
Attending Thomas Nelson Comm. College	0	1	<b>1</b>
Attending Christopher Newport Univ.	0	0	<b>0</b>
Enrolled in NNRHA Computer Training/GED	0	0	<b>0</b>
Enrolled in other Training Programs	1	2	<b>3</b>
Employed and going to school	2	2	<b>4</b>
Total Number of participants with escrow accounts	9	57	<b>66</b>

**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**  
**2024 Housing Choice and Mainstream Voucher Program Utilization Report - Actual**  
**For the Year Ending December 31, 2024**

CY Housing Choice 2024 Annual Budget Authority	\$ 27,725,484	Estimate - 100% provision
Housing Choice Voucher Funding	<u>\$ 27,725,484</u>	
Mainstream Voucher Program Funding	\$ 1,145,876	Estimate - 100%
Emergency Housing Voucher Program Funding	\$ 173,678	Estimate - 100%
HCV Units	2507	
VASH units	54	
CNI tenant protection	247	
Marshall tenant protection	40	
Warwick SRO - RAD2	88	
Baseline HCV count	2936	
Mainstream Vouchers	141	
Emergency Housing Vouchers	32	
Total Vouchers	<u>3109</u>	

Month	# of Vouchers Utilized	Lease Rate	HAP Payments to Landlords	Avg HAP	Monthly +/- Dollar Utilization	Monthly Amount of Funding Utilized	Year to Date Amount of Funding Utilized	Funding From HUD	Fraud Recovery	Other Sources Of Funds	NNRHA Held Reserve Balance	HUD Held Reserve Balance
January	HCV 2747 MS 132 EHV 32	94.2% 93.6% 100.0%	\$ 2,169,088.00 \$ 100,058.00 \$ 29,317.00	\$ 789.62 \$ 758.02 \$ 916.16	(129,783.00) (3,236.00) (2,705.00)	94.4% 96.9% 91.6%	94.4% 96.9% 91.6%	\$ 2,298,871.00 \$ 103,294.00 \$ 32,022.00	195.50 - -	195.50 - -	270,561.50 (109,561.00) 13,002.00	1,122,764.00 27,824.50 72,167.58
February	HCV 2734 MS 133 EHV 31	93.1% 94.3% 96.9%	\$ 2,191,730.00 \$ 102,919.00 \$ 27,040.00	\$ 801.66 \$ 773.83 \$ 872.26	(122,843.00) 11,858.00 (4,981.00)	94.7% 113.0% 84.4%	94.5% 104.4% 88.0%	\$ 2,314,573.00 \$ 91,061.00 \$ 32,021.00	195.00	195.00	393,599.50 (121,419.00) 17,983.00	1,094,038.00 32,336.50 54,619.67
March	HCV 2718 MS 134 EHV 32	92.6% 95.0% 100.0%	\$ 2,119,316.00 \$ 100,217.00 \$ 29,580.00	\$ 779.73 \$ 747.89 \$ 924.38	(107,387.00) (3,685.00) 4,486.00	95.2% 96.5% 117.9%	94.7% 101.7% 96.4%	\$ 2,226,703.00 \$ 103,902.00 \$ 25,094.00	-	-	500,986.50 (117,734.00) 13,497.00	1,204,850.00 24,007.50 43,998.75
			\$ 6,869,265.00					\$7,227,541.00		\$ 390.50		



**ITEM NO. 7**

**Closed Session**

**MR. HOLLOMAN READ:**

I move the Board enter into a Closed Session for the purposes of:

Discussion of personnel matters consistent with Virginia Code 2.2-3711 (A)  
(1)



**ITEM NO. 8**

**RESOLUTION OF THE NEWPORT NEWS REDEVELOPMENT AND HOUSING  
AUTHORITY CERTIFYING TO A CLOSED MEETING IN CONFORMITY WITH  
VIRGINIA LAW**

**WHEREAS**, the Newport News Redevelopment and Housing Authority Board of Commissioners convened a closed meeting on March 19, 2024 pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and

**WHEREAS**, Section 2.2-3711 Code of Virginia requires a certification by this Authority that such closed meeting was conducted in conformity with Virginia law:

**NOW, THEREFORE, BE IT RESOLVED** that the Newport News Redevelopment and Housing Authority Board of Commissioners certifies that, to the best of each member's knowledge:

1. 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
2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Board of Commissioners of the Newport News Redevelopment and Housing Authority.

**AYES**

**VOTE**

**NAYS**

Any departure from the requirements of said Act are hereby described:

\* \* \* \*



**MR HOLLOMAN READ**

I make a motion to certify that:

1. Only public business matters lawfully exempted from open meeting requirements by Virginia Law and only those matters as identified in the motion were discussed in the closed meeting, today.
2. I request approval of the resolution certifying adherence to the Virginia Freedom of Information Act.



**ITEM NO. 9**  
**Other Business**