

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

**January 19, 2021
8:30 a.m.
227-27th 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, December 15, 2020.
4. Election of Officers of Board of Commissioners
 - a. Chairman
 - b. Vice-Chairman
5. Consider motion affirming appointments
 - a. Secretary-Treasurer
 - b. Assistant Secretary-Treasurer
6. Communications
7. New Business
 - a. Consider a resolution authorizing implementation of Waivers authorized by the U.S. Department of Housing and Urban Development
 - b. Consider a Resolution authorizing Multifamily Housing Revenue Bonds issuance approval for Carrier Point II Apartments
 - c. Consider a resolution authorizing the creation of the Condominium unit and a loan to the Carrier Point Commercial Partners LLC
 - d. Consider a resolution approving the creation of a Condominium and NNRHA loan for Choice Neighborhood I LLC
 - e. Consider a resolution approving the creation of a Condominium and NNRHA loan for Choice Neighborhood II LLC
8. Report to the Board
9. Closed session in accordance with the Virginia Freedom of Information Act, Code of Virginia, Section 2.2-3711
10. Consider adoption of resolution certifying a Closed Meeting in conformity with Virginia law.
11. Any other business to come before the Board.
 - Comments from the Public: (*Time Limit 5 Minutes*)
12. Adjournment

**Minutes of a Meeting of the
Newport News Redevelopment and Housing Authority
December 15, 2020**

Having duly given public notice, the Board of Commissioners of the Newport News Redevelopment and Housing Authority met in person, telephonically or electronically at the offices of the Authority at 227-27th Street, in the City of Newport News, Virginia, at 8:34 a.m. on Tuesday, December 15, 2020 for its regularly scheduled meeting.

Chairman Hunter stated: “This is a special meeting being partially conducted telephonically and electronically (Zoom) in accordance with the budget bill of the Commonwealth of Virginia (the “Commonwealth”) for the biennium ending June 30, 2020, as adopted by the reconvened session of the 2020 Virginia General Assembly, pursuant to section 2.2-3708.2(A)(3) of the code of Virginia and executive order dated March 12, 2020 issued by Governor Northam declaring a state of emergency and Attorney General Herring’s opinion letter dated March 20, 2020, and with guidance provided by legal counsel. It has been determined that the catastrophic nature of the declared emergency makes it impracticable or unsafe for all to assemble in a single location and the purpose of the meeting is to address the emergency as well as the continuity of agency functions. More importantly, based on what we know now about the coronavirus pandemic and prudent precautions as a result thereof, the meeting is being conducted in a way to provide the maximum amount of protection to Commissioners, staff, residents and the public. He apologized for any inconvenience to anyone, and asked for understanding and compliance.

**Pledge of
Allegiance**

Chairman Hunter 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 answering present were as follows:

- Commissioners present: -
- Gary B. Hunter – from NNRHA Board Room
 - Kenneth Penrose, Jr. – from NNRHA Board Room
 - Josephine Clark – from NNRHA Board Room joined 8:41
 - Lisa Wallace-Davis – via Zoom
 - William Black – from NNRHA Board Room
 - George Knight – via Zoom
 - Sandra Davoy – via Zoom

- Also present:
- Raymond H. Suttle, Jr. – from NNRHA Board Room
 - Jones, Blechman, Woltz & Kelly, P.C.
 - Karen R. Wilds – from NNRHA Board Room
 - Executive Director
 - Sandra Powell – from NNRHA office via Zoom
 - Deputy Executive Director
 - Carl Williamson – from NNRHA office via Zoom
 - Director of Housing Operations
 - Valarie Ellis – from NNRHA office via Zoom
 - Director of Administration
 - Lisa Dessoify – from NNRHA office via Zoom
 - Director of Finance
 - David Staley – from NNRHA office via Zoom
 - Director of Community Development
 - Teresa Bennett – from NNRHA Board Room
 - Executive Assistant
 - Tricia Wilson – via Zoom
 - Department of Development, City of Newport News
 - Justin Orie – from NNRHA Board Room
 - NNRHA IT Support

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**Approval of
Minutes, November
17, 2020**

Commissioner Penrose moved that the minutes of the meeting of the Board of Commissioners held on November 17, 2020 be approved as presented. The motion was seconded by Commissioner Black and passed with a unanimous vote.

Public Hearing

Chairman Hunter announced that a public hearing was being held to receive comments on the Public Housing Agency Plan Amendment for Fiscal Years 2020-2024 which includes the Annual Plan for Fiscal Year 2020, Housing Choice Voucher Payment Standards, Revised Utility Allowances for Public Housing Section 8 HCV program and Public Housing Flat Rents.

A notice advertising the Public Hearing was advertised in the Daily Press on October 25, 2020 and posted on the NNRHA website. The Zoom meeting link and the call-in phone number were provided on the notice.

No public comments or emails were made or received.

Commissioner Black made a motion to close the Public Hearing. Commissioner Knight seconded the motion which passed with a unanimous vote.

New Business

**The Board of
Commissioners of the
Newport News
Redevelopment and
Housing Authority
Authorizing Amendment
to the Five Year/Annual
Plan and Establishing
Flat Rents**

The Board had been provided copies of a resolution authorizing the Public Housing Flat Rents – Agency Plan Amendment. The Department of Housing and Urban Development (HUD) regulations require Housing Authorities to develop a flat rent schedule for each public housing complex. The flat rents are based on the market rent charged for comparable units in the private, unassisted rental market. These schedules are a component of our Agency Plan. An Authority may set their expected flat rents no lower than 80% of the fair market rent (FMR) in their metropolitan area. Families' rents will change at their next income re-examination. Families still have the option of selecting the Income Based rent, which may be lower. Ms. Wilds stated that we currently have ten of 1,148 families in public housing paying the Flat Rent. The revised Flat Rent schedule was provided to the Board.

Commissioner Penrose 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.

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Approving the Housing
Choice Voucher
Program Payment
Standards and
Amendment to the Five
Year/Annual Plan**

The Board had been provided copies of a resolution approving the Housing Choice Voucher (HCV) Payment Standards – Agency Plan Amendment. The Housing Choice Voucher Payment Standard is used to calculate the housing assistance payment for families participating the Section 8 program and is the maximum monthly assistance payment allowable. Ms. Wilds reminded the Board that in December, 2019 the Board acted to establish the Payment Standard at 99-101% of the Fair Market Rent (FMR) by bedroom size. This FMR is published for the Metropolitan Statistical Area for the Hampton Roads region and recently HUD published a new schedule. Ms. Wilds recommended the Board increase the Payment Stand to reflect current market conditions. This will require the percentages of the FMRs to be set at 105%. This action increases the potential units which may be included in the program and maximizes our lease rate and keep our program reserves at recommended levels. A chart comparing the current and proposed Payment Standards was provided to the Board.

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

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Authorizing Revised
Utility Allowances for
Public Housing and the
Section 8 HCV Program
and Amendment to the 5
Year Plan**

The Board had been provided copies of a resolution authorizing the revised utility allowances. The Authority contracted with Management Resource Group, Inc. to review and update utility allowances for the Section 8 Housing Choice Voucher (HCV) Program and for each NNRHA Public Housing complex. This study establishes, by complex and unit size, and estimate of reasonable utility consumption levels by and energy conserving household of modest circumstances. HUD regulations require a revision of allowances for a utility category rate change by 10% or more since the last review. The utility that changed by 10% or more was Propane Gas which is only applicable to the Section 8 Program. Copies of the proposed public housing utility allowance schedule by complex were delivered to all public housing residents and

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posted in management offices for the review of all effected residents on October 27, 2020. The Board was provided with copies of the rate schedule. Ms. Wilds recommended we adopt the rate schedules to better reflect actual utility costs to the Authority as well as to our public housing and Housing Choice Voucher clients, effective on January 1, 2021.

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

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Authorizing the Closing
on a Pre-Development
Loan with Virginia
Housing in the Amount
of \$100,000 for the
Carrier Point I
Development**

The Board had been provided copies of a resolution authorizing the closing on a Pre-Development Loan with Virginia Housing. Ms. Wilds stated that in November, 2020 NNRHA was awarded a \$100,000 pre-development loan from Virginia Housing (VH) for pre-development expenses related to the development of the Carrier Point I development, in the first phase of the Choice Neighborhood Initiative program. The pre-development loan will be unsecured and for a term of 36 months at zero percent interest with principal and interest payments deferred until the maturity date. The funds can be used to cover typical pre-developments costs not covered by the Choice Neighborhood Implementation Grant. Ms. Wilds stated the loan will be paid off at the time of permanent financing from Virginia Housing. The commitment has been signed and was returned to VH in an effort to reserve the funding. This loan will not close until all necessary documents have been received and reviewed by Virginia Housing. The loan commitment has been reviewed by NNRHA legal counsel.

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

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Authorizing Charge Off
of Tenants' Accounts
Receivable**

The Board had been provided copies of a resolution authorizing the charge off of Tenants' Accounts Receivable for the period of May 1, 2020 to September 30, 2020. Ms. Wilds stated 38 accounts totaling \$20,955.16 were being recommended for charge off. The average amount per vacated account is \$551.45. Ms. Wilds told the Board that after charge off, the accounts continue to be pursued for collection. Collection efforts on charged off accounts and collections from previously charged off accounts are \$5,152.71 which reduces the actual loss for the fiscal year to \$15,802.45 which represents .62% of anticipated rents.

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

Report to the Board

A Report to the Board for December, 2020 had been provided to the Commissioners. A copy of the subject report is on file in the office of the Executive Director.

Mr. Williamson reported Community Resources coordinated with local churches to provide Thanksgiving meals to seniors and disabled residents in several NNRHA communities. Virginia Department of Health provided a flu vaccination clinic at Pinecroft Apartments on November 17th. World Central Kitchen continues to deliver lunches daily to our senior communities. At this time, this service is expected to end on December 31, 2020.

Ms. Dessofoy reported the audit testing has begun and the anticipated completion is the end of February. Related to the accounts receivable charge off, garnishments are executed for former clients owing back rent.

Ms. Ellis reported the Authority continues to focus on staff and resident safety with education and personal protection equipment.

Mr. Staley reported the Spratley Rental Assistance Demonstration (RAD) is slated to close late February or early March. Lassiter Courts RAD permanent financing is scheduled to close today.

Ms. Powell reported we continue to work with HUD concerning Phase I development. There is a contest running to name the new buildings within Phase I. Preparations are being made for the demolition of Ridley.

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Closed Session

Commissioner Penrose made a motion to go into closed session for discussion of a legal services contract, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, consistent with Virginia Code 2.2-3711 (A) (29). The motion was seconded by Commissioner Davoy.

Coming out of closed session a motion was made by Commissioner Clark certifying 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. The motion was seconded by Commissioner Knight in accordance with Virginia law, 2.2-3711 (A) (29). The resolution is attached to and made a part of these minutes.

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Award of a Contract for
Legal Services**

The Board had been provided copies of a resolution awarding a legal services contract to Jones, Blechman, Woltz & Kelly, P.C. Ms. Wilds stated that a Request for Proposals was issued on October 5, 2020. As a result of the solicitation, we received proposals from Gordan & Rees, Scully Mansukhani, LLP and Jones, Blechman, Woltz & Kelly, P.C. A staff review panel made up of Karen Wilds, Valarie Ellis and David Staley ranked each proposal according to the published criteria and each firm was interviewed. Ms. Ellis initiated negotiations with the highest ranked firm and Ms. Wilds recommended the award of a contract for services to Jones, Blechman, Woltz & Kelly, P.C.


Commissioner Penrose 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.

Other Business

Commissioner Clark stated that her church, Tabernacle Baptist Church, will be distributing coats, clothes, hats, gloves and gifts to the 71 remaining households at Ridley Place.

Adjournment

There being no other business to come before the Board, the Chairman adjourned the meeting at 9:21 a.m.


Secretary-Treasurer