

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

June 20, 2017

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, April 18, 2017.
4. Communications
5. New Business
 - a. Consider a Resolution of the Board of Commissioners of the NNRHA Authorizing the Executive Director to approve the issuance of Multifamily Housing Revenue bonds for Berkley Preservation, LP
 - b. **PUBLIC HEARING** – Budgets for Public Housing and Central Office Cost Center
 - c. Consider a Resolution approving the Public Housing and Central Office Cost Center budgets for the Fiscal Year 2017-2018
 - d. Consider a Resolution of the Board of Commissioners of the NNRHA Authorizing the Executive Director to execute Contracts for Services between the City of Newport News and the NNRHA to Administer the Fiscal Year 2017-2018 Community Development Block Grant Program
 - e. Consider a Resolution of the Board of Commissioners of the NNRHA authorizing the Executive Director to execute Contracts for Services between the City of Newport News and the NNRHA to Administer the Fiscal Year 2017-2018 Home Investment Partnership Program
 - f. Consider a Resolution approving Contracts for Services between NNRHA and the Hampton Roads Community Action Program, Boys and Girls Clubs of the Virginia Peninsula, Inc., Freedom Outreach Center, Inc., In-Agape Family Life and Educational Center, Inc., LINK of Hampton Roads, Inc., Transitions Family Violence Services, Inc., Peninsula Agency on Aging, Inc. and Menchville House Ministries, Inc.
 - g. Consider Resolution to Approve Tenant Accounts Receivable Charge Offs
 - h. Consider a Resolution of the Board of Commissioners of the NNRHA to collaborate with the Public Housing Authorities Directors Association (PHADA) and National Association of Housing and Redevelopment Officials (NAHRO)
 - i. Consider a Resolution of the Board of Commissioners of the NNRHA approving a loan modification of the Newport News Urban Development Action Grant (NNUDAG) loan for Master Machine and Tool Company, Inc.
 - j. Consider a Resolution of the Board of Commissioners of the NNRHA Authorizing the Executive Director to Reapply for Rental Assistance Demonstration (RAD) program for Spratley House
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.
10. Adjournment

**Minutes of a Meeting of the
Newport News Redevelopment and Housing Authority
April 18, 2017**

Having duly given public notice, the Board of Commissioners of the Newport News Redevelopment and Housing Authority met at the offices of the Authority at 227-27th Street, in the City of Newport News, Virginia, at 8:30 a.m. on Tuesday, April 18, 2017.

Pledge of Allegiance

Chairman Knight led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

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

Roll Call

Commissioners present: -
George Knight
Mark Hager
Josephine Clark
Lou Call
Gary Hunter
Kenneth Penrose, Jr.

Commissioner Berry's absence was excused.

Also present: Ray Suttle, Jr.
Jones, Blechman, Woltz & Kelly, P.C.

Karen R. Wilds
Executive Director

Carl V. Williamson
Housing Operations

Valarie Ellis, Director
Administrative Services

Sandra Powell, Director
Community Development

Lisa Dessoffy, Director
Finance

Teresa Bennett
Executive Assistant

Tricia Wilson
Development Department, City of Newport News

Laura Hardin
Cherry Bekaert, LLP

Approval of Minutes, March 21, 2017

Commissioner Hunter moved that the minutes of the meeting of the Board of Commissioners held on March 21, 2017 be approved as presented. The motion was seconded by Commissioner Penrose and passed with a majority vote. Commissioner Clark and Commissioner Hager abstained as they were not present during the March meeting.

Communications

The following communications were provided to the Board and reviewed by the Executive Director. 1) A Daily Press article dated March 26, 2017 reporting on the revitalization of Marshall/Ridley CNI neighborhood and the impact of the proposed federal budget cuts. 2) An article from the April, 2017 Governing Magazine entitled Public Housing and Racial Reality. Ms. Wilds discussed the comparison between the Choice Neighborhood Initiative and how many residents have expressed a desire to stay in their current communities as opposed to the idea of moving to other areas.

New Business

Report on Examination of Financial Statements for the Year Ended June 30, 2016

The Board had been provided copies of the Audit Report prepared by the accounting firm of Cherry Bekaert for the Authority's year ending June 30, 2016. Ms. Laura Harden, a manager with the firm, provided the Board with an overview of the audit. Ms. Harden said the firm's opinion was unmodified and covered financial statements and federal grants. The report revealed no material weaknesses or significant deficiencies. The Board commended Finance Director, Lisa Dessoffy and her staff for their efforts.

**Minutes of a Meeting of the
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Public Hearing

An announcement was made that a public hearing was being held to receive comments on the proposed Section 8 Housing Choice Voucher and Section 8 Moderate Rehabilitation (SRO) Budgets for the Fiscal Year 2017-2018. A notice advertising the Public hearing was posted in the lobby of the Authority located at 227 27th Street, Newport News, VA and posted on the website. No public comments were made.

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

**A Resolution of the
Newport News
Redevelopment and
Housing Authority
Approving the Operating
Budget for Fiscal Year
July 1, 2017 through
June 30, 2017 for the
Section 8 Housing
Choice Voucher
Program**

The Board had been provided copies of a resolution to approve a budget for the Section 8 Housing Choice Voucher Program. The Executive Director reviewed the proposed budget which will provide an annual Housing Assistance Payment (HAP) amount of \$18,787,512 and will assist an average of 2,500 families per month at an average HAP of \$626 per unit, per month. A final proration will be known when a budget is approved by Congress. The average number of families assisted has grown to over 2,600 last year to enable the Authority to reduce reserves to HUD's required levels which is 6% of the annual HAP. The budget includes 31 vouchers to Veterans under VASH. Ms. Wilds said the Authority will also be eligible to receive \$1,691,115 in Administrative fees to manage the voucher program which is 77% of the fee the Authority is eligible to receive. In addition to fees, the Authority receives additional revenue from interest and rent which brings the total administrative revenue to \$1,870,975 for FY 2017-18. Additionally, the Authority will receive \$152,760 to administer the Family Self Sufficiency Homeownership program through December 31, 2017.

Commissioner Call 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
Approving the Operating
Budget for Fiscal year
July 1, 2017 through
June 30, 2018 for the
Section 8 Moderate
Rehabilitation (SRO)
Program**

The Board had been provided copies of a resolution to approve the proposed budget for the Section 8 Moderate Rehabilitation – Single Room Occupancy (SRO) program. Ms. Wilds said the proposed budget would provide an annual Housing Assistance Payment (HAP) amount of \$421,344 which is \$399 per month for each of the 88 units in the Single Room Occupancy (SRO) program (formerly the Hotel Warwick). This is an increase of \$11 per unit per month over the current budget. In addition to the HAP, the Authority is eligible to receive \$78,581 for administrative costs and audit fees. This is an increase of 2.7% over the current year.

Commissioner Clark made a motion to approve the resolution. Commissioner Call 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
Demolition of 801 A&B
33rd Street (Building #15)
at Marshall Courts**

The Board had been provided copies of a resolution authorizing the demolition of 801 A&B 33rd Street (Building #15) at Marshall Courts. A deteriorated masonry foundation was discovered by the contractor working on the Phase II comprehensive renovations of Marshall Courts Apartments. NRW Engineering, P.C. investigated the foundation problems. Based on the condition of the building, it was recommended that the building be demolished. The extent of foundation damage requires a total building foundation rehabilitation making renovations more expensive than building a new duplex structure.

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

Closed Session

Commissioner Hunter made a motion to go into closed session for consultation with legal counsel and discussion regarding the disposition by sale of a publicly owned real estate parcel in the southeast area of Newport News, in compliance with Virginia Code 2.2-3711 (A) (3) as public discussion would adversely affect property negotiations. The motion was seconded by Commissioner Hager.

Coming out of closed session a motion was made by Commissioner Hunter 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 Clark in accordance with Virginia law, 2.2-3711 (A) (3). The resolution is attached to and made a part of these minutes.

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Report to the Board

A Report to the Board for April, 2017 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 the graduation ceremony for the Getting Ready to Work program was held March 21, 2017 after seven (7) weeks of training. Approximately 50 residents/citizens/HCVF clients received assistance with tax preparation through the Family Investment Center. The Authority partnered with the SNAP Employment and Training Program held at TNCC to receive free employment training.

Ms. Dessoify reviewed the Voucher Utilization Report in the Report to Board. She reported the Financial audit year ending June 30, 2016 is complete. The tax credit audits are ongoing.

Ms. Ellis reported the consultant is currently working on the job description portion of the compensation study.

Ms. Powell reported on the progress of Marshall Courts Phase III and the Marshall Courts Recreation Center. Buildings 8 and 9 along with the Recreation Center should be completed next month.

Ms. Wilds reported that Congressman Bobby Scott held a round table meeting on Monday, April 17, 2017 with all Housing Authority Executive Directors in his congressional district after which she took him on a tour of Marshall Courts and discussed the proposed budget cuts for the U.S. Department of Housing and Urban Development and its impact on the City's public housing community. She stated the proposed budget would also eliminate certain grant programs and make dramatic cuts to others, including approximately 68% of the Capital Grants program. The tour was covered by two TV stations and the Daily Press newspaper.

Other Business

**Resolution of the Board
of Commissioners of the
Newport News
Redevelopment and
Housing Authority
approving an offer to
Purchase Authority
Property**

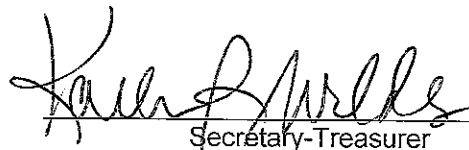
The Board had been provided a Sales Agreement from Campana Waltz Commercial Real Estate, on behalf of the buyer, for the purchase of property in the 4000 block of Jefferson Avenue. The property will need to be rezoned and an adjacent parcel, the Authority does not own, needs to be acquired by the buyer. The final sale is contingent upon successful acquisition of the adjacent parcel and rezoning.

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

Chairman Knight commended the Director's and their staffs for their teamwork and dedication to the Housing Authority.

Adjournment

There being no other business to come before the Board, Chairman Knight adjourned the meeting at 9:30 a.m.



Secretary-Treasurer