

COMMISSIONERS' REGULAR ELECTRONIC MEETING
April 21, 2021

Resolution(s) Passed:

- 21-08 Resolution Approving the “Memorandum of Understanding Between the City of Richmond and the Richmond Redevelopment and Housing Authority Regarding a Joint Application for a Choice Neighborhoods Planning Grant”
- MOTIONS:** Gooden/Jones
VOTE: Aye: Blount, Coleman, Gooden, Hardiman, Johnson, Jones, Kessler, Pitchford, Shelton
ABSTAIN: None
ABSENT: None
- 21-09 Resolution Approving the Acquisition of 2708 Nine Mile Road in the East End
- MOTIONS:** Hardiman/Gooden
VOTE: Aye: Blount, Coleman, Gooden, Hardiman, Johnson, Jones, Kessler, Pitchford, Shelton
ABSTAIN: None
ABSENT: None
- 21-10 Resolution of the Richmond Redevelopment and Housing Authority, Consenting to the Issuance of Bonds by the Suffolk Redevelopment and Housing Authority to Finance Projects Located in the County of Henrico, Virginia
- MOTIONS:** Jones/Hardiman
VOTE: Aye: Blount, Coleman, Gooden, Hardiman, Johnson, Jones, Kessler, Pitchford, Shelton
ABSTAIN: None
ABSENT: None
- 21-11 Resolution Authorizing Financial Closing of a Rental Assistance Demonstration (“RAD”) Conversion at Two RRHA Public Housing Sites, and Authorizing the CEO to Execute and Deliver Documents to Achieve the Same
- MOTIONS:** Hardiman/Jones
VOTE: Aye: Blount, Coleman, Gooden, Hardiman, Johnson, Jones, Kessler, Pitchford, Shelton
ABSTAIN: None
ABSENT: None

MINUTES OF THE REGULAR ELECTRONIC MEETING
OF THE COMMISSIONERS OF
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
HELD VIA GOTOMEETING IN RICHMOND, VIRGINIA
ON WEDNESDAY, APRIL 21, 2021

In Attendance via GoToMeeting:

Board of Commissioners

Neil Kessler, Acting Chairman
Veronica Blount
Jonathan Coleman
Robley Jones
Basil Gooden
Barrett Hardiman
W. R. "Bill" Johnson, Jr.
Charlene Pitchford
Patrice Shelton

RRHA Staff

Stacey Daniels-Fayson, Interim Chief Executive Officer

Acting Chairman Neil Kessler called the meeting to order at 5:31 p.m. with Cory Wolfe serving as Legal Counsel. A quorum was established.

General Counsel Comments

This meeting is an electronic meeting of the RRHA Board of Commissioners conducted in accordance with City of Richmond Ordinance No. 2020-093 (the "Ordinance"), which was ordained under the authority conferred unto the City by Va. Code § 15.2-1413. The Board is meeting by entirely remote means and a quorum of the Board is not physically assembled. The Board is conducting an electronic meeting due to the COVID-19 pandemic, which has made it unsafe for a quorum of Board members to physically assemble in a single location. This Board is a "public body" within the meaning of the Virginia Freedom of Information Act (Va. Code § 2.2-3700 *et seq.*), as well as Section 1(B)(5) of the Ordinance, in that the members of this Board are appointed to office by the City Council.

Notice of this electronic meeting was published on RRHA's website on **Thursday, April 8, 2021**. That Notice identified that this meeting will be an "electronic meeting" within the meaning of the Ordinance, that the meeting will be conducted through GoToMeeting, and that members of the public could observe and participate in the meeting. Specific instructions to access the meeting by Internet and by phone were disclosed in the Notice. The Notice also directed members of the public to a link at which they could register to deliver public comments in real time in accordance with the Citizens' Comment

provisions of the Board's Bylaws. All such requests to speak are delivered to Priscilla Jackson, Executive Administrative Assistant.

Members of the public must register in advance in accordance with the Board's Bylaws in order to make public comments during the meeting. To register, members of the public must access an online link by which they can provide the registration information required by the Board's Bylaws. Public comments must be made at electronic meetings of this Board in real time through the GoToMeeting application, either by Internet or by phone. Written comments will not be accepted and will not be included in the minutes of this meeting.

In accordance with the Bylaws, no member of the public may address the Board unless they have registered to speak or have otherwise been called upon by the Chair to speak. Accordingly, all members of the public are instructed to disable any audio or video broadcasts until and unless the Board has called upon such individual to deliver comments. If a member of the public refuses to disable an audio or video broadcast after having been warned to do so by the Chair, then the individual may be permanently banned from the remainder of the meeting.

Please disable your audio and video broadcasts now.

All members of this body in attendance at this meeting are participating electronically. The members who are participating in this meeting include: (1) Ms. Veronica Blount, (2) Mr. Jonathan Coleman, (3) Dr. Basil Gooden, (4) Mr. Barrett Hardiman, (5) Mr. W.R. "Bill" Johnson, Jr., (6) Mr. Robley Jones, (7) Mr. Neil Kessler, Acting Chair, (8) Ms. Charlene Pitchford, and (9) Ms. Patrice Shelton.

Members are reminded that all voting during this electronic meeting must be conducted by roll call vote. When a motion is on the floor, I will call each member by name, in alphabetical order, to state their vote individually, until all members are polled.

Discussion: Mr. Wolfe informed the Board of Commissioners that this will be his last board meeting serving as General Counsel for RRHA. He will be leaving RRHA at the end of the month to move on to a new opportunity. Associate General Counsel Ben Titter will be serving as the Interim General Counsel for RRHA. Mr. Wolfe said "*It really was a pleasure working with everyone here, and I'll always be a friend to the agency.*"

Chairman Kessler extended well wishes to Mr. Wolfe and thanked him for all of his advice over the months and years that he has been with RRHA.

Minutes

The Minutes from the *February 25, 2021 Special Electronic Board of Commissioners Meeting* and the *March 17, 2021 Regular Electronic Board of Commissioners Meeting* were approved.

1 Motion: (Pitchford/Blount) Move to adopt the Minutes from the February 25, 2021 Special Electronic Board of Commissioners Meeting and the March 17, 2021 Regular Electronic Board of Commissioners Meeting

Motion Carried Unanimously

Abstain: Coleman

Citizen Information Period

No citizens were signed up to speak.

Parliamentary Procedures

Chairman Kessler stated that he had a conversation with Commissioner Jones about the way RRHA's board meetings are conducted. They felt like it would be worthwhile for the Commissioners to learn about parliamentary procedures to make the board meetings more orderly. He asked Commissioner Jones to provide a short primer on one issue of parliamentary procedure at this meeting. He said "*This may be something that we will continue to do as part of our board meetings in the future*".

Commissioner Jones provided the following information on parliamentary procedures for the Board of Commissioners meetings. He said "*Our ability to conduct fair and orderly meetings depends in part in our shared knowledge of parliamentary procedures. The founders of our democracy knew the importance of rules of order. Indeed, Jefferson's manual, the parliamentary authority written by Thomas Jefferson still serves as the authority of the General Assembly of Virginia.*

Article V, Section 6 of our bylaws reads: “The rules of parliamentary procedure set forth in the current edition of Robert’s Rules of Order, Newly Revised, shall govern the conduct of meetings of the Authority....”

Consequently, our Chairman has authorized me to present short lessons on parliamentary procedures at our board meetings. I plan, if this board is willing, to offer a brief pointer at the beginning of each meeting which I hope will be helpful. My points may be reactive to recent violations of parliamentary rules. If you committed the infraction, please do not take my words personally. I only wish to keep us out of trouble, and my advice is offered in the spirit of kindness.

Robert’s Rules protect the minority by requiring a motion, a second, and a 2/3 vote to limit debate. So, for example, if a Chair was to say, “Don’t ask questions. If you have questions, email them in for staff to respond,” that would be OUT OF ORDER.

Commissioners have the right to debate and ask questions. Only a motion properly made, seconded, and adopted by a 2/3 vote can limit or extend debate. Robert’s Rules of Order Newly Revised, 12th Edition, p. 181, states: “... limiting debate takes away the basic rights of all members to full discussion and may restrict a minority’s right to present its case.”

Discussion: Chairman Kessler thanked Commissioner Jones and appointed him as Parliamentarian. He stated that these rules apply not only to RRHA board meetings, but to the committee meetings as well.

Commissioner Gooden suggested that parliamentary procedures and Robert's Rules of Order be included in one of the board's work sessions to help the board to function better.

Commissioner Pitchford suggested that the board schedule a retreat on ethics and invite someone who knows HUD rules and Robert’s Rules of Orders to present this information to the Commissioners so that the information can be in writing. Chairman Kessler stated that he will discuss this request with Commissioner Jones over the next couple weeks.

MOU with the City

Interim CEO Daniels-Fayson provided the following update on the Memorandum of Understanding (MOU) between RRHA and the City of Richmond. The MOU is currently at the City waiting for their review and feedback. RRHA have been in discussions and negotiations with the City for the past year regarding the MOU. The MOU outlines the framework for collaborative work efforts between the City and RRHA in terms of our redevelopment efforts. One of the items in the MOU deals with certain properties that the City wants RRHA to convey to them. At this time, we have not received the listing of properties or the documents to review regarding the properties that the City wants us to convey to them.

Creighton Court Redevelopment

Desi Wynter provided the following update on the Creighton Court Redevelopment project. Over the past two weeks, we have been in close communication with the City regarding infrastructure funding for Creighton Court. The City requested that we resubmit our Community Unit Plan and answer all questions that the various departments sent to our development partner, TCB and their engineering firm for Creighton Court. We have resubmitted our responses to address the questions raised by the City for the planned development at Creighton Court. In addition, we resubmitted a revised budget for Phase 1 of the development.

Regarding the relocation efforts for our families, we are doing a very intense assessment with our families to determine their housing options. These assessments are done by a contracted organization with TCB; Housing Opportunities Unlimited (HOU). HOU is conducting one-on-one assessment interviews with the residents to determine their housing preference for the various housing options, including the utilization of a Tenant Protection Voucher which has been awarded to the project. The relocation assessments are approximately 60% complete. Upon completion of the assessments, we will move into Phase 2, which will consist of another round of one-on-one meetings with families to determine exactly where they would like to move to and a timeline for that relocation

process. We anticipate that relocation will be completed in the late summer with possible demolition of Creighton Court starting in December.

Lastly, based on information that we received during several of our community meetings, we have created some Frequently Asked Questions. This information will be shared with resident services staff and TCB to ensure that everyone is on the same page as we move forward with this development process.

Discussion:

Commissioner Hardiman wanted to know if we are prohibited from doing outreach/relocation assessments with the residents for Phases 2 and 3 while we are waiting for HUD to approve the demolition requests for these two phases.

Mr. Wynter stated that we are not prohibited from doing this because the application does not dictate whether or not we can reach out to our families. He added that right now, we are talking to resident services staff to start the implementation for Phases 2 and 3 to get our families ready. He said *“We want to get families ready as early as possible for this transition process”*.

Interim CEO/Chairman Reports

Interim Chief Executive Officer’s comments – Interim CEO Stacey Daniels-Fayson provided the following comments. She said *“I want to say ‘thank you’ to all staff. I really appreciate everyone because everyone is working really hard”*.

Chairman’s Comments – Chairman Kessler provided the following comments. He thanked the staff for all of their hard work, especially under these unusual and difficult times. In addition, he thanked Interim CEO Daniels-Fayson for her leadership at RRHA.

Committee Updates

Deputy Chief Real Estate Officer, *Desi Wynter* stated that the *Real Estate and Community Development Committee* met on April 19, 2021. The following items were reviewed and discussed:

- Procurement Policy. A board meeting will be held with the attorney who is working on the Procurement Policy to provide the board members with an update on this item.
- Update on the MOU with the City of Richmond and RRHA.

The *Administration and Finance Committee* met on April 19, 2021. Commissioner Jones provided an update on the following items:

- Agency Vacancies and Section 3 Hires.
- IT Update.
- Update on Kiosks.
- Procurement Update/MBE Reporting.
- February Financials.
- Update on the MOU with the RPD.

Interim Chief Operating Officer, *Kenyatta Greene* stated that the *Property Management and Assisted Housing Committee* met on April 14, 2021. The following items were reviewed and discussed:

- Re-imagining Committee Update.
- Eviction Moratorium.
- Debarment Policy. The following changes to the Barment Policy were highlighted:
 - The changes to the policy will limit the police department and RRHA's ability to bar individuals or visitors from our site unless they are observed engaging in criminal activity.
 - Barments that were issued to an individual would be removed or released automatically after three years.
 - The Barment Policy will be presented at the Property Management meeting and for consideration by the full board next month.
 - There has been no resident input on the Barment Policy. Once the Board approves the updated policy, staff will present the policy changes to the RTO and residents. If the RTO approves the updated policy, the board will approve the policy next month.

Discussion: Chairman Kessler asked staff to ensure that residents have an opportunity to become familiar with the updated policy and provide input at the appropriate time.

- Agency Annual Plan Update.
- Resident Elections.
- SEMAP.
- Key Performance Indicators for Public Housing.
- Key Performance Indicators for the Housing Choice Voucher Program.
- Landlord Outreach Efforts.
- Resident Services Update.
 - A new assessment tool to identify appropriate resources and partnerships with community organizations for our residents is being used by resident services staff.
 - FSS Program Successes.
 - Additional Projects:
 - STEM Lab.
 - Apple Tech Lab.
 - Mayor’s Youth Academy.
- Current Work Orders.
- Smart Radio Upgrades.
- Whitcomb Court Boiler Project.
- Calhoun HVAC Renovation Project.

Eviction Moratorium

“Come Current” Communication Plan

Angela Fountain, Director of Communications and Public Relations provided the following update on the “Come Current” campaign. We are implementing this as a continuation of our efforts to encourage our public housing families to position themselves for success by coming current on their rents.

Media Campaign for all Audiences

The audiences for this campaign are both internal and external. What we are doing internally will mirror the message that we are doing externally. Internally, we are working very closely with our low-income public housing office as well as our resident services division. We are sending out letters to all public housing families that are currently behind in either their rent or in their repayment agreement. After that, individual meetings will be set up with each of the families to talk about where they are, and then offer them some resources, or discuss ways that they can come current, depending on what the issues are that they express to us. Once that meeting takes place and everyone is on the same page, the resident will sign the document and a copy of the signed document will be added to the resident's file.

Externally we will be sending out a press release to let everyone know about the campaign and what its objective is. This will reach RRHA stakeholders, partners, and the general public.

Advertising Platforms

The following platforms are being used to advertise RRHA's "Come Current" Campaign:

- Radio.
 - Radio one, Power 92.1 and Praise 104.7.
- Television.
 - NBC 12, Comcast Spotlight.
- Bus Boards.
 - 2 sides and 2 rears.
- Digital/Electronic.
 - Geofencing utilizing zip codes.
- Social Media.
 - Facebook, Twitter, Instagram, LinkedIn.

Discussion: Commissioner Pitchford suggested getting key chains to show the residents that the key to keeping their apartment is to pay their rent. Staff will investigate this suggestion.

Interim CEO Daniels-Fayson added that these are some of the efforts that RRHA is taking in preparation for when the eviction moratorium is lifted. The federal eviction moratorium is in place through June 2021; the state moratorium is still in place and has not been lifted yet. In addition, HB 1889 states if we are looking to evict a resident for nonpayment of rent, we must put them on a repayment agreement prior to any evictions. If they default on the repayment agreement, they can be evicted. She said “*We are doing everything in our power to ensure and help our residents to stay on track so that we do not come to that point of having to evict our residents*”. We are sending out letters to those residents who are behind in their rent and asking them to come in so that we can talk to them about where they are and how we can assist them. Each resident will be asked to complete and sign a form that identifies the types of services that they may need (budgeting, employment, childcare). Staff will continue to follow up with those residents who have a plan in place to help them to come current.

Commissioner Coleman stated that we need to make sure that we publicize to the public that we have done every possible thing before we get to that point of evicting our residents. The statement needs to be along the line of ‘come talk to us before the last steps comes’. Interim CEO Daniels-Fayson stated that this is our goal and noted that ads will run from April through June. Our messaging will be out there to encourage the residents to contact us, and for us to reach out to our residents.

Commissioner Hardiman stated that with the federal and state moratoriums ending, the Board has not lifted its own eviction moratorium that went in place prior to the pandemic. Before we move forward with any legal action, if the CDC and State moratoriums end, I think it would be important for the Board to discuss its own moratorium that is still in place. He suggested doing a deep dive into those accounts that still have challenges so that we can help the residents to understand the difference between the support that we received from the Federal government for the pandemic payments for residents versus the remnant of payments that are a result of utilities issues. He asked staff to provide ongoing updates on the success of the “Come Current” campaign.

Legislative Updates

General Counsel, Cory Wolfe provided the following Legislative update. The following bills have been passed and have been signed by the Governor:

- HB 1889 will require us to offer a minimum six month repayment agreement prior to filing a UD for non-payment of rent. That repayment agreement would include repayment agreements that the tenant may already have and whether or not it's in default. Those amounts would not be wrapped up into the new repayment agreement.
- HB 1800 creates a right for residents to file an emergency petition if they have been locked out of their residence unlawfully. It creates a \$5,000 penalty for landlords to be found in violation.
HB 1981 allows residents to put their landlord on notice that they decline non emergency maintenance during a pandemic of infectious disease.
- HB 2014 expands residents right of redemption, which is the right to restore their tenancy if all debts under the lease are paid in full. Previously, residents could only do that once in a calendar year, but now they can do that an unlimited number of times.
- HB 2046 gives affordable housing a protected status as applied to localities making zoning or permitting decisions.
- SB 1097 - there is now a Virginia low-income housing tax credit that will match dollar for dollar the federal tax credits awarded to any project.

Resolution(s)

Agenda Item No. 1 – Resolution Approving the “Memorandum of Understanding Between the City of Richmond and the Richmond Redevelopment and Housing Authority Regarding a Joint Application for a Choice Neighborhoods Planning Grant”

(21-08) WHEREAS, the RRHA is committed to a transformation of Gilpin Court; and

WHEREAS, to assist with the aforementioned transformation, RRHA plans to apply for a Choice Neighborhoods Planning Grant (the “Grant”) from the United States Department of Housing and Urban Development; and

WHEREAS, the City of Richmond (the “City”) has expressed a desire to partner with RRHA in applying for the Grant; and

WHEREAS, RRHA and the City have memorialized their respective rights and obligations for the Grant in that certain “Memorandum of Understanding Between the City of Richmond and the Richmond Redevelopment & Housing Authority Regarding a Joint Application for a Choice Neighborhoods Planning Grant”, attached hereto as Exhibit A (the “MOU”); therefore

BE IT RESOLVED by RRHA’s Board of Commissioners that the terms of the MOU are hereby approved; and

BE IT FURTHER RESOLVED that RRHA’s Interim Chief Executive Officer, or her designee, is hereby authorized and directed to execute the MOU and deliver the same to the City.

2 Motion: (Gooden/Jones) Move to adopt Resolution #1

Motion Carried Unanimously

Agenda Item No. 2 - Resolution Approving the Acquisition of 2708 Nine Mile Road in the East End

(21-09) WHEREAS, RRHA desires to acquire that certain lot located at 2708 Nine Mile Road (the “Lot”) in the East End of the City of Richmond; and

WHEREAS, RRHA has negotiated, contingent on the approval of RRHA’s Board of Commissioners (the “Board”), a purchase price of \$460,000 for the Lot, including the land and a four unit apartment building, which purchase price is supported by comparison to comparable properties; and

WHEREAS, RRHA owns land directly adjacent to the Lot, and the proposed acquisition of the Lot advances RRHA’s strategic goals to promote responsive and responsible revitalization of the neighborhoods RRHA serves; therefore

BE IT RESOLVED that the Board hereby approves RRHA’s purchase of 2708 Nine Mile Road for \$460,000;

3 Motion: (Hardiman/Gooden) Move to adopt Resolutions #2

Motion Carried Unanimously

Agenda Item No. 3 - Resolution of the Richmond Redevelopment and Housing Authority, Consenting to the Issuance of Bonds by the Suffolk Redevelopment and Housing Authority to Finance Projects Located in the County of Henrico, Virginia

(21-10) WHEREAS, pursuant to Section 36-23 of the Housing Authorities Law, Chapter 1, Title 36 of the Code of Virginia of 1950, as amended (the “Act”) the Richmond Redevelopment and Housing Authority (the “Authority”) has previously issued evidences of indebtedness to finance projects located in the County of Henrico, Virginia (the “County”) and portions of such indebtedness are currently outstanding;

WHEREAS, at the request of Place One Preservation Limited Partnership (the “Borrower”), the Suffolk Redevelopment and Housing Authority (“SRHA”) proposes to issue its indebtedness pursuant to the Act to finance the acquisition, construction, renovation, rehabilitation and equipping of a multifamily residential housing project consisting of nine three-story buildings containing approximately 114 units and related facilities known as the Place One Apartments located at 4222 Almora Avenue in the County of Henrico, Virginia (the “Project”) in an aggregate amount not to exceed \$18,000,000 (the “Bonds”);

WHEREAS, pursuant to Section 36-23 of the Act, because the Authority has previously issued indebtedness for projects located within the County, SRHA may not issue indebtedness to undertake the Project without the consent of the Authority:

NOW, THEREFORE, BE IT RESOLVED BY THE RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY:

1. The Authority hereby consents to the issuance of indebtedness by SRHA to undertake the Project located in the County.
2. The approval of the undertaking of the Project does not constitute an endorsement to a prospective purchaser of any indebtedness to finance the Project or the creditworthiness of the Project or the Borrower.
3. The issuance of the Bonds shall not create any obligation of the Authority and the Authority shall not be required to execute any documents related to the Bonds, other than evidence of this resolution.
4. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority or the City of Richmond, Virginia, and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Bonds be payable out of any funds or

properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

5. The Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Borrower and all other persons or entities for any damages, direct or consequential, resulting from the issuance of the Bonds or failure of the issuance of the Bonds for any reason. Any obligation of SRHA to exercise its powers to issue the Bonds as requested by the Borrower is contingent upon the satisfaction of all legal requirements and the Authority shall not be liable and hereby disclaims all liability to the Borrower for any damages, direct or consequential, resulting from any failure to issue the Bonds for the Project for any reason.

6. All fees and expenses of the Authority (including fees of the Authority's counsel) shall be paid by the Borrower. If for any reason the Bonds are not issued, it is understood that all such fees and expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.

7. This Resolution shall be effective upon its adoption.

4 Motion: (Jones/Hardiman) Move to adopt Resolutions #3

Motion Carried Unanimously

Agenda Item No. 4 - Resolution Authorizing Financial Closing of a Rental Assistance Demonstration ("RAD") Conversion at Two RRHA Public Housing Sites, and Authorizing the CEO to Execute and Deliver Documents to Achieve the Same

(21-11) WHEREAS, on May 15, 2019, the Board of Commissioners of the Richmond Redevelopment and Housing Authority (the "Board"), through written resolution, previously approved the selection of The Michaels Organization ("Michaels") as developer-partner to rehabilitate RRHA's Stovall and Randolph public housing communities, and to convert those communities to project-based Housing Choice Voucher assistance under the Rental Assistance Demonstration ("RAD") program and other HUD public housing repositioning programs (the "Project"); and

WHEREAS, the Board's May 15, 2019 resolution authorized RRHA's Chief Executive Officer to enter into a Master Development Agreement ("MDA") with Michaels concerning the Project and to negotiate, execute, and

deliver any further or additional instruments necessary to consummate the Project; and

WHEREAS, RRHA and Michaels have each discharged or will shortly discharge all of their respective obligations to arrange for financing necessary to fund the Project and to seek necessary government approvals as required by the MDA, and the parties are preparing to execute all instruments necessary to obtain such financing and government approvals (“Closing”); and

WHEREAS, upon Closing, the Project will have the following organizational structure:

- (a) The Project will be owned by Richmond Family Housing 2, LLC (the “Owner Entity”), a single-purpose limited liability company comprised of an RSEP Holding, LLC and Red Stone Equity Manager, LLC (the “Investor Members”), and Richmond Family Housing 2 MM LLC (the “Managing Member”), which Managing Member shall have authority to manage and operate the project.
- (b) RRHA’s single-purpose developer affiliate, Richmond Family 2-RAD, LLC, shall own 50 percent of the Managing Member, and Michaels’ developer affiliate, Richmond Family Housing 2-Michaels, LLC, shall own 50 percent of the Managing Member and shall have the ability to manage the Managing Member.
- (c) RRHA’s non-profit developer instrumentality, Richmond Development Corporation, owns and controls 100% of Richmond Family 2-RAD, LLC.
- (d) RRHA shall continuously own the land which underlies the Project sites throughout the life of the Project, and shall convey a leasehold interest in such land to the Owner Entity for a term of 99 years (the “Ground Lease”).
- (e) RRHA shall convey ownership of the improvements existing at the Project sites (the “Improvements”) to the Owner Entity, separately from the land underlying them, until the Ground Lease terminates, at which point ownership of such Improvements shall revert automatically to RRHA.

WHEREAS, upon Closing, the Project shall be primarily funded from the following sources:

- (a) Approximately \$6,500,000 paid by the Investor Members in exchange for the Low-Income Housing Tax Credits awarded to the Project.

- (b) A loan payable to Virginia Housing Development Authority (“VHDA”) and funded by tax-exempt private activity bonds issued by VHDA, in the principal amount of approximately \$11,200,000, of which approximately \$5,500,000 is a short-term construction period loan and approximately \$5,700,000 will roll over into a permanent loan. At Closing, the Owner Entity shall pay approximately \$3,000,000 of the proceeds of this loan to RRHA toward the initial capitalized ground lease payment and the purchase price of the Improvements.
- (c) A Seller’s Note in the principal amount of approximately \$6,200,000 for the purchase price of the Improvements, payable to RRHA.
- (d) A Sponsor’s Note in the principal amount of approximately \$3,000,000, payable to RRHA. The Sponsor’s Note shall be funded by the \$3,000,000 paid to RRHA at Closing from the bond proceeds toward the acquisition costs.

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

1. The Board ratifies its May 15, 2019 resolution and the MDA executed pursuant thereto, and reiterates its authorization for the Chief Executive Officer, now the Interim Chief Executive Officer, or her designee, to negotiate, execute, and deliver all instruments reasonably necessary to consummate the Project; and
2. The Board specifically approves and ratifies the proposed Project organizational and financial structure as described generally hereinabove; and
3. The Board specifically authorizes the Interim Chief Executive Officer, or her designee, to negotiate, execute, and deliver all instruments reasonably necessary to achieve Closing as described hereinabove, including, without limitation, any note, deed of trust, lease, license, articles of organization, operating agreement, or partnership agreement reasonably necessary to achieve Closing.

5 Motion: (Hardiman/Jones) Move to adopt Resolutions #4

Motion Carried Unanimously

Closed Session

At 7:00 p.m., Commissioner Jones asked to go into Closed Session and read the following motion:

I move that we go into closed meeting to consult with Legal Counsel regarding the discussion and consideration of prospective candidates for employment, specifically to discuss candidates for the position of Chief Executive Officer, as permitted by Section 2.2-3711(A)(1) of the Virginia Freedom of Information Act.

6 Motion: (Jones/Gooden) Move to go into Closed Session.

Motion Carried Unanimously

At approximately 8:30 p.m., Commissioner Jones asked to come out of Closed Session.

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.

**7 Motion: (Jones/Pitchford) Move to come out of Closed Session
Motion Carried Unanimously**

Adjournment

8 Motion: (Johnson/Hardiman) Move to adjourn.

There being no further business, the meeting adjourned at approximately 8:31
p.m.

Acting Chairman

Interim Chief Executive Officer/Secretary