

COMMISSIONERS' REGULAR IN-PERSON BOARD MEETING

*February 24, 2025***Resolution(s) Passed:**

- 25-06 Resolution approving the Revised Structure, Activities, and Power of the Richmond Development Corporation

MOTION: (Johnson/Pitchford) Move to Adopt Resolution #1
VOTE: Aye: Broidy, Elliott, Jackson, Johnson, Lewis, McCray, Pitchford
VOTE: Nay: Hardiman
ABSTAIN: None
ABSENT: Parker

- 25-07 Resolution approving the Memorandum of Understanding between the Property Resources Corporation, PRC Group LLC, The Delaine Companies LLC, and The Richmond Redevelopment & Housing Authority Regarding Redevelopment of 400 East Grace Street

MOTION: (Pitchford/Johnson) Move to Adopt Resolution #3
VOTE: Aye: Broidy, Elliott, Hardiman, Jackson, Johnson, Lewis, McCray, Pitchford
VOTE: Nay: None
ABSTAIN: None
ABSENT: Parker

- 25-08 Resolution approving contracts for Vacancy Reduction Services between the Richmond Redevelopment and Housing Authority and Jefferson Interior Systems; DE Contractors, H&H Real Estate Development; and BA Construction and authorizing the Chief Executive Officer to execute the Contracts on behalf of Richmond Redevelopment and Housing Authority

MOTION: (Hardiman/Pitchford) Move to Adopt Resolution #4
VOTE: Aye: Elliott, Hardiman, Jackson, Johnson, Lewis, Pitchford
VOTE: Nay: Broidy, McCray
ABSTAIN: None
ABSENT: Parker

- 25-09 Resolution approving three change orders for contract #ifb-2024-02 between the Richmond Redevelopment and Housing Authority and Gibraltar Construction Co. Inc. to provide rehabilitation for 700 South Lombardy and authorizing the Chief Executive Officer to execute the Contract on behalf of Richmond Redevelopment and Housing Authority

MOTION: (Broidy/Pitchford) Move to Adopt Resolution #5
VOTE: Aye: Broidy, Elliott, Hardiman, Jackson, Johnson, Lewis, McCray, Pitchford
VOTE: Nay: None
ABSTAIN: None
ABSENT: Parker

Resolution(s) Tabled:

- Resolution #2 Resolution authorizing the Disposition Proposed in the Section 18 Application for the Property known as Gilpin Court to the Richmond Development Corporation

MOTION: (Hardiman/Pitchford) Move to Table Resolution #2
VOTE: Aye: Broidy, Elliott, Hardiman, Jackson, Johnson, Lewis, McCray, Pitchford
VOTE: Nay: None
ABSTAIN: None
ABSENT: Parker

MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
HELD AT 600 EAST BROAD STREET, 5TH FLOOR BOARDROOM
IN RICHMOND, VIRGINIA
ON MONDAY, FEBRUARY 24, 2025 AT 5:30 P.M.

Board of Commissioners

In Attendance:

Charlene Pitchford, Vice Chair
Kyle Elliott
Barrett Hardiman
Eddie Jackson
Gregory Lewis

Attending Virtually

W. R. "Bill" Johnson, Chair
Dyanne Broidy
Marika McCray

Absent:

Harold Parker

RRHA Staff:

Steven Nesmith, Chief Executive Officer
Mike Kelly, Chief Operating Officer - virtual
Patrick Baisi, Associate Counsel
Kim Cole, Chief of Staff
Angela Fountain, Vice President of Communications and Public Relations
Ben Funkhouser, Budget Manager - virtual
Sherrill Hampton, Senior Vice President of Real Estate and Community Development - virtual
Jessica Hardin, Vice President of Human Resources - virtual
Reed Johnson, Deputy Director of Human Resource - virtual
Pamela Kearney, Assistant Vice President of Public Housing Operations - virtual
Don Mullins, Vice President of Capital Projects
Colene Orsini, Assistant Vice President of Procurement and Contract Administration
Joseph Sarver, Vice President of Central Maintenance - virtual
Ralph Stuckey, Vice President of Resident Services – virtual
Tonise Webb, Assistant Lead Counsel

Counsel

George Martin, Lead Counsel
Gerald Carter, Counsel

Call to Order

Counsel Gerald Carter called the meeting to order at 5:35 p.m. A quorum was established.

Remote Participation:

Chair W. R. "Bill" Johnson participated in the February 24, 2025 regular Board of Commissioners meeting from his home in Richmond, VA remotely due to medical reasons.

Commissioner Dyanne Broidy participated in the February 24, 2025 regular Board of Commissioners meeting from her home in Richmond, VA remotely due to medical reasons.

Commissioner Marika McCray participated in the February 24, 2025 regular Board of Commissioners meeting from her home in Richmond, VA remotely due to medical reasons.

Motion: (Hardiman/Pitchford) Move to allow Chair W.R. "Bill" Johnson, Commissioner Dyanne Broidy and Commissioner Marika McCray to participate in the February 24, 2025 Regular Board of Commissioners meeting remotely

Motion Carried Unanimously

Absent: Parker

Approval of Minutes

The Minutes from the *January 15, 2025, Special Board of Commissioners Meeting* were approved.

Motion: (Hardiman/Pitchford) Move to adopt the Minutes from the January 15, 2025 Special Board of Commissioners Meeting

Motion Carried Unanimously

Absent: Parker

Citizens' Comment Period

Dreama Boyd signed up to address the Board of Commissioners during their February 24, 2025 special board meeting, but did not respond when called upon to speak.

Chair Updates

Chair W. R. "Bill" Johnson mentioned the positive activities taking place within the agency that the Commissioners and staff can be proud of.

CEO and Agency Updates

Vote on the Structure and Activities of the Richmond Development Corporation (RDC). CEO Nesmith reported that a resolution is being presented for approval by the RRHA Board of Commissioners to change the existing composition of the RDC Board of Directors to include an RRHA Commissioner, and to approve the activities that the RDC will undertake to promote regional and affordable housing, real estate development, and economic development. In addition, all actions approved by the RDC Board of Directors shall be subsequently approved by the RRHA Board of Commissioners before action is taken by the RDC, except for actions necessary for RDC's continued operation and internal governance.

Vote on Transferring Gilpin Court to the Richmond Development Corporation for competitive Advantage Obtaining HUD Choice Neighborhood Initiative (CNI)

Implementation Grant worth \$50,000,000. CEO Nesmith reported that RRHA would like to apply for a CNI Implementation Grant to further implement and redevelop Gilpin Court. The best way for RRHA to be competitive is to transfer Gilpin to the RDC.

Jeff Lines with TAG Associates explained that Resolution #2 provides for the disposition of Gilpin Court from RRHA to the RDC. The disposition would be done by determining that the property is physically obsolete. Its disposition would give the Authority the opportunity to apply for Tenant Protection Vouchers (TPVs) for all the occupied units within the last 24 months and receive project based rental assistance at the time in which we effectuate the redevelopment of the property. This mechanism will allow RRHA to take advantage of a HUD subsidy platform that is far more significant than public housing and enables us to raise debt and equity.

Discussion: Commissioner Pitchford wanted to know if RRHA's Board would remain involved if Gilpin is transferred to the RDC. In addition, she wanted to make sure that the residents will have a clear Tenant Bill of Rights and that the RTO is fully informed of this project. Jeff Lines explained that the CNI Program requires a high degree of resident participation. In addition, each development plan for the project will come back to the RRHA Board of Commissioners for review and approval.

Commissioner Hardiman expressed concerns about transferring Gilpin Court to the RDC at this time; more specifically the competitive edge for this transfer, the length of time it will take before construction starts, and the lack of units in the pipeline to accommodate those that will be displaced with the redevelopment of Gilpin. After discussing this item at length, CEO Nesmith recommended tabling Resolution #2 to allow staff to further research the concerns that were raised.

400 East Grace Street. CEO Nesmith reported that the sale and development of 400 East Grace Street is underway. The lawyers for the developer of this project have signed off on the documents and have ninety days to complete their due diligence to see whether the project is financially feasible. Once they determine that the project is financially feasible, they would pay a \$5 million capitalized lease payment to RRHA.

City or Richmond's Participatory Meeting Budgeting Process – Focusing Funds on Playgrounds in Gilpin. Carra Rose, 3rd District Delegate explained that during the participatory budgeting process, each district receives an allocation of funds that can be used in their district. After a careful review and receiving input from the community, it was determined that the funds will be used in Gilpin for a playground, shade trees and a parklet.

RRHA's Executive Team Debrief of Meeting with Mayor Danny Avula and his Senior Team. CEO Nesmith reported that the presentation that was made to the Mayor covered RRHA's real estate requests, residential services and funding for the voucher program. Commissioner Elliott added that it was a very productive meeting and that

RRHA and the City will continue to work together to ensure that the partnership stays strong.

RRHA's Formal Funding Request to the Mayor and City Council. CEO Nesmith stated that Mayor Avula will be submitting his budget to City Council on March 27th. We will be submitting our formal funding requests to the Mayor to be included in his budget.

City Departmental Funding Request to the Mayor and City Council. Senior Vice President of Real Estate Sherrill Hampton reported that the City has annual funds that non-profits can apply for. Funds are appropriated each year in November. RRHA will apply for these funds during the City's 2026-2027 budget cycle.

First Time in Many Years HCVP Received High Performer Status for our Regulator, HUD. CEO Nesmith informed the Commissioners that for the first time in many years, the Housing Choice Voucher Program has received the High Performer rating from HUD.

First Time in Many Years HUD has approved RRHA's Unaudited Financial Statement. CEO Nesmith stated that for the first time in many years, the agency received HUD approval of the unaudited financials the first time they were submitted.

Under COO's Leadership along with Chief Compliance Officer we are Standing Up an Enterprise-Wide Compliance System for the Agency. COO Mike Kelly reported that under the leadership of Tonise Webb, Chief Compliance Officer, an agency wide compliance and quality control system has been established. A review of all of the major operational responsibilities have been conducted and a system is now in place for assessing each department's adherence to legal, regulatory and internal controls. Systems for conducting quality control are now being developed and the full intent is to create an annual report to be presented to this Board of Commissioners by the end of the year.

Committee Updates

The *Real Estate and Community Development Committee* met on February 11, 2025. Sherrill Hampton, Senior Vice President of Real Estate and Community Development provided an update on the following items.

- Gilpin Court Redevelopment.
 - Installation of the splash pad in Gilpin should be completed by April 2025.
- Creighton Court Lease Up.
- Mosby Court Redevelopment.

The *Administration and Finance Committee* did not meet during the month of February 2025.

The *Property Management Committee* did not meet during the month of February 2025.

The Governance Committee met on February 12, 2025. Commissioner Elliott provided an update on the following items.

- *Frequency of Board Standing Committee Meetings for 2025.* The Governance Committee was tasked with looking at meeting options to ensure that quorums are met at each of the board standing committee meetings. The discussion was centered around possibly reducing the frequency of the board standing committee meetings. The following options were discussed:
 - Have a formal in-person committee meeting one month. Have an informal informational committee meeting the next month (possibly virtual).
 - Stack the committee meetings - have two committee meetings per night.
 - Alternate committee meetings - have two committee meetings one month and two committee meetings the next month.
 - Hold committee meetings during the day (possibly virtual).
 - The Governance Committee will move their committee meetings from bi-monthly to quarterly.
 - The committee chairs should determine the frequency of their committee meetings.

Resolutions:

Agenda Item #1 - Resolution approving the Revised Structure, Activities, and Power of the Richmond Development Corporation

(25-06) WHEREAS, the Richmond Development Corporation (the “RDC”) is a wholly-owned subsidiary of RRHA; and

WHEREAS, to continue RDC’s purpose in facilitating and promoting regional affordable housing and economic development initiatives, it is necessary to change the composition of the existing RDC Board of Directors to include an RRHA Commissioner; and

WHEREAS, to reflect the RRHA’s Board of Commissioners’ control and oversight over the actions of the RDC, as a wholly-owned subsidiary of RRHA, RRHA’s Board of Commissioners desire to approve all actions of the RDC; and

NOW THEREFORE, BE IT RESOLVED that the RRHA’s Board of Commissioners approves RDC’s activities to facilitate and promote regional affordable housing, real estate development, and economic development to obtain unrestricted revenue to further advance RRHA’s purpose and mission.

NOW THEREFORE, BE IT FURTHER RESOLVED by RRHA’s Board of Commissioners that RDC’s Permanent Board Members will consist of RRHA’s Chief Executive Officer, RRHA’s Chief Operating Officer, RRHA’s Chief Financial Officer, RRHA’s Chief of Staff, RRHA’s Senior Vice President of Real Estate and Community Development, RRHA’s Senior Vice President of

Affordable Housing, and an RRHA Commissioner, appointed by the Chair of the RRHA Board of Commissioners; and

NOW THEREFORE, BE IT FURTHER RESOLVED by RRHA's Board of Commissioners that all actions approved by the RDC shall be subsequently approved by the RRHA Board of Commissioners before action is taken by RDC, except for actions necessary for RDC's continued operation and internal governance.

Motion: (Elliott/Lewis) Move to adopt Resolution #1

Motion Carried

Nay: Hardiman

Not Called Upon: McCray

Note: Resolution #1 was re-voted on because Commissioner McCray was not called on during the initial vote.

Motion: (Johnson/Pitchford) Move to adopt Resolution #1

Motion Carried

Nay: Hardiman

Agenda Item #2 - Resolution authorizing the Disposition Proposed in the Section 18 Application for the Property known as Gilpin Court to the Richmond Development Corporation

WHEREAS, pursuant to the Housing Authorities Law, Chapter 1, Title 36 of the Code of Virginia, as amended, and specifically Sections 36-19(1) and (4), RRHA is authorized to make and execute contracts and other instruments necessary or convenient to the exercise of its powers as a housing authority in the Commonwealth of Virginia, and, in connection with any housing project, to sell, lease, exchange, transfer, assign, pledge, or dispose of any real property or any interest therein; and

WHEREAS, HUD regulation authorizing demolition and disposition of all or a portion of a public housing project requires as part of the Section 18 Application process that RRHA submit a resolution to HUD by RRHA's Board of Commissioners (the "Board") evidencing the Board's approval of the proposed disposition; and

WHEREAS, RRHA intends to dispose (i.e. transfer) of one of its public housing communities to the Richmond Development Corporation (the "RDC"), specifically that community commonly referred to as Gilpin Court (hereafter, "Gilpin"), for the purpose of providing new options for safe, decent, and sanitary affordable housing to existing Gilpin residents and to other low-income residents of the City; and

WHEREAS, the Board has received information regarding such proposed disposition, including the location and condition of the property, the reasons for the disposition, and the proposed use of the proceeds from the disposition; and

WHEREAS, RRHA intends to seek HUD's approval to dispose of Gilpin in one or more phases; and

NOW THEREFORE, BE IT RESOLVED that the Board does hereby approve the disposition of 781 units proposed in the Section 18 Application for Gilpin.

NOW THEREFORE, BE IT FURTHER RESOLVED that the Board does likewise approve the disposition of Gilpin to the RDC to facilitate the

redevelopment efforts under HUD's Section 18 Demolition and Disposition Program.

BE IT FINALLY RESOLVED THAT, the Chief Executive Officer, or his designee, is hereby authorized on behalf of RRHA to execute and deliver any and all documents necessary to carry out the intent of this Resolution, including materials for the Section 18 Application, provided such documents are in a form acceptable to the Chief Executive Officer.

Motion: (Hardiman/Pitchford) Move to Table Resolution #2

Motion Carried Unanimously

Absent: Harold Parker

Agenda Item #3 - Resolution approving the Memorandum of Understanding between the Property Resources Corporation, PRC Group LLC, The Delaine Companies LLC, and The Richmond Redevelopment & Housing Authority Regarding Redevelopment of 400 East Grace Street

(25-07) WHEREAS, Richmond Redevelopment and Housing Authority ("RRHA") is committed to the redevelopment of 400 East Grace Street; and

WHEREAS, to assist with the aforementioned redevelopment, RRHA plans to enter into a Master Development Agreement to develop 68 units of affordable housing for seniors; and

WHEREAS, the Property Resources Corporation, PRC Group LLC, and the Delaine Companies LLC (collectively, the "Developer") have expressed a desire to enter into a Master Development Agreement with RRHA; and

WHEREAS, RRHA and the Developer have memorialized their respective rights and obligations to enter into a Master Development Agreement in that certain Memorandum of Understanding between the Property Resources Corporation, PRC Group LLC, the Delaine Companies LLC, and the Richmond Redevelopment & Housing Authority regarding the redevelopment of 400 East Grace Street, attached hereto as Exhibit A (the "MOU");

NOW, THEREFORE, BE IT RESOLVED RRHA's Board of Commissioners approves the terms of the MOU; and

NOW, THEREFORE, BE IT FURTHER RESOLVED by RRHA's Board of Commissioners that Steven Nesmith, in his capacity as Chief Executive Officer, or his designee, is hereby authorized and directed to execute the MOU and deliver the same to the Developer.

Motion: (Pitchford/Johnson) Move to adopt Resolution #3

Motion Carried Unanimously

Absent: Parker

Agenda Item No. 4 – Resolution approving contracts for Vacancy Reduction Services between the Richmond Redevelopment and Housing Authority and Jefferson Interior Systems; DE Contractors, H&H Real Estate Development; and BA Construction and authorizing the Chief Executive Officer to execute the Contracts on behalf of Richmond Redevelopment and Housing Authority

(25-08) WHEREAS, the Richmond Redevelopment and Housing Authority ("RRHA") issued an Invitation for Bid ("IFB") on November 7, 2024, for Vacancy Reduction Services ("the Services");

WHEREAS, RRHA staff reviewed the eight (8) bids and determined four (4) were deemed responsive and responsible. Those vendors are Jefferson Interior Systems, DE Contractors, H&H Real Estate Development, BA Construction; and

WHEREAS, RRHA desires to execute a contract with H&H Real Estate Development for an initial one-year term and four (4) one-year renewal options not to exceed \$817,462.50, the total value of the contract; and

WHEREAS, RRHA desires to execute a contract with DE Contractors for an initial one-year term and four (4) one-year renewal options not to exceed \$558,173.50, the total value of the contract; and

WHEREAS, RRHA desires to execute a contract with BA Construction for an initial one-year term and four (4) one-year renewal options not to exceed \$962,250.00, the total value of the contract; and

WHEREAS, RRHA desires to execute a contract with Jefferson Interior Systems for an initial one-year term and four (4) one-year renewal options not to exceed \$619,200.00, the total value of the contract; and

WHEREAS, it is necessary for the Board of Commissioners of RRHA to take appropriate official action to approve the contracts and to approve the contracts and to authorize the Chief Executive Officer to execute the contracts on behalf of RRHA for Vacancy Reduction Services with Jefferson Interior, DE Contractors, H&H Real Estate Development, and BA Construction where the total value of all contracts will not exceed \$2,957,086.00.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board of Commissioners of RRHA that Steven Nesmith, in his capacity as Chief Executive Officer or his designee, is authorized to approve the contracts for these four (4) companies not to exceed a total of \$2,947,086.00.

Motion: (Hardiman/Pitchford) Move to adopt Resolution #4

Motion Carried

Nay: Broidy, McCray

Absent: Parker

Discussion: Commissioner Broidy expressed concerns about how some of the contractors are not performing the scope of work that they have been contracted to do and the negative way in which they speak to the residents.

Action Items:

1. Updates on contractor performance issues should be reported on at the property management committee meetings.
2. During the pre-bid meetings, staff should have a conversation with the contractors about the way in which they address the residents.

Agenda Item No. 5 – Resolution approving three change orders for contract #ifb-2024-02 between the Richmond Redevelopment and Housing Authority and Gibraltar Construction Co. Inc. to provide rehabilitation for 700 South Lombardy and authorizing the Chief Executive Officer to execute the Contract on behalf of Richmond Redevelopment and Housing Authority

(25-09) WHEREAS the Richmond Redevelopment and Housing Authority (“RRHA”) entered into a contract with Gibraltar Construction Co., Inc. to provide rehabilitative services at our 700 South Lombardy Senior Site for \$3,241,984.00, and work commenced on August 5, 2024.

WHEREAS during the initial construction phase, due to unforeseen circumstances, such as gate valve replacements and the need for reinforced underlayment, Change Order #1 was submitted and approved on September 18, 2024, in the amount of \$276,650.97, and

WHEREAS during demolition, it was found that extensive damage to the plumbing system was found in several units that needed critical replacement; and

WHEREAS in the initial scope design, the existing sunrooms had not called for any renovations, but after careful review, it was found that these spaces required renovations as well, and

NOW THEREFORE, in consideration of the premises, the mutual undertakings, and benefits to accrue to the parties and the public, the parties hereto agree as follows:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of RRHA that Steven Nesmith, in his capacity as Chief Executive Officer, is authorized to approve the change order for Gibraltar Construction Co., Inc. for \$242,628.69. This will bring the current contract to a total not to exceed \$3,761,263.66.

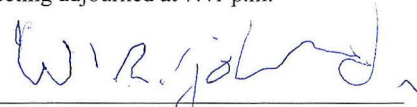
Motion: (Pitchford/Jackson) Move to adopt Resolution #5

Motion Carried Unanimously

Absent: Parker

Adjournment

There being no further business, the meeting adjourned at 7:41 p.m.


Chait


Chief Executive Officer/Secretary