

COMMISSIONERS' REGULAR IN-PERSON BOARD MEETING

*April 16, 2025***Resolution(s) Passed:**

- 25-11 Resolution Approving the Disposition of 2708 Nine Mile Road, 2718 Nine Mile Road and 2720 Nine Mile Road in the City of Richmond, Virginia to Church North LLC for development

MOTION: (Hardiman/Pitchford) Move to Adopt Resolution #2

VOTE: Aye: Broidy, Elliott, Hardiman, Jackson, McCray, Parker, Pitchford

VOTE: Nay: None

ABSTAIN: None

ABSENT: Johnson, Lewis

Resolution(s) Defeated:

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

MOTION: (Jackson/Parker) Move to Adopt Resolution #1

VOTE: Aye: Jackson, Johnson, McCray, Parker

VOTE: Nay: Broidy, Elliott, Hardiman, Lewis, Pitchford

ABSTAIN: None

ABSENT: None

MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF
RICHMOND REDEVELOPMENT AND HOUSING AUTHORITY
HELD AT VIRGINIA UNION UNIVERSITY'S LIVING AND LEARNING CENTER
1500 NORTH LOMBARDY STREET
IN RICHMOND, VIRGINIA
ON WEDNESDAY, APRIL 16, 2025 AT 5:30 P.M.

Board of Commissioners

In Attendance:

Charlene Pitchford, Vice Chair
Dyanne Broidy
Kyle Elliott
Barrett Hardiman
Eddie Jackson
Gregory Lewis
Marika McCray
Harold Parker

Attending Virtually:

W. R. "Bill" Johnson, Chair

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
Corey Franklin, Senior Vice President of Affordable Housing
Sherrill Hampton, Senior Vice President of Real Estate and Community Development
Jessica Hardin, Vice President of Human Resources
Pamela Kearney, Assistant Vice President of Public Housing Operations - virtual
Hugh Little, Deputy Chief Financial Officer
Colene Orsini, Assistant Vice President of Procurement and Contract Administration
Tiana Parker, Assistant Vice President of Public Housing Operations
Theodore Reynolds, Assistant Vice President of Public Housing
Ralph Stuckey, Vice President of Resident Services
Calandra Trotter, Assistant Vice President of Housing Compliance
Tonise Webb, Associate Lead Counsel
Charles Williams, Vice President of Public Housing

Counsel

Gerald Carter, Counsel
George Martin, Lead Counsel

Call to Order

Counsel Gerald Carter called the meeting to order at 5:49 p.m. A quorum was established.

Remote Participation:

Chair W. R. "Bill" Johnson participated in the April 16, 2025 regular Board of Commissioners meeting in Richmond, VA remotely due to medical reasons.

Motion: (Parker/Hardiman) Move to allow Commissioner Johnson to participate in the April 16, 2025 Regular Board of Commissioners meeting remotely.

Motion Carried Unanimously

Approval of Minutes

The Minutes from the *March 19, 2025, Board of Commissioners Meeting* were approved.

Motion: (Hardiman/Elliott) Move to adopt the Minutes from the March 19, 2025 Regular Board of Commissioners Meeting

Motion Carried Unanimously

Citizens' Comment Period

Squeaky Jones signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting, but did not respond when called upon to speak.

Dreama Boyd signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. She spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation and stated that she is not in favor of this transfer.

Clement Robbins signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. He spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation.

Morgan Dean signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. She spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation. She suggested that the vote be delayed until a better plan is presented that shows how the existing residents will benefit from this redevelopment initiative.

Kerrie Harlow signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. She spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation.

Michaela Ross signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. She spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation and stated that she is not in favor of this transfer.

Omari Al-Qadaffi signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. He spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation.

Donte McCutchen signed up to address the Board of Commissioners during their April 16, 2025 regular board meeting. He spoke regarding the transfer of Gilpin Court to the Richmond Development Corporation.

Chair Updates

Chair Bill Johnson spoke to the board concerning his recent meeting with the outside auditors. The meeting was very positive and productive as the auditors complimented RRHA staff on how well the audits were going compared to previous audits. He thanked CEO Steven Nesmith and the staff for a job well done.

CEO and Agency Updates

RRHA/NACA Homeownership 3-Day Event. CEO Nesmith expressed how important this event was in helping residents move forward with self-sufficiency and homeownership.

RRHA's Stepped Up New and Coordinated Security Measures in the Big 6 for Spring/Summer. CEO Nesmith spoke concerning the duty and responsibility to step up security measures to ensure that residents are safe in RRHA's Big 6 communities and senior sites. He briefly mentioned such security measures as enforcing RRHA's debarment policy and parking restrictions, implementing a 2-day trash pick-up service to prevent illegal dumping, and working with families who are in crisis in an effort to assist with this issue.

Public Housing Housekeeping Inspections. SVP Corey Franklin stated that in an effort to help residents to keep their units clean according to their lease, RRHA will be re-implementing housekeeping inspections in 2025.

Annual Agency Plan. Staff provided an update on the 2026 Annual Agency Plan. Key elements and highlights of the plan were provided that outlined the agency's policies, services and strategies for Fiscal Year 2026.

Strategic Plan and RRHA's Moonshot Anti-Poverty Initiative. CEO Nesmith reported that he will make his Moonshot Proposal to foundations in an effort to generate unrestricted income for the agency. He has set a goal to try and bring in additional revenue for the organization to assist with various initiatives. Securing additional funding will be essential to moving residents to self-sufficiency with the ultimate goal of homeownership, engaging with residents and youth to help find job training and to help the healthcare resource centers be more valuable to the residents and offer more services.

Committee Updates

The *Administration and Finance Committee* met on April 14, 2025. Hugh Little, Vice President of Administration and Finance provided an update on the following items.

- Financials.
- The Audit will be presented to the full board in June.
- HR Update.
- IT Update.
- Procurement Update.

The *Real Estate and Community Development Committee* met on April 8, 2025. Sherrill Hampton, Senior Vice President of Real Estate and Community Development provided an update on the following items.

- o Nine Mile Road Project.
- o Creighton Phase A Project.
- o Mosby Court Redevelopment.
- o Jackson Place Project.
- o Gilpin Court Redevelopment.

Comments:

Commissioner Jackson, Chair of the Real Estate Committee provided the following comment: *For a lot of the reasons that many of us are assembled here tonight, I want to take an opportunity to publicly indicate that I firmly support the work that comes out of our Real Estate Committee. I want to applaud the staff of Richmond Redevelopment and Housing Authority. There is a gigantic responsibility in real estate. Development projects take a lot of time and require that you be flexible and creative and remind you that we are accountable to our residents, their feelings and the things that matter to them. They are our most precious commodities.*

Anne Frances Lambert, former Councilwoman, provided the following comments: She stated that one of the proudest moments of her term was to have a relationship with RRHA as well as her work to make sure that the Calhoun Center was transferred back to the city. She encouraged the residents to come to meetings and let their voices be heard. She expressed how important healthcare is, especially mental health care. She stated that with the current climate of the economy, moving forward is important because tomorrow is not promised nor is funding for tomorrow promised. She applauds and supports all efforts. She said *"Keep up the good fight for the folks in the community"*.

CEO Nesmith recognized Merrick Malone with the City of Richmond's Department of Housing and community Development for attending the meeting on behalf of Mayor Avula.

Mike Syme with Fox Rothschild LLP provided an update on the Richmond Development Corporation (RDC). He stated that the RDC is not a private company; it has never been a private company and nor will it ever be a private company. The RDC is a not-for-profit organization that is being used, like most housing authorities in the Commonwealth of Virginia, and also across the country, as the development arm of RRHA. It is not just an affiliate, but an instrumentality completely controlled by RRHA. The RDC will shield the housing authority and its assets from liability and can also be used to provide funding for various projects when federal funds cannot be used.

He discussed the following questions that were submitted by the Commissioners.

1. Why now? Why are we looking to transfer Gilpin from RRHA to the RDC? *The reason is because the new administration in DC is cutting programs and funding. One of the things that they are looking at is public housing. We are putting in an application to get approved for future disposition; we have a chance of being allocated Tenant Protection Vouchers. These vouchers will provide badly needed sources of funding for the Housing Authority, but much more importantly, for the residents.*
2. How and when would the disposition, that is transfer of Gilpin Court to the RDC occur following HUD approval? *Gilpin will not be transferred as an entire development to the RDC. Rather, Gilpin will be developed in phases, therefore, only the portion of Gilpin that is being actively developed at a particular time, will be "transferred" into the RDC. The disposition and transfer would be expected to occur on a phase-by-phase basis when a phase of redevelopment is funded and ready for financial closing.*

What effect would it have on operating funding from HUD to support ongoing essential maintenance services at Gilpin? *When a phase or portion of Gilpin is transferred to the RDC, that phase/portion of the development would receive Asset Repositioning Fees from HUD with respect to operating subsidy which would be the full amount at 100% initially, the second year funding would be at 75%, the third year at 50% and thereafter no operating subsidy would be provided however, the phase would be under development or perhaps completed by then with a new funding or other method of funding,*

3. What would be the effect on HUD capital fund allocations following each actual "phase of transfer" of Gilpin? *Capital Funds are allocated by HUD based on a formula that represents the characteristics of the public housing units in the PHA's portfolio. Activities and the funding allocated is based on a 5-Year Plan that the PHA submits. The funding may be adjusted based on the annual appropriations from Congress; however, any changes that may occur in the characteristic of the PHA's units in the formula will not be reflected in the formula for five years after any disposition occurs. Therefore, for RRHA's Capital Fund funding, each 10 phases of the Gilpin development would be eligible to receive the full formula funding amount for each public housing unit per applicable HUD regulations.*
4. What are the property tax implications of the disposition? *When a phase of Gilpin is transferred to the RDC, it would be subject to the same property tax requirements by the City as any phase transferred using the mixed finance approach and consisting of assisted and unassisted units. However, RRHA has two choices, (1)*

apply for a tax exemption, and (2) apply for a new tool available through the City and the Economic Development Authority, a Performance Grant.

5. Why submit a Section 18 disposition application now to HUD for future demolition?
An objective for submitting a Section 18 disposition application now for Gilpin Court would be to provide HUD with an opportunity to authorize Tenant Projection Vouchers (TPVs) for all eligible units.
6. How does this transfer, at this time, benefit Gilpin residents? *The transfer will not happen now but in a phase-by-phase approach. However, by obtaining approval now RRHA believes that it is putting its residents in the best place possible to obtain TPVs when each phase is ready. This will provide the residents with a reliable subsidy and better housing options. The newly redeveloped housing will provide modern, desirable housing for the benefit of the entire community.*
7. What requirements are there for the use of Tenant Protection Vouchers (TPVs) and the benefits of an authorization from HUD? *TPVs can be used for either relocation only purposes or as replacement housing for the public housing units being disposed of. The RRHA would elect to have the TPVs treated as replacement housing for the Gilpin units as it would provide a significantly higher level of public assistance funding than the current public housing operating fund formula.*
8. With the constant rise of housing costs, do Tenant Protection Vouchers meet current market costs for housing? *Tenant Protection Vouchers (TPV) are issued by HUD as a part of the Section 8 program. The value of the voucher has consistently risen through HUD appropriations each year. It is considered a stable subsidy and, unlike public housing, has not been subject to constant reductions. This is due, in part, to vouchers being accepted by private landlords and investors.*
9. How will Tenant Protection Vouchers (TPV) meet market costs if there is a significant lag between the application for TPVs for tenants and them being granted? *The application for the disposition will be made well in advance. However, the goal is to have the TPVs set and in place so that the residents will have the vouchers available prior to any relocation. As each phase is financed, RRHA will proceed with the disposition and obtain the vouchers. At that time, residents will be relocated using the vouchers. The residents will have the right to return. Moreover, the resident's portion of the rent will not change. Residents will continue to pay 30% of their income.*
10. If the majority of Gilpin residents take their voucher and decide to permanently relocate, what are the potential impacts, if any? *TPVs would be available for relocation and households that would choose to leave permanently could use their TPV to relocate anywhere off site in accordance with a relocation plan approved by HUD. The vouchers that would be used for permanent relocation*

can be replaced, if RRHA chooses to use its existing Housing Choice Vouchers to replace those lost to permanent relocation. TPVs allocated as replacement units will be added to its existing ACC for Housing Choice Vouchers.

11. Would the disposition of Gilpin be in accordance with RRHA's Choice Neighborhood Plan i.e., "Transformation Plan" already submitted to HUD? *Yes, the conveyance of the Gilpin site, on a phase-by-phase basis is consistent with the Choice Neighborhood Plan submitted to HUD and funded by the Choice Neighborhood Grant provided by HUD. Under RRHA's Master Development Agreement, the financial closing of each phase and transfer of each to the RDC must be approved by the Board of Commissioners before any conveyance under disposition to the RDC.*
12. Is there a key difference between the proposed Gilpin Court disposition and the Creighton Court disposition strategy? *RRHA could use the Creighton model, however, the currently proposed Gilpin Court disposition model is more comprehensive as it seeks to access a full authorization of Tenant Protection Vouchers (TPVs) right now to mitigate the potential lack of funding at the federal level in the future. This approach is based solely on disposition without a specific approval for the demolition of buildings which will occur in phases. HUD may or may not approve the disposition and TPV request. If HUD disapproves the request, RRHA can still seek approval at a later date based on a traditional strategy for disposition and demolition.*
13. As a part of the financing strategy, is RRHA and the Developer (HRI) relying on HUD to issue a Notice of Funding Availability for a CNI grant of up to \$50 million? *No, while a CNI implementation grant will be pursued if made available; given the current budget climate RRHA is not solely relying upon the CNI grant funding. Rather, RRHA will also seek to leverage private debt and tax credit equity from private investors, and social impact investors. Additionally, RRHA will pursue funding at the state and city level - and even possible Congressional earmark funding. And, finally, we will target equity sources through bond financing initiatives.*
14. Do we have City of Richmond endorsement/support for the Section 18 Disposition application? *Yes, RRHA's CEO did obtain a letter of support from the City of Richmond on November 20, 2024, as it was necessary before the Board of Commissioners can approve the Section 18 Disposition application.*
15. Do we have a plan for advancing or executing on a Section 18 Disposition? *We have an initial plan that has divided the entire redevelopment of Gilpin into initial phases in a manner consistent with the overall plan for transformation developed under the HUD CNI Planning Grant which has been submitted to HUD with extensive community and City involvement. We will begin the process of "vetting"*

the phased approach with key stakeholders consisting of Gilpin resident leadership, community representatives and the City (both elected officials and applicable departments) to gain input in determining the appropriateness of the phases.

16. Would Gilpin ever return to full RRHA ownership after all phases are completed following transfer to RDC? *RRHA will not transfer title to Gilpin. Instead, Gilpin will be transferred to RDC through the use of a long-term ground lease. The property will come back to RRHA either at the end of the tax credit compliance period or the end of the term of the ground lease. Regardless of the timing, RRHA will continue to hold title to the property in the public trust and for the benefit of the residents.*

Discussion:

Commissioner Elliott stated that his preference would be to see a complete application and have the Commissioners to vote on that primary application as the last and final step. He noted that he has heard that time is of the essence on this, but he does not quite understand the urgency. He said *"I think it would be better to take the time to put together the component parts of the application, come to the board, present the application so that we can be allowed to weigh the cons and benefits to determine if it is in the best interest of the residents and if it is in the best interest financially and economically for the redevelopment of Gilpin"*.

Commissioner Hardiman stated that we need to pause this application until every single step of this process is laid out so that the Commissioners will know exactly when it is going to happen. Also, conversations will need to be held with city council to ensure that they will back us through this process.

Resolution(s):

Agenda Item #1 - 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: (Jackson/Parker) Move to adopt Resolution #1

Subsidiary Motion: (Hardiman/Broidy) Move to Suspend Resolution #1

Motion Does Not Carry

Aye: Broidy, Elliott, Hardiman, Lewis

Nay: Jackson, Johnson, Parker, Pitchford, McCray

Motion: (Jackson/Parker) Move to adopt Resolution #1

Resolution Defeated

Aye: Jackson, Johnson, McCray, Parker

Nay: Broidy, Elliott, Hardiman, Lewis, Pitchford

Public Comment Regarding Resolution #1

Thomas Fitzpatrick, Executive Director of Housing Opportunities Made Equal provided the following comments regarding Resolution #1. He said "*I urge you to think about what is needed to preserve communities and what is in the best interest for the tenants of Gilpin Court and how to protect their rights and how to preserve their community*".

Hope Elliott provided the following comments regarding Resolution #1. She stated that she is appalled at the lack of transparency regarding this project. She is not in favor of Resolution #1.

Kierra Harris provided the following comments regarding Resolution #1. She stated that she is not in favor of Resolution #1.

Stephanie Robinson provided the following comments regarding Resolution #1. She said "*If we want to take the chance on this, we have to stay on top of that corporation or*

entity. For the Gilpin Court residents, we are going to stay on top of this and they are going to be ready for us”.

Dreama Boyd provided the following comments regarding Resolution #1. She stated that she is not in favor of Resolution #1.

Agenda Item #2 - Resolution Approving the Disposition of 2708 Nine Mile Road, 2718 Nine Mile Road and 2720 Nine Mile Road in the City of Richmond, Virginia to Church North LLC for development

(25-11) WHEREAS, Richmond Redevelopment and Housing Authority (“RRHA”) owns those certain parcels of unimproved real property more commonly known as 2708 Nine Mile Road, 2718 Nine Mile Road, and 2720 Nine Mile Road, in the City of Richmond, Virginia (collectively, the “RRHA Parcels”); and

WHEREAS, Church Hill North Holdings, LLC (“Developer”) submitted a proposal to RRHA for the development of the RRHA Parcels on July 19, 2024; and

WHEREAS, the RRHA Board of Commissioners approved the Term Sheet on July 29, 2024, which included a proposed multi-story building containing an early childhood education facility on the ground floor and residential units on the floors above, and a mix of market rate and low-to-moderate income townhouse-style apartments, with the option to convert to single-family homeownership units; and

WHEREAS, RRHA desires to dispose of the RRHA Parcels to promote responsive and responsible revitalization and to support the Developer’s plan to increase affordable housing units available within the City of Richmond; and

WHEREAS, Developer has submitted a Purchase and Sale Agreement (“Purchase Agreement”), pursuant to the Term Sheet, with a sale price of the RRHA Parcels for \$700,000, attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby approves RRHA’s disposition of the RRHA Parcels for \$700,000; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Chief Executive Officer, or his designee, is hereby authorized and directed to execute and deliver the Purchase Agreement and any and all documents required to consummate such transaction.

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

Motion Carried Unanimously

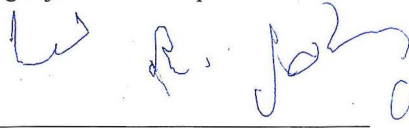
Absent: Johnson, Lewis

Note: Chair Johnson did not respond when called upon to vote on Resolution #2.

Commissioner Lewis had stepped out of the room when the vote was taken for Resolution #2.

Adjournment

There being no further business, the meeting adjourned at 8:24 p.m.



Chair



Chief Executive Officer/Secretary