



AGENDA
NRHA Commissioners' Meeting
September 14, 2010 – 8:00 a.m.
201 Granby Street, 12th floor

I. **APPROVAL OF MINUTES OF COMMISSIONERS' MEETINGS**

August 23, 2010 Board of Commissioners' Meeting

II. **REMARKS**

Chief Executive Officer Update
Chairman of the Board Comments
Commissioners' Comments

III. **DEVELOPMENT OPERATIONS**

- 1) FY2012 Funding Applications and Public Hearing
Presented by James Gehman
Chief Development Officer
- 2) CIP Fund Deactivation
Presented by James Gehman
Chief Development Officer
- 3) Resolution Authorizing the Issuance of a Multifamily Residential Rental
Housing Revenue Refunding Bond
Presented by William W. Harrison, Jr.

IV. **FINANCE AND ADMINISTRATIVE OPERATIONS**

- 1) Previous Month's Activities
 - a) Disposition Activities
East Beach
 - b) Contract Activities
 - c) Anticipated Requests for Proposals, Qualifications, or Quotations and
Invitations for Bids

NRHA Commissioners' Meeting
September 14, 2010 – 8:00 a.m.
201 Granby Street, 12th floor

V. HOUSING OPERATIONS

- 1) Physical Assessment Inspection FY2010
Presented by Donnell Brown
Chief Housing Officer

VI. NEW BUSINESS

VII. COMMITTEE MEETING NOTES

None

VIII. CLOSED MEETING

1. Resolution Convening a Closed Meeting on September 14, 2010, for
 - a) “Discussion and consideration of the disposition of publicly held real property in the East Ocean View Conservation and Redevelopment Project as authorized by Section 2.2-3711.A.3 of the Act.”
 - b) “Discussion and consideration of the disposition of publicly held real property related to Partrea Senior Midrise as authorized by Section 2.2-3711.A.3 of the Act.”
 - c) “Discussion and consideration of the disposition of publicly held real property related to the Oakmont North Apartments as authorized by Section 2.2-3711.A.3 of the Act.”
 - d) “Discussion and consideration of the disposition of publicly held real property in the Berkley IV Redevelopment Project area as authorized by Section 2.2-3711.A.3 of the Act.”

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e) "Consultation with legal counsel and briefings by staff members pertaining to acquisition and disposition activities in the Hampton Boulevard Redevelopment Project area as authorized by Section 2.2-3711.A.7 of the Act."

2. Resolution Certifying a Closed Meeting on September 14, 2010.

OTHER NOTICES

*The next BOC meeting is Monday, October 11, 2010
201 Granby Street; 12th Floor
8:00 a.m.*

MINUTES OF MEETING

The Commissioners of the Norfolk Redevelopment and Housing Authority (the "Authority") met in a regular monthly meeting at 201 Granby Street, Norfolk, VA at 8:05 a.m. on Monday, August 23, 2010.

The meeting was called to order by Chairman W. Sheppard Miller, III. Upon roll call those present and those absent were as follows:

Present:	Ms. Hattie Anderson
	Mr. F. Nash Bilisoly
	Mr. L. Robert Layton
	Mr. W. Sheppard Miller, III
	Mr. Robert J. Soble
Absent:	Mr. Curtis Anderson

Also present were Shurl R. Montgomery, Secretary; Timothy A. Coyle, Attorney, various staff members and one member of the media.

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I. Approval of Minutes of Commissioners' Meetings

The Chairman presented the previously circulated minutes of the July 12, 2010 Board meeting. Upon motion of Mr. Layton, seconded by Mr. Soble, the minutes were unanimously approved.

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II. Remarks

A. Chief Executive Officer Update

Chief Executive Officer Montgomery's list of activities accomplished since the last Board meeting was previously circulated to the Board. Several items were summarized and briefly discussed by Mr. Montgomery.

1. The Authority has prevailed in its lawsuit against the St. Joe Company and judgment has been entered in favor of the Authority in the amount of \$115,343.06.

2. Eleven employees have taken training to become licensed Mortgagee Loan Originators.

3. Amendments to the Fiscal Year 2011 Budget will be discussed at the Commissioners' meeting in September, with final action to be taken in October.

4. The Commissioners will receive invitations to a fund raising event for the Kroc Center scheduled for September 22, 2010.

5. REAC inspections will be discussed later in today's meeting.

6. The City and the Authority will be co-sponsors of the upcoming Homearama this fall at East Beach, each contributing \$25,000.00.

7. Staff will soon be meeting with professors at the College of William & Mary to discuss their conducting a study of the economic impact of the Authority's activities over the past 70 years.

8. The Housing Authority Insurance Group has refunded approximately \$74,000 to the Authority partly in recognition of our safety plan.

9. The City Funding Application will be discussed at the Commissioners' September meeting, with a public hearing and Commissioner approval to take place in October.

10. Photographs of the Granby Village Learning Center were circulated.

11. Staff is moving forward with the creation of a Section 501(c)(3) organization which would provide educational assistance and housing opportunities for residents of public housing and Section 8 voucher holders. NRHA's existing account with the United Way Foundation is a vehicle to provide public housing and Section 8 youth with educational and recreational assistance. City Council and Commissioner approval will be needed if a new 501(c)(3) entity is to be organized.

12. Meetings are being scheduled with the three new City Council members to orient them concerning the activities and programs of NRHA.

B. Chairman of the Board Comments

1. The Chairman commended staff for a job well done in creating the Granby Village Learning Center.

2. Approximately 650 employees, retirees and friends attended the Authority's 70th anniversary party.

3. Commissioner meeting dates for the remainder of the year were distributed.

4. The Chairman, Vice Chairman and Mr. Montgomery plan to meet with the Mayor, Vice Mayor and City Manager on September 7, 2010.

5. The next meeting of the ECBD is scheduled for September 14, 2010.

6. Information about the upcoming Homearama is in today's package of materials.

7. An updated land inventory report is also in today's packet.

8. The Governor's Annual Housing Conference is scheduled for November 17-19, 2010 in Richmond.

9. On behalf of the entire Board, the Chairman congratulated Karen Hughes, Adrienne Perkins, Lynne Spruill and Tarsha Mitchell who have earned college degrees.

C. Commissioners' Comments

In response to questions from Mr. Layton, the Commissioners were advised that write offs are included in the 2010 financials and that further explanation will be provided concerning the land inventory report. Mr. Bilisoly suggested that the Board needs to discuss all of the issues relating to Hampton Roads Ventures before moving forward with establishing a 501(c)(3) organization.

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III. Development Operations

1) East Beach Project Status Report

Mr. James Gehman gave a PowerPoint presentation, a copy of which has been filed with these minutes. Mr. Layton stated that economic challenges lie ahead and that decisions will need to be made whether to stick to the original vision or make market driven changes.

2) CDBG and HOME Reprogramming

Mr. James Gehman gave a PowerPoint presentation, a copy of which has been filed with these minutes. In response to a request from Mr. Bilisoly, the Chairman provided some background on annual CDBG and HOME funding and why reprogramming is necessary.

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IV. Finance and Administrative Operations

1) Previous Month's Activities

Mr. Layton requested annual disposition numbers and the Chairman asked that a year-to-date column be added to the quarterly reports.

2) Resolution Authorizing Revised Terms in Amendment No. 2 to the Fiscal Year 2010 (FY-2010) City-NRHA Capital Improvement Program (CIP) Contract

Mr. John Kownack reported that this Amendment adds \$59,073 to the contract to reimburse the Authority for advances made in support of The Waterside. Upon motion of Mr. Layton, seconded by Mr. Soble, the following Resolution was unanimously approved:

RESOLUTION NO. 9033

**RESOLUTION AUTHORIZING REVISED TERMS IN AMENDMENT NO. 2 TO
THE FISCAL YEAR 2010 (FY-2010) CITY-NRHA CAPITAL
IMPROVEMENT PROGRAM (CIP) CONTRACT**

WHEREAS, by Resolution adopted on June 14, 2010, the Board of Commissioners (the "Board") of the Norfolk Redevelopment and Housing Authority (the "Authority") authorized the execution of Amendment No. 2 to the FY-2010 City-NRHA CIP contract to increase the amount of City funding support for the Waterside by \$46,770;

WHEREAS, the City is now desirous of revising the terms of said Amendment No. 2 to increase the City funding support for the Waterside by an additional \$59,073 for a total increase of \$105,843; and

WHEREAS, the revised amendment to the CIP contract between this Authority and the City of Norfolk has been prepared, the terms of which are satisfactory to this Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Norfolk Redevelopment and Housing Authority as follows:

1. The Executive Director or his designee is hereby authorized to execute that certain Amendment No. 2 to the CIP contract between this Authority and the City, under which, the Authority agrees to perform the services set forth in the amended contract; and the compensation be amended so that a net amount of \$105,843 be increased for a total contract amount of \$9,710,995.
2. The Secretary or Acting Secretary is authorized to affix and attest the corporate seal of this Authority, and the Executive Director is hereby authorized to take, or cause to be taken, such other and further actions as may be necessary to carry out the terms of said Amendment No. 2, including the advance of NRHA funds in an amount up to \$105,843 to meet cash flow needs of the Waterside in anticipation of additional City of Norfolk funds being made available.

3. This Resolution shall be in effect from and after the date of its adoption.

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V. Housing Operations

1) Resolution Authorizing Section 8 Management Assessment Program (SEMAP)-Certification for FY2010

Ms. Donnell Brown introduced the topic and reported that NRHA has received a score of 99 which qualifies the Authority as a "High Performer." Upon motion of Mr. Layton, seconded by Ms. Anderson, the following Resolution was unanimously approved:

RESOLUTION NO. 9034

**RESOLUTION AUTHORIZING THE SUBMISSION OF SECTION 8
MANAGEMENT ASSESSMENT PROGRAM CERTIFICATION (SEMAP) for FY
2010**

WHEREAS, The Department of Housing and Urban Development (HUD) has established a Section 8 Management Assessment Program (SEMAP) to assess the quality of Section 8 operating performance; and

WHEREAS, The operating performance is assessed by the measurement, analysis and reporting of fourteen specified indicators: Selection from Waiting List, Reasonable Rent, Determination of Adjusted Income, Utility Allowance Schedule, HQS Quality Control, HQS Enforcement, Expanding Housing Opportunities, Payment Standards, Timely Annual Reexaminations, Correct Tenant Rent Calculations, Annual HQS Inspections, Lease-up, and Family Self-Sufficiency; and

WHEREAS, Norfolk Redevelopment and Housing Authority has compiled and certified the results of its performance in the fourteen areas for fiscal year 2010. The scoring for each SEMAP indicator is attached. Thirteen indicators received the maximum allowable points for the program. Based on a thorough review of the supporting documentation

for each indicator, NRHA is a High Performing Housing Choice Voucher Program with a score of 99 for FY 2010; and

WHEREAS, NHRA is hereby requesting that the Board of Commissioners of the Norfolk Redevelopment and Housing Authority approves and authorizes the certification to HUD of the required Section 8 Management Assessment Program (SEMAP) indicators, reflecting the performance of the Authority in the operation and administration of its Housing Choice Voucher program for the year ending June 30, 2010; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Norfolk Redevelopment and Housing Authority approves and authorizes the certification and reporting to HUD of the required Section 8 Management Assessment Program (SEMAP) indicators, reflecting the performance of the Authority in the operation and administration of its Housing Choice Voucher program for the year ending June 30, 2010.

2) Resolution Authorizing the Public Housing Assessment System (PHAS)-Certification of MASS (Management Assessment Sub System) for FY2010

Ms. Donnell Brown advised that this Resolution is required by HUD each year. Upon motion of Mr. Layton, seconded by Mr. Soble, the following Resolution was unanimously approved:

RESOLUTION NO. 9035

RESOLUTION AUTHORIZING THE PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)-CERTIFICATION OF MASS(MANAGEMENT ASSESSMENT SUB SYSTEM) FOR FY 2010

WHEREAS, the Department of Housing and Urban Development ("HUD") has established a Public Housing Assessment System to assess the quality of a Public Housing Agency's operating performance; and

WHEREAS, under the Program, the operating performance of a Public Housing Agency is assessed by the measurement, analysis and reporting of six specified management indicators; and

WHEREAS, HUD requires each Public Housing Agency to certify the results of its performance in the six areas measured under the system; and

WHEREAS, the Norfolk Redevelopment and Housing Authority has assembled and is prepared to certify the Authority's performance indicator areas;

NOW, THEREFORE, BE IT RESOVLED, that the Board of Commissioners of the Norfolk Redevelopment and Housing Authority hereby approves and authorizes the certification and reporting to HUD of the required Public Housing Assessment system indicators, reflecting the performance of the Authority in the operation and administration of its public housing communities for the year ending June 30, 2010.

3) Housing Operations Annual Report

Ms. Donnell Brown highlighted several items from the Annual Report. While the report indicates turn time for public housing units of 17.6 days, the Authority has now reached its goal of 15 days. Approximately \$30,000,000.00 was spent last fiscal year on Capital Fund projects. Over 9000 work orders were handled by the central office which is an addition to the 36,900 work orders accomplished in the housing communities. More than \$20,000,000.00 was expended in the housing choice voucher program last year and 50 percent of the 190 new units leased during the year were located in non-impacted areas of the City. Grants totaling approximately \$1,000,000.00 were awarded and grant funding requests in excess of \$5,000,000.00 are pending. Over 400 individuals received assistance in travelling to and from work using transportation grant funds. Mr. Layton remarked that the positive trend lines are a testament to the excellent work being accomplished in the housing division under the leadership of Ms. Brown.

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VI. New Business

None.

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VII. Committee Meeting Notes

None.

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VIII. Closed Meeting

1) Resolution Conveying a Closed Meeting

Upon motion of Mr. Soble, seconded by Mr. Bilisoly, the following Resolution was unanimously approved:

RESOLUTION NO. 9036

RESOLUTION CONVENING A CLOSED MEETING

BE IT RESOLVED, that the Authority will convene in a closed meeting pursuant to the Virginia Freedom of Information Act, as amended (the "Act"), to discuss the following matters which are specifically exempted from public disclosure by the code sections referred to below:

a) Discussion and consideration of the disposition of publicly held real property in the Fairmont Park Development "Layafette Boulevard" as authorized by Section 2.2-3711.A.3 of the Act.

b) Discussion and consideration of the disposition of publicly held real property in Park Place "YMCA proposal" as authorized by Section 2.2-3711.A.3 of the Act.

c) Discussion and consideration of the disposition of publicly held real property in South Brambleton "Pollards site demolition" as authorized by Section 2.2-3711.A.3 of the Act.

Upon motion of Mr. Soble seconded by Mr. Layton the following Resolution was unanimously approved.

2) Resolution Certifying a Closed Meeting

RESOLUTION NO. 9037

RESOLUTION CERTIFYING A CLOSED MEETING

WHEREAS, The Authority has 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 2.2-3712.D of the 1950 Code of Virginia, as amended, requires a certification by this Authority that such closed meeting was conducted in conformity with Virginia law;

NOW THEREFORE, upon motion duly made and seconded, BE IT RESOLVED, that the Authority hereby certifies that, to the best of each Commissioner's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were heard, discussed or considered in the closed meeting and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Authority.

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There being no further business, the meeting was adjourned at 10:00 a.m.

Secretary

Chairman



Agenda Item NRHA Board of Commissioners

Subject: CIP Fund Deactivation

Executive Contact: James E. Gehman

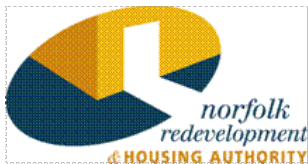
Date: September 14, 2010

BACKGROUND

The City has identified Capital Improvement Plan (CIP) funding appropriated between FY00 and FY08 that have not been expended to-date and requested NRHA to identify any funds that are obligated or that should be re-programmed and balances that should be deactivated. This presentation will describe the funding and current obligations. At this point staff has identified the funding levels approximately as follows:

1. Projects Underway	\$2.7M
2. Recommended for Re-Programming	\$2.3M
3. Deactivate	<u>\$2.3M</u>
Total	\$7.3M

The final amounts are subject to ongoing evaluation by staff and reconciliation with City accounting. The funds deactivated will become a part of a pool of funds for reprogramming by the City of Norfolk.



Resolution NRHA Board of Commissioners

Subject: RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY RESIDENTIAL RENTAL HOUSING REVENUE REFUNDING BOND (Meredith Realty Ghent Properties, L.L.C. Project) Series 2010 in an Aggregate Principal Amount Not to Exceed \$1,480,000 and the Execution of Related Documents

Executive Contact: James E. Gehman

Date: September 14, 2010

BACKGROUND

The Meredith Realty Ghent Properties, L.L.C. is proposing the refunding of Series 2000 Tax-Exempt Adjustable Mode Multifamily Residential Rental Housing Revenue Refunding Bonds.

NRHA will receive an issuance fee and continue to receive fees annually equal to .125% of the outstanding balance.

William (Bill) W. Harrison, Jr. will be in attendance to answer questions.

Recommendation: Approve resolution.

RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY RESIDENTIAL
RENTAL HOUSING REVENUE REFUNDING BOND
(MEREDITH REALTY GHENT PROPERTIES, L.L.C. PROJECT)
SERIES 2010

WHEREAS, pursuant to the Virginia Housing Authorities Law, Title 36, Chapter 1, Code of Virginia of 1950, as amended (the "Act"), the Norfolk Redevelopment and Housing Authority (the "Issuer") is authorized and empowered to issue its revenue bonds and revenue refunding bonds for the purpose of providing funds to purchase, construct, extend and improve certain projects (as defined in the Act) and to refund any prior issue of bonds; and

WHEREAS, Meredith Realty Ghent Properties, L.L.C., a Virginia limited liability company (the "Company"), has requested that the Issuer adopt a resolution authorizing the refunding of the outstanding principal balance of the Issuer's \$2,165,000 Tax-Exempt Adjustable Mode Multifamily Residential Rental Housing Revenue Refunding Bonds (Meredith Realty Ghent Properties, L.L.C. Project) Series 2000 (the "Prior Bonds"), the proceeds of which were used to refund the Authority's \$3,360,000 Variable Rate Multi-Family Residential Rental Housing Refunding Revenue Bonds, Series 1988 (Ghent Properties, L.P. Project), the proceeds of which were used to refund the Authority's \$3,360,000 1985 Residential Rental Housing Bonds, Series A-1 and A-2 (Ghent Properties, Ltd. Project), the proceeds of which were used to finance the acquisition and rehabilitation of the multi-family rental housing projects located at 115 East 41st Street, 825 Westover Avenue, 826 West Princess Anne Road and 918 West Princess Anne Road in the City of Norfolk, Virginia (collectively, the "Project"); and

WHEREAS, the Company has requested the Issuer to issue and sell its Multifamily Residential Rental Housing Revenue Refunding Bond (Meredith Realty Ghent Properties, L.L.C. Project) Series 2010, in the principal amount of \$1,480,000 (the "Bond"), and to make a loan of the proceeds from the sale of the Bond (the "Loan") to the Company to refund the outstanding balance of the Prior Bonds, which Loan the Company will agree to repay, as evidenced by the Company's Promissory Note in the original principal amount of \$1,480,000 (the "Note"); and

WHEREAS, the Company requests that the Bond be issued pursuant to a certain Bond Purchase and Financing Agreement, by and between the Issuer, the Company and Heritage Bank (the "Bank"), pursuant to which the Issuer will transfer and assign the Note to the Bank as security for the payment of the Bond and such other security instruments as may be necessary; and

WHEREAS, the basic agreements listed below (and other related documents), which are necessary to the consummation of the contemplated transaction, have been presented to the Issuer for its approval:

- (a) Bond Purchase and Financing Agreement, dated as of September 15, 2010, among the Issuer, the Company and the Bank (the "Bond Purchase Agreement");

(b) A Second Amendment to Declaration of Restrictive Covenants, dated as of September 15, 2010, among the Company, the Issuer and the Bank (the “Restriction Agreement”); and

(c) Specimen of the Issuer's \$1,480,000 Multifamily Residential Rental Housing Revenue Refunding Bond (Meredith Realty Ghent Properties, L.L.C. Project) Series 2010, to be dated the date of its delivery.

WHEREAS, the Issuer, in furtherance of the public purposes for which it was created, proposes to approve, issue, execute, sell and deliver the Bond, and upon final approval as to the form thereof, to execute and deliver the documents listed above as (a), (b) and (c) (hereinafter collectively referred to as the “Bond Documents”), and such other agreements, certificates and documents as the Chairman or Vice Chairman of the Issuer and its counsel may consider necessary and proper.

NOW, THEREFORE, BE IT RESOLVED:

1. The Issuer finds and determines that the issuance of the Bond will be in furtherance of the purposes for which the Issuer was organized. For the purpose of paying the cost, in part, of refunding the outstanding principal balance of the Prior Bonds, the issuance, execution, sale and delivery of the Bond are hereby authorized. The Bond shall be in an aggregate principal amount not to exceed \$1,480,000 and shall be in substantially the same form as presented to the Issuer with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman or Vice Chairman of the Issuer, whose approval shall be evidenced conclusively by the execution and delivery of the Bond.

2. Neither the Bond nor the premium, if any, penalty, if any, nor the interest payable thereon shall constitute an indebtedness or be a charge against the general credit or taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Issuer and the City of Norfolk, Virginia, and neither the Commonwealth of Virginia nor any political subdivision thereof (other than the Issuer) shall be liable thereon and in no event shall the Bond be payable out of any funds or properties other than those of the Issuer specifically pledged thereto. The Bond, together with the premium, if any, penalty, if any, and the interest payable thereon, shall be special, limited obligations of the Issuer payable solely from the revenues and other sources which are specifically pledged thereto, pursuant to the terms of the Bond Purchase Agreement, the Bond and the other related documents therein and herein referenced.

3. The Issuer agrees to make the Loan to the Company to refund the Prior Bonds, as provided in the Bond Purchase Agreement. The payments to be received by the Issuer in repayment of the Loan pursuant to the terms of the Bond Purchase Agreement and the Company's Note hereafter authorized, as represented by the Company, are calculated to be sufficient to pay the principal of, premium, if any, penalty, if any, and interest on the Bond as the same shall become due and payable, and all of the payments on the Company's Note shall be assigned for that purpose pursuant to and in addition to such other purposes to the extent set forth and provided in the Bond Purchase Agreement.

4. Upon the request of the Company, the Issuer hereby appoints Williams Mullen, Virginia Beach, Virginia, as Bond Counsel to supervise the proceedings and approve the issuance of the Bond.

5. The Bond Purchase Agreement, the Restriction Agreement and the Bond are hereby approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman or the Vice Chairman of the Issuer, whose approval shall be evidenced conclusively by the execution and delivery thereof. The execution, delivery and performance by the Issuer of the Bond Purchase Agreement, and the Restriction Agreement are authorized and directed.

6. The execution of the Bond and its delivery (subject to proper authentication) against payment therefor, the amount of such payment to be disbursed in accordance with the terms of the Bond Purchase Agreement, are authorized and directed.

7. The Chairman and Vice Chairman of the Issuer are each authorized and directed to execute on behalf of the Issuer and deliver the Bond, the Bond Documents and such other instruments, documents, agreements and certificates authorized hereby, and, if required, the Secretary and the Assistant Secretary of the Issuer are each authorized and directed to affix the seal of the Issuer to the Bond, the Bond Documents and such other instruments, documents, agreements and certificates authorized hereby, and to attest to such seal. The signatures of the Chairman or Vice Chairman and the Secretary or Assistant Secretary and the seal of the Issuer on the Bonds may be by facsimile.

8. Each officer of the Issuer is authorized and directed to execute and deliver on behalf of the Issuer such other instruments, documents or certificates, including Internal Revenue Service Form 8038 and the assignments at the foot of the Note assigning the Note to the Bank, and to do and perform such other things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bond, the Bond Documents to which it is a party or such other instruments, documents or certificates. All of the foregoing previously done or performed by such officers of the Issuer are in all respects approved, ratified and confirmed.

9. All other acts of the officers and commissioners of the Issuer that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance, delivery and sale of the Bond, whether such acts occurred before or occur after the adoption of this Resolution, are hereby ratified, approved and confirmed.

10. All costs and expenses in connection with the issuance, delivery and sale of the Bond, the refunding of the Prior Bonds and the refinancing of the Project, including, but not limited to, the administrative and closing fees of the Issuer and the fees and expenses of Bond Counsel and Issuer's Counsel, shall be paid from the proceeds of the Bond or funds provided by the Company. If for any reason the Bond is not issued, it is understood that all such expenses shall be paid by the Company and that the Issuer shall have no responsibility therefor.

11. The Company shall indemnify and save harmless the Issuer, its officers, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the Project or the refinancing thereof as are authorized hereunder, the application submitted by the Company or the issuance, delivery and sale of the Bond.

12. Neither the Issuer, including its officers, commissioners, employees and agents, nor the Authority or the City of Norfolk, Virginia, shall be liable and hereby disclaim all liability to the Company and all other persons or entities for any damages, direct or consequential, resulting from the failure of the Issuer to issue the Bond for any reason.

13. This Resolution shall be effective immediately upon its passage.

ADOPTED: September 14, 2010



Agenda Item NRHA Board of Commissioners

Subject: NRHA Public Housing Assessment System (PHAS) – Management Assessment

Executive Contact: Donnell Brown

Date: September 14, 2010

BACKGROUND

HUD's Real Estate Assessment Center (REAC) effectively and fairly measures the performance of a public housing agency (PHA) using the Public Housing Assessment System (PHAS) to assess the condition of HUD's portfolio; to provide information to help ensure safe, decent and affordable housing; and to restore the public trust by identifying fraud, abuse and waste of HUD resources.

The Physical Assessment Subsystem (PASS) measures the physical condition of HUD properties through an inspection process. The objective is to determine whether a PHA's housing stock is meeting the standard of *decent, safe, sanitary, and is in good repair*.

The REAC inspection is a quality assurance review of the PHA's 100% inspection. REAC inspects a random sampling of the property to determine if the property is being properly maintained. HUD Quality Assurance Reviewers/Inspectors then monitor the certified inspectors' performance, by reviewing a sample of those inspections.

Scoring

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|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 80 or above | PHA is instructed to make required repairs as part of ongoing maintenance program, not inspected next year unless otherwise troubled (PASS Incentive) |
| 60 to 80 | Property is inspected next year but is not troubled based on physical score. |
| 59 or below | PHA is considered troubled based on physical score. |

Federal Register 24 CFR, Parts 5 and 200–Uniform Physical Condition Standards and Physical Inspection Requirements for Certain HUD Housing; Administrative Process for Assessment of Insured and Assisted Properties; Final Rule

REAC inspections were conducted on twenty-one (21) NRHA properties between June 14, 2010 and July 23, 2010. Physical Assessment Subsystem (PASS) Results – See attached PASS comparison.

- Nine public housing communities received a physical inspection score above 80.
- Eight public housing communities received a physical inspection score between 60 and 80.
- Four (4) public housing communities received a physical inspection score below 60.
 - Moton Circle 47
 - Calvert Square 58
 - Diggs Town 50
 - Family Self Sufficiency 59

Calvert Square, Oakleaf Forest, Partrea Midrise, Huntersquare Midrise, and Bobbitt Midrise scores are under appeal due to ongoing ARRA construction.

Attached please find the following documents that highlight REAC's Physical Inspection System and addresses NRHA's inspection processes and follow up:

1. PASS Comparison Scores
2. REAC Inspection Plan of Action

Staff will continue to address areas of deficiency by completing work orders as a result of both REAC and Contractor inspections. Management will develop a plan to address site issues which have a high cost associated with repairs needed. Continue 100% Uniform Physical Condition Standards (UPCS) Inspections through contract with third party vendor. Ongoing monitoring and review.



REAC Inspection Scores

Community	FY07 Score	FY08 Score	FY09 Score	FY10 Score	Difference	Appeal
Tidewater Gardens	45 c and 64 c	54 c	55 c	74 c	19	
Moton Circle	40 c	50 c	70 c	47 c	-23	
Diggs Town	64 c	49 c	46 c	50 c	3	
Grandy Village	87 c	82 c	74 c	68 b	-6	
Young Terrace	66 c	55 c	52 c	64 b	12	
Calvert Square	73 b	75 c	81 c	58 c	-23	4.2
Oakleaf Forest	not released	51 c	74 c	79 b	5	13
Partrea Midrise	90 b	84 c	89 b	63 c	-26	12.5
Huntersquare Midrise	93 b	82 b	79 c	73 c	-6	12.6
Bobbitt Midrise	90 b	83 c	88 b	89 b	1	7.8
Sykes Midrise	90 b	86 b	58 b	74 c	16	
North Wellington	50 c	89 c	68 c	80 b	12	
Scattered Sites	57 c	71 c	71 c	59 c	-12	
Franklin Arms	85 b	69 c	70 b	95 a	15	
Grandy Village - 22 units	n/a	89 b	92 b	97 b	5	
Broadcreek 26	89 b	96 b	97 b	92 b	-5	
Broadcreek 27	87 c	82 b	93 b	91 b	-2	
Broadcreek 28	90 b	89 c	97 b	76 c	-21	
Broadcreek 29	85 b	80 b	95 b	95 b	0	
Broadcreek 30	87 c	90 b	97 b	96 b	-1	
Broadcreek 31	92 b	98 c	99 a	99 b	0	

* The letter "a" is given if no health and safety deficiencies were observed other than for smoke detectors.
 The letter "b" is given if one or more non-life threatening health and safety deficiencies.
 The letter "c" is given if there were one or more life threatening health and safety deficiencies observed.



REAC Inspection

July 2010

Property Management

REAC inspections were conducted on twenty-one NRHA properties between June 14, 2010 and July 23, 2010. The following communities received failing (below 60) REAC inspection scores:

- **Moton Circle - 47**

- Erosion, overgrown vegetation, tripping hazards, graffiti – 17.6 points
- Broken glass – 5.8 points
- Fencing damaged – 6.2 points
- Blocked egress – 9.6 points, Doors – 2.7 points
- Mold/mildew – 4.9 points, Infestation – 6.3 points.

- On-site maintenance staff addressed all health and safety findings and deficiencies found in occupied units within twenty-four hours.
- Currently in process of relocating families due to approved demolition.

- **Diggs Town - 50**

- Erosion, overgrown vegetation, retaining wall, graffiti – 12.4 points
- Damaged fencing – 10.9 points
- Mold/mildew – 9.1 points, Infestation - 5.6 points
- Range and refrigerators – 6.2 points.
- Broken glass – 2.9 points
- Roof shingles – 2.5 points

- Erosion issues will be addressed through Specialized Maintenance or Capital Fund based on funding.
- Fencing and roofing issues were forwarded to Specialized Maintenance for correction.
- Educational material was provided to the Tenants on the causes of mold and mildew and ways to correct the problem.
- On-site maintenance staff will be responsible for monitoring the grounds daily to ensure that no broken glass is found through out the property.
- Quarterly extermination services provided to all units. Infestation handled on a case by case basis, housekeeping issues addressed along with treatment of unit and possible surrounding units.
- Diggs Town Management/Maintenance staff are performing inspections and making repairs on a monthly schedule.

- Contract with U.S. Inspection Group to perform 100% of NRHA's unit inspections.

- **Calvert Square - 58**

- Erosion, overgrown vegetation, tripping, graffiti – 15.1 points.
- Damaged fencing, potholes – 4.4 points
- Broken glass – 5.8 points
- Mold/mildew – 5.4 points, Infestation – 1.2 points
- Doors damaged and locks installed improperly – 6.2 points
- Refrigerators damaged – 2.0 points
- Foundations - .9 points

- Erosion, foundation, and tripping issues will be addressed through Specialized Maintenance or Capital Fund based on funding.
- Fencing and roadway issues were forwarded to Specialized Maintenance for correction.
- On-site maintenance staff will be responsible for monitoring the grounds daily to ensure that no broken glass or litter is found through out the property.
- Education material was provided to the Tenants on the causes of mold and mildew and ways to correct the problem.
- On-site maintenance staff will be responsible for monitoring the grounds daily to ensure that no broken glass is found through out the property.
- Quarterly extermination services provided to all units. Infestation handled on a case by case basis, housekeeping issues addressed along with treatment of unit and possible surrounding units.
- Calvert Square Management/Maintenance staff are performing inspections and making repairs on a monthly schedule.
- Contract with U.S. Inspection Group to perform 100% of NRHA's unit inspections.

- **Family Self-Sufficiency - 59**

- Erosion, tripping, storm drain clogged – 21.1 points.
- Damaged fencing – 19.5 points
- Blocked egress – 7.0 points
- Doors damaged – 3.8 points
- Fire extinguisher expired – 1.6 points

- Erosion and tripping hazards will be addressed through Specialized Maintenance or Capital Fund based on funding.
- Storm drain was cleared.
- Fencing issues were forwarded to Specialized Maintenance for correction.
- Calvert Square Management/Maintenance staff are performing inspections and making repairs on a monthly schedule.
- Contract with U.S. Inspection Group to perform 100% of NRHA's unit inspections.



FY11 Work Plan
September 14, 2010

DEVELOPMENT DIVISION

ACTIVITY	FY11 GOALS	1QFY11	2QFY11	2QFY11	4QFY11	FY11 TOTAL
Residential Rehabilitation						
Residential Rehabilitation	60					0
Emergency Repair Grants	50					0
Improvement Grants	10					0
Conservation & Redevelopment						
Real Estate Acquisitions	14					0
Demolitions	13					0
Relocations	2					0
Site Improvements	2					0
Disposition & Development	60					0
Renovations	9					0
Home Ownership						
Home Ownership Training	50					0
HOME Mortgage Assistance	50					0

Units of production are expressed as number of housing units or homeowners except Site Improvements expressed as a percentage of completion.



Commissioners' Update NRHA Board of Commissioners

Subject: American Recovery and Reinvestment Act Formula Grant

Executive Contact: Donnell Brown

Date: September 27, 2010

BACKGROUND

By amendment to the Consolidated Annual Contributions Contract (ACC) Number P-5540 dated August 30, 1996 between Norfolk Redevelopment and Housing Authority (NRHA) and the United States of America, Secretary of Housing and Urban Development (HUD), a Capital Fund formula grant in the amount of **\$9,193,644.00** was accepted from HUD under authority of the American Recovery and Reinvestment Act of 2009 (ARRA). The effective date of funding availability was March 18, 2009. 100 percent of the funds had to be obligated within one year of the effective date. 60 percent of the funds must be expended within two years or March 17, 2011, and 100 percent of the funds must be expended within three years or March 17, 2012.

NRHA approved an ARRA plan that included the following:

1. Oakleaf Road and Site Improvement	\$2,681,630
2. Calvert Square Window & Storm Door Replacement	\$ 730,919
3. Young Terrace Accessibility Improvements	\$1,877,422
4. Midrise Apartments (Partrea, Hunter Square, Bobbitt) Improvements	\$2,984,309
5. Administration (over 3 years)	\$ 919,364

STATUS

All projects are underway and all funds were obligated prior to the deadline of March 17, 2010.

Completion status is as follows:

	<u>Current</u>	<u>Projected for March 2011</u>
1. Oakleaf Road and Site Improvement	65%	90%
2. Calvert Square Window & Storm Door Replacement	90%	100%
3. Young Terrace Accessibility Improvements	20%	54%
4. Midrise Apartments Improvements	30%	74%
5. Admin	30%	70%
Cumulative Total	30%	75%

FUTURE ACTION

NRHA's Capital Fund Department will aggressively manage all ARRA projects to ensure they are completed on time, within budget and comply with all HUD's contracting and program regulations. It is projected that the overall completion percentage will surpass 60% in December, well ahead of the March 17, 2011 deadline.

A status report will be provided to the Board of Commissioners as work progresses.



Commissioners' Update NRHA Board of Commissioners

Subject: East Beach

Executive Contact: James E. Gehman

Date: September 14, 2010

BACKGROUND

At the August Commissioners Meeting a sales report was presented. At that time it was stated that the City Assessor was working on a analysis of property values in the East Beach area.

STATUS

That analysis has been prepared and is attached. In addition, NRHA has projected values based on current sales projections and an assumed property value escalation. The study area is from 22nd Bay Street (west side of East Beach Shoppes) to 30th Bay Street (west side of Bay Breeze Point) and from the Bay front to Little Creek (including East Beach Harbor). It reflects not only East Beach but also the property immediately adjacent.

An interesting statistic is the actual decline in values reported in 2010. With very few new properties being developed, East Beach like the rest of the City's residential real estate declined in value.

FUTURE ACTION

We will request annual updates from the Assessor's office.



EAST BEACH PROPERTY VALUE ANALYSIS

September 14, 2010

Years 2005 through 2010 are actual values provided by the City Assessor

Years 2010 through 2014 are based on sales projections from East Beach Company

Years 2015 and beyond are based on an assumed 2% annual growth in property values

YEAR	VALUE	% INCR	RE TAX @ \$1.11 PER \$100	CUMMALATIVE RE TAX
05	\$ 71,946,700		\$ 798,608	\$ 798,608
06	\$ 127,033,800	76.6%	\$ 1,410,075	\$ 2,208,684
07	\$ 186,815,400	47.1%	\$ 2,073,651	\$ 4,282,334
08	\$ 245,799,100	31.6%	\$ 2,728,370	\$ 7,010,705
09	\$ 279,273,400	13.6%	\$ 3,099,935	\$ 10,110,639
10	\$ 266,302,600	-4.6%	\$ 2,955,959	\$ 13,066,598
11	\$ 300,000,000	12.7%	\$ 3,330,000	\$ 16,396,598
12	\$ 330,000,000	10.0%	\$ 3,663,000	\$ 20,059,598
13	\$ 375,000,000	13.6%	\$ 4,162,500	\$ 24,222,098
14	\$ 425,000,000	13.3%	\$ 4,717,500	\$ 28,939,598
15	\$ 433,500,000	2.0%	\$ 4,811,850	\$ 33,751,448
16	\$ 442,170,000	2.0%	\$ 4,908,087	\$ 38,659,535
17	\$ 451,013,400	2.0%	\$ 5,006,249	\$ 43,665,784
18	\$ 460,033,668	2.0%	\$ 5,106,374	\$ 48,772,158
19	\$ 469,234,341	2.0%	\$ 5,208,501	\$ 53,980,659
20	\$ 478,619,028	2.0%	\$ 5,312,671	\$ 59,293,330
21	\$ 488,191,409	2.0%	\$ 5,418,925	\$ 64,712,255
22	\$ 497,955,237	2.0%	\$ 5,527,303	\$ 70,239,558
23	\$ 507,914,342	2.0%	\$ 5,637,849	\$ 75,877,407
24	\$ 518,072,628	2.0%	\$ 5,750,606	\$ 81,628,013
25	\$ 528,434,081	2.0%	\$ 5,865,618	\$ 87,493,631
26	\$ 539,002,763	2.0%	\$ 5,982,931	\$ 93,476,562
27	\$ 549,782,818	2.0%	\$ 6,102,589	\$ 99,579,151
28	\$ 560,778,474	2.0%	\$ 6,224,641	\$ 105,803,792
29	\$ 571,994,044	2.0%	\$ 6,349,134	\$ 112,152,926
30	\$ 583,433,925	2.0%	\$ 6,476,117	\$ 118,629,043

525 Garren Avenue
Norfolk, VA 23509
August 26, 2010

Ms. Kelly Davis,
Rehabilitation Finance Specialist
NRHA
201 Granby Street 6th Floor

Dear Ms. Davis,

I am writing this to inform you that I feel so blessed to have received the NRHA grant. I wish to thank all the personnel who were involved with my project-- from the Construction Specialist to the contractors, general workers and inspectors who spent time in my home. They were pleasant, helpful and courteous throughout the time the time spent at my home.

Because of your kindness, I am now in a very livable, and far more comfortable home. You have my sincere gratitude -- from the bottom of my heart.

Sincerely,

A handwritten signature in cursive script that reads "Joan Williams". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Joan Williams (Mrs.)

**Housing Choice Voucher
SEMAP Indicators and Scoring for FY 2010**

SEMAP Indicators		*HUD Maximum Allowable Points For SEMAP	NRHA FY 2009 SEMAP Points	NRHA FY 2010 SEMAP Points
1	Selection from Waiting List: Proper selection of applicants from the housing choice voucher waiting list.	15	15	15
2	Reasonable Rent: Sound determination of reasonable rent for each unit leased.	20	20	20
3	Determination of Adjusted Income: Accurate verification of family income.	20	20	20
4	Utility Allowance Scheduled: Maintenance of a current schedule of allowances for tenant utility costs.	5	5	5
5	HQS Quality Control: Performing quality control inspections to ensure housing quality.	5	5	5
6	HQS Enforcement: Timely annual housing quality inspections.	10	10	10
7	Expanding Housing Opportunities: Expanding housing choice outside area of poverty or minority concentrations.	5	5	5
8	Payment Standards: Establishment of payment standards within the required range of the HUD fair market rent.	5	5	5
9	Timely Annual Rent Calculations: Timely annual reexaminations of family income.	10	10	10
10	Correct Tenant Rent Calculations: Correct calculation of the tenant share of the rent and the housing assistance payment.	5	5	5
11	Pre-Contract HQS Inspections: Ensure units comply with the housing quality standards before families enter into leases and PHAs enter into housing assistance contracts.	5	5	5
12	Annual HQS Inspections: Ensures that landlords and tenants promptly correct housing quality deficiencies.	10	10	10
13	Lease-Up: Ensures that all available housing choice vouchers are used.	20	20	20
14	Family Self-Sufficiency: Enroll families in the family self-sufficiency (FSS) program as required and help (FSS) families achieve increases in employment income.	10	8	8
Total		145	143	143

***The maximum allowable points are 145. The total points for FY 2010 are 143. After calculating and reviewing the required documentation for FY 2010 SEMAP submission, the HCV program is certifying as a High Performing agency with a score of 99.**

Indicators 9, 10, 11, 12, and 13 are generated through the HUD PIC system. Indicators 1,2,3,4,5,6,7,8,14 are self - certified by agency.

Total number of people that ported in was 61 and total port outs were 137 for FY 2010.



Update

Subject: Neighborhood Stabilization Program

Executive Contact: James Gehman **Date:** 9/14/10

BACKGROUND

In the fall of 2009, the City of Norfolk was awarded a Neighborhood Stabilization Grant by the Virginia Department of Housing and Community Development in the amount of \$1,746,875.00. The City of Norfolk, as the grantee, contracted with NRHA in March 2010 to implement the NSP Program. The goal of the program was to purchase 12 foreclosed properties in approved neighborhoods, rehabilitate them and sell them to qualified buyers between 50% and 120% of area median income. All properties have to be acquired by September 30, 2010. Rehabilitation and sale activities can continue until the units are rehabilitated and sold.

In June, 2010, the Department of Housing and Community Development reduced the grant amount to the City to \$849,375 and the acquisition/disposition goals to 5 properties.

STATUS

To date, four properties have been acquired and closing has been scheduled for the 5th property this week. Contractors are currently rehabilitating 3 units. Rehabilitation on the fourth property will begin next week. A contractor has been selected for the 5th property and rehabilitation will begin once NRHA closes on the property. Buyers have signed letters of intent to purchase 3 properties. We are in discussions with potential buyers for the remaining two properties.

All grants funds have been obligated and reserved by the City with the state to support the acquisition, rehabilitation and sales of these units. It is anticipated that all grant funds will be expended.

FUTURE ACTION

1. Complete the rehabilitation and sale of the 5 units NRHA has acquired or will acquire shortly.
2. Execute sales contracts with buyers,

The above actions will complete our obligations to the City under the NSP contract.