

AGENDA  
NRHA Commissioners' Meeting  
December 13, 2010 – 8:00 a.m.  
201 Granby Street, 12<sup>th</sup> floor

I. APPROVAL OF MINUTES OF COMMISSIONERS' MEETINGS

November 15, 2010 Board of Commissioners' Meeting

II. REMARKS

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

III. DEVELOPMENT OPERATIONS

- 1) Public Hearing and Resolution Approving the 4<sup>th</sup> Amendment of the West Ocean View Conservation Plan  
Presented by James Gehman  
Chief Development Officer
- 2) Development Inventory Reporting and Tracking System  
Presented by James Gehman  
Chief Development Officer

IV. FINANCE AND ADMINISTRATIVE OPERATIONS

- 1) Resolution (Adopting Amendment No. 1 to the Consolidated Annual Operating and Capital Budget for the Fiscal Year Beginning July 1, 2010 and Ending June 30, 2011)  
Presented by Brenda Benn  
Budget and Compliance Director
- 2) Resolution Authorizing the Amendment of Contract R0147  
Presented by James Gehman  
Chief Development Officer

NRHA Commissioners' Meeting  
December 13, 2010 – 8:00 a.m.  
201 Granby Street, 12<sup>th</sup> floor

3) Previous Month's Activities

- a) Disposition Activities  
East Beach
- b) Contract Activities
- c) Anticipated Requests for Proposals, Qualifications, or Quotations and  
Invitations for Bids
- d) Cash Advance Report

V. HOUSING OPERATIONS

None

VI. NEW BUSINESS

None

VII. COMMITTEE MEETING NOTES

None

VIII. CLOSED MEETING

None

OTHER NOTICES

*The next BOC meeting is Monday, January 10, 2011  
201 Granby Street; 12<sup>th</sup> 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 8:00 a.m. on Monday, November 15, 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  
Ms. Barbara Hamm Lee  
Mr. W. Sheppard Miller, III  
Mr. Trevor Robinson

Absent: Mr. Robert J. Soble

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

The Chairman welcomed two new Commissioners, Ms. Barbara Hamm Lee and Mr. Trevor Robinson.

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**I. Approval of Minutes of Commissioners' Meeting**

The Chairman presented the previously circulated minutes of the October 11, 2010 Board meeting. Upon motion of Mr. Layton, seconded by Ms. Anderson, the minutes were approved with Commissioners Anderson, Layton and Miller voting in favor. Mr. Bilisoly, Ms. Hamm Lee, and Mr. Robinson abstained since they did not attend the October 11, 2010 meeting.

**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 East Beach Disposition Report was distributed.

2. The Civic League for the Pinewell neighborhood has requested to be included in the West Ocean View Conservation Project. A plan amendment will be brought forward for consideration by the Commissioners at the next regular meeting.

3. A meeting will be held with the President of the Civic League at Stonebridge Crossing concerning the new Ballentine facility.

4. The Authority will again sponsor a day of ice skating for public housing youth on December 4, 2010 at the outside rink at MacArthur Center.

5. Staff is reviewing a proposal from the College of William & Mary to perform an economic impact study for the Authority.

6. In connection with the development of the Kroc Center, the Authority will donate certain real estate to the City of Norfolk. Approval from HUD has already been obtained. The Chairman explained the Broad Creek project for the benefit of the new Commissioners.

7. After meetings with staff, it has been determined to hold a picnic again next summer for employees and their families. A separate meeting will be scheduled in January, 2011 with all employees to go over the work plan for the year and present employee awards.

8. Correspondence has been received from HUD stating that overpayments of operating subsidy were made in fiscal years 2004 and 2005. Staff is reviewing the correspondence and considering an appropriate response.

9. An orientation session for one new Commissioner is scheduled for November 22, 2010 and a separate date will be set for orientation of the other new Commissioner.

**B. Chairman of the Board Comments**

1. The Chairman distributed a report tracking requests from Commissioners at previous meetings.

2. Mr. Layton and Mr. Soble met with staff to discuss the proposed energy performance contract.

3. New wallet cards containing addresses and phone numbers for the Commissioners and executive staff will soon be distributed.

4. The Chairman and Mr. Bilisoly attended the Mayor's downtown task force meeting.

5. The City is taking the lead in the repositioning of The Waterside.

6. The Chairman encouraged the new Commissioners to attend an orientation session since NRHA is a very complicated organization and there is much to learn.

7. In the near future, the Chairman will revamp the Board's committee structure.

8. A ground breaking took place last week for the construction of 14 new townhouses on 26<sup>th</sup> Street in the Lamberts Point neighborhood. The builder is Howerin Construction Company and the President of the Lamberts Point Civic League praised the new development.

9. The Chairman has met with the Mayor and Vice Mayor on a couple of occasions and has spoken with principals of ACS concerning development in Ocean View.

10. The ECBD meeting was cancelled this month.

11. On November 3, 2010, Mr. Montgomery and Mr. Layton attended an awards ceremony at which Ms. Hamm Lee served as mistress of ceremonies.

12. The annual Governor's Housing Conference will be held this week in Richmond, Virginia. All Commissioners are invited to attend.

13. Hampton Roads Ventures is a for profit entity owned by NRHA which sells new market tax credits to create

a revenue stream for NRHA. Mr. Robert Jenkins runs that organization.

**C. Commissioners' Comments**

None.

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**III. Development Operations**

**1) Planned New Home Development**

Mr. James Gehman, Chief Development Officer, gave a PowerPoint presentation, a copy of which has been filed with these minutes. New homes are to be built on 13 "in-fill" lots located throughout the City.

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**IV. Finance and Administrative Operations**

**1) Resolution Authorizing Cash Advances for Activities Included in the Approved Fiscal Year Budget**

Ms. Clara Graves, Chief Financial Officer, gave a PowerPoint presentation, a copy of which has been filed with these minutes. After discussion, upon motion of Mr. Layton, seconded by Ms. Anderson, the following Resolution was unanimously approved:

**RESOLUTION NO. 9043**  
**RESOLUTION AUTHORIZING CASH ADVANCES FOR ACTIVITIES**  
**INCLUDED IN THE APPROVED FISCAL YEAR BUDGET**

**WHEREAS**, in the normal course of business, the Authority advances funds to ensure the timely accomplishment of initiatives included in the approved fiscal budget, for which there will be a delayed receipt of related budgeted revenue; and

**WHEREAS**, a recent assessment of such advance balances and projected needs for advances confirmed a trend of a routine advance balance totaling up to \$4,000,000; and

**WHEREAS**, under the Authority's budget policy, expenditures not included in the Authority's approved budget should be submitted to the Commissioners for approval; and

**WHEREAS**, it is considered appropriate to have explicit approval of our advance practice to evidence compliance with our budget policy; and

**WHEREAS**, it is appropriate to temporarily finance such advances with de-federalized, unrestricted reserves (i.e. Local Development Fund, Working Fund, Merrimac Landing Reserves, Central Office Cost Center reserves) of the Authority, and such balances are available; and

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is authorized to advance unrestricted funds for activities included in the approved fiscal year budget up to \$4,000,000, when related budgeted receipts are expected, but delayed.

**2) FY2011 Budget Amendment Status**

Ms. Brenda Benn gave a PowerPoint presentation, a copy of which has been filed with these minutes. In response to a question from Mr. Bilisoly, Ms. Benn advised that the Commissioners will be asked to approve the budget amendments at an upcoming meeting.

**3) Previous Month's Activities**

For the benefit of the new Commissioners, the Chairman described the reports contained in the packets of the Commissioners each month.

**V. Housing Operations**

**1) Resolution Authorizing the Creation of Entities Relating to the Development of New Housing Units Within and Adjacent to the Partrea Senior Midrise Apartment Site**

Mr. Steve Morales filled in for Mr. John Kownack who is on jury duty and described the proposed project. Upon motion of Mr. Layton, seconded by Ms. Hamm Lee, the following Resolution was unanimously approved:

**RESOLUTION NO. 9044**  
**RESOLUTION AUTHORIZING THE CREATION OF ENTITIES**  
**RELATING TO THE DEVELOPMENT OF NEW HOUSING UNITS WITHIN AND**  
**ADJACENT TO THE ROBERT PARTREA SENIOR MIDRISE APARTMENTS**

**WHEREAS**, the Board of Commissioners (the "Board") of the Norfolk Redevelopment and Housing Authority (the "Authority") has determined that it is appropriate to construct approximately 40 housing units on certain parcels of land adjacent to and/or part of the Robert Partrea Apartments (the "Facility") located at 701 Easy Street, Norfolk, Virginia (hereinafter referred to as the "Project"); and

**WHEREAS**, the participation of the Authority in a transaction using low-income housing tax credits to support the Project necessitates the creation of such limited liability companies, limited partnerships and other entities as may be desirable to facilitate the use of low-income housing tax credits under Section 42 of the Internal Revenue Code, as amended; and

**WHEREAS**, pursuant to Section 36-19.12 of the Virginia Housing Authorities Law, Chapter 1, Title 36, Code of Virginia of 1950, as amended (the "Act"), the Authority is authorized to form corporations, partnerships, joint ventures, trusts, or any other legal entity or combination thereof, with the approval of the local governing body;

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Norfolk Redevelopment and Housing Authority as follows:

1. Subject to the approval of the Council of the City of Norfolk, the formation by the Authority of such limited liability companies, limited partnerships and other entities as may be necessary to facilitate the participation of the Authority in a transaction using low-income housing tax credits for the Project is hereby approved.

2. The Executive Director, or his designee, is hereby authorized to execute any and all agreements and other documents establishing such limited liability

companies, limited partnerships and other entities as may be necessary to facilitate the use of low-income housing tax credits for the Project and to take such other action and to sign such other documents as he may deem necessary or desirable to evidence this Authority's participation in the Project and to carry out the intent of this Resolution.

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

**2) Resolution Authorizing the Creation of Entities Relating to the Development of New Housing Units Within and Adjacent to the Oakmont North Apartment Site**

Mr. Steve Morales described the project. Upon motion of Mr. Layton, seconded by Ms. Hamm Lee, the following Resolution was unanimously approved:

**RESOLUTION NO. 9045**  
**RESOLUTION AUTHORIZING THE CREATION OF ENTITIES**  
**RELATING TO THE DEVELOPMENT OF NEW HOUSING UNITS WITHIN AND**  
**ADJACENT TO THE OAKMONT NORTH APARTMENTS**

**WHEREAS**, the Board of Commissioners (the "Board") of the Norfolk Redevelopment and Housing Authority (the "Authority") has determined that it is appropriate to construct approximately 40 housing units on certain parcels of land adjacent to and/or part of the Oakmont North Apartments (the "Facility") located at 1324 B-4 Johnston's Road, Norfolk, Virginia (hereinafter referred to as the "Project"); and

**WHEREAS**, the participation of the Authority in a transaction using low-income housing tax credits to support the Project necessitates the creation of such limited liability companies, limited partnerships and other entities as may be desirable to facilitate the use of low-income housing tax credits under Section 42 of the Internal Revenue Code, as amended; and

**WHEREAS**, pursuant to Section 36-19.12 of the Virginia Housing Authorities Law, Chapter 1, Title 36, Code of Virginia of 1950, as amended (the "Act"), the Authority is authorized to form corporations, partnerships, joint ventures, trusts, or any other legal entity or combination thereof, with the approval of the local governing body;

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Norfolk Redevelopment and Housing Authority as follows:

1. Subject to the approval of the Council of the City of Norfolk, the formation by the Authority of such limited liability companies, limited partnerships and other entities as may be necessary to facilitate the participation of the Authority in a transaction using low-income housing tax credits for the Project is hereby approved.

2. The Executive Director, or his designee, is hereby authorized to execute any and all agreements and other documents establishing such limited liability companies, limited partnerships and other entities as may be necessary to facilitate the use of low-income housing tax credits for the Project and to take such other action and to sign such other documents as he may deem necessary or desirable to evidence this Authority's participation in the Project and to carry out the intent of this Resolution.

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

#### **VI. New Business**

None.

#### **VII. Committee Meeting Notes**

Mr. Layton advised that on November 22, 2010, he and Mr. Soble met with staff, focusing their attention on the financial risks to the Authority should it enter into an energy performance contract. Mr. Layton described four areas of concern: (1) The ability of the company to stand behind its guarantee of the cost savings; (2) how are the savings to be monitored and measured; (3) since the cost of the project is to be financed over 20 years, how will the financing operate and how flexible will it be; and (4) the various "what ifs" over the 20-year life of the financing need to be identified and the risks minimized. A follow up meeting will be scheduled with staff to address all of the identified areas of concern. Mr. Montgomery reported that staff is working diligently on answers to the

various questions raised by the subcommittee and should be in a position to provide answers within a month or so. Mr. Layton reiterated that it is Mr. Montgomery's decision whether to enter into an energy performance contract and although the Board will provide input, a vote will not be required.

**VIII. Closed Meeting**

None.

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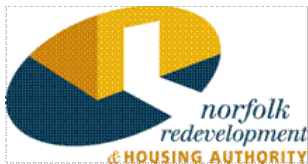
There being no further business, the meeting was adjourned at 10:20 a.m.

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Secretary

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Chairman



## Resolution NRHA Board of Commissioners

**Subject: Amendment No. 4 to the West Ocean View Conservation Project**

**Executive Contact: James E. Gehman**

**Date: 12/13/10**

### BACKGROUND

In September 1981, the NRHA Board of Commissioners and Norfolk City Council adopted the West Ocean View Conservation Project Plan. This plan was subsequently amended by the Board and City Council in December 1981, May 1989 and November 2000. At the time of plan approval in 1981, the Pinewell Civic League requested that the neighborhood be excluded from the conservation plan.

In the spring of 2010, the Greater Pinewell Civic League contacted NRHA and requested a meeting to discuss the current conservation plan. Subsequent to that meeting, the Civic League voted to request the plan be amended to include Pinewell within the project boundaries in order to allow eligible families to apply for rehabilitation loans and grants. A formal request was sent to the City Manager requesting the plan be amended to include the Pinewell neighborhood. City administration notified the Civic League Board that the NRHA Board of Commissioners needed to initiate the plan amendment process. In October 2010 the Civic League sent a letter to NRHA formally requesting that the plan be amended to include Pinewell within the project area.

Proposed Amendment No. 4 will amend the West Ocean View Conservation Plan to incorporate the Pinewell neighborhood within the project boundaries. This will allow the neighborhood residents to access NRHA rehabilitation loans and grants. The amendment does not require any additional funds.

**AMENDMENT NO. 4 TO THE  
CONSERVATION PLAN FOR THE  
WEST OCEAN VIEW CONSERVATION PROJECT**

**December 13, 2010**

WHEREAS, the Conservation Plan (the "Conservation Plan") for the West Ocean View Conservation Project (the "Project") was originally adopted by the Norfolk Redevelopment and Housing Authority on December 7, 1981, and approved by City Council on December 29, 1981; and

WHEREAS, Amendment No. 1 to the Conservation Plan for the Project was adopted by the Authority on December 12, 1988, and approved by City Council on March 21, 1989 ("Amendment No. 1"); and

WHEREAS, Amendment No. 2 to the Conservation Plan for the Project was adopted by the Authority on May 1, 1989, and approved by City Council on June 13, 1989; and

WHEREAS, Amendment No. 3. to the Conservation Plan for the Project was adopted by the Authority on February 28, 2000, and approved by City Council on November 21, 2000; and

WHEREAS, at the request of the Civic League for the Pinewell neighborhood, it has become necessary and desirable to amend the Conservation Plan to expand the boundaries of the conservation area to include properties within the Pinewell neighborhood;

NOW, THEREFORE, the Conservation Plan is hereby amended as follows effective December 13, 2010:

1. The boundary map previously attached to the Conservation Plan as Exhibit 1A is hereby deleted in its entirety and is hereby replaced with the attached Exhibit 1A, dated November 2010.
2. The boundary description provided in Section 3 of Amendment No.1 to the Conservation Plan is hereby deleted in its entirety and replaced with the following language:

Beginning at the point of intersection of the eastern line of Granby Street and the southern line of Seaview Avenue; Thence southwardly along the eastern line of Granby Street to its intersection with the southern property line of the Ocean View Golf Course; Thence eastwardly along the southern property line of the Ocean View Golf Course to the intersection point of the northern line of Apex Street and the eastern line of

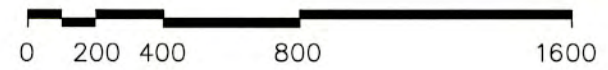
Chesapeake Boulevard; Thence northwardly along the eastern line of Chesapeake Boulevard extending to the mean low water line of the Chesapeake Bay; Thence westwardly along the mean low water line of the Chesapeake Bay to its intersection with the western line of property known as the "Sarah Constant Shrine" owned by the City of Norfolk, Virginia; Thence southwardly along the western line of the "Sarah Constant Shrine" to a point on the northern line of Ocean View Avenue; Thence westwardly along the northern line of Ocean View Avenue to the northeast corner of Ocean View Avenue and relocated 4<sup>th</sup> View Street; Thence southwardly along the eastern line of 4<sup>th</sup> View Street to its intersection with the northern right-of-way line of U. S. Route I-64; Thence southwardly along the northern right-of-way line of U. S. Route I-64 to its intersection with the westwardly projection of the southern line of Government Avenue; Thence eastwardly along the southern line of Government Avenue to the eastern line of Tidewater Drive, crossing First View Street to the point of intersection of the eastern line of Tidewater Drive and the eastern line of property fronting on First View Street; Thence northwardly along the eastern (rear) property line of the property fronting on First View Street (now or formerly 9430 through 9484 First View Street) crossing Cherry Street and Dupre Avenue to a point on the southern line of Government Avenue; Thence eastwardly along the southern line of Government Avenue to its intersection with the eastern line of Granby Street; Thence northwardly along the eastern line of Granby Street to the point of beginning.

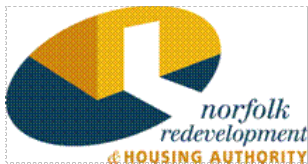


# West Ocean View

## Redevelopment & Conservation Area

- ..... EXISTING CONSERVATION AREA BOUNDARIES
- PROPOSED CONSERVATION AREA EXPANSION





## Resolution NRHA Board of Commissioners

**Subject: Amendment No. 4 to the West Ocean View Conservation Project**

**Executive Contact: James E. Gehman**

**Date: 12/13/10**

### BACKGROUND

In September 1981, the NRHA Board of Commissioners and Norfolk City Council adopted the West Ocean View Conservation Project Plan. This plan was subsequently amended by the Board and City Council in December 1981, May 1989 and November 2000. At the time of plan approval in 1981, the Pinewell Civic League requested that the neighborhood be excluded from the conservation plan.

In the spring of 2010, the Greater Pinewell Civic League contacted NRHA and requested a meeting to discuss the current conservation plan. Subsequent to that meeting, the Civic League voted to request the plan be amended to include Pinewell within the project boundaries in order to allow eligible families to apply for rehabilitation loans and grants. A formal request was sent to the City Manager requesting the plan be amended to include the Pinewell neighborhood. City administration notified the Civic League Board that the NRHA Board of Commissioners needed to initiate the plan amendment process. In October 2010 the Civic League sent a letter to NRHA formally requesting that the plan be amended to include Pinewell within the project area.

Proposed Amendment No. 4 will amend the West Ocean View Conservation Plan to incorporate the Pinewell neighborhood within the project boundaries. This will allow the neighborhood residents to access NRHA rehabilitation loans and grants. The amendment does not require any additional funds.



## Resolution NRHA Board of Commissioners

**Subject: Resolution Authorizing the Amendment of Contract R0147**

**Executive Contact: James E. Gehman**

**Date: December 13, 2010**

### BACKGROUND

NRHA engaged the support of a consultant, Clark Nexsen, PC, for the design of a new NRHA headquarters facility at 910 Ballentine Boulevard. This resolution requests authorization for a change order, Amendment A001, to increase the base contract of \$559,445.00 by \$121,265.00 to a total of \$680,710.00.

During the design phase, program requirements determined that the initial scope of work be amended for the new building. Additional design time and effort was required by the design consultant as a result of an increase in program scope and building square footage. The original project scope was identified as approximately 40,000SF of new construction and the existing project design contains approximately 50,400SF which is a 25% increase in project scope. The negotiated fee increase to accomplish the changes is an additional cost of \$121,265.00.

### **Recommendation:**

That the Board of Commissioners authorizes the Administration to amend the contract with Clark Nexsen, PC in the amount of \$121,265.00 for the additional services.

RESOLUTION AUTHORIZING AMENDMENT OF  
CONTRACT R0147 WITH CLARK NEXSEN, PC IN THE  
AMOUNT OF \$121,265.00

WHEREAS, a contract in the amount of \$559,445.00 has been awarded by Norfolk Redevelopment and Housing Authority (the “Authority”) to Clark Nexsen, PC (the “Contractor”), after competitive negotiations in accordance with the Virginia Public Procurement Act for the design of a new NRHA headquarters facility at 910 Ballentine Boulevard.

WHEREAS, the original project scope was identified as approximately 40,000SF of new construction and at the request of the Authority the existing project design contains approximately 50,400SF which is a 25% increase in project scope; and

WHEREAS, the expansion of the building requires additional design support from the Contractor at a fee increase of \$121,265.00 to the contract; and

WHEREAS, Section C of the NRHA procurement policy requires prior approval of the Board of Commissioners for all change orders which modify the scope of work for \$100,000 or more; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Norfolk Redevelopment and Housing Authority that the Executive Director or his designee is hereby authorized to amend contract R0147 in the amount of \$121,265.00.



## Disposition Report Land Sales Month Ending November 30, 2010

PROJECT	PROPERTY ADDRESS	LAND AREA (SF)	*CONTRACT SALES PRICE	EAST BEACH Land Proceeds (20%)*	FUND SOURCE	DEVELOPER	REUSE	FLOOR AREA IMPROVEMENTS (SF)	S/F ROOM DISTRIBUTION	VALUE OF IMPROV.	COMMENTS
Huntersville II	Parcel 237, Lot A5 736 Washington Street	3,614	\$ 9,629.63	n/a	CIP	1500 Church, LLC and Howerin Construction Corporation	SF	TBD	TBD	TBD	The Maplewoods

### Summary of Sales

Fiscal Year 2011	Target/5 per month	Number of Parcels Disposed	Contract Sales Amount	Value of Improvements***	Cumulative Totals By Funding Source
July	5	1	\$ 55,000	\$ 338,000	
August	5	4	\$ 74,429.63	\$ 401,000	CD \$ 10,000
September	5	4	\$ 142,900	\$ -	CIP \$ 202,228.89
<b>1st Qtr. Totals</b>	<b>15</b>	<b>9</b>	<b>\$ 272,329.63</b>	<b>\$ 739,000</b>	LOCAL CITY DONATION
October	5	4	\$ 85,129.63	\$ 234,000	SOUTH TRUST (Bank)
November	1		\$ 9,629.630	\$ -	NDP \$ 117,872
December			\$ -	\$ -	BOND \$ 32,320
<b>2nd Qtr. Totals</b>					CUR EMPOWERMENT ZONE
January				\$ -	"TBD" (BANK, BOND, CIP) \$ 4,668
February			\$ -	\$ -	WORKING FUND
March					<u>\$ 367,088.89</u>
<b>3rd Qtr. Totals</b>			<b>\$ -</b>	<b>\$ -</b>	
April					
May					
June					
<b>4th Qtr. Totals</b>			<b>\$ -</b>	<b>\$ -</b>	
<b>Fiscal YTD Totals (***)</b>	<b>20</b>	<b>13</b>	<b>\$ 367,088.89</b>	<b>\$ 973,000</b>	

(\*\*\*) SPECIAL NOTE: Value of Improvements total does not reflect ALL of East Beach - "TBD" values

### Summary of Acquisition Activity

Description	Number of Parcels	Cost
1st Quarter FY11	14	\$ 2,159,700
2nd Quarter FY11		
3rd Quarter FY11		
4th Quarter FY11		
<b>TOTAL</b>		<b>\$ 2,159,700</b>



DEVELOPMENT DIVISION

PROJECT PRODUCTI

	LAND		PROJECTED HOUSING UNITS AT BUILDOUT			STATUS OF ACTUAL HOUSING UNITS					
	Total Lots	Lots Awarded*	Single Family	Multi- Family	TOTAL	Not Completed Design & Review	Design Approval const not started	Under Construction	Complete For Sale	Sold	Complete, Rented
East Beach 1	71	71	65	34	99	10	2	0	10	69	9
East Beach 2	56	55	49	39	88	0	15	2	8	50	12
East Beach 3	72	63	70	16	86	0	12	8	2	48	3
East Beach 4	78	69	76	6	82	17	8	6	2	33	3
East Beach 5	68	50	68	0	68	13	3	6	1	20	0
East Beach 6	57	21	51	52	103	2	1	2	3	7	0
East Beach 7	41	0	17	141	158	0	0	0	0	0	0
<b>TOTALS</b>	<b>443</b>	<b>329</b>	<b>396</b>	<b>288</b>	<b>684</b>	<b>42</b>	<b>41</b>	<b>24</b>	<b>26</b>	<b>227</b>	<b>27</b>

\*Awarded means either under contract or closed

Under Construction includes both specs and Sold = Occupied units  
 Design & Review = closed, - design approval  
 Design Approval = closed and completed design review  
 Units not closed = avail + reserved + contract + Offmarket  
 assumes units in design review have closed!

**DN REPORT**  
**EAST BEACH**  
11/30/2010

<b>Total Units in Production</b>
100
87
73
69
43
15
0
387



## Commissioners' Update NRHA Board of Commissioners

**Subject: 2011 Virginia General Assembly Preview**

**Executive Contact: Ed Ware**

**Date: December 13, 2011**

### BACKGROUND

The General Assembly convenes January 12, 2011 for a 45-day session. The deadline for pre-filing bills was December 6.

### STATUS

The Virginia Housing Commission met December 7 to consider endorsing legislation in the areas of:

- Chinese Drywall Database
- Landlord/Tenant Act
- Mortgage Loan Originator
- Delinquent Landlord.

Legislation may be offered by some Republican members of the House of Delegates to enact an Eminent Domain Constitutional Amendment.

The Governor's Virginia Housing Policy Framework Initiative in its November 18 interim report recommends creation of "a structure authorizing a state housing trust fund to enable a consistent source of gap financing for affordable housing development." However no legislation is expected to be offered this session.

### FUTURE ACTION

A full status report will be presented in January.



- Commissioners
- W. Sheppard Miller III, *Chair*
  - L. Robert Layton, *Vice Chair*
  - Curtis Anderson
  - Hattie Anderson
  - F. Nash Bilisoly
  - Linda Horsey
  - Robert J. Soble

P.O. Box 968 • Norfolk, Virginia • 23501-0968 • p (757) 623.1111 • f (757) 314.2105 • tdd (800) 545.1833 • www.nrha.us

• Shurl R. Montgomery  
*Chief Executive Officer*

November 19, 2010

Mr. Robert L. Jennings  
Coordinator, Richmond Public Housing Program Center  
Richmond Field Office  
600 East Broad Street, 3rd Floor  
Richmond, Virginia 23219

Re: Office of Inspector General (OIG) Audit Report Number 2006-BO-0001  
July 11, 2006

Dear Mr. Jennings:

This is in response to your letter, dated November 2, 2010, relating to the referenced OIG report. In the November 2 letter, it is stated that a total of \$1,262,547 in operating subsidy phase-down funds received by NRHA for federal fiscal years 2004 and 2005 was deemed ineligible by the OIG report. NRHA was given the option of repaying the "ineligible" amount or disputing the claim, and requested to communicate its decision to your office by November 19, 2010.

After a thorough review of the referenced OIG report, your November 2, 2010 letter and the various NRHA submissions and HUD approvals that have occurred relating to both operating budget phase-down funding and relocation/replacement vouchers, it is our conclusion that the funding received by NRHA for these activities was appropriate and in accordance with HUD processes and guidance for the time period under study. We therefore dispute the claim resulting from the OIG report in its entirety and request that the matter be closed. The following points, with supporting documentation attached, are submitted for your consideration of this request:

1. There is no rationale or documentation in the OIG report to support the claim that NRHA received ineligible amounts for federal fiscal years 2004 and 2005 of \$888,751 and \$373,796, respectfully. Without explanation of any kind, it is impossible for NRHA to understand the basis for OIG's claim or to verify its reasonableness.
2. The sequence of NRHA submissions and HUD approvals relating to operating subsidy phase-down funds and relocation/replacement vouchers was such that the award of relocation/replacement vouchers occurred subsequent to the

submission of operating subsidy funding requests by NRHA for both federal fiscal years 2004 and 2005.

- a. April 1, 2004 – NRHA submitted its operating subsidy calculation for federal fiscal year 2004 (NRHA fiscal year 2004-05), which requested operating subsidy funding of \$15,556,906, including phase-down funding of \$1,958,134 relating to Roberts Village (003), Roberts Village East (004) and Bowling Green (007). On October 6, 2004, HUD awarded funding of \$15,149,445 or 97.4 percent of the amount requested.
  - b. April 5, 2005 - NRHA submitted its operating subsidy calculation for federal fiscal year 2005 (NRHA fiscal year 2005-06), which requested operating subsidy funding of \$15,111,127, including phase-down funding of \$891,866 relating to Roberts Village (003), Roberts Village East (004), Bowling Green (007) and Grandy Village (008). On October 25, 2005, HUD awarded funding of \$6,690,833 for the period from July 1, 2005 through December 31, 2006 or 44.3 percent of the amount requested for the entire fiscal year.
  - c. June 2, 2005 – NRHA was awarded new HOPE VI budget authority in the amount of \$2,588,724 to provide rental assistance to 636 families from May 1, 2005 through December 31, 2005. The award letter stated that “funds awarded under the HOPE VI program are now provided under a separate allocation and are no longer considered to be a part of the Housing Choice Voucher (HCV) program.” The letter also stated that “no action is necessary on your (NRHA) part to receive these funds.”
3. It is stated in your November 2, 2010 letter that “this overpayment of operating subsidy program funds was due to the fact that the approved Section 8 vouchers were not properly offset against your operating subsidy request.” The basis for this statement is reported to rest in the 2004 version of *24 CFR 990.114, Phase-down of Subsidy for Units Approved for Disposition*, which identifies in paragraph C that units replaced with Section 8 certificates or vouchers are not subject to the phase-down subsidy funding provisions. It is emphasized that the aforementioned June 2, 2005 HUD award letter stated clearly that the funds awarded for the period from May 1, 2005 through December 31, 2005 “are no longer considered to be a part of the Housing Choice Voucher (HCV) program.” Therefore, NRHA did not receive any relocation/replacement vouchers funded by the Section 8 or Housing Choice Voucher program through December 31, 2005 that would have resulted in the ineligible receipt of phase-down subsidy funding.

Robert L. Jennings  
Coordinator, Richmond Public Housing Program Center  
Page 3

4. On Monday, September 19, 2005, a final rule for revisions to the Public Housing Operating Fund program, 24 CFR Part 990, was published in the *Federal Register*, which eliminated the section related to phase-down subsidies (990.114) in favor of a new "asset repositioning fee" process (990.190). The final rule became effective November 18, 2005. It is important to note that the 2006 OIG report acknowledged that in the new rule, "there are no provisions to offset the asset repositioning fee when Section 8 vouchers are received or when replacement conventional public housing units become eligible for operating subsidy." NRHA received no relocation/replacement vouchers funded under the Section 8 program prior to December 31, 2005.

I believe the information provided herein will allow this matter to be closed. If you or your staff has any questions regarding this matter, please do not hesitate to contact me at (757)533-4691.

Thank you for your continuing cooperation and assistance.

Sincerely,



Shurl R. Montgomery  
Chief Executive Officer

Attachments:

- A - FFY2004 Operating Subsidy Calculation, dated April 1, 2004, with October 1, 2004 Award letter from HUD
- B - FFY2005 Operating Subsidy Calculation, dated April 5, 2005, with October 25, 2005 Award letter from HUD
- C - HOPE VI Rental Assistance Award Letter, dated June 2, 2005
- D - Federal Register, dated September 19, 2005, 24 CFR part 990

# DEVELOPMENT DIVISION

Tracking & Reporting

# Activities

- ▣ Neighborhood Revitalization
- ▣ Rehabilitation
- ▣ Home Ownership

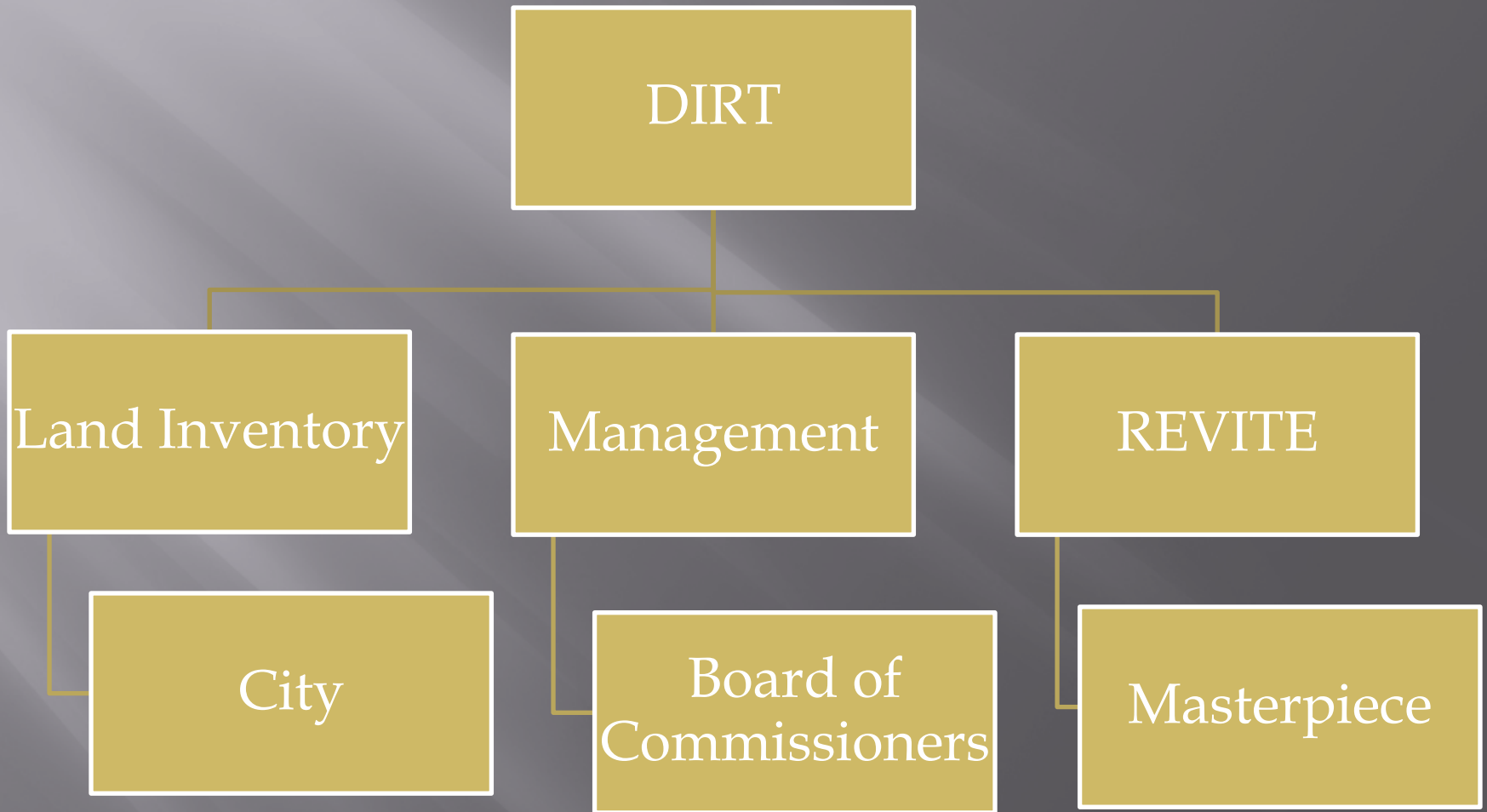
# Neighborhood Revitalization

- Acquisition
  - Appraisals
  - Title Search
  - Closing
- Relocation
  - Moving Expense
  - Rent Assistance
  - Utility Deposits
- Demolition
  - Hazardous Material Abatement
  - Structure Removal
  - Partial Demolition
- Disposition
  - Maintenance of Property
  - Surveys, re-zonings, re-subdivision
  - Advertising
- Construction
  - Site Improvements
  - Renovations
  - New Houses
- Administration
  - Management
  - Planning
  - Budgeting
  - Reporting
  - Compliance

# Activity and Budget Tracking

- ▣ Land Development Activities - DIRT
- ▣ Budget Tracking - REVITE
- ▣ Income and Expense Accounting - Masterpiece
- ▣ Labor Tracking - Time Tracker
- ▣ Salaries & Benefits - ABRA

# Activity & Budget Tracking



# Database

Systematically arranged collection of data structured so that it can be automatically retrieved or manipulated.

# Benefits of a database

- ▣ One-time data entry
- ▣ Fast and efficient retrieval
- ▣ Query flexibility (YTD, FYYTD, current month, etc.)
- ▣ Quality and protection of data
- ▣ Elimination of redundancy
- ▣ Simultaneous changes
- ▣ More transportable to other systems
- ▣ Constant structure
- ▣ Consistent reporting
- ▣ Change tracking
- ▣ Limited access
- ▣ Always current

# DIRT Reports

- ▣ Price Offers
- ▣ Land Acquisitions
- ▣ Land Inventory
- ▣ Land Dispositions
- ▣ Development Activity
- ▣ Relocations
- ▣ Demolitions

# Price Offers

- ▣ Property identification
- ▣ Date
- ▣ Amount
- ▣ Status

# Acquisitions

- ▣ Property identification
- ▣ Broad National Objective (CDBG)
- ▣ Previous owner
- ▣ Closing date
- ▣ Purchase price

# Dispositions

- ▣ Property identification
- ▣ Broad National Objective (CDBG)
- ▣ Developer
- ▣ Proposed use
- ▣ Closing date
- ▣ Sales price
- ▣ Estimated development value/assessed value

# Development Status

- ▣ Property identification
- ▣ Developer
- ▣ Proposed use
- ▣ Closing date
- ▣ Status (committed, contract, construction, etc.)
- ▣ Inspection process

# Land Inventory

- ▣ Property Identification
- ▣ Automatically updated as new acquisitions occur
- ▣ Disposition based
- ▣ Status (available/not available)
- ▣ Tabulates “Net Realized Value”

# Land Inventory: Derivation

- ▣ Land acquired is often re-subdivided and no longer exists as a legally defined parcel.
- ▣ DIRT tracks land lost to ROW, subdivision and reports net land areas.
- ▣ DIRT lists actual parcels and is consistent with City's Parcel Information System.

# Land Inventory: Testing

- ▣ Reconcile with existing spreadsheet
- ▣ Reconcile with General Ledger
- ▣ System access security
- ▣ Data integrity
- ▣ Comprehensive
- ▣ Back-up and replication
- ▣ Rule enforcement
- ▣ Computation accuracy
- ▣ Change and access logging

# Next Steps

- ▣ Report format for Board of Commissioners
- ▣ Expand to rehabilitation projects
- ▣ Refine internal reports