

MINUTES OF A REGULAR MEETING OF
THE HOUSING AUTHORITY OF THE CITY OF RALEIGH
BOARD OF COMMISSIONERS
DECEMBER 2, 2021

The members of the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina met in a Zoom meeting on Thursday, December 2, 2021 at 5:00 p.m.

The Board Chair called the meeting to order and upon roll call the following were present and absent:

Present: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead.

Absent: Doris Wrench

Visitors: Charles Francis, Francis Law Firm; Landon Cox, Chris Byrd, LDG Development; Tonia O’Conor, Enterprise; Kristen Kirby, McGuireWoods, LLP; Public: Paula Copolla, “Awells”, “Karadischinger”.

RHA Staff: Sonia Anderson, Priscilla Batts, Liz Edgerton, Wayne Felton, Laura McCann, Jennifer Morgan, Donna Perez, Gwen Wall.

The Board Chair declared a quorum present and welcomed everyone to the meeting.

RECOGNITION OF VISITORS

The Board Chair welcomed the visitors to the meeting.

PUBLIC COMMENTS

Paula Capolla said she wanted to inquire about getting the Board Meeting minutes online to view those with more rapid timing. She said that two months is not suitable for people to get in tune with what is going on at RHA. She said she also wanted to inquire about what RHA can do about getting the information to the residents who don’t have access to the internet (such as notices or changes in policies). She asked if there is another alternative to get this kind of information out to the public.

Commissioner Morris asked if this is something that staff can look into.

Mr. Felton said he will check into that.

Commissioner Braun asked if Mr. Felton could report back at the next meeting and respond to those comments.

Mr. Felton said he would report back at the next RHA Board Meeting.

CONSENT AGENDA

All items on the Consent Agenda are considered to be routine and may be enacted by one motion and second. If a Commissioner requests that an item be removed from the Consent Agenda it will be done

and considered as a separate item. The vote will be a roll call vote.

Item 1

Charge-off of delinquent resident accounts for October 2021

Item 2

Financial Statements for October 2021

Item 3

Vacancy and Turnover Summary for October 2021

Item 4

Minutes of October 28, 2021 RHA Board Meeting.

RECOMMENDATION: Approval as submitted by staff.

Commissioner Braun moved and Commissioner Warren seconded approval of the Consent Agenda. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

The Consent Agenda has been adopted.

EXECUTIVE SESSION

The Board Chair solicited a motion to move into Executive Session to discuss a legal matter.

Commissioner Braun moved and Commissioner Warren seconded approval to move into Executive Session.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

The Board moved into Executive Session to discuss a legal matter.

The Regular Board Meeting will reconvene at approximately 6:00 pm.

REPORT OF THE BOARD SECRETARY

COVID Update

- 7 reported COVID cases with residents and 1 case with an employee this month.
- Booster shot clinics were scheduled by Dolores Cruz, Community Services Coordinator:

- 195 residents and employees received their booster shots.
- RHA will be working with Wake County to get the resident children vaccinated.

RAD Update

Staff met with HUD to determine when RHA will be able to close on RAD. Dominion Due Diligence is updating the CNA forms and those are expected back by the end of December. They will be submitted to HUD for their review and approval. HUD will send the RAD Conversion Commitment (“RCC”) and staff will bring that to the next Board Meeting for Board review. Once those are signed, RHA has 90 days to close. RHA is looking at closing by the end of April 2022.

The HQS Inspections must be completed. Staff has met with the City of Raleigh and they will not be able to assist with the inspections as much as staff had hoped. Staff is speaking with contractors and Wake County Housing Authority to assist with the inspections.

RHA will need to get the leases signed. HUD will send the approved lease when they send the RCC.

Staff will need to complete critical work items from the assessment that Dominion Due Diligence completed last year.

RAD Collaborative

The RAD Collaborative meetings have been scheduled for December 14th and 15th.

Employee Signing Bonus & Retention Bonus

RHA is not getting many applicants for the open positions and currently 25% positions are vacant. Many staff are covering multiple positions and some have been doing that for a while. We wanted to thank staff who have been working hard to keep everything together and also offer a signing bonus to attract new talent to the agency.

A \$1,200 annual bonus will be offered to current employees and new hires to be paid quarterly over the next 12 months starting in December. New employees must complete probation (six months) in order to receive their signing bonus.

NEW BUSINIESS

Commissioner Whitehouse made a motion to amend RHA’s process for the selection of the co-developer so that the selection committee members can receive copies of all of the proposals that have been submitted to RHA to date.

Commissioner Braun seconded the motion.

A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

The new process for the selection of co-developer has been adopted.

Mr. Felton said that Landon Cox with LDG Development is on the meeting tonight. They are the developer for this project and they're out of Kentucky and have over 18 years' experience in developing affordable housing in 17 states around the country. This is their first development in North Carolina.

This development consists of 156 units for low-income families that will house families with incomes ranging from 50% to 70% area median income or less. The proposed development is located off Gresham Lake Road, which is just north of I 540 off of Capitol Boulevard. It meets the city's Affordable Housing Location Policy because of the census tract that it is in. However, there is no public transportation that is near the development. The city has no immediate plans to bring access to public transportation there.

LDG is scheduled to close on this development in October 2022 and begin construction. Lease up will be from October 2023 through August 2024. The rents will range from \$897 a month to \$1,742, depending on the bedroom size and the targeted income level. The total project is approximately \$33 million, and the bond amount they're requesting is \$22 million.

Commissioner Ellinger asked if the City of Raleigh is providing any funding for this transaction.

Mr. Cox said the city is not but Wake County is.

Commissioner Ellinger asked if there are any local developers that are involved as joint ventures on this transaction.

Mr. Cox said it will just be LDG.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 77 (2021)
RESOLUTION GIVING PRELIMINARY APPROVAL TO ISSUANCE OF MULTIFAMILY
HOUSING REVENUE BONDS (THE PRESERVE AT GRESHAM LAKE)

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Raleigh, North Carolina (the "Authority") held a regular meeting at 5:00 p.m. on the 2nd day of December, 2021; and

WHEREAS, the Authority is organized and operates pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the "Act"); and

WHEREAS, the Act defines "housing project" in N.C.G.S. § 157-3(12) to include "property, buildings and improvements . . . acquired or constructed . . . pursuant to a . . . plan or undertaking . . . [t]o provide grants, loans, interest supplements and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income"; and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Authority the power "to provide for the construction, reconstruction, improvement, alteration or repair of any housing project" and "to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues"; and

WHEREAS, Gresham Lake Family LP, a North Carolina limited partnership, or an affiliated or related entity (the "Company"), intends to provide low and moderate income housing in the City of Raleigh, North Carolina (the "City"); and

WHEREAS, the Company has requested that the Authority assist it or an affiliate in financing the acquisition, construction and equipping of a multifamily housing development to be known as The

Preserve at Gresham Lake, consisting of 156 units located at 3095 Gresham Lake Road in the City (the “Development”); and

WHEREAS, the Company has described to the Authority the benefits of the Development to the City and the State of North Carolina and has requested the Authority to agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the Authority is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA:

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the Authority agrees to provide reasonable assistance to the Company in issuing bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the Authority’s multifamily housing revenue bonds (the “Bonds”) in an amount now estimated not to exceed Twenty-Two Million Dollars (\$22,000,000) to provide all or part of the cost of the Development.
2. The Authority intends that the adoption of this resolution be considered as “official action” toward the issuance of the Bonds within the meaning of Section 1.150-2 of the Treasury Regulations issued by the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the “Code”).
3. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon among the Authority and the Company. The Authority and the Company shall enter into a “financing agreement” pursuant to the Act for a term and with payments sufficient to pay the principal of, premium if any, and interest on the Bonds and to pay all of the expenses of the Authority in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the Authority and a trustee (the “Trustee”) or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the Authority’s rights to payments under the financing agreement, except the Authority’s right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the Authority and the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.
4. The Authority hereby authorizes the Company to proceed, upon the prior advice, consent and approval of the Company and bond counsel, and consistent with the Company’s representations to the Authority, to obtain approvals in connection with the issuance and sale of the Bonds, including, without limitation, from the City Council of the City of Raleigh, North Carolina, and, if required, the North Carolina Local Government Commission, and to obtain an allocation of a sufficient amount of the State of North Carolina’s “private activity bond limit”, as required by Section 141 of the Code and as defined in Section 146 of the Code, for the Bonds.
5. It having been represented to the Authority that it is desirable to proceed with the acquisition, construction and equipping of the Development, the Authority agrees that the Company

may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the Authority without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the Authority's adoption of this resolution. The Authority agrees that the Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred by it as permitted by Treasury Regulations Section 1.150-2.

6. All obligations hereunder of the Authority are subject to the further agreement of the Authority and the Company to terms for the issuance, sale and delivery of the Bonds, and the execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance of the Bonds. The Authority has not authorized and does not authorize the expenditure of any funds or monies of the Authority from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, including the reasonable fees and expenses of the Authority's counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the Authority shall have no responsibility therefor. It is understood and agreed by the Authority and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or commissioners from time to time of the Authority.

7. The officers of the Authority are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

8. The Authority hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

9. The Authority hereby approves The Francis Law Firm, PLLC, Raleigh, North Carolina to act as issuer's counsel for the Bonds.

10. This resolution shall take effect immediately.

Commissioner Whitehouse moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 77 (2021) has been adopted.

(Resolution number 78 (2021) was pulled from the agenda.)

Mr. Felton said this is a bond deal for one of five separate deals to be completed near Triangle Town Center off of Capitol Boulevard. Total units for all five deals will have 312 Senior units and 264 family units for a total of 576 units in that area near Triangle Town Center.

Oak Forest Pointe will include 120 senior units. The total bond amount for this development is \$14 million. This first resolution is for the issuance and sale of the bonds. With this resolution the Board is approving the Executive Director, the Chairman, and/or the Vice Chair to execute any documents for the issuance and sale of the bonds. This was reviewed by counsel with no exceptions.

Commissioner Ellinger asked who the developer is on this project.

Mr. Felton said it is Tipton.

Commissioner Ellinger recused herself from the vote.

Mr. Francis added that this deal is on the fast track. They've already received the approvals from the municipality and they're trying to close this by December 23rd.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO.79 (2021)
RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
MULTIFAMILY NOTE FOR OAK FOREST POINTE

WHEREAS, Oak Forest Pointe LP, a North Carolina limited partnership, or an affiliated or related entity (the "Borrower"), has requested that the Housing Authority of the City of Raleigh, North Carolina (the "Authority") assist it in financing a portion of the cost of the acquisition, construction and equipping of a multifamily residential rental facility for seniors to be known as Oak Forest Pointe, consisting of 120 units to be located at 5700 Oak Forest Drive in the City of Raleigh, North Carolina (the "Development") and the Authority has agreed to do so; and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Note (the "Multifamily Note") in the principal amount not to exceed \$14,000,000; and

WHEREAS, it is anticipated that the Multifamily Note will be privately placed with Merchants Bank of Indiana (the "Initial Funding Lender") during construction of the Development, and privately placed with the Federal Home Loan Mortgage Corporation ("Freddie Mac") once the Development has reached stabilization, pursuant to a Funding Loan Agreement (the "Funding Loan Agreement"), among the Authority, the Initial Funding Lender and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"); and

WHEREAS, it is anticipated that the proceeds of the Multifamily Note will be loaned to the Borrower pursuant to a Project Loan Agreement (the "Project Loan Agreement"), among the Authority, the Borrower and the Fiscal Agent, for the purpose of (i) paying a portion of the costs of the acquisition, construction and equipping of the Development, (ii) paying capitalized interest on the Multifamily Note, and (iii) paying certain expenses in connection with the issuance of the Multifamily Note; and

WHEREAS, the Borrower's obligations under the Project Loan Agreement will be secured by a Real Estate Deed of Trust, Security Agreement and Assignment of Leases and Fixture Filing, from the Borrower to the deed of trust trustee named therein for the benefit of the Authority (the "Deed of Trust"),

and various other security documents, all of which will be assigned to the Fiscal Agent for the benefit of the Initial Funding Lender; and

WHEREAS, there have been presented to this meeting draft forms of the following instruments (collectively, the “Authority Documents”), which the Authority proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Authority:

- (a) the Funding Loan Agreement, together with the form of the Multifamily Note attached thereto;
- (b) the Project Loan Agreement;
- (c) the promissory note of the Borrower in favor of the Authority (the “Borrower Note”), which will be endorsed by the Authority to the Fiscal Agent;
- (d) the Deed of Trust;
- (e) the Assignment of Real Estate Deed of Trust, Security Agreement and Assignment of Leases and Fixture Filing (the “Authority Assignment”), by the Authority in favor of the Fiscal Agent; and
- (f) the Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), pursuant to which the Borrower will be required to operate the Development in accordance with Section 142(d) of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH DOES HEREBY RESOLVE, AS FOLLOWS:

1. The Authority hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Multifamily Note pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the deposit of such proceeds with the Fiscal Agent in accordance with the Funding Loan Agreement and the Project Loan Agreement.
2. The Authority hereby authorizes the issuance and sale of the Multifamily Note pursuant to and in accordance with the terms set forth in the Funding Loan Agreement. The Multifamily Note will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Funding Loan Agreement; provided, however, that the aggregate principal amount of the Multifamily Note shall not exceed \$14,000,000.
3. Each of the Chairman, Vice Chairman and Executive Director of the Authority or his or her respective designee is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. Each of the Chairman, Vice Chairman and Executive Director of the Authority or his or her respective designee, is authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note, the Deed of Trust and other security documents to the Fiscal Agent.
4. Each of the Chairman and Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the Multifamily Note in the manner and subject to the conditions provided in the Funding Loan Agreement to the Fiscal Agent for authentication, and to cause the Multifamily Note so executed and authenticated to be delivered to or for the account of the Initial Funding Lender, or any affiliate thereof, upon payment of the purchase price therefor.
5. The Authority Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Multifamily Note, and as otherwise

approved by the officers of the Authority executing them after consultation with counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

6. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman and Executive Director of the Authority, or their respective designees, to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Authority Documents.

7. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority as may be necessary or desirable to the issuance of the Multifamily Note. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Multifamily Note are hereby ratified, confirmed and approved.

8. This resolution shall take effect immediately.

Commissioner Braun moved and Commissioner Warren seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 79 (2021) has been adopted.

Mr. Felton said this resolution is to approve the financing team for the project. The reason the Board must approve the team is because this will go to the Local Government Commission and they want to see that the RHA Board has approved the team. This has been reviewed by counsel with no exceptions.

(Commissioner Ellinger remained recused for this resolution.)

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 80 (2021)
RESOLUTION APPROVING FINANCING TEAM AND MAKING CERTAIN FINDINGS WITH
RESPECT TO THE ISSUANCE OF A MULTIFAMILY NOTE FOR OAK FOREST POINTE

WHEREAS, Oak Forest Pointe LP, a North Carolina limited partnership, or an affiliated or related entity (the “Borrower”), has requested that the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) assist it in financing a portion of the cost of the acquisition, construction and equipping of a multifamily residential rental facility for seniors to be known as Oak Forest Pointe, consisting of 120 units to be located at 5700 Oak Forest Drive in the City of Raleigh, North Carolina (the “Development”) and the Authority has agreed to do so; and

WHEREAS, the Authority finds that the financing of the Development through a tax-exempt note will fulfill the Authority’s purpose under the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the “Act”) to provide for the construction, reconstruction, improvement, alteration or repair of any housing project, which is defined in the statute to include “loans and other programs of financial assistance to public or private developers of housing for persons of low income, or moderate income, or low and moderate income;” and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Note (the “Multifamily Note”) in the principal amount not to exceed \$14,000,000; and

WHEREAS, the North Carolina Local Government Commission has requested the Authority to make certain findings with respect to the Multifamily Note consistent with Section 159-153 of the North Carolina General Statutes; and

WHEREAS, it is anticipated that the Multifamily Note will be privately placed with Merchants Bank of Indiana (the “Initial Funding Lender”) during construction of the Development, and privately placed with the Federal Home Loan Mortgage Corporation (“Freddie Mac”) once the Development has reached stabilization; and

WHEREAS, the Borrower has requested that the Authority approve its selection of the following financing team members for the issuance and sale of the Multifamily Note, on the terms and at the fees set forth in the documents and financial information relating to the financing, providing for the issuance and sale by the Authority and the purchase by the Initial Funding Lender of the Multifamily Note and in the financial information provided to the Authority with respect to the Multifamily Note:

Bond Counsel:	McGuireWoods LLP
Authority’s Counsel:	The Francis Law Firm, PLLC
Borrower:	Oak Forest Pointe LP
Borrower’s Counsel:	Womble Bond Dickinson (US) LLP
Fiscal Agent:	U.S. Bank National Association
Fiscal Agent’s Counsel:	Nexsen Pruet, PLLC
Initial Funding Lender:	Merchants Bank of Indiana
Initial Funding Lender’s Counsel:	Dinsmore & Shohl LLP
Permanent Lender:	Federal Home Loan Mortgage Corporation
Freddie Mac Servicer:	Merchants Capital Corp.
Freddie Mac’s/Servicer’s Counsel:	Tiber Hudson LLC
Tax Credit Investor:	Richman Group
Tax Credit Investor’s Counsel:	JDF, LLC

WHEREAS, based upon information and evidence received by the Authority, it has determined to approve the Borrower’s request;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, NORTH CAROLINA DOES HEREBY RESOLVE, AS FOLLOWS:

1. The above financing team for the issuance and sale of the Multifamily Note by the Authority is hereby authorized and approved.
2. The Authority hereby finds that the financing is necessary and expedient to further the Authority’s purpose of promoting low and moderate income housing in the City of Raleigh, North Carolina, and that the acquisition, construction and equipping of the Development proposed by the

Borrower are necessary and sufficient to accomplish the Authority's purposes with respect to the properties involved.

3. The Authority hereby finds that the Borrower has demonstrated that the amount of debt to be incurred in connection with the Development and the fees to be paid in connection therewith are sufficient but not excessive for the purpose of acquiring and constructing the Development.

4. The Authority hereby finds, based on (i) information provided by the Borrower, (ii) the commitment of the Initial Funding Lender to purchase and hold the Multifamily Note during construction of the Development and the commitment of Freddie Mac to purchase the Multifamily Note upon conversion of the Development to permanent financing, and (iii) the award of bond volume cap allocation by the North Carolina Federal Tax Reform Allocation Committee at the recommendation of the North Carolina Housing Finance Agency, that the Borrower has demonstrated that (a) it is financially responsible and capable of fulfilling its obligations to make loan repayments and other payments under the Project Loan Agreement among the Authority, the Borrower and the Fiscal Agent (the "Project Loan Agreement"), which will provide the funds to pay principal and interest on the Multifamily Note, and (b) the Development will generate sufficient revenues to make loan repayments and other payments under the Project Loan Agreement, to operate, repair and maintain the Development at its own expense and to discharge such other responsibilities as may be imposed under the Project Loan Agreement. The Authority further finds that adequate provision has been made for the payment of the principal of, redemption premium, if any, and interest on the Multifamily Note, and the operation, repair and maintenance of the Development at the expense of the Borrower.

5. The Authority hereby finds that the use of the proceeds of the Multifamily Note for a loan to finance the costs of the Development and for the other purposes stated above will accomplish the public purposes set forth in the Act and hereby approves such use of proceeds.

6. This Resolution shall take effect immediately upon its passage.

Commissioner Whitehouse moved and Commissioner Winstead seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 80 (2021) has been adopted.

Mr. Felton said HUD regulations require public housing authorities to contract with an independent public accountant to audit the books of the authority following each fiscal year. Staff is recommending Rector, Reeder, and Lofton. They have done RHA's audit for the last 12 years. This selection is based upon the qualifications of the audit firm, not on the cost of the audit. Staff solicits proposals from qualified auditing firms every five years. This resolution exercises the option to contract with Rector, Reeder, and Lofton for the third year of the five-year term for the fiscal year ending 2022 audit. The cost is \$42,000, which is the same as last year.

Commissioner Whitehouse asked if the reason there was only one proposal received was because it was on a five-year original proposal term.

Mr. Felton said staff isn't sure why RHA didn't get any other proposals. It was advertised twice in the newspaper as well as on the RHA website. When only one was received, staff re-advertised to try and get more bids.

Mrs. Edgerton said that is correct. RHA isn't required to do it in five years. It's really a one-year term. RHA has the option to renew for five individual annual years.

Commissioner Whitehouse asked if there is any concern that they've done it for 12 years. One of the things that he had recorded in one of the Board Training sessions was that they recommend not having the same company do your audits for such long terms. Is there a concern about that?

Mr. Felton said that was raised last year. That's when we asked Brandy to do the audit.

Commissioner Morris said they changed the partner in charge of the audit. And with public companies, the rule is about every three years the partner has to change the partner in charge. The partner who was in charge can concur – they can do a concurrent review. It's not that the firm can't continue on – it's the partner in charge, or the partner who's signing off on the audit.

Commissioner Morris said, having been in public accounting for 20+ years before he left, governmental audits are not something that a lot of firms are chasing. The guidelines have gotten stricter and it has weeded out a lot of firms from doing some of the government audits. That's probably one of the reasons you're not seeing a lot of people respond to the request for proposal.

Mrs. Edgerton said it is such a specialized field that, with all of the regulations, there are less qualified auditors who want to get into that type of auditing.

Commissioner Ellinger said RHA should look at what other housing authorities are doing. The Board knows that RHA meets the terms of the procurement guidelines with regard to publications, etc. However, there are other housing authority specialized accounting firms. Does staff talk to other housing authorities about who they're using or does RHA depend solely on publications?

Mr. Felton said he has not spoken with other firms. Rector, Reeder, and Lofton does some others in North Carolina. RHA has relied on the publications. Mr. Felton said he hasn't spoken with other housing authorities about who does their auditing.

Mrs. Edgerton said she has spoken to other housing authorities at some of the conferences. However, those aren't as well-attended as before the pandemic.

Commissioner Warren asked if staff did have a chance to talk to other housing authorities, and they had recommendations of auditors that they think are doing a good job, would it be appropriate when you do a publication or when you're sending out some public notice, to send a note to those firms telling them of the opportunity. Is that allowed under their current procurement process?

Mrs. Edgerton said staff did do that with this last one. There were quite a few notifications sent out and we still only received one proposal.

Commissioner Ellinger suggested that staff think about that going forward. There is no reason to worry about it now. However, spreading it out a little bit more gives RHA a better pool than voting on one group just because they've always been there.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 81 (2021)

WHEREAS, the U.S. Department of Housing and Urban Development regulations require that a housing authority contract with an independent auditor for an annual audit; and

WHEREAS, the staff of the Housing Authority of the City of Raleigh (“RHA”) prepared specifications for auditing services for fiscal year ending March 31, 2020, including optional renewals for the fiscal years ending March 31, 2021, 2022, 2023, and 2024; and

WHEREAS, the Request for Proposals (“RFP”) was publicly advertised stating that sealed proposals must be received at RHA by 11:00 a.m. on November 15, 2019; and

WHEREAS, one proposal was received for auditing services, and it was determined that the RFP would be advertised for a second time stating that the sealed proposals must be received at RHA by 11:00 a.m. on December 17, 2019; and

WHEREAS, at 11:00 a.m. on December 17, 2019, the one proposal received for the auditing services was opened and recorded; and

WHEREAS, the proposal received is set forth on the attached bid tabulation sheet, which by reference is made part of the resolution; and

WHEREAS, the staff of RHA evaluated the proposal in areas including size and organizational structure of the firm, staff qualifications and experience, technical expertise in auditing large public housing authorities (“PHAs”), planned time on-site conducting the audit, experience with North Carolina governmental audit requirements including knowledge of Local Government Commission requirements, and fair and reasonable cost; and

WHEREAS, the staff of RHA recommends the acceptance of the proposal for fiscal year ending March 31, 2022 as follows:

Rector, Reeder, and Lofton, PC \$42,000

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the contract for the auditing services for the fiscal year ending March 31, 2022 be awarded to Rector, Reeder, and Lofton, PC.

BE IT FURTHER RESOLVED that the Executive Director is authorized to enter into a contract with the firm of Rector, Reeder, and Lofton, PC for these services.

Commissioner Whitehouse moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 81 (2021) has been adopted.

Mr. Felton said the Administrative Plan for Section Eight establishes the rules that RHA must follow in administering the Section Eight program. The Board approved the draft revisions to the Administrative Plan in August of this year. Some of the changes include:

- A local preference was put in for displaced families. The reason for that came up with the Garner Road families. These were families who were living in the apartment complex when it was sold. They didn't have a voucher, nor was their rent subsidized. Staff found that with a lot of the entities that RHA works with, people could not get assistance until they were actually homeless. By putting in this provision for displaced families, RHA is helping those people so they don't actually have to become homeless in order to receive assistance.
- EHV
- Inspecting RHA-owned units.
- Changing to bi-annual inspections instead of annual inspections.
- New Section on Project Based Vouchers.

This was on the RHA website for public comments for a minimum of 30 days. No comments were received.

**HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 82 (2021)**

WHEREAS, the Raleigh Housing Authority (RHA) is required to set forth its policies for processing applications and providing assistance to eligible Housing Choice Voucher and Welfare-to-Work families; and

WHEREAS, changes in regulations and local authority policy have resulted in the need to revise the Section Eight Administrative Plan; and

WHEREAS, the changes have been completed and issued to the public for comment; and

WHEREAS, the draft of the Section Eight Administrative Plan was available on RHA's web page; and

WHEREAS, the public review was held for thirty days and the deadline for providing comments was September 30, 2021; and

WHEREAS, no public comments have been received;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the revised Section Eight Administrative Plan be adopted and become effective immediately.

Commissioner Braun moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 82 (2021) has been adopted.

Mr. Felton said the purpose of this plan is to inform HUD, residents, and the public about RHA's plans and policies. RHA is not obligated to do the items in the plan. However, if staff needs to change a plan, it should be in the Agency Plan.

The Board approved the draft for the Agency Plan in September. It went out for comments for more than 45 days, and some written comments were received which are attached to the plan. The Resident Advisory Board met yesterday and the comments received during that meeting did not constitute any changes to the plan.

Behind the resolution is a summary of the proposed changes which include information on Project Based Vouchers, RHA's ACOP, and Admin Plans. We're also considering a Homebuyers Program. Staff also included more information regarding the redevelopment of Heritage Park.

Commissioner Warren asked how many residents were in attendance on the Resident Advisory Board meeting yesterday.

Mr. Felton said there were five in attendance (virtual meeting).

Commissioner Warren asked how many would be perfect attendance. How many residents are on the Resident Advisory Board?

Mr. Felton said the Resident Advisory Board is made up of the resident presidents. He asked Mrs. McCann to explain who makes up the Resident Advisory Board.

Mrs. McCann said the president of the ICC is on there. Staff also asked other public housing individuals who represent some of the communities, who are not presidents, to participate. One person came from one of the incentive properties. Although they're not technically a president, they still came and represented that community.

Commissioner Warren asked if five is standard attendance for those meetings.

Mrs. McCann said that is fairly standard attendance.

Commissioner Whitehouse said when he read the Annual Plan again, he got very excited. It is really well-documented and gives great goals in terms of things that RHA is trying to work on. He appreciates all of the work staff did to put it together.

Mr. Felton said Laura McCann, Sonia Anderson, and Priscilla Batts did most of the work to put that together.

Commissioner Ellinger said she concurs with that. She knows how formidable that job is.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 83 (2021)

WHEREAS, the Quality Housing and Work Responsibility Act of 1998 (QHWRA) requires the development of a comprehensive Agency Plan; and

WHEREAS, Raleigh Housing Authority ("RHA") has revised the annual and five-year Capital Fund plans to reflect actions to be effective April 1, 2022; and

WHEREAS, RHA has analyzed and reviewed a number of major policies and procedures to update items that require inclusion in the 2022-2023 PHA Annual Plan; and

WHEREAS, this plan has been made available to the public in multiple ways for review and comment; and

WHEREAS, this plan has been posted on RHA's web page seeking comment and announcing public meetings to discuss the Agency Plan via Zoom; and

WHEREAS, public notices were published in the *News and Observer* to announce the availability of the Plan for public review and to encourage written comments; and

WHEREAS, submitted comments and public feedback were reviewed and considered by staff for inclusion in the Plan; and

WHEREAS, copies of the Plan were made available to the Resident Advisory Board ("RAB") for their review and comments; and

WHEREAS, the Agency Plan will be submitted to the City of Raleigh for a Certification of Consistency with the Consolidated Plan following Board Approval;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the Board Chair and Executive Director are authorized to sign any HUD required PHA Annual Plan and five-year Capital Fund plan certifications.

BE IT FURTHER RESOLVED that staff is directed to submit the Agency Plan to the U. S. Department of Housing and Urban Development for their approval prior to the January 16, 2022 due date.

Commissioner Whitehouse moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 83 (2021) has been adopted.

Mr. Felton said the Admissions and Continued Occupancy Policy ("ACOP") for housing management establishes the rules that RHA must follow in administering the public housing program. Staff sent out a revised copy of the ACOP because the wrong version was sent earlier (it did not include some language that was required by HUD). Staff proposed some changes to the ACOP to address some items which have come up, or are anticipated to come up in the future. The executive summary on those changes is behind the resolution.

These proposed changes were out for public comment for more than 30 days. Staff received some comments. However, they did not constitute a change to the policy.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 84 (2021)

WHEREAS, the Housing Authority of the City of Raleigh is required to set forth the requirements, standards, and criteria for the Admissions and Continued Occupancy Policy (ACOP) to be established and implemented; and

WHEREAS, staff has updated the policy and a public notice was sent to each resident household to encourage public review and comments; and

WHEREAS, the draft of the Admissions and Continued Occupancy Policy was available on RHA's web page on August 26, 2021; and

WHEREAS, the public posting and review requirement of thirty days was extended to encourage public input; and

WHEREAS, the draft was shared with the Resident Advisory Board which enabled staff to address all questions and solicited written comments; and

WHEREAS, RHA received public comments but these comments were not directed towards the ACOP and thus did not constitute a change to proposed policy;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the revised Admissions and Continued Occupancy Policy amendments be approved and become effective immediately.

Commissioner Ellinger moved and Commissioner Braun seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 84 (2021) has been adopted.

Mr. Felton said that since RHA deals with federal dollars, we need a procurement policy in place to control how funds are spent, designate which members of staff may make purchases or sign purchase orders, and establish dollar limits for purchases. Periodically, things come up which staff determines may need to change the policy. These changes are addressed once a year, when necessary.

RHA needed to change its procurement policy due to new Section 3 requirements. Staff also needed to add a section recording OCAC for the RAD properties. While staff was revising that, we decided to up the limits, given the different thresholds for different purposes. Sometimes the state and federal regulations may have different limits, so RHA is governed by the most stringent of those limits.

One of the big changes made was to take the formal contracts from \$150,000 up to \$250,000. The reason for that stems from one of RHA's flooring contracts. Staff bid it out last year and it was less than \$150,000. However, as we needed more flooring, and prices increased, we got closer to that limit of \$150,000. To an auditor, that could look like you're trying to circumvent bidding process and not get formal bids. Even if we're close to the limit, we'll still formally bid. This year prices went up and got close to that limit, so we felt the amount should be increased. RHA is still within the federal limits.

The other limits are below state and federal limits. These were set to ensure that staff is getting signatures and we know who's spending the money. One of the questions that was raised earlier this week were regarding purchases between \$3,000 and \$250,000. Even though they're not considered a formal contract or formal bid, we still get three bids and we may even have plans and specs (it depends on the complexity of what is getting bid out).

In the OCAC contract, there's a reference to the insurance by the manufacturer as not less than \$300,000. That's a minimum acceptable coverage. We're fine leaving that in at this point, because that is a minimum. Staff asks for the insurance coverage when we go out to get bids. When our procurement officer is getting annual contracts, or we're doing a contract, we tell them during that process what the insurance limits are.

Commissioner Whitehouse asked if this contract is used for every vendor or is it for certain sized projects. Are there additional contracts used?

Mr. Felton said it is for every contract.

Commissioner Whitehouse said paragraph D is very slim. Having worked with a lot of risk managers and insurance companies, he spends a lot of time in this area. He suggests that this is lacking a lot of things that you would want to make sure are in a contract. He said he would be glad to discuss it later with staff. He thinks it's an area, from a liability standpoint, staff would want to look at.

Commissioner Ellinger said she agrees. She would like to talk with Wayne and Charles Francis to see what can be done about that.

Commissioner Whitehouse asked if RHA uses the AIA contracts for the consultants or contractors.

Mr. Felton said RHA does not use AIA contracts. The AIA documents are generally written, leaning more towards the architect. Staff has always uses RHA's contract.

Commissioner Whitehouse suggested that they revise their thinking about that as well.

Commissioner Morris asked if the Board wants to table this resolution until the contracts have been reviewed and updated.

Commissioner Whitehouse asked if there is a timing issue with this for any reason.

Mrs. Edgerton said there are timing issues for the Section 3 requirements. Also, staff is working on the annual contracts for next year.

Commissioner Ellinger asked for a clarification about Section 3.

Mr. Felton said Section 3 is looking at the employment of low-income families. At one time, if a contractor hired someone for a week to clean up the job site, that counted towards this Section 3. They

have changed the way that you report Section 3 – they want to see continued employment and see the hours. It's not just a one-time hire, check the box and we're done. They want to see actual employment and actual records for the Section 3 now. That's the change that we have to include in the contract.

Commissioner Warren suggested that maybe one approach on this would be to approve it now with the understanding that it could be amended at a later date. He has a question regarding the affiliates, CAD as well as OCAC. One of the rationales that he has heard for moving housing authorities out of the public housing sphere and moving them more into the private sector approach would be that you would not necessarily have to follow HUD procurement rules. CAD probably doesn't need to follow the rules in terms of procurement, even though they may have Section Eight Project Based assistance. He asked if staff has heard that as an advantage of going with RAD and moving out of the public housing sphere so that it could reduce the burdensome procurement requirements that HUD may impose.

Mr. Felton said that is correct, you don't have to follow the procurement for RAD. With CAD we do. Staff thinks the procurement rules are very sound. Also, it's a good practice to not have different rules for different properties because it gets very confusing. It's easier and safer to keep everything under the same umbrella.

Commissioner Warren asked if these procurement policies need to be adopted both by CAD and OCAC.

Mr. Felton said they do not because RHA is the manager for CAD and OCAC.

Commissioner Ellinger said she thinks that each one of these Boards have to approve it separately. She doesn't think that RHA can enforce something with regard to CAD.

Mrs. Edgerton said they approved OCAC through the General Management Agreement. They mentioned procurement in that agreement.

Mr. Francis said the action tonight is just on behalf of RHA. However, we can look at whether OCAC CAD needs to separately adopt.

Mrs. Edgerton said this resolution is only approving the RHA contract. If you read the NOW, THEREFORE, it is approving the Procurement Policy for RHA and the RHA contract. The other two contracts are there as more informational purposes.

Commissioner Ellinger suggested to take it out and table it. Nobody is trying to stonewall it. However, maybe it should be tabled for later.

Mrs. Edgerton said the Section 3 rule has already taken effect. But it can be looked at as far as the insurance goes.

Commissioner Whitehouse asked if the resolution can be revised.

Commissioner Whitehouse asked if Commissioner Ellinger would like to propose an amendment?

Commissioner Ellinger suggested with regard to the Housing Authority of the City of Raleigh, that we approve.

Mr. Felton asked if they are good approving the Section 3 section. Staff can then review the insurance section.

Commissioner Ellinger said she was good with that.

Mr. Felton asked if there were any questions about the limits. It seems as though the only question really is the insurance and then how it applies to OCAC and CAD.

Commissioner Ellinger said she is perfectly fine with the Section 3. She just wants to make sure they don't need separate Board approval for each of those Boards. She asks that Charles brainstorm about this amendment. Substantively, RHA wants to make sure it falls within Section 3 guidelines.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 85 (2021)

WHEREAS, the Housing Authority of the City of Raleigh (“RHA”) administers programs which are federally funded through the U. S. Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Procurement Policy is necessary to control how funds are spent, to designate which members of staff may make purchases or sign purchase orders, and to establish the dollar limit allowed for a single purchase; and

WHEREAS, 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards was issued December, 2013, then adopted by HUD and incorporated into regulation under Part 2400 in December 2014 ; and

WHEREAS, the current RHA Procurement Policy to incorporate those changes was adopted by Resolution Number 29 on May 26, 2016; and

WHEREAS, the Procurement Policy has been reviewed and updated to reflect the following changes:

- Raise the threshold for micro purchase from less than \$1,000 to less than \$3,000; and
- Raise the threshold for small purchase from \$1,000 up to \$150,000 to \$3,000 up to \$250,000; and
- Raise the threshold for formal contracts from \$150,000 or greater to \$250,000 or greater; and
- Update approval required from the Executive Director for:
 - All Capitol Area Developments (CAD) General (G/L15) and Oak City Affordable Communities (OCAC) General (G/L 70) purchases
 - CAD & OCAC purchases of \$1,000 (changed from \$250)
 - All purchases \$5,000 or greater (changed from \$3,000)
- Update authorized amount for the Department Heads to approve purchases up to \$5,000 (changed from \$3,000)
- Clarify language related to policy when entering into state and local intergovernmental agreements; and
- Change language of Section 3 reference on the RHA Contract following the issuance of the Section 3 Final Rule
- Create template of OCAC Contract

WHEREAS, staff has drafted a Procurement Policy and RHA Contract for consideration by the Board of Commissioners, which is attached to this resolution and thereby made a part of this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the attached Procurement Policy and RHA Contract be adopted and be effective immediately.

Commissioner Ellinger moved and Commissioner Whitehouse seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 85 (2021) has been adopted.

Mr. Felton said each year staff brings a resolution to the Board to provide funding for entities that provide services to RHA's residents. Staff sends those surveys out to the different service providers to gather information, which are then scored to determine how much funding that RHA will provide to them each year.

Earlier this year, staff considering applying for a Ross grant. From the questionnaire that was sent out to the residents, it was decided that RHA needed to update the forms for its service providers.

The scoring sheet is located behind the resolution. It shows the different criteria that staff looks at when considering the service providers and how they are scored. Staff looks at housing or transportation services, user educational services, and criminal record or re-entry services. Staff also looks at the number of public housing properties that they serve, the frequency of their programs, and the number of participants at the program. Staff looks at all of those different factors when determining how much funding that RHA will provide to them.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 86 (2021)

WHEREAS, the Raleigh Housing Authority (RHA) coordinates many of its resident services and programs with local service providers; and

WHEREAS, there are several service providers that work within RHA public housing communities or transport residents to their programs off-site; and

WHEREAS, RHA and the Board of Commissioners wish to thank these service providers for the programs and opportunities they provide to its residents; and

WHEREAS, partners known to have provided these services to public housing residents are given a questionnaire to determine the impact of services at the end of each year; and

WHEREAS, the information provided to RHA through the completed questionnaires is used to gauge and rank the services received from each provider; and

WHEREAS, a point system was established in 2006 and last revised in 2018 to help equitably score and rank these programs; and

WHEREAS, staff has revised the scoring criteria and charts in order to make sure that this process aligns with RHA mission and the programs residents actively receive; and

WHEREAS, the revisions are attached to this resolution and by reference incorporated herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the attached revised scoring be used to recommend the amount of RHA contributions to service providers based on the availability of funding effect immediately.

BE IT FURTHER RESOLVED that staff is authorized to revise the AMP budgets as needed to accommodate these contributions.

Commissioner Warren moved and Commissioner Ellinger seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 86 (2021) has been adopted.

Mr. Felton said earlier this year the Board requested that we hire a communications consultant to assist with RHA's overall communications with agency. Staff sent out an RFP and one proposal was received from Public Participation Partners (P3).

The Board asked staff to go back and see if we could get more proposals. Different housing authorities and organizations were called and emailed and we received no other proposals. Someone proposed that RHA use a Cooperation Agreement, which basically allows us to use someone else's procurement process, as long as the cost and scope are the same.

Staff decided not to do that, mainly because the UNC School of Government recommends that you not do those Cooperation Agreements.

Staff went back and talked with P3. One of the concerns when we brought this to the Board before was that their website shows more community engagement than anything else. In talking with them, that is a lot of what they do. However, they also do the communication piece as well, setting up the social media sites, they draft all the communications that they do, and that works with what we had in our RFP (look at different ways of communication, help us with our newsletters, evaluating our website setup, helping us with videos to communicate with residents).

Even though communication isn't spelled out on their website, it is still part of that community engagement. After talking with them, staff is confident that they can do this. One of the other aspects of the RFP is that we wanted them to help us with a job description for our Communications Director for continued working communication. They started their own firm and actually wrote their own job descriptions, so they would be a big help with that.

Commissioner Whitehouse said this is something we've all talked about – that the RHA staff needs extra help to facilitate this for the organization. RHA will probably need to budget some implementation pieces for this. Whether it's a website overhaul or additional staffing. There may be additional budget items that come up.

Mr. Felton said staff is working on the budget now so that can be added.

Commissioner Warren said he'd encourage staff to involve Board Commissioners because a number of them are excited about this activity. A committee could possibly be set up or just keep them apprised of how that's going. Board Commissioners can add benefit to that work.

Mr. Felton said the RFP states working with Board Commissioners.

Commissioner Braun said he thought RHA has a Communications Committee.

Commissioner Braun said he has an email dated May 28, 2021 from Commissioner Whitehouse that was also sent to Commissioner Mutisya and Commissioner Fonville, with a copy to Commissioner Morris that talks about planning for our Communications Committee efforts.

Commissioner Whitehouse thanked Commissioner Braun for the reminder. He said they will get working on it once P3 is on board.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 87 (2021)

WHEREAS, the Housing Authority of the City of Raleigh (“RHA”) Board of Commissioners requested staff hire a Communications Consultant to work with staff on agency wide communication efforts; and

WHEREAS, the staff of RHA prepared a Request for Proposal (RFP) outlining the scope of work for the communications consultant; and

WHEREAS, the RFP was publicly advertised stating that sealed proposals must be received at RHA by 3:00 p.m. on September 9, 2021; and

WHEREAS, the RFP was advertised in the News and Observer, the Carolinian, Triangle Tribune, PHADA.org and RHA’s website; and

WHEREAS, one (1) proposal was received for the Strategic Communications Plan for Raleigh Housing Authority; and

WHEREAS, staff was asked to re-advertise to get more bids to ensure competition; and

WHEREAS, staff contacted other Housing Authorities and trade agencies to locate vendors; and

WHEREAS, no vendors submitted a proposal; and

WHEREAS, staff investigated utilizing a “Cooperation Agreement” which would utilize another agency’s procurement process to then procure the same vendor for the same scope of work and same costs; and

WHEREAS, staff was advised by UNC School of Government not to use a “Cooperation Agreement” and

WHEREAS, staff talked with Public Participation Partners (P3) and are confident they can perform the Scope of Work; and

WHEREAS, the proposal received is set forth on the attached bid tabulation sheet, which by reference is made part of the resolution; and

WHEREAS, the staff of RHA evaluated the proposal in areas including experience, qualifications, section 3 and minority /women owned business enterprise, and fair and reasonable cost; and

WHEREAS, the staff of RHA recommends the acceptance of the proposal for Strategic Communications Plan for Raleigh Housing Authority for the agency as follows:

- Public Participation Partners (P3) \$46,400

WHEREAS, the Board approved a preliminary budget of \$25,000 based on estimates; and

WHEREAS, the proposal cost is higher than budgeted but staff feels can still be absorbed across all programs;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that the contract for the Strategic Communications Plan for Raleigh Housing Authority be awarded to Public Participation Partners (P3).

BE IT FURTHER RESOLVED that the Executive Director is authorized to enter into a contract with the firm of Public Participation Partners (P3) for these services.

Commissioner Whitehouse moved and Commissioner Braun seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 87 (2021) has been adopted.

Mr. Felton said the Board had asked to have a 360 evaluation performed with staff. An RFP was put out and no proposals were received. Staff spoke with a couple vendors and they said they didn't have the staff or the time to do a 360 evaluation for RHA's entire staff. They suggested that we do a smaller sampling to start with.

We decided to do the Executive Staff, because they touch on each department. When these are done in the future, it will be good that the Directors and Assistant Directors would already have some experience with these 360 evaluations and can talk other staff through it.

Staff revised the RFP and put that out and only one proposal was received. Staff had a phone conversation with the vendor, and we're confident that they can do the job.

Commissioner Morris asked when that will be implemented.

Mr. Felton said we wanted to get the 360 evaluations done and the reports back in February or at least before March, because that's usually when the annual appraisals are done. They will meet with the 14 individuals who do the evaluation. With that they get an hour-long session and we get a report for each individual and then we also get a report for the overall agency.

Commissioner Fonville asked if there has been an update about a Strategic Plan.

Mr. Felton said the Strategic Plan contractor was approved in October, and we had conversations with them in November. We are setting up a meeting next week to get that going as well. Staff has executed the contract with them.

Commissioner Morris asked if that is EJP.

Mr. Felton said that is correct.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 88 (2021)

WHEREAS, the staff of the Housing Authority of the City of Raleigh (“RHA”) receives formal annual performance reviews to provide feedback regarding their performance; and

WHEREAS, the annual performance reviews are also used as a tool to establish goals and award merit increases rather than solely providing cost of living adjustments; and

WHEREAS, RHA seeks other methods that can be used to provide more comprehensive feedback utilizing the staff’s peer group; with the goal of identifying individual opportunities for improvement and development, continuing to enhance the work culture throughout the agency, and to attract and retain employees; and

WHEREAS, RHA seeks other tools that can be used to provide comprehensive feedback from the staff’s peer group with the ultimate goal of identifying individual opportunities for improvement and development, continuing to enhance the work culture throughout the agency, and to attract and retain employees; and

WHEREAS, RHA staff prepared a Request for Proposals (“RFP”) for Professional Consulting Services to Conduct Agency Wide 360 Evaluation Surveys dated October 19, 2021; and

WHEREAS, the RFP was publicly advertised on RHA’s website and in the News and Observer on October 24th and October 31st, 2021, stating that proposals would be received at RHA until 5:00 p.m. on November 8, 2021; and

WHEREAS, the RFP was sent to five firms inviting them to submit a proposal to RHA by the aforementioned deadline on November 8, 2021 and RHA received no proposals, and

WHEREAS, based on feedback received from a few of the firms, staff learned that the scope of the project, which was to conduct 360 Evaluation Survey’s agency wide, may have been too large; and

WHEREAS, in an effort to scale back the scope of the project, staff decided to narrow the focus of the 360 Evaluation Surveys from all staff (agency wide) to fourteen staff on the executive leadership team; and

WHEREAS, the revised RFP, a copy of which is attached hereto and incorporated herein by reference, was publicly advertised on RHA’s website on November 15, 2021 stating that proposals would be received at RHA until 12:00 noon on November 22, 2021; and

WHEREAS, the revised RFP was sent to the original five firms and five additional firms inviting them to submit a proposal by the aforementioned deadline on November 22, 2021; and

WHEREAS, one proposal was received in response to the revised RFP from LeaderShift Coaching for \$11,400; and

WHEREAS, the staff of RHA evaluated the proposal in areas including the bidder’s response to the proposal requirements, overall resume and qualifications of the firm in the provision of conducting 360 Evaluation Surveys, and ability to deliver the scope of services referenced in the RFP; and

WHEREAS, the staff of RHA recommends the acceptance of the proposal from LeaderShift Coaching be effective December 2, 2021;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH that LeaderShift Coaching be approved to conduct 360 Evaluation Surveys for the executive leadership team for a cost of \$11,400;

BE IT FURTHER RESOLVED that the appropriate budgets be adjusted accordingly.

Commissioner Braun moved and Commissioner Whitehouse seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 88 (2021) has been adopted.

Mr. Felton said 615 Peace Street have been renting the overflow parking lot at the corner of Johnson and Boylan Street for the past year. It is a laydown area for the construction that is going on at Peace Street.

RHA had done a 12-month lease with them and they need to extend that lease since they have not yet completed their construction. We’re extending it for six months with a 5% increase from what they were paying before. They were paying \$2,850 and we're adding 5% to that.

HOUSING AUTHORITY OF THE CITY OF RALEIGH
RESOLUTION NO. 89 (2021)

WHEREAS, the Housing Authority of the City of Raleigh (“RHA”) owns property recorded in the Wake County Register of Deeds Book 2422, page 119 located at 603 N. Boylan Avenue; and

WHEREAS, the development company 615 Peace Street, LLC expressed interest with the RHA in using the parking lot located on this parcel as a temporary construction easement agreement to construct a mixed use building consisting of 24 condo units and about 2,000 SF of retail. The building will be four stories and have 19 parking spaces at grade, accessed off Boylan Avenue; and

WHEREAS, by Resolution No. 44, dated August 27, 2020, the Board of Commissioners of the Housing Authority of the City of Raleigh authorized staff to execute a temporary construction easement agreement of the lot located at 603 N. Boylan Avenue with 615 Peace Street, LLC for the purpose of multi-family construction on the adjacent property.

WHEREAS, the temporary construction easement document that details the terms of the agreement is attached and by reference is part of the resolution; and

WHEREAS, the site is used for a temporary construction easement as necessary for the Developer to construct the apartment complex due to the site constraints; and

WHEREAS, the temporary construction easement is valid for 12 months from the start of the construction project unless an extension is granted by the RHA; and

WHEREAS, the Developer has requested a six (6) month extension of the temporary construction easement due to their continued need; and

WHEREAS, staff has determined the six (6) month extension of temporary construction easement would have no negative impact on the property and the developer has agreed to a five (5%) percent rent escalation in consideration of said extension.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF RALEIGH, that staff execute a six (6) month extension of the temporary construction easement agreement of the lot located at 603 N. Boylan Avenue with 615 Peace Street, LLC for the purpose of multi-family construction on the adjacent property.

Commissioner Braun moved and Commissioner Warren seconded approval of the foregoing resolution. A vote being called, the ayes and nays were as follows:

Aye: Eric Braun, Susan Ellinger, Niya Fonville, Arne Morris, Bahati Mutisya, Gregg Warren, Joe Whitehouse, Yolanda Winstead

Nay: None

Resolution No. 89 (2021) has been adopted.

Commissioners Comments

Commissioner Morris said he wanted to make a couple of comments and then open that up to any other Commissioner's comments as well. He wanted the staff to know that he really appreciates all you do in your efforts. Staying with us for all of the questions and the things we're asking of you. This is a huge project that we're undertaking. It's a little more demanding than in the past. But just know that we are doing the best that we can for the city and for this agency. We really appreciate all that you have done. We recognize how well things have been run.

Commissioner Braun said he echoes what Commissioner Morris said. Also, he doesn't think \$1 million is enough insurance. He thinks that's a low number for RHA's liability number. Can this be changed going forward?

Commissioner Whitehouse said it's typically \$3 – \$5 million as a standard for anything today as a minimum. Most companies have an umbrella policy in place.

Mr. Francis said one of the reasons RHA's coverages are lower than some you may be accustomed to seeing in the private sector is because, in general, RHA has governmental immunity or claim not insured. If we have a claim against us that is above the limits of our insurance, usually we're not obligated to pay that. There may be different considerations when you have a third party like this as the one that's paying for the insurance.

Commissioner Braun said, from a public policy standpoint, if somebody gets injured, we ought to make sure that there's higher than normal coverage, or whatever the commercial standard is for the time.

Mr. Francis said that's a great policy discussion.

Mr. Felton said he has a trustee meeting next week with NCHARRP so he will ask this question of them and see what they recommend and what other housing authorities do.

Commissioner Braun said he appreciates you checking into it.

Commissioner Whitehouse said it can be discussed more at a later time. He would like to echo Commissioner Morris', too. There has been a lot of conversations about what a great operating team and what a great housing authority we have. He appreciates all of the hard work that that the whole staff is doing for RHA.

Commissioner Warren agrees. When the RAD Collaborative team comes in and takes the tour and looks at the finances they'll be amazed at how strong the Raleigh Housing Authority is and how great RHA's portfolio looks.

Commissioner Warren suggests that the Commissioner Comments be moved higher up on the agenda. Maybe move them right after the report of the Repositioning Committee Chair or maybe the report to the Board Secretary.

Commissioner Ellinger and Commissioner Braun agreed with that suggestion.

Mr. Felton thanked the Board for their kind words. The staff appreciates it.