

ACCOMACK-NORTHAMPTON REGIONAL HOUSING AUTHORITY

MINUTES OF THE

June 25, 2025

4:00 p.m.

The Enterprise Building

Accomac, Virginia

DIRECTORS PRESENT:

Charles Kolakowski

Mike Mason

Patty White

Vincent Holt

Northampton County

Accomack County

Accomack County

Section 8 Representative

DIRECTORS ABSENT:

Ernest H. Washington

Northampton County

OTHERS PRESENT:

Elaine Meil

Eric Horito

Russ Williams

Sandy Taylor

Faith Lewis

Colin Kean

1. Call To Order

Chairman Kolakowski called the meeting to order at 4:08 p.m.

2. Minutes of the March 26, 2025 Meeting

Adoption of the March 26, 2025 minutes was requested.

Vice Chairman White moved to approve the minutes of the March 26, 2025 meeting as presented. Seconded by Director Mason, the motion was carried by unanimous vote.

3. Bills Payable / Financial Statement

Sandy Taylor presented the Bills Payable through 04/30/2025. She also stated two corrections should be made under Mill Run. The Operating amount should be changed from \$77,397.17 to \$26,296.55 and the Operating Reserves Taylor Bank #4101 should be changed from \$207,877.01 to \$208,520.21.

Commission approval was requested to pay the bills and accept the financial statement with the two corrections listed above.

Vice Chairman White moved to approve the Bills Payable and approve the Financial Statement with the two corrections listed above. It was seconded by Director Holt, the motion was carried by unanimous vote.

4. Current A-NPDC Projects Financial Report

74.19% of the FY 2025 budget has been expended while 84% of the fiscal year has passed.

Board acceptance of the Current A-NPDC Projects Financial Report was requested.

Vice Chairman White made a motion to approve the Current A-NPDC Projects Financial Report. It was seconded by Director Holt, the motion was carried by unanimous vote.

5. A-NRHA Administrative and Client Services FY 2026 Budget

The A-NRHA Administrative and Client Services FY 2026 Budget was presented. The budget included the projected revenues and the projected expenditures.

Director Mason made a motion to adopt the A-NRHA Administrative and Client Services FY2026 Budget. It was seconded by Vice Chairman White, the motion was carried by unanimous vote.

6. FY2026 Budgets

East Coast Properties submitted the FY 2026 budgets for Sunnyside Village Subdivision and Virginia Street on May 20, 2025. Staff will review and present them for board adoption at the next meeting.

The insurance on Mill Run had risen from \$30,000 to \$90,000. Staff has found another insurance company to insure us for just under \$20,000. The previous insurance carrier has still not responded to our questions and has acted very unprofessional with not supplying needed information. After diligent work we are expecting to have coverage effective 7/1/2025.

The budgets will be presented at the July meeting with probable budget amendments.

7. Property Management

Mariner Builder

Mill Run Apartments - 26 Duplex Apartments

- Vacancies: few vacancies, will be filled by early July
- Rent: 4 late
- Maintenance: Having issues with HVAC units.
- Property was transferred to Lang Mariner on January 2, 2025 who has been addressing issues that East Coast neglected for years. Almost caught up..

Crispus Attucks Apartments - 22 Duplex Apartments

- Vacancies: None
- Rent: 6 late.
- Maintenance: HVAC units issues. Addressing as they occur.
- Property was transferred to Lang Mariner on January 2, 2025.

East Coast Property Management

Sunnyside Village - 23 Single Family Houses

- Vacancies: Zero
- Rent: Six tenants late on rent.
- Maintenance Issues: Roof replacements have started. 4708 and 4551 have been completed. 4565, 4702, 4705, and 4575 will be addressed shortly.
- Floor issues have come up at the following:
 - *4695, Laundry room and kitchen floors are showing as soft.
 - *4664, Kitchen around the sink needs subfloor repair. (Phase II unit)
 - *4675, Hallway and kitchen showing soft spots. Has been worked on before.
 - *4565, Bathroom and kitchen floor have weak spots.
- Maintenance: Working on day-to-day issues.

Virginia Street - 10 Single Family Houses

- Vacancies: One
- Rent: Three tenants late.
- Maintenance Issues: None reported at this time.
- No other issues at this time.

Williams Hughes Apartments - 34 Apartments in 6 Buildings

- Vacancies: 1 vacancy
- Rent: 9 late
- Maintenance Issues: Turning units.

- Other: On-going HVAC repairs

T & M Associates

Onancock Square - 40 Apartments in 4 Building

- Unable to get an updated property report. The manager is out on sick leave. Previous report below:
- Vacancies: None
- Rent: Three late, two should be paid by the end of month. The third is moving out within 30 days.
- Vacancies: One 2 bedroom vacancy (1 bedroom will transfer to that soon) and 1 bedroom vacancy will be open at the end of the month.
- Maintenance: HVAC replaced at one unit (\$5,300) and a blower motor was installed at another unit (\$404)
- Other: Monthly inspections. Addressing issues as they appear, minor.

8. Housing Development Projects

Accomack County Project

Staff submitted a grant through Virginia Housing Development to partner with private developers to produce affordable homes, but the grant was not funded. Staff will reapply when funding becomes available again.

Northampton County Project

The two-bedroom home on Occohannock Neck Road has been sold. Lot 1 has a potential buyer. Lot 2 will be up for sale shortly.

The Duplex on Virginia Avenue is approximately a week out being completed.

Property Management Discussion

Staff spoke with Gateway Property Management on March 14th regarding interest in the management of Williams Hughes Apartments. Gateway Property Management was not interested in managing Sunnyside Village or Virginia Street.

Gateway was interested in William Hughes Apartments and stated they could begin management in 60 days. We presume if we award William Hughes to Gateway Property Management; we would run the risk of East Coast canceling service for Sunnyside Village and Virginia Street.

9. Housing Choice Voucher Section 8 Program

- 1) We are currently serving 466 families. We have 47 families pending action, and of those pending almost all have active vouchers and are searching for housing, or will be issued vouchers soon.
- 2) The Waiting List was opened in April 2022, and remains open. There are currently over 100 families on the Waiting List, 10 of which have been pulled and are being reviewed for eligibility to be offered a voucher.

- 3) The current Project Based Waiting Lists numbers are as follows:

Crispus Attucks- 8 families, plus 4 families that have been pulled and are being reviewed for eligibility.

Mill Run- 76 families.

Saw Mill Park- 11 families.

Accomack Manor- 9 families.

- 4) According to our most recent Section Eight Management Assessment Program (SEMAP) scores, A-NRHA is classified by HUD as a High Performing housing authority. Staff submitted the certification to HUD on August 12, 2024. No score has been issued. Staff is preparing for submission of the FY25 SEMAP certification..
- 5) HUD has published the Final Rule for the Housing Opportunity Through Modernization Act of 2016 (HOTMA). HOTMA will have a significant impact on the administration of the Section 8 program, including inspection protocols, income and asset qualifications, and family re-examinations. The draft Administrative Plan was submitted to HUD and will be presented to the RHA for approval when returned. Some elements of HOTMA will require enforcement beginning with transactions effective July 31, 2025. These elements include interpretation and clarification of treatment of minor income and student aid. None of these elements require action of the Board, or pending software changes. Last June HUD issued a notice postponing the implementation date for the National Standards for Physical Inspection of Real Estate inspection protocols (NSPIRE), to October 1, 2025.
- 6) HUD awarded A-NRHA the Family Self Sufficiency (FSS) program as a supplement to administration of the HCV/Section 8 program. FSS offers financial incentives to qualified working HCV families, including escrow accounts and one-on-one housing counseling. The goal of the program is to build credit and assets in an effort to graduate from assistance and purchase a home, or otherwise become self-sufficient. FSS aligns well with our existing Housing Counseling programs. There are currently 7 families contracted and participating in the program. Staff are actively recruiting qualified families from the existing Section 8 tenant roster.

10. Executive Director's Report

Property Management - Sunnyside Apartments

Roof replacements are ongoing.

Crispus Attucks LLC

Crispus Attucks LLC completed the first fifteen year compliance period in December. The Housing Equity Fund of Virginia XI, LLC and Virginia Housing Affordable Housing Management Corporation are withdrawing from the company and the A-NRHA will receive 99.991% ownership. The Crispus Attucks Managing Member will continue to have 0.008% and New Road Community Development Group, LLC will continue to have 0.001%.

Mill Run & Crispus Attucks Transition of Property Management

The transition is continuing and has reached the end of the 6 month period. Staff recently had to complete the first quarterly report. Staff recommends A-NRHA enter into a longer term contact with Mariner Builder for management services at Mill Run Apartments and Crispus Attucks Apartments.

Staff would like to request the authorization from the Board to enter into a one year renewal with Mariner Builder with the possible addition of adding 3 one year extensions. The extensions would only be feasible for one year with agreement from both parties done annually and totaling a maximum of four years.

Director Mason made a motion to approve the renewal of Mariner Builder's contract for one year and with the ability to renew the contract yearly for 3 additional one year terms totaling a maximum of four years, only if there is agreement from both parties. It was seconded by Vice Chairman White, the motion was carried by unanimous vote.

Virginia Street Discussion

This neighborhood is a group of older houses which were rehabilitated in the 1990s - early 2000s. There is now a second house on Virginia Street that has reached the end of its useful life and needs substantial rehabilitation. It is currently vacant. This information was given to the Board to review for further discussion in the future.

Substantial Rehabilitation- A work write up would need to be completed and bid to obtain a cost. At that time, a mortgage option could be estimated.

Single Family- Construction of a new two-bedroom single family unit cost \$267,000 in 2023. A 15-year mortgage would not be covered by the estimated rent and fall short each month by \$1,400 at this time.

Duplex- There is also a potential opportunity that when the last house for the VHDA project on Occohannock Neck is completed and when it sells that there may be funds available to put toward construction of a second duplex.

That sale of the one bedroom would not be sufficient to pay for the entirety of a duplex and gap funding would be needed. It also might require that A-NRHA cover the entire cost of the construction of the duplex and hold that until the other house is sold.

The second Virginia Street duplex construction project has already been estimated from the 2024 construction but a bid has been issued to determine the cost.

Staff prepared a mortgage amortization from A-NRHA reserve funds to the properties that could be secured by the two duplexes with a fifteen-year fixed mortgage at 6.04% (current fixed mortgage rate as June 24, 2025) with no prepayment penalties. At this time, it is expected the fixed monthly mortgage payment made back to the A-NRHA on the two duplexes would come to \$3,150 per month without any subsidy. The potential subsidy would most likely reduce the mortgage by \$850 per month.

The estimated rental income from four 2-bedroom units is currently \$3,540.

11. Other Matters

No other matters at this time.

12. Public Participation

No public participation took place at this time.

13. Next Meeting

The next meeting will be held on Wednesday, July 23, 2025.

14. Adjournment

Vice Chairman White made the motion to adjourn at 5:00 p.m. It was seconded by Director Holt, the motion was carried by unanimous vote.

Charles Kolakowski, Chairman

Elaine K. N. Meil, Secretary/Treasurer