



## **FOR IMMEDIATE RELEASE**

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### **BOARD OF COMMISSIONERS' STATEMENT REGARDING HANCOCK BUILDING PERFORMANCE AND LOAN AGREEMENT**

On February 19, 2008, the Roanoke Redevelopment & Housing Authority (RRHA) Board of Commissioners approved a performance and loan agreement between the City of Roanoke, The Hancock Building, LLC (THB), and the RRHA. The role of the RRHA in this agreement is to act as administrator of an \$880,000 forgivable loan funded by the City of Roanoke and provided to the developer for restoration of the façade of the Hancock Building in order to provide rental housing in downtown Roanoke. When requested to consider administering the forgivable loan approved by City Council, the RRHA Board of Commissioners proceeded with due diligence to determine whether administering such a loan was an appropriate function of the RRHA relative to the RRHA's authority and mission. After careful deliberation, Commissioners determined that the Central Roanoke Conservation Plan authorized such loans and the proposed project fits within the redevelopment mission of the RRHA.

Because the RRHA Board of Commissioners is committed to assuring the availability of high quality affordable housing, the Board required that language be added to the agreement reflecting a commitment made by the developers to set aside 17 units for rental to persons who make no more than 80% of the area median income. Additionally, to ensure that no public housing resources are diverted from RRHA's housing mission to fund activities involved in administering this forgivable loan, the Board required that the developer agree to fully cover all administrative and legal costs incurred by the RRHA. "The Board has exercised its fiduciary duty and provided constructive changes and feedback to the City of Roanoke and the developer, THB, resulting in our support of the Hancock Building project," said Joseph Lee, RRHA Board Chairman. "As a partner in redevelopment efforts in the City, RRHA is committed to making affordable housing available to all segments of our community."

The Roanoke Redevelopment and Housing Authority was created by the City of Roanoke in 1949 under the provisions of the United States Housing Act of 1937, and operates under the direction of a seven-member Board of Commissioners appointed by the Roanoke City Council. RRHA is an independent, political subdivision of the Commonwealth of Virginia with three primary responsibilities to the citizens of Roanoke: to provide housing and homeownership opportunities and to accomplish neighborhood revitalization; to take a leadership role in providing programs and resources for residents that promote and encourage self-sufficiency, self-esteem and self determination; and, to maintain a leadership role in fostering economic development and job opportunities through redevelopment. RRHA currently owns and manages nearly 1,300 units of public housing and administers approximately 1,535 units of Section 8 Housing Choice Vouchers. To learn more, visit [www.rkehousing.org](http://www.rkehousing.org).