



HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING

HELEN W. LANG MEMORIAL BOARDROOM, BUILDING B
4100 TOURO STREET, NEW ORLEANS, LA 70122

SEPTEMBER 14, 2017 at 4:00 P.M.

BOARD OF COMMISSIONERS

PRESIDENT
ALICE RIENER

VICE PRESIDENT
ANDREANECIA M. MORRIS

COMMISSIONERS
TONI HACKETT ANTRUM
DONNA JOHNIGAN
DEBRA JOSEPH
VONDA RICE
CANTRESE WILSON

COMMITTEE APPOINTMENTS

DEVELOPMENT,
ASSET MANAGEMENT & OPERATIONS

CHAIR
ANDREANECIA M. MORRIS

COMMISSIONERS
DEBRA JOSEPH
CANTRESE WILSON
VONDA RICE (Alternate)

FINANCE & AUDIT

CHAIR
TONI HACKETT ANTRUM

COMMISSIONERS
ALICE RIENER
DEBRA JOSEPH (Alternate)

AGENDA (AMENDED)

- I. STATEMENT BY GENERAL COUNSEL
- II. CALL TO ORDER
- III. ROLL CALL
- IV. APPROVAL OF THE AGENDA
- V. APPROVAL OF THE MINUTES OF THE MEETING HELD ON AUGUST 1, 2017
- VI. EXECUTIVE DIRECTOR'S REPORT
- VII. COMMITTEE REPORT(S)
- VIII. ITEMS FOR APPROVAL

AUTHORIZATIONS

- Resolution #2017-15 – Approval of Fiscal Year 2018 HANO Comprehensive Budget
- Resolution #2017-16 – Authorization to Contract for the Annual Auditing Services for Fiscal Years 2017 and 2018
- Resolution #2017-17 - Rescind Resolution #2015-01 – Approval of Scattered Sites Development Partners Pursuant to Request for Qualifications #14-911-48
- Resolution #2017-18 - Designation of Financial Transaction Authority

- IX. COMMENTS
 - Public Comment(s)
 - Board of Commissioners Comment(s)
- X. ADJOURNMENT



September 14, 2017

MEMORANDUM

**To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson**

**Through Gregg Fortner
Executive Director**

**From: Olukayode Adetayo
Chief Financial Officer**

Re: HANO Fiscal Year 2018 Comprehensive Budget

The Housing Authority of New Orleans (HANO) hereby submits for approval the Comprehensive Budget for Fiscal Year (FY) 2018. HANO's Comprehensive Budget includes revenues and expenditures for the Central Office Cost Center (COCC), Low Income Public Housing (LIPH) Operations, Housing Choice Voucher Program (HCVP), Capital Fund Program (CFP/RHF/CNI), and all anticipated planned programs for FY2018. In order to fund all of the aforementioned programs it will require a reserve contribution of \$864,882 to balance the budget. The contribution from the reserve is necessary to allow management time to reassess and evaluate Agency programs and personnel, to achieve costs savings and promote overall efficiency of HANO operations in the coming fiscal year, and to absorb the reduction in Federal subsidies to the Public Housing Agencies (PHAs).

The FY 2018 operating budget has revenues of \$194,700,126 after the reserve contribution and expenses of \$194,700,126. This budget is balanced and includes all of HANO's known and projected expenses.

The revenue assumptions were conservative. For the LIPH program the current 89% proration factor was applied and for the HCVP program a 78% proration factor was applied. Grant revenues are based on current projects and the projected expenditures during FY 2018. The HCVP program assumes a 98% lease-up rate throughout the fiscal year period.

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
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RESOLUTION NO. 2017-15

WHEREAS, the Housing Authority of New Orleans (HANO) has prepared its Fiscal Year 2018 Budget; and

WHEREAS, HANO finds the proposed total expenditures necessary for an efficient and economical operation, the provision of resident services and the continuation of modernization and development activities; and

WHEREAS, the projected total revenue, including HANO reserves, provides sufficient funds to support the Authority's activities as follows:

2018 Total Budgeted Sources:	\$193,835,244
Contributions from Reserves:	<u>\$ 864,882</u>
Total 2018 Revenues:	\$194,700,126
2018 Total Budgeted Uses	<u>\$194,700,126</u>
2018 Net Surplus (Deficit)	\$ - 0 -

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of HANO hereby approves the Fiscal Year 2018 Budget in the amount of \$194,700,126 and authorizes the Executive Director to take the necessary measures to place the Fiscal Year 2018 Budget into effect.

Executed this 14th day of September, 2017

APPROVAL:

**ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS**



September 14, 2017

MEMORANDUM

**To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson**

**Through Gregg Fortner
Executive Director**

**From: Olukayode Adetayo
Chief Financial Officer**

**Re: Authorization to Contract for the Annual Audit Services for Fiscal Years 2017
and 2018**

The Housing Authority of New Orleans (HANO) issued a Request for Proposals (RFP) on Friday, June 16, 2017 for the purpose of seeking qualified and experienced auditors/firms who have a demonstrated track record in providing tax credit accounting services and successfully conducting annual audit services for public housing authorities, pursuant to RFP #17-905-19.

The proposal package was prepared and distributed to twenty-two (22) auditing firms by the Procurement and Contracts Department. The RFP was advertised for a total of twenty-five (25) days. The advertisement was published in the Times-Picayune on Friday, June 16, 2017 and Wednesday, June 21, 2017 and posted on NOLA.com. The RFP was also posted on the HANO website for download by the public. On Tuesday, July 11, 2017, six (6) proposals were received in response to the solicitation from the following auditing firms:

- Berman Hopkins Wright & LaHam, CPAs
- CohnReznick
- Malcolm Johnson & Company, P.A.
- Novogradac & Company
- Postlethwaite & Netterville, APAC
- Rubino & Company, Chartered

In accordance with the evaluation process outlined in the RFP, an evaluation committee was established to review the proposals received in response to the solicitation. On Thursday, July 20, 2017 the evaluation committee met, and was given an overview of the scope of services. Also, the committee was instructed on the proper procedure for proposal evaluation. In determining the scores, the committee discussed the proposals in detail, and determined a consensus score for each of the evaluation criteria established in the RFP. Based on the committee's review, two firms were included in the competitive range (shortlisted), and were

requested to respond to a list of questions for clarification to their proposal. The shortlisted firms were Berman Hopkins Wright & LaHam, CPAs, and Rubino & Company, Chartered.

On Wednesday, July 26, 2017, the committee re-convened and began Stage II Evaluations. The committee reviewed the responses submitted by the shortlisted firms, and evaluated the responses in accordance with the same procedures as outlined in Stage I Evaluations to finalize scores of the two highest ranked respondents. The results of the evaluations for each of the respondents were as follows:

Management Entity	Total (100 Points)
Berman Hopkins Wright & LaHam, CPAs	95
Rubino & Company, Chartered	93
CohnReznick	81
Postlethwaite & Netterville, APAC	61
Malcolm Johnson & Company, P.A	48
Novogradac & Company	41

Berman Hopkins Wright & LaHam, CPAs has committed to hire one section-3 applicant and to comply with HANO's Section-3 Training requirement, and has subcontracted with a local firm, Heidelberg Accounting Services, Inc. a DBE/WBE firm in New Orleans to work on this audit engagement with twenty-eight percent (28%) participation.

In that Berman Hopkins Wright & LaHam, CPAs submitted a responsive proposal, which was reviewed, evaluated, scored and ranked highest in response to the solicitation it is recommended that in order to provide the Agency with the audit services as outlined in the scope of services, that approval be given to award a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed Two-hundred and fifteen thousand dollars (\$215,000.00) per year for the two fiscal years ending September 30, 2017 and 2018.

The contract award shall include two (2) additional one (1) year option periods for the fiscal years ending September 30, 2019 and 2020, fixed at hourly rates set forth in their proposal in an amount not to exceed Two-hundred and fifteen thousand dollars (\$215,000.00) per year, if exercised. Each one year option period shall only be exercised if Berman Hopkins Wright & LaHam, CPAs has satisfactorily performed the required services in the preceding years.

**HOUSING AUTHORITY OF NEW ORLEANS
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RESOLUTION NO. 2017-16

WHEREAS, The Housing Authority of New Orleans (HANO), through its Finance Department, is required to obtain an independent annual audit to submit to the State of Louisiana to comply with the financial reporting standards as required by the State of Louisiana; and

WHEREAS, HANO's prior contract for annual audit services has expired and a new procurement was necessary to secure audit services for the current and upcoming fiscal years; and

WHEREAS, There are funds allocated in HANO's Operating Budget and Crescent Affordable Housing Corporation's budget (CAHC), HANO's non-profit entity, for the provision of annual audit services; and

WHEREAS, HANO issued Request for Proposals (RFP) #17-905-19 to procure annual audit services on June 16, 2017, and received proposals from six (6) respondents on July 11, 2017; and

WHEREAS, HANO conducted evaluations of each proposal submitted and established Berman Hopkins Wright & LaHam, CPAs as the highest ranked respondent; and

WHEREAS, Berman Hopkins Wright & LaHam, CPAs has committed to hire one Section 3 applicant and to comply with HANO's Section-3 training requirement and has subcontracted with Heidelberg Accounting Services, Inc., a DBE/WBE subcontractor in New Orleans to work on this audit engagement with twenty-eight percent (28%) participation; and

WHEREAS, HANO has successfully completed its due diligence on Berman Hopkins Wright & LaHam, CPAs and determined they are responsible; and

WHEREAS, It is recommended that in order to provide the agency with the audit services as outlined in the RFP scope of services, that approval be given to award a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$215,000.00 per year for the two fiscal years ending September 30, 2017 and 2018. The two (2) one-year option periods for the fiscal years ending September 30, 2019 and 2020 are also fixed at hourly rates set forth in their proposal in an amount not to exceed \$215,000.00 per year, if and when exercised. These costs proposals are at a substantial costs savings of over forty percent (40%) compared to the current audit costs to HANO.

Resolution No. 2017-16
September 14, 2017
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THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the award of a contract to Berman Hopkins Wright & LaHam, CPAs, at the hourly rates set forth in their cost proposal for the initial contract period of two years, in an amount not to exceed \$215,000.00 per year for the fiscal years ending September 30, 2017 and 2018 to provide the HANO annual audit services and two (2) one-year option periods for the fiscal years ending September 30, 2019 and 2020 in an amount not to exceed \$215,000.00 per year, if and when exercised.

Executed this 14th day of September, 2017

APPROVAL:

ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS



September 14, 2017

MEMORANDUM

To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson

Through Gregg Fortner
Executive Director

From: Jennifer Adams
Director, Development and Modernization

Re: Rescind Resolution No. 2015-01, Approval of Scattered Sites Development
Partners Pursuant to Request for Qualification #14-911-48

In the Fall of 2014, the Housing Authority of New Orleans (HANO) issued Request for Qualifications (RFQ) #14-911-48 soliciting Statements of Qualifications from organizations and individuals interested in developing approximately 230 vacant scattered site properties throughout Orleans Parish, which range in size from 1,300 to 158,000 square feet. HANO determined that many of these sites were underutilized and had development potential. Via Resolution #2015-01, HANO's Board of Commissioners authorized the qualification of 20 RFQ respondents who were also approved to respond to subsequent Request for Proposals (RFPs) to be issued for scattered site properties bundled in broad neighborhood groups. Two such RFPs were issued to the qualified developers for the Bywater/Marigny and Uptown neighborhoods. HANO's Board of Commissioners approved awards to several qualified partners and authorized staff to undertake negotiations for the development of specific properties.

Due to the fact that the list of qualified developers is nearly three years old, and the affordable housing needs in New Orleans continue to increase while financial resources decrease, HANO desires to expand the effort to generate affordable housing opportunities to a nationwide audience for the remaining uncommitted scattered sites and for infill portions of the traditional public housing sites at the former BW Cooper, Florida, Fischer, and Desire properties. To that end in July 2017, HANO issued Request for Information #17-911-18 in order to receive proposals for development ideas for these properties. Since the development of the scattered sites is currently restricted to the 20 partners authorized by the Board in Resolution No. 2015-01, HANO wishes to rescind that resolution in order to allow RFI submissions from beyond the list of partners qualified in 2015.

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RESOLUTION NO. 2017-17

WHEREAS, the Board of Commissioners of the Housing Authority of New Orleans (HANO) authorized the qualification of 20 partners (Partners) for the development of HANO owned scattered sites by Resolution No. 2015-01, Approval of Scattered Sites Development Partners Pursuant to Request for Qualifications #14-911-48; and

WHEREAS, Requests for Proposal (RFPs) have been issued to the Partners for development of the Bywater/Marigny and Uptown neighborhoods; and

WHEREAS, HANO's Board of Commissioners approved awards to several qualified partners and authorized staff to undertake negotiations for the development of specific properties in the Bywater/Marigny and Uptown neighborhoods; and

WHEREAS HANO desires to expand the effort to generate affordable housing opportunities to a nationwide audience for the remaining scattered sites and for infill portions of the traditional public housing sites at the former BW Cooper, Florida, Fischer, and Desire properties; and

WHEREAS, the development of the remaining scattered sites is currently restricted to the 20 partners authorized by the Board in Resolution No. 2015-01; and

WHEREAS, HANO issued Request for Information #17-911-18 (RFI) in order to receive proposals for development ideas for these properties; and

WHEREAS, in order for HANO to accept responses to the RFI from interested parties beyond the Partners, Resolution No. 2015-01 would need to be rescinded.

THEREFORE BE IT RESOLVED, that in order to provide the greatest opportunity to develop the scattered sites portfolio the Board of Commissioners of the Housing Authority of New Orleans hereby rescinds Resolution No. 2015-01, Approval of Scattered Sites Development Partners Pursuant to Request or Qualifications #14-911-48.

Executed this 14th day of September, 2017

APPROVAL:

**ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS**



September 14, 2017

MEMORANDUM

To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson

Through Gregg Fortner
Executive Director

From: Stacy Jackson
Acting Director of Finance

Re: Designation of Financial Transaction Authority

The Housing Authority of New Orleans (HANO) Finance Policy requires the designation of certain key staff as authorized signatories to sign or release orders for the payment of funds on behalf of HANO. By Resolution 2016-30, the Board of Commissioners designated the following individuals to serve as authorized signatories for all HANO and HANO related bank accounts:

Group One (Executive Group) will be comprised of two individuals
Gregg Fortner, Executive Director/Robert B. Barbor, General Counsel

Group Two will be comprised of two individuals
Olukayode Adetayo, Chief Financial Officer/Shelly Smith, Deputy Executive Director

Due to the departure of Olukayode Adetayo, Chief Financial Officer, HANO wishes to update the signatory authority in accordance with the provisions of the Finance Policy.

It is the recommendation of the Executive Director that the following individuals serve as authorized signatories for all HANO and HANO related bank accounts:

Group One (Executive Group) will be comprised of two individuals
Gregg Fortner, Executive Director/Robert B. Barbor, General Counsel

Group Two will be comprised of two individuals
Stacy Jackson, Acting Director of Finance/Shelly Smith, Deputy Executive Director

It is respectfully requested that the Board of Commissioners authorize the individuals named above to act as signatories on HANO and HANO related bank accounts and that the Executive Director, the Acting Director of Finance, and administrative staff take any and all action necessary to effectuate the changes delineated herein.

HOUSING AUTHORITY OF NEW ORLEANS

**BOARD OF COMMISSIONERS
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RESOLUTION NO. 2017-18

WHEREAS, the Housing Authority of New Orleans (HANO) Finance Policy requires the designation of certain key staff as authorized signatories to sign or release orders for the payment of funds on behalf of HANO; and

WHEREAS, by Resolution 2016-30, the Board of Commissioners designated the following individuals to serve as authorized signatories for all HANO bank accounts:

Group One (Executive Group) will be comprised of two individuals
Gregg Fortner, Executive Director/Robert B. Barbor, General Counsel

Group Two will be comprised of two individuals
Olukayode Adetayo, Chief Financial Officer/Shelly Smith, Deputy Executive Director; and

WHEREAS, due to the departure of Olukayode Adetayo, Chief Financial Officer, HANO wishes to update the current authorized signatories; and

WHEREAS, the Executive Director recommends the following individuals to serve as authorized signatories for all HANO bank accounts:

Group One (Executive Group) will be comprised of two individuals
Gregg Fortner, Executive Director/Robert B. Barbor, General Counsel

Group Two will be comprised of two individuals
Stacy Jackson, Acting Director of Finance/Shelly Smith, Deputy Executive Director

THEREFORE, BE IT RESOLVED, that the Board of Commissioners hereby authorizes the individuals named above to act as signatories on HANO bank accounts and that the Executive Director, the Acting Director of Finance, and administrative staff take any and all action necessary to effectuate the changes delineated herein.

Executed this 14th day of September, 2017

APPROVAL:

**ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS**