



HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
ANNUAL MEETING

TULANE CITY CENTER  
1725 BARONNE STREET, NEW ORLEANS, LA 70113

DECEMBER 13, 2016 at 4:00 P.M.

AGENDA (AMENDED)

BOARD OF COMMISSIONERS

PRESIDENT

DWAYNE G. BERNAL

VICE PRESIDENT

ALICE RIENER

COMMISSIONERS

TONI HACKETT ANTRUM

DONNA JOHNIGAN

DEBRA JOSEPH

ANDREANECA M. MORRIS

VONDA RICE

CANTRESE WILSON

COMMITTEE APPOINTMENTS

DEVELOPMENT,

ASSET MANAGEMENT & OPERATIONS

CHAIR

DWAYNE G. BERNAL

COMMISSIONERS

DEBRA JOSEPH

CANTRESE WILSON

VONDA RICE (Alternate)

FINANCE & AUDIT

CHAIR

TONI HACKETT ANTRUM

COMMISSIONERS

DWAYNE G. BERNAL

ALICE RIENER

DEBRA JOSEPH (Alternate)

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 OCTOBER 25, 2016

VI. EXECUTIVE DIRECTOR'S REPORT

VII. COMMITTEE REPORT(S)

VIII. ITEMS FOR APPROVAL

AUTHORIZATIONS

- Resolution #2016-31 - Winn Dixie Phase I - Predevelopment Loan Agreement
- Resolution #2016-32 - Winn Dixie Phase II - Predevelopment Loan Agreement
- Resolution #2016-33 - Winn Dixie Project - Additional Services Agreement
- Resolution #2016-34 – Sale of Additional 0.42 Acres of BW Cooper to Orleans Parish School Board
- Resolution #2016-35 – Contract 16-912-55 for Guste III Group 2 Completion and Corrective Work

IX. COMMENTS

- Public Comment(s)
- Board of Commissioners Comment(s)

X. ADJOURNMENT



**December 13, 2016**

**MEMORANDUM**

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

**Through Gregg Fortner  
Executive Director**

**From: Jennifer Adams  
Director, Development and Modernization**

**Re: Winn Dixie Phase I - Predevelopment Loan Agreement**

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The Housing Authority of New Orleans (HANO) was awarded the Choice Neighborhoods Implementation (CNI) Grant in 2011 to redevelop the last traditional standing housing development in the city, Iberville. Through a Request for Qualifications (RFQ) process, the Iberville Revitalization Company, LLC (IRC), a partnership between Historic Restoration, Inc. and McCormack Baron Salazar, Inc., was selected as the developer to implement the CNI Transformation Plan. The IRC and HANO have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (Implementation Agreement), which serves as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI. The Implementation Agreement was executed by all parties on June 29, 2012.

The Implementation Agreement contemplates that when a rental housing phase is determined to be viable, HANO will provide the Developer a Predevelopment Loan for eligible third-party predevelopment costs for that phase. The parties have determined Phase I to be viable, subject to the allocation of Low Income Housing Tax Credits, which will be applied for in July 2017. Thus, a Predevelopment Loan Agreement has been negotiated with Winn Dixie Phase I LP (Developer), a Developer Affiliate of IRC, for Phase I, which is located at 1501 St Louis Street known as Winn Dixie (Eastern Adjacent). Phase I will consist of 65 total units, of which 32 will be market rate, 7 will be LIHTC units, and 26 will be public housing CNI replacement units. This phase is estimated to be complete by December of 2019. Additional anticipated permanent financing will include Low Income Housing Tax Credit equity, a private mortgage, and HANO Capital Funds.

This Predevelopment Loan covers 75% of the United States Department of Housing and Urban Development (HUD)-eligible and HANO-approved costs to be incurred prior to the award of Low Income Housing Tax Credits such as, Low Income Housing Tax Credits application fees, environmental studies, geotechnical reports, surveys, appraisals, market studies, and design fees

in an amount not to exceed \$91,969.00. The Predevelopment Loan is non-interest bearing and is non-recourse.

Additionally, the Implementation Agreement contemplates that when a rental housing phase is determined to be viable, HANO can provide the Developer a Developer Fee Advance loan for no more than fifteen (15%) of the expected Developer Fee for the applicable Phase calculated for the purposes of the Developer Fee Advance loan at twelve percent (12%) of the total development costs less reserves and the Developer Fee itself for that phase.

The Predevelopment Loan Agreement with Winn Dixie Phase I LP (Developer), a Developer Affiliate of IRC, also includes provisions for a Developer Fee Advance Loan to cover partial reimbursement of overhead costs that have been or will be incurred in connection with the development of Winn Dixie Phase I through LIHTC application and award. The total amount of the Developer Fee Advance Loan shall not exceed \$91,300.00. The Developer Fee Advance Loan is non-interest bearing and is full recourse.

The entire principal amount of the Predevelopment Loan and Developer Fee Advance Loan shall mature and be due and payable upon the maturity date of July 1, 2018 or at closing, whichever is earlier.

## **CERTIFICATIONS**

### Finance

The Finance Department has certified that the HUD Capital Funds and HANO Program Income are budgeted and available for the proposed predevelopment budget.

The Board of Commissioners is hereby requested to authorize the Executive Director to execute the Iberville/Tremé Choice Neighborhood Initiative Predevelopment Loan Agreement – Winn Dixie Phase I Development in an amount not to exceed \$183,269.00.

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
DECEMBER 13, 2016**

**RESOLUTION NO. 2016-31**

**WHEREAS**, the Housing Authority of New Orleans (HANO) and the Iberville Revitalization Company, LLC (IRC), the Master Developer for the Choice Neighborhoods Initiative (CNI), have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (Implementation Agreement), which will serve as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI; and

**WHEREAS**, the Implementation Agreement contemplated that when a rental housing phase is determined to be viable, HANO can provide the Developer with a Predevelopment Loan for no more than seventy-five percent (75%) of eligible third-party predevelopment costs for that phase; and

**WHEREAS**, the IRC seeks to redevelop Phase I of the Winn Dixie (Eastern Adjacent) site, which is located at 1501 St Louis Street, in collaboration with HANO, to provide approximately 65 mixed-income rental housing units, including 26 replacement units; and

**WHEREAS**, in that the parties have determined Phase I to be viable, subject to the allocation of Low Income Housing Tax Credits, a Predevelopment Loan Agreement has been negotiated with Winn Dixie Phase I LP (Developer), a Developer Affiliate of IRC, for Phase I which covers eligible third-party predevelopment costs through the application and award of LIHTC such as partnership costs, Low Income Housing Tax Credits application fees, environmental studies, geotechnical reports, appraisals, market studies, and design fees; and

**WHEREAS**, HANO's Predevelopment Loan for Winn Dixie Phase I, which represents 75% of the United States Department of Housing and Urban Development (HUD)-eligible and HANO-approved costs expected to be incurred by the Developer through LIHTC application and award, shall not exceed \$91,969.00; and

**WHEREAS**, the Predevelopment Loan is non-interest bearing and is non-recourse; and

**WHEREAS**, payments under the Predevelopment Loan will only be made to the Developer to reimburse for eligible and approved third-party predevelopment costs; and

**WHEREAS**, the Implementation Agreement contemplated that when a rental housing phase is determined to be viable, HANO can provide the Developer with a Developer Fee Advance Loan for no more than fifteen (15%) of the expected Developer Fee for the applicable Phase calculated for the purposes of the Developer Fee Advance loan at twelve percent (12%) of the total development costs less reserves and the Developer Fee itself for that phase; and

**WHEREAS**, HANO has negotiated a Predevelopment Loan Agreement with Winn Dixie Phase I LP (Developer) which includes provisions for a Developer Fee Advance Loan for Phase I which covers partial reimbursement of overhead costs that have been or will be incurred in connection with the development of Winn Dixie Phase I through LIHTC application and award; and

**WHEREAS**, the total amount of the Developer Fee Advance Loan shall not exceed \$91,300.00 for Winn Dixie Phase I though LIHTC application and award, and upon approval by HUD will be advanced per the Predevelopment Agreement; and

**WHEREAS**, the Developer Fee Advance Loan is non-interest bearing and is full recourse; and

**WHEREAS**, the Finance Department has certified that the entire Predevelopment Loan Agreement amount, not to exceed \$183,269.00, is budgeted and HUD Capital Funds and HANO Program Income funds are available; and

**WHEREAS**, the entire principal amount of the Predevelopment Loan shall mature and be due and payable upon the maturity date of July 1, 2018 or at closing, whichever first occurs.

**THEREFORE BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute the Iberville/Tremé Choice Neighborhood Initiative Predevelopment Loan Agreement Winn Dixie Phase I Development in an amount not to exceed \$183,269.00.

**Executed this 13<sup>th</sup> day of December, 2016**

**APPROVAL:**

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**DWAYNE G. BERNAL**  
**PRESIDENT, BOARD OF COMMISSIONERS**



**December 13, 2016**

**MEMORANDUM**

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

**Through Gregg Fortner  
Executive Director**

**From: Jennifer Adams  
Director, Development and Modernization**

**Re: Winn Dixie Phase II - Predevelopment Loan Agreement**

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The Housing Authority of New Orleans (HANO) was awarded the Choice Neighborhoods Implementation (CNI) Grant in 2011 to redevelop the last traditional standing housing development in the city, Iberville. Through a Request for Qualifications (RFQ) process, the Iberville Revitalization Company, LLC (IRC), a partnership between Historic Restoration, Inc. and McCormack Baron Salazar, Inc., was selected as the developer to implement the CNI Transformation Plan. The IRC and HANO have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (Implementation Agreement), which serves as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI. The Implementation Agreement was executed by all parties on June 29, 2012.

The Implementation Agreement contemplates that when a rental housing phase is determined to be viable, HANO will provide the Developer a Predevelopment Loan for eligible third-party predevelopment costs for that phase. The parties have determined Phase II to be viable, subject to the allocation of Low Income Housing Tax Credits, which will be applied for in July 2017. Thus, a Predevelopment Loan Agreement has been negotiated with Winn Dixie Phase II LP (Developer), a Developer Affiliate of IRC, for Phase II, which is located at 1501 St Louis Street known as Winn Dixie (Eastern Adjacent). Phase II will consist of 64 total units, of which 32 will be market rate, 7 will be LIHTC units, and 25 will be public housing CNI replacement units. This phase is estimated to be complete by December of 2019. Additional anticipated permanent financing will include Low Income Housing Tax Credit equity, a private mortgage, and HANO Capital Funds.

This Predevelopment Loan covers 75% of the United States Department of Housing and Urban Development (HUD)-eligible and HANO-approved costs to be incurred prior to the award of Low Income Housing Tax Credits such as, Low Income Housing Tax Credits application fees, environmental studies, geotechnical reports, surveys, appraisals, market studies, and design fees

in an amount not to exceed \$93,844.00. The Predevelopment Loan is non-interest bearing and is non-recourse.

Additionally, the Implementation Agreement contemplates that when a rental housing phase is determined to be viable, HANO can provide the Developer a Developer Fee Advance loan for no more than fifteen (15%) of the expected Developer Fee for the applicable Phase calculated for the purposes of the Developer Fee Advance loan at twelve percent (12%) of the total development costs less reserves and the Developer Fee itself for that phase.

The Predevelopment Loan Agreement with Winn Dixie Phase II LP (Developer), a Developer Affiliate of IRC, also includes provisions for a Developer Fee Advance Loan to cover partial reimbursement of overhead costs that have been or will be incurred in connection with development of Winn Dixie Phase II through LIHTC application and award. The total amount of the Developer Fee Advance Loan shall not exceed \$74,160.00. The Developer Fee Advance Loan is non-interest bearing and is full recourse.

The entire principal amount of the Predevelopment Loan and Developer Fee Advance Loan shall mature and be due and payable upon the maturity date of July 1, 2018 or at closing, whichever is earlier.

## **CERTIFICATIONS**

### Finance

The Finance Department has certified that the HUD Capital Funds and HANO Program Income are budgeted and available for the proposed predevelopment budget.

The Board of Commissioners is hereby requested to authorize the Executive Director to execute the Iberville/Treme Choice Neighborhood Initiative Predevelopment Loan Agreement Winn Dixie Phase II Development in an amount not to exceed \$168,004.00.

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
DECEMBER 13, 2016**

**RESOLUTION NO. 2016-32**

**WHEREAS**, the Housing Authority of New Orleans (HANO) and the Iberville Revitalization Company, LLC (IRC), the Master Developer for the Choice Neighborhoods Initiative (CNI), have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (Implementation Agreement), which will serve as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI; and

**WHEREAS**, the Implementation Agreement contemplated that when a rental housing phase is determined to be viable, HANO can provide the Developer with a Predevelopment Loan for no more than seventy-five percent (75%) of eligible third-party predevelopment costs for that phase; and

**WHEREAS**, the IRC seeks to redevelop Phase II of the Winn Dixie (Eastern Adjacent) site, which is located at 1501 St Louis Street, in collaboration with HANO, to provide approximately 64 mixed-income rental housing units, including 25 replacement units; and

**WHEREAS**, in that the parties have determined Phase II to be viable, subject to the allocation of Low Income Housing Tax Credits, a Predevelopment Loan Agreement has been negotiated with Winn Dixie Phase II LP (Developer), a Developer Affiliate of IRC, for Phase II which covers eligible third-party predevelopment costs through the application and award of LIHTC such as partnership costs, Low Income Housing Tax Credits application fees, environmental studies, geotechnical reports, appraisals, market studies, and design fees; and

**WHEREAS**, HANO's Predevelopment Loan for Winn Dixie Phase II, which represents 75% of the United States Department of Housing and Urban Development (HUD)-eligible and HANO-approved costs expected to be incurred by the Developer through LIHTC application and award, shall not exceed \$93,844.00; and

**WHEREAS**, the Predevelopment Loan is non-interest bearing and is non-recourse; and

**WHEREAS**, payments under the Predevelopment Loan will only be made to the Developer to reimburse for eligible and approved third-party predevelopment costs; and

**WHEREAS**, the Implementation Agreement contemplated that when a rental housing phase is determined to be viable, HANO can provide the Developer with a Developer Fee Advance Loan for no more than fifteen (15%) of the expected Developer Fee for the applicable Phase calculated for the purposes of the Developer Fee Advance loan at twelve percent (12%) of the total development costs less reserves and the Developer Fee itself for that phase; and

**WHEREAS**, HANO has negotiated a Predevelopment Loan Agreement with Winn Dixie Phase II LP which includes provisions for a Developer Fee Advance Loan for Phase II which covers partial reimbursement of overhead costs that have been or will be incurred in connection with development of Winn Dixie Phase II through LIHTC application and award; and



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December 13, 2016  
Page 2**

**WHEREAS**, the total amount of the Developer Fee Advance Loan shall not exceed \$74,160.00 for Winn Dixie Phase II though LIHTC application and award, and upon approval by HUD will be advanced per the Predevelopment Agreement; and

**WHEREAS**, the Developer Fee Advance Loan is non-interest bearing and is full recourse; and

**WHEREAS**, the Finance Department has certified that the entire Predevelopment Loan Agreement amount, not to exceed \$168,004.00, is budgeted and HUD Capital Funds and HANO Program Income funds are available; and

**WHEREAS**, the entire principal amount of the Predevelopment Loan shall mature and be due and payable upon the maturity date of July 1, 2018 or at closing, whichever occurs earlier;

**THEREFORE BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute the Iberville/Tremé Choice Neighborhood Initiative Predevelopment Loan Agreement Winn Dixie Phase II Development in an amount not to exceed \$168,004.00.

**Executed this 13<sup>th</sup> day of December, 2016**

**APPROVAL:**

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**DWAYNE G. BERNAL  
PRESIDENT, BOARD OF COMMISSIONERS**



**December 13, 2016**

**MEMORANDUM**

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

**Through Gregg Fortner  
Executive Director**

**From: Jennifer Adams  
Director, Development and Modernization**

**Re: Winn Dixie Project - Additional Services Agreement**

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The Housing Authority of New Orleans (HANO) was awarded the Choice Neighborhoods Implementation (CNI) Grant in 2011 to redevelop the last traditional standing housing development in the city, Iberville. Through a Request for Qualifications (RFQ) process, the Iberville Revitalization Company, LLC (IRC), a partnership between Historic Restoration, Inc and McCormack Baron Salazar, Inc., was selected as the developer to implement the CNI Transformation Plan. The IRC and HANO have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (Implementation Agreement), which will serve as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI. The Implementation Agreement was executed by all parties on June 29, 2012.

Section 2.2.3 of the Implementation Agreement states that HANO is responsible for the implementation of the Site Preparation, including demolition, remediation, and public infrastructure. This section of the Agreement also provides that HANO and the Developer or Developer Affiliate may agree to have this work performed through an Additional Services Agreement (ASA). HANO and McCormack Baron Salazar Development, Inc., a Developer Affiliate, have negotiated and agreed upon the Supplemental Agreement for the Additional Services for the Iberville/Tremé Redevelopment (Winn Dixie Project) for the Site Preparation at 1501 St. Louis Street known as Winn Dixie.

The proposed cost for design and implementation of the work is \$4,105,423.00. The duration of the proposed activities is estimated to be 24 months. HANO staff has reviewed the Developer Affiliate's proposed scope of services and budget for the Site Preparation, including demolition and remediation, and public infrastructure work and determined that they are appropriate. Therefore, staff recommends that HANO enter into the Supplemental Agreement for the Additional Services for the Iberville/ Tremé Redevelopment (Winn Dixie Project) to complete this work.

## **CERTIFICATIONS**

### Finance

The Finance Department has approved the Certificate of Availability of Funds indicating HANO has the HANO Capital Funds required for this work.

The Board of Commissioners is hereby requested to authorize the Executive Director to execute the Supplemental Agreement for the Additional Services for the Iberville/Tremé Redevelopment (Winn Dixie Project) for the Site Preparation, including demolition and remediation, and public infrastructure at the Winn Dixie in an amount not to exceed \$4,105,423.00.

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
DECEMBER 13, 2016**

**RESOLUTION NO. 2016-33**

**WHEREAS**, the Housing Authority of New Orleans (HANO) and the Iberville Revitalization Company, LLC (IRC), the Master Developer for the Choice Neighborhoods Initiative (CNI), have executed the Iberville/Tremé Choice Neighborhoods Initiative Implementation Agreement (“Implementation Agreement”), which will serve as the governing Master Development Agreement for all components of the CNI Transformation Plan. This document establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI; and

**WHEREAS**, pursuant to the CNI Implementation Agreement, HANO is responsible for various components of Site Preparation, including demolition and remediation, and public infrastructure work for each phase of development; and

**WHEREAS**, the Implementation Agreement contemplated that HANO may enter into an Additional Services Agreement with the Developer or Developer Affiliate to complete the necessary Site Preparation; and

**WHEREAS**, HANO has negotiated the Supplemental Agreement for the Additional Services for the Iberville/Tremé Redevelopment (Winn Dixie Project) for the Site Preparation, at the site located at 1501 St. Louis Street known as Winn Dixie with McCormack Baron Salazar Development Inc., a Developer Affiliate; and

**WHEREAS**, the Developer has prepared a budget to complete the proposed Additional Services in an amount of \$4,105,423.00; and

**WHEREAS**, HANO staff have reviewed the Developer’s budget for the proposed Additional Services and have determined that it is appropriate and reasonable; and

**WHEREAS**, the Finance Department has approved the Certificate of Availability of Funds indicating HANO has the funds required for this work;

**THEREFORE BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute the Additional Services for the Iberville/Tremé Redevelopment (Winn Dixie Project) for the Site Preparation, including demolition and remediation, and public infrastructure work at the site located at 1501 St. Louis Street known as Winn Dixie with McCormack Baron Salazar Development Inc. in an amount not to exceed \$4,105,423.00.

**Executed this 13<sup>th</sup> day of December, 2016**

**APPROVAL:**

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**DWAYNE G. BERNAL  
PRESIDENT, BOARD OF COMMISSIONERS**



**December 13, 2016**

**MEMORANDUM**

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

**Through Gregg Fortner  
Executive Director**

**From: Jennifer Adams  
Director, Development and Modernization**

**Re: Sale of Additional 0.42 acres of B.W. Cooper to Orleans Parish School Board**

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In 2007, the United States Department of Housing and Urban Development (HUD) Special Applications Center (SAC) authorized the Housing Authority of New Orleans (HANO) to dispose of the entire B.W. Cooper Housing Development to the procured developer for the redevelopment of mixed-income housing. Marrero Commons was redeveloped on the Phase 1 portion of the site and currently provides 410 mixed-income rental homes. Demolition of the majority of the buildings on the Phase 2 portion of the site was completed in November 2015.

The Orleans Parish School Board (OPSB) has undertaken the redevelopment of the school property adjacent to the southeast portion of the BW Cooper site. The OPSB previously offered to acquire a 0.64-acre tract known as "S. Prieur Street (Closed)" (Property) to facilitate a bus lane for the school. An appraisal conducted in December 2014 valued the land "as is" at \$17,000.00. The SAC approved an amendment to original 2007 HANO disposition for the negotiated sale of this Property at fair market value in December 2015. The HANO Board approved the sale of the 0.64 Acres with Resolution No. 2016-01 on January 26, 2016.

The OPSB completed the design for the school bus lane and have returned to HANO for an additional request of 0.42 Acres. This brings the total request from OPSB to 1.06 Acres. An appraisal conducted in September 2016 valued the total land (1.06 Acres) "as is" at \$130,000.00. HANO will secure SAC approval, as required, before the sale is completed.

Therefore, it is requested that the Board of Commissioners of the Housing Authority of New Orleans authorize the Executive Director to execute any and all documents necessary to effectuate the sale and transfer of the 1.06 Acres of S. Prieur Street (Closed) located on the site of the former BW Cooper Housing Development to the Orleans Parish School Board for One Hundred Thirty Thousand Dollars (\$130,000.00).

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
DECEMBER 13, 2016**

**RESOLUTION NO. 2016-34**

**WHEREAS**, the Housing Authority of New Orleans (“HANO”) is the owner of certain vacant property located in the State of Louisiana, Parish of Orleans, which land is known as a 1.06-acre portion of S. Prieur Street (Closed) located on the site of the former BW Cooper Housing Development (the “Property”); and

**WHEREAS**, HANO has determined that this vacant property would better serve the community by being disposed of “as is” to the Orleans Parish School Board (“OPSB”) in efforts to facilitate a bus lane for its adjacent school construction project; and

**WHEREAS**, an appraisal dated September 2016 established the value of the property “as is” at One Hundred Thirty Thousand Dollars (\$130,000.00); and

**WHEREAS**, the United States Department of Housing and Urban Development (HUD) Special Applications Center (“SAC”) approved the amendment to HANO disposition application DDA0002290 for the negotiated sale of 0.64 acres at fair market value in December 2015; and

**WHEREAS**, the HANO Board previously approved the sale of 0.64 acres with Resolution No. 2016-01 on January 26, 2016; and

**WHEREAS**, the HUD Special Application Center’s approval of the disposition of an additional 0.42 acres is forthcoming and is required before any sale can be completed.

**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the Executive Director to execute any and all documents necessary to effectuate the sale and transfer of the 1.06 Acres of S. Prieur Street (Closed) located on the site of the former BW Cooper Housing Development to the Orleans Parish School Board for One Hundred Thirty Thousand Dollars (\$130,000.00).

**Executed this 13<sup>th</sup> day of December, 2016**

**APPROVAL:**

---

**DWAYNE G. BERNAL  
PRESIDENT, BOARD OF COMMISSIONERS**



**December 13, 2016**

**MEMORANDUM**

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

**Through Gregg Fortner  
Executive Director**

**From: Jennifer Adams  
Director, Development and Modernization**

**Re: Award of Contract - RFQ #16-912-55 - Completion and Corrective Work at the  
Guste III Housing Development – Group 2**

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In 2013, the Housing Authority of New Orleans (HANO) awarded the contract for the construction of 155 mixed-income housing rental units at the Guste III redevelopment site in Central City to Parkcrest Builders (Contractor). The Contractor was obligated to deliver 155 residential rental units in seven groups between October 2014 and March 26, 2015. The Contractor missed all of the completion dates. On April 10, 2015, HANO sent a Notice of Final Default and Termination and requested that the Contractor's surety company, Liberty Mutual (Surety), fulfill its obligation to complete the project. HANO signed a Takeover Agreement with the Surety, effective June 9, 2015, to restart work on the project after termination of the Contractor. The Surety rehired the Contractor to complete the work on the Surety's behalf with new completion dates for the seven groups between July and November 2015. The Surety missed all of the completion dates. Because of the Surety's failure to address code compliance and punch list issues within the 10 units for which they had obtained Certificates of Occupancy, HANO sent notice to the Surety that HANO would assume control of the first 10 units on July 15, 2016 and procure a contractor to complete the outstanding items so that the units could be occupied. Subsequently, with 10 of 155 Certificates of Occupancy obtained, the Surety provided notice that as of August 9, 2016 they would abandon the project.

HANO developed a scope of work to complete the remaining punch list items for the first 10 units on site, procured a contractor, and tenants occupied those units in October 2016. The scope of work for Group 2 was drafted to prepare the next 12 units for occupancy. In accordance with all applicable Federal and State regulations and laws, and in accordance with HANO's procurement policy, Request for Quotes #16-912-55 for the Completion and Corrective Work at the Guste III Housing Development – Group 2 was released on November 1, 2016 and quotes were opened on November 29, 2016. HANO received one (1) quote for \$256,700.12 from Colmex Construction, LLC. The budget for the project was \$122,000.00. In that only one (1) quote was received, which was over the in-house cost estimate, a cost analysis was performed. Based on a review of the contractor's Schedule of Values, the complexity of the work to be performed, timeframe

for completion, and the necessity to occupy units, the contractor's base bid amount of \$256,700.12 was determined to be reasonable. It was also determined to reject Add Alternate #1 in the amount of \$57,000.00.

The contract duration is 45 days.

## **CERTIFICATIONS**

### Finance

The Finance Department has certified that the funds are available to complete the project from HANO funds.

### Procurement

The Procurement Manager has certified that this procurement was conducted in accordance with all applicable Federal and State regulations and laws, and in accordance with HANO's procurement policy. The results of the due diligence indicate that the bidder is responsible. Colmex Construction, LLC submitted the lowest, responsive and responsible bid. The procurement memo is in your packet.

### DBE/WBE/Section 3

The Section 3 / MWBE Program Coordinator has reviewed the Employment, Training and Contracting Plans submitted by Colmex Construction, LLC and finds them in accordance with HANO's Employment, Training and Contracting Policy. Because the duration of the contract is less than six months, there is no Section 3 training requirement. The plans are in your packet.

HANO requests that the Board of Commissioners authorize the Executive Director to execute a contract with Colmex Construction, LLC for the Completion and Corrective Work at the Guste III Housing Development – Group 2 in an amount not to exceed Two Hundred Fifty-Six Thousand Seven Hundred Dollars and Twelve Cents (\$256,700.12), pursuant to Request for Quotes #16-912-55.



**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
DECEMBER 13, 2016**

**RESOLUTION NO. 2016-35**

**WHEREAS**, the Guste Homes Phase III project provides for the construction of 155 rental units, which includes 99 public housing/low-income housing tax credit units, 10 public housing only units, and 46 Project-Based Voucher units (Project); and

**WHEREAS**, Guste Homes III, LLC (Tenant), with Crescent Affordable Housing Corporation (CAHC) as its managing member, will re-develop the Project on behalf of the Housing Authority of New Orleans (HANO); and

**WHEREAS**, HANO procured a contractor in 2013 to build the Project; and

**WHEREAS**, the contractor failed to perform under the contract and was terminated by HANO; and

**WHEREAS**, HANO notified the surety and turned the Project over and ultimately the surety abandoned the project before completion; and

**WHEREAS**, the Board of Commissioners of the Housing Authority of HANO authorized the award of a contract 16-912-34 for the completion of the first 10 units (Group 1); and

**WHEREAS**, HANO developed a scope of work to prepare 12 units (Group 2) for occupancy; and

**WHEREAS**, the Finance Department has certified there is sufficient funding to provide for the Completion and Corrective Work at the Guste III Housing Development – Group 2; and

**WHEREAS**, HANO issued Request for Quotes (RFQ) #16-912-55 to procure a contractor to complete the corrective work at the Guste III Housing Development – Group 2; and

**WHEREAS**, responses to the Request for Quotes #16-912-55 for the Completion and Corrective Work at the Guste III Housing Development – Group 2 were received on November 29, 2016 from one (1) contractor, Colmex Construction, LLC; and

**WHEREAS**, the budget for the project was \$122,000.00. In that only one (1) quote was received, which was over the in-house cost estimate, a cost analysis was performed and based on a review of the contractor's Schedule of Values, the complexity of the work to be performed, timeframe for completion, and the necessity to occupy units, the contractor's base bid amount of \$256,700.12 was determined to be reasonable; and

**WHEREAS**, Colmex Construction, LLC submitted evidence of their commitment to comply with HANO's requirements relative to subcontracting opportunities for DBE/WBE and Section 3 Businesses and hiring opportunities for Section 3 individuals; and

**WHEREAS**, HANO has successfully completed due diligence verification and determined they are responsible; and

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**WHEREAS**, it is recommended that approval be given to award a contract to Colmex Construction, LLC in an amount not to exceed Two Hundred Fifty-Six Thousand Seven Hundred Dollars and Twelve Cents (\$256,700.12) for the completion of 12 units (Group 2) at the Guste III Housing Development.

**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the Executive Director to execute a contract with Colmex Construction, LLC in an amount not to exceed Two Hundred Fifty-Six Thousand Seven Hundred Dollars and Twelve Cents (\$256,700.12) for the Completion and Corrective Work at the Guste III Housing Development – Group1, pursuant to Request for Quotes #16-912-55.

**Executed this 13<sup>th</sup> day of December, 2016**

**APPROVAL:**

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**DWAYNE G. BERNAL**  
**PRESIDENT, BOARD OF COMMISSIONERS**



## **PROCUREMENT CERTIFICATION**

**Date:** Tuesday, December 13, 2016  
**From:** Audrey Plessy, Procurement Manager  
**Re:** Request for Quotes #16-912-55; Completion and Corrective Work at the Guste III Housing Development – Group 2

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The Housing Authority of New Orleans (HANO) issued a Request for Quotes (RFQ), pursuant to HANO's Small Purchase Procedures for the purpose of procuring a contractor to perform Completion and Corrective Work at the Guste III Housing Development – Group 2.

The scope of work for this project consists of correcting and completing construction in twelve (12) units, pursuant to Contract #13-912-13; Guste III New Affordable Housing Units, between HANO and Parkcrest Builders, LLC.

After serving a Final Notice of Default on April 10, 2015, the contract was terminated between HANO and Parkcrest Builders, LLC, in accordance with HUD – 5370, General Conditions for Construction Contracts – Public Housing Programs, Clause 32. Default. Since the contractor failed to prosecute the scope of work as outlined in their contract, HANO contacted Liberty Mutual, the contractor's Surety Bond Company, to complete the work. A Takeover Agreement was executed on June 9, 2015 between HANO and Liberty Mutual to complete the work. Liberty Mutual chose Parkcrest Builders, LLC to continue the work in accordance with the Agreement.

In that Parkcrest Builders, LLC failed to meet the terms and conditions of the Takeover Agreement, the contractor and the Surety Bond Company were notified that HANO would assume control of the site. On August 9, 2016, the Surety Company and the contractor ceased work and abandoned the Guste III Site. Therefore, HANO began preparing construction documents to complete and correct work performed at the Guste III Housing Community.

The scope of work for this project was prepared by the project Architect in conjunction with Development and Modernization, and Procurement and Contracts Departments. On Tuesday, November 1, 2016, ten (10) contractors were notified that project bidding documents were available for distribution electronically via a commercial printing company/public plan room. A Mandatory Site Visit and Pre-Bid Conference was held on Monday, November 7, 2016, whereby only one contractor, Colmex Construction, LLC attended.

On Tuesday, November 29, 2016, one (1) quote was received in response to the solicitation from the following contractor:

| <u>Contractor</u>        | <u>Base Bid</u> | <u>Add Alternate #1</u> |
|--------------------------|-----------------|-------------------------|
| Colmex Construction, LLC | \$256,700.12    | \$57,000.00             |

In that only one (1) quote was received, which was over the in-house cost estimate, a cost analysis was performed. Based on a review of the contractor's Schedule of Values, the complexity of the work to be performed, timeframe for completion, and the necessity to occupy units, the contractor's base bid amount of \$256,700.12 was determined to be reasonable. It was also determined to reject Add Alternate #1 in the amount of \$57,000.00.

Since Colmex Construction, LLC submitted the only quote in response to the referenced RFQ, which was responsive, a due diligence review was conducted. The review consisted of a reference verification, whereby references were contacted to respond to questions regarding the previous work performance of the contractor. The List of Parties Excluded from Federal Procurement and Non-Procurement Programs was checked to ensure that the contractor is not debarred from participation in federally funded contracts. Further, the Louisiana Secretary of State and Louisiana Licensing Board of Contractors websites were checked to determine if the contractor is registered and licensed with the State. Results from the due diligence review indicate that the bidder is responsible.

Therefore, I hereby certify that this procurement was conducted in accordance with all applicable Federal and State regulations and laws, and in accordance with HANO's procurement policy. I further certify that Colmex Construction, LLC is responsible, and submitted a responsive quote, which was determined to be reasonable.

As such, it is recommended that approval be given to award a contract to Colmex Construction, LLC, in the amount of Two-Hundred Fifty-Six Thousand, Seven Hundred Dollars and Twelve Cents (\$256,700.12) to perform Completion and Corrective Work at the Guste III Housing Development Group 2, pursuant to Request for Quotes Number 16-912-55.



### **SECTION 3 MWBE CERTIFICATION**

**Date:** December 5, 2016

**From:** Larry Barabino, Jr. Section 3 MWBE Program Coordinator

**Re:** RFQ #16-912-55; Completion & Corrective at Guste III Housing Development Block II

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After reviewing the submitted Section 3 Employment, Training and Contracting Plans, Contracting Schedule and Letters of Intent – Subcontractor Commitment Forms, I find Colmex Construction plans in line with HANO's Employment Training and Contracting Policy. Since the Project is scheduled for less than six (6) months, training is not required. Listed below are their submitted subcontracting percentages anticipated:

- 20% DBE Requirement – 30% Anticipated
- 5% WBE Requirement – 11% Anticipated
- 10% Section 3 Requirement – 24% Anticipated