

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
OCTOBER 23, 2012**

RESOLUTION NO. 2012-46

WHEREAS, The Housing Authority of New Orleans (HANO) has initiated the design and implementation of a HANO training academy that will provide tools for academic and career advancement for youth who are disconnected from school and work, and job placement of qualified workers with employers in the New Orleans area; and

WHEREAS, HANO has identified the former Israel Meyer Augustine Middle School ("Augustine") at 425 S. Broad Street as an ideal location for the HANO training academy due to its central location and ability to accommodate the range of functions and facilities contemplated at the HANO training academy; and

WHEREAS, Augustine is owned by the Orleans Parish School Board (OPSB) and is on the list of land-banked properties that will not be rebuilt as school buildings; and

WHEREAS, HANO has presented a draft exchange and transfer agreement to the OPSB for Augustine, which sets the purchase price as the prevailing market value of the property determined by a prevailing market value appraisal. HANO and OPSB shall attempt to select a mutually agreed-upon appraiser, and shall share the expense of the appraisal. The mutually agreed-upon appraiser will set the prevailing market value of the property. If HANO and OPSB can't agree to a single appraiser, they will each select their own appraiser at their own expense. The prevailing market value will then be the average of the separate appraisals if they are within 15% of one another, and a mechanism is included for determination of the prevailing market value if they differ by more than 15%; and

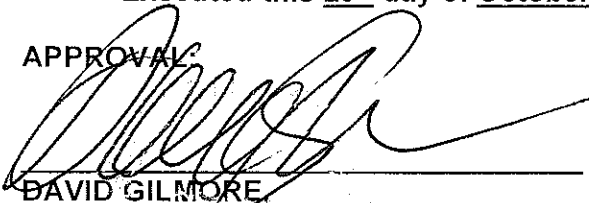
WHEREAS, HANO will also provide OPSB with a deposit of \$25,000, which will be held in escrow by HANO's attorneys Rosenberg & Clark, LLC. Unless HANO terminates the exchange and transfer agreement within the allotted time, the deposit shall become non-refundable, but will be credited toward the purchase price; and

WHEREAS, The exchange and transfer agreement for Augustine also contemplates that HANO will transfer to OPSB all of its right, title, and interest in Christopher Park to satisfy all or a portion of the amount due under the Augustine note. The price of Christopher Park shall be the prevailing market value of the property determined by a prevailing market value appraisal. Any adjustments made necessary due to the unequal values of the properties will be reconciled, and HANO may transfer other HANO approved properties listed in the agreement and acceptable to OPSB in satisfaction of all or a portion of the balance of the Augustine note; and

BE IT THEREFORE RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Administrative Receiver to purchase the Israel Meyer Augustine Middle School at 425 S. Broad Street from the OPSB for the prevailing market value as determined by a prevailing market value appraisal, and to provide a deposit of \$25,000. The Board also authorizes the Administrative Receiver to transfer Christopher Park to the OPSB for the prevailing market value as determined by a prevailing market value appraisal to satisfy all or a portion of the Augustine note, and to reconcile any unequal values of the properties by transferring other HANO approved properties listed in the agreement and acceptable to OPSB in satisfaction of all or a portion of the balance of the Augustine note. The Board also authorizes the Administrative Receiver to execute any and all documents, including any and all HUD Special Application Center documentation, required to effectuate the purchase of the Israel Meyer Augustine Middle School at 425 S. Broad Street from the OPSB and the transfer of Christopher Park, or other designated HANO properties, to the OPSB.

Executed this 23rd day of October, 2012

APPROVAL:

A handwritten signature in black ink, appearing to read 'David Gilmore', is written over a horizontal line. The signature is fluid and cursive.

DAVID GILMORE
ADMINISTRATIVE RECEIVER
CHAIRMAN, BOARD OF COMMISSIONERS



Housing Authority of New Orleans

October 23, 2012

MEMORANDUM

**TO: David Gilmore
Administrative Receiver
Chairman, Board of Commissioners**

**FROM: Maggie Merrill
Senior Advisor to the Administrative Receiver**

**RE: Acquisition of the Israel Meyer Augustine Middle School from the
Orleans Parish School Board**

The Housing Authority of New Orleans (HANO) has initiated the design and implementation of a HANO training academy that will provide tools for academic and career advancement for youth who are disconnected from school and work and job placement of qualified workers with employers in the New Orleans area. HANO has identified the former Israel Meyer Augustine Middle School ("Augustine") at 425 S. Broad Street as an ideal location for the HANO training academy.

Augustine is owned by the Orleans Parish School Board (OPSB) and is on the list of land-banked properties that will not be rebuilt as school buildings. It is at an intersection served by major bus transportation lines, near the new Veterans Administration and University Medical Center hospitals, close to other supportive services, and is on the boundary of the Choice Neighborhoods Initiative Iberville/Tremé neighborhood. It also has ample space to accommodate all of the facility features planned for the HANO training academy, such as classrooms, a computer lab, a childcare center, office space, skills training workshop/warehouse spaces, a gymnasium, business incubation space, a kitchen/cafeteria space, and other meeting space.

HANO has presented OPSB with its exchange and transfer agreement for Augustine. The purchase price for the Augustine property shall be the prevailing market value of the property determined by a prevailing market value appraisal. HANO and OPSB shall attempt to select a mutually agreed-upon appraiser and shall share the expense of the appraisal. The mutually agreed-upon appraiser will set the prevailing market value of the property. If HANO and OPSB cannot agree on a single appraiser, they will each select their own appraiser at their own expense. The prevailing market value will then be the average of the separate appraisals if they are within 15% of one another, and a mechanism is included for determination of the prevailing market value if they differ by more than 15%. HANO will also provide OPSB with a deposit of \$25,000, which will be held in escrow by HANO's attorneys Rosenberg & Clark, LLC. Unless HANO terminates the purchase and sale agreement within an agreed upon time, the deposit shall become non-refundable, but will be credited toward the purchase price.

The exchange and transfer agreement for Augustine also contemplates that HANO will transfer to OPSB all of its right, title, and interest in Christopher Park to satisfy all or a portion of the amount due under the Augustine note. The price of Christopher Park shall be the prevailing market value of the property determined by a prevailing market value appraisal. Any adjustments made necessary due to the unequal values of the properties will be reconciled. HANO may also exchange and transfer other HANO properties of interest to the OPSB from an agreed list made a part of the agreement in satisfaction of all or a portion of the balance of the Augustine note.

The Board is hereby requested to authorize the Administrative Receiver to purchase the Israel Meyer Augustine Middle School at 425 S. Broad Street from the OPSB for the prevailing market value as determined by a prevailing market value appraisal, and to provide a deposit of \$25,000. The Board is also requested to authorize the Administrative Receiver to transfer Christopher Park to the OPSB for the prevailing market value as determined by a prevailing market value appraisal to satisfy all or a portion of the Augustine note, and to reconcile any unequal values of the properties by transferring other HANO approved properties to OPSB in satisfaction of all or a portion of the balance of the Augustine note. The Board is also requested to authorize the Administrative Receiver to execute any and all documents, including any HUD Special Application Center documents, required to effectuate the purchase of the Israel Meyer Augustine Middle School at 425 S. Broad Street from the OPSB and the transfer of Christopher Park, or other designated properties, to the OPSB.

WALK-ON ITEM
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October 23, 2012