

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
MARCH 11, 2014**

RESOLUTION NO. 2014-09

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 Public Infrastructure Work for each phase of the development; and

WHEREAS, the Implementation Agreement contemplated that HANO may enter into an Additional Services Agreement with the Developer to complete the necessary Public Infrastructure Work at the development; and

WHEREAS, Additional Services Agreement #5 has been executed for the engineering and design of the Public Infrastructure Work and bid documents are now complete for the Public Infrastructure Work; and

WHEREAS, the cost of the implementation of the Public Infrastructure Work for Phase I and Phase II, which consists of the utilities and right of way improvements around blocks I, F, C and a portion of A, was included in the financial closing that occurred in December 2013; and

WHEREAS, IRC seeks to complete the remainder of the Public Infrastructure Work ahead of the financial closings for all future residential phases; and

WHEREAS, an Additional Services Agreement is being finalized with HRI Iberville, LLC (“Developer”), a Developer Affiliate of IRC, to complete the remainder of the Public Infrastructure Work at the development; and

WHEREAS, the Additional Services Agreement requires the Developer to complete the Public Infrastructure Work for a fee of 6% of the actual cost of the work; and

WHEREAS, the Developer has prepared a budget to complete the proposed Additional Services in an amount of \$6,337,958.00; and

WHEREAS, The City of New Orleans has agreed to contribute \$10,000,000.00 in Community Development Block Grant (CDBG) funding toward the cost of implementing all of the infrastructure work at the development. There is \$4,510,045.00 of CDBG funding available for the Additional Services Agreement #6 work. The remainder of the cost (\$1,827,913) to implement this work will be paid for with Capital Funds; and

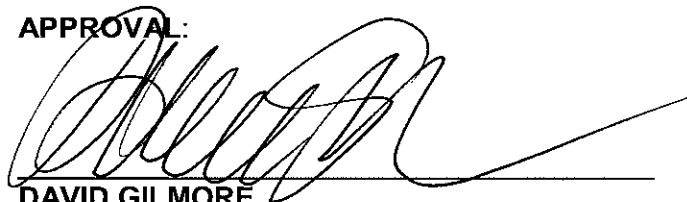
WHEREAS, HANO staff have reviewed the Developer's budget for the proposed Additional Services and have determined that it is appropriate and reasonable; and

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

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the Administrative Receiver to execute the Iberville/Tremé Choice Neighborhood Initiative Additional Services Agreement #6 for Public Infrastructure Work for the Iberville Development.

Executed this 11th day of March, 2014

APPROVAL:

A large, stylized handwritten signature in black ink, appearing to read 'David Gilmore', is written over a horizontal line.

DAVID GILMORE
ADMINISTRATIVE RECEIVER
CHAIRMAN, BOARD OF COMMISSIONERS



March 11, 2014

MEMORANDUM

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

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

Re: Iberville Infrastructure Implementation Additional Services Agreement #6

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. 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 Public Infrastructure Work on the Iberville site. This section of the Agreement also provides that HANO and the Developer may agree to have this work performed by the Developer through an Additional Services Agreement (ASA). HANO and the Developer previously executed ASA #5 for the design and engineering of the Public Infrastructure Work. The bid documents have been completed and an estimate of the costs to implement the work has been received.

The infrastructure work is being completed in three segments. The cost of implementing the infrastructure work for the first two (2) segments, which included the utilities and right of way improvements for the area surrounding blocks I, F, C and a portion of A, was included in the financial closing for Phase I and Phase II which occurred in December 2013. The Developer now seeks to complete the last segment of the Public Infrastructure Work ahead of the financial closings for all future residential phases in order to complete the work in a timely manner.

The City of New Orleans has agreed to contribute \$10,000,000.00 in Community Development Block Grant (CDBG) funding toward the cost of implementing the infrastructure work at the development. There is \$4,510,045.00 of CDBG funding available for the third segment. The remainder of the cost to implement this work will be paid for with Capital Funds.

	HANO	CDBG
Segment One (1) – Phase I	\$3,326,377	\$5,489,955
Segment Two (2) – Phase II	\$2,163,578	
Segment Three (3) – ASA#6	\$6,337,958	\$6,337,958
Total	\$11,827,913	\$11,827,913
CEA – New Orleans CDBG	<\$10,000,000>	<\$10,000,000>
Total Capital Funds Necessary	\$1,827,913	\$1,827,913

ASA #6 is being finalized with HRI Iberville, LLC (“Developer”), a Developer Affiliate of IRC, to complete the third segment of the Public Infrastructure Work at the development. The total budget for the work is \$6,337,958.00. The ASA#6 includes the required 6% fee. The work is to begin in June 2014 and be completed in March 2015.

HANO staff has reviewed the Developer’s proposed Public Infrastructure Work scope and budget and have determined that they are appropriate and that it will be in the best interest of HANO and the Iberville Development to enter into an ASA #6 with the Developer to complete this work. HANO Finance Department has approved the Certificate of Availability of Funds indicating HANO has the funds required for this segment of work.

The Board of Commissioners is hereby requested to authorize the Administrative Receiver to execute Additional Services Agreement #6 to the Iberville Implementation Agreement in an amount not to exceed \$6,337,958.00.