

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
JUNE 26, 2014**

RESOLUTION NO. 2014-17

WHEREAS, the Housing Authority of New Orleans ("HANO") and Providence Enterprise Orleans, LLC ("Developer") entered into a Master Development Agreement, dated March 6, 2008 (the "MDA"), which MDA sets forth the general terms and conditions for the redevelopment, in phases, of the former Lafitte public housing site into a mixed-use, mixed-income development; and

WHEREAS, as part of the master plan for the redevelopment contained in the MDA, HANO and the Developer intend to develop the "Onsite III Rental Component", which will be limited to elderly or "senior" residents and contain 100 one and two bedroom senior apartments; and

WHEREAS, seventy (70) units will be Section 8 program Project-Based Voucher assisted rental housing and thirty (30) units will receive public housing subsidy, subject to approval by the Department of Housing and Urban Development; and

WHEREAS, \$24,255,432 of 901 Funds, FEMA, and HANO Unrestricted Funds were previously approved to develop the "Onsite III Rental Component", or "Lafitte Senior Building" pursuant to Board of Commissioners Resolution No. 2011-55; and

WHEREAS, the Developer has determined that its affiliate, Lafitte Senior Housing, LLC ("Affiliate") is the proper entity to act as developer of Phase III Onsite work; and

WHEREAS, the Developer, on behalf of the Housing Authority of New Orleans issued an Invitation for Bids (IFB) on May 7, 2014 to procure a contractor to perform the construction of a 100 unit, 3 story senior building at the Lafitte Community; and

WHEREAS, responses to the IFB were received on June 4, 2014 from 2 contractors; and

WHEREAS, the lowest, responsible, and responsive bid was received from Gibbs Construction Company; and

WHEREAS, it is recommended that approval be given to the Developer to award a contract in an amount not to exceed \$16,400,000 to Gibbs Construction, to perform the construction of a 100 unit, 3 story senior building at the Lafitte Community; and

WHEREAS, HANO's Finance Department has executed a Certificate of Availability of Funds for the requested 901, FEMA, and HANO Unrestricted funds for the Lafitte Senior Building;

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans authorizes its Administrative Receiver to:

- a) Approve the award of the construction contract to Gibbs Construction in an amount not to exceed \$16,400,000 to perform the construction of a 100 unit, 3 story senior building at the Lafitte Community; and
- b) Execute any and all documents and take any actions necessary to effectuate the transactions described in the above resolution.

Executed this 26th day of June, 2014

APPROVAL:



WILLIE C. H. GARRETT
CHAIRMAN, BOARD OF COMMISSIONERS



June 26, 2014

MEMORANDUM

**To: Willie C. H. Garrett
Chairman, Board of Commissioners**

**Through: Marilyn O'Sullivan
Administrative Receiver**

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

Re: Approval of Award of Contract for Construction of Lafitte Senior Building

The Lafitte Senior Building is one phase of the Faubourg Lafitte Redevelopment, and incorporated in the Master Development Agreement (MDA) executed on March 6, 2008. In 2014, the Housing Authority of New Orleans (HANO) finalized a Development Services Agreement (DSA) with Lafitte Senior Housing, LLC (Developer) to develop 100 units of elderly rental housing of which 70 will be assisted by Project-Based Vouchers and 30 will be assisted by public housing subsidy. The new construction will include a 3-story elevator building comprised of 89 one-bedroom units and 11 two-bedroom units. A property management company will be procured when construction begins and HANO will retain ownership of the building upon completion of construction.

In the Second Amendment to the MDA, authorized by Resolution #2011-55, HANO committed to provide 100% of the funding for the development and construction of the Onsite III Rental Component or Lafitte Senior Building from 901 Capital Grant Program Funds, HANO Unrestricted Funds, and Federal Emergency Management Agency (FEMA) Replacement Funds in amount not to exceed \$24,255,432 (see attached Resolution #2011-55). The current total project budget for the Lafitte Senior Building is within the approved budget. The HANO Finance Department has reviewed the budget and issued a Certificate of Availability of Funds for the project.

Under the Development Services Agreement, the Developer issued an invitation for bids for the construction of the Lafitte Senior Building on May 7, 2014. Bids were received and opened on June 4, 2014. The Developer conducted a due diligence review of the lowest responsive bid, and has recommended that HANO approve the award of the contract for construction to Gibbs Construction (see attached Developer Memorandum). The Board is requested to approve the award of the contract to Gibbs Construction for the construction of the Lafitte Senior Building Project in an amount not to exceed \$16,400,000.

Additionally, the Board of Commissioners is requested to authorize the Administrative Receiver to execute any and all other documents necessary to effectuate these transactions.