



BOARD OF COMMISSIONERS

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DWAYNE G. BERNAL

VICE PRESIDENT  
ALICE RIENER

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TONI HACKETT ANTRUM  
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DEBRA JOSEPH  
GLEN M. PILIÉ  
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HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING

EAST NEW ORLEANS REGIONAL LIBRARY  
5641 READ BOULEVARD, NEW ORLEANS, LA 70127

TUESDAY, JANUARY 26, 2016 at 2:00 P.M.

AGENDA

- 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 DECEMBER 15, 2015
  - VI. EXECUTIVE DIRECTOR'S REPORT
  - VII. COMMITTEE REPORT(S)
  - VIII. ELECTION OF OFFICERS
    - Election of President
    - Election of Vice President
  - IX. COMMITTEE APPOINTMENTS
  - X. ITEMS FOR APPROVAL
- AUTHORIZATION(S)
- Resolution #2016-01 – Sale of 0.64 Acres at BW Cooper to the Orleans Parish School Board
  - Resolution #2016-02 - Annual Renewal of HANO's Insurance Policies
- XI. COMMENT(S)
    - Public Comment(s)
    - Board of Commissioners Comment(s)
  - XII. ADJOURNMENT



**January 26, 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 Glen Pilié, Commissioner  
Vonda Rice and Commissioner Cantrese Wilson**

**Through: Gregg Fortner  
Executive Director**

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

**Re: Sale of 0.64 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 buildings on the Phase 2 portion of the site was completed in November 2015.

Meanwhile, the Orleans Parish School Board (OPSB) has undertaken the redevelopment of the school property adjacent to the southeast portion of the BW Cooper Phase 2 site and 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 the original 2007 HANO disposition for the negotiated sale of this Property at fair market value in December 2015. SAC further restricted the use of the proceeds from the sale of the Property for an authorized use under Section 18 of the US Housing Act of 1937, which authorization must be secured by separate written approval from the SAC when identified by HANO.

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 0.64-acre portion of S. Prieur Street (Closed) located on the site of the former BW Cooper Housing Development to the Orleans Parish School Board for Seventeen Thousand Dollars (\$17,000.00).

**HOUSING AUTHORITY OF NEW ORLEANS  
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JANUARY 26, 2016**

**RESOLUTION NO. 2016-01**

**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 0.64-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 December 2014 established the value of the property “as is” at Seventeen Thousand Dollars (\$17,000.00); and

**WHEREAS**, the HUD Special Applications Center (“SAC”) approved the amendment to HANO disposition application DDA0002290 for the negotiated sale at fair market value in December 2015; and

**WHEREAS**, the HUD Special Application Center restricted the use of the proceeds from the sale of the Property for an authorized use under Section 18 of the US Housing Act of 1937, which authorization shall be secured by separate written approval from the SAC when identified by HANO.

**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 0.64-acre portion of S. Prieur Street (Closed) located on the site of the former BW Cooper Housing Development to the Orleans Parish School board for Seventeen Thousand Dollars (\$17,000.00).

**Executed this 26<sup>th</sup> day of January, 2016**

**APPROVAL:**

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



**January 26, 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 Glen Pilié, Commissioner  
Vonda Rice and Commissioner Cantrese Wilson**

**Through: Gregg Fortner  
Executive Director**

**From: Kelly Loisel  
Staff Attorney/Insurance General Manager**

**Re: Annual Renewal of Property, Liability and Auto Insurance Policies**

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The Housing Authority of New Orleans (HANO) carries a variety of insurance policies related to our property portfolio and operations. Our policies are renewed on an annual basis. HANO staff and our Insurance Agent (Marsh, USA, Inc.) began the process of renewal last year. Policies covering Property, Liability (General Liability, Umbrella Liability, Directors & Officers, Employment Practices, Worker's Compensation, Law Enforcement Professional, Fiduciary, and Criminal), and auto were shopped across a spectrum of carriers to obtain the best coverage at the most reasonable cost.

Proposals were sent to a total of 25 carriers in the market requesting quotes on the various lines of insurance. Due to the unique nature of HANO's operations, we generally do not get responses from all carriers. After responses were received, all quotes were presented to HANO staff for review on January 21, 2016. The top two property proposals were evaluated. The remaining lines stayed consistent with last year due to a general lack of competition.

The staff presented their recommendations for coverage to the Executive Director.

Based on the proposals submitted to HANO for review, HANO will be able to maintain the same level of coverage for the next year, with certain improvements in the coverage package, not experience any additional level of exposure, and obtain the insurance for less cost than last year. HANO has been able to see a reduction in costs for the last 3 years.

The recommended proposal provides the following premiums for the lines of insurance and shows reductions and/or increases from last year:

<b>COVERAGE</b>	<b>PREMIUM</b>
Property	\$ 772,459 (-11%)
<u>Liability</u>	
General Liability	\$ 30,430 (-5.83%)
Umbrella Liability	\$ 12,036 (-2.43%)
Worker's Compensation	\$ 97,753 (+3.03%)
<u>FINPRO (Financial and Professional)</u>	
Management Liability/D&O/EPL	\$ 114,017 (+16%)
Fiduciary Liability	\$ 5,728 (1%)
Crime	\$ 12,333 (-1%)
Professional Law Enforcement Liability	\$ 34,736 (+25%)
Automotive Liability and Property	\$ 106,256 (-1.5%)
<b>TOTAL</b>	<b>\$ 1,185,748 (-6%)</b>

The largest portion of the insurance package is our property coverage. The current quote is based on a property portfolio valued at \$136,775,446. This is an increase of 1.6% from last year's valuation due mainly to the addition of certain Iberville structures that were not demolished. In addition, savings were realized due to a reduction in the rate, and placement with a new insurance group, resulting in a savings of 11% over last year's premium. The increases in the FINPRO coverages are directly related to claims paid out last year by AIG for litigation costs and settlements.

All policies are required to be renewed no later than January 28, 2016 to avoid any lapse in coverage.

## **CERTIFICATIONS**

### Finance

The Finance Department has certified that this procurement is budgeted and available in the HANO Fiscal Year 2016 budget.

HANO requests that the Board of Commissioners of the Housing Authority of New Orleans approve the insurance renewal coverage and authorize the Executive Director to execute any and all documents necessary for the procurement of insurance coverage prior to expiration in the total amount of \$1,185,748.

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
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**RESOLUTION NO. 2016-02**

**WHEREAS**, the Housing Authority of New Orleans (HANO) annually obtains insurance coverage to protect its assets from loss; and

**WHEREAS**, HANO's policies for these coverages are in effect for the period January 28, 2015 to January 28, 2016; and

**WHEREAS**, pursuant to HANO instructions, marketing efforts were begun to obtain quotes from various insurers for the required coverages for the next policy period prior to the policy expiration date; and

**WHEREAS**, the solicitation process was completed and quotes were submitted to HANO on January 21, 2016, and based on the proposals submitted to HANO for review, HANO will maintain the same level of coverage for the next year, not experience any additional level of exposure, and obtain the insurance for less cost than last year; and

**WHEREAS**, HANO staff reviewed the highest ranking proposals and recommended the following policy package to the Executive Director:

<b>COVERAGE</b>	<b>PREMIUM</b>
Property	\$ 772,459 (-11%)
<u>Liability</u>	
General Liability	\$ 30,430 (-5.83%)
Umbrella Liability	\$ 12,036 (-2.43%)
Worker's Compensation	\$ 97,753 (+3.03%)
<u>FINPRO (Financial and Professional)</u>	
Management Liability/D&O/EPL	\$ 114,017 (+16%)
Fiduciary Liability	\$ 5,728 (1%)
Crime	\$ 12,333 (-1%)
Professional Law Enforcement Liability	\$ 34,736 (+25%)
Automotive Liability and Property	\$ 106,256 (-1.5%)
<b>TOTAL</b>	<b>\$ 1,185,748 (-6%)</b>

**Resolution No. 2016-02**  
**January 26, 2016**  
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**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans approves the insurance renewal coverage for 2016 and authorizes the Executive Director to execute any and all documents necessary for the procurement of insurance coverage prior to expiration in the total amount of \$1,185,748.

**Executed this 26<sup>th</sup> day of January, 2016**

**APPROVAL:**

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