

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
APRIL 26, 2016**

RESOLUTION NO. 2016-10

WHEREAS, the Housing Authority of New Orleans (HANO) is the owner of the Lafitte Senior Housing Community, which is under construction and scheduled for completion in July 2016; and

WHEREAS, pursuant to RFP #15-913-63 , HANO conducted a procurement to select a Management Agent to provide property management services for the Lafitte Senior Housing Community, including initial lease-up; and

WHEREAS, McCormack Baron Management, Inc. had the highest ranking proposal, and provides property management services to the existing Lafitte Housing Community; and

WHEREAS, it is the intention of HANO that MBM, Inc. provide management, administration, operation, and maintenance services to the Lafitte Senior Housing Community (100 units); and

WHEREAS, HANO has negotiated a Management Agreement contract with MBM, Inc. for management services at the Lafitte Senior Housing Community for an initial contract period of one (1) year, and four additional one (1) year renewal option periods, if exercised, which provides 90% of the operating subsidy provided to HANO after HUD proration for the operation of the property and agrees to a management fee of 6% of Effective Gross Income; and

WHEREAS, the Management Agreement further sets forth the nature of the Services to be provided and the terms and conditions associated with the performance of the Management Services;

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby approves the new contract with McCormack Baron Management, Inc. for the management, administration, operations, and maintenance of the Lafitte Senior Housing Community, and authorizes the Executive Director to execute any and all documents necessary to effectuate the contract.

Executed this 26th day of April, 2016

APPROVAL:

 VP

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



April 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: Maggie Merrill
Director, Asset Management**

**Re: Approval of Management Agreement with McCormack Baron Management,
Inc. for Management Services at the Lafitte Senior Housing Community**

On November 25, 2015, the Housing Authority of New Orleans (HANO) issued RFP #15-913-63 for Property Management Services for the Lafitte Senior Housing Community. Two proposals were received on January 8, 2016, and subsequently scored and ranked. 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 (see attached Procurement Certification). HANO entered into contract negotiations with the highest ranked proposer, McCormack Baron Management, Inc. (MBM).

The Lafitte Senior building will have 100 units, with 30 units of public housing and 70 units of project-based vouchers. The Management Agreement contract sets forth the nature of the services to be provided and the terms and conditions associated with the performance of the management services. The initial term of the agreement is for one year, with the option to extend for 4 additional one year periods. The maximum length of the contract is five years. We have agreed to provide MBM with 90% of the operating subsidy provided to HANO after HUD proration for the operation of the property. These numbers are subject to change based on HUD appropriations each year. We have also agreed to a management fee of 6% of the Effective Gross Income. This is estimated as \$51,588 per year assuming full occupancy.

It is the intention of the parties that MBM will provide management, administration, operations, and maintenance to the Lafitte Senior Housing Community.

We ask the Board of Commissioners of the Housing Authority of New Orleans to hereby approve the Management Agreement contract with McCormack Baron Management, Inc. for the management, administration, operations, and maintenance at the Lafitte Senior Housing Community, and to authorize the Executive Director to execute any and all documents necessary to effectuate the contract.