

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
JUNE 21, 2016**

RESOLUTION NO. 2016-17

WHEREAS, the Housing Authority of New Orleans (HANO) has prepared its Capital Fund Program (CFP) 5-Year Action Plan for Federal Fiscal Years (FFs) 2016 – 2020 describing capital improvements needed to ensure long-term viability of the Agency's public housing developments; and

WHEREAS, the Capital Fund Program Final Rule decoupled the CFP Plan from the Public Housing Agency (PHA) Plan and therefore, HANO's CFP Action Plan will be separately transmitted to United States Department of Housing Urban Development (HUD) upon authorization by the HANO Board of Commissioners; and

WHEREAS, HANO's CFP Action Plan contemplates, subject to Congressional Appropriation, approximately \$11.5 million in annual HUD capital grants bringing the total projected 5-year budget to approximately \$57.4 million, and all proposed work items are outlined in the HUD prescribed format in the CFP 5-Year Action Plan document; and

WHEREAS, as permitted by regulations, HANO has allocated limited portions of its projected CFP and Replacement Housing Factor (RHF) grants for administration, operations, and management improvements with the remaining funds dedicated to capital work items; and

WHEREAS, HANO issued public notice and made the CFP Action Plan available for 45-day comment on April 29, 2016; held a Plan consultation meeting with the Resident Advisory Board on May 26, 2016; and the required "Certification of Consistency with the Consolidated Plan" was executed by the City of New Orleans Office of Community Development on June 6, 2016; and

WHEREAS, HANO conducted a Public Hearing on June 14, 2016; the CFP Action Plan was discussed at the Development, Asset Management & Operations Committee of the HANO Board of Commissioners on June 16, 2016; and all comments were considered before finalizing the CFP Action Plan document;

THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby adopts HANO's CFP 5-Year Action Plan for FFYs 2016 – 2020 and authorizes its submission with the requisite documents and certifications to HUD.

Executed this 21st day of June, 2016

APPROVAL:



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



June 21, 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 Andreanecia M. Morris,
Commissioner Vonda Rice and Commissioner Cantrese Wilson**

**Through Gregg Fortner
Executive Director**

**From: Shelley Smith
Director, Strategic Planning**

Re: Authorization to Submit HANO's Capital Fund Program (CFP) Plan to HUD

The Housing Authority of New Orleans (HANO) has prepared its Capital Fund Program (CFP) 5-Year Action Plan describing capital improvements needed to ensure long-term viability of the Agency's public housing developments. The Plan covers Federal Fiscal Years (FFYs) 2016 – 2020 and will be updated yearly on a rolling basis. The Capital Fund Program Final Rule decoupled the CFP Plan from the Public Housing Agency (PHA) Plan. Therefore, HANO's CFP 5-Year Action Plan will be separately transmitted to the United States Department of Housing Urban Development (HUD). HANO's PHA and CFP Plans, however, were developed under a concurrent preparation schedule and through a combined stakeholder engagement process.

Funding for the Plan is essentially derived from two HUD formula grants: CFP grants and Replacement Housing Factor (RHF) grants, which can only be utilized for redevelopment purposes. Under HUD's revised capital funding formula, RHF grants are being phased-out and replaced with "Demolition and Disposition Transitional Funding (DDTF)" which is added to the CFP grants calculation. As permitted by regulations, HANO allocates limited portions of these grants for administration, operations, and management improvements and the remaining funds are dedicated to capital work items. Project cost estimates are based on HANO's historical cost for similar projects and will be finalized once the Agency engages with Architectural and Engineering firms.

In the spring of this year, HANO received notification of its FFY 2016 capital grant allocations and those amounts, along with anticipated funding formula changes, were used as the basis for the CFP 5-Year Action Plan projections. As captured in the table below, the Action Plan contemplates an average of approximately \$11.5 million annually in capital funding bringing the total projected 5-year budget to approximately \$57.4 million.

HANO CAPITAL FUND 5-YEAR ACTION PLAN						
PROJECTED FUNDING	FFY 2016 Year 1	FFY 2017 Year 2	FFY 2018 Year 3	FFY 2019 Year 4	FFY 2020 Year 5	TOTALS
CFP	11,922,986	11,325,062	11,001,585	11,046,215	11,000,000	56,295,848
RHF - Tier 1	936,109	104,354	-	-	-	1,040,463
RHF - Tier 2	33,566	32,960	-	-	-	66,526
TOTALS	12,892,661	11,462,376	11,001,585	11,046,215	11,000,000	57,402,837

*All grant amounts projected in the Plan are subject to Congressional Appropriation.

The need for capital repairs at HANO's existing public housing sites far outweighs the projected capital funding levels. Thus, properties owned by HANO and its affiliates were given initial priority for capital improvements (Fischer, Guste, and occupied Scattered Sites); and next-level priority was given to the oldest of the mixed-finance sites (The Estates and River Gardens). The CFP Plan also reflects HANO's ongoing commitment to the Iberville Choice Neighborhoods Initiative, to Phase II remediation and redevelopment of B.W. Cooper, and to redevelopment of vacant Scattered Sites.

All proposed capital work items and activities are outlined within the CFP 5-Year Action Plan in the format prescribed by HUD. The Action Plan was posted for the required 45-day public comment on April 29, 2016 and reviewed by the Resident Advisory Board (RAB) at a consultation meeting on May 26, 2016. A report containing the RAB's comments and HANO responses has been incorporated into the Plan document. On June 6, 2016, the required "Certification of Consistency with the Consolidated Plan" was executed by the City's Office of Community Development.

A June 14th Public Hearing was conducted at the end of the 45-day comment period, and on June 16th the Annual Plan was presented to the Development, Asset Management & Operations Committee of the HANO Board of Commissioners. All comments were carefully considered before finalizing the Plan.

It is requested that the HANO Board of Commissioner's adopt the HANO CFP 5-Year Action Plan for FFY 2016 – 2020 and provide authorization to submit the Plan and related documents and certifications to HUD.