

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
SEPTEMBER 30, 2014**

RESOLUTION NO. 2014-29

WHEREAS, the Choice Neighborhoods Implementation (CNI) Grant Agreement ("Grant Agreement") between the United States Department of Housing and Urban Development ("HUD") and Housing Authority of New Orleans ("HANO")/City of New Orleans ("CNO") for the FY 2010 and FY 2011 was signed in April 2012; and

WHEREAS, The Housing Authority of New Orleans (HANO) determined the property at 1501 St. Louis Street (formerly Winn Dixie) was to be part of the Eastern Adjacent Mixed-Use Development and was included in the CNI Grant Agreement as part of HANO's commitment to develop 517 offsite units; and

WHEREAS, pursuant to the terms of the Grant Agreement, HANO received HUD approval to acquire the property at 1501 St. Louis Street on July 16, 2014; and

WHEREAS, HANO entered into an Option, Purchase, and Sale Agreement on March 31, 2014 for the acquisition of the property from Lafitte Street Development, LLC ("Seller"); and

WHEREAS, HANO is currently negotiating the terms and conditions of an extension to the Option in order for HANO to complete the due diligence process before purchase; and

WHEREAS, the agreed purchase price is \$5,200,000 and HANO has budgeted for estimated closing costs, due diligence, and fees of \$300,000; and

WHEREAS, HANO staff has reviewed the budget for the proposed acquisition and has determined that it is appropriate and reasonable; and

WHEREAS, HANO is authorized to use CNI Grant funds for the purchase of the property and the payment of all reasonable acquisition costs.

THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute any and all documents necessary for the purchase of the property located at 1501 St. Louis Street in an amount not to exceed \$5,200,000.

Executed this 30th day of September, 2014

APPROVAL:



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



September 30, 2014

MEMORANDUM

**To: Dwayne G. Bernal
Chairman, Board of Commissioners**

**Through: Gregg Fortner
Executive Director**

**From: Jennifer Adams
Acting Director, Real Estate Planning and Development**

**Re: Iberville CNI Offsite – Purchase of property at 1501 St. Louis Street
(formerly Winn Dixie)**

The Choice Neighborhoods Implementation (CNI) Grant Agreement ("Grant Agreement") between the United States Department of Housing and Urban Development ("HUD") and Housing Authority of New Orleans ("HANO")/City of New Orleans ("CNO") for the FY 2010 and FY 2011 was signed in April 2012.

The Grant Agreement included the commitment by HANO of 821 replacement units (RU) with 304 RU at the original Iberville site and 517 RU at surrounding offsite locations outlined in the CNI Application. The property at 1501 St. Louis Street (formerly Winn Dixie) is part of the Eastern Adjacent Mixed-Use Development. The property is located directly east of Iberville and is planned for a total of 219 mixed-income residential units (65 units).

HANO executed an Option, Purchase, and Sale Agreement on March 31, 2014 for the acquisition of the property from Lafitte Street Development, LLC ("Seller"). The agreed purchase price is \$5,200,000. This purchase will be completed with the CNI grant funds approved for acquisition.

Article IV. J, 1 of the Grant Agreement states HANO must have HUD approval of an acquisition proposal that meets the requirements of 24 CFR 941.303. HANO received letter approval from HUD dated July 16, 2014, authorizing the use of CNI Grant funds for the purchase of the property plus any acquisition costs.

HANO is currently in the process of negotiating the terms of an extension to the Option, Purchase, and Sale Agreement in order to complete the due diligence process.

It is hereby requested that the Board of Commissioners authorize the Executive Director to execute any and all documents necessary for the purchase of the property located at 1501 St. Louis Street in an amount not to exceed \$5,200,000