WHEREAS, pursuant to the Department of Housing and Urban Development (HUD) Procurement Handbook for Public Housing Agencies, No. 7460.08 Rev 2, Chapter 15.4, Contracting with a Resident Management Corporation, the Housing Authority of New Orleans (HANO), desires to enter into a contract with a Resident Management Corporation to provide property management services; and

WHEREAS, Guste Homes Resident Management Corporation (GHRMC) is a non-profit, tax exempt 501 (c)(3) corporation organized under the laws of the State of Louisiana, having its principal office at 1301 Simon Bolivar, New Orleans, LA 70115. Orleans Parish, Louisiana; and

WHEREAS, GHRMC is a Resident Management Corporation (RMC) as defined in Section 20 of the United States Housing Act of 1937 (42 U.S.C. & 1437) and 24 CFR Sections 964.7 and 990.115; and

WHEREAS, it is the intention of HANO that GHRMC provide management, administration, operation, and maintenance services to the public housing units at the Guste High Rise elderly community (385 units) and Guste II (16 units); and

WHEREAS, HANO has negotiated a new, long term Management Agreement contract with GHRMC for management services at the Guste High Rise and Guste II for an initial contract period of two (2) years, and two additional one (1) year renewal option periods, if exercised, which provides 95% of the operating subsidy provided to HANO after HUD proration for the operation of the property and a management fee of $30 plus a bookkeeping fee of $7.50 per unit; 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 Guste Homes Resident Management Corporation for the management, administration, operations, and maintenance to the public housing units at the Guste High Rise elderly community and Guste II, and authorizes the Executive Director to execute any and all documents necessary to effectuate the contract.

Executed this 28th day of October, 2014

APPROVAL:

DWAYNE G. BERNAL
CHAIRMAN, BOARD OF COMMISSIONERS
October 28, 2014

MEMORANDUM

To: Dwayne G. Bernal  
Chairman, Board of Commissioners

Through: Gregg Fortner  
Executive Director

From: Maggie Merrill  
Acting Director, Asset Management Department

Re: Approval of Management Agreement with Guste Homes Resident Management Corporation for Management Services at the William J. Guste Development

Pursuant to the Department of Housing and Urban Development (HUD) Procurement Handbook for Public Housing Agencies, No. 74680.8 REV 2, Chapter 15.4, Contracting with a Resident Management Corporation, the Housing Authority of New Orleans has negotiated a Management Agreement contract with the Guste Homes Resident Management Corporation (GHRMC) to provide management, administration, operations, and maintenance services to the public housing units at the Guste High Rise elderly community (385 units) and at Guste II (16 units).

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 two years, with the option to extend for two additional one year periods. We have agreed to provide 95% of the operating subsidy provided to HANO after HUD proration for the operation of the property. The management fee will be deducted from the subsidy, and will be reflected in the operating budget.

It is the intention of the parties that GHRMC will provide management, administration, operations, and maintenance to the public housing units at the Guste High Rise elderly community and Guste II.

CERTIFICATIONS

Finance  
The Finance Department has certified that this procurement is budgeted and available in the HANO FY 2015 budget.

Procurement  
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.
We ask the Board of Commissioners of the Housing Authority of New Orleans to hereby approve the new Management Agreement contract with Guste Homes Resident Management Corporation for the management, administration, operations, and maintenance to the public housing units at the Guste High Rise elderly community and Guste II, and to authorize the Executive Director to execute any and all documents necessary to effectuate the contract.