

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
FEBRUARY 26, 2019**

RESOLUTION NO. 2019-04

WHEREAS, the Housing Authority of New Orleans (HANO) maintains approximately 230 vacant scattered site properties and 4 partially developed traditional public housing sites throughout Orleans Parish and determined that these sites are underutilized and have development potential; and

WHEREAS, HANO issued Request for Qualifications (RFQ) #18-911-29 to solicit proposals for the development of up to 177 of HANO's vacant properties; and

WHEREAS, HANO received a response to RFQ #18-911-29 from Iris Development, LLC (Developer) to develop several parcels of HANO's vacant land in the Uptown and West Carrollton areas of New Orleans further defined in Exhibit A (Properties); and

WHEREAS, In accordance with the evaluation process outlined in the RFQ, an evaluation committee convened to review and score the proposals; and

WHEREAS, the evaluation committee scored the proposal 79 out of 100 points, the highest score on the properties proposed; and

WHEREAS, subsequent negotiations with the Developer have yielded a proposal to develop 98 mixed-income units, both rental and homeownership at the Properties, 2/3 of which will be available to households at 80% of Area Median Income or below and a minimum of 25% available for HANO clients; and

WHEREAS, the disposition of all Properties are subject to approval by HUD; and

WHEREAS, the proposal (1) meets the requirements outlined in the RFQ, creating 2/3 of the unit count for households at 80% of Area Median Income or less, including more than the required 25% for HANO clients; (2) provides much need affordable housing in areas of opportunity with access to public transportation and other amenities; and (3) furthers HANO's mission to provide affordable housing opportunities, HANO staff recommends that HANO enter into an Option to Lease and Purchase and Development Agreement (Agreement) with the Developer for the Properties; and


WHEREAS, The Agreement provides the sole and exclusive right and option to purchase and lease the Properties subject to the terms and conditions in the Agreement which outline the developer's responsibilities and deliverables prior to exercise of the option and financial closing;

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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 Option to Lease and Purchase and Development Agreement for the Properties with Iris Development, LLC, or related developer affiliate, in order to implement the Development Program for mixed-income rental and homeownership opportunities.

Executed this 26th day of February, 2019

APPROVAL:



CASIUS PEALER
PRESIDENT, BOARD OF COMMISSIONERS



February 26, 2019

MEMORANDUM

To: Board of Commissioners
President Casius Pealer, Vice President Lisha A. Wheeler,
Commissioner Isabel Barrios, Commissioner Toni Hackett Antrum,
Commissioner Sharon Jasper, Commissioner Debra Joseph,
Commissioner Kim Piper and Commissioner Alice Riener

Through Gregg Fortner
Executive Director

From: Jennifer Adams
Director, Development and Modernization

Re: Approval of Iris Development, LLC Proposals for Rental and Homeownership
for Various Uptown and West Carrollton Scattered Sites

On June 8, 2018, the Housing Authority of New Orleans (HANO) issued Request for Qualifications (RFQ) #18-911-29 for the development of 177 vacant properties owned by HANO in support of its Scattered Sites Strategy. Respondents were allowed to propose on one or more of the parcels. HANO received 6 proposals by the July 18, 2018 due date. In accordance with the evaluation process outlined in the RFQ, an evaluation committee was established to review and score the proposals.

Iris Development, LLC (Developer) was one of the respondents to the RFQ, proposing to build on several lots in the Uptown and West Carrollton areas of New Orleans with a mix of homeownership and rental units to be made available to a variety of affordability levels, including 25% to HANO clients, 2/3 to households at 80% of Area Median Income or below, and 1/3 to market rate. There were no other proposals for the same addresses. The evaluation committee scored the proposal 79 out of 100 points. It was the highest score for the properties proposed.

Upon further negotiations with the Developer, the current Development Program proposes the construction of 98 units—80 rental and 18 homeownership, with 2/3 of the units available to households at 80% of Area Median Income or less. This will be achieved through 56 project-based vouchers, to be applied for in a separate process, and 10 affordable homeownership opportunities whose ongoing affordability is secured by the Crescent City Community Land Trust. HANO proposes to provide a long term ground lease for the rental properties and a fee simple sale of the homeownership properties. The Development Program is subject to minor adjustments dictated by a community engagement process and applications for financing, but the Developer will maintain approximately the same percentage of affordable units.

DEVELOPMENT PROGRAM

HANO Address	Homeownership			Rental			Total Units
	market	affordable	subtotal	market	affordable (PBV)	subtotal	
400 Dufossat (aka 5200 Tchoupitoulas)	5	1	6	0	0	0	6
1400 - 1440 Gen Ogden	0	0	0	8	12	20	20
1417-19 General Ogden	0	0	0	0	2	2	2
1433-39 General Ogden	0	0	0	0	2	2	2
1738-40 General Ogden	0	0	0	0	2	2	2
1000 - 1016 Melpomene (aka 1018 Melpomene)	1	2	3	2	4	6	9
8520 Zimple (aka 8522 Zimple)	1	0	1	0	0	0	1
8725-33 Plum	1	1	2	0	0	0	2
1715 -1735 Cambronne (aka 1711 Cambronne)	0	0	0	8	4	12	12
8951 Birch (aka 8901 Birch)	0	1	1	0	4	4	5
1324-26 Eagle	0	1	1	0	0	0	1
1625 Eagle	0	1	1	0	0	0	1
8718-20 Willow (aka 8716 Willow)	0	1	1	0	0	0	1
8811 Hickory (aka 1802 Eagle)	0	2	2	0	0	0	2
3249 Tchoupitoulas 410 Pleasant (aka 3231 Tchoupitoulas) 3250 St Thomas	0	0	0	6	26	32	32
SUBTOTAL	8	10	18	24	56	80	98

Because this proposal (1) meets the requirements outlined in the RFQ, creating 2/3 of the unit count for households at 80% of Area Median Income or less, including more than the required 25% for HANO clients; (2) provides much need affordable housing in areas of opportunity with access to public transportation and other amenities; and (3) furthers HANO's mission to provide affordable housing opportunities, HANO staff recommends that HANO enter into an Option to Lease and Purchase and Development Agreement (Agreement) with the Developer for the HANO properties listed in Exhibit A. The Agreement provides the sole and exclusive right and option to purchase and lease the HANO properties subject to the terms and conditions in the Agreement which outline the developer's responsibilities and deliverables prior to exercise of the option and financial closing. The final ground lease and sales are subject to approval by the HUD Special Applications Center and the HANO Board of Commissioners.

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 Option to Lease and Purchase and Development Agreement for the HANO properties listed in Exhibit A with Iris Development, LLC, or related developer affiliate, in order to implement the Development Program for mixed-income rental and homeownership opportunities.