

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
APRIL 30, 2019**

RESOLUTION NO. 2019-06

WHEREAS, the current Contract for Services with the Guste Homes Resident Management Corporation (GHRMC) for Property Management Services for Guste High Rise and Guste II expires on April 30, 2019; and

WHEREAS, the Housing Authority of New Orleans (HANO) requested an opinion from the United States Department of Housing and Urban Development (HUD) on November 20, 2018 regarding which requirements had to be met to remain in compliance with HUD rules and regulations regarding sole source procurement of a Resident Management Corporation; and

WHEREAS, On March 13, 2019, HUD issued its opinion that all provisions of Section 15.4 of the Procurement Handbook for Public Housing Agencies (HUD Handbook 7460.8 Rev 2), "Contracting with an Resident Management Corporation (RMC)" must be met when signing a contract and throughout the contract annually, and further stated in the opinion that in addition to Section 15.4 of the Procurement Handbook and 24 Code of Federal Regulations (CFR) 964.225 "Resident Management Requirements", HANO must abide by 2 CFR 200.320 (f) "Methods of Procurement" regarding procurement by non-competitive proposals; and

WHEREAS, HANO is in the process of securing a contractor for property management services for the Guste High Rise elderly community (385 units) and Guste II (16 family units) in compliance with the March 13, 2019 HUD opinion, and the process will not be complete before the expiration of the current contract; and

WHEREAS, in order to continue operations at the property, the contract must be extended beyond its expiration date of April 30, 2019;

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby approves the extension of the Contract for Services with the Guste Homes Resident Management Corporation for Property Management Services for Guste High Rise and Guste II for a term of 90 days, and to authorize the Executive Director to execute any and all documents necessary to effectuate the contract extension.

Executed this 30th day of April, 2019

APPROVAL:



**CASIUS PEALER
PRESIDENT, BOARD OF COMMISSIONERS**

HANO request that the Board of Commissioners approve the extension of the Contract for Services with the Guste Homes Resident Management Corporation for Property Management Services for Guste High Rise and Guste II for a term of 90 days, and to authorize the Executive Director to execute any and all documents necessary to effectuate the contract extension



April 30, 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: Maggie Merrill
Director, Asset Management Department**

**Re: Approval of Extension to Management Agreement with Guste Homes
Resident Management Corporation for Management Services at the Guste
High Rise and Guste II**

On October 30, 2018, the Housing Authority of New Orleans (HANO) Board of Commissioners approved Resolution #2018-16 authorizing a 90 day extension of the Contract for Services with the Guste Homes Resident Management Corporation (GHRMC) for Property Management Services for Guste High Rise and Guste II. The approval also provided for an additional 90 day option for extension. Both extensions were executed, and the second extension expires on April 30, 2019.

In its efforts to enter into a sole source contract with the GHRMC, HANO requested an opinion from the United States Department of Housing and Urban Development (HUD) on November 20, 2018 regarding which requirements had to be met to remain in compliance with HUD rules and regulations regarding sole source procurement of a Resident Management Corporation. On March 13, 2019, HUD issued its opinion that all provisions of Section 15.4 of the Procurement Handbook for Public Housing Agencies (HUD Handbook 7460.8 Rev 2), "Contracting with an Resident Management Corporation (RMC)" must be met when signing a contract and throughout the contract annually. The opinion also stated that in addition to Section 15.4 of the Procurement Handbook and 24 Code of Federal Regulations (CFR) 964.225 "Resident Management Requirements", HANO must abide by 2 CFR 200.320 (f) "Methods of Procurement" regarding procurement by non-competitive proposals. Based on the HUD opinion, HANO is no longer seeking to procure a sole source contract with the GHRMC and is now going through the process of securing a permanent contractor through an open procurement that will not be complete by the expiration of the management contract on April 30, 2019.

In order to continue operations at the property while HANO completes the process of securing a permanent property manager through an open procurement process, HANO is requesting to extend the existing contract for a period of ninety (90) days, with an expiration date of July 29, 2019.