

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
SEPTEMBER 29, 2020**

RESOLUTION NO. 2020-18

WHEREAS, the Housing Authority of New Orleans (HANO) has prepared its Capital Fund Program (CFP) 5-Year Action Plan for Federal Fiscal Years (FFs) 2020 – 2024 describing capital improvements needed to ensure long-term viability of the Agency's public housing developments; and

WHEREAS, the Capital Fund 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 the United States Department of Housing and Urban Development (HUD) upon authorization by the HANO Board of Commissioners; and

WHEREAS, HANO's CFP Action Plan contemplates, subject to Congressional Appropriation, approximately \$32.7 million in annual HUD capital grants, 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 grant for administration, operations, and management improvements with the remaining funds dedicated to capital work items; and


WHEREAS, HANO issued a public notice and made the CFP Action Plan available for 45-day comment on July 31, 2020; held a Plan consultation meeting with the Resident Advisory Board on September 2, 2020; and the required "Certification of Consistency with the Consolidated Plan" was executed by the City of New Orleans Office of Community Development on September 16, 2020; and

WHEREAS, HANO conducted a Public Hearing on September 21, 2020; the CFP Action Plan was discussed at the Asset Management & Operations Committee of the HANO Board of Commissioners on September 25, 2020; 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 2020 – 2024 and authorizes its submission with the requisite documents to HUD.

Executed this 29th Day of September, 2020

APPROVAL:



**DEBRA JOSEPH
PRESIDENT, BOARD OF COMMISSIONERS**



September 29, 2020

MEMORANDUM

**To: Board of Commissioners
President Debra Joseph, Vice President Isabel Barrios,
Commissioner Avery Foret, Commissioner Sharon Jasper,
Commissioner Carol Johnson, Commissioner Monika McKay,
Commissioner Hyma Moore, Commissioner Kim Piper and
Commissioner Bill Rouselle**

**Through Evette Hester
Executive Director**

**From: Gionne Jourdan
Director, Development and Modernization**

**Re: Authorization to Submit HANO's Capital Fund Program (CFP) Plan to HUD
FFY 2020-2024**

The Housing Authority of New Orleans (HANO) has prepared its Capital Fund Program (CFP) 5-Year Action Plan describing development initiatives and capital improvements needed to ensure long-term viability of the Agency's public housing developments. The Plan covers Federal Fiscal Years (FFYs) 2020 – 2024 and is 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 and 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 one HUD formula grant, the Capital Fund Program (CFP) grant, which includes Demolition, Disposition, Transition Funds (DDTF). Under HUD's revised capital funding formula, DDTF provides allocation for units recently demolished and CFP provides allocation for standing public housing units. As permitted by regulations, HANO allocates limited portions of these grants for administration (up to 10%), operations (up to 20%), and management improvements (up to 10%) and the remaining funds are dedicated to capital work items, including modernization and development projects. Project cost estimates are based on HANO's historical cost for similar projects and will be finalized once the Agency prepares bid packages for individual projects.

In March of 2020, HANO was notified of the 2020 award amount, \$9,841,175. HANO began preparing the 5-Year Action Plan. Monies are fungible between work activities and plan years unless a significant amendment is triggered. A significant amendment is defined as new demolition, disposition, homeownership, Capital Fund financing, development, or mixed-finance proposals; or new non-emergency activities that exceed \$3 million.

As captured in the below, the Action Plan contemplates the drop in funding after the 2020 allocation when the Agency's DDTF allocation for the large unit inventory demolished in the decade following Hurricane Katrina is expected to phase out. The total projected 5-year budget is approximately \$32.7 million.

PROJECTED FUNDING

FFY 2020	\$ 9,841,175
FFY 2021	\$ 8,165,683
FFY 2022	\$ 6,611,900
FFY 2023	\$ 4,091,586
FFY 2024	\$ 4,000,000
TOTAL	\$ 32,710,344

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

The need for capital repairs at HANO's existing public housing sites 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 (River Gardens, The Estates). The CFP Plan also reflects HANO's commitment to the redevelopment of B.W. Cooper and to the 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 July 31, 2020 and reviewed by the Resident Advisory Board (RAB) at a consultation meeting on September 2, 2020. On September 16, 2020, the required "Certification of Consistency with the Consolidated Plan" was executed by the City's Office of Community Development.

On September 21, 2020, a Public Hearing was conducted at the end of the 45-day comment period, and, on September 25, 2020, the Capital Fund Plan was presented to the 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 Commissioners adopt the HANO CFP 5-Year Action Plan for FFY 2020 – 2024 and provide authorization to submit the Plan and related documents to HUD.