

**HOUSING AUTHORITY OF NEW ORLEANS  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
JANUARY 26, 2021**

**RESOLUTION NO. 2021-01**

**WHEREAS**, the Board of Commissioners of the Housing Authority of New Orleans (HANO) passed HANO Resolution No. 2018-15 on September 25, 2018; and

**WHEREAS**, HANO Resolution No. 2018-15 provided that HANO would sell six of its properties to Home By Hand, Inc.(HBH); and

**WHEREAS**, the terms of the sale to HBH expressly stated that affordable homeownership units were to be constructed by HBH on the six properties; and

**WHEREAS**, the terms of the sale to HBH also expressly stated that, the six affordable homeownership units constructed on the six properties were to be offered to individuals or families whose income was at or below 80% Area Median Income ("AMI") and expressly stated that HBH provide a "first look" at the homeownership units it constructs to individuals and/or families that receive housing assistance from HANO; and

**WHEREAS**, HANO and HBH have now mutually agreed to increase the restriction on the income of prospective buyers of any of the six homeownership units constructed by HBH pursuant to HANO Resolution No. 2018-15 from 80% or less of AMI to 120% or less of AMI; and

**THEREFORE, BE IT RESOLVED**, that the Board of Commissioners of the Housing Authority of New Orleans approves and authorizes HANO Executive Director, Evette Hester, to take all actions necessary to amend the sales agreement between HANO and HBH that was authorized by HANO Resolution 2018-15 in a manner that increases the restriction on the income of prospective buyers of any of the six homeownership units constructed by HBH from 80% or less of AMI to 120% or less of AMI. All other provisions of the sales agreement entered into by HANO and HBH in accordance with HANO Resolution 2018-15 are to remain unchanged.

**Executed this 26<sup>th</sup> Day of January, 2021.**

**APPROVAL:**

  
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**DEBRA JOSEPH  
PRESIDENT, BOARD OF COMMISSIONERS**



January 26, 2021

**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:** Amendment to HANO Resolution 2018-15

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On September 25, 2018, the Board of Commissioners of the Housing Authority of New Orleans (HANO) passed HANO Resolution 2018-15 which provided for the sale of six HANO Properties (the "Properties") to Home by Hand, Inc. ("HBH"). The sale was secondary to a Notice of Funding Availability ("NOFA") that had been jointly issued in August 2016 by HANO, the New Orleans Redevelopment Authority ("NORA"), and the City of New Orleans ("CNO"). The sale price for the properties was 10% of the Properties' appraised value. The sale required HBH to construct homeownership units on the properties.

The sale of the Properties to HBH also included a minimum 5-year deed restriction that recaptures the difference between the appraised value of the Properties and the 10% of appraised value to be paid by HBH if the homeownership units on the Properties are sold within 5 years to a buyer who does not meet the requirements of an affordable homebuyer. The sale defined an affordable homebuyer as a resident of the City of New Orleans whose income was at or below 80% Area Median Income ("AMI"). HBH was also required to provide a "first look period" to the recipients of HANO housing assistance when the construction of the homes on the property was completed.

To date, HBH has completed the construction of three homes on the six properties. HBH has provided a "first look period" to the recipients of HANO housing assistance for the three completed homes. One of the homes is occupied, one home is under contract, and one home is currently on the market.

The home currently under contract is located at 1473 N. Prieur Street and is the subject of a pending sale to a potential homebuyer whose income is 82% of AMI.

HBH entered into a sales contract for the homeownership unit located at 1473 N. Prieur Street with a prospective buyer whose income at the time of contract was less than 80% of AMI. However since the Covid-19 pandemic, the prospective buyer's AMI percentage increased by 2%

due to a reduction in the number of residents in her household that was necessary to satisfy social distancing requirements. Thus, the prospective buyer now has an income that is 82% of AMI.

HANO's goal and mission is to "to provide affordable housing opportunities for low-income residents of the City of New Orleans," while laying "the foundation for economic sustainability." Both parts of this mission will be accomplished by a di minimus increase of 2% in the AMI restriction that is currently attached to the property located at 1473 N. Prieur Street.

In addition, HANO's goal and mission will also be served by increasing the AMI restriction to 120% of AMI as allowed per the CDBG funding restrictions, enabling the developer to serve a larger segment of low to moderate income residents of the City of New Orleans. Therefore, HANO requests that the Board of Commissioners amend the 80% of AMI restriction that it placed on the sale of the properties to HBH when it approved HANO Resolution 2018-15, and allow for any prospective homebuyer of any of the homes constructed on the Properties to have an income at or less than 120% AMI.