HOUSING AUTHORITY OF NEW ORLEANS BOARD OF COMMISSIONERS REGULAR MEETING October 25, 2022

RESOLUTION NO. 2022-28

WHEREAS, HANO and the Iberville Revitalization Company, LLC (IRC), the Master Developer for the Choice Neighborhoods Initiative (CNI), have executed the Iberville/Treme Choice Neighborhoods Initiative Implementation Agreement ("Implementation Agreement"), which serves as the Master Development Agreement for all components of the CNI Transformation Plan, and which establishes the guiding principles, overarching business terms, and roles and responsibilities of IRC and HANO for the implementation of CNI; and

WHEREAS, IRC is developing Winn Dixie Phase II, a 0.86 acre site adjacent to the former lberville site and formerly known as the Winn Dixie site, with its developer affiliate, WD Phase II, LP; and

WHEREAS, the project is planned to be constructed as a total of forty-five (45) affordable rental units consisting of six (6) public housing units (ACC units), twenty-four (24) Project Based Voucher units, five (5) Low Income Housing Tax Credit units, and ten (10) market Rate units. Of the total number of units, twenty-six (26) of the affordable units will serve as one-for-one replacement units. All replacement units will also be Low-Income Housing Tax Credit (LIHTC) units; and

WHEREAS, the Winn Dixie Phase II project has now received an award of 9% Low-Income Housing Tax Credits and parties wish to resume predevelopment activities and associated funding; and

WHEREAS, HANO Board of Commissioners previously authorized an Additional Services Agreement with Winn-Dixie Phase II, LP under Resolution NO. 2016-33; and

WHEREAS, the Winn Dixie Phase II project requires an Amendment to the Supplemental Agreement be executed with HANO to complete the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services; and

WHEREAS, Winn-Dixie Phase II, LP is hereby requesting funding from HANO under an Additional Services Agreement for the Winn Dixie II Project to complete the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services for Winn-Dixie Phase II of in an amount not to exceed \$3,200,000; and

WHEREAS, the HANO Finance Department has certified that the entire Predevelopment Loan Agreement amount, not to exceed \$3,200,000, is available for this purpose; and

THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby authorizes the Executive Director to execute an Amendment to the Additional Services Agreement for the Iberville/Treme Redevelopment (Winn Dixie Project) to

complete the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services for Winn-Dixie Phase II of in an amount not to exceed \$3,200,000.

Executed this 35 day of October, 2022

APPROVAL:

CAROL GEORGE JOHNSON

CHAIRMAN, BOARD OF COMMISSIONERS



DECISION MEMORANDUM

October 25, 2022

To:

Board of Commissioners:

President Carol George Johnson, Vice President Avery Foret, Commissioner Isabel Barrios, Commissioner Sharon Jasper,

Commissioner Kim Piper, Commissioner Percy Manson, Commissioner Paul Richard, Commissioner Monika McKay and Commissioner Jeffrey

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Through

Evette Hester

Executive Director

From:

Gionne Jourdan

Director, Development and Modernization

Re:

Resolution #2022-28 - Winn Dixie Phase II Additional Services Agreement

Iberville Revitalization Company, LLC (IRC) was awarded the development rights under RFQ# 10-1200-08-18 for the Choice Neighborhood Initiative (CNI). Winn Dixie Phase II (WDII) which is one of ten off-site components and part of the CNI funded by the U.S. Department of Housing and Urban Development (HUD) for the Housing Authority of New Orleans. WDII is the final phase of development planned for the former Winn Dixie grocery store site. The property is immediately adjacent to City Square 162 (Winn Dixie Phase I) and the fully redeveloped Bienville Basin community (formerly the Iberville Housing Development). WDII is located at 1431 St. Louis Street.

WDII will be a newly constructed four-story building with 45 affordable rental units, including 21 one-bedroom and 24 two-bedroom units. WDII will include 10 market rate, 5 low-income housing tax credit (LIHTC), 24 Project-Based Voucher, and 6 Public Housing units that will be constructed to Enterprise Green Communities standards. The projected total development cost is \$20.5 million.

In 2012, HANO negotiated and entered into an Iberville/Treme Choice Neighborhood Initiative Implementation Agreement, which included provisions that allowed HANO to execute predevelopment loan, development loan, developer fee advance loan and additional services agreements.

In December 2016, under Resolution #2016-33, HANO's Board of Commissioners authorized the Executive Director to execute an Additional Services Agreement for the Iberville/Treme Redevelopment (Winn Dixie Project) for the Site Preparation, including demolition, remediation and public infrastructure work in an amount to exceed \$4,105,423.

In February 2017, HANO executed the Supplemental Agreement for Additional Services for the Iberville/Treme Redevelopment (Winn Dixie Project), which included the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services for Phases I and II of Winn-Dixie. HANO advanced approximately \$104,953 in funds before all parties mutually agreed to suspend further pre-development expenditures until key funding commitments for WDII were secured.

In 2021, WDII was awarded 9% Low-income housing credits from the Louisiana Housing Corporation (LHC) and \$1.5 million dollars in HOME funds from the City of New Orleans. WDII also has an award of \$4 million from HUD for a Choice Neighborhood Supplemental grant. Therefore, all parties now wish to resume pre-development activities as required to achieve a financial closing in 2023.

Accordingly, Winn-Dixie Phase II, LP is hereby requesting that an Amendment to the Supplemental Agreement be executed with HANO to complete the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services for Winn-Dixie Phase II of in an amount not to exceed \$3,200,000.

Therefore, it is requested that the Board of Commissioners of the Housing Authority of New Orleans authorize the Executive Director to execute an Amendment to the Additional Services Agreement for the Iberville/Treme Redevelopment (Winn Dixie Project) to complete the planning and implementation of Demolition, Site Preparation, Public Infrastructure and General Services for Winn-Dixie Phase II of in an amount not to exceed \$3,200,000.