

**Memorandum of Understanding
City of New Albany and New Albany Housing Authority**

Whereas, the City of New Albany (City) and the New Albany Housing Authority (NAHA) agree that the majority of public housing units are beyond their useful life, and;

Whereas, the City and NAHA agree that too many of the public housing units are located in areas that are isolated and do not meet the needs of low income residents, and;

Whereas, the City and NAHA agree that excessive concentration of poverty and subsidized housing is not consistent with current federal policy, national best practices and the City's comprehensive plan currently under development, and;

Whereas, the City and NAHA agree that one-for-one replacement of public housing units is neither feasible or desirable, and;

Whereas, the City and NAHA agree that the Rental Assistance Demonstration program and Section 18 Demo/Dispo programs are the most appropriate resources for improving, repositioning and managing traditional public housing, and;

Whereas, the implementation of RAD will require a revised operating model and business plan for NAHA, and;

Whereas, the City and NAHA agree to work together to minimize disruption in the lives of residents as the existing inventory of units is replaced and redeveloped, and;

Whereas, the City and NAHA agree to work together to secure new, more appropriate sites and financing for assisted housing and;

Whereas, the planned improvements and redevelopment will improve the living conditions for hundreds of low income families.

NOW, THEREFORE, in consideration of the foregoing, the City and NAHA hereto agree as follows:

1. NAHA will prepare and submit Section 18 applications for Parkview Tower, Parkview Terrace/Broadmeade, Vance Courts and Riverside Terrace with the understanding that ___% of the tenants will be provided Section 8 vouchers and ___ of the units will be replaced. If the applications are approved, NAHA will revise its RAD plans for these properties. The City will actively assist NAHA in the identification and acquisition of sites for replacement housing and help place residents awarded Housing Choice Vouchers for the portion of conventional public housing that is not reduced.
2. NAHA will request a RAD transfer of assistance designation for the Beechwood property for approximately 50% of the current units while redeveloping the other 50% of units on

site, potentially with additional mixed-income housing relative to a new master plan for the Beechwood site.

3. Riverview Towers will be rehabilitated under the RAD program.
4. Mark Elrod Towers will be rehabilitated under the RAD program.
5. Crystal will be rehabilitated under the RAD program with the City and NAHA exploring options to redesign the exteriors of the existing units.
6. The City will assist NAHA in the design, potential income mixing and development of replacement units within reconfigured NAHA sites and in new locations, including temporary and/or permanent relocation due to demolition and construction activities. The City and NAHA will mutually agree on replacement housing sites with the understanding that the City will provide NAHA assistance in the acquisition of the new sites.
7. The City will participate in the funding for a consultant to assist NAHA in the development of the new business plan.
8. The City will support NAHA applications for 9% LIHTCs and 4% LIHTCs/tax-exempt bond authority from the State of Indiana as needed, and needed gap funding for the above described redevelopment actions.