

**Memorandum of Understanding**  
**City of New Albany and New Albany Housing Authority**  
**March 21, 2017**

**Whereas**, the New Albany Housing Authority (NAHA) is an independent entity organized under the provisions of Indiana Code and wholly owns and manages subsidized low-income public housing under the provisions of an Annual Contribution Contract and regulated by the U.S. Department of Housing and Urban Development (HUD); and

**Whereas**, public housing in New Albany has long-term physical needs that are unlikely to be fully met by public housing capital appropriations; and

**Whereas**, options should be explored to allow residents of the Parkview Terrace/Broadmeade complex to reside in housing where poverty is less concentrated; and

**Whereas**, the Rental Assistance Demonstration (RAD) and demolition and/or disposition under Section 18 of the U.S. Housing Act of 1937 (Section 18) may provide opportunities for improving, repositioning and where appropriate replacing New Albany's public housing; and

**Whereas**, the implementation of RAD has required a revised operating model and business plan for NAHA; and

**Whereas**, the City and NAHA desire to work together to minimize disruption in the lives of NAHA residents as the existing inventory of units is improved and where appropriate replaced and redeveloped; and

**Whereas**, the City and NAHA desire to work together to secure new, more appropriate sites and financing for low-income assisted housing; and

**Whereas**, the City and NAHA desire to work together to ensure that any planned improvements and redevelopment will improve the living conditions for low income families, including the ability to stay in New Albany, if desired, by all NAHA households in good standing; and

**Whereas**, the City and NAHA desire to strive to the extent feasible with resources available to achieve one-for-one hard unit low-income housing replacement:

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

1. NAHA will explore the feasibility and likely success of a Section 18 application for the Parkview Tower, Vance Court, and Parkview Terrace/Broadmeade complexes, taking into account the results of a professional third-party physical needs assessment procured by NAHA per HUD Notice PIH 2012-07 and applicable requirements for the RAD physical needs assessment. Any proposed demolition or disposition plan will include full on-site or off-site hard-unit replacement of low-income units in mixed-income settings to the extent feasible. Current NAHA households will be provided options that allow them to stay in

New Albany if desired. If Section 18 applications are approved, NAHA will revise its RAD plans to accommodate such approvals. The City will actively assist NAHA in the identification and acquisition of sites for replacement housing and help place any residents awarded Housing Choice Vouchers.

2. NAHA will conduct a RAD physical needs assessment at Beechwood Court to explore all options to insure the viability of that development, which include but are not limited to conversion under RAD to project-based vouchers (PBV), demolition and possible redevelopment and/or transfer of assistance if an alternate location is identified and suitable.
3. Riverview Tower will be converted to PBV assistance under the provisions of the no-debt RAD program.
4. Mark Elrod Tower will be converted to PBV assistance under the provisions of the no-debt RAD program.
5. Riverside Terrace will be converted to PBV assistance under the provisions of the no-debt RAD program.
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 to allow demolition and construction activities. The City and NAHA will endeavor to agree upon replacement housing sites with the understanding that the City will provide NAHA assistance in the acquisition of any new sites.
7. NAHA will procure a consultant under Federal procurement guidelines to assist NAHA in the development of any new business plans.
8. The City will support all 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.