

8/15/07

Riverfront power plant gets initial OK for tax breaks

Redevelopment plan involves hotel, music venue, retail space

By Greg Thomas
Real estate writer

A Miami developer who wants to spend \$350 million converting the century-old Market Street power plant and surrounding acres into a residential and retail complex won preliminary approval Wednesday for two separate tax breaks.

The New Orleans Industrial Development Board, or IDB, gave **Market Street Properties LLC** preliminary approval for \$183 million in tax-exempt Gulf Opportunity Zone Act bonds, also called GO Zone bonds, and agreed to freeze taxes on the nine-acre Market Street property at their predevelopment levels for 15 years. Taxes on the power plant itself, which was assessed at a fair market value of \$10 million and now appears on tax rolls reflecting that price, will be left unchanged.

See **BREAKS, A-17**



STAFF MAP

Architect says project could open riverfront

BREAKS, from A-16

Michael Samuel, owner of **Samuel and Co.**, acquired the Market Street site in November for \$10 million and plans to redevelop it, incorporating a 200-room hotel, residential units, a music venue and 13,000 square feet of retail space. The project's first phase also involves developing a parking garage.

Samuel was unavailable for comment Monday or Tuesday.

Project architect John Williams of **John C. Williams Architects** said the project is visionary and that it could anchor the bottom of the Lower Garden District and kick-start the process of opening up the river to the public, which is a goal of the New Orleans Building Corp.'s pending riverfront redevelopment plan.

The actual \$183 million in bonds will be used to develop 1,200 residential units in three 200-foot towers that will be part of the project's second phase.

New Orleans Building Corp. Executive Director Sean Cummings said he is "thrilled that Mike (Samuel) is in New Orleans and making a substantial investment."

However, only preliminary discussions have been held over how the Market Street project

will be melded with the building corporation's riverfront redevelopment plan. A final version of that plan, which aims to open up a six-mile-long stretch of riverfront property to tourists and locals, is due out in October.

Paul Simoneaux of **Elkins PLC**, which is representing Market Street Properties, said the group could come back for more GO Zone money for the second phase.

IDB members wanted to expedite Samuel's proposal to get it on the State Bond Commission's agenda, where it also needs preliminary approval.

Both the IDB and the Bond Commission also will have to give a final review before granting final approval of the project's bonds. Final approval for the project's tax deferral agreement, also called a payment in lieu of tax agreement, will be given by IDB after it reviews the project a second time.

Larry Schmidt, regional director for the Trust for Public Land, which wants to raise money for a riverfront park across from the Samuel site, said he is "anticipating an incredible project (by Samuel). It's exciting for the city to have this opportunity in this post-Katrina world to (develop what could become) the cornerstone of the riverfront."

"The Samuel group has a history of pulling off these kinds of buildings that are not easy, difficult environmentally and structurally. But fortunately we have a developer with the capacity. He's been there and done that," Schmidt said.

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