

Developer/Sponsor

Renaissance Neighborhood Development Corporation

Project Type

Historic Rehab; Mixed-income Residential/Office

52 residential units

6,200 square feet of commercial kitchen space

6,400 square feet of other retail space

40,700 square feet of warehouse space



Description

In New Orleans' Lower Garden District, a new redevelopment project is underway that will result in 52 apartments, a commercial kitchen that will prepare fresh and healthy meals for schools and social service clients and offer job training, and retail and warehouse space in a rapidly transforming neighborhood.

1770 Tchoupitoulas is the adaptive reuse of three industrial buildings along the Mississippi River waterfront that have been vacant for 20 years. A main feature of the project is a food production facility operated by Volunteers of America of Greater New Orleans, modeled after the successful "Catering for a Cause" program in Oregon. The organization anticipates serving 110 low-income clients and 2,110 students at eight area schools by its fifth year of operations. The food production facility will also provide culinary arts training to low-income individuals preparing for careers in the food industry.

The residences will be built to U.S. Green Building Council LEED Homes for Silver standards as well as the Enterprise Green Communities Criteria. Of the 52 apartments, 27 will be affordable to families earning up to 80 percent of area median income. The main commercial building will be built to LEED standard.

Financing

Enterprise provided \$10 million in New Markets Tax Credits (NMTC) allocation to the project. Volunteers of America National Service provided \$8.5 million in NMTC allocation. U.S. Bancorp Community Development Corporation was the equity investor for the full allocation and provided an additional \$2.6 million in historic tax credit equity. Iberia Bank provided a \$3.2 million term loan and \$7.7 million in bridge financing. The balance of project costs was funded by \$2.6 million in state historic tax credit proceeds, a \$2.5 million loan and \$1 million grant from the State of Louisiana Office of Community Development, and other grants and fundraising.

Market

1770 Tchoupitoulas is located two miles south of New Orleans' central business district along the Mississippi River. The immediate area has been undergoing a transformation from primarily industrial uses to a mix of residential, retail and park space. The site is conveniently located with easy access to the highway and bus routes into the central business district.

Community Impact

The city of New Orleans suffers from an extremely tight housing supply and limited access to fresh foods, with over 40 percent of the population living in a “food desert.” 1770 Tchoupitoulas addresses these needs by redeveloping long vacant historic buildings to provide workforce housing, healthy meals, and job training. The project will create approximately 130 construction jobs and 10 permanent jobs at the food production facility.

Sponsor

Renaissance Neighborhood Development Corporation (RNDC) was founded in 2007 to rebuild affordable housing in greater New Orleans in the wake of Hurricane Katrina. RNDC has completed three mixed-income projects, creating 444 rental units and 94 units of single-family housing for first-time homebuyers. RNDC focuses on housing that is accessible to employment opportunities, commercial services and public transportation. It is an affiliate of Volunteers of America National Services, a Christian human services organization, and its local affiliate, Volunteers of America of Greater New Orleans.

Investor

U.S. Bancorp Community Development Corporation, with assets of nearly \$1.4 billion, is one of the largest New Markets Tax Credit investors in the country. It also makes equity investments in low-income housing and historic tax credits through U.S. Bank. Both are subsidiaries of U.S. Bancorp, which is the sixth largest financial services holding company in the United States, providing a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions.