

MCCORMACK
BARON
SALAZAR



Contact:

Stephanie Tolson
McCormack Baron Salazar, Inc.
(314) 335-2984

Stephanie.Tolson@McCormackBaron.com

Lesley E. Thomas
Housing Authority of New Orleans
(504) 248-0104
leugene@hano.org

FOR IMMEDIATE RELEASE

HANO, the City of New Orleans and McCormack Baron Salazar Break Ground at Future Site of City Square 162 Apartments in Tremé

*Construction underway on mixed-income community to include 76 housing units as part of
HUD Choice Neighborhoods Initiative*

NEW ORLEANS (February 27, 2020) - Today, the Housing Authority of New Orleans (HANO), City of New Orleans and McCormack Baron Salazar commemorated the start of construction on the future site of the City Square 162 community. Construction officially began in January on the multi-family building, located on the property of the former Winn-Dixie grocery store on St. Louis Street in Tremé, as a part of the U.S. Department of Housing and Urban Development (HUD) \$30.5 million Choice Neighborhoods Initiative (CNI).

"Breaking ground at the future site of City Square 162 marks the beginning of change and opportunity when it comes to quality, affordable housing in New Orleans," said **Mayor LaToya Cantrell**. "New Orleans is facing an affordability crisis that is impacting the very fabric of our community, people are being priced out of neighborhoods they have long called home, and we have been working hard to turn that tide. Together with HANO and our partners, the City is not only creating more housing opportunities, we are also investing in a historical neighborhood and a strong and thriving community."

"We are excited to break ground on a project that represents a \$31 million investment in this community and will provide necessary housing opportunities for low-to-moderate income families in our City," said HANO Executive Director Evette Hester. "Projects of this caliber that couple modern, sustainable housing embrace urban planning and neighborhood development. This, along with the provision of wrap-around supportive services for families that utilize subsidized housing assistance, is the mission of our agency and will continue to be our priority moving forward."

The City Square 162 development will include 76 one- and two-bedroom units, which will encompass 15 public housing and 15 project-based voucher (Section 8) assisted apartments subsidized by HUD. The remaining 46 apartments will be rented at market rate. The units will be built to Enterprise Green Communities standards and include storm-resilient engineering, and will achieve Energy Star for Homes certification. All units will contain energy-efficient appliances and will be pre-wired with high-speed internet and cable access. The community will also have an integrated leasing and management space, a fitness facility, a business/technology center and multi-purpose meeting rooms.

"Increasing affordable housing is one of HUD Secretary Carson's priority initiatives, and we congratulate HANO, the City of New Orleans and its partners on today's City Square 162 groundbreaking," said HUD Acting New Orleans Field Office Director Bam Gressett. "City Square 162 is exactly the kind of project HUD envisioned when it created the Choice Neighborhoods Initiative program, and we are proud to be a part of it."

City Square 162 is part of a broad redevelopment and revitalization plan that began with the development of Bienville Basin, a new mixed-income, mixed-use community constructed by HRI Properties on the site of the former Iberville Public Housing Development. The new community will be located directly adjacent to Bienville Basin and will connect to it via the Lafitte Greenway.

"Community has been the essence of this historic neighborhood for generations, and this project aims to capture that sense of community and vibrancy in a way that works for the next generations," said Gary Buechler, Chief Operating Officer at McCormack Baron Salazar. "We're thrilled to bring our expertise to the table and begin moving forward with this dynamic project."

Scheduled for completion in the summer of 2021, City Square 162 is the first of a two phased off-site component planned for this location. Funding sources include HANO/HUD dollars in the amount of \$12.8 million and City of New Orleans funding totaling \$3.2 million from the Community Development Block Grant and HOME Investment Partnerships programs. Additional funding sources include an allocation of Low Income Housing Tax Credits and National Housing Trust Fund dollars from the Louisiana Housing Corporation, equity provided by U.S. Bancorp Community Development Corporation, and FHA Multifamily Mortgage Insurance dollars from Gershman Mortgage.

McCormack Baron Salazar serves as the developer of City Square 162. This project will benefit from a Payment In Lieu of Taxes arrangement approved by the Industrial Development Board of the City of New Orleans. McCormack Baron Management will serve as the property manager. Architectural services are provided by HCI Architecture, and engineering services are provided by Schrenk Endom & Flanagan. Landis Construction is the general contractor. The total development cost, including the new street grid and infrastructure, is estimated at \$31 million.

About McCormack Baron Salazar, Inc.

McCormack Baron Salazar is one of the nation's leading developers, managers, and asset managers of economically integrated urban neighborhoods. Since 1973, the firm has been an innovator of community development and urban revitalization in 43 cities, having built more than 21,000 high-quality homes for families, children, seniors and veterans.

###