

**Narrative Exhibit A:
Executive Summary**

**Applicant:
Housing Authority of New Orleans, Louisiana**

New Orleans' application for a Choice Neighborhoods Initiative (CNI) Implementation Grant embraces a neighborhood whose history and character define what sets this city apart, gives it its magical allure, and has made it world famous: Iberville/Tremé. This neighborhood, more than any other, defines what New Orleans was, is, and can be again.

Iberville/Tremé is one of the most important places in the history of New Orleans and of the nation, made world-famous by the HBO hit TV series "Treme." The first *Faubourg* (neighborhood) as the city expanded away from the Mississippi River, it is as much part of the core of New Orleans as the French Quarter. In the eighteenth century, it was already home to prosperous free people of color. Congo Square, its historic central public space, was the only location in the New World where Africans – both slave and free – could gather. St. Augustine Catholic Church here is the oldest African-American congregation in the nation. This was the neighborhood where young Louis Armstrong delivered buckets of coal to prostitutes in the famous Storyville red light district, while Jelly Roll Morton played piano and, as he always insisted, invented jazz. As the home of the Zulu Social Aid and Pleasure Club, Iberville/Tremé is the center of Mardi Gras for the black community and the place where the downtown Mardi Gras Indians parade. New Orleans as the world knows and loves it invented itself here. The people in this neighborhood form an incredibly strong community of interconnected friends and families, some with roots six or seven generations deep.

Iberville/Tremé is adjacent to the economically healthy French Quarter and Central Business District, but in the more recent past has been one of the most troubled areas in New Orleans. Poverty and unemployment rates are high, neighborhood schools are persistently low performing, crime rates are high, and housing vacancy rates are considerably higher than the surrounding parish. The City has struggled for decades to create economic and social health in

this neighborhood, which has been damaged through past public policy decisions. CNI brings the opportunity to address the challenges facing the people and the place with a comprehensive plan integrating local, state, federal, and private resources to build a sustainable community that supports a high quality of life and radiates health and value into the entire city.

The Housing Authority of New Orleans (HANO), Lead Applicant, and the City of New Orleans (City), Co-Applicant, are requesting a \$31 million CNI Implementation Grant to transform the Iberville/Tremé neighborhood, which includes the Iberville public housing project, an 821-unit distressed target project with 465 units currently occupied, on the former Storyville neighborhood. Our Transformation Plan (the Plan) for Iberville/Tremé will catalyze redevelopment of housing and commercial centers in the neighborhood while eliminating blight by providing one-for-one replacement of public housing units in mixed-income, mixed use communities. Our Plan will improve educational and health outcomes, increase employment opportunities, and improve neighborhood safety. Finally, our Plan will enhance the urban framework through infrastructure improvements, expand retail opportunities, and will reestablish Iberville/Tremé as a cultural focus of New Orleans.

HANO, which has itself undergone an operational revitalization under the leadership of Mr. David Gilmore, Administrative Receiver, has selected the Iberville Revitalization Company (IRC), a joint venture of HRI Properties (HRI) and McCormack Baron Salazar (MBS), as the Implementation Entity for Housing, People, and Neighborhoods. HRI and MBS are two of the nation's preeminent developers of neighborhoods. IRC has engaged Urban Strategies (Urban), a recognized leader in human capital development, as a team member in the implementation of the People vision. The Recovery School District (RSD) will be the Education Implementation Entity, and Michelle Rhee, former Chancellor of the Washington DC public schools, will serve as

Education Advisor to the HANO Administrative Receiver. IRC and RSD will work under MOUs executed with HANO and the City. IRC has engaged various planning experts, each with deep knowledge of the neighborhood and the city, and has developed strategic partnerships with residents, property owners, business groups, institutions, and community groups to collaborate in visioning, drafting, and implementing the Plan.

The CNI Implementation Grant will be the foundation to further the City of New Orleans' place-based strategy which leverages financial, social, and human capital resources to create a national model of cooperative development in a vibrant, healthy, and sustainable neighborhood. New Orleans is in the midst of a great renewal, with billions of federal recovery dollars and other public and private investment in medical facilities, transportation, education, and recreation. The Plan, of modest cost in proportion to the overall recovery, is the keystone of the city's renewal. In the pages that follow, we portray how this new program will transform an isolated obsolete public housing development, Iberville, and its struggling neighboring community, into a linchpin that interconnects to other areas of the city in every direction, revitalizing an essential portion of downtown New Orleans, and spreading a transformative influence far beyond its boundaries. The impact of making this neighborhood whole and healthy will be huge. It will change New Orleans for the better, forever. This neighborhood transformation fits the Choice Neighborhood Initiative's purposes so perfectly that it seems as if the framers of CNI had New Orleans, and Iberville/Tremé, in mind when they conceived the idea. For us, it is the perfect vehicle at just the right time to achieve one of the most critical elements of this great city's renewal. It is the bridge between the best of our history and our future.

**Narrative Exhibit B:
Threshold Requirements**

**Applicant:
Housing Authority of New Orleans, Louisiana**

B.1 Partnership MOU

The Housing Authority of New Orleans (HANO), the City of New Orleans (City), the Iberville Revitalization Company, LLC (IRC), and the Recovery School District (RSD) are committed to working collaboratively throughout the entirety of the Choice Neighborhoods Initiative (CNI) Grant, and have executed two Memorandums of Understanding (MOUs) to demonstrate this partnership. HANO, the owner of the Iberville public housing development, is the Lead Applicant. The City is the Co-Applicant and will be jointly and severally liable with HANO for the performance of the grant. The City will make capital and administrative investments in the target neighborhood in support of the Transformation Plan (the Plan).

IRC, a joint venture between Historic Restoration, Inc. (HRI) and McCormack Baron Salazar, Inc. (MBS), was procured by HANO to be the Housing, People and Neighborhood Implementation Entity. IRC has engaged Urban Strategies (Urban), a recognized national leader in human capital development and public housing transformation, to assist with implementation of the People vision. As Principal Team Member, IRC will be responsible for implementing day-to-day development and asset management activities associated with the Plan. The RSD, with a proven track record of improving student performance and funds to rebuild schools, will be the Education Implementation Entity. Michelle Rhee, former Chancellor of Washington DC public schools, will serve as education advisor to the HANO Administrative Receiver.

B.2 Appropriateness of Proposal

HANO, the City, and IRC have extensive knowledge of local housing and construction market conditions, and are acquiring knowledge of the needs and wishes of the current Iberville residents through resident engagement and the participation of the Iberville Redevelopment Working Team (IRWT) (See Exhibit E, p. 36). The Plan is appropriate as it commits to one-for-one replacement of public housing units in mixed-income developments, reconnects the Iberville

site to the surrounding community (physically, socially, and economically) and stimulates redevelopment activity and blight eradication by leveraging existing assets and major efforts already underway. Blight has been a major challenge to the revitalization of New Orleans post-Katrina and this Plan will reuse vacant properties for replacement housing and market rate homes, catalyzing neighborhood redevelopment. In formulating the Plan, these other alternatives were considered but determined inappropriate:

Full Renovation Alternative: Renovation of all existing buildings was considered but was deemed unacceptable as it would result in a significantly lower unit count (e.g., 2-bedroom apartments would be converted to 1-bedroom apartments) as larger, modern residences are required to meet the housing needs of current residents; would have high construction costs to replace the electrical, plumbing, and mechanical systems to meet code and to provide ADA compliant housing - costs that could not be justified for all 74 existing buildings; would not result in a truly mixed-income community as renovation alone would not appeal to market rate residents; would not allow the street grid to be restored or for the site to be reconnected to the community; and would not rectify the lack of defensible space on the current site, as the maze of courtyards and fenced dead-end spaces would remain. The full renovation alternative would not cure the existing issues that make the current dwelling units functionally obsolete.

Lower and Higher Density Alternatives On-Site: The proposed Plan results in 830 units on-site, with 300 as replacement units for the existing residents. The team considered options with lower and higher densities. The lower density options were rejected as not providing sufficient housing to meet the desires of the existing residents. If the unit count on site is dropped to 600, in order to maintain a sustainable income mix only 200 replacement units would be created, which is unacceptable to existing residents. At 830 units, the on-site density is consistent with the neighborhood. With a unit count above 830, buildings five stories and higher would be needed,

which would dramatically increase construction costs and is not compatible with the surrounding neighborhood. An increase in on-site density would also result in eliminating townhouse units, which provide a needed architectural contrast and housing choice on-site, and were requested by existing residents. Finally, while the historic core of New Orleans has a strong demand for market rate housing, particularly within close proximity to the French Quarter, saturating this submarket with a high density on-site would have minimal effect on our goal of neighborhood stabilization and blight removal, and would limit variety of housing options.

On-Site Homeownership Alternative: The team and residents considered an on-site homeownership component, but determined it would be most consistent with the City's blight-fighting plans and funding to renovate the significant number of publicly owned single-family homes and infill vacant lots in Iberville/Tremé with homeownership. The New Orleans Redevelopment Authority (NORA) and the Louisiana Land Trust (LLT) own an abundance of blighted and Katrina-damaged properties that can be used as affordable homeownership while improving the neighborhood. In addition to the land, \$52 million of public funding is directly tied to the LLT properties as soft second mortgage financing of up to \$75,000 per home to help place purchasers in these new and renovated homes.

Off-Site Housing: Concentrating all off-site redevelopment in only one area of the neighborhood was rejected because it would not have the catalytic effect needed to create a neighborhood of choices. The off-site housing plan within Iberville/Tremé uses vacant, scattered publicly and privately owned parcels to create mixed-income housing within a mixed-use context.

B.3 Separability

Separability is not applicable as the Plan addresses the entire Iberville site.

**Narrative Exhibit C:
Capacity**

**Applicant:
Housing Authority of New Orleans, Louisiana**

C.1 Overall Project Leadership Capacity of Lead Applicant

The Lead Applicant for Iberville Choice Neighborhood Initiative (CNI) is the Housing Authority of New Orleans (HANO), guided by its experienced Administrative Receiver. In recent years, HANO has undertaken a massive revitalization of its largest traditional public housing sites into mixed income communities. In addition to HANO's extensive redevelopment expertise, HANO's Receiver, Mr. David Gilmore, is recognized as one of the most respected public housing administrators in the nation. His leadership and oversight of large-scale public housing revitalization has spanned across project conception to closing, and through construction and viable long-term management.

St. Bernard Development, New Orleans, LA. One example of HANO's extensive neighborhood-based initiatives is the St. Bernard development.

Types of Partnerships & Contracts: HANO executed three major agreements for St. Bernard: 1) an MDA with Columbia Residential and Bayou District Foundation to redevelop housing, the neighborhood, and City Park; 2) an MOA with HUD, Louisiana SHPO and the Advisory Council on Historic Preservation; and 3) an agreement with the Louisiana Office of Community Development to provide CDBG Piggyback funds. At the direction of HANO, the Developer entered into an MOU with the St. Bernard residents and formed a Resident Advisory Council.

Managing Partnerships & Contracts: HANO insisted its partners follow an inclusive and thorough process from predevelopment through construction. Numerous community meetings and ongoing Resident Advisory Council meetings, as well as two trips with residents and local officials to other sites resulted in an ambitious but achievable plan. HANO continues to manage all contracts via monthly partner meetings to address status and resolve issues.

Strategically Collected & Used Data: All partners are required by HANO to submit monthly and

quarterly reports reviewing construction costs and progress, Section 3 employment, DBE and WBE contracting, CSS progress, property management updates, and other development activities. HANO uses key information from these reports to coordinate internal and external activities related to relocation, re-occupancy, development, finance, and property management.

Major Funding Sources & Amounts: The St. Bernard budget is estimated to be \$200 million. Funds include \$70.3 million in LIHTC, \$27 million in CDBG Piggyback funds, \$72 million in HANO Capital Funds, \$5.78 million in 1602 Exchange Program funds, \$4.6 million in Program Income, \$8.5 million in private debt, and approximately \$11.5 million in New Market Tax Credits and private grants.

Default: The partnership has not been in default under the terms of any funding source.

Quantifiable Outcomes – Housing: The new development, named Columbia Parc, includes a mixture of ACC, LIHTC, and market rate rental housing units. It is HANO's first major mixed-income redevelopment built to LEED-Silver sustainability standards, providing greater energy efficiency for residents. Phase I includes 466 mixed-income units. Phase IIA and IIB will contain an additional 97 mixed-income units and Phase III will consist of 120 units of senior housing. Over 300 homeownership units will be developed in the surrounding neighborhood to offer more housing options. This variety brings a substantially greater mix of incomes to the community.

Quantifiable Outcomes – People: Of 155 new hires, 123 are Section 3 residents. \$25.5 million has been awarded to MBEs, \$5.3 million to WBEs and \$3.3 million to Section 3 businesses. 230 families have been assisted in health, education, employment, and homeownership.

Quantifiable Outcomes – Neighborhood: Bayou District Foundation, a national voice in early childhood education and literacy, has teamed with *Educare* to locate its first facility in the southern US as part of Phase IV. Educare will serve 150 low-income children per year to prepare

them for kindergarten. Fore!Kids Foundation has contributed \$500k for educational initiatives at Columbia Parc and planned golf courses near the development will generate over \$300k/year for CSS and *Educare* programs.

Current Status: Phase I is currently 100% complete, two months before the Placed In Service date, with Phases IIA, IIB, and III to be completed by December 2011. Phase IV is in preliminary design.

Wheeler Creek, Washington, DC. The finest example of Mr. Gilmore's extensive experience transforming neighborhoods is Wheeler Creek. In 1997, the District of Columbia Housing Authority (DCHA), with Mr. Gilmore as Receiver, received a \$20.3 million HOPE VI grant for the largely uninhabitable 312 unit Valley Green public housing site and adjacent Skytower, a 91 unit HUD-foreclosure. The result is a 314-unit mixed-income community.

Types of Partnerships & Contracts: Mr. Gilmore used his experience of three decades to determine that combining the redevelopment of Valley Green with Skytower would make redevelopment feasible. He developed an MOU between DCHA and the two polarized resident groups to work together on redevelopment. With input from residents and community members, he also entered into contracts with both a non-profit and for-profit developer for implementation.

Managing Partnerships & Contracts: Mr. Gilmore developed significant in-house capacity by staffing a development department with seasoned professionals to manage all phases of redevelopment. He conducted weekly status meetings, semi-monthly development briefings, and monthly Receivership meetings to update residents and the community on progress. Mr. Gilmore also assisted Valley Green/Skytower residents form the Wheeler Creek CDC. While policy decisions were made among the five entities under MOU and contract, the CDC implemented economic development activities with over \$1 million in non-HOPE VI sources.

Strategically Collected & Used Data: Mr. Gilmore engaged qualified technical assistance providers to plan the physical and human revitalization elements and conducted planning charrettes and community meetings to guide the process. He commissioned an analysis of strengths and weaknesses and developed an associated needs assessment and human capital plan. He also used baseline data to inform development activity and to build consensus.

Major Funding Sources & Amounts: Funds included \$20.3 million HOPE VI, \$8 million CGP/CIAP, \$2.7 million HOME/CDBG and \$22.7 million in private equity from SunTrust, Federal Home Loan Bank of Atlanta, B.F. Saul Mortgage and other local lenders.

Quantifiable Outcomes – Housing: Wheeler Creek today is a new 314-unit development with 48 low-income family rentals homes, 100 elderly rental apartments, 32 market-rate rental units, 30 lease/purchase units and 104 homes for purchase. 11 former public housing residents have transitioned to homeownership and 30 are participating in a lease-to-purchase program.

Quantifiable Outcomes – People: A total of 130 residents received individual career employment assessment and skills training and 80 people now have full-time, living-wage employment. Additionally, employment services provided by the Wheeler Creek CDC generated \$500,000 for the CDC and resulted in employment of 68 public housing residents in construction activity, 47 who are now homeowners or market rate renters at Wheeler Creek.

Quantifiable Outcomes – Neighborhood: According to HUD OPDR, home prices increased more than \$30,000. Incidents of violent crime dropped nearly 26% and the average income was estimated to be \$25,000 higher (in 2006), all in a neighborhood that had been one of the poorest with poverty of 37%, unemployment of 18.2%, and median income less than 37%.

Current Status: Wheeler Creek was completed in 2000 and fully occupied in 2001.

C.2 Housing Implementation Capacity

The Iberville Revitalization Company, LLC (IRC), a joint venture between HRI Properties (HRI) and McCormack Baron Salazar (MBS), will lead the Housing Component of the Plan. IRC, with unparalleled experience in housing and urban revitalization, was selected by HANO via a highly competitive RFQ process in September 2010.

Based in New Orleans, HRI is a premier national real estate company specializing in development of high quality, large-scale, urban mixed-use and mixed-income projects. Since 1982, HRI has successfully completed over 50 large-scale sustainable developments totaling over \$1.4 billion including 4,496 apartments and condominiums, 3,487 hotel rooms and over 500,000 sf of office and retail space. HRI employs over 700 people in five states.

In the past 35 years, MBS has established itself as a leader in urban transformation anchored by mixed-income communities. MBS has closed 141 projects totaling in excess of \$2.2 billion, including 15,143 housing units and over 1 million sf of retail/commercial space. MBS has been extensively involved with HUD's public housing "mixed-finance" program, closing on the first two demonstration projects (Murphy Park in St. Louis and Centennial Place in Atlanta) in 1996. Since those first two transformations, MBS has closed 49 phases of HOPE VI developments in 15 cities involving 6,419 high quality, energy efficient units and \$1 billion in total development costs.

St. Thomas, New Orleans, LA. HRI was engaged in 1999 by HANO as Master Developer of this HOPE VI revitalization after previous developers were unable to assemble financing. St. Thomas, now named River Garden, was severely distressed: 700 of 1,350 units were boarded up and abandoned with 19 murders in the two years prior to demolition. Using federal, state, local, and private sources of funding, HRI completed the demolition, remediation, site preparation, and

development to Enterprise Green Communities standards. Anchored by a highly successful WalMart recruited by HRI and placed on an adjacent, privately held property added to the redevelopment of the site, River Garden has significantly increased the quality of life of the St. Thomas residents and transformed the Lower Garden District into a sustainable community with high quality diverse housing choices, a mix of incomes, and neighborhood shopping. River Garden is managed by HRI Management Services, an affiliate of HRI.

Populations Served: Elderly and disabled, public housing, Section 8, low income, workforce housing and market rate.

Number & Types of Units: 773 total units including 57 elderly, 182 ACC, 101 LIHTC, 360 market rate rental, 15 affordable homeownership, and 58 market homeownership. Building types include new construction of single-family homes, townhouses, mid-rise, mixed-use buildings, and renovation of five of the historic former St. Thomas buildings.

Recent Operating Statements: The most recent operating statements for River Garden, certified by an independent auditor, are included in Attachment 16. None of the components of River Garden require ongoing cash infusions from the owner.

Relocation of Residents: Relocation of all residents at St. Thomas was managed by HANO and coordinated with HRI's phasing and development timeline.

Funding Sources: HRI obtained private mortgage debt, tax-exempt bonds, LIHTC equity, historic tax credit equity, PILOT, HOPE VI, private equity, State of Louisiana Capital Outlay funds and infrastructure funding from the City of New Orleans resulting in total sources of \$247 million. HRI was also the first developer in Louisiana to utilize a TIF, leveraging the sales tax revenues generated by the WalMart to bridge the funding gap. Attachment 16 includes all major sources and uses for each phase of the River Garden revitalization.

Blumeyer, St. Louis, MO. Most of the 1,162 units in the Blumeyer public housing development were declared non-viable by HUD in 1999. In partnership with the St. Louis Housing Authority (SLHA), MBS used a combination of local, state, Federal (including HOPE VI) and private sources to successfully transform the site into a high-quality, LEED-certified, mixed-use, mixed-income development with 512 new rental units, a mixed-use building (bank, café and SLHA headquarters), a revitalized park, and homeownership units. The new development, Renaissance Place at Grand (RPG), is one of fewer than a dozen neighborhoods certified under the USGBC's LEED for Neighborhood Development and is managed by McCormack Baron Ragan Management Services.

Populations Served: Elderly and disabled, public housing, low income, market rate, and low-income homeownership.

Number & Types of Units: 512 total units including 223 ACC, 108 LIHTC, 30 off-site homeownership and 151 market rate. 140 of the units are 1- and 2- bedroom flats in the universally-designed (UD) senior building and a building for non-senior residents with accessibility needs. The family units consist of 1-5 bedroom garden apartments and townhouses.

Recent Operating Statements: The most recent operating statements for all four phases of RPG, certified by an independent auditor, are included in Attachment 16. None of the components of RPG require ongoing cash infusions from the owner.

Relocation of Residents: The demolition of Blumeyer was phased so that residents who wished to remain on site during construction could do so. Urban Strategies (Urban), at the direction of MBS, coordinated CSS activities, including case management, to help residents address good standing issues and remain lease compliant, resulting in 207 households returning to RPG.

Funding Sources: MBS secured private mortgage debt, tax-exempt bonds, LIHTC equity,

NMTC equity, HUD Capital Funds, HOPE VI, CDBG, and FHA 1st mortgages to cover a total development cost of over \$97 million. Attachment 16 includes all major sources and uses for each phase of RPG.

Lamar Terrace, Memphis, TN. The Memphis Housing Authority (MHA) engaged MBS to lead the redevelopment of Lamar Terrace in 2004. Redevelopment with HOPE VI funds resulted in University Place (UP), a \$73 million high-quality, mixed-income revitalization that has achieved LEED-Silver certification and LEED-ND Certification.

Populations Served: Elderly and disabled, public housing, low income, market rate, and low-income homeownership.

Number & Types of Units: 405 total units including 70 ACC, 117 LIHTC, 93 unrestricted rental in 1-5 bedroom walk-up and townhome units, 118 senior rental and 7 affordable homeownership.

Recent Operating Statements: Recent operating statements for all three phases of UP, certified by an independent auditor, are included in Attachment 16. None of the components of UP require ongoing cash infusions from the owner.

Relocation of Residents: MBS, working with Urban and MHA, coordinated the relocation and return of residents to the site. With a hands-on case management program that helped residents address good standing issues and remain lease compliant during construction, 22 Lamar Terrace households were able to successfully, and confidently, return to new units in UP.

Funding Sources: MBS secured HOPE VI, private mortgage debt, tax-exempt bonds, LIHTC equity, HUD Capital Funds, and other state and local funds totaling over \$73 million.

Attachment 16 includes all major sources and uses for UP.

C.3 People Implementation Capacity

The Iberville Revitalization Company, LLC (IRC), a joint venture of HRI and MBS, along with Urban Strategies (Urban), will lead the People Component of the Plan. IRC members, with Urban, all have extensive experience designing and implementing successful Human Capital and Community & Supportive Services (CSS) programs, and have tremendous knowledge in resident engagement, developing and implementing CSS work plans, contracting with and supervising case managers/service providers, leveraging resources, and coordinating with redevelopment activities. IRC, with Urban, has also successfully developed partnerships with schools and helped families gain access to high quality early childhood programs.

C.J. Peete HOPE VI, New Orleans, LA (2007 – 2013)

Populations Served: 551 HCV and public housing households involuntarily displaced throughout Louisiana and the country due to Hurricane Katrina, and new residents at the revitalized site.

Evidence Based Services & Case Management: MBS, with Urban, provides comprehensive case management through workforce development, early childhood education, safety, education, programming for children and youth, health services, and other supportive programming. Urban monitors the Section 3 effort and developed a model program that links residents to jobs. Urban developed and coordinated the C.J. Peete Job Readiness and Construction Training Program. The program graduated 78 Section 3 eligible participants and 62 have gained full-time employment.

Mobility & Relocation Counseling: Due to Katrina, formal relocation was not needed, but preparing families to return was critical. Urban is currently providing re-occupancy counseling to eliminate any barriers to meeting re-occupancy requirements. To date, 77 former C.J. Peete families have successfully returned to the revitalized community (out of 121 units available).

Leverage & Coordination of Services: Urban is coordinating partnerships with over 25 faith- and

community-based organizations including YMCA, Youth Empowerment Project, Home Builders Institute, Good Work Network, KIPP New Orleans and Catholic Charities, recorded in MOUs and monthly CSS meetings. Urban has leveraged over \$27 million in public and private funds.

Sustaining & Expanding Service Strategies: The CSS program was developed in partnership with existing organizations and resident leadership to establish the foundation for services.

Urban is now developing a long-term sustainability plan to support families beyond HOPE VI.

Collected & Analyzed Data: Urban uses Tracking At a Glance to track household success and coordinate data from multiple agencies serving families that have not yet returned because of Katrina. Urban uses this data to engage appropriate service providers across the country to assist these families. Urban also works with the CSS Subcommittee monthly to review the reports provided by the Case Management team to guide ongoing program improvements.

Lamar Terrace HOPE VI, Memphis, TN (2003 – 2010)

Populations Served: 166 Lamar Terrace public housing households and new residents.

Evidence Based Services & Case Management: MBS, with Urban, implemented a case management model that increased resident access to resources. To build self-sufficiency, Urban prepared residents for employment and coordinated hiring. Now, 80% of employable adults are working. Urban conducted a Service Gaps Analysis to gauge residents' services needs and providers' capacity to meet those needs, allowing Urban to identify and prioritize resources.

Mobility & Relocation Counseling: Urban conducted relocation assessments for all 166 households and provided counseling to assist families with their temporary and permanent housing choices. Counseling sessions included level of interest in moving, long and short term education and employment goals and neighborhoods that best accommodate the family's needs.

Leverage & Coordination of Services: Urban coordinated a partnership network that included

Workforce Information Network, Dept. of Human Services, St. Jude's Children's Hospital and Metropolitan Inter-Faith Association to provide comprehensive services for families. All CSS funds were raised via the private sector. Urban, in partnership with the Women's Foundation for a Greater Memphis (WFGM), led this effort and raised over \$7 million.

Sustaining & Expanding Service Strategies: In 2006, Urban was selected to implement the Dixie Homes CSS program, resulting in the formation of Urban Strategies Memphis HOPE (USMH). Significant economies of scale and expertise sharing were achieved by joining the two projects. MHA has since decided the integrated case management and service connection approach employed by USMH will be the vehicle for ongoing service delivery to PH and HCV residents.

Collected & Analyzed Data: Urban contracted with the University of Memphis (UM) to perform evaluation services to analyze program success. UM evaluated the impact of the CSS program in helping relocated residents achieve self-sufficiency goals, documented partnerships to provide services, geo-coded the location of relocated residents, and evaluated the impact of the HOPE VI program on the revitalization of the surrounding neighborhood. UM provides Urban with annual evaluation reports that are used to improve CSS programming.

Blumeyer HOPE VI, St. Louis, MO (2002 – 2008)

Populations Served: 800 rental and for-sale housing families including public housing, low-moderate income and market rate.

Evidence Based Services & Case Management: MBS, with Urban, coordinated and implemented the CSS program. As part of this, Urban received a Neighborhood Networks grant. The program offered technology courses, skills training, and access to homeownership and entrepreneurship resources. This technology-based self-sufficiency program focused on increasing educational attainment and employability and facilitating information access for low-

income residents. A youth employment program (with over 75 neighborhood youth) taught technology skills to participants. Local businesses contracted with the program for technology services which funded youth stipends. Urban also developed a homeownership plan to bridge the gap between low and moderate income families' purchasing power and prevailing home prices. Urban screened and recruited residents, and with resident leadership, provided financial counseling. A group of prime lenders offered competitive mortgage products, and a pool of second mortgage funds were made available. The program resulted in 30 new homeowners.

Mobility & Relocation Counseling: Urban established a Relocation Committee that consisted of residents, SLHA, and MBS to develop policies for relocation and re-occupancy. Urban provided families with relocation counseling in coordination with other service needs. Urban and MBS determined bedroom needs of relocated families to ensure that the unit mix developed would meet the requirements of the 207 returning families.

Leverage & Coordination of Services: Urban coordinated a diverse set of partners including Kim's Kids (24 hr child care), Harris Stowe College, Metropolitan Employment & Rehabilitation Services, and St. Louis Public Schools to serve former Blumeyer families and new residents. Urban leveraged over \$4 million in funding for services and construction of a community center.

Sustaining & Expanding Service Strategies: A Resident Liaison, funded by the property manager, continues to work in the community as a member of Urban's staff. She supports the partnerships that were developed under the CSS Program and coordinates on-site services.

Collected & Analyzed Data: Urban developed an assessment tool that was administered to all residents to collect and refine community needs information and provide baseline household data. This data was used to identify 50 families ideal for homeownership based on their rent, income, and financial history. 30 are currently homeowners.

C.4 Education Implementation Capacity

The Louisiana Recovery School District (RSD) will lead the Education Component of the Plan. The Louisiana Legislature created the RSD in 2003 and in 2005, shortly after Hurricane Katrina, allowed RSD takeover of schools performing below the state average. As a result, 107 New Orleans schools were swept into the RSD. Michelle Rhee, former Chancellor of the Washington DC public schools, will serve as education advisor to HANO.

Early Learning: The RSD PK-3 Initiative is an aligned and coordinated approach to education for children throughout early childhood. The Initiative calls for teachers to learn to recognize individual differences to enable children to study on levels appropriate to their needs. The RSD early childhood classrooms support opportunities for students' optimal development of cognitive, social, emotional, language, literacy, numeracy, and motor skills through developmentally appropriate learning experiences and a nurturing environment.

The RSD chose the research-based *The Creative Curriculum for Preschool* as the blueprint for planning and implementing early childhood programs. *The Early Childhood Environment Rating Scale* is used to ensure a high quality learning environment. Pre-Kindergarten and Kindergarten Grade-Level Expectations Portfolios record progress toward accomplishing grade-level expectations. While standardized testing is not required, RSD has demonstrated success preparing young children for school by significantly improving third grade test scores. Research indicates it would be difficult to see improvements like this without a quality education program.

Education Programs: The RSD is employing nationally recognized best practices to turn struggling schools into successful ones. By placing failing schools under a single entity, the state removed institutional obstacles to reforms.

Academic achievement continues to be at the forefront of RSD's mission. Test scores have improved in every grade and in every subject for three consecutive years. The RSD led the state in improvement from 2009-2010 as well as for the last three years, with a gain of 20 points from 2007 to 2010. Since 2007, the passing rate for first time 4th grade test-takers in the RSD increased from 36% to 58%. The passing rate for 8th grade first-time test takers grew from 32% to 50%. In 2010, growth in the RSD exceeded the growth in the state in 25 of 30 categories in LEAP, iLEAP and GEE. Senior graduation rates increased from 50% to 86% in three years.

The RSD was the state's most improved district in 2009-2010, according to preliminary District Performance Scores (DPS) released by the State Department of Education. Overall, the RSD's New Orleans schools posted a DPS of 60.6 in 2010, an 11.4 % increase from the 2009 DPS of 54. State officials announced the preliminary 2010 School Performance Scores (SPS), which show that 34 of 64 RSD schools (53%) that received an SPS were over 60. In 2009, just 26 of 61 RSD schools (42.6%) that received an SPS were over 60. At 6.6 %, the RSD's growth in SPS was twice that of the state. The RSD took over the lowest performing schools in New Orleans following Hurricane Katrina. Five years after the storm, the RSD continues to enroll children who have not been to school consistently since Katrina.

School Improvements: The RSD is also undertaking a significant Capital Program, jointly adopted in 2008 by the Board of Elementary and Secondary Education and the Orleans Parish School Board. It is the largest public-sector rebuilding since Katrina, and the largest FEMA-funded school rebuilding program in history. The RSD secured a lump sum settlement from FEMA to fund the \$1.8 billion master plan. The RSD has opened 5 new schools and has 13 others under design. A total of 87 permanent schools will be designed for 21st Century learning. All new schools within the Master Plan are Green Schools built to LEED-Silver standards.

C.5 Neighborhood Implementation Capacity

The Iberville Revitalization Company, LLC (IRC) will lead the Neighborhood Component of the Plan. The members of IRC, HRI and MBS, have worked with substantial networks of public, private, service, institutional, faith-based and resident stakeholders to effectively implement neighborhood-level planning activities and to coordinate neighborhood-level transformations comparable in size and scope to the proposed Plan, resulting in positive outcomes directly aligned with Choice Neighborhoods goals.

C.J. Peete HOPE VI, New Orleans, LA. In 2007, Central City Partners, a team led by MBS with KAI Design+Build Architects, the New Orleans Neighborhood Development Collaboration (NONDC), and Urban Strategies (Urban), was selected by HANO to revitalize the C.J. Peete (CJP) public housing site and transform the surrounding Central City neighborhood. Before the transformation, CJP was one of the largest public housing projects in the city and had the highest murder rate. In 1998, HANO vacated most of the buildings and began demolition. The residents of the remaining 144 occupied units were displaced following the floods from Hurricane Katrina. When the flood waters receded, CJP was abandoned and uninhabitable.

Shared Plan & Outcomes: As developer, MBS was responsible for the master planning process that involved compromise, concessions, and ultimately consensus on a plan that returned needed affordable units, brought necessary services and retail into the area, and met the needs of the residents, City, State, HUD, HANO, investors, and the other stakeholders in New Orleans. MBS adopted a policy of open, honest communication with all stakeholders, established a steering committee of residents and stakeholders, and aimed for consensus in all major decisions. Urban performed a baseline assessment that continues to be used to measure the success of all efforts.

Improved Assets: The plan has resulted in 460 mixed-income rental units, 50 affordable for-sale

units, and rebuilding of the neighborhood school and community center. The plan anticipates 150,000 sf of commercial space, including a grocery store. Of the 551 original families, 377 have been found and offered case-management services. The Construction Training Program has graduated a total of 78 trainees and 75% of graduates have obtained employment.

Integrated Sources: MBS secured a \$23.5 million first mortgage, \$73.5 million in LIHTC equity, \$86.3 million in Federal/HUD funds, \$19 million for the school from FEMA, \$39 million of city/state funding and \$4.3 million in philanthropic funds for the \$245.6 million transformation.

Heritage Park, Minneapolis, MN. The Near Northside (NN) community in Minneapolis was similar to many other urban areas affected by poverty and racial segregation. With a 78% poverty rate, average home prices approximately half of the city average, and commercial values of only one-third the citywide average, the NN was also characterized by social isolation as a result of long-term disinvestment. The neighborhood was home to a large immigrant population, primarily Asian, which suffered added isolation by virtue of its foreign language and culture. In 1992, attorneys for the Minnesota Legal Aid Society and the NAACP filed suit on behalf of a group of plaintiffs living in the Sumner-Field/Glenwood-Lyndale public housing site in the NN. The complaint alleged the public housing program had created racial segregation and isolation. In April 1995, the parties signed a Consent Decree calling for redevelopment and the site was demolished in 1999. MBS was selected as co-developer through a public process.

Shared Plan & Outcomes: The subsequent master planning process for the NN was highly collaborative, involving regular and significant input from the community, and included a community-wide needs assessment to establish baseline data. Planning meetings were held in English, Hmong, Somali and Laotian. Three key design concepts emerged during master planning: provide a mix of housing types, available at a variety of prices to both renters and

homeowners; create a network of streets that link to adjacent neighborhoods; and create a strong park and open space system. MBS coordinated the Heritage Park Executive Committee (HPEC), whose role was to develop a comprehensive strategy for commercial development, arts and education, economic opportunity and support services. The HPEC was comprised of residents, the Mayor, the Councilperson, Minneapolis Public Housing Authority, Parks and Recreation, Minneapolis Public Schools, City Manager, Minneapolis Public Library, McKnight Foundation, Time Warner, Cargill Foundation, Hennepin County, Empowerment Zone, and Collier Towles.

Improved Assets: The physical revitalization effort and a Mainstreet project led to an increase in average home values (including new homes ranging from \$200k to over \$1 million) and an increase in building values along the main commercial corridor. 68% of families now earn above 80% AMI. Construction of an accessible walkway over a major highway reconnected the neighborhood and increased accessibility to cultural and recreational facilities. A study of existing neighborhood cultural and performing arts facilities led to increased art coordination.

Integrated Sources: MBS secured a total of \$107 million: \$15 million in private first mortgages, \$26.6 million in tax credit equity, \$500k in philanthropic funds, \$1 million from the public school district, \$46.7 million from HUD and \$17 million from state/local programs.

Forest Park Southeast, St. Louis, MO. In 2002 the neighborhood of Forest Park Southeast (FPSE) had some of the lowest health and economic indicators in St. Louis. It was once a thriving working class area with a local elementary school, a commercial thoroughfare, and a number of churches. The previous 30 years brought a precipitous decline in population, housing stock and retail shops. In 1999, when MBS served as the Project Manager for the revitalization plan, local children attended more than 28 schools throughout the region and there were few recreational opportunities for youth within 3 miles of their homes. Recognizing opportunities to

enhance the long-term viability of FPSE, the Washington University Medical Center sponsored a community driven master planning process led by MBS and the FPSE Housing Corporation.

Shared Plan & Outcomes: Central to the planning process was active participation by neighborhood residents, leaders, and community stakeholders. Recognizing the need for supportive and educational services for children and families, the Master Plan's first priority was to re-open Adams School with an adjacent community center. Community governance was also a priority and the planning process united the five neighborhood improvement associations to work together for the good of the whole community. Building upon prior baseline assessments, MBS also developed a Human Capital Plan to address economic opportunity, safety, health, community amenities and education.

Improved Assets: Guided by MBS, the plan has resulted in the re-opening of Adams School and the development of a state-of-the-art community center. The facility has supported a 25% increase in the number of quality child care slots. Prior to redevelopment, children were bused to over 28 city schools. Currently 98% of Adam's students walk to school. A coordinated health education program between Washington University and the neighborhood health clinic lead to a 60% decrease in lead poisoning due to increased screening and improved the quality of pre-natal care for new mothers. The commercial corridor has seen a decrease in business turnover. A jobs program has reduced unemployment rates by 68% and increased the average income by 75%. Part I violent crimes have decreased by 20% in the past 5 years and the creation of a resident safety committee has resulted in 100% of the blocks being organized.

Integrated Sources: MBS secured \$24.3 million: \$12 million from Washington University Medical Center, \$9 million from St. Louis Public Schools, \$1 million in state tax credits, \$1.8 million from philanthropy, \$250k in CDBG, and \$250k from St. Louis Cardinals Care.

C.6 Overall Community Involvement

A sound community planning process fully engages all residents and stakeholders to ensure that the resulting plan addresses all of the needs and challenges faced by residents, community groups, faith-based groups, and stakeholder organizations. Throughout the examples described in the sections above, the Lead Entity has engaged the community through clear, open communication to ensure stakeholders are vested in the project; worked to build trust; worked in good faith to offer realistic expectations of the revitalization plan; and worked with the community to build consensus. These efforts are further described below.

St. Bernard (Lead): HANO and the Developer signed an MOU with the residents to ensure involvement and a Resident Advisory Council was created. The Advisory Council continues to meet regularly and monthly meetings are held with all residents of the site. Periodic meetings with the former residents are held to keep them abreast of the Master Plan implementation.

Wheeler Creek (Lead): The Receiver awarded a planning grant to the Valley Green Resident Council to build organizational capacity, pay for professional services and compensate residents for participation in the redevelopment process. They formed the Wheeler Creek CDC which now provides technical assistance to other resident organizations participating in HOPE VI.

St. Thomas (Housing): HRI spent over three years meeting and working with the St. Thomas Resident Council, the New Orleans City Council, HANO, local neighborhood associations, businesses, non-profits, and City agencies to seek input and ultimately gain community support of the redevelopment plan. To ensure long term sustainability, HRI established HCR, a non-profit supportive services entity, to coordinate on-going CSS and community involvement.

Blumeyer (Housing & People): MBS and Urban created a Steering Committee including residents, community institutions, public agencies, foundations, and corporations to guide the

transformation. The Steering Committee met quarterly for the duration of the revitalization (5 years). Capacity training and technical assistance was provided to the Tenant Association who hired a service coordinator to ensure the long-term sustainability of the site.

Lamar Terrace (Housing & People): MBS and Urban developed a Steering Committee of residents, community institutions, public agencies, foundations, and corporations to guide the development process. The Committee met quarterly for the duration of the transformation (5 years). As part of engaging residents and the community, Urban created Memphis HOPE in partnership with the Women’s Foundation. This \$7 million initiative united community stakeholders with resources, creating opportunities for stronger partnerships and better outcomes.

C.J. Peete (People & Neighborhood): Post-Katrina, MBS and Urban worked to reengage “lost” residents including skip tracing to find families, monthly public meetings, public notices in newspapers across the country, social networking sites, and a quarterly newsletter. MBS and Urban entered into an MOU with the Resident Council (RC) to establish guiding principles for community engagement. The RC is now a mixed-income Neighborhood Association.

Heritage Park (Neighborhood): The transition of the Resident Council into the Heritage Park Neighborhood Association (HPNA), supported by MBS, occurred through monthly public meetings that lasted eighteen months. The HPNA is the only mixed-income Association receiving Resident Participation Funds. The Association continues to meet monthly and will soon obtain federal nonprofit status to receive city Neighborhood Revitalization funds.

Forest Park Southeast (Neighborhood): MBS encouraged the formation of five fractured neighborhood groups into one leadership team and staffed their public meetings for three years during the planning and implementation process. The team has evolved into the local Forest Park Southeast Development Corporation, a neighborhood Community Development Corporation.

**Narrative Exhibit D:
Need**

**Applicant:
Housing Authority of New Orleans, Louisiana**

D. Need

Per the Anderson Consulting, et.al., Viability Assessment, HANO sites including Iberville “are just too dense; the site layouts tend to fragment and isolate public housing from the surrounding community; apartment layouts have rooms which are marginal in size for today’s families; the sites are plagued with large amounts of indefensible spaces; and underground utilities are either deteriorated, collapsed or inadequate for present demand...It will be more cost effective to demolish the existing buildings and replace them with new townhouses, or garden apartments designed to respond to present needs” (See also Attachments 22 and 23).

Inappropriate Site Layout: The design of Iberville is its most critical flaw. Prior to construction in 1940, the Iberville site was part of the neighborhood, fully connected to the rest of the city. This provided access, visibility, and identity to its residents. When Iberville public housing was constructed (at 38 units/acre), the street grid was removed, forcing circulation to the perimeter and cutting off the site, creating a very dense low-income community with insufficient parking and inadequate vehicular circulation. Today its sturdy, externally handsome but repetitive, monotonous buildings stand in stark contrast to the rich variety of the surrounding neighborhood.

Inadequate Unit Configuration: Unit configurations at Iberville are functionally obsolete with average sizes of: 1 BR 503 sq ft; 2 BR 743 sq ft; and 3 BR 918 sq ft. Kitchen/dining areas have inadequate cabinet and counter space and insufficient area to sit a family at a dining room table; there are too many 1 BR units; and the public entry stairs shared by two units along with common rear exit stairs create accountability and security problems. Bedrooms are so small that furniture blocks doorways and windows. Bathrooms are on the second floor of most units, making it difficult for seniors and the disabled to use them.

Lack of Defensible Space: Iberville was designed as a superblock with two- and three-story brick

buildings lining two large intersecting linear grass courtyards – previously Marais Street and Bienville Street. Other street right-of-ways were converted to narrow alleys for parking and utilities. Buildings not facing primary courtyards face their own smaller courtyards. Buildings facing the perimeter open to busy public sidewalks and streets. Due to the configuration of vast common open space, there are no private yards or transition areas. Instead, open spaces belong at all times to everyone and no one. The site has become an unrestricted, undifferentiated, indefensible space with no association to dwelling units or social affinity. Moreover, the maze-like configuration combines with the spatial anonymity to invite crime and violent behavior.

Adverse Environmental Health Effects: Although encapsulated, asbestos and lead-based paint remain in the residential units. Entry stairwells are not air conditioned, leading to peeling paint and plaster. HANO constantly monitors for environmental issues but has been sued for lead-based paint and mold at Iberville. The buildings have not recently been weatherproofed and termites and rodents have been reported, causing residents to express health concerns.

Inaccessibility to Person with Disabilities: None of the site is compliant with ADA or 504 accessibility requirements. All building first floors are raised up to three feet above grade and there are no access ramps. There is no single continuous accessible path compliant with requirements to connect a parking space to a residential entrance. There are no accessible units on site although a minimum of 5% is required. There are no accessible parking spaces although a minimum of 2% is required. There are no visual alarms in units even though 5% are required.

Significant Utility Expense: The units are profoundly obsolete in energy efficiency, resulting in high utility bills. Water heaters and hot water lines are not insulated. Windows are single pane without insulating frames, thermal breaks, or treatment to reduce solar heat gain. Penetrations from the previous gas heaters have not been sealed, compromising the building envelope.

Narrative Exhibit E: Vision

**Applicant:
Housing Authority of New Orleans, Louisiana**

Please note that the Transformation Plan presented in this Vision is PRELIMINARY and largely conceptual, especially the Housing Component. If HANO and the City make it to Round 2 of the Choice Neighborhoods Initiative as a finalist for an Implementation Grant, this plan may change, substantially in some places, based on the requirements of the Round 2 Notice of Funding Availability (NOFA) from HUD. There will be many opportunities for community and resident participation and dialogue in the shaping of the final Transformation Plan.

(This statement is intended for the public viewing this document, and was not submitted to HUD)

E.1 Housing Component

The Housing Component of the Transformation Plan (the Plan) is rooted in the unequivocal desire of the 465 existing residents of Iberville to remain as residents of a transformed Iberville/Tremé, a loyalty which points to the deep strength of this neighborhood. By setting the primary goal of providing a new home for each existing resident within the boundaries of Iberville/Tremé and applying the experience of the Iberville Revitalization Company, LLC (IRC) in creating healthy and viable housing, the team has created a housing vision that serves the residents of Iberville, honors traditions of the neighborhood, and connects the future of New Orleans to its past.

On-Site Housing: The foundation of the revitalization of Iberville is correcting the primary design deficiencies identified in Exhibit D. Recreating the historic street grid, the starting point of our on-site Plan, will reintegrate the fragmented neighborhood, improve security, and result in a healthier urban landscape. Restoring the street grid will require deconstruction of 17 existing buildings developed circa 1940 on top of the previously existing streets. An additional 33 buildings that don't relate to the recreated streets will also be deconstructed. The remaining 24 structures lining Marais Street and defining the borders of the site, will be completely rehabilitated with full abatement of environmental hazards, replacement of all electrical, plumbing, and HVAC systems, new roofing, and restored exterior envelope. The interiors will be reconfigured to modern housing standards and the buildings and surrounds made accessible. Preservation of the historic buildings at the core of the site reflects the desires of current Iberville residents, who see keeping them as a connection between the future and the past, honoring what has been.

The deconstruction of many of the existing structures on the Iberville site allows the IRC team to develop 830 modern and spacious mixed-income units on-site with dedicated and proximate parking. 300 of these units will be public housing available to current residents of the Iberville development and will contribute to the one-for-one replacement requirement. The remaining 530 units on-site will be split evenly between market rate and Section 42 affordable units. Future residents will be offered a variety of unit types including reinvented units in the historic buildings, new units in mid-rise multi-family structures, and new units in two- and three-story townhouses. All new construction buildings will utilize indigenous Iberville/Tremé architectural styles. The new units will meet or exceed current standards and codes, with room sizes and bedroom counts that meet the current and future needs of residents. An abundance of parks and green space, a community center, and integrated neighborhood retail complete the vision of the revitalized development (Attachment 32).

Iberville currently suffers from antiquated site infrastructure, inadequate building systems, poor building envelopes and insulation, and inefficient appliances that have all led to excessive energy and repair costs. The Housing Component calls for reconstructing the site's sewer connections in addition to other site infrastructure improvements. High-efficiency water fixtures and toilets will significantly reduce water use on site. The building envelopes will be significantly tighter, with high-efficiency glazing, insulation, and sealing. Appliances will be Energy-Star rated and each unit will have a programmable thermostat attached to its Energy-Star, central HVAC system. The existing buildings will be removed via deconstruction rather than demolition, to reuse building materials, reduce waste that would otherwise go into a landfill, and create green jobs. Additionally, broadband access will be ensured by the IRC's commitment to utilize the most advanced CAT or Fiber Optics system reasonably available at the time the final

construction specifications are completed.

Neighborhood Housing: To reinvent Iberville/Tremé as a successful mixed-income neighborhood, it will be critical to capture the employees of the Biomedical District as new residents. Affluent, educated, and professionally dedicated, they will be attracted to the low-maintenance, convenient, amenity-rich housing and neighborhoods. IRC will shape its rental housing in the area to those features. To do this, the IRC team is working with the current residents of Iberville, The Housing Authority of New Orleans (HANO), the City, and neighborhood stakeholders to identify development sites within Iberville/Tremé that will afford future mixed-income residents a high quality of life and will cluster redevelopment in blighted areas of the neighborhood that have not yet recovered from Hurricane Katrina. Eight sites have been identified to support the development of 1,632 additional rental units in the neighborhood (Attachment 30). 521 of these units will be public housing or project based Section 8 and will complete the one-for-one replacement requirement, providing ample housing options.

Housing created within the neighborhood will also offer future residents a variety of rental options. Among the eight sites is an historic building adjacent to Iberville (Texaco Building) which will be rehabilitated to house elderly residents and is the only 100% affordable component of the Plan. Two historic schools (Bell and G.O. Mondy) and an historic former hotel (Radisson) have been identified for mixed-income housing as well. Also included within the eight sites are several large vacant lots that are well-suited to multi-family, mixed-income developments. 67% of the total rental units developed under the Plan will not be public and/or assisted units. Additionally, 50 smaller sites in the Bienville Corridor, some of which were damaged by Katrina and acquired through the Road Home program, will be developed in cooperation with small, local home builders as homeownership opportunities that will also

eradicate blight. IRC will integrate retail with housing in many areas within Iberville/Tremé that have foundered since Hurricane Katrina to improve the availability of goods and services to all.

Summary: The proposed Plan includes 821 replacement units, meeting the one-for-one replacement requirement. It also aims to catalyze redevelopment of several mixed-use clusters throughout the neighborhood and eradicate blight as part of a coordinated city effort. HANO and IRC will focus within the neighborhood boundaries to ensure investment is concentrated to maximize its impact and to enable existing residents to remain in the urban core of New Orleans. It is important to remain flexible in the Plan so that additional properties that meet the above criteria can be added if necessary during refinement. All affordable units created in the Plan, whether LIHTC, public and/or assisted housing, or funded by the Choice Neighborhoods Initiative (CNI), will be affordable for a minimum of 30 years as the team believes availability of affordable housing is a key element of creating a sustainable and diverse neighborhood.

In addition, IRC will ensure there is sufficient housing for the disabled population currently on-site and throughout the community by committing to provide at least 15% of the units as ADA-compliant and fully equipped accessible apartments, both on- and off-site. All ground floor units will be visitable and adaptable. At least 2% of the units will be wired for people with visual or hearing impairments. Sidewalks and paths of travel will be designed to ADA standards. These provisions will exceed the requirements of HUD.

The Housing Component of this Plan will serve as the cornerstone of a place-based strategy that will leverage financial, social, and human capital resources to create a national model of cooperative development in a vibrant, healthy, and sustainable neighborhood.

E.2 People Component

The People Component of the Plan was created in collaboration with Iberville/Tremé residents and builds upon existing neighborhood assets. IRC, through Urban Strategies (Urban), will coordinate resources and establish new partnerships.

Goal One: Able bodied adults are working

Current Status/Assets & Deficiencies: More than 52% of Iberville/Tremé households live in poverty. Median incomes are \$6,904 at Iberville, and \$14,049 for Tremé (City is \$37,751). Less than 40% of Iberville households have work-based income; over 65% of the adults do not have a high school degree. IRC, with Urban, has a strong partnership with the Workforce Investment Authority (WIA), but there is no entity that focuses on needs of low-skilled individuals, such as literacy and substance abuse, and there is a mismatch between training and available jobs.

Evidence-Based Strategies: The U.S. Department of Labor reports that unemployment rates decrease proportionately for persons with an increase in education. The Corporation for Supportive Housing reported in 1998 that if communities are to be assisted out of poverty, it will be necessary to integrate resources at the neighborhood level. A short-term strategy is to implement Urban's results-oriented case management model to help adults achieve self-sufficiency. A long-term strategy is place-based job training and readiness programming coupled with a targeted education/training and literacy strategy in partnership with the WIA.

Outcomes: Increase the number of adults with a GED by 10% and increase wages by 30%.

Goal Two: Children are ready to enter school (Early Childhood Education)

Current Status/Assets & Deficiencies: 67.8% of Iberville households with school aged children are headed by single women (City is 17.6%). There are over 800 children under age 5 in Iberville/Tremé but only 507 available child care slots are provided by 10 licensed centers.

Covenant House provides Early Head Start and the Early Childhood & Family Learning Foundation (ECFLF) provides technical assistance to support early childhood education centers.

Evidence-Based Strategies: Research shows that children who attend quality preschools perform better on standardized tests, are more likely to graduate from high school, are less likely to end up on welfare, and are less prone to be involved in crime. In the short-term, ECFLF will implement their Outreach Program, which provides technical assistance to childcare centers by collaborating with service providers to ensure there are no gaps in services. ECFLF's objective is to ensure that reading levels of kindergarteners are at grade level expectations. The Outreach Program also provides education about available, quality centers. In the long-term, ECFLF will provide technical assistance to home day care providers to increase capacity.

Outcomes: Increase awareness of providers by 25% and the number of child care slots by 15%.

Goal Three: Children are succeeding in school (Education)

Current Status/Assets & Deficiencies: The public schools in New Orleans, including the Recovery School District (RSD), recently received nearly \$2 billion from FEMA. In its Master Plan, RSD has included construction/rehab of all schools in Iberville/Tremé. Quality neighborhood schools, like McDonogh 42 Elementary, currently exist in the neighborhood but Clark Sr. High and John McDonogh High, also in the neighborhood, are persistently lowest scoring. Clark's 2009 performance score was 23.6 (the minimum acceptable score is 60) and many others have not reopened since Katrina. 25% of the neighborhood is between the ages of 6 and 17. The Boys & Girls Club (BGC) provides valued after school programs to 60 neighborhood children daily, but operates from two Iberville units with limited space.

Evidence-Based Strategies (Schools): RSD and its collaborators will strengthen academic success for neighborhood children by actively engaging families and the community as partners

in raising student achievement, and building and renovating school facilities that provide safe, clean buildings and classrooms conducive to student learning.

Outcomes: Performance scores for all neighborhood schools will improve by 15%.

Evidence-Based Strategies (Before/After School): In the *Journal of Research in Childhood Education*, researcher D. Powell (2002) identified a positive relationship between participation in out-of-school activities and grades. Schools must serve as real hubs of learning and parental engagement by extending hours beyond the school day to offer enhanced learning opportunities, also providing working parents relief from the cost of after school care. RSD, which already has the longest school day in the State, will work with the Afterschool Partnership and BGC to increase access to before/afterschool programming and to provide enrichment activities, ensuring that the needs of the “whole child” are met.

Outcomes: 25% increase in participation in afterschool programs and 15% increase in parental participation in school activities.

Goal Four: Children and families are healthy

Current Status/Assets & Deficiencies: 2006 data from the Louisiana Public Health Institute show that the health of African Americans in New Orleans compared to other racial groups is strikingly poor in life expectancy and other measures of health status. Factors contributing to poor health outcomes include discrimination and lack of access to quality care. Unfortunately, available health data is citywide, and is not neighborhood specific. Tulane Medical Center and the LSU Interim Public Hospital nearby offer exceptional institutional health care.

Evidence-Based Strategies: The Community Health Nurse (CHN) concept is based on an understanding that health is a dynamic process taking into account an individual and their surroundings. In the short-term, a partnership with the newly expanded Tulane Community

Health Clinic will be developed to deploy a CHN responsible for retrieving baseline data from residents through a detailed assessment. In the long-term, data from the assessment will be used to identify health programs to address critical health outcomes such as decreasing hypertension.

Outcome: Baseline health assessment of a statistically significant number of Iberville/Tremé residents completed and relevant health programs identified.

Goal Five: Children and families are safe in their homes and community

Current Status/Assets & Deficiencies: Crime, as referenced in Attachment 24, is a challenge for families that desire a safe place to live. As a result of HANO's safety strategy, combined with NOPD's District 8 Police, there have been zero violent crimes over the last year. While violent crime has decreased, crime linked to the French Quarter continues to spill into the neighborhood.

Evidence-Based Strategies: A successful example of sustainable violence prevention is New York's Quality of Life Program, where police efforts are coordinated with private and public services. To replicate similar success, strategies for Iberville/Tremé will embrace a coordinated effort with the NOPD that includes participation of residents, support services, law enforcement, and other public safety resources. Specific strategies will include organized neighborhood watches, NOPD youth mentoring programs, and a renters/homeowners association.

Outcomes: 20% increase in resident call-ins to the NOPD and 25% decrease in nuisance crimes.

Ongoing Resident Engagement: The Iberville Redevelopment Working Team (IRWT) was formed at the start of the CNI planning process to act as the voice for resident input. The IRWT meets weekly and consists of 7 Iberville residents along with HANO, the City, IRC and Urban. Four resident members were elected by their community, 2 were appointed by HANO and 1 serves as the President of the Iberville Resident Council. The resident members represent the Iberville community and share information about the planning effort.

E.3 Neighborhood Component

Neighborhood Disinvestment: Iberville/Tremé has long been scarred by economic disinvestment. Moving west from the Iberville public housing site, Canal Street is lined with vacant theatres, storefronts, and high-rise buildings. Entire blocks between Canal and Tulane Avenue are vacant, and Charity Hospital stands empty. To the east of Iberville are 20 acres of mostly empty land isolated by the I-10 expressway down ramp and the Orleans Avenue/Basin Street six-lane connection. The elevated expressway cuts the neighborhood in half and has had a destructive effect on residential areas on both sides since it was built in 1968. Congo Square and Louis Armstrong Park are closed to the neighborhood. East of Armstrong Park, extending to St. Bernard Ave., the remaining blocks of Iberville/Tremé are perforated with blighted houses, disused business sites, and vacant lots. 52% of families in the neighborhood live in poverty. There is no access to a fresh food grocery and limited access to community based health care, education, or employment (outside of the hospitality/tourism industry). There is only one small neighborhood park, but a planned greenway will add to recreational opportunities. Only one child care facility in Iberville/Tremé has a Head Start program. Neighborhood schools are in walking distance and are being rehabilitated but have been of low academic quality. However, Lagniappe Academies, the new charter school directly adjacent to Iberville, holds great promise for success.

Neighborhood Assets: Although Iberville/Tremé is currently distressed, it possesses significant assets with enormous potential. It has rich cultural history as the home of free people of color before the Civil War and as the birthplace of Jazz. The housing stock includes signature New Orleans historic residential styles. North of Iberville, the Lafitte public housing project is being redeveloped, although its demolition temporarily reduced the availability of affordable housing.

There are active and important churches, cultural institutions and local museums including the St. Augustine Catholic Church, the Zulu Social Aid and Pleasure Club (the heart of African American Mardi Gras), the Backstreet Museum (celebrating Mardi Gras Indian traditions), and the African-American Museum. The iconic Charity Hospital building, through appropriate adaptive reuse, will be a source of vitality. Additionally, large parcels on both sides of Canal Street offer important opportunities for mixed-use development to reinvigorate Canal. The French Quarter and Central Business District are major employment districts and the neighborhood's proximity to the French Quarter results in a Walkscore of 91. However, the majority of businesses, restaurants, and services in the French Quarter cater to tourists and residents with substantial disposable income.

Vision: Ten years from now, the restored Desire streetcar runs along the edge of a sustainable mixed-income community on the existing Iberville site. Entertainment tax credits have helped make Canal Street a thriving theater district, and thousands of employees of the Biomedical District anchor commercial development. A fresh foods grocery store and other neighborhood amenities are thriving, and extensive open space and recreational opportunities abound through a connection to the Lafitte Greenway and Armstrong Park. The Charity Hospital building is fully occupied with a mix of government, education, medical, residential, and hotel uses. The LSU/VA hospitals, the expanded Tulane Medical Center, and the Biomedical District have created a medical and research center of international renown. The resulting employment has made the area more prosperous, and excellent training programs have spread the benefits to neighborhood residents. The I-10 Expressway along Claiborne Avenue has been removed, and the street is a thriving commercial corridor known for its jazz clubs. Vibrant commercial districts have appeared along Canal, Orleans, and Broad Streets. A program of education and small-scale

capital investment has brought a renaissance of small businesses rooted in neighborhood commerce. The RSD and collaborators have made the neighborhood a model of urban educational success. Municipal Auditorium, located in Armstrong Park, is home to a mix of cultural uses including a culinary institute, a music and digital production incubator, and performance programs. Demand for housing has dramatically reduced blight. New Orleans has become a safe, walkable city from the river to Broad Street, and this historic neighborhood can finally take its rightful place in the economic and social success of New Orleans.

Goals and Strategies: The following goals for the Neighborhood Component are derived from basic tenets of urban design and community building, supported by research and forums sponsored by the Urban Land Institute (ULI).

Goal One: Support the ongoing growth of Iberville/Tremé. To ensure the sustainable success of Iberville/Tremé beyond CNI, IRC, with the City's support, will facilitate the creation of an urban framework flexible enough to adapt to ever changing population needs, leveraging the \$2 million Sustainable Communities Challenge Grant to study the removal of I-10, a \$100 million investment in the return of the streetcar named Desire, and the City's investment in the Lafitte Greenway. Best practice infrastructure improvements, such as enhanced street connectivity, pedestrian friendly streetscapes, and appropriate street lighting will be constructed to form the backbone upon which the neighborhood can develop organically, spurring additional investment.

Goal Two: Expand retail opportunities following ULI's "Ten Principles for Developing Town Centers" (Respect Market Realities; Plan for Development and Financial Complexity; Integrate Multiple Uses; Plan Parking Proximate to Shopping/Residence). Retail will include both neighborhood services and substantial scale along Canal Street to restore its place as a shopping destination, offer additional services and jobs to the neighborhood, and bring sales tax revenues

back into Orleans Parish. In the near term, IRC will be directly responsible for creating neighborhood retail in ground floor spaces of the new residential properties throughout the neighborhood and will develop a grocery store and farmer's market along the eastern edge of the Iberville site. In the long term, IRC will identify an experienced retail developer to plan a large-scale urbanized destination lifestyle center along Canal Street, combining food, beverage, and other entertainment with retail and amenities tailored to meet the needs of residents and tourists.

Goal Three: Make Iberville/Tremé the cultural center of New Orleans. Much of New Orleans' downtown is dedicated to the tourist and convention industry, leaving the local art, theatre, and cultural institutions scattered across the city. IRC and the City will focus arts and culture investment in this neighborhood and expedite improvements to Louis Armstrong Park, the Municipal Auditorium, and Saenger Theatre. In this way, the Plan follows another of ULI's Ten Principles—Connect to the Community—by reestablishing Iberville/Tremé as the cultural center of New Orleans, attractive to all residents and creating a sense of belonging.

Resident & Community Engagement: The Plan will be guided continuously by a growing process of community-based planning including the IRWT, and the NEWCITY group, a coalition of over 50 stakeholder organizations committed to place-based development in the neighborhood. Regular public meetings, newsletters, press releases, and other tools of engagement will be employed. Additionally, IRC will engage in a focused effort to build social capital through a shared community identity and vision. By helping current and future residents organize and connect through a mutual understanding of the value of Iberville/Tremé, the IRC team will leave the transformed neighborhood in the hands of individuals empowered to protect, support, and defend the neighborhood in the future.

E.4 Achievability of the Vision

Iberville/Tremé currently includes assets that are vital to achieving the goals of the Plan. The neighborhood's history, culture, architecture, anchor institutions, and proximity to thriving New Orleans communities are the foundation of our approaches to the Housing, People, and Neighborhood Components of the Plan. The City, as Co-Applicant, greatly enhances the achievability of our vision.

Housing: The historic architecture of Iberville/Tremé, an asset that remains intact, will serve as inspiration for the design of the proposed mixed-income housing. It expresses diversity that is distinctly New Orleans. From French and Spanish colonials to cottage and shotgun houses, architectural style and typology create a stage where the neighborhood's unique culture and history are acted out on a daily basis. The newly constructed housing will include HUD assisted units, affordable and workforce housing, market rate apartments, and affordable homeownership in the neighborhood's internationally recognized architectural legacy.

Disinvestment in Iberville/Tremé over time has created a neighborhood with vacant parcels prime for reclamation from blight and offering opportunities for mixed-income redevelopment. Due to the neighborhood's location adjacent to the French Quarter, development of high quality housing will entice market rate renters and homeowners to relocate close to their places of business and entertainment centers located within walking distance.

People: Current assets within the neighborhood will serve as resources for the People Component of the Plan. The LSU, VA, and Tulane University medical centers are regional healthcare providers and large employers within the neighborhood. These institutions will work with the IRC, and its partner Urban, on preventive health measures including nutrition counseling and diabetes education to create a healthier community. In addition, the medical

center and new hospitals will provide living wage jobs for all levels of experience and education, and Urban will facilitate employment for neighborhood residents.

The public schools in New Orleans, including RSD, recently received a nearly \$2 billion settlement with FEMA for the value of all damages incurred by schools as a result of Hurricane Katrina, which will fund the RSD Master Plan. As a result, the schools in Iberville/Tremé will either be newly constructed or receive substantial renovation.

Neighborhood: Proximity to the French Quarter and the CBD, the presence of museums and other institutions, cultural attractions, and large available areas of land for development are assets contributing to the Neighborhood Component of the Plan. Available land in the neighborhood provides an ideal site to develop a new fresh foods grocery store that will serve as a primary shopping destination for the neighborhood and surrounding communities. The City has invested in streetscapes, a reinvented and accessible Armstrong Park, the Lafitte Greenway, the adaptive reuse of the Municipal Auditorium, and other infrastructure in the neighborhood that will contribute significant cultural and recreational assets to the Plan.

Budget: Attachments 4 and 27 show an overall budget of \$896 million for the Plan. The Housing Component of the Plan, estimated at \$651 million, will be funded by the CNI grant (first two housing phases), traditional debt, soft debt from the State of Louisiana, and the syndication of low income housing tax credits (LIHTC) to equity investors. HANO will provide \$1,550,000 in cash as matching funds, 5% of the requested grant amount of \$31 million. The Louisiana Housing Finance Agency allocates LIHTC through a Qualified Allocation Plan (QAP) that emphasizes mixed-income and public housing transformation efforts with soft debt from the Louisiana Office of Community Development. Debt and equity commitments from lenders and investors will be included in future LIHTC applications. Additionally, four historically

significant buildings in the Plan will permit the use of Federal and State Historic Tax Credits to further increase the achievability of the Housing Component. The People Component of the Plan, estimated at \$9.9 million including \$1.7 for education, will leverage 15% of the CNI grant with over \$5 million of philanthropic funds. The Neighborhood Component of the Plan, estimated at \$235 million, does not use CNI funds, but instead is dependent upon private debt, new market tax credits, and tax increment financing. The City of New Orleans, as Co-Applicant, is investing heavily in the neighborhood, and will use Disaster Recovery CDBG and FEMA funds to finance several large-scale neighborhood projects including: the LSU/VA Hospital Complex; the Street Car Named Desire Transit Line Expansion; the restoration of Municipal Auditorium and the Saenger Theater; the remediation/stabilization improvements and feasibility study of Charity Hospital; the creation of the Lafitte Greenway; the improvements to Louis Armstrong Park; and various streetscape improvements.

Land Use Approvals: Subdivision, zoning, and building permit approvals will be necessary from the City. As Co-Applicant, the City has demonstrated its commitment to streamline these processes and expedite approvals, and is currently in the process of adopting a new Master Plan that will allow the proposed uses as of right.

Schedule: The schedule shown in Attachment 28 anticipates grant award in summer 2011 with completion of all of the Housing Component by March 2018. Many elements of the People Component have begun and will continue through the life of the project. Several of the City's projects in the Neighborhood Component are already underway. Streetscapes, Louis Armstrong Park improvements, and the LSU/VA Hospital Complex are under construction, and the Lafitte Greenway and Saenger Theater projects are in the design stage. All CNI grant funds will be expended by the September 30, 2016 deadline.

E.5 Consistency with Other Planning Documents

The proposed Plan is consistent with the HANO PHA Annual Plan for Fiscal Year 2010 and the 2006-2010 Consolidated Plan for the City of New Orleans. The selection of Iberville as the targeted public housing site for revitalization under the Plan is consistent with the designation by HANO in the PHA plan to apply for a HOPE VI Revitalization grant in the Plan year. The PHA plan was approved by HUD on January 21, 2010, before the issuance of the Choice Neighborhoods Initiative NOFA. The designation of the intent to apply for a HOPE VI grant to revitalize Iberville in the PHA plan is consistent with the submission of this grant application, as the HOPE VI grant was the only option available on the HUD form 50075 PHA plan to show intent to apply for additional HUD grant funds for public housing transformation.

The proposed Plan is consistent with the City of New Orleans Consolidated Plan, responding to the Consolidated Plan's highest priorities for housing, access to economic opportunities, access to social and supportive services, the development of green space, diversity of income, and community engagement and involvement. The Consolidated Plan's housing plan specifically recommends the rehabilitation of existing housing, the expropriation of blighted properties and the distribution of those properties to experienced developers, the use of local contractors, and the development of housing for the elderly.

The Plan was developed through a resident and community process that will continue throughout the implementation phases. The Plan includes the rehabilitation of residential buildings currently on the Iberville site that will include public housing, affordable, and market rate housing units upon completion. Blighted properties located around the Iberville development and throughout the target neighborhood, which are owned by HANO, the New Orleans Redevelopment Authority (NORA) and the Louisiana Land Trust (LLT), the Orleans Parish

School Board (OPSB), and the City of New Orleans are available for redevelopment under the Plan into vibrant housing, commercial, and community facilities. The Iberville development within the target neighborhood will include active and passive green space throughout the revitalized community and community centers for the provision of supportive, business, and recreational services. Local participation in contracting and labor are requirements under HUD Section 3 regulations and the Industrial Development Board of New Orleans, the entity that provides tax abatement for each phase of development under the Plan. The Plan includes the development of over 100 units of elderly housing as both HUD replacement units and non-HUD replacement units in the targeted neighborhood.

The Plan is consistent with the Louisiana Speaks Regional Plan, the regional sustainability plan adopted by the State of Louisiana and a consortium of governments in South Louisiana. This includes Orleans Parish, where the targeted neighborhood is located. The Regional Plan promotes mixed-income projects that incorporate green space, and promote reinvestment in existing communities. The Plan revitalizes the existing communities with housing for all income levels and the development of green space, consistent with the Louisiana Speaks Regional Plan. In addition, on October 20, 2010 the City of New Orleans was awarded a \$2 million Sustainable Community Challenge Grant from HUD to support a regional planning process for revitalizing the Claiborne Corridor and to study the removal of I-10, both of which are in the Iberville/Tremé neighborhood.