Project Narrative:

New Orleans is an incredibly vibrant city with a rich cultural heritage, which suffered devastating consequences after Hurricane Katrina in 2005. The rebuilding of New Orleans requires a renewed connection of the city’s tightly-knit physical and social fabric. Such a reconstruction presents the opportunity for designers and developers to celebrate the city’s cultural and physical strengths. As the displaced population continues to return to the city among a broader and younger demographic, New Orleans can celebrate a rebirth of cultural and social inclusive, health, sustainability, resiliency and economic vibrancy.

The newly envisioned Diloville development, whose name derives from the Louisiana Creole word for water, lies between Tremé-LaFitte neighborhood and the BioDistrict. The development will create a memorable place while bringing a new awareness of water that is so deeply woven into the cultural and historic fabric of the City.

The goal of Diloville is to create an inclusive connection among the surrounding neighborhoods, by focusing the development on a new canal. This will serve as retention capacity designed to mitigate flood events and subsidence problems while also creating a new convivial space that will promote social interaction and economic development.

Residential, commercial, retail and entertainment areas are woven together by the canal resulting in a healthy, walkable, resilient community, and create a tourist destination beyond the French Quarter.

This new mixed-use development weaves together existing and redeveloped communities, recreational spaces and the new economic development area of the BioDistrict. The symbolic and physical connection that the canal creates for this development is further reinforced with the proposal for dedicated bus and bikes lanes along North Claiborne Avenue. This will create a modern, efficient transport corridor to and from undeserved neighborhoods, as well as provides access to employment and other amenities.

The development includes an entertainment area strategically located to activate the public canal by drawing people from the BioDistrict and the Mahalia Jackson Theater in Armstrong Park, energizing both Armstrong Park and the new LaFitte Greenway.

The commercial components include office space above ground floor retail along the canal, as a buffer between the elevated I-10/Claihorne transit corridor and the recreational public space and residential developments beyond. Retail space on the ground floor will attract a unique mix of community-serving stores such as drug store, bookstore and cafes. Retail activity is enhanced by inclusion of space for a weekend farmers market in re-vamped space under the I-10.

Residential units will offer a range of options from luxury apartments, which front the park or have views of downtown, to affordable units that add up to 10% of the residential component.

Workforce development and adult education is also programmed to help the existing community gain employment which will support the economic development of the whole area. Other community programs include a new school and public library strategically located as an amenity to a diverse residential population.

Diloville will set a new paradigm, on both a local and national stage, for integrating long term, resilient and progressive urban water management with place making, creation of healthy, sustainable communities and supporting economic development.

Financial Narrative:

The transformation of Diloville into a vibrant Canal District begins with multiple blocks of land that have been previously acquired for the purposes of a new development. This free land is a great benefit but implementation can be risky for investors and the community if there is not a larger vision and plan. Our plan is to purchase additional land that will enable a strong link between adjacent communities. To accomplish our vision we planned four phases of construction and finance, each with equity, debt, and strategic subsidies. The major debt for this project involves a series of construction loans. The construction loan for each phase is rolled into a permanent loan. Given the substantial amount of jobs that would be created during the 8 years of construction, along with permanent jobs created by the development, additional layering of EB5 mezzanine debt financing may be another opportunity for financing. There are a number of other characteristics of this development that would allow us to secure subsidies. Multiple parking structures will be subsidized with Tax Increment Financing (T.I.F’s). The revenues generated from parking are integral to the financial and economic value of this new Canal District. Similarly, the hospitality component of the development serves the market of the adjacent VA and LSU research hospitals and planned Bio-District adjacent to our development. It will be the first new development to capture the demand of a national healthcare research campus, as well as the traditional tourist who will have economical options to stay “French-Quarter-near”.

Leveraging New Orleans investments in tourism and hospitality, our financial plan will utilize a Hospitality TIF for development of the anchoring hotel in the first phase of our development. The development of the canal is also key to the initial momentum of our four-phase, master-planned community. The canal builds upon the need to manage flood and storm water which gives us another opportunity to obtain grants and other financial assistance that are currently available. With each phase of the development, proportional amounts of residential units will be built and brought online. With each of these phases, our financing includes affordable rental and for-sale properties, which will utilize current grant support from the New Orleans Housing Authority, similar to the $30M subsidies being used in the adjacent Iberville mixed-income redevelopment. Two blocks of the development in Phase I will be purchased and sold as land sales for a primary school and library to serve the residents. This strategy enables investors to have influence on the final use of the land without incurring additional development costs for community based uses which are important to the feasibility and ongoing success. Upon the completion of all phases, the development will support a well-balanced mix of affordable, market-rate (and some upscale) properties. An economically stabilized community will make a final sale of the development profitable and advisable.