Greater New Orleans Foundation

For a vibrant region.

Creating the Spirit of Charity Innovation District

SEPTEMBER 24, 2018

GREATER NEW ORLEANS FOUNDATION

For a vibrant region.

GW Business Center for Real Estate and Urban Analysis THE GEORGE WASHINGTON UNIVERSITY

THE DATA CENTER

JD RUSSELL CONSULTING

design jones

a landscape architecture firm

Table of Contents

Letter from the President 2

Process 3

Background 7

Context 12

- The Spirit of Charity 12
- The Innovation District Opportunity 13
- Financing 16

Guiding Principles 18

Strategy and Action Plan 19

- Recruit New Employers; Retain Existing Jobs 19
- Incubate Small and Local Businesses 20
- Articulate Workforce Development Career Pathways 21
- Promote Equitable Land Use 22
- Foster Local Retail and Attract Regional Retail 23
- Center Higher Education 24
- Create 21st Century Green Infrastructure 25
- Improve Transportation 27
- Address Homelessness/Transitional Housing 29
- Build Affordable Housing 30
- Innovate on Early Childhood Development 32
- Capitalize on Opportunity Zone Status 33

Next Steps 34

Appendix A: Strategy Participants 35

Letter from the President

It's been thirteen years since Hurricane Katrina hit New Orleans. We've rebuilt thousands of homes and apartments. We've built two, new, state-of-the-art, billion dollar hospitals. We've built or redeveloped scores of new schools. We've restored streets, parks, playgrounds, libraries, police and fire stations. We've diversified our economy and built an entrepreneurial ecosystem that has put our region at the top of national lists for new start-ups and created significant job growth in new industries such as information technology. We've come back strong in so many ways.

But adjacent to downtown, our medical district remains deprived of the people and activity that gave it life prior to Katrina. The historic Charity Hospital, where so many from our region were born and received life-saving care, remains fenced off and empty. The same is true of the old Veteran's Administration hospital across the street from Charity. Nearby parking lots and buildings remain empty and the streets are quiet both day and night.

At the same time, despite the economic progress we have made in our region, housing costs have gone up, public transportation services reduced, income and employment disparities have grown wider, especially along racial lines, and access to the American dream remains out-of-reach for too many long-time New Orleans families.

Because of this, we cannot quit nor should we be satisfied. Not until we rebuild what was lost, repair our civic fabric, and ensure all of our residents can share in the opportunities that every American deserves.

One way we can make a big impact in addressing these challenges is by building a dynamic, job creating, inclusive and equitable Spirit of Charity Innovation District in the neighborhood around the old Charity Hospital. This 110-acre area can become the kind of walkable, urban place where 21st century knowledge economy employers like DXC Technology and biomedical research firms incubated at the BioInnovation Center, want to locate. The Brookings Institution has chronicled how cities have created thousands of jobs and dramatically boosted their economies in just this way, and Governor Edwards' designation of this district as an Opportunity Zone brings new federal tax incentives to our efforts.

While many innovation zones across the country have begun to address equity issues such as access to jobs and contracts, workforce training, homelessness and affordable housing, none has succeeded in implementing a comprehensive plan that prioritizes them. This strategic plan lays out a framework that our region's leaders can rally around so that the Spirit of Charity Innovation District we build succeeds in creating both jobs and opportunity for our people.

We believe there is no better way to honor the Spirit of Charity that gives this district its identity and purpose than to implement this ambitious plan with fidelity to its goals and with all the will and energy we can summon.

Andrew D. Kopplin
President & CEO
Greater New Orleans Foundation

Process

The Greater New Orleans Foundation-led Spirit of Charity Innovation District strategic planning process included convening committees of local experts and stakeholders to outline a comprehensive strategy guiding the many facets of growth affecting the neighborhood surrounding the former Charity Hospital. It is a separate process from the Real Estate and Facilities Foundation (REFF) of Louisiana State University (LSU) selection of developers for the Charity Hospital building.

While the modern knowledge economy is, in many ways, not tied to specific locations, nor requires proximity to natural resources, the power of place has remained central. The innovation district concept, deployed in cities like Pittsburgh, Birmingham and Boston, seeks to turbocharge employment growth in knowledge-based sectors of the economy within specific geographic areas. Innovation districts leverage pre-existing anchor institutions and new developments of catalytic scale to create a critical mass of activity, such that self-sustaining employment growth in high-value "export" economic sectors is achieved.

The most successful innovation districts generate transformative benefits to the cities and regions that host them and are informed by principles of economic equity and opportunity for all. The Spirit of Charity Innovation District's strategic planning process included convening committees of local experts and stakeholders to outline a comprehensive strategy to guide the growth of the area bounded by Loyola, Poydras, Claiborne, and Iberville streets surrounding the former Charity Hospital site. To undertake this process, the Foundation enlisted a team of national and local experts. Chris Leinberger and Tracy Loh from the George Washington University Center for Real Estate and Urban Analysis contributed their expertise in urban and catalytic development to assist with the design of the strategic planning process.

The Data Center, led by Lamar Gardere, provided research on the District, including a detailed inventory of the physical, social, and cultural assets in the District. Austin Allen, Diane Jones Allen, and Lindsey Darnell of Design Jones designed and facilitated community engagement opportunities within the District. Jade Brown Russell and Kelisha Garrett of J.D. Russell Consulting firm provided input on the strategic plan of the district to ensure that equity and inclusive outcomes were incorporated into the process and the strategy.

Throughout the process, the Foundation encouraged engagement through community-wide meetings, subcommittees, and working groups providing accurate and up-to-date research on the District, while organizing multiple forums for input into the strategic plan for the Spirit of Charity Innovation District. To execute robust community engagement, the Foundation worked with Design Jones to develop a community engagement strategy over the Summer of 2018 to engage community members who live, work, and use transit within the District. Most recently, Design Jones worked with the Claiborne Corridor Innovation District (adjacent to the Spirit of Charity Innovation District) to gather community engagement around the Claiborne Corridor.

A key component of the Design Jones approach to community engagement was to recognize and acknowledge local expertise, follow local guidance, and take cues throughout the design process. With this lens in place, Design Jones coordinated a series of community wide engagement activities including lunch time food truck, bus stop, and streetcar interviews and surveys.

The survey and interview data collection process enabled the Foundation to capture individuals' viewpoints and preferences regarding the area, and their ideas about what could and should be done to enhance the District. Additionally, through the generosity of Tulane University, Design Jones established an office location within the District at 143 Elk Place, providing a continuous presence within the District, where community members could engage with the Foundation's process by dropping in to both share feedback and ask questions to gain clarity surrounding the development of the strategic plan.

Design Jones created and maintains the website *www.charityinnovationdistrict.com* dedicated to the Spirit of Charity Innovation District Planning process, where information is posted for upcoming meetings, as well as documents on and related to the planning process. The website also allows for continuous feedback from the community, providing the opportunity for individuals to answer survey questions, provide their feedback on the planning process, or share their memories from the former Charity Hospital.

In conjunction with the surveys, Design Jones and Timolynn Sams Sumter of Neighborhoods Partnership Network facilitated three community-wide meetings to engage stakeholders in the District planning process. These meetings were held at the Delgado School of Nursing and University Medical Center on July 25th, August 13th, and August 28th in the evening.

During the meetings community members were provided information on the planning process, the potential of Innovation Districts and, most importantly, given the opportunity to provide suggestions on what they would like to see within a redeveloped District.

Participants in the meetings were asked to identify existing assets, barriers to improvements, as well as develop strategies that address the barriers to move the District forward. During the convenings, participants provided feedback in table conversations around topics imperative to the District development process.

IMPERATIVE TO THE DISTRICT DEVELOPMENT PROCESS:

- Affordable housing
- Informal living settlements/ homelessness
- Anchor Institutions
- Educational Institutions within the District
- Innovation, Incubation, and Creative Industries
- Transportation and Mobility
- Equitable Economic Growth
- Parks, Open Spaces, Complete Streets, and Stormwater Management
- Charity Hospital Building

At the August 28th community-wide meeting, participants also engaged in activities and conversations around what the boundaries of the District should be. Participants provided input on "strategy cards" that were provided by George Washington University – prioritizing the cards which succinctly reflected a range of potential District priorities - that were deemed most critical to equitable district development (see paragraph below for a more detailed description). The feedback provided through the surveys and community meetings are incorporated into this strategic planning document.

Alongside the community-wide meetings, the Foundation also convened a Working Group composed of business and civic leaders representing a broad cross-section of the New Orleans community. This Working Group consisted of approximately 50 individuals who convened for all-day working sessions on July 23rd and August 30th at the Greater New Orleans Foundation's Center for Philanthropy.

The first working group meeting focused on providing an overview and analysis of current District conditions including zoning and land ownership as well as the potential of Innovation Districts. The Working Group was also introduced to a tool used to gather input during these meetings, called strategy cards. The strategy cards have been used by the George Washington University team as an effective way to gather input and develop action-based plans around the desired character and makeup of innovation districts.

The strategy cards outlined a variety of issues including housing, retail, place character, employment, and economic development among others. At the culmination of the first working group convening, each participant was tasked with selecting and compiling their own strategy cards that reflect the ideals they would like reflected in the District. The August 30th convening of the Working Group focused on sharing and gaining consensus around the feedback that was given on the strategy cards at the community meetings, subcommittee meetings, and by the individual Working Group members.

In addition to the community and working group meetings, the Foundation also convened several smaller stakeholder meetings throughout the summer with content experts in the fields of housing, workforce, economic development, equitable development, anchor institutions, land use, and mobility. In July of 2018, subcommittees on each of these topic areas were formed and 14 subcommittee meetings occurred throughout July and August to discuss and refine recommendations for the District.

Each subcommittee was co-chaired by two subject matter experts in the field who also participated in the Working Group meetings. Each subcommittee was composed of at least 10 members that were asked to participate in this process based on their knowledge of the field and their work within the community. At the August 30th Working Group convening, all subcommittee co-chairs presented their committees' strategy card recommendations for the District. The feedback and recommendations provided throughout the community, subcommittee, and working group meetings are incorporated into this strategic plan.

Background

Bounded by Poydras Street, Loyola Avenue/Elk Place, Iberville Street, and Claiborne Avenue, the proposed Spirit of Charity Innovation District has potential to be a new beacon for the economic and creative life of New Orleans. However, any discussion of this area immediately evokes questions about the future of Charity Hospital, a sacred and iconic building that looms large in the history of New Orleans as a result of the generous and expert care provided within its walls to multitudes of Louisianans over generations.

Founded in 1736 to serve the indigent in the new colony of New Orleans, Charity Hospital became one of the largest hospitals in the country by the beginning of the Civil War. The current building, the sixth constructed, opened in 1939 and continued to serve the city until severe electrical and plumbing damage caused by the flooding that followed Hurricane Katrina in 2005 forced it to close its doors. Various redevelopment efforts have been contemplated since then.

At one point, the Landrieu Administration explored a financing package combining funding from various sources including FEMA, historic tax credits, and a requested allocation from the State of $100 million to create a civic complex that would have housed City Hall in one wing and the Civil District Court in another. The plan was scuttled when the State could not commit to the requested funding and projected costs grew to nearly $400 million. In May 2017, a construction company won a bid of $6.38 million to stabilize the site. However, it still requires mold and lead paint remediation and has both cosmetic and structural issues.

In the fall of 2017, The LSU Foundation's Real Estate and Facilities Foundation (REFF), both affiliated with Louisiana State University (LSU), commissioned an advisory services panel from the Urban Land Institute (ULI) to re-examine the Charity Hospital building to find an adaptive use for the structure.

The panel visited New Orleans from November 5 – 10, 2017, and published findings and recommendations in a final report in February of 2018. The panel's key recommendations included:

1. The Charity building must remain in place.
2. Any reuse of Charity Hospital and revitalization of the surrounding neighborhood should be guided by the following principles:
   a. Incorporating the "Spirit of Charity";
   b. Implementing a clear and transparent process;
   c. Ensuring inclusive and equitable processes and outcomes;
   d. Ensuring that reuse and revitalization encompass financial feasibility and stewardship;
   e. Maintaining flexibility as a tenet of good planning;
   f. Including a public use and community benefit component in reuse of Charity Hospital;
   g. Improving connectivity;
   h. Establishing partnership and collaboration;
   i. Ensuring high-quality design and construction;
   j. Translating vision into a strategic plan.
3. A multi-stakeholder coordinating committee should be established to facilitate revitalization goals and develop a strategic plan.
4. The establishment of a tax increment financing (TIF) district to finance the implementation of the strategic plan and potentially provide gap financing to the Charity Hospital redevelopment.

Charity Hospital: Potential Use Suitability

- Commercial multitenant office
- Hotel
- Medical: hospital
- Market-rate multifamily housing
- Medical: wellness
- Education and workforce development
- Institutional uses
- Museum uses
- Retail
- Technology/research and development
- Workforce housing (80%–150% of AMI)

Key

- not immediately suitable
- potentially immediately suitable
- most immediately suitable

Potential use suitability summary from page 24 of the ULI Advisory Service Report.

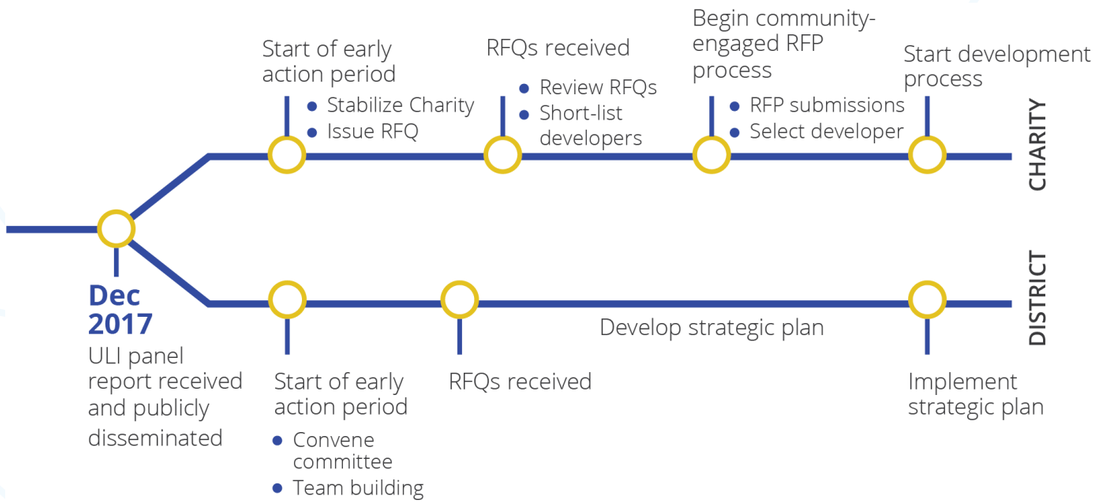
The ULI team analyzed potential new uses for the Charity building, taking into account the guiding principles summarized above, as well as market trends, adjacent land uses, and the existing structure's characteristics (size, floor plates, etc). The panel concluded that the most immediately suitable uses are likely a mix including educational facilities, public agencies, a museum and viewing deck, local serving retail (including service amenities such as daycare), tech offices/research labs, and workforce housing.

The report notes throughout that the current condition of the building and the non-market character of many of the most likely uses means very creative financing will be required to support both the Charity redevelopment and to revitalize the surrounding neighborhood. The panel recommended some financing models from other US communities, as well as specific local, state, and federal sources.

RECOMMENDED FINANCING MODELS:

- Proceeds from disposition of vacant municipal properties upon relocation to a new facility;
- Potential reprogramming of capital funds for legacy facilities;
- Combination of complementary programs separately planned by multiple institutions or organizations;
- New Markets Tax Credits for specific tenant uses;
- Municipal credit enhancement; and
- Payment in lieu of tax for institutional uses.

The report does not directly address the apparent contradiction between the REFF's stated objective of achieving "maximum benefit" including "financial benefit to the REFF" and the likely need for public subsidy of the redevelopment.



Process diagram from page 14 of the Charity Hospital ULI Advisory Service Report. Available online at: *urbanland.uli.org/planning-design/rebuilding-charity-officials-hope-uli-study-jump-starts-redevelopment-shuttered-new-orleans-hospital/*

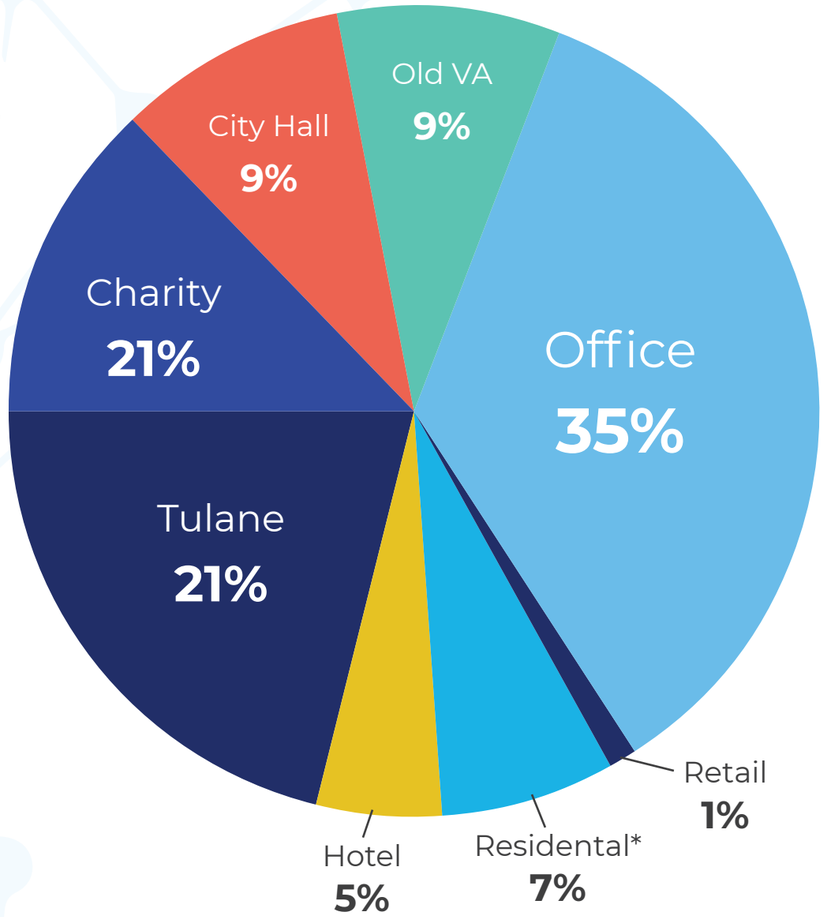
In March of 2018, the REFF and the Greater New Orleans Foundation moved forward with parallel processes, as recommended by the ULI report, to renovate Charity Hospital and create the Spirit of Charity Innovation District. The REFF released a Request for Proposals (RFP) to three short-listed finalists on June 4, 2018. The proposals from the finalists were due on August 20, 2018, and required a community outreach plan, development program, project schedule, budget, financing plan, and long-term maintenance plan. Each respondent's proposal must include a timeline for delivering on the adaptive reuse of the building.

Clearly, the winning proposal's timeline and the respondent's ability to achieve its implementation will have a major influence on Spirit of Charity Innovation District's overall timeline. The three short-listed respondents who received the RFP were: 1532 Tulane Partners Inc. (a partnership between El-Ad US Holdings and CCNO Development LLC), HRI Properties LLC, and Matthews Southwest. On September 11, 2018 REFF released redevelopment proposal abstracts from the two respondents, 1532 Tulane Properties and HRI Properties, LLC.

REFF is scheduled to make a final recommendation to the LSU Board of Supervisors for final consideration and action during the Board's regularly scheduled meeting on October 4, 2018.

The district is currently almost exclusively dominated by institutional land uses, structured garage parking, and surface parking lots. New Orleans City Hall and the downtown branch of the city's public library are located within the district. Tulane University Hospital, Tulane University School of Medicine, and the Tulane School of Public Health and Tropical Medicine are also located within the district as is the Delgado Community College School of Nursing, which recently announced it would be relocating to the old LSU medical school building immediately adjacent to Charity Hospital at 1542 Tulane Avenue. LSU's newer medical school campus and the replacement for Charity Hospital, the University Medical Center, are located across Claiborne Avenue and immediately adjacent to the proposed district.

Land Use Types in the Charity District



*includes 296 dorm rooms in Tulane's Deming Pavilion for graduate students at 204 S. Saratoga St.

SOURCE

CoStar and internal project documents from consultant studies of Tulane, the Old VA, and Charity Hospital

Recently, several new hotels have opened on Canal Street. Currently, there is one dorm, one rental apartment building, and one condominium building in the entire district. However, several additional apartment buildings are currently under construction on Canal Street.

On November 13, 2017, the State of Louisiana and City of New Orleans announced that DXC Technology would open a "digital transformation center" in New Orleans and employ at least 2,000 workers within five years, which was touted as the largest economic development deal in state history. Subsequently, DXC announced that it would house its New Orleans office in a tower on Poydras Street, within the boundaries of the proposed Spirit of Charity District, giving the district's potential as a hub for innovation added potential.

Context

The Spirit of Charity

Since its inception in 1736, Charity Hospital has embodied a spirit of strength, compassion, care, equity and inclusion. If you ask lifelong residents what they think of when they hear the words "Charity Hospital," you can be sure that they will tell you stories of how generation after generation of their family were born at Charity Hospital. Without question, they will tell you that Charity Hospital was one of the best teaching hospitals in the country, where students from around the world honed their skills. They will speak of Charity Hospital's long-lasting legacy of compassion to serve all who stood in need of the very best medical care. It is this enduring spirit of Charity Hospital that has allowed it to weather both territorial wars and storms throughout its existence, including Hurricane Katrina, which shuttered its doors.

Charity Hospital compelled populations to think more collectively about research and treatment as prevention. A moral imperative along with the physical necessity drove the processes that created Charity. Those who were without adequate medical attention or the resources to treat health conditions had the right to be in New Orleans and participate in the building of the city. Charity was founded with the understanding that untreated sicknesses or problematic health conditions could stunt the growth of the entire city.

Since 1993, the principal stewards of the Charity legacy have been The Spirit of Charity Foundation (SOCF), which was established as a not-for-profit, 501(c)(3) organization specifically to create an auxiliary relationship to the Medical Center of Louisiana at New Orleans, which included Charity and University Hospitals. The Foundation's founding purpose was to support the charitable, educational and scientific needs of the Medical Center of Louisiana at New Orleans by sponsoring programs and events for the benefit of the Hospital, its patients, employees and friends.

SOCF currently supports these activities through University Medical Center New Orleans that replaced Charity Hospital and the Interim LSU Hospital after Hurricane Katrina. It is the mission of the Spirit of Charity Foundation to support and facilitate patient-centered care, actively promote health and wellness and to advance medical research and education through fundraising efforts for the benefit of the University Medical Center New Orleans, its patients and friends.

For 25 years, preserving the Charity legacy has been the responsibility of the Spirit of Charity Foundation. Today, we all join that noble cause.

Charity Hospital is quintessentially New Orleans and, in true New Orleans fashion, the development of the Spirit of Charity Innovation District is its second line parade. Our second lines are a constant reminder that every instrument, every dancer and every bit of New Orleans' culture matters. The guiding principles for the planning, design and development of the District solicit the voices of all stakeholders and ensures that Charity Hospital's spirit of strength, compassion, equity and inclusion will endure for generations to come.

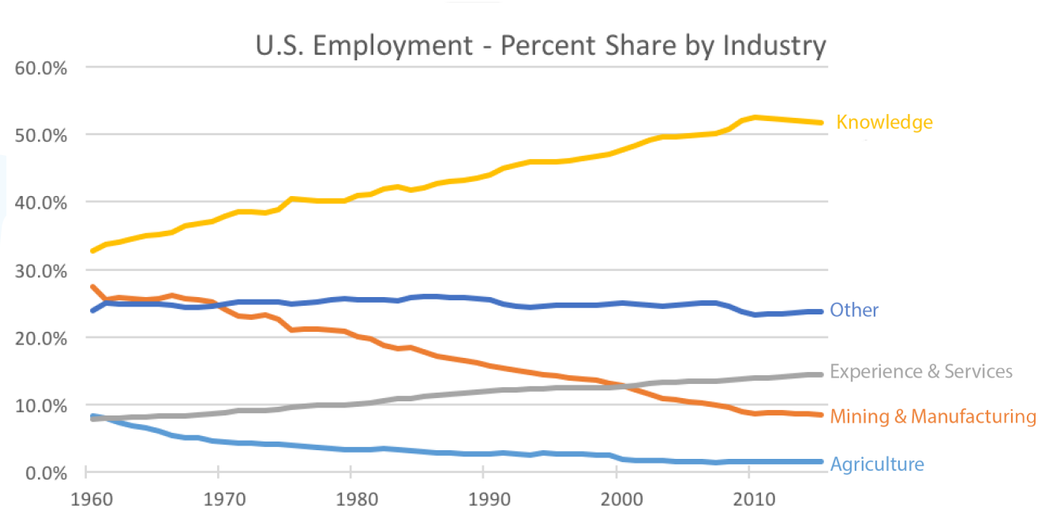
The Innovation District Opportunity

There are a number of trends suggesting that this is the right time to pursue creation of an Innovation District for the neighborhood encompassing Charity Hospital. Since the mid-1990s, demographic and economic shifts have fundamentally changed markets and locations for capital investment and employment growth, and DXC's choice to locate within the proposed boundaries of the Spirit of Charity Innovation District provide local evidence of these trends.

The changes are largely powered by the growth of the knowledge economy (which include technical, artistic, and professional jobs), as shown in the figure below. Knowledge workers make up 52.6 percent of total U.S. employment and contribute over 59 percent of economic output. Today's knowledge enterprises increasingly seek to locate in innovation districts in walkable urban places. This is often aimed at attracting and retaining highly educated young workers and supporting creative collaboration among them.

Knowledge workers make up about **53%** of total U.S. employment.

...and contribute over **59%** of economic output.

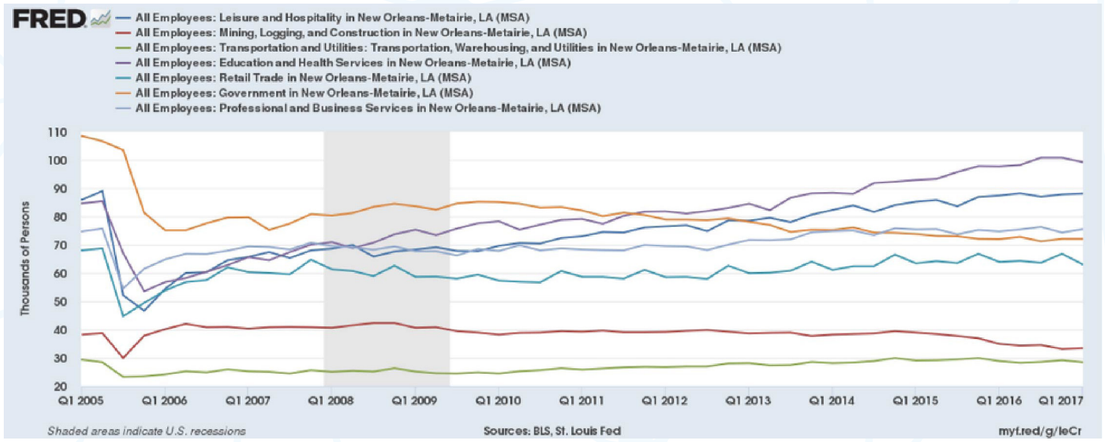


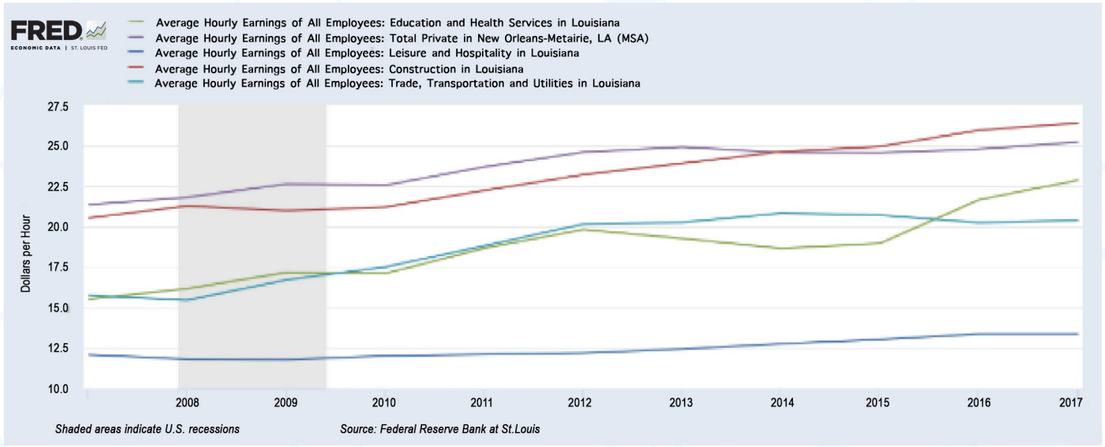
Sources: U.S. Bureau of Labor Statistics Current Employment Statistics and World Bank International Labor Organization, Key Indictaors of the Labor Market database

In parallel, there is a need to diversify the economy of New Orleans and connect the local workforce to higher paying jobs in order to reduce inequality and prevent further displacement as housing costs in particular escalate. Since Katrina, the education and health services sector has not only recovered to pre-hurricane levels but reached new heights, now exceeding tourism as a source of jobs.

Health care has also shown recent wage growth in Louisiana. Health care is already the anchor employer in the area surrounding the former Charity Hospital, with multiple employers and related workforce training programs already in place.

The Bureau of Labor Statistics projects that healthcare support occupations and healthcare practitioners and technical occupations will be among the fastest growing occupational groups between 2016 and 2026, accounting for an estimated one-fifth of all new jobs in that decade. New Orleans is competitively placed to be the location of this growth, if it can train and house the workforce to do so.





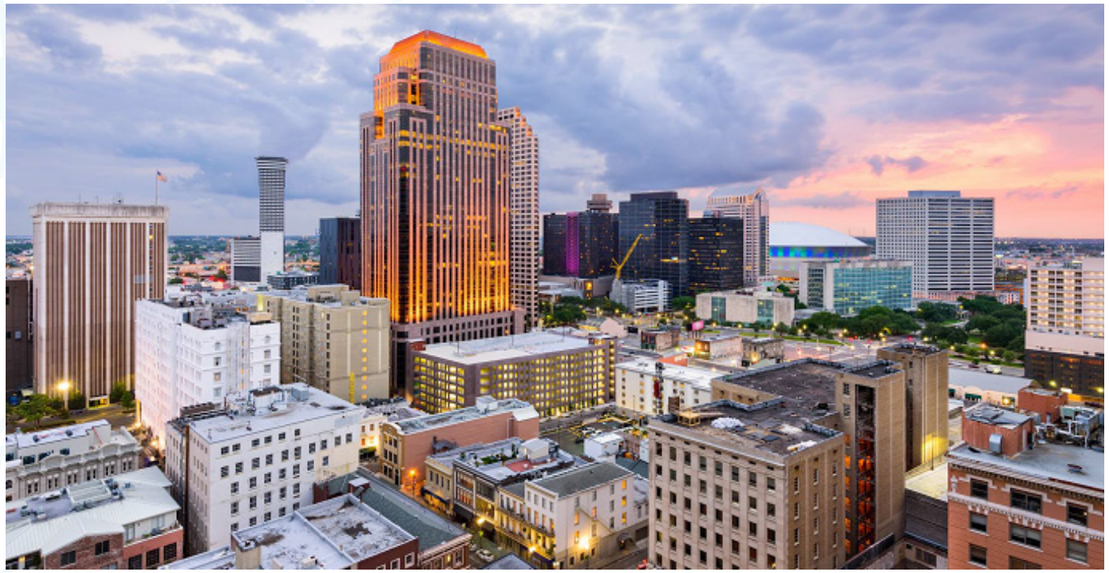


photo from: mooseintl.org

Real estate is a critical variable that will shape New Orleans' competitiveness in this area. However, rehabilitating historic buildings and new construction are both considered by the financial community to be risky investments in many settings, which can make it difficult to attract capital to local projects. The ULI report focusing only on the former Charity Hospital building recommended taking advantage of a number of creative local financing options and some established federal tax credit programs to address this challenge.

Earlier planning and economic development efforts are consistent with this strategy. In 2005, the state designated the BioDistrict as a 1,500-acre area including the former Charity Hospital area, spanning portions of the Central Business District, Mid-City and Gert Town neighborhoods. It is bounded by Loyola Avenue, Iberville Street, Carrollton Avenue, and Earhart Boulevard, and includes the City's judicial center, LSU and Tulane Health Science Centers, Xavier University and its School of Pharmacy, and the Charity School of Nursing for Delgado Community College, to name just a few key institutions.

Developed in 2005 with GNO, Inc. as the lead agency and in partnership with the local universities and educational institutions, the Downtown Development District, the Regional Planning Commission, the Business Council, the Chamber of Commerce and city government, BioDistrict New Orleans was created by State legislation and given taxation and bonding authority. The goal is to increase the region's global economic competitiveness and innovation by attracting and enhancing the development of advanced technology businesses, particularly by building on the translation of technologies from New Orleans' academic health research centers.

Achieving this requires increased collaboration between these centers, business and government. The BioDistrict had a number of successes early on, but ultimately lost state funding. More recently, since the onset of the new administration of the Mayor, Latoya Cantrell, the BioDistrict commission has brought on new members and, with the Spirit of Charity initiative, organized a major conference, "The Geography of Innovation: The Biomedical District, the premise and the promise." The event will take place on October 31st and over 300 people have already registered.

Financing

While the innovation district opportunity is clear, there are significant sources of friction and barriers that must be proactively addressed in order for it become a reality. The strategy elements outlined in this document can do – but not without cost.

There are several incentive programs already available in New Orleans/Louisiana to support the creation of an innovation district by targeting the attraction of new employers, the growth of existing ones, or funding construction activity.

PAYROLL SUBSIDY

QUALITY JOBS PROGRAM (QJ)

The QJ incentive provides up to a 6% annual cash rebate on qualified payroll expenses incurred by companies creating new jobs, for up to 10 years.

DIGITAL INTERACTIVE MEDIA AND SOFTWARE DEVELOPMENT

The DIMSD incentive provides an annual 25% tax credit on qualified payroll expenses incurred by companies producing digital interactive products or platforms.

QUALIFIED ENTERTAINMENT COMPANY (QEC)

The QEC incentive provides an annual 15% or 20% tax credit on qualified payroll expenses incurred by entertainment companies that create a minimum of five net new jobs, each with a salary equaling or exceeding $45,000/yr.

ENTERPRISE ZONE

The EZ incentive provides a $3,500 or $1,000 one-time tax credit for each new job created, if hiring at least 50% of those net new jobs from one of four targeted groups.

INVESTMENT SUBSIDY

RESEARCH AND DEVELOPMENT

The R&D incentive provides up to a 30% annual tax credit on qualified research expenditures incurred in Louisiana — with no cap and no minimum expenditure.

DIGITAL INTERACTIVE MEDIA AND SOFTWARE DEVELOPMENT

The DIMSD incentive provides an annual 18% tax credit on qualified production expenditures incurred by companies producing digital interactive products or platforms.

QUALITY JOBS PROGRAM (QJ)

The QJ incentive provides either a one-time state sales/use tax rebate on capital expenses or a one-time 1.5% investment tax credit for qualifying expenses.

ENTERPRISE ZONE

The EZ incentive provides either a one-time state sales/use tax rebate on capital expenses or a one-time 1.5 percent investment tax credit for qualifying expenses.

OPPORTUNITY ZONE TAX-ADVANTAGED EQUITY

An OZ is a defined geographic area where significant capital gains tax savings are available for new investments funded wholly or partially by the proceeds from liquidated investments.

ANGEL INVESTOR

The AI incentive provides up to a 25% one-time tax credit to investors who invest in businesses certified by the Louisiana Department of Economic Development (LED) as “Louisiana Entrepreneurial Businesses.”

HISTORIC REHABILITATION TAX CREDITS

A federal income tax credit worth 20% of qualifying expenses is available for the rehabilitation of historic, income-producing buildings. When combined with the corresponding state historic tax credit worth 20% of the same qualifying expense total, a one-time gross subsidy equal to 40% of building renovation costs is generated.

NEW MARKETS TAX CREDITS (NMTC)

A federal income tax credit equaling 39% of the total qualifying amount financed for a business either located within a qualifying census tract or employing or serving sufficient qualifying individuals.

LOCK-IN LOW TAXES

PAYMENT IN LIEU OF TAXES (PILOT)

A PILOT stipulates a series of annual tax payments, in amounts negotiated in advance between a company and local government. The company benefits from lower and predictable tax bills while local government taxing bodies receive a commitment to be paid a pre-determined amount annually over the life of the PILOT agreement.

INDUSTRIAL TAX EXEMPTION PROGRAM (ITEP)

The ITEP incentive waives, for ten years, 80% of the property tax due on a manufacturer’s qualifying capital investment related to the manufacturing process.

RESTORATION TAX ABATEMENT (RTA)

The RTA freezes for up to ten years the property tax due on an existing building. The tax is frozen at the building’s pre-renovation assessed amount.

PLACE-BASED FINANCING

Many of these programs are state or federal programs that are not connected to the potential innovation district footprint. However, the importance of place in unlocking an innovation district’s potential cannot be understated. Additional creative financing to connect implementation to the proposed District can increase the likelihood of the District’s success.

The Tax Cuts and Jobs Act of December 2017 established preferential tax treatment for new investments in designated low-income Census tracts, called Opportunity Zones. The Census tracts that include the former Charity Hospital and surrounding neighborhood were all included by Governor John Bel Edwards in this program. This new tax credit has the potential to attract significant investment to the former Charity Hospital area – interest which should be guided by a cohesive and inclusive local vision.

In addition, the Urban Land Institute advisory services report recommended creating a tax increment financing (TIF) district to raise additional resources specifically for the redevelopment of Charity Hospital. In the state of Louisiana, TIF districts are typically sales-tax based, because of the relative rate of the tax, though hospitality taxes and real property taxes are also options.

With any of these options, the revenue-generating potential of the TIF and the fate of Charity Hospital are clearly closely intertwined. While it would be a likely boost to an innovation district to have Charity Hospital and its accessory structures redeveloped, it is even more likely that the success of any Charity Hospital redevelopment depends on the revitalization of the surrounding area – the area which under any scenario would be generating the TIF revenue. Local and state leaders considering the creation of a TIF must also consider what an equitable distribution of TIF revenue between the Charity Hospital project and the surrounding area looks like.

Guiding Principles

Based on the input gathered from multiple community meetings and the efforts of community stakeholders convened as part of focused working group and subcommittees, we have distilled the following guiding principles that inform all elements of this strategy for the redevelopment of the Spirit of Charity Innovation District.

- The neighborhood around the former Charity Hospital should be a walkable, active, vibrant, mixed-use, mixed-income community where New Orleanians come to "Live, Work, Play, and Heal."
- The job creating potential of an Innovation District should guide the economic development strategy for the district.
- We aspire to create an unprecedented model for equity and economic inclusion (equitable development), including small business creation, local hiring/training to increase wealth of New Orleanians.
- Anyone who works in the district should also have the possibility of living in the district.
- Change must honor the historic fabric and culture of New Orleans.
- Environmental sustainability must be both the invisible bones and visible face of all new public and private investment in the district.
- We owe the community public transparency and accountability to our ideals, by measuring benchmarks, updating, and reporting these metrics.

..honor the historic fabric and culture of New Orleans

"Live, Work, Play, and Heal."

Strategy and Action Plan

The strategy consists of twelve elements and immediate associated action items. This is intended to be a living document that is revised on a quarterly schedule in order to adapt the strategy to new opportunities, changing conditions, and unanticipated challenges. The window for input is never closed.

RECRUIT NEW EMPLOYERS; RETAIN EXISTING JOBS

The Spirit of Charity Innovation District will be an engine for opportunity in the knowledge economy for New Orleanians.

HOW

a. Maximize/tailor tax incentives in the District: While a number of incentives currently exist for a variety of business purposes, the Spirit of Charity Innovation District currently has no distinct competitive advantage over other areas other than its recent very important designation as an Opportunity Zone. Opportunities to package or customize additional incentives for the District should be explored.

   Desired Outcomes: Incentives can be coupled with key expectations around hiring, training and staffing plans to ensure equitable outcomes.

b. Attract healthcare expertise to drive destination healthcare and the development of biotech businesses: Attract world class researchers to the District to leverage the research capacity of LSU, Tulane, Xavier University, the VA, and even regional partners like Ochsner Health System.

   Desired Outcome: Enhanced translational research, achieving National Cancer Institute designation, and providing access locally and internationally to clinical trials and cutting edge treatment, thereby driving economic returns through destination healthcare and the development of biotech businesses.

c. Establish a Venture Capital fund tied to startups in the District: Create a direct financial incentive to startups locating in the area.

   Desired Outcome: Ensure the district is anchored by well-funded startups complimenting existing anchors and workforce development efforts.

d. Attract investment and employment from IT firms: Though growing biomedical sector employment is a natural and appropriate objective for the Spirit of Charity Innovation District, the recent announcement of DXC Technology's digital transformation center sited within the innovation district underlines how the district's attributes are fundamentally attractive to other subsets of the knowledge economy sector.

e. Remain the civic heart of the city: Though there is broad consensus that the region's transit system is not as robust as it should be, the Spirit of Charity Innovation District nonetheless has the best transit access in the entire region. City Hall, the Civil District Court, and the Downtown Library should continue to be located in the location most accessible to the largest number of New Orleanians.

f. Work together across silos: Coordinate between universities, clinical facilities, economic development organizations, and government officials to attract and retain corporate partners, especially those who work on the commercialization of biotechology.

ACTION LEADS

MICHAEL HECHT (GNO, Inc.) and QUENTIN MESSER (New Orleans Business Alliance)

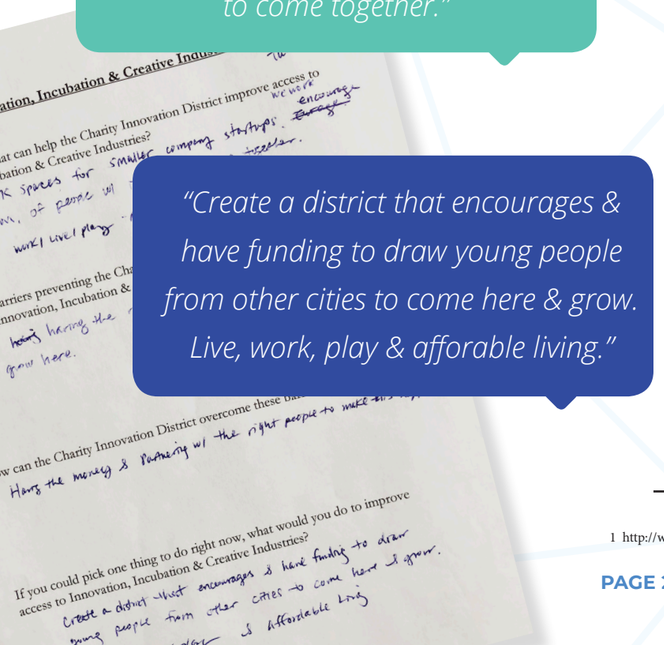
INCUBATE SMALL AND LOCAL BUSINESSES

The Spirit of Charity District can and should be a local and national model for economic inclusion that intentionally reduces racial inequality in New Orleans.

The New Orleans area has hundreds of millions of dollars of biotechnology research, ranging from medical devices to therapeutic drugs and cancer treatments. Two life sciences centers, a world-class pharmacy program, and numerous hospitals allow for the local commercialization of these technologies.

An innovation district can help foster the development of this industry by organizing the resources necessary: researchers, business professionals, and commercial entities. In addition to DXC Technology's recent decision to locate in New Orleans, the city also boasts a growing and entrepreneurial information technology sector.

"Provide work spaces for smaller company startups, encourage collaboration of people with ideas to come together."



"Create a district that encourages & have funding to draw young people from other cities to come here & grow. Live, work, play & afforable living."

HOW

a. Attract/build entrepreneurial incubators and/or accelerators: Leverage the vision of a more walkable neighborhood and attractive real estate to build intentional spaces for entrepreneurial start-ups, in line with the successful model of the New Orleans Bioinnovation Center. Increase commercial lab & office facilities available to small and medium-sized companies.

   Desired Outcome: An influx of diverse talent and energy to the district.

b. Incent intentional inclusion: Utilize the city's DBE Policy to ensure opportunities for people of color and women on all projects involving public assets.

   Desired Outcome: Measurable progress on DBE goals.

   i. The Disparity Study should inform more ambitious goals[1]. Incorporate DBE policy requirements across the spectrum of opportunity to include ownership, direct participation, contracting, subcontracting, procurement of goods and services and operations (i.e., Four Seasons, etc.)

   ii. Establish larger DBE goals (Disparity Study2 indicates availability at 41%)

   iii. Ensure that the DBE policy as applied to the District is enforceable (May to Shall/May to Must)

   iv. Negotiate (or legislate) utilization of the city's SLDBE Program for redevelopment of state-owned assets in the District (TIF is a joint local and state strategy).

   v. Provide incentives in the selection criteria for intentionality within the public policy space to include prompt payment for DBE firms, unbundling bid packages, waiving bonding requirements, providing

1 http://www.noladisparitystudy.com/images/KeenIndependentNOLADisparityStudyDraftReport02282018A.PDF

   vi. Access to contract financing, and joint ventures.

c. Create a space for developers and operators in the District to operate with intentionality around race and ethnicity, including establishing:

   i. Entrepreneurs of Color Strategy

   ii. Public/Private Partnership – P3 Emerging Developers Fund to support inclusion of entrepreneurs of color and women (like New York City).

   iii. Work with Healthcare industry anchors to create opportunities for entrepreneurs of color.

ACTION LEADS

JUDITH DANGERFIELD (MetroSource LLC), Will Bradshaw (Green Coast Enterprises), Aaron Miscenich (New Orleans BioInnovation Center), and J.D. Russell Consulting

ARTICULATE WORKFORCE DEVELOPMENT CAREER PATHWAYS

In order to fully connect New Orleanians with the economic opportunities of an innovation district, we need new training pathways around the concentrated industry sectors of information technology, health sciences and bioinnovation – creating a training and innovation hub. We can close the wage and employment gaps that have persisted across generations by tailoring our training programs to the specific needs of employers in the district and directly connecting workers to these employers.

Targeting partnerships with K-12 schools, higher education, and employers will ensure that there is alignment with educational institutions from the outset to better prepare our future workforce. In addition, we must also support culture bearers within the District and diversify pathways for arts and entrepreneurship to intentionally preserve local heritage.

HOW

a. Open, intentional, coordinated, and clear communication between employers and K-12 schools, training nonprofits, 2- 4 year institutions. Internal policy changes (educational institutions) must ensure training programs are responsive to industry needs.

   Desired Outcome: Better aligned industry and training needs resulting in more citizens prepared for the workforce.

b. Flexible employer policies regarding on the job training requirements, including taking advantage of funding and opportunities connected to apprenticeships (registered and unregistered) to provide further opportunities for people looking to get into the workforce.

   Desired Outcome: Employers will have a greater pool of candidates.

c. Secure additional workforce funding at the federal, state and local levels to specifically support employer-led training programs and apprenticeships that intentionally connect long-time residents to opportunities.

   Desired Outcome: Increased support for new and existing workforce training programs.

ACTION LEADS

ASHLEIGH GARDERE (New Orleans Business Alliance) and CARMEN JAMES (Greater New Orleans Foundation)

"Build the district to unlock the economic potential. Develop a way to train the workforce."

PROMOTE EQUITABLE LAND USE

Ensure the New Orleans community will be engaged in the land development process, empowering and authorizing stakeholders to promote and enforce a commitment to the values of equity and inclusion. This is essential in order to achieve the vision of a Spirit of Charity Innovation District that has buy-in from a diverse group of stakeholders.

HOW

a. Create smaller development parcels from superblocks within the district and market them to smaller developers.

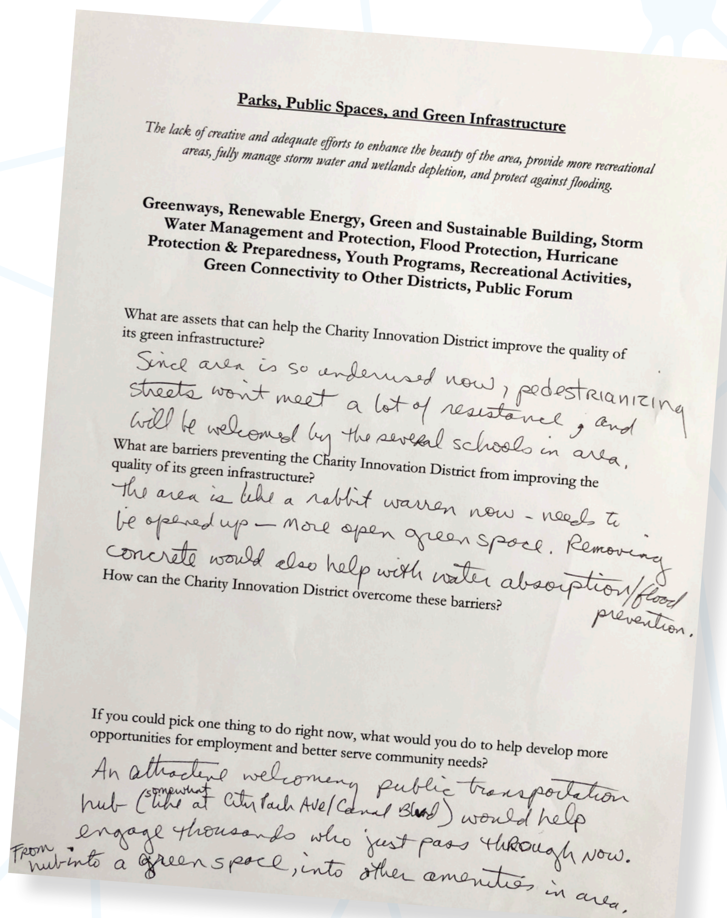
   Desired Outcomes: A more granular urban form with human-scale appeal to balance institutional land uses already in the district. New ownership and wealth-building opportunities for less established developers.

b. Institutionalize the development and implementation of a Community Benefits Agreement (CBA) into any public financing strategies for non-publicly owned property and in the redevelopment of any public properties included in the Spirit of Charity Innovation District.

   Desired Outcomes: Community benefits must be commensurate with the community's investment in terms of outcomes.

> ACTION LEADS
>
> KURT WEIGLE (Downtown Development District)
>
> Will require legislative action by the New Orleans City Council and land control intervention by city real estate entities.

> *"Design the district to be self-activating (mixed use around public spaces – especially ground level) especially Duncan Plaza."*



Parks, Public Spaces, and Green Infrastructure

The lack of creative and adequate efforts to enhance the beauty of the area, provide more recreational areas, fully manage storm water and wetlands depletion, and protect against flooding.

Greenways, Renewable Energy, Green and Sustainable Building, Storm Water Management and Protection, Flood Protection, Hurricane Protection & Preparedness, Youth Programs, Recreational Activities, Green Connectivity to Other Districts, Public Forum

What are assets that can help the Charity Innovation District improve the quality of its green infrastructure?

Since area is so underused now, pedestrianizing streets won't meet a lot of resistance, and will be welcomed by the several schools in area.

What are barriers preventing the Charity Innovation District from improving the quality of its green infrastructure?

The area is like a rabbit warren now - needs to be opened up — more open green space. Removing concrete would also help with water absorption/flood prevention.

How can the Charity Innovation District overcome these barriers?

If you could pick one thing to do right now, what would you do to help develop more opportunities for employment and better serve community needs?

An attractive welcoming public transportation hub (somewhat like at City Park Ave/Canal Blvd) would help engage thousands who just pass through now. From hub into a green space, into other amenities in area.

FOSTER LOCAL RETAIL AND ATTRACT REGIONAL RETAIL

Almost all TIFs in the state of Louisiana are sales tax-based. However, it is critical that this District pursue a retail strategy that complements adjacent neighborhoods, disperses the impact of tourism more broadly across the city, and reflects the guiding principles of the strategy.

HOW

a. Communicate what's happening in the district to the existing New Orleans retail community.

   Desired Outcomes: Connect the local retail opportunity with established successful local entrepreneurs who may be looking to expand.

b. Bring pop up retail to Duncan Plaza and Loyola Avenue.

   Desired Outcomes: Offer new retail amenities to the existing employment base in the district, including City Hall, the courts, and Tulane University.

c. Plan for new retail by identifying locations and opportunities.

   Desired Outcomes: Be ready to act when the timing is right to place new regional retail in the district to help diversify and expand the district's activity base and hours with a new major land use.

> ACTION LEADS
>
> QUENTIN MESSER (New Orleans Business Alliance), ASALI DEVAN ECCLESIASTES (New Orleans Business Alliance), and KURT WEIGLE (Downtown Development District)

CENTER ANCHOR INSTITUTIONS

Tulane's main Uptown campus is at capacity, but the university's enrollment and programs continue to grow, particularly graduate and professional programs. To accommodate this, the university is investing in a satellite downtown campus that it plans to grow in size, functions, connectivity, and "campus feel." Currently, the downtown Tulane campus encompasses 35 acres, or approximately one-third of the proposed Spirit of Charity Innovation District. The campus includes the School of Medicine, School of Public Health and Tropical Medicine, and School of Social Work, as well as offices for some Tulane administrative functions and a graduate student dorm.

Delgado School of Nursing will maintain its current downtown campus and expand into 1452 Tulane Avenue, previously occupied by LSU School of Medicine.

LSU's downtown campus spans both sides of Claiborne Ave/I-10. The 2007 LSU Health Sciences Center Advisory Plan called for the demolition of the existing LSUHSC dormitory adjacent to the I-10 ramps to create green space, constructing 1,225,000 square feet of residential space in multi-story buildings, to be located on the former site of the VA Hospital and the old LSU Medical School, and the adaptive reuse of the former Charity Hospital building. These plans are now considerably out of date.

The City of New Orleans' Main Library is located on the corner of Tulane and Loyola Avenues. The Library board has long sought a renovation or replacement of this building but has been unable to find the resources. Other cities have redeveloped public facilities like downtown libraries where land is in short supply through public private partnerships where housing or office space is developed as part of a new structure on leased public property that also includes the public facility like a library.

In order to thrive, the Spirit of Charity Innovation District must meet the needs of its growing anchor institutions. These needs must be broadly understood across sectors, as unprecedented cooperation and collaboration between city, state, and neighborhoods will be needed.

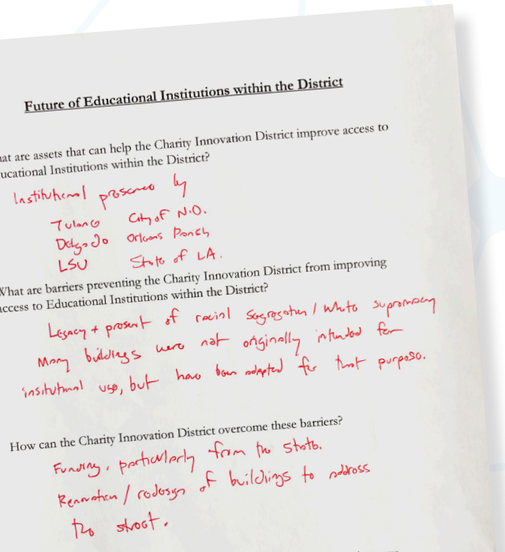
HOW

Convene public & private institutions that have a presence downtown to articulate what they want/need.

Desired Outcome: New partnership and a shared sense of mission, goals, and objectives among anchors, the city, and the state.

ACTION LEAD

PATRICK NORTON (Tulane University) and ED MURRAY (LSU Health Science Center)


Future of Educational Institutions within the District

at are assets that can help the Charity Innovation District improve access to ucational Institutions within the District?
Institutional presence by
Tulane City of N.O.
Delgado Orleans Parish
LSU State of LA.

What are barriers preventing the Charity Innovation District from improving ccess to Educational Institutions within the District?
Legacy + present of racial segregation / White supremacy
Many buildings were not originally intended for institutional use, but have been adapted for that purpose.

How can the Charity Innovation District overcome these barriers?
Funding, particularly from the State.
Renovation / redesign of buildings to address the street.

"Create a Tulane, Xavier, UNO, SUNO, Dillard, Delgado & Loyola Administrative partnership to program buildings and spaces in the district with accessible educational opportunities."

A rendering of the proposed Duncan Plaza redesign by OJB Landscape Architecture for the Downtown Development District.

CREATE 21ST CENTURY GREEN INFRASTRUCTURE

Public space represents another opportunity to intersect innovation and equity in the Spirit of Charity Innovation District. There are many relatively low-cost ways to improve the public spaces and rights-of-way in the District that could have a positive economic, social, and environmental return on investment. Both transformative, large scale re-imaginings and small, human-scale, iterative changes to Duncan Plaza and the District's streetscapes can be a springboard for social life and cultural expression to connect people and promote long-term resilience.

Duncan Plaza is the Charity District's largest green space. Located at the municipal government complex on Loyola Avenue, it is a point of convergence that connects several distinct downtown neighborhoods. The space has remained largely the same for the last 30 years. A refuge for some of the city's homeless population, Duncan Plaza also functions as a site where service providers and faith-based outreach groups connect with those in need. One important resource the Plaza lacks is public restrooms.

The Downtown Development District has recently set plans into motion to redevelop the space to better serve the needs of stakeholders, based on input gained from small group interviews, public meetings, an online survey, and engagement events within the park. These planning efforts aim to modify the space to meet the expectations of Downtown residents, the area's daytime population and potential new stakeholders in the innovation district. Furthermore, it aims to be a model of storm water management best practices.

Duncan Plaza should set the tone for the rest of the Charity District in the realm of environmental sustainability, particularly storm water management. Within the Charity District, New Orleans has the opportunity to create a sustainable development model that sets the standard for the world, incorporating leading water management, energy conservation, alternative transportation, and other strategies.

HOW

a. Continue fundraising and outreach to build momentum for a new Duncan Plaza to catalyze economic development, attract visitors, and welcome families and pets.

   Desired Outcome: A world-class green community public space that is active, enhances surrounding property values, and is a meeting place for New Orleanians of all walks of life.

b. Design and construct public rights of way that make use of all existing technologies and innovate new strategies to retain and direct storm water to the ground; create cooler, more inviting streetscapes, and provide a balanced, sustainable transportation system that integrates and prioritizes cycling, walking & transit.

c. Partner with the Claiborne Corridor Cultural Innovation District to identify appropriate locations for creative stormwater management interventions.

   Desired Outcome: Reduce flood risk to the area and create new inviting and educational green spaces with water and drainage features.

d. Honor the history of the area by installing new public water fountains.

   Desired Outcome: Create a visible and symbolic connection to the Spirit of Charity's legacy of healing.

e. Create new pocket parks and street amenities.

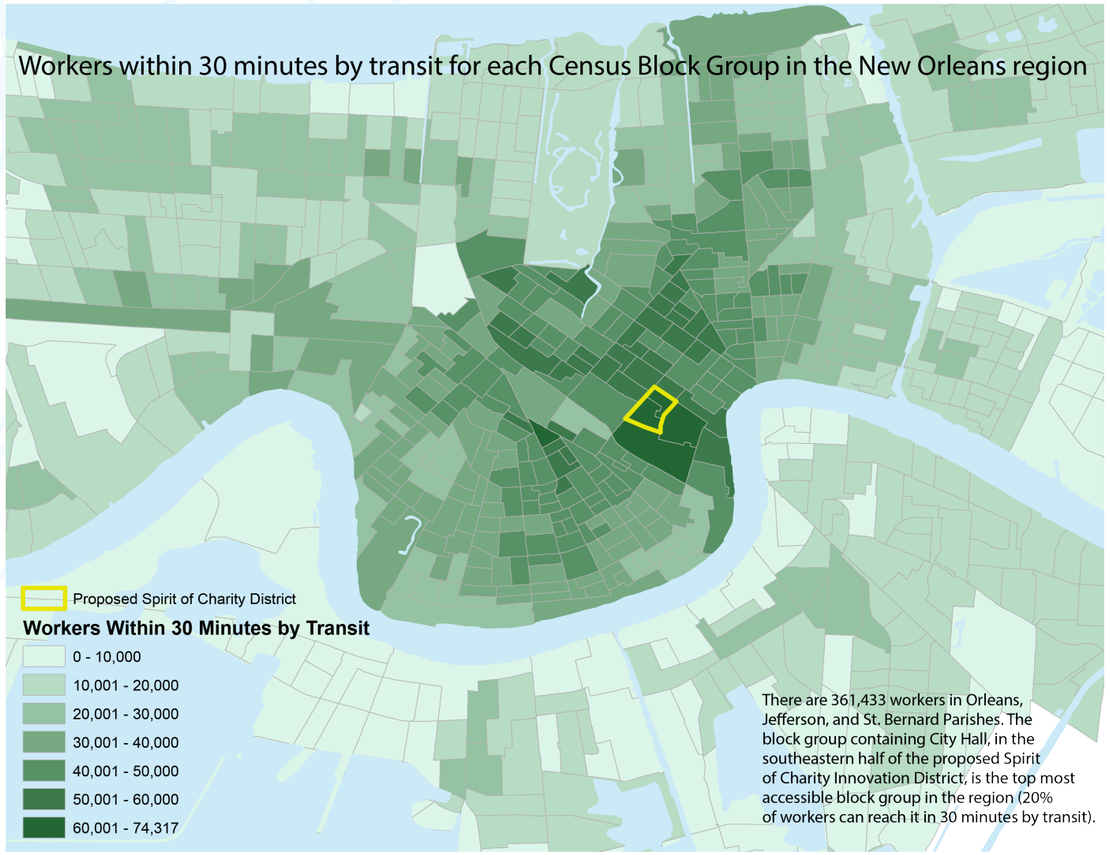
   Desired Outcome: Provide places for workers, residents, and visitors to connect, gather, and rest that can be used immediately.

f. Explore the cost and feasibility of public WiFi in the innovation district, potentially supported by digital advertising revenue.

   Desired Outcome: Improved connectivity for local workers, residents, and visitors.

ACTION LEADS

KURT WEIGLE (Downtown Development District) and ELLA DELIO (Greater New Orleans Foundation)



IMPROVE MOBILITY AND TRANSPORTATION

The Spirit of Charity Innovation District is the most transit accessible neighborhood in Orleans Parish. Locating new jobs and housing in this area maximizes the value already invested in the existing transit system.

All future design decisions by public and private entities that impact the form of this district should put the needs of people moving around by foot first. We must acknowledge that many of the recent architectural and infrastructure investments in and around the district do not have this orientation, and work to gain the buy-in of key stakeholders to create a walkable urban place.

HOW

a. Revise the city's Complete Streets ordinance.

   Desired Outcome: A citywide policy framework that will support the culture change necessary to incorporate walkability into all infrastructure decisions.

b. Advocate for ADA compliance of the built environment in the District.

   Desired Outcome: The sidewalks, crosswalks, signage, entrances, and other elements of the District should reflect awareness that the area is a place where individuals and populations that are vulnerable and/or have special needs come for healing.

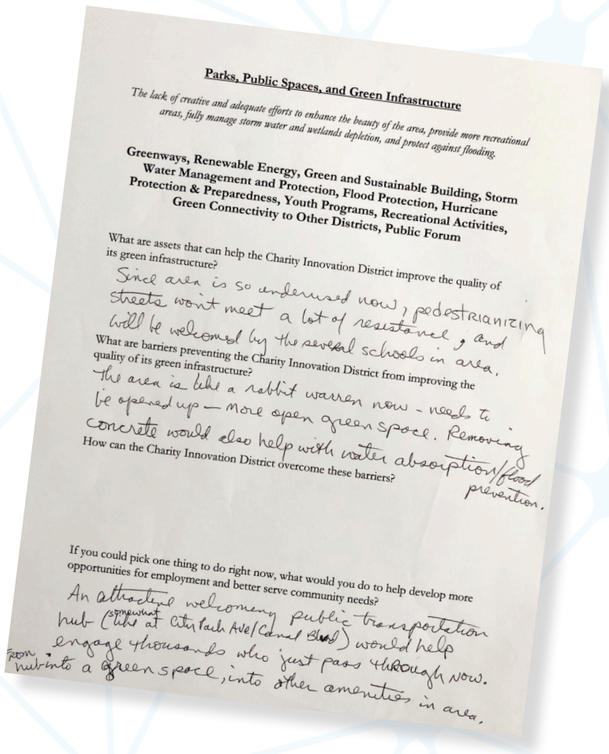
c. Actively participate in the RTA's comprehensive operations analysis.

   Desired Outcome: Improve regional and New Orleans transit connections to the District, including a lively, comfortable, retail-activated new transit transfer center in whatever location is recommended by the comprehensive operations analysis that connects travelers across modes to local jobs regional destinations.

ACTION LEADS

ALEX POSORSKE (Ride New Orleans) and FLOZELL DANIELS (Foundation for Louisiana/ RTA Board Chair)

"Since the area is so underused now, pedestrianizing streets won't meet a lot of resistance, and will be welcomed by the several schools in the area. An attractive welcoming public transportation hub (somewhat like at City Park Ave/Canal Blvd) would help engage thousands who just pass through now."



Parks, Public Spaces, and Green Infrastructure

The lack of creative and adequate efforts to enhance the beauty of the area, provide more recreational areas, fully manage storm water and wetlands depletion, and protect against flooding.

Greenways, Renewable Energy, Green and Sustainable Building, Storm Water Management and Protection, Flood Protection, Hurricane Protection & Preparedness, Youth Programs, Recreational Activities, Green Connectivity to Other Districts, Public Forum

What are assets that can help the Charity Innovation District improve the quality of its green infrastructure?
Since area is so underused now, pedestrianizing streets won't meet a lot of resistance, and will be welcomed by the several schools in area.

What are barriers preventing the Charity Innovation District from improving the quality of its green infrastructure?
The area is like a rabbit warren now - needs to be opened up — more open green space. Removing concrete would also help with water absorption/flood prevention.

How can the Charity Innovation District overcome these barriers?

If you could pick one thing to do right now, what would you do to help develop more opportunities for employment and better serve community needs?
An attractive welcoming public transportation hub (somewhat like at City Park Ave/Canal Blvd) would help engage thousands who just pass through now. From hub into a green space, into other amenities in area.

ADDRESS HOMELESSNESS/ TRANSITIONAL HOUSING

Whether it be homeless encampments near the intersection of Claiborne and Cleveland Avenues, in Duncan Plaza or the nearly completed low-barrier shelter in the renovated VA facility, the homeless and social services supporting this population currently have a significant presence in the district. Over the last 5 years the City expended considerable effort investigating ways to better support the homeless population in the area. Ultimately, based on best practices as demonstrated in other cities such as St. Paul, Cincinnati, and Worcester, the Downtown Development District and the City endeavored to create a low-barrier shelter capable of addressing the complex needs of the chronically homeless. Recognizing that proximity to the current homeless population was important for success and following a determination that two alternative sites proposed on Earhart Boulevard and another on Erato Street would not be suitable, the decision was made to renovate a portion of one floor of the former VA building on Gravier Street to serve as the low-barrier shelter.

The shelter has capacity to support 100 people and is designed for homeless men and women over 18 years old who have been on the street for a long time. Its designation as a low-barrier shelter means that it welcomes individuals who are not interested or do not qualify for temporary admittance to standard homeless shelters. This could be for reasons ranging from the admission fee to addiction to their desire to care for companion animals. The goal is to move each client to permanent housing as quickly as possible. The low-barrier shelter is staffed by registered nurses, social workers, housing navigators, security personnel, and others to provide the care that individuals need for effective transition to permanent housing.

The low-barrier shelter opened in August 2018. Some stakeholders, including potential developers of surrounding properties, have suggested that the existence of the shelter will hamper the development of the Charity building and the rest of the former VA complex. Because the site was renovated, in part, using federal dollars, any future relocation of the facility should consider obligations that may have been tied to this funding source. In the event a new or expanded facility is needed, advocates agree that proximity to the current homeless population and required supportive services is essential.

HOW

a. Provide emergency shelter and services for special needs populations (formerly incarcerated, homeless individuals and families, mentally ill, etc.) and encourage the development of additional permanently affordable private sector "single room occupied" buildings and services.

   Desired Outcome: Transition a portion of the homeless from the streets and eliminate the informal settlements. Stabilize property values as the current concentration of homeless is a deterrent for equitable development and seen as a public safety concern.

b. Convene stakeholders on the Continuum of Care to review national best practices and cross reference with existing 10 Year Plan to End Homelessness to identify additional next steps.

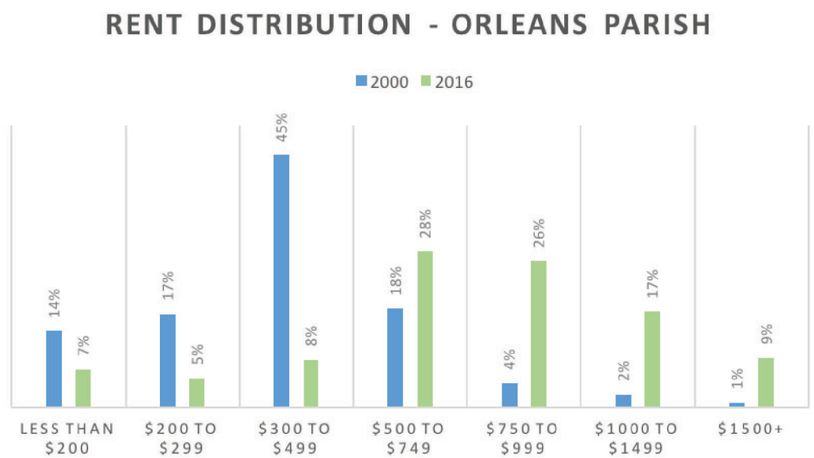
c. Estimate needed new beds for the mentally ill and homeless veterans.

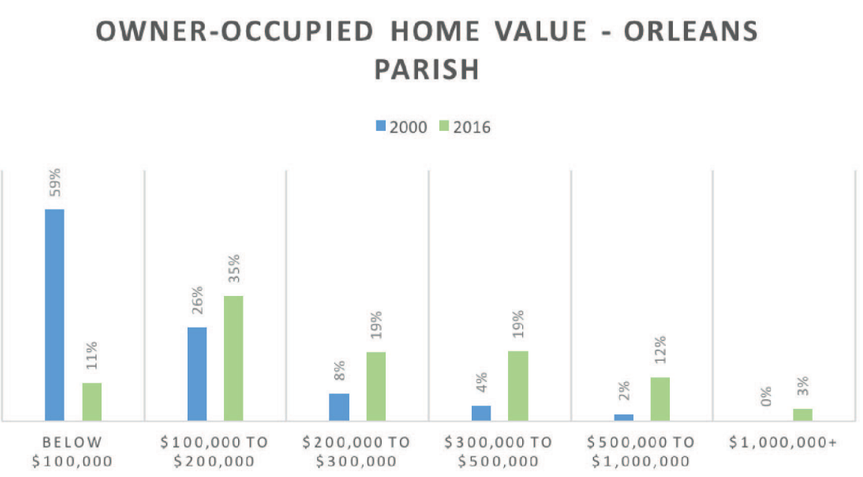
ACTION LEADS

ANDREANECIA MORRIS (Greater New Orleans Housing Alliance/HousingNOLA), JULIUS KIMBROUGH (Crescent City Community Land Trust), and KURT WEIGLE (Downtown Development District)

BUILD AFFORDABLE HOUSING

New Orleans is in a housing crisis. Both rental and for sale housing costs have grown exponentially since 2000, while wages have not kept pace, especially among lower income workers.





Data Source: 2000 US Census (H054 and H084) and 2016 American Community Survey 1-year Estimates (B25056 and C25075)

A framework for new housing in the Spirit of Charity Innovation District must model the aspirational goals of a just and equitable city. In order to do this, new housing supply must provide permanently affordable housing for extremely low income (49% or below of Area Median Income for the New Orleans Metropolitan Statistical Area) rental households, either using tax subsidies to private developers/operators or directly developed/operated by the municipality.

In addition, we must encourage the private sector to develop permanently affordable housing for the average New Orleanian (50 – 80% of AMI), in the form attached housing for middle income or upper income households near or in the district. This housing could be either rental or for-sale.

Housing that is affordable to the average New Orleanian (50 – 120% of AMI or lower) should be 50% of all new or renovated residential housing that is financed with public funds within district.

HOW

a. Set housing supply targets by income bracket based on who works in the District.

   Desired Outcome: A vision for a District where jobs and housing are in balance. Create a housing plan that will enable anyone who works in the District to live in the District if they so choose.

b. Estimate affordable housing production cost and identify the magnitude of any financing gap that would require use of the Neighborhood Housing Improvement Fund and other sources using the financial feasibility exercise model of the 2016 Smart Housing Mix Study. Map how the recommendations of the Smart Housing Mix Study can be used to implement the top level goals of this strategy.

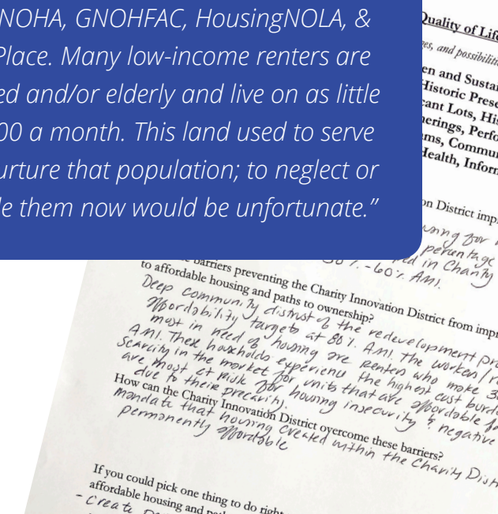
c. Create an employer assisted housing program to address affordability and encourage the local workforce to live within walking distance of work, thereby taking advantage of the substantial household cost-savings associated with reducing auto dependence.

ACTION LEADS

ANDREANECIA MORRIS (Greater New Orleans Housing Alliance/HousingNOLA), JULIUS KIMBROUGH (Crescent City Community Land Trust), and LEIGH FERGUSON (Downtown Development District)

"Fund permanently affordable rental housing for residents making 30% – 60% AMI. Dedicating a high percentage (25% – 50%) of housing developed in Charity to low income renter making between 30% – 60% AMI."

"New Orleans greatest asset is its residents and grassroots organizations. In order for Spirit of Charity Innovation District to create meaningful access to affordable housing, it must collaborate with and defer to the leadership of housing organizations like GNOHA, GNOHFAC, HousingNOLA, & Jane Place. Many low-income renters are disabled and/or elderly and live on as little as $700 a month. This land used to serve and nurture that population; to neglect or exclude them now would be unfortunate."

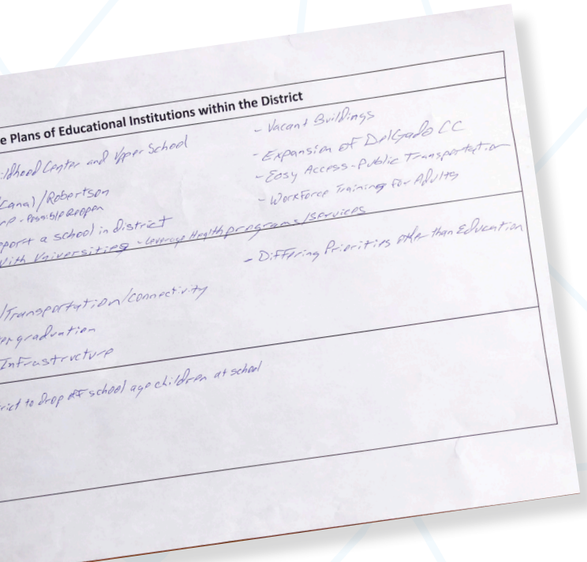


INNOVATE ON EARLY CHILDHOOD DEVELOPMENT

There is one licensed child care facility in the Spirit of Charity Innovation District, Kidopolis. As of July 2017, 117 children attended Kidopolis. There is currently a three to six-month waitlist for infants and toddlers to enroll. Prices range from $1,215 a month for infants and toddlers to $980 for children three and up. After taxes, enrolling an infant or toddler full time at Kidopolis cost more than the total earnings of 13 percent of the Spirit of Charity Innovation District workers and more than half the earnings of 39 percent of the District's workers.

Many workers in the Spirit of Charity Innovation District may qualify for the Child Care Assistance Program (CCAP), a program that provides financial assistance to low-income families while they are working or attending school. However, even with financial assistance there are limited enrollment spaces.

The state's Bureau of Family Health Child Care Health Consultant Program (CCHC) is headquartered at the edge of the proposed District. All childcare facilities are required by the Bureau of Licensing to receive a total of 15 clock hours of education and training annually with the CCHC. Taking advantage of this proximate asset with the development of the Charity District could help ensure child care needs are met for workers.



There is a significant need for high quality early childhood education across the region, and an affordable, inclusive first-rate ECE provider in the district, for both residents of the district and employees who work there, would be an opportunity to provide a much needed amenity that has a significant social benefit.

HOW

Reach out to operators, both within Tulane and the school community, to initiate thinking on a strategy on early childhood development.

ACTION LEAD

PATRICK NORTON (Tulane University)

"Large area to offer Early Childhood Center and Upper School. Enough nearby housing to support a school in district. Partnership opportunities with Universities – leverage health programs/services. Opportunity for workers in district to drop off school age children at school."

CAPITALIZE ON OPPORTUNITY ZONE STATUS

The entirety of the proposed Charity Innovation District was classified earlier this year as eligible for Opportunity Zone investments. However, as over 8,000 census tracts nationwide have been deemed to be Opportunity Zones, there is little about the designation itself that confers a unique competitive advantage in attracting investment. That said, these zones range from the Mojave Desert to downtown Brooklyn and are clearly not all equally attractive as investment opportunities to create new sustainable growth.

Tax advantaged Opportunity Zone equity is invested via qualified funds into property or businesses. It can therefore both be a source of financing for real estate and function in a role akin to venture capital by providing equity to operating businesses.

There is no shortage of either social needs or investment capital in the United States; the Opportunity Zone program will provide robust tax benefits by deploying the latter in service of the former. The objective of this innovation district's Opportunity Zone strategy is, in part, to develop a pipeline of real estate projects and business enterprises for the area anchored by the former Charity Hospital that produce social benefits and are financially profitable. What the Opportunity Zone designation has the potential to do is create a mechanism to plug funding gaps so that these worthwhile catalytic development opportunities will be realized.

HOW

Market to the financial community: With Opportunity Zones holding the promise of significant national investment across the country, branding and marketing the Spirit of Charity Innovation District as a key investment area can drive much needed funding to real estate development, established businesses and entrepreneurial startups in the District.

Desired Outcome: OZ investments maintain both the letter and spirit of the enabling legislation, providing cross cutting community benefits in addition to financial returns.

Contemplate Opportunity Zone Equity as an enterprise attractor and catalyst. As the final regulations governing Opportunity Zones are issued by the Internal Revenue Service, develop New Orleans-based expertise on the potential of Opportunity Zone-related capital to provide patient equity on a venture capital basis to startups, and/or to serve as an incentive to larger, established businesses to enable low-cost expansion via the welcoming of tax advantaged equity investment into newly-created subsidiaries located in the Spirit of Charity Innovation District.

ACTION LEAD

FRANK RABALAIS (Crescent Growth Capital), MICHAEL HECHT (GNO, Inc.) and QUENTIN MESSER (New Orleans Business Alliance)

Next Steps

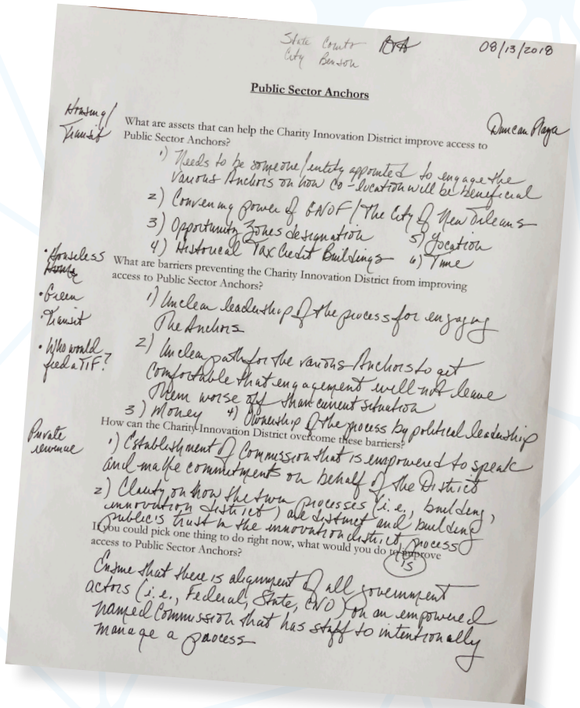
Fleshing out and implementing this strategy will require the combined efforts of key leaders in the public, private, and nonprofit sectors, as well as more engagement with the public. The Greater New Orleans Foundation has served as the convener in order to initiate this collective effort.

The next step is to create an inclusive leadership group to coordinate implementation of the plan. This group must include elected officials at the city and state levels, key nonprofit stakeholders, and substantive participation from the private sector. This group will:

- Communicate this Strategic Plan's process, contents, and vision to key constituencies across the city and region
- Provide oversight and coordination to the implementation effort as it is undertaken by various groups, agencies, and enterprises
- Identify metrics to measure progress and report to the public
- Raise funding for implementation of various strategy elements and community engagement
- Engage with the Cantrell Administration and City Council of New Orleans, the Edwards Administration in Baton Rouge and members of the local legislative delegation, the selected developer of former Charity Hospital building and the REFF, to develop and implement a TIF district, including determining its boundaries
- Update this strategy on an annual basis

"Establishment of Commission that is empowered to speak and make commitments on behalf of District"

"Ensure that there is alignment of all government actors (i.e. Federal, State, City of New Orleans) on an empowered named Commission that has staff to intentionally manage a process"


State Counter
City Benson
08/13/2018

Public Sector Anchors

Housing/Transit

What are assets that can help the Charity Innovation District improve access to Public Sector Anchors?

Duncan Plaza

1) Needs to be someone/entity appointed to engage the various Anchors on how co-location will be beneficial
2) Convening power of GNOF/The City of New Orleans
3) Opportunity Zones designation
4) Historical Tax Credit Buildings
5) Location
6) Time

• Homeless Housing
• Green
• Transit
• Who would feed a TIF?

What are barriers preventing the Charity Innovation District from improving access to Public Sector Anchors?

1) Unclear leadership of the process for engaging the Anchors
2) Unclear path for the various Anchors to get comfortable that engagement will not leave them worse off than current situation
3) Money
4) Ownership of the process by political leadership

Private revenue

How can the Charity Innovation District overcome these barriers?

1) Establishment of Commission that is empowered to speak and make commitments on behalf of the District
2) Clarity on how the two processes (i.e., building, innovation district) are distinct and building public's trust in the innovation district process

If you could pick one thing to do right now, what would you do to improve access to Public Sector Anchors?

Ensure that there is alignment of all government actors (i.e., Federal, State, CNO) on an empowered named Commission that has staff to intentionally manage a process

Appendix A: Strategy Participants

ACKNOWLEDGEMENTS

The Greater New Orleans Foundation would like to thank the New Orleans community for their participation and involvement in this strategic planning process. A huge thank you to the residents who attended the public meetings and members of the working group and subcommittees who shared their perspectives and insights throughout this process.

Thank you to the LSU Real Estate and Facilities Foundation for inviting the Greater New Orleans Foundation to lead this strategic planning and community engagement process for the Spirit of Charity Innovation District. The Foundation would also like to thank several supporters who made this planning process possible including the Downtown Development District, the Ford Foundation, GNO Inc., LSU Real Estate and Facilities Foundation, LSU Health Foundation, the New Orleans Business Alliance, Roger Ogden, the Spirit of Charity Foundation, and Tulane University.

Finally, the Foundation would like to thank the team of consultants that worked on this project including: Chris Leinberger and Tracy Loh from the George Washington University Center for Real Estate and Urban Analysis, Lamar Gardere and Rachel Weinstein from The Data Center with support from Allison Schiller of Tulane University, Austin Allen, Diane Jones Allen, and Lindsay Darnell from Design Jones, and Jade Brown Russell and Kelisha Garrett from JD Russell Consulting.

GREATER NEW ORLEANS FOUNDATION TEAM

Foundation staff leading this effort include: Andrew D. Kopplin (President and CEO), Tyronne B. Walker (Vice President for Communications and Public Affairs), and Bonita A. Robertson (Director of Civic Leadership and Workforce Initiatives).

Several additional GNOF staff members provided valuable support throughout this process, acting as co-chairs and facilitators for subcommittee convenings including: Carmen James Randolph (Vice President for Programs), Richard Martinez (Senior Program Officer), Ella Delio (Director of Environmental Programs), Isabel Barrios (Program Officer), Roy Williams (Program Officer), and Rachel Swan (Grants Manager).

WORKING GROUP

- Councilmember Jay Banks, District B
- Jayde Boulton, Office of Rep. Neil Abramson – House of Representatives District 98
- Tiffaney Bradley, Office of Councilmember Kristen Palmer
- Will Bradshaw, Green Coast Enterprises
- Christian Brierre, Domain Companies
- Jenna Burke, Office of Councilmember Jay Banks
- Cindy Connick, City of New Orleans
- Sharon Courtney, Tulane University
- Gene D'Amour, BioDistrict New Orleans and Xavier University
- Judith Dangerfield, MetroSource LLC
- Flozell Daniels, Jr., Foundation for Louisiana and RTA Board of Commissioners
- Jay Dardenne, Commissioner of Administration
- Rep. Royce Duplessis, House of Representatives District 93
- Asali DeVan Ecclesiastes, New Orleans Business Alliance
- Leigh Ferguson, Downtown Development District
- Ashleigh Gardere, New Orleans Business Alliance
- Alice Franz Glenn, Office of Rep. Walt Leger – House of Representatives District 91
- Ramsey Green, City of New Orleans
- Ben Hales, New Orleans Saints
- Michael Hecht, GNO Inc.
- Hunter Hill, Iberia Bank
- Bill Hines, Business Council and Jones Walker
- Larry Hollier, LSU Health Science Center
- Julius Kimbrough, Crescent City Community Land Trust
- Ellen Lee, City of New Orleans
- Walter Leger, GNOF Board
- Dr. William Lunn, Tulane Hospital
- Quentin Messer, New Orleans Business Alliance
- Aaron Miscenich, BioInnovation Center and Louisiana Cancer Research Consortium
- Councilmember Helena Moreno, At-Large
- Andreanecia Morris, Greater New Orleans Housing Alliance
- Monika McKay, GNOF Board
- Lacy McManus, GNO Inc
- Ed Murray, LSU Health Science Center
- Fred Neal, Jr., RTA Commissioner
- Patrick Norton, Tulane University
- Roger Ogden, LSU Foundation Board of Directors and co-founder of Stirling Properties
- Frank Rabalais, Crescent Growth Capital
- Coleman Ridley, Business Council
- Fernando O. Rivera, Southeast Louisiana Veterans Healthcare System
- Robert Rivers, City of New Orleans
- Poco Sloss, GNOF Board
- Rob Stuart, LSU Real Estate Facilities Foundation
- Jessica Styons, New Orleans Public Library
- Andrew Tuozzolo, Office of Councilmember Helena Moreno
- Kurt Weigle, Downtown Development District

HOUSING SUBCOMMITTEE

Nicole Barnes	Jericho Road Episcopal Housing Initiative
Shawn Barney	CLB Porter Real Estate Development and Advisors
Brenda Breaux	New Orleans Redevelopment Authority
Ella Camburnbeck	Felicity Redevelopment
Rep. Royce Duplessis	Louisiana State Representative District 93
Dana Eness	Urban Conservancy
Vaughn Fauria	New Corp, Inc.
Pat Forbes	State of Louisiana Office of Community Development
Gregg Fortner	Housing Authority of New Orleans
Michael Grote	Alembic Development
KV Harper	KEX Design Build
Janet Hays	Healing Minds NOLA
Cashauna Hill	Greater New Orleans Fair Housing Action Center
Lydia Jackson	Capital One Bank
Fred Johnson	Neighborhood Development Foundation
Mark Johnson	Brotherhood Incorporated
Kristyna Jones	University of New Orleans

Martha Kegel	Unity of Greater New Orleans	
Steve Kennedy	REO, LLC	
April Kennedy	Housing Authority of New Orleans	
Julius Kimbrough	Crescent City Community Land Trust	(Co-Chair)
Kathy Laborde	Gulf Coast Housing Partnership	
Nathan Lott	Water Collaborative of Greater New Orleans	
Lisa Mazique	Central City Economic Opportunity Corporation	
James Moffett	Adams and Reese	
Andreanecia Morris	Greater New Orleans Housing Alliance	(Co-Chair)
Neal Morris	Redmellon Restoration and Development	
James E Neville	Neville Development	
Terri North	Providence Community Housing	
Angela O'Byrne	Perez, APC	
Casius Pealer	Sustainable Real Estate Development Program at Tulane	
Rosalind Peychaud	State of Louisiana Office of Community Development	
Kim Piper		
Chris Ross	Latter and Blum	
Timolynn Sams	Neighborhood Partnership Network	

Cyril Saulny	Solid Resources
Jeff Schwartz	Broad Community Connections
Liz Shepard	Life City
Danielle Del Sol	Preservation Resource Center
Cynthia Stewart	AECOM Hunt
Sandi Stroud	Urban Focus LLC
James Stull	NOLA Property Solutions
Jeff Thomas	Thomas Strategies LLC
Keith Twitchell	Committee for a Better New Orleans
Terry Vinnett	RTV Real Estate Holdings
Kimberly Washington	Asset Management Director - Jericho Road Episcopal Housing Initiative
Michelle Whetten	Enterprise Community Partners
Cynthia Wiggins	Guste Homes Resident Management Corporation
Marjorianna Willman	City of New Orleans, Housing Policy and Community Development
Kelsy Yeargain	Tulane/Canal Neighborhood Development Corporation

MOBILITY SUBCOMMITTEE

Angela Chalk	Healthcare Community Services	
Jackie Dadakis	Green Coast Enterprises	
Flozell Daniels	Foundation for Louisiana	(Co-Chair)
Dan Favre	Bike Easy	
Jenice Heck	Lighthouse New Orleans	
Sharon Leader	Department of Transit Administration - Jefferson Transit	
Tuan Nguyen	Mary Queen of Vietnam CDC	
Dwigh Norton	City of New Orleans - Office of Resilience and Sustainability	
Alex Posorske	RideNola	(Co-Chair)
Meg Young	City of New Orleans - Health Dept.	

LAND USE SUBCOMMITTEE

Cheryl Austin	Treme/Armstrong Park	
Charles Brown	New Orleans Public Library	
Ed Cherry	FCA Partners	
Ella Delio	Greater New Orleans Foundation	(Co-Chair)
Asali Ecclesiastes	NOLABA	
Dana Eness	Urban Conservancy	
Ramsey Green	City of New Orleans	
Ben Hales	New Orleans Saints	
Wendy Hillis	Tulane University Architect	
Nathan Lott	Water Collaborative	
Ann MacDonald	Parks and Parkways	
Nyree Ramsey	Claiborne Corridor Cultural Innovation District	
Jennifer Ruley	City of New Orleans - DPW	
David Waggoner	Waggoner and Ball Architects	
Kurt Weigle	Downtown Development District	(Co-Chair)
Gaylan Williams	Dana Brown and Associates	

WORKFORCE SUBCOMMITTEE

Arnel Cosey	Delgado Community College	
John Fraboni	Operation Spark	
Thelma French	Total Community Action	
Ashleigh Gardere	New Orleans Business Alliance	(Co-Chair)
Carmen James	Greater New Orleans Foundation	(Co-Chair)
Nicole Jolly	EMPLOY Collaborative / Cowen Institute	
Lacy McManus	GNO Inc.	
Sunae Villavaso	City of New Orleans - Workforce Development	

EQUITABLE DEVELOPMENT SUBCOMMITTEE

Shawn Barney	CLB Porter, LLC	
Will Bradshaw	Green Coast Enterprises	(Co-Chair)
JC Celestin	Developer	
Geneva Coleman	The Collaborative	
Judith Dangerfield	MetroSource LLC	(Co-Chair)
Vaughn Fauria	NewCorp	
Steven Kennedy	REO LLC	
Ellen Lee	City of New Orleans	
Jonathan Leit	Alembic Development	
Barbara Major	The Collaborative	
Marla Nelson	University of New Orleans	

ECONOMIC DEVELOPMENT SUBCOMMITTEE

Jess Allen	Propeller	
Andrea Chen	Propeller	
Ashleigh Gardere	New Orleans Business Alliance	
Michael Hecht	GNO Inc.	(Co-Chair)
Patricia Krebs	The Celtic Group	
Hermione Malone	Goodwork Network	
Quentin Messer	New Orleans Business Alliance	(Co-Chair)
Dale Pfost	Microbiome Therapeutics	
Aimee Quirk	Ochsner Health System	
Frank Rabalais	Crescent Growth Capital	
Chris Reade	Carrollton Enterprise Services	
Paul Richard	Latter and Blum	
Oliver Sartor	Tulane University	
Allen Square	Square Button	
Courtney Williams	TORSH	
Matt Wisdom	TurboSquid	

ANCHOR INSTITUTION SUBCOMMITTEE

Cindy Connick	City of New Orleans	
Gene D'Amour	Xavier	
William Lunn	Tulane Hospital	
Bill Masterton	LCMC	
Ed Murray	LSU Health Science Center	(Co-Chair)
Patrick Norton	Tulane University	(Co-Chair)
Fernando Rivera	Southeast Louisiana Veterans Healthcare System	

PUBLIC MEETING PARTICIPANTS

JULY 25, 2018

Vanessa McKee	Kushin Webster	Jeanne Nathan
Lista Hank	Oliver Thomas	Paul Horch, MD
Bill Murphy	Chris Demmrich	Barbara Waiters
Nolan Marshall	Angela Kyle	Rachel Weinstein
Gabou Mendy	Eugene Ben	Patrick Martin
Teri Fontenot	Rick Hall	David Newman
Chris Roth	Aaron Kurtt	Leigh Ferguson

PUBLIC MEETING PARTICIPANTS

JULY 25, 2018 (continued)

Ryan Bordenave	Kel Villarubia	Paul Flower
Ken Flower	Heather Murphy-Lavole	Tracy LeGros
Will Reinhardt	Michael Duplantier	Byrne Sherwood
Richard McCall	Steven Kennedy	Curtis Doucette, Jr.
Mark Heck	Steve McDowell	Karimah Stewart
John C. Williams	Daniel Winkert	Rebecca Levy
Reade Nossaman	Sarah Gillen	K. Brad Ott
Robin Jones	Ben Gordon	Patrice Dufrene
Debra Gunter	Sidney Barthelemy	Josh Collen
Christiian DeLorca	John Adriani	Andrew Stephens
Geneva Coleman	Valerie D. Bouldin	Andrew Baque
Mark Dehner	Patrice Jackson	Mark Maher
Peter AAmodt	Breonne DeDecker	William R. Seay, Jr.
Wendy King	Ray Landeche	Jacques Morial
Ron Sholes	Dr. Amy Sandridge	Amy Stelly
Ashleigh Gardere	Roger Freibert	Kevin Litten

Creating the Spirit of Charity Innovation District

PUBLIC MEETING PARTICIPANTS

AUGUST 13, 2018

Lenny Kopowski	Jeanne Nathan	Asali Ecclesiastes
Karen Craig	Victor Smeltz	Angela Chalk
Ben Gordon	Ray Landeche	Joe Kimbrell
Sarah Gillen	Rebecca Levy	Andrew Sternad
Sandra Serna	Shanera Pinkston	Robin Jones
Aaron Kurtt	Michelle Thompson	Steve McDowell
Mark Dehner	Karimah Stewart	Leigh Ferguson
Andrew Lodriguss	Paris Jackson	John Adriani
Greg Riera	Christina South	Robby Habaus
Rachel Weinstein	Jenna Losh	Joseph A. Colon
Jessica Styons	Andrew Stephens	Joe Jaeger
John C. Wiliams	Daniel Winkert	Sue Mobley
Madeleine Woolverton	Geneva Coleman	Quentin Messer, Jr.
Kurt Weigle	Sabrina Short	Eugene Ben
Bill Murphy	Maggie Pullen	Michelle Stanton
Shana Hartmane	Lisanne Brown	Chris Daemmrich

PUBLIC MEETING PARTICIPANTS

AUGUST 13, 2018 (continued)

Michael Burnside	Barbara Waiters	Trene McComide
Kyshun Webster	K. Brad Ott	Tilman Hardy
Wendy King	Maryse DeJean	Jen Avegno
Sandra Stokes	Michael Duplantier	Noel Cientat
Amanda Rivera	Curtis Doucette Jr.	Wendy Hoffman
Charmaine B. Fox	Rev. M. Ortiz	Jenna Burke
Kaseem Short	Willie Calhoun	Alex Papai
Jacques Morial	John Lindlam	Tucker Keatley
Steven Kennedy	Rob Stuart	Gary L. Laborde
Leonetta Terrell	LeuAnne Greco	Angela Kyle
Michael Albradht	Kelsey Foster	Peter Aamodt
Mark Heck	Joseph Stebbins	Eric Cowan
Margaret Montgomery Richard		

PUBLIC MEETING PARTICIPANTS

AUGUST 28, 2018

Morris Kahn	Dustin Robertson	Danae Columbus
Tiffany Bradley	John C. Williams	Joseph A. Colon
Dr. Ortiz	Shawn Barney	Tilman Hardy
Amy Stelly	Philip Stely	Sandra Stokes
Michelle Thompson	Timolynn Sumter	Gary Abel
Keith Twitchell	Leigh Ferguson	Geneva Coleman
Wendy King	Kevin Hurstell	M. Burnside
A. Kyle	G. Young	Sarah Young