

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
AUGUST 01, 2017**

RESOLUTION NO. 2017-14

WHEREAS, The Housing Authority of New Orleans (HANO) was awarded the Choice Neighborhoods Implementation (CNI) Grant in 2011 to redevelop the last traditional standing housing development in the city, Iberville; and

WHEREAS, during the redevelopment planning, an environmental clearance process revealed intact burials on a portions of the H-block and J-block of the site; and

WHEREAS, the discovery of burials imposed a restriction on digging more than 12 inches into the soil in these areas; and

WHEREAS, the same environmental clearance process produced a Programmatic Agreement among HANO, the State Historic Preservation Office, and other concerned parties that required the preservation 16 of the original Iberville buildings, including Building #71 located on the J-block; and

WHEREAS, it was determined that residential development of a 1.073-acre portion of the J-Block that included Building #71 (collectively, the Premises) was infeasible; and

WHEREAS, MCC Real Estate, LLC (Tenant) created a plan to develop the 1.073-acre portion of the J-Block including Building #71 into the New Orleans Cemetery Experience and a public green space within the restrictions placed on the property by the burials and Programmatic Agreement; and

WHEREAS, HANO and the Tenant negotiated a Commercial Lease for the Premises with an annual rent payment of \$12,000.00 for an initial term of forty (40) years, with five (5) additional ten (10) year term(s) and one (1) nine (9) year term for a total of 99 years; and

WHEREAS, the Tenant will be responsible for all costs associated with the renovation and operation of the Premises; and


WHEREAS, HANO staff recommends the execution of this Commercial Lease in order to allow for the reuse of Building #71 which is currently a blight to the adjacent redevelopment of Bienville Basin while respecting the historical use of the site and its development restrictions; and

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THEREFORE BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans authorizes the Executive Director to execute the Commercial Ground Lease with MCC Real Estate, LLC.

Executed this 1st day of August, 2017

APPROVAL:



ALICE RIENER
PRESIDENT, BOARD OF COMMISSIONERS



August 1, 2017

MEMORANDUM

**To: Board of Commissioners
President Alice Riener, Vice President Andreanecia M. Morris,
Commissioner Toni Hackett Antrum, Commissioner Donna Johnigan,
Commissioner Debra Joseph, Commissioner Vonda Rice and
Commissioner Cantrese Wilson**

**Through Gregg Fortner
Executive Director**

**From: Jennifer Adams
Director, Development and Modernization**

**Re: Authorization to Execute the Commercial Lease for Building B-71 and
Portion of the J-Block Adjacent to Bienville Basin**

The Housing Authority of New Orleans (HANO) was awarded the Choice Neighborhoods Implementation (CNI) Grant in 2011 to redevelop the last traditional standing housing development in the city, Iberville. In 2012 the Iberville project site underwent an environmental clearance process. As part of that process, archeological investigations uncovered intact burials on a portions of the H-block and J-block of the site that once housed public housing units. The discovery of burials imposed a restriction on digging more than 12 inches into the soil in these areas. Several buildings were carefully removed from the H and J blocks. However, the environmental clearance process also produced a Programmatic Agreement among HANO, the State Historic Preservation Office, and other concerned parties that required the preservation 16 of the original Iberville buildings, including Building #71 located on the J-block.

Several options were explored to return the 1.073-acre portion of the J-Block that included Building #71 to residential use comparable to the rest of the former Iberville site, now called Bienville Basin. However, it was determined that relocation of the burials was cost prohibitive, and the restriction on the digging depth made the installation of new utilities necessary to serve modern dwelling units infeasible.

MCC Real Estate, LLC (Tenant), a local development company with experience in both historic renovations and operating tourist attractions, created a plan to renovate both the existing vacant Building #71 and improve the adjacent green space within the restrictions placed on the property by the burials and Programmatic Agreement. The proposal includes transformation of the building into a museum called the New Orleans Cemetery Experience. The museum will tie into the historic use of the J-block itself and the adjacent historic St. Louis Cemetery No. 1. The green space will be maintained for public use, including the residents of Bienville Basin. The development is expected to provide training and employment opportunities for HANO clients, especially those living at Bienville Basin. All building and site improvements will be funded solely by the Tenant. All operations and maintenance costs will be borne by the Tenant.

HANO and the Tenant have negotiated a Commercial Lease for Building #71 and adjacent green space which will include an annual rent payment to HANO in the amount of \$12,000.00. The initial term of the agreement is for forty (40) years, with five (5) additional ten (10) year term(s) and one (1) nine (9) year term for a total of 99 years.

Staff recommends the execution of this Commercial Lease in order to allow for the reuse of Building #71 which is currently a blight to the adjacent redevelopment of Bienville Basin while respecting the historical use of the site and its development restrictions.

Therefore, the HANO Board of Commissioners is hereby requested to authorize the Executive Director to execute the Commercial Lease with MCC Real Estate, LLC for Building #71 and portion of the J-block.