

“TREMÉ 2.0”: NOLA’S OLD URBANIZATION PATH LEADS TO NEW TREND

Planning a community’s future lies on unlocking its past. The project **Tremé 2.0** lays at the southern tip of the old Tremé district, one of New Orleans’ first urbanized neighborhoods outside of the Vieux Carre Rampart. In the 1810s, Tremé’s development had not only connected the city’s cultural center with the vast natural hinterland for the first time, but also created a new urban lifestyle for the New Orleanians of the 19th century. Today, the proposed 23 acre development project expects Tremé to continue its great tradition to make innovative transformation to the Crescent City, as it did 200 years ago.

New Orleans is ranked the 3rd millennial-friendly American city and 6th as a baby boomer destination, according to a RealtyTrac study released in late 2014. With 71% increase in millennials and 30% increase in boomers from 2007 to 2013, the influx of these two cohorts are certainly changing the city’s real estate market. However, New Orleans’ heavily segregated land use patterns and urban decay have left the downtown area without millennial-favored mixed use developments. The city has also neglected senior citizens and lacks the adequate health services needed for living (ranked 256th among 307 US cities for health service quality, according to LA Times). Responding to these issues, **Tremé 2.0** aims to provide a new urban lifestyle: 1) active senior living, 2) mixed-use millennial neighborhood, and 3) affordable trendy retail complex that New Orleans downtown severely lacks.

The new lifestyles are weaved into three development phases by a series of multi-layered connections. From North to South, **Tremé 2.0** is linked by three identity corridors connecting CBD and Vieux Carre in the south and expanding to Midcity in the north. The “Porch Corridor” along Canal St. provides a lively urban life with convenient transit and great health service for active older adults looking to live near downtown. The “Parlor Corridor” along Bienville Ave. is centered on a complete street idea and provides Millennials with an urban village lifestyle of work/live/play at a walking distance. The “Patio Corridor” grafts onto the Lafitte Greenway to create a dynamic space for indoor/outdoor interaction among the old and new community. **Tremé 2.0’s** three corridors are weaved together by a series of street and sky paths that allow everyone to experience the notion of the balcony in Vieux Carre and create an extensive pedestrian infrastructure system, “The Parade”. Cutting through blocks, intertwining with sidewalks, rooftops, greenway, and space under the highway, The Parade creates a multi-level safe path that always puts eyes on the streets.

To maximize the residents’ experience of green space, the concept of “Portable Plantation” is applied to this “food desert” site by filling the courtyard spaces (total 110,577 sqft) with urban agriculture amenities and establishing a landscape conversation with the Lafitte Greenway, as a salute to Tremé’s historic Morand Plantation. These amenities are designed to be temporary, adaptable and portable along with the growth of project phases. **Tremé 2.0** seeks to develop a catalytic effect on the context and transform this food dessert into a modern learning farm for the city.

PHASING STRATEGY AND FINANCIAL PLAN

The feasibility of the development concept lies on the region’s economic potential and according to New Orleans’ previous studies, the majority of neighborhood’s employment growth comes from the health care sector with the recent construction of the hospital complex to the west of project site. This presents a great business opportunity for health related services, health service employees housing and senior housing. According to previous studies, half of the area’s 300,000 sqft of office absorption for next 5 years will be filled by medical office spaces, and it will be best paired by 90,750 sqft of active senior living condo and 80,000 sqft of neighborhood retail as the Phase I development. The most competitive location for this development will be Parcel A, B and AA along Canal St., which offers the best access to the hospital complex, public transit and other urban amenities.

On Phase II, the development scales down as it moves away from Canal St. and towards the Lafitte Greenway, with respect to the more traditional neighborhood character. Phase II includes parcel C, D, E, F and G, which will be a mixed use development, serving mainly to millennials and community amenities. The 241 units of rental/sale mixed housing is expected to accommodate a big portion of Claiborne area’s annual housing demand of 374~660 units for next 5 years. To help make up the loss of public housing in Iberville and Faubourg Lafitte housing redevelopments, **Tremé 2.0** will dedicate 18% of the total residential units to lower income groups (84 units).

Upon the return of capital from Phase I and II, the project will develop Phase III on parcels H, I and J in order to enliven the space between Basin St. and Claiborne St., featuring a boutique retail complex off the I-10 highway and a variety of art and culture studios. Since 61.8% of the potential population growth in the area are Millennials, 218,800 sqft of trendy and affordable retail space (e.g. from Club Monaco, Banana Republic to UNIQLO, H&M) is presented to anchor young trend setters, while complementing downtown’s current retail at One Canal Place (old mall in CBD) and Riverwalk Marketplace (new outlet mall). In order to improve the community connection, the Lagniappe Academies will be relocated from Parcel I to Parcel H to give way to the new complex.

About 70% of the **Tremé 2.0** project will be funded by a 6% construction loan, and the total debt balance is \$105,546,997 over the 10 years amortization. The 30% equity investment comes from China’s Wanda Group, to the amount of \$31,664,099, and EB5 investors with \$13,570,328. As a leading player in mixed-use commercial development in China, Wanda Group’s goal is to establish a flagship project in the quickly growing New Orleans’ real estate market with a requested before tax rate of return of 12% at the end of tenth year.