
TREMÉ 2.0: REKINDLING THE URBAN LIVING FOR NEW ORLEANS

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. In the 1810s, Tremé became New Orleans' first subdivision outside of the Vieux Carre and pioneered a radical progress in the city's urbanization path. Now, 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. However, the city's heavily segregated land use pattern, inadequate senior health service (ranked 256th among 307 US cities for health service quality, according to *LA Times*) and old-fashioned retail space have left its downtown unfavored for the new demand. Through three "*Yesterday vs. Today*" dialogues that embed the local heritage into future developments, this proposed project expects Tremé to continue its great tradition to make innovative transformation to the Crescent City.

1. Re-introducing the "Tremé Lifestyle"

Tremé's 1810 development has brought a new suburban lifestyle for the New Orleanians of the 19th century. Today, in response to the demographic change and societal challenges described above, ***Tremé 2.0*** aims to resuming Tremé's role as New Orleans' urban trend setter by injecting the needed new life styles to the neighborhood with three themed corridors. The "Porch Corridor" along Canal Street offers a vibrant urban life with convenient transit and great health service for active older adults looking to live near downtown. The "Parlor Corridor" along Bienville Avenue anchors on a complete street concept and provides millennials with an urban village lifestyle of live/work/play at a walking distance. The "Patio Corridor" grafts onto the Lafitte Greenway to create a dynamic mixed use place with indoor/outdoor experience for affordable trendy retail that New Orleans downtown lacks. Other than the functional differentiation, each corridor will also carry its unique building type and street life.

2. Re-interpreting the traditional urban space

The three lifestyle corridors are further weaved by a multi-dimensional pathway system, "The Parade". The pathways allow visitors to engage in a modern interpretation of the courtyard blocks and the Pontalba balconies of the traditional Vieux Carre with an extensive pedestrian infrastructure. Cutting through blocks, intertwining with sidewalks, terraces, rooftops, greenways and the space under the highway, "The Parade" encourages meaningful interaction among different heights and dimensions while maximizing the volume of foot traffic.

3. Re-imagining the historic landscape

To optimize the residents' experience of green space, the concept of "Portable Planters" is applied to the site by filling the courtyards, terraces and rooftop spaces with urban agriculture amenities and establishing a landscape conversation with the Lafitte Greenway, as a memorial to old Tremé's historic Morand Plantation. These amenities are designed to be flexible,

adaptable, portable and rentable along with the growth of project phases. **Tremé 2.0** seeks to develop a catalytic effect and transform this “food dessert” into a modern learning center anchored by the “New Tremé Public Market” that brings communities from two sides of the elevated I-10 highway together to this community hub.

4. Development Phasing

The feasibility of the development concept lies on the region’s economic potential. 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 opportunity for health related businesses, health service employees housing and senior living spaces. Besides, half of the neighborhood’s 300,000 sqft of office absorption for next 5 years will be medical office spaces provided in this project, and it will be best paired by 46 condo units for active senior living condo and 50,468 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 Street, 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 Street 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 highly mixed use development, serving mainly to millennials and community amenities. The 163 units of rental/sale mixed housing are expected in this phase to take up a reasonable portion of Claiborne area’s average annual housing demand of 374 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 (56 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 Street and Claiborne Street, featuring a trendy retail complex and a variety of art and culture studios off the I-10 highway ramp. Since 61.8% of the potential population growth in the area are Millennials, 212,000 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 fashioned mall in CBD) and Riverwalk Marketplace (new outlet center). 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.

5. Financial Plan

About 70% of the **Tremé 2.0** project will be funded by a 6% construction loan, and the total debt balance is \$139,495,533 over the 10 years amortization. The 30% equity investment comes from private equity, to the amount of \$41,848,660, and EB5 investors with \$12,554,598. The investment team plans to exit after year 8 with an estimated before tax unleveraged

Internal Rate of Return (IRR) of 20.85% and a before tax leveraged IRR of 44.98%. The total development cost is \$204,723,854, on top of the land purchase of \$15,733,404 for parcel A, B, AA, C, H, I and J.