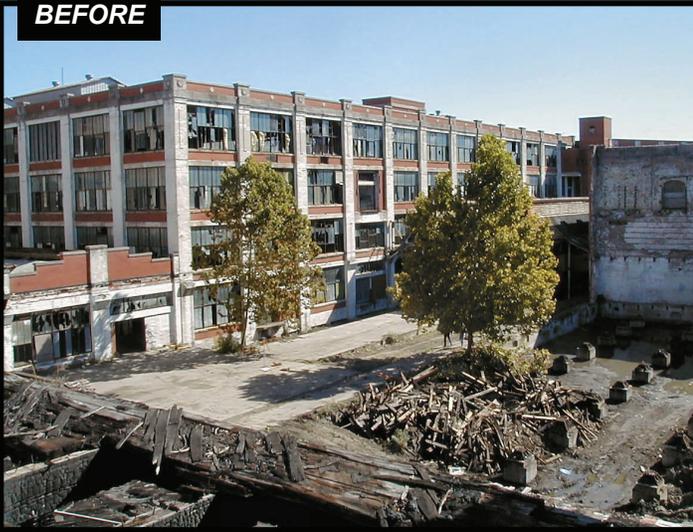




Financing Tools Enable Restoration of a Former Industrial Site In New Orleans

BEFORE



AFTER



At one time, the American Can Company was one of the largest employers in New Orleans, and played a significant role in the city's industrial development. The facility was established in 1906, and manufactured cans on the same 6.63-acre site for eight decades. At its peak, the company employed 1,500 workers and produced more than 20 million cans per year. The plant, affected by changes in the economy and the regionalization of manufacturing, closed its doors in 1986. With this closure, New Orleans had nearly seven acres and 435,000 square feet of building space that no longer provided anything worthwhile to the residents or the economy.

A developer eventually expressed interest in converting the property into residential units, but significant obstacles remained. Cleanup would have to be conducted to the strict standards of residential reuse, and the site's buildings contained asbestos; both soil and groundwater were known to be contaminated with polyaromatic hydrocarbon (PAHs), lead and arsenic; and one structure had been almost completely destroyed by fire. The property had received historical designation, so renovation would have to be performed in accordance with National Park Service Guidelines. And perhaps most significantly, a financial gap of approximately \$7 million existed regarding cleanup and restoration costs. In order to make this project possible, the developers had to secure complex public and private financing. A \$1 million Brownfields Economic Development Initiative (BEDI) Grant was awarded to the city by the U.S.

Department of Housing and Urban Development (HUD). The State of Louisiana provided a \$29 million Tax-Exempt Bond Allocation offering access to low-interest financing with the condition that 20 percent of the total residential units would be available as affordable housing.

The site's \$2.45 million cleanup effort began with removal of lead and asbestos indoors. Outside areas with elevated levels of lead were covered with asphalt or concrete, which provided parking spaces for residents, as well as providing a barrier to contamination. This project was the one of the first in the new Louisiana Voluntary Remediation Program. Cleanup of the site was completed in eight months, and the subsequent, \$44.5 million redevelopment phase spanned less than two years. Redevelopment converted the existing structures into 268 apartments and 20,000 square feet of retail space, including a swimming pool.

The city considered redevelopment of this site, abandoned for 12 years, as essential to the economic growth of the surrounding neighborhood and community. The project created 420 construction jobs, and 15 property management and retail employees now work on the complex. The transformation of this historical site has served as a model for brownfields restoration efforts throughout New Orleans.

For more information about brownfields redevelopment in the City of New Orleans, contact Nathan Champagne at (504) 565-6589.