



## NEWS RELEASE

Media Contacts: Andreanecia M. Morris, 504.821.7227

[amorris@providencech.org](mailto:amorris@providencech.org)

Terri Bolling, 410. 772.2449

[tbolling@enterprisecommunity.com](mailto:tbolling@enterprisecommunity.com)

Jeff DeGraff, (225)733-5603

[Jdegraff@lhfa.state.la.us](mailto:Jdegraff@lhfa.state.la.us)

### **Providence Community Housing and Enterprise Commence Construction on 474 Affordable Homes for Low-Income Seniors and Families in New Orleans and Marrero**

#### ***\$41 Million Invested Through GO Zone Tax Credits to Rehabilitate and Build Four Apartment Complexes***

NEW ORLEANS – January 9, 2008 – Providence Community Housing and Enterprise today announced the investment of \$41 million in Gulf Opportunity (GO) Zone low-income housing tax credit equity to renovate three senior apartment buildings and one multi-family apartment building as part of a partnership to redevelop 7,000 houses and apartments damaged by Hurricane Katrina for low-income seniors and families.

The Gulf Opportunity Zone Act of 2005 provided the five states directly impacted by the hurricanes – Louisiana, Mississippi, Alabama, Texas and Florida – with increased allocations of low-income housing tax credits and Community Development Block Grants to build affordable housing.

The four properties, with 474 affordable units, were formally closed by Providence in the last two weeks of December 2007. The Louisiana Housing Finance Agency (LHFA) and the U.S. Department of Housing and Urban Development were integral components in each of these financial closing.

“To successfully bring people home will take public and private partnerships, national and local partnerships and Federal, State and City partnerships. By the end of the year we will welcome back 474 seniors and families, thanks to HUD, the Louisiana Housing Finance Agency, Enterprise and a host of other partners in ministry,” said Jim Kelly, President and CEO of Providence Community Housing.

The 10-story Nazareth Inn and six-story Nazareth II senior buildings are located in New Orleans East, along the edge of Lake Ponchartrain, and will feature a combined 270 apartments for seniors age 62 or older earning no more than 50 percent of area median income. These buildings are part of eight senior developments being rehabilitated by the Providence and Enterprise team, including the 106-unit Annunciation Inn in the Upper Ninth Ward’s St. Roch neighborhood, which broke ground last month. Each property in Providence’s senior housing portfolio will have project-based rental subsidies, which will ensure affordability for returning residents. These three senior properties will be open to returning residents by the end of 2008.

## **Providence and Enterprise Create 474 Affordable Homes**

Page 2

Each property will feature modernized units, multi-purpose space and kitchen, courtyard and significant residential amenities. In addition, Providence along with Christopher Homes and Catholic Charities of New Orleans will provide a comprehensive network of support services, including meal programs, mental health counseling, transportation, exercise therapy and nutritional guidance.

In addition, Providence, along with local co-developers Shawn Barney, Arthur McLin III, and Corey Wilson, will develop St. Bakhita Apartments in Marrero, Louisiana, just across the Mississippi River from downtown New Orleans in Jefferson Parish. Using an equity and permanent mortgage investment from Enterprise, Providence will build 100 new single-family rental townhomes for low-income families earning less than 60 percent of area median income. The site was chosen in part due to its proximity to thriving nearby family support services, schools and churches. The townhomes will include up to four bedrooms and integrate environmentally sustainable design features throughout the site. A new community center will also be built as a shared space for meetings, job training and after school programs for residents.

"Quality affordable housing is critical to the metropolitan area's recovery. Our collaboration with Providence represents a model partnership that effectively addresses the critical housing void, providing our neighbors the opportunity to return and allowing me to serve my community," said CLB Porter LLC President Shawn Barney.

"Enterprise is proud to partner with Providence to provide financial and technical assistance to rebuild its senior housing portfolio of 900 homes as well as create additional affordable housing for Gulf Coast families," said Jeff Donahue, president and chief executive officer, Enterprise Community Investment, Inc. "We are committed to rebuilding New Orleans over the long haul and investing \$200 million in loans, grants and tax credit equity toward the development of healthy and sustainable homes for low-income families in the Gulf Coast region."

To date, Enterprise has provided more than \$2.5 million in grants and invested more than \$9 million in loans to support the recovery and rebuilding work in New Orleans and the Gulf Coast. Nearly 2,000 affordable homes will be in design and development in the GO Zone by the end of 2008 through the work of Enterprise, Providence and other local community partners.

"We are pleased to work with Providence and Enterprise in this rebuilding effort," said LHFA President Milton Bailey. "It is through these types of partnerships that we can make real advances in providing safe, decent and affordable housing to all deserving Louisiana citizens."

Financing for the three senior properties includes Low-Income Housing Tax Credit (LIHTC) equity from Enterprise as well as bridge financing from JP Morgan Chase and a federally-insured permanent mortgage from the U.S. Department of Housing and Urban Development (HUD) through Sims Mortgage Funding. The total development cost for Nazareth Inn is \$14.1 million and includes \$8.1 million in equity from Enterprise and a \$6 million federally insured permanent mortgage from HUD. The \$11.5 million Nazareth II redevelopment is financed with \$7.6 million in equity from Enterprise and a \$5.2 mortgage from HUD. LHFA allocated all tax credits for the deals.

## **Providence and Enterprise Create 474 Affordable Homes**

Page 3

For the \$18.9 million St. Bakhita Apartments development, Enterprise has provided more than \$17 million in LIHTC equity and a \$3 million mortgage. Regions Bank provided \$12.5 million in construction financing for the property. St. Bakhita has also been awarded a \$50,000 Green Communities grant from Enterprise. Green Communities is Enterprise's \$555 million initiative to build green affordable homes nationwide. To date, Enterprise has invested more than \$453 million in the creation of more than 10,000 green affordable homes for low-income families.

---

Based in New Orleans, Providence Community Housing is a non-profit affordable housing developer founded by a coalition of faith based groups in April 2006 in the aftermath of Hurricane Katrina. Visit [www.providencech.org](http://www.providencech.org) to learn more about Providence's work in the City of New Orleans Area.

In 1980, the Louisiana Housing Finance Agency (LHFA) was created by the Louisiana Legislature to address the shortage of safe and affordable housing in Louisiana. To learn more about Louisiana Housing Finance Agency and its role in recovery, visit [www.lhfa.state.la.us](http://www.lhfa.state.la.us).

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For 25 years, Enterprise has pioneered neighborhood solutions through public-private partnerships with financial institutions, governments and community organizations. Information about Enterprise's efforts to build communities and opportunity can be found on the web at: [www.enterprisecommunity.org](http://www.enterprisecommunity.org) and [www.enterprisecommunity.com](http://www.enterprisecommunity.com).