



NEWS RELEASE

For Immediate Release

HUD SECRETARY DONOVAN JOINS FORMER RESIDENTS AND ELECTED, HOUSING OFFICIALS TO CELEBRATE GROUNDBREAKING AT FORMER LAFITTE COMMUNITY

Work Begins at Former Public Housing Site As Katrina Anniversary Nears

(New Orleans, August 27, 2009) U.S. Housing and Urban Development (HUD) Secretary Shaun Donovan, city leaders, housing officials, former residents and other community members today celebrated the groundbreaking for the first phase of redevelopment at the former Lafitte public housing site. This first phase of the development plan includes 134 on-site affordable rental units and 47 on-site affordable homeownership units, the majority of which will be completed by December 2010 and March 2011, respectively. When finished, the project will offer a mix of 1,500 affordable and market-rate housing units.

HUD and the Housing Authority of New Orleans (HANO) selected Providence Community Housing and Enterprise Community Partners, two nonprofit, affordable housing organizations, to plan and develop a new community on and around the site of the original Lafitte development, a 27.5 acre parcel in the historic Tremé/Lafitte neighborhood of New Orleans. New York-based L+M Development Partners also joined the development team with Capital One Bank providing equity and permanent financing for the first 134 rental homes.

“Capital One Bank is very pleased to be a part of the collaborative effort that is making the Lafitte Redevelopment possible,” said Laura Bailey, Capital One Bank’s managing vice president for Community Development Finance. “Capital One is committed to investing in the recovery of greater New Orleans and helping this community grow and thrive.”

Additional financing includes \$27 million in Community Development Block Grants (CDBG) from a pool of federal disaster recovery funds administered by the Louisiana Recovery Authority/Office of Community Development, \$10 million in Capital Grant Funding from HANO to secure the construction of the 47 homeownership units and \$12.8 million in Gulf Opportunity Zone Low Income Housing Tax Credits from the Louisiana Housing Finance Agency. The homes will also be built in accordance with the Enterprise Green Communities Criteria, incorporating healthy and energy-efficient building practices, materials and systems.

“We are grateful for all our partners, most especially the resident leadership who have worked with us from day one to plan, develop and now construct a New Lafitte – a healthy, vibrant community filled with hope,” said James R. Kelly, president and CEO, Providence Community Housing.

“Our goal is to help restore a vital part of the Tremé neighborhood by providing a spectrum of housing both rental and homeownership to help stabilize the community,” said Ron Moelis, CEO of L +M Development Partners. Vice President Lisa Gomez added, “As a Louisiana native, I’m proud to be part of a team that is committed to positive change in the city.”

- MORE -

The overall Lafitte community will be constructed around existing schools, emphasizing education as the bedrock of the neighborhood. The redevelopment will also restore the historical street grid that was erased when the original housing development was built. The restoration will allow for easy access to the surrounding areas and will reconnect residents to essential supportive services, particularly those now offered at the reopened Sojourner Truth Community Center.

“Today marks an important milestone in fulfilling our commitment to replacing every Lafitte apartment with a healthy, energy-efficient and affordable home so that all former Lafitte residents who would like to return to this community have the opportunity to do so,” said Doris Koo, president and CEO of Enterprise Community Partners. “This accomplishment was made possible by steadfast partnerships that remained dedicated even in these difficult financial times. We look forward to continuing our part in the transformative rebuilding of New Orleans.”

The design relies on classic New Orleans Creole architecture with high quality construction standards that visually blend in with the neighboring communities. Homeownership and rental housing properties will be interspersed throughout the site to ensure a complete mixed-income neighborhood with all housing - regardless of income - indistinguishable from one another. Low-income families will be absorbed within a truly vibrant community to support efforts towards self-sufficiency -- while creating a stable, self-sustaining community that is a safe, attractive place to live.

###

ADDITIONAL MEDIA CONTACTS:

Capital One Bank: Steven Thorpe, (504) 533-2753.

steven.thorpe@capitalonebank.com

Enterprise: Terri Bolling, (443) 838-9165,

tbolling@enterprisecommunity.com

L+M: Lorene Cowan, (917) 860-2314, lcowan@lmdevpartners.com

Providence: Andreanecia M. Morris, (504) 915-4905,

amorris@providencech.org