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# *The Historic Tax Credits Issue*

## **State Historic Tax Credits Demonstrate Importance of 'Local' Funding for Community Development**

*States with HTCs attract more federal HTCs, resulting in more community development, economic activity and local tax revenues.*

Page 4

## **NPS Updates with Chief of Technical Preservation Services, Brian Goeken**

*TPS chief discusses staffing capacity, electronic applications and more.*

Page 55

## **Addressing Challenges with Lender Forbearance in HTC Direct-Investment Structure**

*Forbearance can be a challenge for HTC transactions using the direct investment structure. Read about potential solutions.*

Page 59

## **The Latest on the Government's Participation in Historic Rehabilitation**

*Get updates on tax, legislative issues for the HTC community.*

Page 67



# New Orleans' CrescentCare Uses HTCs, NMTCs to Find Bigger Footprint in the Big Easy

NICK DECICCO, SENIOR WRITER, NOVOGRADAC

A nonprofit community health organization is positioned to enter its fifth decade of operation by adding a four-story, 35,000-square-foot facility in New Orleans to its offerings thanks, in part, to a combination of historic tax credits (HTCs) and new markets tax credits (NMTCs).

Launched in 1983 as the NO/AIDS Task Force to tackle the HIV crisis, the nonprofit now known as CrescentCare is ready to relocate from a space it rents into a building it will own in Mid-City New Orleans. En route, the health care organization hopes to create jobs as well as expand the services it provides to the people of New Orleans, which include primary care, behavioral health, sexual health services, gender-affirming care and much more.

Alice Riener, CEO of CrescentCare, is excited about the possibilities, including a 40% increase in the number of exam rooms that the organization provides, including a new first-floor pharmacy.

“What’s really exciting for us is to grow in this space and expand our services. The location is phenomenal,” Riener said. “We’ve grown tremendously over the last 40 years. Our commitment to the community and its needs hasn’t changed.”

Riener also notes the new location’s close proximity to other neighborhood amenities and services: Just down the street are the University Medical Center New Orleans - LCMC Health as well as the New Orleans Veterans Affairs Medical Center, putting CrescentCare’s new facility in prime location to serve the community. It is also easily accessible by public transportation and patients coming by car.

## Born on the Bayou

The building and CrescentCare have long-standing roles in New Orleans history.

For the health care center, what was a single phone line with an answering machine in 1983 has grown into an organization aimed at caring for a wide swath of the most vulnerable citizens in the Big Easy and surrounding areas.

CrescentCare will take over a site that opened in 1957 as the America Fore Insurance Building. The renowned Curtis & Davis Architects and Engineers created the property, a firm whose résumé also included Caesars Superdome, the 83,000-seat stadium in New Orleans’ central business district that’s slated to host its eighth Super Bowl in 2025.

Across the past four decades, CrescentCare’s new building at 2515 Canal St., later known as the Norman Mayer Memorial Building, was the home of the United Way of Southeast Louisiana.

The move relocates CrescentCare’s services at 3308 Tulane Ave. while maintaining the services it hosts at 1631 Elysian Fields, itself a 2018 combination of four previous facilities—including NMTC allocation from Chase Community Development Banking.

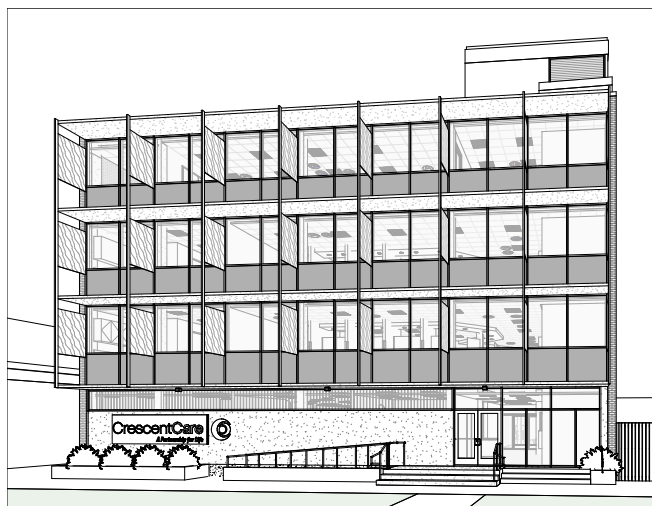


Image: Courtesy of CrescentCare

CrescentCare's new facility in New Orleans uses historic tax credits as part of a move to own and renovate a historic building from the 1950s.

CrescentCare and JPMorgan Chase, which contributed to the redevelopment with a federal HTC equity investment, have a long history dating back to the nonprofit's earliest days. This new, expanded facility provides CrescentCare with the foundation to increase supportive services and uplift the community's residents, said Tim Karp, head of historic tax credit at JPMorgan Chase.

"In real estate, it's important for a nonprofit such as CrescentCare to control their own destiny by owning their building," Karp said. "When you have an impactful, nonprofit organization that works with a low-income population, it takes on an even greater importance."

Construction began in January. Riener said the long-term expansion hopes to boost the size of the operation, but will seek first to sustain the quality of care it provides patients.

Riener said the most complicated element of the redevelopment was taking care to remain compliant with the Secretary of the Interior's Standards to maintain the windows in a historic building.

Gulf Coast Housing Partnership (GCHP) served as project manager for the endeavor in addition to providing a \$9 million NMTC allocation. Their president and CEO, Kathy Laborde, said securing

insurance along with climbing interest rates and construction costs were the biggest challenges for the endeavor.

## Financing

Total development costs for the endeavor are \$21.6 million. Woodward Design+Build is the general contractor. New Orleans-based Rozas-Ward served as architects.

The effort received \$4.4 million in federal and state HTC equity, with Chase investing in the federal HTCs and Stonehenge Capital providing the state HTC equity.

On the NMTC side, in addition to GCHP's \$9 million allocation, Hope Enterprise Corporation provided \$6 million in allocation. Capital One provided a \$5 million allocation and also invested in the NMTC equity, a \$6.2 million investment.

Could the redevelopment have happened without tax credits?

"No way," said Kathy Laborde, president and CEO of Gulf Coast Housing Partnership. "This is a \$22 million project and there is not a debt-and-owner combination that would have enabled CrescentCare to move forward without the equity generated through the tax credits to help fill the financing gap."

Karp said he and JPMorgan Chase are excited to see the ripple effect CrescentCare's new facility has in MidCity New Orleans.

"Any time you reactivate a building, even if it's not vacant, we find the community is often reenergized by seeing a new space, new landscaping and ultimately the new opportunity it brings," Karp said. "We see this over and over when supporting HTC projects as we're preserving an important part of the social fabric of the community."

The opportunities available to CrescentCare have all involved looking forward to the future.

“Being able to expand access to community, to have a place that’s designed and built for the people we serve and our staff, is really exciting,” Riener said.

CrescentCare plans to open the new facility in early 2024. ❖

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