

Matthews Southwest
320 W Main Street
Lewisville, TX 75057

Tel.: (972) 221-1199
Fax: (972) 221-1217



May 16, 2018

Mr. Chris Roth, Jones Lang LaSalle

via email: chris.roth@am.jll.com

RE: State of Louisiana and the Louisiana State University Real Estate and Facilities Foundation (REFF) Request for Qualifications - Redevelop Former Charity Hospital New Orleans

Dear Mr. Roth,

Matthews Southwest (MSW) is proud to lead a development team with an international perspective guided by local sensitivity in the adaptive reuse of the former Charity Hospital Building, New Orleans. New Orleans based MCC Real Estate (MCCRE) and Renaissance Neighborhood Development Corporation (RNDC) have aligned with MSW in response to your RFQ.

Our highly skilled team enjoys relationships with renowned architects and engineers, historic and housing tax credit experts, financing strategists, and equitable community (DBE) firms. While not part of the development team, we continue to have ongoing communication with these firms and anticipate all are poised to respond to the challenge of the adaptive reuse of the former Charity Hospital as part of our team when we are given the opportunity to respond with our formal proposal.

Our philosophy is based on a longstanding commitment to community. From project inception we strive to engage stakeholders to share a vision of broad based wealth generation for individuals, business and the community. With our recent successful on similar projects in various communities, we feel the Matthews Southwest team is best suited for this opportunity. Charity's redevelopment will be a catalyst for revitalizing the surrounding neighborhood, enhanced quality of life and making a positive contribution to the local economy.

The broad range of experience of team members includes successful historic preservation and adaptive reuse of buildings and neighborhoods. The economic scale of completed projects exceeds billions of dollars, yet our team attends to micro enterprises with equal enthusiasm. Our scope of activity ranges from mixed use/ mixed income workforce housing to hospitality to office uses, in both greenfield and brownfield sites.

We enjoy a history of assisting public institutions develop and manage assets that generate revenue and address public policy objectives. Our relationships with "not for profit" organizations results in new revenue, continuing cash flow and physical assets to help the Organization deliver its mission. Much of our community outreach is focused on education and skills development.

On behalf of MSW, MCCRE and RNDC we look forward to the opportunity of presenting our plan for adaptive reuse of the former Charity Hospital in a detailed response to your request for proposal and ultimately working with REFF and the State of Louisiana in restoring Charity's prominence in New Orleans. Please do not hesitate to contact the undersigned if you have any questions.

Sincerely,

John H. (Jack) Matthews, President

EXECUTIVE SUMMARY

When approaching an opportunity such as the redevelopment of the Former Charity Hospital in New Orleans (Charity), the Matthews Southwest (MSW), MCC Real Estate Group (MCCRE) and Renaissance Neighborhood Development Corporation (RNDC) team (Developer Team) relies upon their wide range of experience to best determine the viability of a project. After careful consideration, the Developer Team feels confident in responding to the challenge of Charity and Request for Qualifications.

The broad ranges of successful projects completed by the Developer Team clearly demonstrate experience to undertake the redevelopment of Charity. The following pages offer detailed descriptions of representative projects ranging from neighborhood workforce housing to billion dollar office complexes. Key team members each have decades of real estate development experience in a wide array of sectors while working with a multitude of community development partners, architects, engineers, financing experts, contractors and public constituents.

Perhaps the most relative undertaking similar to Charity is the South Side Master Planned Community in Dallas, Texas, anchored by South Side on Lamar. This project commenced nearly two decades ago and involved site acquisition, public partnerships, community outreach and the redevelopment of a former ten floor, one million SF Sears warehouse into 454 loft apartments integrated with commercial, retail and entertainment venues. South Side on Lamar was the catalyst for several other projects which have helped revitalize a once challenged neighborhood.

The Dallas OMNI Hotel represents a long standing relationship with the City of Dallas. MSW's sustained relationship has led to additional retail and restaurant projects, parking enhancements, all in support of the City of Dallas' goal as a convention destination. The OMNI hotel was funded from proceeds of a bond that required a citywide referendum, influenced by extensive engagement with the community.

The wonderfully old and historic Jung Hotel debuted in 1925 on the famed Canal Street in downtown New Orleans and instantly became the largest, most significant hotel in the south. Listed on the National Register of Historic Places in 1982, the skyscraper had languished since being severely damaged by Hurricane Katrina. Restoring the faded hotel structure to its original splendor recently gained an honor for MCC Real Estate in its receipt of a 2018 Award for Excellence in Historic Preservation from the Louisiana Landmark Society.

This Upper Canal Street corridor is in an area challenged for decades by its proximity to the raised interstate highway while being isolated between the French Quarter, Central Business District and Medical District. MCCRE President and CEO, Joseph Jaeger, Jr.'s \$140 million renaissance of the 17 story, 550,000 sq. ft. structure into a upscale full service hotel and high end residential living development is serving as a catalyst for the Upper Canal Corridor. Spanning the entire block of 1500 Canal Street, this project will contribute dramatically to the foot traffic and vitality of this downtown strip.

On a smaller scale, the conversion of the 1950 Lykes Shipping Company Building and adjacent



1885 Cotton Press Building adjacent to the Port of New Orleans into 52 units of mixed-income housing and a fresh/healthy commercial kitchen repurposed historical buildings that had sat vacant for many years. This development leveraged a number of private and public below market financing tools, and similar to the potential of Charity, it has contributed significantly to the overall revitalization of the lower Tchoupitoulas corridor in recent years.

Relevant projects described within the RFQ have accessed a variety of below market incentives and financial tools. The Developer Team has extensive experience in working with public entities incentives including tax abatements, historic tax credits, New Market Tax Credits, EB-5 funding, tax incremental financing, low income housing tax credits, CDBG and other federal programs. Below market financing has leveraged private equity and traditional loans as necessary to finance projects.

Our team is presenting an international perspective, enhanced with local awareness and sensitivity. MSW initiates and manages projects across the continent, but will be supported by two highly renowned New Orleans based organizations.

We have undertaken numerous large and complex financial projects, with the support of institutions and lenders with confidence in our ability to succeed. The creditworthiness of the Team is demonstrated with several reference letters.

Our group is committed to providing the best ideas and plans to help the REFF maximize its goals. Team members have extensive experience that ranges from publicly financed projects to securing private equity investments; from historic preservation and renovations to building new

iconic buildings; from master planning to revitalizing the inner-city areas to catalyze new communities.

Our Team further shares a desire and is committed to ensuring that our adaptive reuse project is performed in an equitable manner. We believe partnering with DBEs and local residents helps broaden the base of the entire community by impacting segments of society that are, and often have been, denied certain economic opportunities. We will create job opportunities and openings for both individuals and companies under contract for temporary or permanent work at the Charity Hospital redevelopment project from the New Orleans Metropolitan Area. Our Development Team is in complete agreement that direct business participation and the procurement of goods and services from local small and emerging businesses is of paramount importance to the development of our state and local economy. Additionally, we will further expand access to training and jobs for metro area residents and specifically New Orleanians by creating highly structured training and recruiting for young workers into the construction industry, a need in the local economy considering the skills shortage in the industry. We will to the greatest extent feasible, provide opportunities for training and employment to low and very-low income residents of Orleans Parish.

In addition, our team members have been involved and working with the ULI Advisory Services Panel giving our input for the Development Scenarios for Reuse and Revitalization of Charity Hospital. We are in receipt of the final report dated November 5-10, 2017 and will incorporate their findings into our development considerations. In particular, we agree with the guiding principles (Spirit of Charity,



Clear and Transparent Process, Inclusive and Equitable Process and Outcomes, Financial Feasibility and Stewardship, Flexibility, Public Use and Community Benefit, Connectivity, Partnership, High Quality Design and Strategic Planning) and will incorporate them into our plan.

Each team member has a proven track record; each team member is committed to the long-term vision; each team member is prepared to

undertake the rigorous challenges required to achieve a project to be proud of for many years to come. Our team is committed to achieving results that will guarantee the sustained success in redeveloping Charity and its impact on the City of New Orleans, Louisiana State University, the State of Louisiana and JLL. We welcome the opportunity to provide greater detail with the submittal of a formal proposal

