



OFFICE OF THE MAYOR MEETING BRIEF

DATE: May 15, 2023

SUBJECT: **NEW CITY HALL PLANNING – PRELIMINARY SITE SELECTION
COMPARISON**

STAFF POINT

PERSON: Vincent Smith, Capital Projects, Cynthia Connick, New Orleans Building
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Purpose:

The purpose of this briefing is to provide analysis of the characteristics of the sites that have been considered as potential new locations for City Hall.

Background:

The New City Hall Planning Initiative team has considered a total of 10 (ten) downtown locations as possible site for new City Hall. 525 St. Charles Ave. (The Federal Reserve), 600 Maestri St (F. Edward Hebert), 600 Camp St (Fifth Circuit of Appeals) and 500 Poydras St. were considered and eliminated due to lack of inadequate square footage. The following 6 sites were considered as potential location for a new City Hall building.

1. 1615 Poydras Street
2. 650 Poydras Street/Gallier Hall
3. 1515 Poydras Street
4. 1601 Perdido Street (Old VA Building)
5. Renovation of the Existing City Hall
6. Duncan Plaza/Heal Garage.

An analysis of the characteristics of each site is set forth below.

Summary of Findings:

1615 Poydras Street

Square Footage: 507,000 sf (\$345/sq. ft)

Number of Floors: 29

Year Built: 1984 (39 years)

Acquisition required: Yes

Estimated Cost (building acquisition): \$50mil

Estimated Cost (buildout): -----\$175mil

TOTAL ESTIMATED COSTS:-----\$225mil (not including lease buyout)

Project Timeline: 4.25 yrs.

Pre-Design (building acquisition): 9 months

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months

Construction: 24 months (possible phase occupancy)

Closeout: 2 months

Pros:

1. Familiar geographical location—close to existing City Hall;
2. Close proximity to ample parking at the old VA; and
3. Sufficient square footage to accommodate departments and staff.
4. Attached Parking Garage.

Cons:

1. Rounded portions of floorplate present challenges for efficient planning;
2. Location not ideal for City Council Chamber—refer to separate study addressing these challenges specifically;
3. Significant building renovations required to accommodate City Council Chamber, adding cost and time to project;
4. Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway;
5. Aging building (39 years);
6. Would require relocating the existing tenants, or waiting for their leases to expire, which would result in additional carrying costs to operate the building while relocating the current tenants; and
7. Lack of green space.

650 Poydras Street/Gallier Hall

Square Footage: 453,000 sf

Number of Floors: 27

Year Built: 1983 (40 years) and 1853 (170 years), respectively

Acquisition required: Yes, of 650 Poydras

Estimated Cost (building acquisition): TBD

Estimated Cost (buildout): -----\$165mil (\$345/sq. ft. + \$8mil allocation for Gallier Hall)

TOTAL ESTIMATED COSTS:-----TBD

Project Timeline: 3.5- 4 yrs

Pre-Design (building acquisition): 9 months

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months

Construction: 24 months (possible phase occupancy)

Closeout: 2 months

Pros:

1. Prominent, central location in Downtown New Orleans;
2. Office tower adjacent to green space at Lafayette Square, as well as Gallier Hall; and
3. Sufficient square footage to accommodate departments and staff.

Cons:

1. Long and narrow section opening into triangle shaped floorplate presents inherent planning challenges and inefficiencies;
2. Aging structures (40 and 170 years old, respectively); and
3. Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway.
4. Building not on the market.
5. Limited access to adjacent parking

1515 Poydras Street (deal with Third Party in progress)

Square Footage: 530,000 sf

Number of Floors: 27

Year Built: 1982 (41 years)

Acquisition required: Yes

Estimated Cost (building acquisition): TBD

Estimated Cost (buildout): -----\$183mil (\$345/sq. ft.)

TOTAL ESTIMATED COSTS:-----TBD

Project Timeline: 3.5- 4 yrs

Pre-Design (building acquisition): 9 months

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months

Construction: 24 months (possible phase occupancy)

Closeout: 2 months

Pros:

1. Familiar geographical location adjacent to existing City Hall; and
2. Sufficient square footage to accommodate departments and staff.

Cons:

1. Sharp, irregular corners of rhombus-shaped floorplate present inherent planning challenges and inefficiencies.
2. Existing building conditions present significant renovation challenges.
3. Aging structure

4. Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway; and
5. Lack of green space.
6. Deal with Third Party in progress.

1601 Perdido Street (Old VA Building)

Square Footage: 1,000,000 sf

Number of Floors: Varies—11 stories at tallest.

Year Built: Late 1960s (70 years old) to early 1980s (50 years old)

Acquisition required: No

Estimated Cost: \$220 M

Project Timeline: 3.5- 4 yrs.

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months.

Construction: 24 – 36 months (possible phase occupancy)

Closeout: 2 months

Pros:

1. No building or land acquisition costs.
2. More than sufficient square footage to accommodate departments and staff.

Cons:

1. Existing building conditions present significant renovation challenges.
2. Located on a minor street, which is not ideal for City Hall.
3. Requires significant upgrade to all infrastructure system.
4. Aging structures (50-70 years old).
5. Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway; and
6. Lack of green space.

Existing City Hall

Square Footage: 360,000 sf existing; 85,000 sf new addition (445,000 sq. ft. total)

Number of Floors: 11

Year Built: 1956 (67 years old)

Acquisition required: No

Estimated Cost: \$282mil (w/new building addition) | \$200mil (utilizing the VA for swing & add'l 85k sq. ft.)

Project Timeline: 3.5- 4 yrs.

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months.

Construction: 24 – 36 months (possible phase occupancy)

Closeout: 2 months

Pros:

1. Prominent, central location in Downtown New Orleans.
2. Sense of public familiarity as the location of City Hall will not change; and
3. Civic legacy and presence as a recognizable architectural landmark.

Cons:

1. Limited access to adjacent parking.
2. Limited space for organizational growth.
3. Building age (67 years) and condition demand significant renovations.
4. Would require renovating while occupied, which would severely disrupt daily government operations.
5. Challenges abating lead, mold, and other hazardous materials while renovating occupied buildings.
6. Would require isolating and segmenting building systems while portions are occupied.
7. Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway; and
8. Renovating while occupied would require complex occupancy planning, a combination of temporary swing space, organizational compression, and multiple personnel moves.

Duncan Plaza/Heal Garage

Square Footage: Build to suit (not limited by existing structure)

Number of Floors: Build to suit (not limited by existing structure)

Year Built: TBD

Acquisition required: Yes.

Estimated Cost: \$285mil (including hard/soft costs & contingency) [based on estimates from the Woodward Program Study]

Project Timeline: 4 – 4.5yrs

Pre-Design (land acquisition): __ months

Pre-Design Ph. (AE procurement): 3 months

Design: 12 months

Construction Bid and Award: 4 months.

Construction: 30 months

Closeout: 2 months

Pros:

1. Located across the street from the current City Hall and therefore maintains a prominent, familiar, central location in Downtown New Orleans.
2. Opportunity to monetize 1300 Perdido (existing City Hall) to offset the cost of construction.
3. Requires new construction, resulting in new building infrastructure and systems that meet current performance standards (technology, security, sustainability, etc.).
4. Opportunity for proper planning and design to reduce operation and maintenance costs over lifecycle of building.
5. Opportunity for purpose-built design to accommodate organizational growth and contemporary workplace trends that better support how City departments work today.
6. Opportunity for major, ground-up local development under a public, private-partnership (PPP).

7. Opportunity to provide access to commercial amenities that are privately managed (food/bev, fitness, etc.).
8. From a change-management perspective, a new, customized physical space presents an opportunity to implement organizational change.
9. New construction triggers one (1) move for staff and departments, which can move in a phased approach that minimizes business disruptions.
10. Close proximity to parking at Heal garage; and
11. The site will include a large amount of exterior greenspace where public gatherings can occur, which is ideal for City Hall.

Cons:

1. Loss of existing public green space.

General Conclusions:

- All scenarios require approval by the City Council to move forward.
- Except for renovation of the existing City Hall building, all scenarios require property acquisition, though not all potential sites are currently listed for sale.
- The age of the existing structures ranges from 39-170 years old. The older age, irregular shape, and current condition of each of the existing buildings present challenges from a planning and infrastructure perspective, and will require additional time and resources to navigate. These challenges would not be present in a new construction scenario.
- Renovation projects are more prone to cost overruns than new construction, due to circumstances that cannot be anticipated until the renovation project is underway.
- The existing buildings are currently occupied by tenants. Acquisition and renovation of an occupied building will add time and expense because the City must wait until leases expire or buy out the tenants' remaining leases.
- The inclusion of a new court building has not been considered in connection with any of the scenarios.