

Permission to Lease Property

November 1, 1996

Honorable Marc H. Morial
Mayor of New Orleans
New Orleans, LA 70112

Dear Mayor Morial:

Thank you for your letter of September 5, 1996, requesting approval for the City of New Orleans to lease the Washington Artillery Park property to the French Market Corporation (FMC), a public benefit corporation wholly-owned by the City. FMC will make essential improvements that will help keep Washington Artillery Park available for public use, including an information center, public bathrooms with security services, and a newsstand. A March 22, 1977, restrictive covenant prohibits the City of New Orleans from leasing Washington Artillery Park without HUD's prior approval.

From the information provided, it appears that Washington Artillery Park was assisted under the Open Space Land Program authorized by Title VII of the Housing Act of 1961. If that is the case, it should be noted that Section 126(b)(3) of the Housing and Urban-Rural Recovery Act of 1983 repealed the Federal use restrictions for properties assisted under the Open Space Land Program. Therefore, a grantee may convert such land to any purpose it deems appropriate without any need for concurrence from HUD. Given the repeal of the Federal use restrictions, HUD's Louisiana State Office has the authority to sign a release that can be recorded to remove any deed restrictions related to the Open Space Land program.

I hope the above information is helpful. Thank you for your interest in the Department's programs.

Sincerely,

Henry G. Cisneros