

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, DECEMBER 16, 2003**

Attendees: Bruce Bolyard, Jr., Steven Gill, Irvin A. Joseph, Nina H. Marchand, Eddy Oliver  
James Smith, Kyle E. Stoeber, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Farrell J. Chatelain, Ray Charles Crawford, Mark McKenna,  
Lisa Ponce de Leon, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P.,  
Wayne Neveu-Foley & Judell, LLP, Catherine Lamberg - HANO, Peggy Stone -  
CSG Advisors, Buck Landry - Morgan Keegan, Alton Barber, Jr. Alton Barber,  
Sr.- F2F Sports, Ernest Gethers-Mayor's Office of Economic Development

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Approval of the Minutes**

A motion was made by Mrs. Marchand, seconded by Mr. Smith and unanimously passed to approve the minutes of the November 18, 2003 Board of Directors Meeting. There were eight yeas and zero nays.

**Discussion of Administrative Fees for the HANO Projects**

Mr. Thorns stated that the Board's existence depends on the Administrative Fee's that are charged for the IDB's services. He continued that there are no monies allocated for the IDB in the City's Budget and that the annualized fees are a necessity to assure funding for the Board. He stated that he strongly recommends that the Board maintains its stance on the fees, and that there should be no negotiations or reductions in the schedule. He stated that the Saulet and American Can projects had extenuating circumstances in the fact that their projects were RTA based. The Board expressed their concerns regarding sweetheart deals and the pretence of raised questions related to those types of deals, but was also open to compromising and applying special financing where deemed necessary. Another option considered by the Board would be to pay a one-time fee based on the present value of the amounts under the schedule instead of requiring payment of the fees annually. For example, it was determined that the Savoy (Desire Project) based upon the fee schedule would be responsible for approximately \$160,000 for the life of the bonds. An option would be to pay annually or possibly obtaining a discount for paying the fee's in advance.

The Board agreed that the fee schedule is a necessary means of income for the Board and should not be given up. Mr. Thorns reminded the Board that the IDB ad valorem tax reduction process was becoming more widely used and that the Board would eventually have to market it and other activities. Mr. Stoever stated that he would be preparing a year end report of the Board's financial position and that they should be able to move forward after viewing the numbers.

The Board agreed to maintain the current fee policy for all projects. The Board asked for Mr. Cornelius opinion.

Mr. Cornelius stated that having a schedule and sticking to it is easiest to justify and defend, but that the decision of the manner and amount of the fees was the prerogative of the Board. He indicated that no one has raised a legal issue about the fees.

Mr. Thorns stated that the Boards position is to keep the fees in place with the option to pay annually based upon the schedule or a one time fee at a discounted price.

Mr. Neveu introduced Ms. Peggy Stone who stated that the likelihood would be that they would pay annually, but that would come at a price. She stated that they might have to give up public housing units to cover expenses. These are some of the unfortunate consequences that would also be a loss to the City.

*The Board asked how many units, and why can't HANO ask for more bond money to cover the cost?*

Ms. Stone stated 12-15 units in the aggregate for all three projects. Ms. Stone further stated that there would be a loss of capital funding/tax credits and units, and that the bonds were already approved and schedule for delivery. She stated any cost to the project would have that effect. Mr. Neveu stated that bonds were being marketed as we speak.

*The Board asked was there any allocated funding in the planning stages of the process?*

Ms. Stone stated that they budgeted the expenses and cost that they knew of and that they had no budgeted fees for this Board. Ms. Stone indicated that she was not told of the fees until very recently and made no accommodations for them in the numbers. Ms. Lamberg confirmed that the result of the fees would be reduction of units per project. She stated that they didn't intend to move forward at this point without fees, but that the fees would be a cause for fewer public housing units.

Mr. Thorns stated that the Board would not take lightly having the fees be the cause for less housing. He stated that the Board would reconsider the Fischer, Florida and Guste Projects fees. He reminded HANO representatives that the IDB was a self-sustaining Board and that no monies were set-aside for them by the City or any other source. Mr. Thorns further stated that the Board

would take things into consideration to reduce the impact, but that the Board does not operate without cost.

*The Board asked if they were going to spend every cent of that \$1 M on the project with not provisions for cost overrun?*

Mr. Neveu stated that there were some contingencies. Ms. Stone stated that the max that could be paid to the board for the three projects collectively would be \$6,000-\$7,500 without losing any units. Mr. Neveu stated that they were under orders to get the deals done this year because of timelines. He stated that the City is better off with what they are doing. The changes in the neighborhoods and improving the face of the City are a plus. We all want the best for the City.

Mr. Thorns stated that the Board understood and appreciated the complexities of the process and would take the three projects into consideration. He whatever the Board agreed to do with these 3 project, that HANO not let such prejudice any future projects.

HANO responded, certainly not.

The Board asked to amend the Agenda to form a special committee to discuss the Administrative Fees for the Fischer, Florida and Guste Projects. Mr. Thorns appointed Mr. Stoever, Mr. Wilson and Mr. Gill to the committee. The Board agreed that the committee will develop fees for these projects and that the President will be authorized to levy such fees upon recommendation of the committee without further Board action.

On a motion made by Mr. Joseph, seconded by Mrs. Marchand and unanimously passed, the Board approved the establishment of the Committee to perform as stated and authorized Mr. Thorns to levy the fees recommended by the Committee.

*The Board asked Mr. Neveu what was the timeline for the Projects.*

Mr. Neveu stated that the three projects were scheduled to close on December 30, 2003.

Mr. Thorns thanked HANO representatives and told them would revisit the situation and discuss the fees at Committee Meeting scheduled for next Tuesday, December 23, 2003 at 3:30 p.m.

**Other Business – Resolution for Multi-family Housing Revenue Bonds (Savoy Place Project), Series 2003**

A brief discussion was had regarding a previously approved purchase of caption bonds on October 21, 2003 by Bank of America. Morgan Kegan & Company, Inc will instead purchase the Bonds.

**December 16, 2003**

On a motion made by Mr. Joseph, seconded by Mr. Smith and unanimously passed, the Board approved the sale of the bonds to Morgan Keegan & Company, Inc. There were nine yeas and zero nays.

**New Business**

Mr. Alton Barber, Jr., made a presentation regarding F2F Sports Apparel Manufacturing, Inc. He stated that they are seeking \$15 Million in Tax Exempt Bonds to finance the acquisition, construction and equipping of an apparel manufacturing and distribution facility in the City. Mr. Barber stated that the project would create 78 new jobs and restore a blighted piece of property.

*The Board asked if there were any environmental problems with that piece of property?*

Mr. Barber stated that there were, but that they were being taken care of.

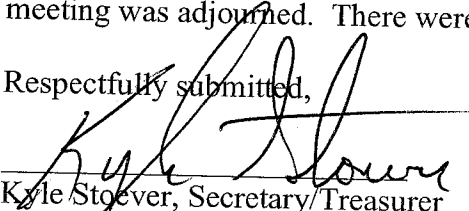
The Board stated that they were elated about the increased job opportunities that this project would bring to the community and that Mr. Barber should get in touch with the Councilperson as well as the Assessor for that District. Mr. Cornelius stated that a Resolution had been prepared for the Board's approval for this project to move it forward.

A motion was made by Mr. Stoever, seconded by Mr. Smith and unanimously approved to grant preliminary approval based on the requirements and specifications of the Board. There were eight yeas and zero nays.

**Adjournment**

On a motion duly made by Mr. Wilson, seconded by Mr. Smith and unanimously passed, the meeting was adjourned. There were nine yeas and zero nays.

Respectfully submitted,

  
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Kyle Stoever, Secretary/Treasurer  
Industrial Development Board-CNO

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, NOVEMBER 18, 2003**

Attendees: Bruce Bolyard, Farrell J. Chatelain, Jr., Irvin A. Joseph, Nina H. Marchand, Eddy Oliver, James Smith, Kyle E. Stoeber, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Ray Charles Crawford, Steven Gill, Mark McKenna, Lisa Ponce de Leon, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P, Creig Brown – Metro Consulting, Bill Oakland – Oakland Econometrics, Councilwoman Jacquelyn Clarkson – District “C”, Wayne Neveu-Foley & Judell, LLP, Catherine Lamberg, Dr. Lori Moon, Nadine Jarmon, Carmen Valenti – HUD/HANO, Josh Collen- Michaels Development/Savoy Place Apartments

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Approval of the Minutes**

A motion was made by Mr. Bolyard, seconded by Mr. Smith and unanimously passed to approve the minutes of the October 21, 2003 Board of Directors Meeting. There were nine yeas and zero nays.

**PUBLIC HEARING – Desire III (Savoy Place Apartments) Projects, Fisher III, Florida IIA, and Gust I Hope VI Redevelopment Projects**

Mr. Thorns called the Public Hearing to order and stated that this was the opportunity to allow proponents and opponents to speak on the issues. Mr. Thorns asked for the Committee’s (Ad Valorem Tax Committee (AVTC) Report.

Mr. Thorns asked if there was anyone there to speak in opposition of the project. There were none. The floor was then given to Mr. Neveu.

Mr. Neveu gave a brief description of each project and asked stated that HANO was there to get the Boards approval of the PILOT. Dr. Oakland also gave a description of each project and a conclusion of the benefits based upon two methods of assessed taxes that could be used by the Tax Assessors. He stated that they (Metro-Source/Oakland Econometrics looked at a 20 year period and came up with the net program cost.

**Desire III (Savoy Place Apartments) – Hope VI Redevelopment**

The proposed project consists of the total reconstruction of the Desire Housing Development. This is the second phase of this project and will consist of 318 rental units in duplex and single family homes. 212 of the units will be set aside for public housing units and 106 low-income housing units in which 64 of the 106 will benefit from Section 8 subsidies to be completed by Spring 2005. The Industrial Development Board is being asked to provide \$19 Million in revenue bond financing and to provide relief of any Ad Valorem Tax liabilities associated with the improvements through a PILOT arrangement. The exemption of the project from ad valorem taxes would provide net fiscal benefits of \$3,034,654 and earnings benefits of \$1,887,906, with total benefits of \$4,933,092.

Mr. Stoever stated that the Committee met with representatives of HANO as well as Mr. Brown of Metro Source Consulting and Dr. Bill Oakland of Oakland Economics. Mr. Stoever stated that the Committee was given a detailed breakdown of the project and its benefits, and the Committee accepted the cost benefit analysis report.

**Fischer III (Stage I) Hope VI Redevelopment**

The proposed project deals with a portion of the first stage and consists of the construction of 103 duplex rental units, 67 public housing units and 36 Section 8 housing units. The Industrial Development Board is being asked to provide \$18.6 Million in revenue bond financing and to provide relief of any Ad Valorem Tax liabilities associated with the improvements through a PILOT arrangement. The exemption of the project from ad valorem taxes would provide net fiscal benefits of \$63,625 and earnings benefits of \$1,029,497, with total benefits of \$1,091,122. It should be noted that these calculations do not reflect any of the redevelopment benefits likely to accompany the Fischer reconstruction.

Mr. Stoever stated that the Committee met with representatives of HANO as well as Mr. Brown of Metro Source Consulting and Dr. Bill Oakland of Oakland Economics. Mr. Stoever stated that the Committee was given a detailed breakdown of the project and its benefits, and the Committee accepted the cost benefit analysis report.

**Florida IIA –Hope VI Redevelopment**

This proposed project consists of the total reconstruction of the Florida Housing Development. The reconstruction consists of 2 phases that will include a total of 398 housing units varying from duplex homes, town homes, a community gymnasium and a Senior Living Complex. The Industrial Development Board is being asked to provide \$21.7 Million in revenue bond financing and to provide relief of any Ad Valorem Tax liabilities associated with the improvements through a PILOT arrangement. The exemption of the project from ad valorem taxes would provide net fiscal benefits of \$147,703 and earnings benefits of \$775,445, with total benefits of \$923,148.

Mr. Stoever stated that the Committee met with representatives of HANO as well as Mr. Brown of Metro Source Consulting and Dr. Bill Oakland of Oakland Economics. Mr. Stoever stated

that the Committee was given a detailed breakdown of the project and its benefits, and the Committee accepted the cost benefit analysis report.

**Guste I – Hope VI Redevelopment**

This proposed project consists of the total reconstruction of the William J. Guste Homes housing development. The reconstruction consists of three components: the refurbishment of the existing 12-story high-rise for the elderly, disabled and handicapped. The second phase will include 255 duplex style homes, and the third phase will be the acquisition and redevelopment of surrounding residential property with affordable homes for purchase by low-income families. The Industrial Development Board is being asked to provide \$15.8 Million in revenue bond financing and to provide relief of any Ad Valorem Tax liabilities associated with the improvements through a PILOT arrangement. The exemption of the project from ad valorem taxes would provide net fiscal benefits of \$142,821 and earnings benefits of \$775,445, with total benefits of \$918,267.

Mr. Stoever stated that the Committee met with representatives of HANO as well as Mr. Brown of Metro Source Consulting and Dr. Bill Oakland of Oakland Economics. Mr. Stoever stated that the Committee was given a detailed breakdown of the project and its benefits, and the Committee accepted the cost benefit analysis report.

Mr. Thorns asked, given the number of vacant homes, why wouldn't it be more feasible to restore blighted property and let HANO subsidize them? He also asked if there is a mandate to redevelop cluster housing and if so, how many?

Mr. Neveu stated that there will in fact be some development to some of those types of buildings and that the surrounding neighborhoods would benefit from that, but that certain units will be demolished. Ms. Lamberg stated that HANO is under mandate by Federal Laws with the exception of this project (Desire III, Savoy Place Apartments).

Councilwoman Clarkson thanked the Board for inviting her to the meeting. She stated that she was in support of the project and has been working with HANO and Ms. Lamberg since day one and that they communicate on a daily basis. She stated that the 35 surrounding neighborhoods were all in full support of the projects. Councilwoman Clarkson highly praised HANO for the excellent job they did with relocating residents while the project gets underway.

Mr. Thorns stated that the Board's main concern was that job opportunities are offered to the community and surrounding areas. He asked how would the benefits be supported?

Dr. Moon stated that under state law, HANO has to do a competitive bid process and that local contractors are doing the work. She also stated that they have made a concerted effort to go out for bid and are working to improve the numbers of local contractors.

Mr. Wilson stated that he requested information from HANO regarding Federal Procurement Rules. He stated that as he understood the laws, Louisiana companies could not be given preference. He stated that while the guidelines are restricted, the Board's main concern is to use

**November 18, 2003**

local participants as much as possible. Mrs. Marchand stated that she would share any lists of DBE's and WBE's with HANO to ensure local participation.

Mr. Thorns stated that the Board appreciated and recognized the impact of the projects. He stated that they were also happy to see Councilwoman Clarkson and extended an invitation to her and the other Council Members. The Public Hearing was ended.

Mr. Cornelius stated that HANO is hoping that the Board is ready to take a position on the Ad Valorem Tax status. Mr. Thorns stated that the Board has to follow all policies for consistency. Mr. Thorns asked what was the time line?

Mr. Neveu stated that delivery of the bonds is expected on the 18<sup>th</sup> of December.

Mr. Thorns stated that the Board needed to establish a nominal Payment In Lieu of Tax. Mr. Cornelius stated that that was at the Boards discretion. There was a \$1 per unit minimum vote.

On a motion made by Mr. Bolyard, seconded by Mr. Wilson and unanimously passed, the Board voted on the per unit payment. There were nine yeas and zero nays.

Dr. Moon and HANO staff thanked the Board for its support and the meeting was adjourned.

**Adjournment**

On a motion duly made by Mr. Joseph, seconded by Mr. Smith and unanimously passed, the meeting was adjourned. There were nine yeas and zero nays.

Respectfully submitted,

  
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Kyle Stoeber, Secretary/Treasurer  
Industrial Development Board-CNO



**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, OCTOBER 21, 2003**

Attendees: Bruce Bolyard, Farrell J. Chatelain, Jr., Irvin A. Joseph, Nina H. Marchand, Eddy Oliver, Lisa Ponce de Leon, James Smith, Kyle E. Stoeber, Jimmie Thorns,

Absent: Joseph Authement, Ray Charles Crawford, Steven Gill, Mark McKenna, John B. Williams, Tyrone A. Wilson

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P, Creig Brown – Metro Consulting, Ernest Gethers – CNO Mayor's Office, Katie Brown-Council Office, Wayne Neveu-Foley & Judell, LLP, Buck Landry – Morgan Keegan, Jacob Caprano- Hancock

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Approval of the Minutes**

A motion was made by Mr. Joseph, seconded by Mr. Smith and unanimously passed to approve the minutes of the August 12, 2003 Board of Directors Meeting. There were nine yeas and zero nays.

**Guste, Fischer, Florida & Savoy Place Apartments Projects**

Mr. Neveu gave an explanation of the Resolutions for the HANO Projects. He stated that HANO needed this approval to move forward with the bond issuance. The Resolutions call for the IDB to authorize the issuance of the bond amounts for each project approving and authorizing the execution and delivery of a Lease Agreement and Trust Indenture to secure such Bonds.

Mr. Cornelius explained that this was a go ahead for the project to keep moving forward and to help HANO secure the volume cap from Baton Rouge. He continued that the Resolutions would be approved with respect to the PILOT. Mr. Neveu stated that it would take 2-3 weeks to complete the Cost Benefit Analysis prior to the Public Hearing and that HANO would return for approval of the PILOT. They anticipate delivery of the bonds by December 18, 2003.

A roll call vote was taken to accept the Resolution for the Fischer-III, LLC Project. A motion was made by Mr. Joseph, seconded by Mr. Bolyard and unanimously passed. There were nine yeas and zero nays.

**October 21, 2003**

A roll call vote was taken to accept the Resolution for the Florida, II-A, LLC Project. A motion was made by Mr. Bolyard, seconded by Mr. Joseph and unanimously passed. There were nine yeas and zero nays.

A roll call vote was taken to accept the Resolution for the Guste-I, LLC Project. A motion was made by Mr. Bolyard, seconded by Mr. Stoever and unanimously passed. There were nine yeas and zero nays.

A roll call vote was taken to accept the Resolution for the Savoy Place Apartments (Desire Phase II Project). A motion was made by Mr. Stoever, seconded by Mr. Smith and unanimously passed. There were nine yeas and zero nays.

**Old Business**

Mr. Cornelius explained that CGMulti-Family, New Orleans, L.P. was requesting an approval of the Extension of the Maturity Date and authorization of the execution of a second modification and extension agreement. CGMulti-Family wants to extend the date until October 5, 2005 to allow for additional time to line up a potential buyer.

A motion was made by Mr. Stoever, seconded by Mr. Bolyard and unanimously passed to approve the Extension of the Maturity Date. There were nine yeas and zero nays.

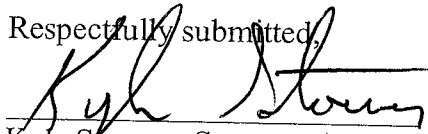
**Other Business**

Mr. Thorns stated that the City of New Orleans has requested a \$20,000 contribution for the Bicentennial of the Louisiana Purchase from the Industrial Development Board. A motion was made by Mr. Joseph, seconded by Mr. Bolyard and unanimously passed to approve the contribution to the City.

**Adjournment**

On a motion duly made by Mr. Joseph, seconded by Mr. Smith and unanimously passed, the meeting was adjourned. There were nine yeas and zero nays.

Respectfully submitted,

  
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Kyle Stoever, Secretary/Treasurer  
Industrial Development Board-CNO

# **NOTICE OF CANCELLATION**

**FOR THE**

**INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF  
NEW ORLEANS, LOUISIANA, INC.**

**1340 Poydras Street, 9<sup>h</sup> Floor  
Suite 952  
New Orleans, Louisiana, 70112**

**THE BOARD OF DIRECTOR'S MEETING  
SCHEDULED FOR:**

**TUESDAY, SEPTEMBER 16, 2003**

**AT 3:30 P.M.**

**HAS BEEN CANCELLED.**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, AUGUST 12, 2003**

Attendees: Joseph Authement, Farrell J. Chatelain, Jr., Steven Gill, Irvin A. Joseph, Nina H. Marchand, Lisa Ponce de Leon, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Bruce Bolyard, Ray Charles Crawford, Mark McKenna, Eddy Oliver, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P, Carliss Knesel – Hancock Bank, Creig Brown – Metro Consulting, Ernest Gethers – CNO Mayor’s Office, Wayne Neveu, Carol Gardsbane - Foley & Judell, LLP, Sandra Lewis, L. Ray Baker, Gordon Sprewell, Andrea Hardt, Dr. Lori Moon, Nadine Jarmon, Yolanda Dupaty-Ziegler, Peter Clark – HANO, Margret Stone, CSG/HANO, Paul K. Casey – Ballard, Spam/HANO, D.K McCormick, Jeff Riddel – HUD, Jeff Arnold

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Approval of the Minutes**

A motion was made by Mr. Wilson, seconded by Mrs. Marchand and unanimously passed to approve the minutes of the July 15, 2003 Board of Directors Meeting. There were ten yeas and zero nays.

**New Business – Guste, Fischer, Florida Projects**

Mr. Liu, Asst. Secretary/Public Housing/Section 8&Native Housing Programs – stated that this was a tremendous potential in regards to public housing for the City of New Orleans. The objection is to redevelop sites to form public/private sector housing and to own and manage the properties. He stated that this was the best method to rebuild communities and reverse the years of neglect in public housing. He continued that HUD has been identified as mandatory conversion to maintain and utilize funds correctly. The Emerging Capital Fund Program has allocated special funds for the Orleans area, of which \$185M is part of the package to support the debt service for the next 20 years. HUD and HANO in their combined effort are and will be meeting with resident leaders, the Mayor, the Council and the Assessors. He stated that the overall modernization plan is moving smoothly and that they are committed to providing project management to these facilities. Mr. Liu ended by stating his excitement about the prospects of doing business with and in the City of New Orleans and that he appreciated the Board giving him an opportunity to meet with them on this day.

**Board questions:** Is the receiver team local and will HUD give team criteria to follow regarding the administering of monies and if so, does the Board have authority to amend the criteria?

Mr. Liu stated that the receiver team is from out of town, but they are working to build one to internal capacity. He also stated that HUD does have a criteria to follow for administering the monies for which will be used on three sites and that the Board does not have that authority according to HUD regulations.

**Board questions:** With respect to construction, why was only 30% of the bidding going toward minorities, and are those overall goals based on project by project or as a whole? Also, if the project should fall short of meeting required goals, what would happen?

Mr. Liu stated yes that was the minimum but that he hoped to exceed that. With federal regulations there could not be a set quota's, but they could set goals. Dr. Moon stated that they agency has overall goals for all projects that would prove to be competitive in the market. She continued that if there is a shortfall, the team would have to show why they couldn't find local minorities and also show that someone else was more competitive. She also stated that they would constantly work with Project Management and that the contractors should meet all goals in order to deal with HANO.

The Board stated that they would like to see diversity in the hiring of minorities and to forward information regarding their Open Access goals. Our desire is to be fair to all groups.

**Board questions:** What is the commitment to ongoing maintenance and what set asides would be in place to maintain these properties? Will each site have its own team and will they be local?

Mr. Liu stated that investors would be required operating reserves to maintain all properties. They would loose millions if not privately managed. He also stated that the properties would be new age and the end result will be properties that the IDB and HANO will be proud of. As far as teams are concern, the investors would want private management for each property. Mr. Neveu stated that the investors would have operating reserves to maintain properties, as an annual on-site inspection is required to keep up safe guards. Dr. Moon stated that an RFP process would be used to employ contractors. HANO is really adamant about accountability and bringing in professional to do the job correctly and that they will keep a listing of minority firms. The Board stated that it is their responsibility to promote economic development and to ensure that New Orleans benefits from whatever the Board does. They asked that HUD/HANO work closely with them to assure that everything goes according to rules and regulations of both the IDB and the developers. The stated that failure in the past was mostly because of improper and lack of good management. They would prefer to see proactive management that responds to pre-determined rules and regulations.

**Board question:** Why isn't there a broader income level?

Mr. Neveu stated that changes are being introduced to maintain a different kind of community that that of the past, that will provide flexibility in income.

**Board questions:** How will HANO advertise housing and how will they work with families that demonstrate their ability to maintain the sites as well as different social issues? Is there a set of criteria to follow when residents fail to abide by housing and safety laws? How many chances will they have to conform?

Ms. Lamberg stated that previous resident population would have the first opportunity to return, but that there is criteria set in place that they will have to pass in order to get back in. There may also be in some cases depending up their past record as tenant, a criminal and/or credit check. Upon the relocation of tenants, a relocation database was created to enable them to located previous residents. Marketing and advertising will be done through first time homeownership programs. Dr. Moon stated that if tenants don't abide by the rules they have the right to eliminate that contract.

The Board requested an organization chart from HANO/HUD and commended HANO on their radical redevelopment of housing. The Board also stated that they want an open line of communication.

**Board questions:** Will they be using RFP's/RFQ's and will they come from Washington?

Mr. Liu stated that they would be coming from Washington and that they may use both.

The Board thanked Mr. Liu, HANO/HUD for attending the meetings and answering questions. They encourage them to continue to build their capacity and to keep the community working.

#### **Fischer III, LLC**

Mr. Neveu stated that the Fischer III, LLC Redevelopment would require bonds not exceeding \$18,600,000 in Industrial Revenue Bonds, which is part of the financing for this project. A motion was made by Mr. Stoever, seconded by Mr. Wilson and approved by a roll call vote of ten.

#### **Florida II-A, LLC**

Mr. Neveu stated that the Florida, II-A, LLC Redevelopment would require bonds not exceeding \$21,700,000 in Industrial Revenue Bonds, which is part of the financing for this project. A motion was made by Mr. Stoever, seconded by Mr. Joseph and approved by a roll call vote of ten.

**August 12, 2003**

**Guste-I, LLC**

Mr. Neveu stated that the Guste-1 LLC Redevelopment would require bonds not exceeding \$15,850,000 in Industrial Revenue Bonds, which is part of the financing for this project. A motion was made by Mrs. Marchand, seconded by Ms. Ponce de Leon and approved by a roll call vote of ten.

**Support of Housing Authority**

Mr. Neveu also presented a resolution of support of the Housing Authority of New Orleans to accelerate the redevelopment of public housing communities and improve the supply of low-income housing for residents of New Orleans. A motion was made by Mr. Joseph, seconded by Mr. Gill and approved. Mr. Wilson abstained.

**Other Business**

A resolution was offered that would employ Mr. Cornelius and Adams and Reese, LLP as special counsel to the Board on issues in which Mr. Cornelius and Adams and Reese are not serving as bond counsel. A motion was made by Mr. Stoever, seconded by Mrs. Marchand and unanimously passed to approve the resolution of special council. There were ten yeas and zero nays.

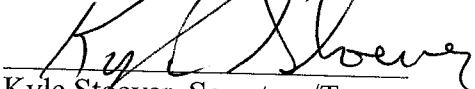
**Meetings**

Mr. Authement asked if the Board would consider changing the time of the meetings from 3:30 p.m. to another time because of the inconvenience. The majority of the Board stated that 3:30 p.m. was the most convenient.

**Adjournment**

On a motion duly made by Mr. Stoever, seconded by Mr. Wilson and unanimously passed, the meeting was adjourned. There were ten yeas and zero nays.

Respectfully submitted,



Kyle Stoever, Secretary/Treasurer  
Industrial Development Board-CNO

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, JULY 15, 2003**

Attendees: Joseph Authement, Steven Gill, Nina H. Marchand, Eddy Oliver, Lisa Ponce de Leon, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Bruce Bolyard, Ray Charles Crawford, Irvin A. Joseph, Mark McKenna, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P, Carliss Knesel, Colin Hedlund – Hancock Bank, Creig Brown – Metro Consulting, Ernest Gethers – CNO Mayor’s Office, Michael Duplantier, Stephen Stuart, BGR, Wayne Neveu, Foley & Judell, LLP

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Approval of the Minutes**

A motion was made by Mr. Wilson, seconded by Mr. Smith and unanimously passed to approve the minutes of the April 22, 2003 Board of Directors Meeting. There were nine yeas and zero nays.

**Old Business – Resolution related to LGD Rental I, LLC (St. Thomas Redevelopment Project)**

Wayne Neveu of Foley & Judell, LLP gave a brief description of the contents of the resolution for LGD Rental 1, LLC (St. Thomas Redevelopment Project). He stated that Resolution was to ratify and confirm the issuance of not exceeding \$29,000,000 in Industrial Revenue Bonds, which is part of the financing for this project. A motion was made by Mrs. Marchand, seconded by Mr. Stoever and unanimously approved. There were eight yeas, zero nays, and one abstention. Mr. Thorns abstained on this vote.

**New Business – Semi-Annual Financial Report**

Mr. Stoever gave an overview of the Board’s financial position that included available funds that supports the Board’s operation. A motion was made by Mr. Wilson, seconded by Mr. Smith and unanimously approved to accept the Semi-Annual Financial Report. There were nine yeas and zero nays.

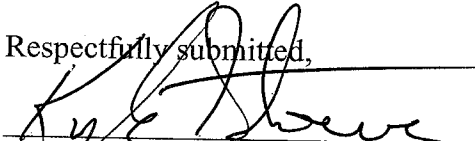


July 15, 2003

Adjournment

On a motion duly made by Mrs. Marchand, seconded by Mr. Stoever and unanimously passed, the meeting was adjourned. There were nine yeas and zero nays.

Respectfully submitted,

  
\_\_\_\_\_  
Kyle Stoever, Secretary/Treasurer  
Industrial Development Board-CNO

# **NOTICE OF CANCELLATION**

**FOR THE**

**INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF  
NEW ORLEANS, LOUISIANA, INC.**

**1340 Poydras Street, 9<sup>h</sup> Floor  
Suite 952  
New Orleans, Louisiana, 70112**

**THE BOARD OF DIRECTOR'S MEETING  
SCHEDULED FOR:**

**TUESDAY, JUNE 17<sup>TH</sup>, 2003**

**AT 3:30 P.M.  
HAS BEEN CANCELLED.**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
TUESDAY, MAY 20, 2003**

Attendees: Irvin A. Joseph, Nina H. Marchand, Eddy Oliver, Lisa Ponce de Leon, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Bruce Bolyard, Ray Charles Crawford, Steven Gill, Mark McKenna, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P., Katie Brown –District E, Josh Collen- Savoy Place Apartments, Ernest Gethers – CNO Mayor's Office, Paul Fine – Crescent Crown Distributing, Wayne Neveu, Foley & Judell, LLP, Sherman Copeland

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

**Public Hearing – Crescent Crown Distributing**

Mr. Cornelius explained that the public hearings are had to give the public/tax bodies the opportunity to support or oppose a project.

Mr. Thorns asked for any speakers of opposition or support. Mr. Morris Kahn stated that he was glad to see companies making additional investments in the city and that was a great sign that businesses are welcomed. Mr. Copeland stated that he worked hand-in-hand with crescent crown. There were no speakers in opposition of this project.

Mr. Fine thanked the Board for the opportunity and their support of the Crescent Crown Distributing Project. Mr. Thorns asked for any other speakers and there were none. The public hearing was closed.

**Approval of the Minutes**

A motion was made by Mrs. Marchand, seconded by Mr. Wilson and unanimously passed to approve the minutes of the April 22, 2003 Board of Directors Meeting. There were eight yeas and zero nays.

Old Business

None

New Business – Savoy Place Apartments

Wayne Neveu of Foley & Judell, LLP gave a brief description of the contents of the application for the Savoy Place Apartments. He stated that Public Housing was undergoing redevelopment around the City. Mr. Neveu introduced Mr. Justin Collen (Savoy Place Associates Rep.) to furnish the Board with more details of the project. Mr. Collen's stated that Phase I of the New Desire Community is 50% complete and that this multi-family rental component consisted of traditional family homes. Phase I is

He stated that Savoy Place Associates believed in building communities and that Phase II of the Project, which will consist of 318 rental units in duplex and single-family homes, would be constructed. 212 of those units will be set-aside as public housing replacement units serving low-income families.

*The Board asked for clarification regarding the management and maintenance of the facility.*

Mr. Collen stated that there will be on-site management and that monies in escrow (approximately \$300 per unit) will be used for long-term operation, replacements and maintenance of the facility.

*The Board stated that they needed to be reassured monies would be available to contribute to the redevelopment of the project.*

*The Board expressed their concern in the interest of the people stating that it was very important for the community to benefit from the economics of this project.*

Mr. Collen stated that HANO is using \$6 Million to train for on/off-site jobs and that hiring and contracting firm has to be done locally.

*The Board asked for clarification on the number of jobs created by this project.*

Mr. Collen stated that this project would create approximately 60 new jobs during construction with 11 permanent positions. 75% of new jobs created are expected to be given to Orleans Parish residents. He also stated that a job fair would be held at the site and that information will be published in the Times Picayune.

A motion was made by Mr. Joseph, seconded by Mrs. Marchand and unanimously approved to grant preliminary approval based upon the requirements and specifications of the Board. There were eight yeas and zero nays.

**New Business – Annunciation Properties, LLC Project**

Mr. Copeland stated that Annunciation Properties is interested in starting Phase I of the renovation of an old fire and police station into a restaurant and constructing residential units next to the restaurant. Construction and renovation of “Annunciation Square” would provide approximately 250-300 temporary jobs and 50 permanent jobs.

Mr. Copeland also stated that another project would also be underway at a warehouse in the Michoud area on Poche Court. This renovation would consist of new construction of warehouse that would provide approximately 40 temporary jobs. 30 persons are currently employed full time. The addition would provide five new permanent jobs.

*The Board asked if this would be one or two separate projects?*

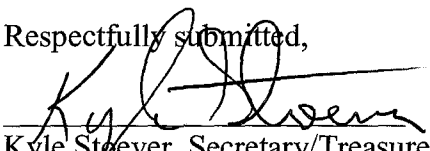
Mr. Copeland stated that it would be one project.

*Mr. Thorns recommended that Mr. Copeland and Associates submit an Application to the Industrial Development Board setting forth the specifics of the project. He also stated that the Board would require them to provide a Cost Benefit Analysis (at their expense) to determine the efficacy of the project. Mr. Thorns stated that the Board would review the application when it is received.*

**Adjournment**

On a motion duly made by Mr. Wilson, seconded by Mr. Smith and unanimously passed, the meeting was adjourned. There were eight yeas and zero nays.

Respectfully submitted,

  
\_\_\_\_\_  
Kyle Stoever, Secretary/Treasurer  
Industrial Development Board-CNO

# **NOTICE OF CANCELLATION**

**FOR THE**

**INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF  
NEW ORLEANS, LOUISIANA, INC.**

**1340 Poydras Street, 9<sup>h</sup> Floor  
Suite 952  
New Orleans, Louisiana, 70112**

**THE BOARD OF DIRECTOR'S MEETING  
SCHEDULED FOR:**

**TUESDAY, MARCH 18<sup>TH</sup>, 2003**

**AT 3:30 P.M.**

**HAS BEEN CANCELLED.**

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.  
WEDNESDAY, FEBURARY 5, 2003**

Attendees: Joseph Authement, Bruce Bolyard, Steven Gill, Irvin A. Joseph, Nina H. Marchand, Kyle E. Stoever, Jimmie Thorns, James Smith, Tyrone A. Wilson

Absent: Ray Charles Crawford, Mark McKenna, Eddy Oliver, Lisa Ponce de Leon, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Foley & Judell, L.L.P., Paul Fine – Crescent Crown Distributing, Ed Washington – Law Department, Stephen Stuart – BGR

**Call to Order**

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present.

**Approval of the Minutes**

A motion was made by Mr. Joseph, seconded by Mr. Wilson and unanimously passed to approve the minutes of the December 18, 2002 Board of Directors Meeting. There were nine yeas and zero nays.

**Old Business – Crescent Crown Distributing**

Mr. Stoever briefed the board on the results of the Crescent Crown Distributing - Ad Valorem Tax Committee meeting that was held on January 16, 2003. Mr. Stoever stated that he and Dr. William Oakland spoke via conference call about the project and that the Dr.'s questions were included at the meeting. Mr. Stoever continued that the project is a joint venture with a two family distributing company that is requesting funds to redevelop approximately half of the old McFrugals Warehouse site (New Orleans East) into a beer distributing facility. He continued that the city currently collects approximately \$44,000 in taxes for that property and that after completion of the new project, the City will collect approximately \$74,000. He also stated that while the project would not create any new jobs, it was possible that as a result of the project's relocation new employment would be created due to the lack of current employees relocating to the City of New Orleans. Mr. Stoever added that the project had been approved an amount of \$400,000 from the Deltal Regional Authority to improve the Port Authority Road for access to the facility.

Questions were asked as to the significance of impact of the project, whether the Port Authority Road would be available for public use and the status of the facility on Toulouse Street?

Mr. Stoever stated that this was an important project for the City and that it will benefit from the business relocating to Orleans Parish rather than Jefferson or St. Bernard. He also stated that it would pave a way for new businesses to relocate to an area that has been inoperative for years.

Mr. Fine stated that taxes would continue to be paid on the Toulouse site until the building is sold or leased to new owners. He also stated that he was not sure if Port Authority Road would be available for public use, but that that Road promotes economic activity to the area and it was possible that others would have to negotiate an agreement to use that road. He thinks that the Port Authority would give access. Mr. Joseph stated that Jordan Road would be closing soon and that Port Authority would eventually become a public access road.

Mr. Thorns asked if there were any other questions or comments? There were none. Mr. Stoever via the Ad Valorem Tax Committee recommended approval of the Cost Benefit Analysis.

A motion was made by Mr. Joseph, seconded by Mrs. Marchand and unanimously passed to approve the Crescent Crown Distributing Cost Benefit Analysis. There were nine yeas and zero nays.

Mr. Thorns stated that the Board would continue to work with Dr. Oakland to negotiate the PILOT. Mr. Cornelius advised the Board that a Resolution had been completed if the Board wished to move the project forward.

A motion was made by Mr. Stoever, seconded by Mr. Smith and unanimously approved to grant preliminary approval based upon the requirements and specifications of the Board. There were nine yeas and zero nays.

### **Executive Session**

A motion was made by Mr. Joseph, seconded by Mr. Bolyard to move into Executive Session. There were ten yeas and zero nays.

A motion was made by Mrs. Marchand, seconded by Mr. Smith and approved to end Executive Session. There were ten yeas and zero nays. Executive Session was ended.

### **New Business – Investment Policy Update**

Mr. Stoever advised the Board that the transfer of funds from Liberty Bank to Banc One had been successfully completed and that the money was insured 100% by the government.



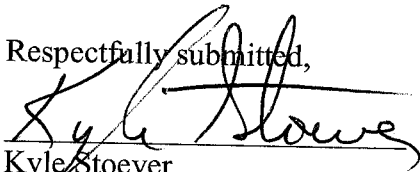
**February 5, 2003**

A suggestion was made by Mr. Authement to change the meeting times of the Board of Directors meeting. Mr. Thorns called for a vote on changing the times. There was a majority ruling to keep the meeting at the present time.

**Adjournment**

On a motion duly made by Mr. Joseph, seconded by Mr. Wilson and unanimously passed, the meeting was adjourned. There were ten yeas and zero nays.

Respectfully submitted,



Kyle Stoever

Secretary/Treasurer

Industrial Development Board-CNO

**NOTICE OF CANCELLATION**

**FOR THE**

**INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF  
NEW ORLEANS, LOUISIANA, INC.**

**1515 Poydras Street, 12<sup>th</sup> Floor  
Suite 1265  
New Orleans, Louisiana, 70112**

**THE BOARD OF DIRECTOR'S MEETING  
SCHEDULED FOR:**

**TUESDAY, JANUARY 21, 2003  
AT 3:30 P.M.  
HAS BEEN CANCELLED.**