



**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.**

**MAY 14, 2013 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Laura H. Brown
Walter C. Flower, III
Edith G. Jones
Allison B. Randolph, III
C. David Thompson

Susan P. Good
Dr. Ronald French
Alan H. Philipson
Darrel J. Saizan, Jr.

Elijah M. Feinstein
Eugene J. Green, Jr.
Marshall Cleland Powell
Theodore Sanders

Absent:

Justin Augustine, III

Eric B. Strachan

Also Present:

Sharon Martin, Administrator, IDB
Joy Matthews, Admin. Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel

Guests:

Tonya Pope, Jazzland
Kevin Murphy, Starlight Studios
Ken Myers, City Business
Ted Kirn, Office of Assessor Errol Williams
Kirk Lee, Cement Masons, Local 567
Terri Franklin, Regions Bank
Josh Collen, HRI Properties
Stanley McDaniel, The McDaniel Group
Rick Webster, Times-Picayune
Joe Rochelle, Office of Councilmember Jackie Clarkson
Scott Murphy, Iron Workers
Tony Cacioppo, Sprinkler Fitters
Derrick Francis, Office of the Mayor of New Orleans
Toni Weiss, Economic Consultant
Aimee Quirk, Mayor's Advisor on Economic Development
Max Vorhoff, New Orleans Business Alliance
Paul deClouet, Citizen
Jeb Bruneau, Advantous Consulting, LLC
Randy McKee, McKee Law Firm, LLC
Rosalind Peychaud, State Office of Community Development
Ernest Gethers, City of New Orleans, Economic Development

Carol G. Rocque, Damon Rocque
Maria J. Auzenne, Auzenne & Associates, LLC

President, Alan H. Philipson, called the meeting to order at 12:38 PM. A roll call was conducted and a quorum confirmed. Introductions by all guests were held. By motion of Mr. Walter Flower and seconded by Mr. Allison Randolph, the Board voted 13 Yeas and one (1) Abstention for approval of the minutes of the April 9, 2013 board meeting. Dr. Ronald French, who abstained, inquired as to the Board's final determination on the request by the Navy for use of the Six Flags site. Mr. Philipson explained that the Board approved the Navy's request if it did not conflict with the schedules of the Developer or Fox Louisiana Productions. The production company could not stop production within the time frame requested and the Navy was, therefore, not granted access. Had it been possible, Mr. Philipson explained, the Navy would have been granted access.

STARLIGHT STUDIOS

The President acknowledged Mr. Kevin Murphy, a representative of the Starlight Studios project. Mr. Philipson advised that as a result of several meetings among IDB representatives, Aimee Quirk of the Mayor's Office, and Max Vorhoff and Melissa Ehlinger of the New Orleans Business Alliance, a final PILOT payment structure was accepted by Starlight Studios. He explained that the IDB would allow the current taxes of \$10K plus as the first year's payment, following which there would be graduated yearly payments. In answer to a question on the floor, Mr. Philipson advised that the present value of the property through 2024 is \$28M. Mr. Wolf reminded the Board that once the PILOT ended, the property would be transferred back to the developer at the then current taxes.

The President then requested a motion for approval of the PILOT as proposed. By motion of Mr. Randolph and seconded by Mr. Theodore Sanders, the Board voted 13 yeas with one (1) abstention by Mr. Eli Feinstein, for approval of the PILOT structure. Mr. Murphy was then congratulated by the President on behalf of the Board. Mr. Murphy advised that project construction is scheduled to start in early fall.

IBERVILLE ON-SITE

Mr. Josh Collen, HRI Properties and Iberville On-Site representative, presented the update in this matter, advising that both the CBA (cost/benefit analysis) and the BFA (but for analysis) have been started and that the projected date for completion of both, according to both consultants, will be in time for the July meeting.

SOUTH MARKET DISTRICT

Bond counsel, David Wolf, presented the update in this matter, reminding the Board that it gave final approval on the first phase of the project, which included the apartment and retail, or more specifically, Parcel C, some months ago. According to the current schedule, the closing should take place in June.

FINANCIAL REPORT

Mrs. Susan Good, Secretary-Treasurer, advised that a copy of the March and April reports were included in the board packets. As information, she advised, the new Gulf Coast Bank and Trust account that was created holds the funds submitted by the Hyatt. This amount represents, according to the Hyatt's estimation, the amount that would be due for failure in meeting the hiring targets as set forth in the Lease Agreement. Mr. Philipson interjected that bond counsel, Ray Cornelius, who is the point person between the IDB and the Hyatt, is out of town at this time but that Mr. Cornelius will meet with Mr. Stan McDaniel of The McDaniel Group, to review the employment-during-construction records to determine how the target was missed. The Hyatt monies have been placed in a separate, interest bearing account. Mrs. Good further advised that the amount, while currently on the books of the IDB, will be transferred to the City, once the monitoring has been completed.

ADMINISTRATOR'S REPORT

Ms. Sharon Martin, Administrator, advised that a copy of her report is included in the board packet. She stated that while numerous activities were dealt with, she asked that each Board member review it, and if there were any questions, she could be called. She again reminded the Board about the May 15 deadline for submitting their Tier 2.1 Financial Disclosure forms to the Louisiana Board of Ethics.

UPDATES

Six Flags

Mr. Philipson informed there was nothing to report at this time from the standpoint of the Developers. He added, however, that the request by Ebb Tide (Universal Studios) is currently being reviewed and worked on. This production company is looking to use the Six Flags site from September through the first of November. At this time, there are no conflicts in the site use by Fox Louisiana Production (the current user) or by the Developer. According to the Concession Agreement, Fox Louisiana Productions' use of the site will expire on July 15, 2013.

NEW BUSINESS

DBE Committee

Mr. Randolph, Chair of the DBE Committee, advised that to-date, the committee has held two meetings. At the first meeting he was made aware that the City and the City Council were in the process of reviewing the ordinance language concerning DBE participation of 35% and local participation of 50%. The language, as he was told, also would provide "teeth" to the developer's requirement of showing "good faith effort". To-date, the language has not yet been changed. Additionally, at the first meeting, there was a discussion of hiring a consultant who would work with DBE's to ensure their preparedness in responding to RFPs issued by developers. As a result of the discussions, presentations were scheduled with Ernest Reilly of T.E.E.M., a representative of Newcorp, (both organizations having experience in working with DBEs) and Arkebia Matthews of the City's Office of Supplier Diversity. Mr. Reilly and Ms. Matthews both made presentations at the second meeting. Mr. Philipson, who was also present at the second meeting, echoed in the Committee Chair's appreciation of the duties of the consultant in ensuring DBEs are ready and tracked and, that developers will feel secure in selecting such DBEs. Mrs. Edith Jones, the IDB's newest member, announced that she has 20 years of experience in monitoring and working with DBEs and asked if she could be allowed to offer her years of experience by serving on the DBE Committee. Mr. Philipson so approved her participation.

On an aside, Mrs. Good asked the status of the reassessment of the 930 Poydras property and the status of the monitoring of that project. Ms. Martin advised that, as she understood it from Mr. Ted Kirn of the Assessor's Office, the matter was on Mr. Williams' desk yet waiting for approval of the reassessment request. Dr. French then suggested that Mr. Williams be invited to the next Board meeting. Ms. Martin will extend the invitation.

IDB Fee Structure Committee

Mr. C. David Thompson advised that the first meeting of the Committee was held and that at this time the Committee was not ready to provide a report.

By motion of Mr. Randolph, second by Mr. Thompson, the meeting adjourned at 1:05PM

Susan P. Good, Secretary/Treasurer