

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

**JANUARY 8, 2013 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Justin Augustine, III
Elijah M. Feinstein
Helen LeBourgeois
Darrel J. Saizan, Jr.

Ronald G. Baptiste, Jr
Walter C. Flower, III
George V. Perez, Jr.
Theodore Sanders

Susan P. Good
Dr. Ronald French
Alan H. Philipson
C. David Thompson

Absent:

Laura H. Brown

Farrell J. Chatelain, Jr.

Allison B. Randolph, III

Also Present:

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

Guests:

Ben Myers, City Business
Billy Burk, Starlight Studios
Kevin Murphy, Starlight Studios
King Logan, Starlight Studios
Leigh Ferguson, Downtown Development District
Scott Murphy, IWLU 58 (Union)
Tony Cacioppi, LU669 (Union)
Tom Cronin, Boh Bros.
Tiger Hammond, SELABTC (Union)
Stanley McDaniel, The McDaniel Group
Jeb Bruneau, Advantous Consulting, LLC
Max Vorhoff, New Orleans Business Alliance
Derrick Francis, City of New Orleans, Mayor's Office
LaSwanda Green, Downtown Development District
Ted Kirn, Office of the Assessor
Matt Morrin, Enterprise (Lafitte)
Alfred Marshall, Stand with Dignity
Cleland Powell, Iberia Bank
Ernest Gethers, City of New Orleans, Dept. of Economic Development
Aimee Quirk, City of New Orleans, Dept. of Economic Development

Maria Auzenne, Auzenne & Associates, LLC
C. Rocque, Damon Rocque Securities Corp.

President, Walter C. Flower III, called the meeting to order at 12:40 PM. A roll call was conducted and a quorum confirmed. Introductions by all guests were held. By motion of Dr. Ronald French and seconded by Mr. Ronald G. Baptiste, Jr., the Board voted unanimously to approve the minutes of the December 11, 2012 Board meeting. Mr. Flower then announced that in light of the third Tuesday falling on Mardi Gras, the next board meeting would be held on Tuesday, February 19, 2013. Notices will be distributed.

STARLIGHT STUDIOS

Developer representative, Billy Burk was recognized and provided the Board with a clarification of the estimated total construction employment cost, advising that the number in the application of \$1M is incorrect. The estimated employment cost during construction is \$7M. Mr. Burk also cleared up questions concerning the zoning. He explained the property is listed as "light industrial" per a letter from Zoning of the City of New Orleans. (This letter is part of the IDB office file.) As an overview Mr. Burk stated that the proposal is for the construction of a state-of-the-art film, recording, and sound studio with production facilities, located in New Orleans East across from NASA. The project seeks a ten-year PILOT with a proposed yearly PILOT payment of \$36K. Current taxes are \$5600 per year. The \$36K proposal is based on current tax for the land plus 5% for projected tax liability. The financing will be by conventional loan. Mr. Burk stated that the facility will rent space to the film-related market. Hiring is estimated at 500 per year based on film contracts, with an estimated 90% local hire and an estimated \$20M in payroll. The project would have to have 70% to break even at the PILOT level proposed. Mr. Flower informed the Developer of the IDB's 40% local-hire requirement during construction and, Mr. Darrel Saizan added the IDB is also interested in a level of permanent employment. Mr. David Thompson questioned the PILOT proposal as presented, noting in particular, that based on the application, 1) there will be 8 - 10 permanent jobs, 2) there is no way of knowing how many permanent jobs will be created thru film contracts or by tenants of the facility; and 3) in addition to revenue generated by film contracts, rents will also be collected. He suggested that based on these revenue streams alone, it might be wise to reconsider the proposed PILOT. Mr. Flower interjected that the Board is enthusiastic about the project but added that consideration is based on the benefits to the City. He suggested that Mr. Thompson's evaluation be considered. By way of question from Mrs. Helen LeBourgeois, Mr. Kevin Murphy, a Developer representative, provided that based on his experience in the film industry, a film company such as Starlight Studios would yield from a \$220M project approximately \$3M for lot rental, etc. Not a lot of money, he explained, but the work created would still have an impact in the area. This \$3M does not include post-production costs. In most instances, it is difficult to keep this type of work local.

After discussion, Mrs. LeBourgeois motioned and Mr. Alan Philipson seconded to grant preliminary approval for the Starlight Studios project. The Board vote was 11 yeas and 1 recusal.

After the vote, Mr. Flower reminded the Developer that to have the PILOT request considered, a cost/benefit and a "but for" analysis must be performed to which the Developer must agree to assume the costs of such. The Developer agreed and was advised that a letter would be forthcoming explaining the process.

FINANCIAL REPORT

Mrs. Susan Good, Secretary-Treasurer, presented a "re-do" of the November financials. The corrected statement reflects the adjustment in the budget for the approval of the \$20K by the Board not as a contribution but rather as professional services for the Job Match program. Mrs. Good further stated that the IDB met its administrative fee target and is doing well against the 2012 budget. Also included in the Board packet is a December preliminary. A final December report could not be presented at this time as all bank statements were not yet received prior to the meeting.

ADMINISTRATOR'S REPORT

Ms. Sharon Martin, Administrator, presented her report for the month, citing in particular Six Flags work with bond counsel and Fox La. Production re contracts for site rental, as well as grass cutting, moving of barricades and numerous inquiries re rental of site. Work continues with Ted Kirn of the Assessor's Office and Milton Coulon, Assistant City Treasurer, re PILOT and tax issues for 521 Tchoupitoulas, 930 Poydras, Halpern's and The Saulet. Problems with internet and computer. Current problem with Extra Space Storage and their late fee practices, which result in an inquiry into the moving of files from that location to the City Archive. The move cannot be done without the explicit approval by the La. State Dept. of Records Management. Drafting of letters to City Council members re Board attendance, as well as pending term expirations. Working with website manager to re-vamp the IDB website. After her report, Mr. Ernest Gethers was asked about the status of the City's assistance in relocating donated barricades to be placed at the Six Flags site. He reported that unfortunately, the Department which would handle this request does not have means/funds in its budget to help. Mr. Augustine questioned the cost to rent equipment to move the barricades to the Six Flags site. Mr. Flower then informed the Board that there is a possibility that the Six Flags Developer or a film company could be required to move the barricades. Mr. Flower then inquired as to the status of the monitoring by consultant, Keith Eleuterius. Ms. Martin advised that she continues to work with Mr. Eleuterius. The work which he began on 930 Poydras was halted as we await the new assessment of the property which will include the improvements. Ms. Martin was asked to look at other PILOT files to see which might require monitoring.

EMPLOYMENT MONITORING

Mr. Stanley McDaniel of the McDaniel Group advised that the monitoring conducted in the New Savoy project showed that the Developer spent 30% of total construction costs locally during vertical construction. The findings of the report show that the Developer was, therefore, compliant. Of the \$18.5M spent during vertical construction, the Developer spent \$5.6M locally. According to the Board, penalties would only be applied unless there was a 1% deficiency in meeting the target. Mr. McDaniel advised that the Developer was very helpful in providing requested information.

ELECTIONS

Elections were tabled until the February 19, 2013 board meeting.

The meeting adjourned at 1:28PM.

Susan P. Good, Secretary/Treasurer

NOTICE OF CANCELLATION

OF THE

BOARD MEETING

OF THE

INDUSTRIAL DEVELOPMENT BOARD

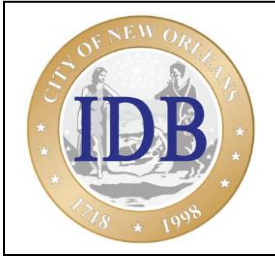
OF THE

CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, FEBRUARY 19, 2013 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. A NOTICE OF MEETING WILL BE TIMELY ISSUED IN ADVANCE OF THE NEXT MEETING DATE WHICH IS SCHEDULED FOR TUESDAY, MARCH 12, 2013.

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

FEBRUARY 13, 2013



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

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

Present:

Laura H. Brown
Elijah M. Feinstein
George V. Perez, Jr.
Allison B. Randolph, III
Eric B. Strachan

Susan P. Good
Walter C. Flower, III
Alan H. Philipson
Darrel J. Saizan, Jr.
C. David Thompson

Eugene J. Green, Jr.
Dr. Ronald French
Marshall Cleland Powell
Theodore Sanders

Absent:

Justin Augustine, III

Also Present:

Sharon Martin, Administrator, IDB
Joy Matthews, Admin. Assistant, IDB
Ronald Sholes, Adams & Reese, Bond Counsel

Guests:

Ben Myers, City Business
Matt Schwartz, Domain Co.
King Logan, Logan Branding
Tanya Pope, Paidia
Ted Kirn, Office of Assessor Errol Williams
Jeb Bruneau, Advantous Consulting, LLC
Sara Pagonos, The Advocate
Scott Neimeyer, Deep South Studios
Melissa Ehlinger, New Orleans Business Alliance
Michell Strickland, Office of Mayor Mitchell Landrieu
M. Hammer, Pontchartrain Capital
David Cusimano, Pontchartrain Capital
Steve Molnar, Entergy, New Orleans
Max Vorhoff, New Orleans Business Alliance
Tony Cacioppi, Road Sprinkler Fitters
Michael Mancuso, Elkins, PLC
Stan McDaniel, The McDaniel Group
Bruce Egglar, Times-Picayune

Ryan Berni, City of New Orleans
Aimee Quirk, City of New Orleans
Ernest Gethers, City of New Orleans
Patrick Quinn, Premier Brokerage
Lee Ann Seaman, Primeview
Carol Rocque, Damon Rocque Securities Corp.
Lauren Jordell, Sabiston Consultants
Randy McKee, McKee Law Firm, LLC

President, Walter C. Flower III, called the meeting to order at 12:35 PM. A roll call was conducted and a quorum confirmed. Introductions by all guests were held. By motion of Mr. Alan H. Philipson and seconded by Dr. Ronald French, the Board voted unanimously to approve the minutes of the January Board meeting.

STARLIGHT STUDIOS

A final draft of the Lease Agreement was presented for approval Mr. Flower requested a motion for approval of the final form of the Lease Agreements each of which contained the specific PILOT terms and claw backs in Article IV. A motion was presented by Mr. C. David Thompson and seconded by Mr. Philipson. The Board voted unanimously for approval of the final form of the Lease Agreement, the PILOT and the claw backs, as well as the signing of the resolution.

DEEP SOUTH STUDIOS

Mr. Scott Neimeyer, presented an overview of an application to be submitted to the IDB. The proposed project includes a film production campus to be located in Algiers Point on 34 acres of land, offering stages, sound studios and production facilities. The total project proposes 300 jobs during construction, 20 permanent jobs and an additional 75 - 100 jobs during any contracted production. It also proposes as part of its offering in Phase II, a media and educational facility. Total cost of the project is \$50M. The Developer plans to submit the proposal within the next 90 days.

Mr. Eli Feinstein stated that in light of the fact that he and Mr. Neimeyer have done business in the past, he [Feinstein] will recuse himself from any voting on the project.

DAG/PROVIDENT SIX FLAGS UPDATE

Mr. David Garcia, DAG/Provident representative, provided an update on the current status of their project based on their 2011 proposal for the construction of a large upscale outlet mall. A Concession Agreement among the Developer, the City and the IDB was executed in November 2012. Since that time, the Developers have been conducting due diligence. However, with the outlet mall proposed by the Howard Hughes Corporation for The Riverwalk, with consideration of the current market reality, it appears unlikely that an anchor tenant would locate in both The Riverwalk and the Six Flags site. Thus it seems virtually impossible at this time to move forward with the Six Flags upscale outlet mall as proposed. Currently, he explained, the project is stuck in "limbo". He suggested that perhaps the City and the IDB could promote a possible joint venture with the Howard Hughes Corp. to maximize benefits for the City - a collaborative effort. To date, the Dag/Provident developers request for such a meeting has had no response.

To be prepared, in the chance that such a meeting can take place, they will continue conducting due diligence. This includes some of the other aspects of their proposal including, theme park, amphitheater, and hotel.

Mr. Philipson supported the idea of the meeting with the Hughes Corporation and suggested that the City could join in and help facilitate this endeavor. He further suggested that the City should not allow such a project as that proposed by DAG/Provident to get away. Board members collectively expressed their disappointment and concern in the possibility of the Six Flags project not moving forward. Mr. Garcia said they, as developers, are willing to make the Hughes Corporation a partner in the N. O. East project and they are sure the proposed project would be a success. Mr. Randolph also urged the City to help facilitate a meeting with the Hughes Corporation.

Ms. Aimee Quirk, Advisor to the Mayor for Economic Development, interjected that these overlapping and similar projects were challenging issues for the City. She understands that Mr. Garcia has been in discussion with the Hughes Corporation and the City has encouraged Mr. Garcia, but only the Hughes Corporation could speak to this issue. The City cannot take sides but can work as a collaborative. Mr. Garcia stated that a collaboration with the Hughes Corporation could be a win-win situation were it to materialize.

Other discussions, concerns and questions were expressed including other possible tenants. Mr. Garcia expressed the importance of having an anchor tenant and stated that they will explore other options if the Riverwalk project moves forward..

FINANCIAL REPORT

Mrs. Susan Good, Secretary-Treasurer, presented a proposed budget of \$187,548. By motion of Dr. French, and seconded by Mr. Randolph, the Board voted unanimously to accept the proposed budget. No amount was included for Crescent City Job/Match program in the 2013 budget. However, the budget can be amended if the Board decides to fund the project in the future.

UPDATES

Mr. Flower advised that with regards to the Six Flags site, a recent visit determined additional fence damage. Ms. Martin was asked to obtain quotes for the repairs. He informed the Board that there was a \$500 increase in the services provided by the auditors for the 2012 audit. Ms. Martin was also asked to see if the auditors would offer a contract for the next three years. By motion of Mrs. Good and seconded by Mr. Philipson, the Board voted unanimously to accept a 3-year contract from auditors Carr Riggs if the proposed rate remains the same.

Mr. Flower then informed the Board that the Chase operating account was exceeding the \$250K limit protected by the FDIC. Based on the inquiries made by the office, it is determined that Crescent Bank is offering a one-year CD at 0.75% and Gulf Coast Bank is offering money market accounts at 0.25%. The Board then voted to have the Secretary-Treasurer establish accounts to protect the interests of the IDB, allowing a minimum of \$100K per account and not more than \$250K.

ELECTIONS

Elections were held. Mr. Thompson, expressed thanks to Mr. Flower for his commitment to the IDB, and offered the following slate of candidates: Mr. Alan Philipson, President; Mr. Allison Randolph, Vice President; and Mrs. Susan Good, Secretary Treasurer. No other nominations were made and by motion of Mr. Thompson, seconded by Dr. French, the Board voted unanimously for the slate of candidates as proposed.

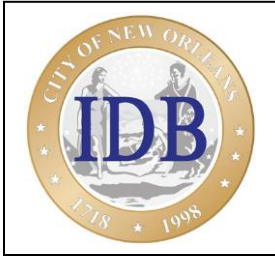
Mr. Flower expressed his continued support of the IDB. He will remain on board as a Board Member and will continue to move the threshold of the Job/Match program.

ADMINISTRATOR'S REPORT

Ms. Sharon Martin, Administrator, presented her report for the month, highlighting, in particular, the many calls for use of the Six Flags site, continued work with the City's Treasury re PILOT payments, the status of the request for barricades from the DOTD on which an approval is expected any day now, research of bank offerings for certificates of deposit, an on-site inspection by the La. Worker's Comp Committee, work with Beth Zeigler of Whitney in re collection of annual administrative fees and securing the 2013 lease for office space with the City. The new lease is for 10 months as the City has not yet decided if it is going to renew the contract on the building. Mr. Ernest Gethers was asked to obtain an answer as to whether or not the City would be renegotiating its lease with the Amoco Building.

The meeting adjourned at 1:42PM.

Susan P. Good, Secretary/Treasurer



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

**APRIL 9, 2013 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Laura H. Brown
Elijah M. Feinstein
Alan H. Philipson
Darrel J. Saizan, Jr.
C. David Thompson

Susan P. Good
Walter C. Flower, III
Marshall Cleland Powell
Theodore Sanders

Eugene J. Green, Jr.
George V. Perez, Jr.
Allison B. Randolph, III
Eric B. Strachan

Absent:

Justin Augustine, III

Dr. Ronald French

Also Present:

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

Guests:

Casey Ferrand, WDSU TV
Ryan Thornburg, WDSU TV
Keith Pinkson, Baker Donelson
Ben Myers, City Business
Michell Strickland, City of New Orleans
Andrew Vanacove, Times-Picayune
Maggie Merrill, HANO
Tonya Pope, Paidia
Frank Scurlock, Scurlock Development Group
Sidney Barthelemy, HRI Properties
Stan McDaniel, The McDaniel Group
Carey Slocum, HRI Properties
Josh Collen, HRI Properties
Norma Jane Sabiston, Sabiston Consultants
Joy C. Willig, HRI Properties
Wayne J. Neveu, Foley & Judell
Stephen Stuart, Bureau of Governmental Research
LaSwanda Green, Downtown Development District
Maurice C. Baird, City Council-District E
Ernest Gethers, City of New Orleans, Dept. of Econ. Dev.

Edith Jones, Pyramid Properties
Aimee Quirk, City of New Orleans, Dept. of Econ. Development
Brigid DeLoach, Urban Strategies
Tiger Hammond, GNO AFL-CIO
Melissa Ehlinger, New Orleans Business Alliance
Maria Julianne Auzenne, Auzenne & Associates, LLC
Maria Mercedes Tio, City Council-District E
Roz Peychaud, OCD/DRU
Colette Tippy, Stand with Dignity
Alfred Marshall, Stand with Dignity
LaToya Lewis, Stand with Dignity
James A. Gray, II, Councilman District E

President, Alan H. Philipson, called the meeting to order at 12:36 PM. A roll call was conducted and a quorum confirmed. Introductions by all guests were held. By motion of Mr. C. David Thompson and seconded by Mr. Walter C. Flower, the Board voted unanimously to approve the minutes of the March 2013 Board meeting.

IBERVILLE ON-SITE

Mr. Josh Collen, HRI Properties and Iberville On-Site representative, presented the overview of the application, advising that the re-development of the Iberville Housing Development will be a joint venture among HRI, the City of New Orleans, and the Housing Authority of New Orleans. As background, he provided that under a federal program, Choice Neighborhood Grant, the City and HANO were, collectively, the first of five grantees under the program. Urban Strategies will also be involved providing training and outreach. The development will comprise 880 mixed-income apartment units on a 23 acre site, with 565 of affordable units and 315 market-rate units. Of the 880 units, 304 will be replacement units for those qualified to receive public housing assistance. Developers are seeking from the IDB a 40-year PILOT with a base PILOT fee of \$100 per market rate unit and \$1.00 per affordable unit. The project will be completed in three phases; however, the developers are seeking a one-time PILOT process to cover all phases. The total budget for the project is approximately \$41.5M with \$15M in other resources, including the HUD grant in the Choice Neighborhood Projects. Sixteen (16) of the current buildings will be rehabilitated/redeveloped. The remaining 58 buildings will be new construction. The Developer fee is \$5M plus on all three phases. Mr. Collen noted that HRI has been working on this project for 4 years. He further explained that HRI is the long-term owner, with a 99-year land lease from HANO. HRI Management will manage the property pursuant to a management contract. Other amenities include a visitor's bureau, in light of the development's proximity to the St. Louis Cemeteries, green space and playgrounds. Tax credit investors have not, as of this date, been identified or secured.

By motion of Mr. Allison Randolph, seconded by Mr. Darrel Saizan, the Board voted unanimously to grant preliminary approval of the application, noting that such approval did not include the approval of the PILOT request. The Developer was informed that both a cost/benefit analysis and a "but for" analysis would have to be completed, the cost of which will be borne by the developer before the PILOT is approved.

Bond counsel David Wolf then informed the Board that no bonds will be issued in this project and the financial structure used would be much like that utilized in the 313 Carondelet project. The Board was further informed that currently there are no taxes on this property as it is owned by HANO. Because this is a HANO-related project, the Administrator, Ms. Sharon Martin, asked whether or not this application will be handled as past HANO-related projects, i.e., the split legal work on HANO-related projects between Wayne Neveu (as bond counsel) of Foley and Judell and Ray Cornelius/David Wolf of Adams and Reese (as issuer counsel). Mr. Wolf explained that since there will be no bond issuance, there will be no need to implement this practice.

STARLIGHT STUDIOS

This agenda item was deferred until the cost/benefit analysis and "but for" analysis have been completed.

FINANCIAL REPORT

Mrs. Susan Good, Secretary-Treasurer, advised that because of the timing of the meeting and the delivery and receipt of bank statements, no March report would be presented at this meeting. She further advised that two new bank accounts, in the amounts of \$100,000 and \$150,000, were opened at Crescent Bank and Trust. Additionally, an account was opened at Gulf Coast Bank and Trust in the amount \$160,000. This is the amount tendered by the Hyatt for not meeting employment targets as set forth in the Lease Agreement between the IDB and Poydras Properties (the Hyatt). These funds, as explained, are being held in a separate account until such time that Stan McDaniel can verify the employment compliance. Once determined, these funds, as a supplemental PILOT payment, will be transferred to the City.

ADMINISTRATOR'S REPORT

Ms. Sharon Martin, Administrator, presented her monthly report, highlighting, in particular, that all administrative fees have been collected with the exception of the two New Savoy project. New Savoy is currently in litigation with the Assessor's Office, contesting that taxes are not due since there is a PILOT. The Developer has paid over \$350K in taxes in protest. An internal IDB decision was made to postpone collection until after the court's ruling. The matter is placed on follow up for June. Barricades have been placed at Six Flags and the damaged fence has been repaired at the cost of the film company. Ms. Martin received and responded to several calls for use of the Six Flags site including Ebb Tide (Universal Studios), Reed Street Productions and Operations Black Sheep - two denials were sent out, the Ebb Tide request is pending. The IDB is now registered with the Louisiana Legislative Office as required. She advised the Board that enclosed in the Board packet is a copy of the Tier 2.1 Financial Disclosure Form to be submitted to the Louisiana Board of Ethics by May 15, 2013. She attended related IDB meetings and met with a potential applicant, Mr. Joe Butler. She and Ms. Joy Matthews, IDB Administrative Assistant, attended the Grand Opening of the 313 Carondelet Tower.

UPDATES

Six Flags

Mr. Ernest Gethers was asked to provide an update on the Six Flags site with the selected developer. He stated that he had the opportunity to sit and discuss the project with Councilman James Gray who was concerned about the proposed project and its current status. Mr. Philipson interjected that the project has not been placed on the scratched list and that DAG/Provident, the Developer, has not yet scratched the project. It is currently on hold as it is hopeful that the project will come to fruition pending possible discussions with the Hughes Corporation. Mr. Eli Feinstein asked if there was any consideration for an alternate use of the property. Mr. Wolf asked that the discussion be deferred until such time that Mr.

Ray Cornelius is able to respond since he has been the contact in the project. It is assumed that if the proposed project is abandoned, the Developer would have to come back to the City and the Board to discuss any amendments to its proposal. He [Wolf] reminded the Board that the Developer does have a 2-year agreement. Ms. Aimee Quirk then interjected that the RFP is a procurement process and that the project may require a reissuance of the RFP.

At this time, Mr. Philipson acknowledged the presence of Councilman James Gray. Councilman Gray then introduced his new appointment to the Board, Mrs. Edith Jones. She was then welcomed by the Board.

Discussions continued concerning the Six Flags site. Mrs. Good reminded that the Developer is to present a progress report to the Board within six months of the signing of the Agreement, assuming it was signed in December, the report would be due by June. The Board was assured that pursuant to the Concession Agreement between the Developer and the IDB, the IDB was protected. The same applies to the agreement with Fox Louisiana Productions.

Also as a Six Flags matter, Mr. Philipson informed the Board that he received a letter from Colonel Sneed, seeking to use the Six Flags site for military exercises next week in preparation of deployment to Afghanistan. The matter is being reviewed and evaluated.

Staff Salaries

Mr. Philipson stated this matter would be taken up in an Executive Session.

IDB Annual Administrative Fee

Mr. Philipson appointed a committee to review the current formula relating to the administrative fee, with the charge of recommending a "flat fee" formula. Committee members include Mrs. Susan Good, Chair, Mr. Darrel Saizan and Mr. Dave Thompson. Ms. Martin was directed to assist in coordinating meetings.

City DBE Regulations/IDB Application

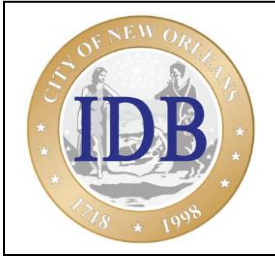
Mr. Philipson appointed a committee to review the IDB's current application in an effort to include the City Ordinance language to related DBE participation. Committee members include Mr. Allison Randolph, Chair, Mr. Walter Flower and Mrs. Laura Brown. Recommendations are to be presented to the Board at a future meeting.

Office Space

Mrs. Good asked Mr. Gethers if there was an update regarding the re-leasing of space at the Amoco Building. Mr. Gethers reported that he had nothing new at this time.

The meeting adjourned at 1:37PM.

Susan P. Good, Secretary/Treasurer



**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
Elijah M. Feinstein
Alan H. Philipson
Darrel J. Saizan, Jr.
C. David Thompson

Susan P. Good
Walter C. Flower, III
Marshall Cleland Powell
Theodore Sanders

Eugene J. Green, Jr.
Dr. Ronald French
Allison B. Randolph, III

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 years 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

NOTICE OF CANCELLATION

OF THE

BOARD MEETING

OF THE

INDUSTRIAL DEVELOPMENT BOARD

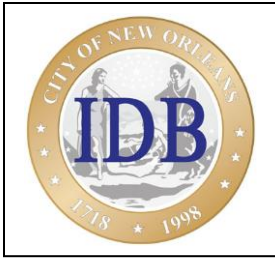
OF THE

CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, JUNE 11, 2013 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. A NOTICE OF MEETING WILL BE TIMELY ISSUED IN ADVANCE OF THE NEXT MEETING DATE WHICH IS SCHEDULED FOR TUESDAY, JULY 9, 2013.

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

MAY 30, 2013



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

**JULY 9, 2013 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Walter C. Flower, III
Eugene J. Green, Jr.
Allison B. Randolph, III
C. David Thompson

Dr. Ronald French
Edith G. Jones
Darrel J. Saizan, Jr.

Susan P. Good
Alan H. Philipson
Eric B. Strachan

Absent:

Justin Augustine, III
Marshall Cleland Powell

Laura H. Brown
Theodore Sanders

Elijah M. Feinstein

Also Present:

Sharon Martin, Administrator, IDB
Joy Matthews, Admin. Assistant, IDB
Ray Cornelius, Adams & Reese, Bond Counsel

Guests:

Jaquette White, The Advocate
Ben Myers, City Business
Robin Shannon, City Business
Tonya Pope, Jazzland Theme Park
Ted Kirn, Office of Erroll G. Williams
David Wilthew, Scurlock Development
Keith Pinkston, Baker Donelson
Randy Opotowsky, Steeg Law Firm
Lain Gorman, ACM, LLC
Michael Mancuso, Elkins, PLC
Michell Strickland, Office of the Mayor, City of New Orleans
Ernest Gethers, Office of Economic Development, City of New Orleans
Mark Maher, HRI Properties
Stephen Stuart, Bureau of Governmental Research
Max Vorhoff, New Orleans Business Alliance
Stanley McDaniel, The McDaniel Group
Josh Collen, HRI Properties
Joy Willig, HRI Properties
Toni Weiss, Professor Tulane University

President, Alan H. Philipson, called the meeting to order at 12:34 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 May 14, 2013 Board meeting with a note from Mrs. Edith Jones that the minutes did not include her as present or absent. Ms. Sharon Martin acknowledged the omission/error and will correct the minutes accordingly.

STARLIGHT STUDIOS

As no representative was present, the matter had no update.

AMERICAN CAN APARTMENTS - SALE OF

Bond Counsel, Ray Cornelius, presented this matter, advising that the Developer comes before the Board to seek approval for the sale of the American Can Apartments. Mr. Cornelius advised that even with the maturation of the PILOT and the redemption of the Bonds, there are still certain monitoring responsibilities incumbent upon the IDB beyond those maturations. Those requirements are set by language in the closing documents that require the IDB to continue monitoring certain aspects of the project beyond the PILOT and the bond maturities. He then presented a form of a resolution to be adopted by the Board, approving and granting authority for the sale of the American Can Apartments. The resolution language also allows the transfer of the property to the new owner. Ms Sharon Martin, the IDB Administrator, confirmed that the PILOT has reached maturity and that the Developer has been paying full taxes for the past two years. With this monitoring requirement, Mr. Cornelius counseled that such monitoring should not be conducted by the IDB but rather by an independent consultant with the cost borne by the Developer.

Dr. Ronald French, stated that he would like to know what has been lost in taxes over the duration of the PILOT period for this project. He was informed that at the time this PILOT was granted (2000), the claw back process had not yet been implemented.

Ted Kirn of Assessor Errol Williams' office offered his appreciation of what occurs when the PILOT has expired, adding that it is his understanding that a form must be filed with the Assessor's office. Mr. Cornelius, for the sake of clarity, advised that a PILOT is not subject to the same process as that of a RTA (Restoration Tax Abatement) which is issued by the City. He then reminded the Board that the Supreme Court recently upheld that properties owned by the IDB are tax exempt whether the lease is assigned or not. Once the bond issuance and the PILOT have matured, the property goes on to the tax rolls by way of the transfer of title. If the Lease Agreement states it can be assigned, then the lease can be transferred and remain off the tax rolls while still in the name of the IDB.

Mr. Mike Mancuso, representing the seller, asked the Board to approve the transfer by American Can Apartments to ACM and Mr. Andrew Schwartz, buyer and principal. The Board was advised that currently the property is 98% occupied and that the bonds will be paid out in completing this transaction. Mr. Randy Opotowsky from the Steeg Law Firm, representing the interests of the buyer and principal, added that the experience of Mr. Schwartz and his company on such projects are mainly located in Atlanta and other major cities along the south and east coast.

The President then asked for a motion to approve the sale of the American Can Apartments. By motion of Mrs. Susan Good and seconded by Mr. Flower, the vote passed unanimously to approve the resolution to allow the sale.

IBERVILLE ON-SITE

The President advised that this matter was not ready for discussion as PILOT negotiations were still underway. The matter was deferred until the August board meeting.

FINANCIAL REPORT

Mrs. Good, Secretary-Treasurer, advised that a copy of the May financials was included in the Board packet. She then advised that certain IDB bank accounts may be over and above the \$250K protection threshold of the FDIC. Mr. Philipson is investigating a program that could allow the IDB to keep its funds with the institution even though it exceeds the \$250K rather than having to create a new account at another bank. Once he gets the details of this program, he will share them with the Board. She further advised that the IDB has received a check in the amount of \$5,500 from Fox Louisiana Productions to be deposited in the Iberia account. This amount represents Fox's use of the site for the month of June. By motion of Mrs. Good and seconded by Mr. Dave Thompson, the financial report was approved unanimously by the Board.

There was a side discussion regarding the Starlight development. Mr. Cornelius advised he will check with the developer before the August meeting to determine the status of its financing.

On another subject matter, Mr. Cornelius informed the Board that it is in possession of \$160K from the Poydras Properties L.L.C. (Hyatt Hotel). The funds were placed in a separate account at Gulf Coast Bank and Trust with discussions pending as to how the funds would be turned over to the City. This amount represents a claw back penalty due by the Developer for not meeting the IDB's 40% local hire requirement during construction. He reminded the Board that the Lease Agreement says such funds are to be remitted to the City's Treasurer as if they were ad valorem taxes. The City will then distribute to the tax recipient bodies. Mr. Flower interjected that the penalty for not meeting the IDB's local hire requirement was a supplemental payment due by the Developer. It was hoped that part of such funds would be used for training for jobs in the community. Unfortunately, he advised, such language had not been established at the time of the Hyatt project. He hopes that such funds will go towards the training of applicants for jobs in the Job Match program in the future.

Mrs. Good informed the Board that the IDB's 2012 audit has been completed and has been timely filed with the Louisiana Legislative Auditor's office. We are now waiting for approval from the LLA, and until such time it cannot be posted to the website.

ADMINISTRATOR'S REPORT

Ms. Martin, Administrator, advised that a copy of her report is included in each 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, to please call or email her.

UPDATES

DBE Committee Update

Mr. Allison Randolph, Committee Chair, advised that the Committee has not met again since informed that the City Council was in the process of reviewing new proposed Ordinance language that placed more requirements on the Developer. He showed a copy of the new Ordinance, signed by the Mayor, which he said he just received. He said a meeting would be set up with the Committee members prior to the August board meeting,

Fee Structure Committee

Mrs. Good, the Committee Chair, advised the Board that the Committee had one meeting. They are currently working with bond counsel, David Wolf, who is in the process of gathering best practices and uses. Once he has gathered the information, the Committee will reconvene.

Six Flags

Mr. Philipson informed that the Developer, DAG/Provident, is still pursuing options. The other issue in the Six Flags matter is insurance. Ms. Martin advised that previous attempts to get quotes for the site proved fruitless with declines coming from insurers. She will check again.

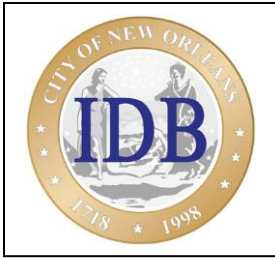
DAG/Provident

Mr. Eugene Green inquired as to the status of the engineering report that was to have been presented to the Board by the Developer in June. Mr. Philipson advised that the Developer is working on the report and reminded the Board that the Developer did make a presentation at the May meeting. Mr. Green added that is important that the IDB and the City move forward on developing the site as it is a huge blight in the neighborhood and he doesn't feel the Board is getting enough information from the Developer. He then asked if the Developer could arbitrarily change the proposal it submitted in response to the RFP. Mr. Philipson then asked Ernest Gethers, the City's representative on economic development, if there is a requirement for a new RFP. Mr. Gethers advised that the City is waiting to hear from DAG on this as their response had several components. Mr. Philipson reminded the Board that DAG is still under a 2-year contract that was engaged in December 2012. Mr. Cornelius stated that if at the end of the year there is no acceptable plan, the proposal will be revisited. The Developer will be asked to present an update at the August meeting.

After all matters were addressed, there was a motion by Mr. Randolph and seconded by Mrs. Good for adjournment.

The meeting adjourned at 1:17 PM.

Susan P. Good, Secretary/Treasurer



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

**AUGUST 29, 2013 AT 1:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Justin Augustine, III
Susan P. Good
Alan H. Philipson
Darrel J. Saizan, Jr.
C. David Thompson

Laura H. Brown
Eugene J. Green, Jr.
Marshall Cleland Powell
Theodore Sanders

Walter C. Flower, III
Edith G. Jones
Allison B. Randolph, III
Eric B. Strachan

Absent:

Elijah M. Feinstein

Dr. Ronald French

Also Present:

Joyce Matthews, Admin. Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel

Guests:

Dawn Renton, Entergy
Byron Poydras, BNY Mellon Trust
Kevin Murphy, Starlight Studios
Billy Burk, Starlight Studios
Robin Shannon, City Business
Stanley McDaniel, McDaniel Group, LLC
King Logan, Starlight Studios
Ted Kirn, Office of Assessor Erroll G. Williams
Lauren Marshall, Woodward Design Build
Lane Louque, Woodward Design Build
David Wilthew, Scurlock Development
Carol G. Rocque, Damon Rocque Securities Corp.
Brian Lawlor, Director of Housing Policy and Community Development, City of New Orleans
Rosalind Peychaud, OCD/ORU
Charles Rice, President/CEO Entergy New Orleans, Inc.
Aimee Quirk, Economic Development, City of New Orleans
Janet Halls?
Joy Willig, HRI Properties
Carey Slocum, HRI Properties
Josh Collen, HRI Properties
Ernest Gethers, Office of Economic Development, City of New Orleans

Tonya Pope, Jazzland Theme Park
Maurice C. Baird, District E, City of New Orleans

President, Alan H. Philipson, called the meeting to order at 1:37 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 Ms. Edith Jones, the Board voted unanimously for approval of the minutes of the July 9, 2013 Board meeting.

STARLIGHT STUDIOS

Mr. Billy Burk, owner and representative, gave a status update on the project. He summarized an update he had previously submitted to the IDB in July. The update focused on the Developer's ongoing financial efforts. He stated that they were acquiring \$1.3M in private equity and commitments for the private equity. Currently, they were working with Baker Martin Capital, and lenders for the debt piece.

Some of the brokers were putting together financial pieces while others were working with new market tax credit banks. Conversations are ongoing with the Office of Community Development, which informed them that once they secured the senior debt piece, they would then be able to move to the next step in the application process.

He concluded they were 'on point' as scheduled.

IBERVILLE PILOT AND CLAWBACK APPROVAL

IDB Board member, Mr. David Thompson, related the results of discussions with the developer of the Iberville Project. An agreement to the employment goal of 40% local hire was reached and claw backs are in place. The Developer also agreed to a PILOT program as offered by the IDB and PILOT amounts. All 3 phases of the project would garner \$1.875M total payment over the 25-year PILOT period at an average of \$75K/year. At maturity, the maximum tax as assessed by the City Assessor would be paid. Closing Fees were set at \$20,000. Mr. Thompson reminded that currently HANO pays no taxes on this property.

He concluded that this Project had the added benefit of allowing the IDB to refocus its efforts to not only take care of citizens of Orleans Parish, but to help those citizens gain jobs and work.

The IDB DBE Committee Chair, Mr. Allison Randolph, presented an update, interjecting that this was the first go round for the IDB to include in the PILOT program the utilization of Disadvantaged Business Entities (DBE's). Adding, that both the IDB and the City consider this an extremely important aspect for this and future projects. He believed such an inclusion to be a very fair obligation being placed on the Developer. Referencing the Developer, he commented that the Committee agreed to a tiered system wherein the objective would be to rate DBE's in Orleans Parish first, then surrounding parishes and cities, and then within the State. Included in the agreement language is a 'Standards of Demonstrated Good Faith Efforts' (GFE), He advised that if Developers follow all procedures, do all recording that's necessary, they will meet DBE goals.

Mr. Darrel Saizan, inquired as to whether HRI encouraged additional new hires, He commented that his concern was how to get the ripple effect in hiring locally.

Mr. Josh Collen of HRI responded, yes. It was encouraged and HRI's philosophy is to have qualified local contractors and diversity. He believes 'the spirit' is there to achieve these goals.

Mr. Eugene Green, commended the City in its tireless efforts at working closely with organizations on the DBE component. He believed that HRI had the outline for a model program that ensures Orleans Parish residents and DBE businesses get a piece of this, and other projects that come through the City and IDB. He further stated there were enough businesses in the City to satisfy the requirements and thought it was very important for local businesses to be included. He commended the IDB Board members who served on the DBE Committee for their participation.

Mr. Justin Augustine suggested that HRI consider governmental entities that had DBE certified programs already in place, as HRI began reaching out to businesses in the general population. He stated that many governmental agencies already have a record of experience and evaluations on file and he and others would be more than happy to share this information with HRI.

Motion was then made by Mr. Theodore Sanders and seconded by Mrs. Jones, for a vote on approval of the proposed PILOT and the DBE participation. The vote passed unanimously.

FINANCIAL REPORT

Mrs. Susan Good, Secretary-Treasurer, stated that IDB received \$23.5K in 'Other Income'. She would confirm the source of the payment and if this was claw back monies for a Supplemental PILOT payment from the Lafitte development, then said funds should go to the City. She also stated there is a need to determine where to place a \$401.52 balance on a Supplemental PILOT being held by IDB.

Mrs. Good informed that everything, including expenses were within budget. She explained that the reason for the overage in 'Income' was partially due to 'Other Income' line and income from Six Flags for rentals to Fox Productions and other companies.

Mr. Cleland Powell inquired as to status of \$160K in claw back penalty monies, which had been received from Poydras Properties, LLC (Hyatt Hotel) and deposited into Gulf Coast Bank. He was informed that the funds had been withdrawn and properly dispersed. That \$156K went to the City as a Supplemental PILOT payment and \$3K paid to Mr. Stanley McDaniel for the employment monitoring audit. The remainder was deposited in the IDB's operating account, approximately \$512.00.

Mr. Powell, again referencing a previous discussion from the July Board meeting, further inquired as to whether language had been put in place to allow (claw back penalty) monies to go to job training.

IDB bond counsel, Mr. David Wolf, advised that the new Lease Agreement for the Iberville project states the penalty payment portion of the PILOT would be kept by the Board and dedicated to job training and/or other programs aimed at developing greater DBE participation. He reminded that such language was not previously included in lease agreements.

By motion of Mr. Augustine and seconded by Mr. Saizan, the financial report was approved unanimously by the Board.

ADMINISTRATOR'S REPORT

In the absence of IDB Administrator, Ms. Sharon Martin, there was no report.

UPDATES

Fee Structure Committee

Mrs. Good, the Committee Chair, advised that there was no Committee update.

DBE Committee Update

Mr. Philipson informed that the DBE language had been included in the Board packet. The Committee had met and Mr. Wolf had been able to prepare the language that is being presented today. He commended the Committee for its accomplishments, and noted that the Committee would continue to meet to further refine the IDB's DBE requirements.

Mr. Flower thanked Mr. Wolf for defining what is "local" as it applies to individuals and businesses. Mr. Randolph proceeded to solicit from the Board any thoughts, ideas or help towards the DBE efforts and extended an invitation to attend its Committee meetings.

Mr. Wolf then interjected that in reference to 'Definitions of Local Businesses', he used best practices from other cities. He stated that the 40% local was a "hard number". The 35% DBE was a "best efforts" number. Failure to meet the 35% goal was not an automatic penalty, but a discretionary one -- up to the full amount of taxes that otherwise would have been paid. The penalty would be determined by the IDB and the City, jointly. He informed that HRI representative Mr. Collen had requested that Phase I and Phase II be considered as one Project in accomplishing these goals. It was confirmed that this change would not lead to any decrease in the numbers.

Aimee Quirk, Mayor's Counsel on Economic Development, presented the City's views, as it relates to the newly strengthened DBE ordinance on compliance, discrepancies and consistency within the marketplace. Ms. Quirk went on to state that, outside of merely complying, the IDB had taken further steps i.e., to look at or give priority to local businesses. She pointed out that this additional step was not part of the general City Ordinance because of legal requirements and public bid laws that prohibit any type of 'local' preference by the City. The IDB is not subject to these same restrictions however. She wished to clarify that there was a slight difference between the City's Ordinance and IDB's DBE language but that the IDB was compliant with the City's Ordinance. Further, the City had worked to ensure consistency so as to avoid confusion in the marketplace by developers, construction companies and DBEs, thus allowing for requirements and a process that is more generally understood.

SIX FLAGS

Mr. Philipson presented an update on the current status of the Six Flags property. He informed as to its immediate future, in light of the fact that the outlet mall as proposed for the site now appeared to be in jeopardy. This, as a result, of the announcement by Howard Hughes Corp. to move forward with its expansion plans to develop a similar outlet at the Riverwalk.

He clarified that the IDB was still under contract with Provident/DAG, LLC, and under such, the Developer is required to submit a full development proposal by the end of November of this year. The Agreement specifically calls for development of the site as an outlet mall and does not permit use other than retail. He noted that DAG had previously informed the IDB that the market conditions would not support two outlet centers [Riverwalk and Six Flags sites] at the same time, possibly forcing DAG Development to withdraw its proposal as it would not be feasible. Mr. Philipson was encouraged by the fact that even after hearing the news, a number of persons had proceeded to come forward with a variety of ideas for the site. He added that no serious discussions had taken place for an alternative plan yet with any developer. Based on the commitment to develop the site and the current circumstances, discussions have begun with Provident/DAG to amicably terminate the Concession Agreement early. This would free-up the IDB/City to accept new proposals. Also, work has begun to put in place a new process by which to explore options for development. In the meantime the property is being maintained and actively used as a site for film productions. At this time it would be premature to take any action until there was a definitive announcement from the Hughes group regarding the Riverwalk. At that point, the City, along with the IDB, would prepare to move forward with alternative development plans for the site.

Entergy New Orleans, Inc.

Mr. Charles Rice, on behalf of Entergy New Orleans, Inc., informed that he had approached Mr. Philipson to request the use of the Six Flags site as a staging area should there be a hurricane situation. He noted that the site was ideal for a variety of reasons: 1) easy access to the I-10 Interstate system 2) less concern for trucks interfering with houses in the neighborhoods. He went on to state that Entergy typically provided 24/7 security at any of their staging sites and this security would extend to safety of any equipment already on-site by other occupants. In terms of a timeline at the site, Mr. Rice stated that typical restoration efforts lasted between 5-7 days. He requested an Agreement be drawn up for use of the site and informed that compensation would be granted, as was the case in similar transactions. In closing, he reiterated that he believed this to be in the ‘best interest of the community’ and added that Entergy is willing to sign a hold-harmless Agreement with the IDB and/or anyone else it deemed necessary.

Mr. Rice entertained questions and concerns from several board members. After all discussion was had, there was general consensus from the Board that allowing access by Entergy was in the best interest of our citizens and an agreement should be in place.

Mr. Wolf then interjected that he and co-bond counsel, Mr. Ray Cornelius, would work on details with the current agreements on the property and investigate any pre-existing rights of the other parties.

Mr. Powell proposed a motion to empower Bond Counsel, David Wolf, to negotiate and execute an agreement with Entergy and other Parties involved. The motion was seconded by Mr. Augustine and received a unanimous vote.

CRESCENT JOB MATCH

Mr. Flower informed there were only two items he wished to address. Firstly, he stated that a job fair was scheduled for the latter part of next week. The job fair was being held on behalf of renovation work for the old school building on Oretha Castle Haley Blvd. The purpose of the job fair was to find workers for that project. He commented that it was a great rehabilitation project and could be a real

catalyst for the area. The second matter was a Fundraiser. He informed that the Jobs Skills Match Program was seeking to put together a fundraiser to be held in early October of this year. He stated they were seeking to involve the business community, in particular, the minority business community. He stated that the purpose of the fundraiser was to raise funds to pay for mentors, etc., who would mentor youths to help them to find jobs.

There being no additional new or old business, a motion was made by Mr. Randolph and seconded by Mrs. Jones for adjournment.

The meeting adjourned at 2:46 PM.

Susan P. Good, Secretary/Treasurer

NOTICE OF CANCELLATION

OF THE

BOARD MEETING

OF THE

INDUSTRIAL DEVELOPMENT BOARD

OF THE

CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, SEPTEMBER 10, 2013 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. A NOTICE OF THE OCTOBER 8, 2013 MEETING WILL BE TIMELY ISSUED.

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

SEPTEMBER 5, 2013

NOTICE OF CANCELLATION

OF THE

BOARD MEETING

OF THE

INDUSTRIAL DEVELOPMENT BOARD

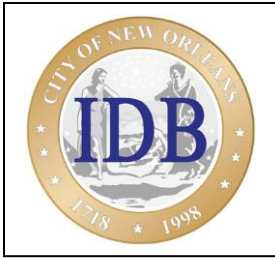
OF THE

CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, OCTOBER 8, 2013 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. A NOTICE OF THE NOVEMBER 12, 2013 MEETING WILL BE TIMELY ISSUED.

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

SEPTEMBER 30, 2013



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

**NOVEMBER 11, 2013 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS - THE AMOCO BUILDING**

Present:

Justin Augustine, III
Eugene J. Green, Jr.
Marshall Cleland Powell
Theodore Sanders

Walter C. Flower, III
Edith G. Jones
Allison B. Randolph, III
Eric B. Strachan

Susan P. Good
Alan H. Philipson
Darrel J. Saizan, Jr.
C. David Thompson

Absent:

Laura H. Brown

Dr. Ronald French

Also Present:

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

Guests:

Tia Harrison, Urban Strategies
Tonya Pope, Jazzland Theme Park
Katherine Sayre, Times Picayune
Leigh Ferguson, Downtown Development District
Jaquetta White, New Orleans Advocate
Ted Kirn, Office of Assessor Erroll Williams
Maurice C. Baird, Office of City Council, District E
Renee Landrieu, Landrieu Concrete
Lauren Marshall, Woodward Design and Build
Lane Louque, Woodward Design and Build
Steven Kennedy
Terri Jordan, Urban Strategies
Stephen Stuart, Bureau of Governmental Research
LaSwanda Green, Downtown Development District
Josh Collen, HRI
Sidney Barthelemy, HRI
Stanley McDaniel, The McDaniel Group
Ernest Gethers, City of New Orleans
Colette Tippy, Stand With Dignity
Alan Fisher, Almaron, LLC
Frank Scurlock, Scurlock Development Group
Melissa Ehlinger, New Orleans Business Alliance
Keith Pinkston, Baker Donelson

President, Alan H. Philipson, called the meeting to order at 12:35 PM. A roll call was conducted and a quorum confirmed. Introductions by all guests were held. By motion of Mr. Eugene Green and seconded by Mr. Walter Flower, the Board voted unanimously for approval of the minutes of the August 29, 2013 Board meeting.

IBERVILLE

Mr. Josh Collen of HRI presented the Board with a progress report. He stated that HRI is preparing for the closing of Phase I & II and that Woodward has begun foundation work on the main portion of the project. Drafts of the closing documents are currently being distributed. It is anticipated that the closing will take place within the next couple of weeks but possibly in December.

He then added that Woodward (WDB) has been working on the DBE inclusion with staff and Urban Strategies. Ms. Lauren Marshall of WDB advised that they have strengthened its DBE requirements and guidelines in making sure the commitment is met. Outreach started in July with the instruction for the bid process that included 120 subcontractors, the Development Council, and the Alliance of Mechanical Contractors. This invitation was placed in the Times Picayune. All the goals and reporting requirements and instructions were distributed at that meeting and the bid invite was then mailed out. Personal calls by staff were made to those who did not respond to ensure that everyone had the bid information. A number of competitive bids were received. HRI also worked with the City's Office of Supplier Diversity (OSD) and will be submitting monthly DBE reports to OSD. HRI has also partnered with Urban Strategies to ensure that the Section 3 target is met, which will help them in meeting the IDB's 40% local hire requirement. Mr. Collen interjected that HRI and Woodward achieved the local hire target in the 313 Carondelet Complex project and planned to do the same in this project.

Ms. Sarah Jordan, a workforce specialist with Urban Strategies, advised that workforce strategies include construction training and customer service training programs to ensure job placement. Their program also includes case management in dealing with barriers. She added that in an attempt to upgrade the program, they are adding certification that includes CPR, OSHA, and Fork Lift Operation. Mr. Lane Louque of Woodward added, in response to a board inquiry, that both phases of the project creates a total of 350 positions as relates to Section 3 requirements.

Mr. Philipson commended all for the work that has been completed to date and acknowledged that the developer was off to a good start. Mr. Green thanked the Board for implementing a more solid DBE program.

Mr. Flower then asked for clarity with regards to the issue of local supply purchasing and business participation. Mr. Louque informed the Board that HRI went through a local suppliers list to ensure they were reaching out to the right companies, seeking quotes. IDB bond counsel assured the Board that the DBE 35% applied to the total construction costs. There was no distinction between labor and materials.

Ms. Colette Tippy of Stand with Dignity was recognized and stated that with all the training, which seems to be occurring, there is no certified pre-apprenticeship program established to build careers. Every program seems to be for that one job or project. Mr. Flower responded saying that the IDB's Job Match Program is trying to place young workers, and principally those in the Central City area, into entry level jobs that strive towards full-time employment. He added that the IDB is in discussions now with Delgado and other universities to help provide more advanced training in preparation for greater opportunities. Ms. Tippy stated that Delgado has a similar program already in progress.

On this topic Mr. Louque added that HRI has internal discussions underway that also takes into consideration pre-apprentice training. Through Pontchartrain Mechanical Company, which has a successful track record looking for candidates, certification could be earned through fields such as mechanical plumbing and dry wall skills.

DBE POLICY

Mr. Allison Randolph, Chair of the DBE Committee, asked the Board for approval in making the DBE language used in the Iberville On-Site Lease Agreement the standard IDB DBE language for all future lease agreements for developers who seek a PILOT. Mrs. Susan Good asked that bond counsel provide the Administrator with a copy of the language so that it can be included in the minutes for the vote. The DBE language is to also include the "tier structure" concept.

Mr. Randolph further advised that standardizing the DBE language did not mean disbandment of the DBE committee as there are yet other issues to be resolved by the committee including concepts of assistance in capacity building and joint venturing in meeting goals. He stated that these final issues might call for amending the DBE standard language being sought for approval today.

By motion of Mr. Randolph, seconded by Mr. Augustine, and unanimously approved, the IDB adopted, as policy on all future PILOT projects, the local employment and DBE goals that were approved for the Iberville Onsite project. Specific language, as provided by bond counsel, is filed with the minutes of this meeting and will be posted on the IDB's website. Under this policy, each project beneficiary must address two separate goals:

1. An objective goal that 40% of construction workers be residents of Orleans Parish.
2. A "good faith efforts" goal that 35% of the construction contracts be awarded to DBEs, with an emphasis on Orleans Parish DBEs, then Metropolitan Area DBEs, and finally Louisiana DBEs.

In case the project beneficiary fails to meet either (or both) of the above goals, there is a one-time penalty payment, due upon project completion. The amount of the penalty depends on how close the beneficiary came to the meeting these goals. In a worst case scenario, the maximum penalty would not exceed the estimated full amount of taxes that would otherwise be payable on the project (which estimated taxes must be furnished by the beneficiary prior to closing). The penalty would be paid to the IDB and used by the IDB to support job-training or other programs aimed at developing greater DBE participation in Orleans Parish projects.

In the case of the DBE goals, the IDB will coordinate its oversight of the developer's good faith efforts with the City's Office of Supplier Diversity.

FINANCIAL REPORT

Mrs. Good, Secretary-Treasurer, advised that the \$401.52, as highlighted in Note 4, is the balance of the supplemental fee paid by the Hyatt (after disbursements of same to the City and payment to The McDaniel Group for the monitoring audit conducted). Ms. Sharon Martin, Administrator, added that the \$401.52 was suggested by bond counsel to serve as an administrative fee in handling of these transactions. Mrs. Good then moved to have the \$401.52 moved to "other income". The motion was seconded by Mr. Flower and voted upon unanimously by the Board.

Mrs. Good then advised that the 2014 draft of the budget would be distributed at the December board meeting for discussion, a copy of which would be distributed in advance of the meeting.

Mr. Randolph asked bond counsel for clarification of the ownership of funds held by the IDB. Mr. Wolf advised that funds held by the IDB are controlled by the IDB. Mr. Randolph then stated that it might be wise for the IDB to development guidelines on how the money is to be spent.

Mrs. Good stated that the IDB accumulated these funds but as time goes on, these fees will dwindle and, the IDB's income would therefore dwindle. Mr. David Thompson stated that the IDB has money now because of those projects that came through as a result of Katrina. Applications are not as plentiful now. Ms. Martin reminded the board that many of these projects, especially those with PILOTs, pay yearly administrative fees to the IDB and some last for the life of the bond issue. Mr. Philipson said that the board would come back to consider some of what has been broached at a later date.

ADMINISTRATOR'S REPORT

Ms. Martin informed the board that a copy of her report was included in their packets and could be reviewed at their convenience.

SIX FLAGS

Mr. Green asked if the Developer, DAG/Provident, submitted its engineering report. Mr. Philipson responded, advising that the agreement among the IDB, the City and DAG/Provident was dissolved and no longer in effect. Mr. Green responded that it is very important that something is developed as the property is in the heart of New Orleans East. Mr. Philipson assured the Board that plans were underway to entertain offers and that guidelines were being worked on for the issuance of a new RFP. In the meantime, the IDB has the authority to allow for other uses. Once issued, the IDB will be included in the evaluation of the responses. He further stated that there have been calls from parties interested in developing the property on a permanent basis.

Mr. Wolf added that there was list for getting the word out and suggested further discussions with Aimee Quirk. Mr. Cleland Powell asked why the Board has not considered listing the property with a commercial broker. Mr. Philipson interjected that the Board will wait to see what bond counsel advises in modifying the RFP that is to be issued. Mr. Augustine stated that with the global recognition New Orleans is getting there are large players considering New Orleans as an investment. He echoed Mr. Philipson's statement for patience.

Ms. Tonya Pope, of Jazzland Theme Park, and Mr. Frank Scurlock of the Scurlock Development Group both commented on their version of possible redevelopment of the site. Ms. Pope was asked about the Jazzland Theme Park name of her company, to which she advised that the "Jazzland Theme Park" trade name held by the previous company expired. Both Scurlock and Pope spoke of multiple uses of the property rather than a single use that included concepts of retail, an entertainment venue, studio back lot or waterpark.

There being no additional new or old business, a motion was offered and seconded for adjournment.

The meeting adjourned at 1:40 PM.

Susan P. Good, Secretary/Treasurer

NOTICE OF CANCELLATION

OF THE

BOARD MEETING

OF THE

INDUSTRIAL DEVELOPMENT BOARD

OF THE

CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, DECEMBER 10, 2013 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. A NOTICE OF THE JANUARY 14, 2014 MEETING WILL BE TIMELY ISSUED.

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

DECEMBER 3, 2013