

PRELIMINARY

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

NOTICE IS HEREBY GIVEN that a meeting of the Board of Directors of the Industrial Development Board of the City of New Orleans, LA, Inc. (the "Board"), will be held **TUESDAY, JANUARY 10, 2017**, at **TWELVE THIRTY O'CLOCK (12:30) P.M.** in the **21st FLOOR CONFERENCE ROOM OF THE ORLEANS TOWER BUILDING, 1340 POYDRAS STREET, New Orleans, Louisiana.**

A copy of the agenda will be sent out upon completion.

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

January 4, 2017

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
FEBRUARY 14, 2017 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

Justin Augustine, III
Eugene J. Green, Jr
Darrel J. Saizan, Jr.
C. David Thompson

Mindy Brickman
Edith G. Jones
Theodore Sanders, III

Susan P. Good
Alan H. Philipson
Jeffrey Schwartz

Absent:

Walter C. Flower
Todd O. McDonald

Troy A. Carter
Eric Strachan

Kyle Jones

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel

Guests:

Brandon Blevins, Resurrection Entertainment
Bill Hoffman, Woodward Interests
Brett Catlin, Audubon Capital Partners
Leigh Ferguson, Downtown Development District
Matt Schwartz, Domain Cos/South Market District-The Odeon
Lance Houpt, Dreamlanding
Danny Rogers, Dreamlanding
Christian Brierre, Domain Cos.
Newton Blanchard, IUEC Local 16
Tonya Pope, Jazzland
Bear Cheezem, Woodward Interests
Steve Wise, Audubon Capital Partners
Jeb Bruneau, Advantous Consulting
Ryan Crosley, Dreamlanding/Transformation Village
Drew Ward, Dreamlanding/Transformation Village
Frank Scurlock, Transformation Village\
Toni Weiss, Tulane University
Andrew Valenti, City Business
Stanley McDaniel, The McDaniel Group
Steven Kennedy, Citizen
Stephen Stuart, Bureau of Governmental Research
Maximus A. Perdomo, Building & Trades Construction/Insulators

Rebecca Conwell, Mayor's Office
Ernest Gethers, CMD, Mayor's Office
Courtney M. Thomas, Mayor's Office
Courtney Stuckwisch, Mayor's Office
Maurice c. Baird, Office of District E, City Council
Avery Foret, Sherman Strategies
Lisa Ross, Office of the Assessor
Jessica Williams, The Advocate\
Sheridan Tanner, Merrill Lynch
Henry Klein, 30-90 Development
Richard Briscoe, Gulf South Engineering
Morris Kahn
Curtis Doucette, Jr., Iris Development

President, Alan H. Philipson, called the meeting to order at 12:41 PM. An introduction of guests was held. A roll call was conducted and a quorum was confirmed. By motion of Mr. C. David Thompson, with a second by Mr. Justin Augustine, the Board voted unanimously for approval of the December 13, 2016 Board meeting minutes.

SOUTH MARKET DISTRICT – THE ODEON

By motion of Mr. Thompson, and seconded by Mr. Darrel Saizan, the Board voted unanimously to defer this matter until the March board meeting per the request of Mr. Matt Schwartz, representative for South Market District.

WOODWARD AUDUBON, LLC a/k/a 730 JULIA STREET

Mr. William Hoffman, Developer representative, provided an overview of the project, advising of the scope of the project and the challenges it has faced with the City planning commission and the Historic District Landmark Commission regarding the construction of this 200-unit apartment complex with 179 parking spaces and retail on a historic site. These issues, however, are working out smoothly he advised. He further informed that zoning for this project does not require parking but stated that off-street parking will be provided for not only tenants but for retail customers, as well. He added that once completed, the project will be a great addition to the developing area from Julia to Loyola.

Mr. Brett Catlin was then introduced by Mr. Hoffman who provided an overview of the financing of the project. He advised that the Developer is proposing a 12-year PILOT (2 years during construction wherein the taxes would remain at current assessment with a 10-year PILOT starting thereafter). He then explained the benefits to the City: 1) 260 job during construction; 12 permanent jobs for the complex and 65 for the retail portion; \$2M in payroll; the site will have 5% affordable housing at 40% of the AMI; and 40% Orleans Parish residents in hiring. Once opened and operating, the site is estimated to generate \$1M in retail sales taxes. The Developer is seeking a PILOT for stability for their lenders. Current taxes on the parcels involved are \$60K per year. When the PILOT period expires, taxes generated at the site will be in the area \$600K per year, 10 times the current taxes.

The President thanked the Developer representatives and opened the floor for questions and comments by the Board. Mr. Thompson asked if the 65-foot height limit required rezoning. Mr. Hoffman advised that the structure was being designed so as not to need a variance. As part of the overview, Mr. Catlin interjected that there would be two large courtyards. Mr. Jeffrey Schwartz commended the Developer for volunteering a 5% affordable housing component at the development and further asked how that percentage was calculated. Mr. Catlin advised that it was a trade-off with net operations vs the project costs.

After questions, responses and discussions regarding details of the project, the President reminded the Board that the Developers were here today for the sole purpose of obtaining preliminary approval of their project. He then asked for a motion for approval of same. Prior to the motion, in response to an inquiry by Mr. Eugene Green, the Board was advised that a copy of a letter of support from Councilmember LaToya Cantrell was included in their board meeting folders. Mr. Green also asked if there were any comments by the Mayor. He was advised there were none. Mr. Wolf reminded the Board of the Committee that would be reviewing the application, the cost/benefit analysis, the "but for" analysis once completed. This Committee would determine if a PILOT is warranted and negotiate a PILOT subject to approval by the Board at a future meeting. Mr. Augustine asked that all steps of the PILOT be detailed. By motion of Mr. Thompson, with a second by Mr. Schwartz, the Board voted unanimously to give preliminary approval of the project.

SIX FLAGS - Update

Mr. Wolf provided the update in this matter, reminding the Board that just prior to the start of last month's meeting, Mrs. Tonya Pope of the Jazzland project submitted an offer to purchase the Six Flags site. Further, that since then, the IDB now anticipates additional offers to come in (at this point 2 are expected). These offers would need to be submitted by standard offer to purchase commercial property. He reminded the Board that an appraisal of the site was completed and same has been posted on the IDB's website, along with the copy of the environmental study. He emphasized that the site has not been formally listed "for sale". The current offer to purchase and those that are anticipated are unsolicited offers.

The President then reminded the Board that Mrs. Pope and Mr. Scurlock submitted their proposals for redevelopment of the site pursuant to the RFP. That at the last board meeting, it was suggested that the Request for Proposal (RFP) for redevelopment of the site, (which had an evergreen clause as indicated by Mr. Wolf), and in light of the fact that not one proposal produced a financially abled developer, the RFP should be pulled. The Board decided not to without further evaluation. Mr. Wolf then suggested that with having received one offer to purchase and the anticipation of one or two more, that the IDB place a public notice in the newspapers illustrating that the IDB is accepting offers to purchase the property. He stressed that placing such a notice does not suggest that the IDB will not be obligated to make a decision to accept any purchase offer if it does not fit the requisites.

Considering the aspects of discussion, a motion by Mr. Green was made to pull the RFP for redevelopment. Same was seconded by Mrs. Susan Good. The President then placed the matter on the floor for discussion and presentations.

Mrs. Tonya Pope/Jazzland

Mrs. Tonya Pope of the Jazzland response to the RFP was recognized. She informed the Board that prior to the last board meeting, she submitted a "revised" purchase offer. (See copy of same in Board member meeting folder). Her offer included a request for access to the site for a visit by a civil and an environmental engineer some time prior to May 15 to evaluate the standing water situation on the site. She stated she is ready to present a due diligence fee today if the IDB was willing to accept her \$3.26M offer. She reminded all that the area was devastated again last week and that no repairs have taken place on the site in 11 years.

Frank Scurlock/Transformation Village

Mr. Scurlock, was recognized. He reminded the Board of the response prepared by his group, Transformation Village. He then provided a brief overview of that project. He has come today in a joint effort between Transformation Village and Dreamlanding (Lance Houpt and Danny Rogers) to make a cash

offer today of \$4.55M. He presented a letter covering the proof of funding from Gulf Coast Bank. The partnership has the commitments to move forward. A financing plan is created that will bring the park back in a “phased growth”, making it ready for the 2018 Louisiana Tri-centennial. All due diligence has been completed on this joint plan.

Henry Klein/30-90 Management

Mr. Klein gave an overview of the achievements of his 30-90 Management company. He stated that he was familiar with New Orleans East and was prepared today to offer \$5.5M and, within twenty (20) days he would be ready to make proposal with all development needs and feasibility reports working through Liberty Bank. He named a Charlotte Burnett with whom he would be working.

After the presentations by those who stated they have or would be submitting an offer to purchase Six Flags, the President suggested that an Executive Committee convene to review all purchase offers once received. He added that all purchase offers are to be submitted to Ms. Sharon Martin as Administrator for the IDB and the date and time decided. The Committee would create guidelines on what would be considered in each offer bringing the Committee’s assessment back to the board for the March meeting. Mr. Augustine stated the process should include the process of the presentation of the offer, as well as how it should be received. Mr. Philipson assured the Board the Committee would create, in writing, etc., full details to be followed. It is hoped that the Committee will complete review of all offers and make such recommendations to the Board at the March meeting. Mr. Philipson added that the IDB will have the option of rejecting any proposal it deemed. Mr. Wolf stated that any proposal would have to be in legal form to be reviewed.

Financials

Mrs. Good advised that the current report was a year-end report; that there was nothing out of the ordinary with the exception of a small increase of \$11 per month due to an employer’s increase in employee health care insurance. She provided further that the Six Flags accounts were being depleted and, thus far, the IDB has expended some \$164K for 24-hour security at the site. The current cash balance for Six Flags is approximately \$293K. Additionally, it is anticipated that the IDB will spend \$210K in expenses this year.

By motion of Mrs. Good and same seconded by Mr. Saizan, the Board voted unanimously for acceptance of the financial report as submitted by Mrs. Good.

A Mr. Danny Rogers asked to be recognized who asked to speak about the Six Flags site and his team’s efforts and attempts at due diligence to bring the park back to live. He came at this time in a joint partnership with Frank Scurlock and the others who wished to revive the park in a plan that he and Lance Houpt created. This plan of bringing from blight a site could create 2,000 jobs. In an earnest please, he asked that at the next board meeting the IDB put an end to the redevelopment of the site with the acceptance of proposals once and for all – bring the Six Flags matter for redevelopment to an end.

Mr. Green interjected that the Board will and does take seriously its responsibility to have the site redevelopment but that what is being proposed must be realistically achieved and financed and this is what the Board will vote on. Pursuit of a developer or the redevelopment of the site is not just about money. It’s this board’s responsibility. Mr. Philipson stated that the Committee reviewing the proposals when received will aid in bringing this matter to a conclusion.

Mr. Rogers stated that he has been in the amusement park/circus industry all of his life and the problem in this instance is politics. Mr. Augustine spoke, giving respect to Mr. Rogers’ concern about bringing the redevelopment requests to a close, but added, [emphatically], that as a resident of that area and New Orleans

East, any proposed deal must be “do-able”. He added that the IDB Board has an obligation to take redevelopment of Six Flags seriously. There should be no more pontification on the matter.

Mr. Drew Ward was then recognized who stated that his presentation at one of the IDB’s board meetings last year he suggested dismantling of the site and deemed most of its appurtenances “unsalvageable”. He stated that he has spoken with each group present today. Their plan for redevelopment, along with a tour, made him realize a different vision. Their plan is grounded. These groups are intimately involved and are ready to put back into commerce the park. They’ve taken a new look at that skyline. I’m sold that what they are proposing could bring the chance to rebuild.

Mr. Philipson ensured that all proposal will be reviewed and assessed based on their merits and their financial ability to bring it to fruition.

Mr. Steven Kennedy was then recognized. He inquired as to whether there had been conversations on how smaller deals could be involved that could include younger and older folk; or how smaller deals could be structured to participate and be used as a redevelopment tool in the process.

Mr. Philipson advised that the IDB would entertain any size deal.

Elections

Mr. Thompson nominated for re-election the current Board executives, i.e., Alan Philipson, President; Darrel Saizan, Vice President; and Susan Good, Secretary Treasurer. Same was seconded by Mr. Augustine. The Board voted unanimously for the re-election of the current Executives of the Board.

Adjournment

By motion of Mrs. Good, and seconded by Mrs. Edith Jones, the Board voted unanimously for adjournment. The meeting adjourned at 1:34PM.

Susan P. Good, Secretary-Treasurer

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
MARCH 17, 2017 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

Justin Augustine, III
Susan P. Good
Alan H. Philipson
Jeffrey Schwartz

Mindy Brickman
Eugene J. Green, Jr
Darrel J. Saizan, Jr.
Eric Strachan

Walter C. Flower, III
Edith G. Jones
Theodore Sanders, III
C. David Thompson

Absent:

Troy A. Carter

Kyle Jones (Resigned)

Todd O. McDonald

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel

Guests:

Tonya Pope, Jazzland
Andrew Valenti, City Business
Lamar Berry, Scurlock Entertainment
Ed Blouin, Village de L'Est
John Young, Curry & Friend (Scurlock)
Frank Scannavino, IMG (Scurlock)
Frank Shattuck, Shattuck Entr.
Andrew Katz, Shattuck Entr.
Nichole Doyle, NOLA Krewe
Rebecca Conwell, Mayor's Office
Matt Schwartz, Domain Companies (South Market)
Katherine Sayre, Times-Picayune
Kimberly Thomas, IGL
Courtney Stuckwisch, City of New Orleans
Courtney Thomas, City of New Orleans
Marcel Cordes, TLC
Brenda Canada, NOLABA
Ernest Gethers, City of New Orleans

Megan Stelly, Scurlock Entertainment
Hillary Barq, Scurlock Entertainment
Allen Semien, Johnson Bros.
Darrell Berry, APIU Enterprise
Michael Manuselis, MMConsultaing
Jeb Bruneau, Advantous Consulting
Maximum A. Perdomo, Insulators Union Building & Trades
Betty Washington
Maurice Baird, Council, District E
Lance Houpt, Dreamlanding
Danny Rogers, Dreamlanding
James Carroll, TLC Engineering
Scott Cull, 3090 Development
Ian Cockburn, John Anthony Realty, LLC
Ti Canipe, Sight Lite
Janice Chenier Talyor, Orleans Parish Assessor's Office
Cyndi Nguyen, ENOBBDD
Derrick O. Martin, Sugchiaro Moi & Martin
Brian Kern, Krew of Boo
Frank Scurlock, Knarf Holdings/Scurlock Entertainment
Derrie Guerin, Eastover Homeowners Association
Lorraine Washington
Stephen Kennedy

President, Alan H. Philipson, called the meeting to order at 12:38 PM. An introduction of guests was held. A roll call was conducted and a quorum confirmed. By motion of Mr. Theodore Sanders, with a second by Mr. Darrel Saizan, the Board voted unanimously for approval of the February 14, 2017 minutes.

STARLIGHT STUDIOS

The Developer requested this matter be delayed until the April meeting.

SOUTH MARKET DISTRICT – THE ODEON

The President deferred the update of this matter to IDB bond counsel, David Wolf, who advised the Board that the Developer made its presentation of this matter at the February 2017 board meeting. This project consists of the construction of an approximately 29 story high-rise apartment building, including approximately 259 apartments, 15,000 gross square feet of commercial space and a 211-space parking garage located on Girod Street between S. Rampart Street and Loyola Avenue to be known as "The Odeon" (the "Project"). The application requests that the IDB enter into an arrangement whereby the Developer will make an annual payment in lieu of *ad valorem* taxes, in an amount described herein (the "PILOT Payment"). The Developer explains that having a locked-in tax amount per year aids heavily in obtaining financing. The PILOT proposed includes the first three years of taxes at the current tax rate of \$34,000 during the period of construction. These payments will end in 2020. Thereafter, PILOT payments will begin at \$518K per year,

increasing by 3% each year thereafter for the next ten years. A copy of the Resolution which is included in your Board packets, (see attached), is up for vote today. It was further explained that instead of an annual fee to the IDB, The City has asked that a yearly fee of \$50K be turned over to the City for its affordable housing program. In addition to the foregoing, the Lease Agreement will also include the 40% local hire and 35% DBE best efforts, as well. The Mayor is in support of these incentives.

The President asked for a motion for approval of the language of the resolution, and the motion to approve the PILOT and PILOT Lease was made by Justin Augustine, seconded by Eugene Green. Prior to the vote, Mr. Eugene Green asked if this project received a letter of support from the Mayor to which Mr. Wolf advised, "yes". (A copy of an email from Rebecca Conwell giving the Administration's support to the Odeon PILOT proposal is attached as part of the March 17, 2017 Minutes). Mr. Justin Augustine added that the economic impact of these projects to the Loyola corridor are enormous and includes the plans for transit oriented development.

The President then opened the floor for comments by the public. Mr. Stephen Kennedy was recognized who stated this is an excellent project as have been South Market's other projects. He asked if there will be consideration for DBE opportunities on the pre-construction side as it does for the construction side. He then added that with the 10-year PILOT, this would be a great opportunity to think of the City's need for affordable housing and added as a suggestion that perhaps there could be incremental increases in the \$50K dedicated to the NHIF (Neighborhood Housing Improvement Fund). It was explained by counsel that the \$50K is not an arbitrary figure, but rather corresponds to the administrative fee cap voted upon by the IDB on projects in which the IDB approves a PILOT. The agreement would be, in this case, rather than such payment being made to the IDB as an annual administrative fee, South Market District-The Odeon, would make this payment to the City. The City would then dedicate the funds to the NHIF program or any other housing program of its choice.

After all inquiries, discussions and comments, the IDB Board voted unanimously for the grant of the PILOT for the South Market District Odeon project as outlined in the attached Resolution, and for the foregoing of the otherwise \$50K per year annual administrative fee payment which would be made to the City for its affordable housing program.

SIX FLAGS

The President advised that the Executive Committee met yesterday, March 16, 2017, to review the purchase offers which had been submitted. However, he advised that prior to providing the Committee's assessment of those offers, he wished to read a statement, particularly for a those who were unaware of the history of IDB's involvement in Six Flags. (A copy of the statement is attached as part of the March 17, 2017 Minutes).

The President then advised that the Executive Committee reviewed the purchase offers that were submitted. Further, that as much as the IDB would like to relieve itself of the responsibility for Six Flags, the Committee agreed to take the matter under advisement for an additional 60 days. Subsequently, however, the Mayor requested that the IDB defer making any decision on Six Flags for 45 days to further define best use, explore other possible development opportunities and to

advance further team efforts. (See copy of the Mayor's request to defer decisions relative to the sale of Six Flags attached).

The President then asked for a motion to defer making decisions concerning Six Flags as requested by the Mayor, at least to the date of the IDB's May board meeting. Inquiries and discussions were held regarding a more defined process for submitting proposals and/or purchase offers once the 45-day period expired. Concerning the 45-day deferral, a motion by Mr. Saizan, and seconded by Mr. Walter Flower, III, regarding Six Flags was made with April 30 deadline for any further other offers that may be made was made for vote.

Mrs. Susan Good requested an explanation regarding the 5% deposit of any purchase offer that was required. Mr. Philipson stated that such a requirement should be a part of the directions for anyone submitting an offer to purchase. The 5% deposit is refundable if an offer is not selected. He suggested, with regards to submittals that may be received in the future, that the same Executive Committee remain in effect and a deadline of April 30th be imposed for anyone resubmitting their offer or for any new offers that may arise. Mr. Green asked if the RFP for redevelopment of the site would need to be reinstated since it appears that the IDB is accepting both proposals to redevelop and offers to purchase. He then asked what will be the IDB's criteria for selection of an offer. Mr. Philipson advised that in the Executive Committee's review of the current offers there were no details of any financial commitments or obligations. Mr. Frank Scurlock, whose company, Knarf Holdings, had submitted an offer to purchase then interjected that he had, in fact, submitted a deposit, as required. Mr. Philipson advised that although he, in fact, had, there were no details showing financial commitment by a financial institution or any details of how the site would be redeveloped. At the meeting, the Committee members shared concerns about the future operations, maintenance and development of the property once sold, adding that the IDB has a moral responsibility to ensure that whatever is going there would be completed and that the property not remain in its blighted condition.

Mr. Augustine, in response to a question by Mr. Green, stated the IDB should suspend any quest for unsolicited offers within the 45-day period or until such time that a defined process was made public. Nothing, he stated, should be done until a clear set of directions have been offered. The Board continued discussion concerning proposals to redevelop, the feasibility of those concepts, the development plans for same. Any purchase offer that is accepted must have the 5% of offer on deposit and the deposit should be submitted along with the proposal. Mr. Green stated that such a deposit is due process but that the process had not been discussed with the Board. He added that it is not fair for one developer to put up a deposit and another not. Mr. Wolf assured that the IDB requested purchase offers pursuant to established guidelines and requirements for commercial real estate.

Mr. Jeffrey Schwartz offered the suggestion of creating a priority that included other agencies of the City, further suggesting that a clear set of directions should be established as to how these offers would be evaluated. Mr. C. David Thompson added that a scoring system is reasonable, but that if the Mayor is asking for this flexibility for a 45-day period, the IDB should honor that request.

The President offered the floor to Ms. Rebecca Conwell, the Mayor's senior economic development advisor, who concurred with Mr. Thompson's assessment. She suggested that the

IDB not exclude or deter proposals that are in place, but that guidelines are needed to leave open room for any future ideas. Mr. Thompson then added that a 5% deposit is a rule for purchase. Mr. Green asked if he wished to lease the site, what then would be the required deposit. Mr. Philipson advised that the 5% deposit applied only to those wishing to purchase the property. No deposit has been established for leasing of the site at this time.

Additional discussions with responses by counsel and concerns of the Board ensued. After which, with a motion pending, the President then offered the floor for public comment, limiting said comment to one (1) minute.

Mr. Allen Semien was recognized who thanked the Board for keeping the door open for future proposal and purchase offers. The President stated that it is necessary for the Board to see how a proposal will be financed. All submittals will be treated fairly.

Mrs. Tonya Pope of the Jazzland informed the Board that she had a problem with the deposit as she received the directive the day before the deadline. She also wanted to know if deposits would be returned if the project was not selected. (Mr. Wolf noted after the meeting that he had sent Ms. Pope an email on September 16, 2016 and also sent an email to Frank Scurlock on February 9, 2017 with respect to the 5% deposit for any purchase offers. Copies of these emails are filed with these Minutes)

Mr. Danny Rogers (Dreamlanding) stated that continuing to accept proposals only opened the doors for more paper work and then offered as a suggestion that any developer submitting an offer must show a \$1M deposit. He then inquired as to process for possible leasing of the site.

Mr. Drew Ward shared that funds needed to maintain, secure and insure the site cost the IDB some \$200K per year. The Assessor's assessment of the site indicates that the estimated value is \$800K. If the site were leased at \$1M per year, the IDB could break even. He suggested that the IDB weigh the value against the cost and further suggested that the IDB sell the property.

Frank Scurlock/Transformation rendered that his company followed the rules and he inferred that the IDB spent more time talking about the other three projects and that as a result, he felt slighted. He added that he also presented a certified check with a "\$4.5M golden cash offer" which he now revises to \$3.6M, as a result of what he felt was unfair treatment, adding that his offer expires at 4PM today.

The President thanked each developer and assured Mr. Scurlock there was no rating of time in discussing each project. In every case, there was nothing presented which showed financing ability and the Committee agreed not to make any decision. Mr. Scurlock stated that he would have completed the first phase of his project by May 26. He continued adding that he has a bank from Las Vegas that was ready to place \$30M for the development of his project. At this time, Mr. Scaravino, who stated he represented Dominion Bank, said that the bank's compliance office issued a LOI (Letter of Intent) to back Mr. Scurlock's project.

After all discussions, the President assured all that the IDB continues to maintain concern for the blight to the neighborhood. The IDB owes it to the community to ensure that what is proposed can

actually be developed. Mr. Green requested that, for the record, that he strongly supports the Mayor's request but that he would like to make sure that guidelines/criteria are established for future purchase offers and proposals. Mr. Wolf stated that he, too, wishes there would be written guidelines.

A copy of the letter of intent from Dominion Bank was presented by Mr. Scurlock.

With the motion on the floor having been placed by Mr. Saizan and seconded by Mr. Flower, for deferral of decisions concerning Six Flags for an additional 45 days as requested by the Mayor, relating to purchase offers and proposals with a deadline of April 1st for any purchase offer resubmittals and/or proposals to redevelop, said motion having been modified by motion of Mr. Eugene Green and seconded by Mr. Augustine, to reflect a deadline of April 30th, the Board voted unanimously to approve the amended motion.

Financials

Mrs. Good presented the March financial statement for review and same was approved by the Board.

Adjournment

By motion of Mrs. Good, and seconded by Mrs. Edith Jones, the Board voted unanimously for adjournment. The meeting adjourned at 1:34PM.

Susan P. Good, Secretary-Treasurer

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

March 17, 2017

The following resolution was offered by Justin Augustine, III and seconded by Darrell J. Saizan, Jr.:

RESOLUTION

A resolution approving the form of and authorizing the execution of a "Lease Agreement and Agreement to Issue Bonds" and any and all additional documents and certificates deemed necessary in connection with the granting of a favorable payment in lieu of tax arrangement and the potential issuance of not exceeding \$104,465,000 of Taxable Revenue Bonds (South Market District, The Odeon Project) of the Industrial Development Board of the City of New Orleans, Louisiana, Inc.; and providing for other matters with respect to the foregoing.

WHEREAS, the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "IDB"), is authorized and empowered under Chapter 7 of Title 51 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 51:1151 *et seq.*) (the "Act"), and other constitutional and statutory authority supplemental thereto, to acquire, own, lease, rent repair, renovate, improve, finance, sell, and dispose of facilities that are determined by the Lessor to be instrumental to the removal of blight or the redevelopment of distressed areas, or to promote economic development through the creation of jobs, or to enhance the tax base of the City of New Orleans through the construction, renovation, or rehabilitation of improvements, other than facilities designed for the sale or distribution to the public of electricity, gas, water, or telephone or other services commonly classified as public utilities; and

WHEREAS, the IDB has received an application from South Market District A1 LLC (the "Developer"), with respect to the development of the next phase of the South Market District development consisting of the construction of an approximately 29 story high-rise apartment building, including approximately 259 apartments, 15,000 gross square feet of commercial space and a 211space parking garage located on Girod Street between S. Rampart Street and Loyola Avenue to be known as "The Odeon" (the "Project") , which application requests that the IDB enter into an arrangement whereby the Developer will make an annual payment in lieu of *ad valorem* taxes, in an amount described herein (the "PILOT Payment"); and

WHEREAS, the details of the PILOT Payment have been negotiated by the IDB and the City of New Orleans through the Mayor's Office of Economic Development and the Developer; and

WHEREAS, pursuant to the Act, property acquired by the IDB in connection with their issuance or agreement to issue bonds is exempt from *ad valorem* tax and pursuant to La. R.S. 51:1160 the IDB may require the Developer to pay annually to the local taxing authorities, through the normal collecting agency, a sum in lieu of *ad valorem* taxes to compensate such authorities for any services rendered by them to such projects which sum shall not be in excess of the *ad valorem* taxes the Developer would have been obligated to pay to such authorities had it been the owner of the Project during the period for which such payment is made; and

WHEREAS, it is now the desire of this Board of Directors to authorize the President and/or Vice President and Secretary-Treasurer of the IDB to execute a "Lease Agreement and Agreement to Issue Bonds" (the "Lease Agreement") in substantially the form attached hereto as Exhibit A, and for the IDB to acquire the property described therein, and such other matters necessary and desirable in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., acting as the governing authority of the IDB, that:

SECTION 1. Approval of Lease Agreement and Incentives. The IDB hereby approves (i) the Lease Agreement, (ii) the execution and delivery of the Lease Agreement in substantially the form attached hereto as Exhibit A, with such changes as are approved by bond counsel to IDB, (iii) the acquisition of the property described therein, and (iv) such other matters necessary, convenient, appropriate and desirable in connection with the matters approved hereby.

SECTION 2. Approval of PILOT for The Odeon; Future Phases Not Approved. The IDB further approves Base PILOT payment with respect to the Project, as set forth below and in Section 4.03 of the Lease Agreement attached hereto as Exhibit A, as well as a Supplemental rent payment that will be paid to the Neighborhood Housing Improvement Fund or such other fund that supports affordable housing in New Orleans as may be directed by the Mayor's Office of Economic Development, all subject to the further terms and conditions contained in said Section 4.03, particularly the targeted employment goals and clawbacks contained in Section 4.03(c).

| Orleans Parish Tax Year | Payment Due Feb. 1 | Parcel A-1 | | |
|---|--------------------------|---------------|-------------|-------------------------------|
| | | Base PILOT | See Note | Supplemental Rent for NHIF |
| <u>Three-year construction period:</u> | | | | |
| 2018 | 2018 | \$ 34,000 | 1 | \$ 50,000 |
| 2019 | 2019 | 34,000 | 1 | 50,000 |
| 2020 | 2020 | 34,000 | 1 | 50,000 |
| <u>Ten-Year PILOT after completion:</u> | | | | |
| 2021 | 2021 | \$ 518,000 | 2/3 | 50,000 |
| 2022 | 2022 | 533,540 | 2 | 50,000 |
| 2023 | 2023 | 549,547 | 2 | 50,000 |
| 2024 | 2024 | 566,033 | 2 | 50,000 |
| 2025 | 2025 | 583,014 | 2 | 50,000 |
| 2026 | 2026 | 600,504 | 2 | 50,000 |
| 2027 | 2027 | 618,519 | 2 | 50,000 |
| 2028 | 2028 | 637,075 | 2 | 50,000 |
| 2029 | 2029 | 656,187 | 2 | 50,000 |
| 2030 | 2030* | 675,872 | 2 | 50,000 |

* The final payments shall actually be due on December 31, 2029, upon conclusion of the Lease Term.

Note 1: The Annual Base PILOT Rent for 2018 through 2020 shall be \$34,000, based on the total amount most recently paid on the property prior to improvement.

Note 2: The Annual Base PILOT Rent for 2021 shall be a fixed amount of \$518,000, which shall be increased each subsequent year by a factor of 3.00%. This amount, together with the \$50,000 Supplemental Rent for NHIF is the projected full amount of taxes that would be due on the property upon completion, using the current millage rate.

Note 3: The foregoing table assumes that the Project will have received a certificate of occupancy and will have been placed in service on or before January 1, 2020 so that the first "full" tax bill on the Project would, but for the Lessor's ownership of the Project, be for 2021 Taxes due on December 31, 2020. If the Project is still under construction on January 1, 2020 and has not received a certificate of occupancy, then each of the ten years of post-construction Base PILOT Rents shall be delayed by one year (i.e. 2022 through 2031, with final payment due December 31, 2030).

Furthermore, in Section 4.04 of the Lease, the IDB and the Developer will acknowledge that there is no commitment whatsoever to any PILOT or other financial subsidy for future phases of the South Market District development. Any future applications will be considered *de novo* on their own facts, including whether to provide any PILOT and, in the event of any PILOT, the structure of such PILOT.

SECTION 2. Negotiation, Execution and Delivery of Documents. The President, Vice President and/or Secretary-Treasurer, or any one of them acting independently, are hereby authorized and directed for, on behalf of, and in the name of the IDB to negotiate, execute and deliver any and all documents described herein, including, without limitation, the Lease Agreement, a conveyance to the IDB of the Project consisting of the property described therein and all improvements now or hereafter located thereon and additional instruments, documents, consents, acknowledgements and certificates in addition to the aforesaid Lease and conveyance that are deemed by such officers upon the advice of counsel to be necessary, convenient, appropriate or desirable. The signatures of the said officers upon documents specifically described herein together with any documents and certificates as may be otherwise required for necessary, convenient, appropriate or desirable related to matters described in this resolution, are deemed to be conclusive evidence of their due exercise of the authority vested in them hereunder.

SECTION 3. Authorization. The President, Vice President and/or Secretary-Treasurer shall all, or any one of them, upon the advice of counsel, shall be further authorized to negotiate, execute and deliver any future servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to the property described in the Lease Agreement, as may be required by or provided for in the Lease Agreement or in connection with any bonds, or as may be requested by the Developer, or as may otherwise be required for or necessary, convenient or appropriate to the Project and the bonds described above.

SECTION 4. Special Counsel. It is recognized, found and determined that a real necessity exists for the employment of special counsel in connection with the issuance of the aforesaid bonds and/or the negotiation of the PILOT and preparation of the Lease Agreement, and accordingly Adams and Reese LLP, New Orleans, Louisiana, are hereby employed as special counsel to the IDB to do and to perform comprehensive, legal and coordinate professional work of a traditional legal nature with respect to the foregoing. The fee to be paid special counsel shall not exceed an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of general obligation bonds applied to the maximum amount of bonds authorized by the Lease Agreement, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the foregoing work. In the event that the financing of the Project does not proceed to completion, bond counsel shall be entitled to reimbursement of their out-of-pocket expenses incurred in connection with the Project, and legal fees at an hourly rate to be agreed upon between the Developer and said bond counsel; any amounts to be paid pursuant to this sentence shall be paid on behalf of the IDB by the Developer.

SECTION 4. Effective Date. This resolution shall take effect immediately.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

| <u>Member</u> | <u>Yea</u> | <u>Nay</u> | <u>Absent</u> | <u>Abstaining</u> |
|--------------------------|------------|------------|---------------|-------------------|
| Alan H. Philipson | X | | | |
| Darrel J. Saizan, Jr. | X | | | |
| Susan Good | X | | | |
| Justin T. Augustine, III | X | | | |
| Mindy Brickman | X | | | |
| Troy A. Carter | | | X | |
| Walter C. Flower, III | X | | | |
| Eugene J. Green, Jr. | X | | | |
| Edith G. Jones | | | X | |
| Kyle J. Jones | | | | |
| Todd O. McDonald | | | X | |
| Theodore C. Sanders, III | X | | | |
| Jeffrey Schwartz | X | | | |
| Eric B. Strachan | X | | | |
| C. David Thompson | X | | | |

And the resolution was declared adopted on this 17th day of March, 2017.

| | |
|---|--|
| <u>/s/Susan Good</u> Secretary-Treasurer | <u>/s/Alan H. Philipson</u> President |
|---|--|

EXHIBIT A
to Authorizing Resolution

FORM OF LEASE AGREEMENT AND AGREEMENT TO ISSUE BONDS

EMAIL RE MAYOR'S SUPPORT OF THE SOUTH MARKET DISTRICT – THE ODEON

From: Rebecca C. Conwell [<mailto:rcconwell@nola.gov>]

Sent: Friday, March 17, 2017 11:53 AM

To: ahp70115@me.com; David M. Wolf

Cc: Brooke E. Smith; Jeffrey P. Hebert

Subject: The Odeon PILOT Request

Dear Mr. Chairman,

The administration has agreed to support The Odeon PILOT request based on the following:

- **Setting a guaranteed/predictable tax revenue from The Odeon**
The current proposed tax structure for The Odeon is set slightly higher than the market rate property tax currently assessed in comparable downtown properties. Domain Companies and the IDB have agreed to include language that in the event the real estate market takes a downturn the revenue to the City will be protected.
- **Using the IDB fees as a set aside for affordable housing**
The Chairman of the IDB has agreed to recommend forgoing their administrative fee of approximately \$50,000 a year to the NHIF fund for affordable housing preservation and development; approximate value \$500,000 over the life of the PILOT.
- **Domain Companies agrees to work in partnership with the Network for Economic Opportunity**
Matt Schwartz has agreed to work with the Network for Economic Opportunity on both the DBE side (will track DBE participation using the city's dashboard) and Workforce side (using city's tracking system) on the project. Ashleigh Gardere and Judith Dangerfield have met with the Domain Companies team and are looking forward to working with them to execute their DBE participation plan in partnership with the City.

Rebecca Conwell

Senior Advisor to the Mayor

Office of Economic Development | City of New Orleans

1340 Poydras Street | Suite 1000 | New Orleans, LA 70112

rcconwell@nola.gov | 504-658-4288

US Census: Fastest Growing Major City in America - Forbes: "Biggest Brain Magnet"; #1 for Brain Gain

Inc. Magazine: "Coolest Startup City in America"

**STATEMENT OF ALAN PHILIPSON, PRESIDENT OF THE
NEW ORLEANS INDUSTRIAL DEVELOPMENT BOARD
March 17, 2017**

This next item is to discuss the proposals received this week to purchase the former site of the Jazzland and Six Flags amusement parks in New Orleans East. As you all know, this property consists of the main site of 162 acres, plus a 65-acre site that sits immediately to the north of the main site.

Before discussing the purchase offers and the recommendation of the Executive Committee consisting of myself, Darrell Saizan and Susan Good, I'd like to remind everyone briefly of the chain of events leading up to this meeting.

The IDB's ownership of this property arose from a series of transactions in late 2009 relating to the settlement of bankruptcy proceedings involving SFJ Management, Inc., which had previously operated the property as Six Flags. The relevant aspect of this settlement involved transferring the property to the City of New Orleans free and clear of any liens or encumbrances. However, the City wished to avail itself of the IDB to own the property on behalf of the City, due to the fact that the state law under which the IDB operates provides greater flexibility and fewer regulatory and administrative hurdles for the disposition of property than the laws under which the City operates.

In other words, the rationale for having the IDB own the property was that whenever a suitable developer was identified, it would be much easier for the IDB to sell or lease the property than for the City to do so.

On September 28, 2009, Mayor Nagin sent a letter to the IDB members discussing the proposed settlement of bankruptcy proceedings involving the property, in which he concluded: "Therefore I strongly recommend that the Board authorize the President to sign any applicable documents as required to bring resolution to this matter." Negotiations continued over the next few weeks, and on November 13, 2009, the property was transferred to the IDB by SFJ Management, Inc. pursuant to a quitclaim deed.

Around the time of the transfer of the property to the IDB, the City Attorney's office prepared a Cooperative Endeavor Agreement between the City and the IDB, the stated goal of which was for the City and the IDB to work together to bring the property back into commerce. In the CEA, the City would have agreed to provide 24-hour security, maintenance (including specifically grass-cutting and maintaining fences) and insurance, and also would have agreed to indemnify the IDB against any claims. In fact, the draft CEA stated explicitly "The IDB shall have no financial responsibility" for the property.

As everyone knows by now, the IDB signed the CEA in good faith and returned it to the Mayor's office for signature, however to our knowledge it was never signed and all efforts to secure a signed copy from the Mayor failed. Nevertheless, having been prepared by the City Attorney's office, it's obvious that the CEA -- even in its draft form -- demonstrates the City's intent that the IDB would never have any financial or administrative responsibility for the property.

Since 2009, the property has remained vacant and in a state of decline, except for a period of a few years from 2012 through 2015 when it was used as a filming location for movies such as

Our only written agreement at this time on the property is with a group of subsidiaries of the Entergy utility company, giving them the right to use about a third of the paved parking lot as a staging area for Entergy vehicles and staff in the event of an emergency response, such as in the aftermath of a hurricane or other disaster. At the request of the City, the IDB receives no compensation from Entergy for this arrangement. Sharon Martin receives occasional requests for short-term use of the property, such as for photo shoots or to film a short clip or TV advertisement, but otherwise there are no long-term use contracts nor prospects for any.

In the spring of 2016, the IDB began the process of positioning itself to sell the property by soliciting proposals from real estate appraisal companies to provide an updated appraisal of the property. On August 4, 2016, the McEnery Company furnished its written appraisal report to the IDB, assigning a value of \$3,000,000 to the main amusement park property, including the rides, plus \$260,000 for the adjacent undeveloped 65-acre property. A Phase I Environmental report was prepared and has been publicly available for months. No significant environmental problems were uncovered.

Over the last year, continuing efforts by the City to identify and select a redevelopment partner have continued but have led to nothing. This property is well-known not only to the City but also its many economic development partners such as GNO Inc., the New Orleans Business Alliance and the Louisiana Department of Economic Development, as being available for development. Despite the best efforts of this entire team of economic development professionals for more than seven years, no feasible development partner for this property has emerged.

The IDB has repeatedly requested that the City take over the administration of the property and bear the cost of running it, which was the arrangement contemplated when the property was put in the IDB's name in 2009. The IDB has also offered to donate the property back to the City, together with any remaining cash reserves, however the City has never accepted any of those offers.

The IDB does not wish to profit from the ownership of the property and I hope that the IDB will ultimately agree with me that any proceeds should the property be sold -- plus the remaining Six Flags fund balance -- should be turned over to the City, after paying any remaining expenses relating to the property.

Today we are faced with an abandoned site filled with the skeletons of dilapidated and decaying rides and structures, a site that is an attractive nuisance for trespassers, vandals and urban explorers. It has been used as a dumping ground for old tires and other refuse. The property is overrun with wild animals and is unsafe in its current state. It is a monthly drain on the IDB's meager fund balance, and we will soon not have enough money to continue paying the operating expenses. It is also an administrative drain on the resources and staff of the IDB, which is not an organization that was ever intended to have the responsibility, either financial or administrative, for operating a piece of commercial real estate such as this one.

This week we received purchase offers from two organizations that previously responded to the 2014 RFP, plus an additional offer by a group led by Danny Rogers and Lance Houpt to purchase the property for \$3,260,000 cash, plus a note for an additional \$1,555,000 payable over several years. Each of these groups has plans to completely remediate, redevelop and put the property back into commerce. Although there are differences, the proposals are similar in that they all would redevelop the property into a multi-use facility consisting of some combination of amusement park, film backlot, water park and retail, together with other related facilities.

EMAILS BY AND BETWEEN DAVID WOLF AND TONYA POPE RE SIX FLAGS PURCHASE OFFER

From: David M. Wolf [<mailto:David.Wolf@arlaw.com>]
Sent: Friday, September 16, 2016 1:48 PM
To: tpepe@jazzlandpark.com
Cc: Sharon Martin; ahp70115@me.com
Subject: RE: fw: Jazzland purchase documents

Hi Tonya,

Although the IDB hasn't voted on anything specifically relating to the sale of the Six Flags property, I'm sure that they would give consideration to a serious cash offer.

However, the offer must be on cash terms; the IDB is not interested in financing the purchase or taking your note, nor are they interested in entering into any kind of conditional sale or an option to purchase. The IDB is willing to sell the property, without warranties, for cash, but of course I can't speak for them as far as the acceptable purchase price. You've seen the appraisal, no doubt. We are in the process of finalizing surveys and getting a Phase I Environmental Report, so you may consider that those will have been taken care of and will not be an expense that your group would have to bear.

If your offer is serious, please have your attorney forward to me a written "Offer to Purchase" for the property in question. I will be happy to review a "form" of the Offer prior to your group formally signing it, but of course the IDB won't meet or consider anything until it's in writing and signed. We will require a cash deposit equal to 5% of appraised value, and ask that closing take place in a relatively short time after acceptance of offer.

The purchaser will, of course, be responsible from the date of purchase for all taxes as well as upkeep, maintenance, insurance, etc., just as any new owner would.

Thanks for your interest....DMW

David M. Wolf
Adams and Reese LLP
Direct tel: 504-585-0117

From: Tonya Pope [<mailto:tpepe@jazzlandpark.com>]
Sent: Friday, September 09, 2016 3:39 PM
To: Philipson Alan; idbcno@att.net
Cc: David M. Wolf
Subject: re: fw: Jazzland purchase documents

Greetings,

I wanted to reach out to you in advance of Tuesday's IDB meeting with respect to our purchase offer for the Six Flags property. While we stand by our previous offer, we are prepared to adjust it to meet the appraised value. However, while I can anticipate what it might say, we are hesitant to make that adjustment prior to reviewing the Phase 1 Environmental report. As it is, the appraisal report indicated that the value it derived was based on 1) the property staying on the market for 24 months, 2) there were not any significant environmental issues that a Phase 1 might discover, and 3) that the flooding and standing water issue could be easily remedied.

We are sincere in our desire to purchase and eager to move into negotiations on a purchase agreement, that includes an escrow deposit, that the board can vote on so that our discussions with prospective retail tenants at the mixed-use venue can proceed.

Thank you and have a great weekend,
Tonya

Tonya Pope
Jazzland Park
TPC-NOLA, Inc.
10175 Mammoth Ave.
Baton Rouge, LA 70814
[225-395-9449](tel:225-395-9449)

<http://www.facebook.com/JazzlandPark>
<http://www.JazzlandPark.com>

From: "Tonya Pope" <tpope@jazzlandpark.com>
Sent: Tuesday, August 09, 2016 11:24 AM
To: "Philipson Alan" <ahp70115@me.com>, idbcno@att.net
Cc: "David M. Wolf" <david.wolf@arlaw.com>
Subject: fw: Jazzland purchase documents

Good morning,

Eager to learn what the appraisal came back as. For reference, attaching documents pertaining to land purchase financing and our broker who can assist us with property management prior to closing. A more formal purchase offer is also attached that reiterates the price we offered at earlier meeting.

As you may have seen in the news, we are now in possession of the Musee Conti wax exhibits. The plan is to add them as a new attraction inside Jazzland.

Tonya

**EMAILS BY AND BETWEEN DAVID WOLF, IDB COUNSEL AND DEVELOPER,
FRANK SCURLOCK RE SIX FLAGS**

From: David M. Wolf [<mailto:David.Wolf@arlaw.com>]
Sent: Thursday, February 09, 2017 3:48 PM
To: frankscurlock@me.com
Cc: Sharon Martin; Alan H. Philipson
Subject: RE: Earnest money

Frank, on behalf of the New Orleans IDB, thank you for your continuing interest in the Six Flags property. When the time comes, the IDB will need either a Fed Funds wire or a certified check for the earnest money.

However, at the meeting on Tuesday, the IDB is not planning on accepting any offers, but I expect that they will issue a public notice to the effect that offers will be accepted until about a week before the March 14 IDB meeting, taken under advisement and some action taken on March 14. I don't know whether the IDB will accept, reject or choose to further negotiate at that time, but certainly for next week they are not ready to formally accept an offer. Sharon will be out of pocket between now and the Tuesday meeting, so if you have any further questions, please address them to me.

Thanks very much....David Wolf

David M. Wolf
Adams and Reese LLP
david.wolf@arlaw.com
Tel: 504-585-0117

-----Original Message-----

From: Frank Scurlock [<mailto:frankscurlock@me.com>]
Sent: Thursday, February 9, 2017 2:41 PM
To: Sharon Martin <jdbcno@att.net>
Subject: Earnest money

Sharon, when we make our offer to purchase the Six Flags property on Tuesday should the Earnest Money need to be a regular or certified check and whom should it be made out to?

Also, we would like to use Winters Title to handle the closing should the offer be accepted.

We are excited to present an opportunity to the IDB which will benefit all the stakeholders of New Orleans.

Thank you,

Frank
407-973-4018

Sent from my iPhone

NOTICE OF CANCELLATION
OF THE
BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE
CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, APRIL 18, 2017 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. THE NEXT IDB BOARD MEETING IS SCHEDULED FOR TUESDAY, MAY 09, 2017. NOTICE WILL BE ISSUED IN ADVANCE OF THIS SCHEDULED MEETING.

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

April 17, 2017

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
MAY 9, 2017 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

| | | |
|-----------------------|------------------|---------------------|
| Justin Augustine, III | Mindy Brickman | Eugene J. Green, Jr |
| Edith G. Jones | Todd O. McDonald | Alan H. Philipson |
| Darrel J. Saizan, Jr. | Jeffrey Schwartz | C. David Thompson |

Absent:

| | | |
|----------------|-----------------------|-----------------------|
| Troy A. Carter | Walter C. Flower, III | Kyle Jones (Resigned) |
| Susan P. Good | Theodore Sanders, III | Eric Strachan |

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel

Guests:

Matt Rufo, Asakura Robinson
Tonya Pope, Jazzland
Ed Blouin, Village de L'Est
Danny Rogers, Dreamlanding
Barry Tharp, Dreamlanding, Trinity Tharp Entertainment
Kenneth Bibbins, Dreamlanding
Charlotte Burnell, Dreamlanding
Scott Cull, Dreamlanding
Mark Deane, WGNO
Andrew Valenti, City Business
Rob Perry, The File Depot
Ashelee Mancuso, Scurlock Entertainment
Megan Stelly, Scurlock Entertainment
Lamar Berry, Scurlock Entertainment
Frank Shattuck, Worldwide Structed Finance, LLC
LaSwanda Jonesa, Downtown Development District
Ted Bernard, IFOA Trading
John Young, Frank Scurlock
Katherine Sayre, Times-Picayune

Amber Seely-Marks
Kimberly Thomas, IGL
Lisa Ross, Orleans Parish Assessor's Office
Henry L. Klein, Dreamlanding
Stephen Stuart, Bureau of Governmental Research
Jessica Williams, The Advocate
Damon Burns, Finance Authority of New Orleans
Maurice C. Baird, City Council, Dist. E.
Richard Briscoe, Gulf South Engineering
Simcha Ward, Wisznia Architect and Development
Tamara Agins, City of New Orleans
Courtney Stuckwisch, City of New Orleans
Courtney M. Thomas, City of New Orleans
Barenda Canada, New Orleans Business Alliance
Rebecca Conwell, Office of the Mayor
Ernest Gethers, City of New Orleans
Rose M. LeBreton, Poydras Properties
Corey Dowden, J & B

Commented [A1]: as IGL
Lisa Ross, Office

President, Alan H. Philipson, called the meeting to order at 12:41 PM. An introduction of guests was held. A roll call was conducted and a quorum confirmed.

APPROVAL OF MAY 9, 2017 MINUTES

Prior to the Board vote approving the minutes, Mrs. Edith Jones advised that she was not present at the March 17th board meeting, requesting that the minutes be amended accordingly. By motion of Mr. Justin Augustine, with a second by Mr. C. David Thompson, the Board voted unanimously for approval of the March 17, 2017 minutes with the changes as addressed by Mrs. Jones.

The President announced a deviation from the agenda by starting at Agenda Item 5, Poydras Properties Hotel Holdings.

POYDRAS PROPERTIES HOTEL HOLDINGS

Mr. David Wolf, IDB counsel, provided background on this project advising that the IDB served as the Bond Issuer for GO Zone bonds with a PILOT, and, that since that time, the IDB has approved certain previous servitudes and rights-of-way. The Developer now wishes to consolidate all past and future servitudes by the approval of the IDB seeking to authorize the President to sign now and future servitudes as reviewed and approved by the IDB counsel.

A motion was offered by Mr. Augustine with a second by Mr. Eugene Green. After discussion, the Board voted unanimously to provide the President with the authority to sign future servitudes as presented by the Developer upon review, approval and presentation by IDB counsel. (See attached Resolution).

STARLIGHT STUDIOS

By Developer request, this matter was deferred until the June board meeting.

WOODWARD AUDUBON, LLC (730 JULIA)

By Developer request, this matter was deferred until the June Board meeting.

SIX FLAGS

This matter opened with the reading of a statement by the President, Alan Philipson. (See copy of statement attached). After reading of the statement, he advised that since the last IDB meeting, purchase offers were received from: TPC Nola/Tonya Pope for the appraised value, Knarf Holdings with a proposal of \$3.6M to \$3,888, 888.88 based on a supplemental payment arrived from the number of visitors to the site, and Dreamland with an offer of \$4.5M.

The President stated that based on what was presented, he saw nothing that showed any of the presenters were able to meet their financial commitment for their project. Therefore, there was no need for review by the Committee. After careful consideration, the President suggested that the IDB reject these proposals, ending this process.

The President added that he was pleased to advise that the City, through Ms. Rebecca Conwell, has offered to take full responsibility in coordinating future proposals and purchase offers by way of the signing of a Cooperative Endeavor Agreement (CEA) with the IDB. This CEA does not require the City to take over the maintenance, security and the insuring of the site. The CEA, as drafted by IDB counsel, is to be reviewed by the Mayor's staff including Ms. Rebecca Dietz. The CEA will cover a one-year period only which is the maximum term allowed without City Council approval according to the City Charter. The IDB will have the final decision. He strongly urged the Board to approve the signing of the CEA.

A motion was then offered by Mr. Darrel Saizan and seconded by Mr. Jeffrey Schwartz to 1) reject the current list of proposals/purchase offers as submitted to the IDB thereby ending this process; and 2) approve the signing of the Cooperative Endeavor Agreement between the IDB and the City.

Prior to a vote, Ms. Rebecca Conwell advised that the City was pleased to enter into the CEA for the purpose of advertising and marketing of the site. She agreed with the Board to end the current acceptance process of purchase offers.

Mrs. Jones then asked for clarity with regards to the IDB's and the City's responsibilities as it relates to the site. Mr. Wolf advised that the IDB would remain responsible for the maintenance and the day-to-day operations of the site. The City would be taking over the redevelopment side of the site by evaluating proposals and reviewing offers for redevelopment. The IDB would review and make final disposition of any selection. The City, he stated, is not willing to take on the day-to-day operations of the site. He added that the current costs to the maintain site runs an average of \$20K per month. There are about 10 months of funding left. Mrs. Jones then asked what happens at the end of the 10-month period to which Mr. Wolf responded that it is the hope of both

the IDB and the City that a developer will be found. Otherwise, the IDB and the City will continue to allow filming at the site. The IDB is currently allowing short-term leasing of the site which the IDB Administrator continues to coordinate.

The IDB is agreeing to this process because the City knows the direction of the its economic development plan and path. The IDB will maintain ownership of the asset. The City will report to the IDB with monthly updates. All of these conditions are outlined in the CEA.

Board members then expressed their appreciation of this process and thanked those developers who have submitted purchase offers and proposals to date. The City was also thanked for its leadership role in the redevelopment of the site. It was stated that the current process does not preclude those who have participated from continuing their quest.

The President the offered the floor for public comment.

Mr. Danny Rogers was recognized and informed the Board that he and his group have spent thousands of man hours, somewhere in the neighborhood of \$100K, in providing their proposal and purchase offers. He contends that his group proposed an offer of \$30M with an additional \$30M by a verified source. He apologized if he seemed annoyed but it seemed his and the efforts of his colleagues have been in vain. He inquired as to what did the IDB want from them, adding that they have “jumped hoops” to assemble the best of a board. He asked the Board to make a decision today and then apologized for expressing his frustration in the manner displayed.

Mr. Rogers was thanked by the President. He further advised that any proposals should now be submitted to Ms. Conwell. Mr. Philipson said the IDB appreciated all the work that he and his colleagues have done and hopefully with the actions taken by the Board today, matters will be moved along swiftly.

Mrs. Tonya Pope of the Jazzland informed the Board that before a vote is taken on the motion, she wanted to make sure that the Board was aware of the bill that is on the floor of the Legislature for vote. It is her understanding that this bill is being supported by the Mayor’s Office and is directly related to the site and should be a part of this discussion.

Henry Klein of Dreamlanding stated that Ms. Conwell already has a complete copy of the Dreamlanding proposal. His group, he stated, has presented an unconditional offer.

Ms. Conwell advised that the process is ending today and the City will now come back with how to move forward.

Frank Scurlock/Transformation stated the he has had the opportunity for seven years to work on his project. He is now running for Mayor and with full transparency. He stated that his group has submitted its latest proposal, and he, like Mr. Rogers, brought \$60M to the table two months ago. He hopes that his presentation will be reviewed.

Corey Dowden was recognized who advised that he was representing “the small guys”. He inquired as to where the money was going that should be for the neighborhoods. He asked where the employment is for the people and that none of the benefits went to the neighborhoods.

After discussion, the Board voted on the motion offered by Mr. Saizan and seconded by Mr. Schwartz to 1) reject the current list of purchase offers and proposals as submitted to the IDB, ending this process; and, 2) to authorize the signing of the Cooperative Endeavor Agreement between the IDB and City for marketing and advertising of the former Six Flags site.

Financials

In Mrs. Good’s absence, Ms. Martin advised that a copy of the financials was included in each member’s board folder. A copy of the Adams and Reese invoice was presented for approval of payment. It was further advised that a budget adjustment would be made in accordance with the resolution prepared in connection with the Adams and Reese invoice for services. By motion of Mr. Augustine and seconded by Mr. Todd McDonald, the Board voted unanimously to accept the resolution and the invoice for payment with same be added to the approved 2017 budget. (see a copy of the Resolution attached as part of the minutes).

Adjournment

By motion of Mrs. Jones, with a second by Mr. Augustine, the Board voted unanimously for adjournment. The meeting adjourned at 1:17PM.

Susan P. Good, Secretary-Treasurer

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

May 9, 2017

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution authorizing the officers of the Industrial Development Board of the City of New Orleans, Louisiana, Inc. to execute any necessary servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to property in the City of New Orleans, Louisiana, acquired by the Issuer in connection with the issuance of the issuance of not exceeding Two Hundred Twenty-Five Million Dollars (\$225,000,000) of Industrial Development Board of the City of New Orleans, Louisiana, Inc. Tax-Exempt and/or Taxable Revenue Bonds (Poydras Properties Hotel Holdings Co. LLC Project); and providing for other matters with respect to the foregoing.

WHEREAS, the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "Issuer") has approved an agreement to issue up to Two Hundred Twenty Five Million Dollars (\$225,000,000) of its tax-exempt and/or taxable Revenue Bonds (Poydras Properties Hotel Holdings Co. LLC Project) (the "Bonds"), to finance the acquisition of land and construction of improvements consisting of an approximately 1,184-room hotel known as the "Hyatt Regency New Orleans, Hotel" (the "Project"), for the benefit of Poydras Properties Hotel Holdings, Co. LLC, a Delaware limited liability company (the "Company"); and

WHEREAS, in connection with the execution of a Lease Agreement & Agreement to Issue Bonds dated as of July 2, 2010 (the "Lease Agreement"), and to run for a period ending no later than February 1, 2025, and the financing of the Project, the Company has conveyed the property described in Exhibit A hereto (the "Property") to the Issuer pursuant to an Act of Conveyance recorded in the Conveyance Records of Orleans Parish; and

WHEREAS, the Issuer has leased the Property to the Company pursuant to the Lease Agreement, and a Notice of Lease relating to the Lease Agreement, which Notice of Lease is also recorded in the Conveyance Records of Orleans Parish (the "Lease");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., that the President, Vice President and/or Secretary-Treasurer of the Issuer, upon the advice of counsel, are hereby authorized and directed for, on behalf of, and in the name of the Issuer to negotiate, execute and deliver any necessary servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to the property described in Exhibit A hereto, as may be required by or provided for in the Lease or in connection with the Bonds, or as may be requested by the Company, or as may otherwise be required for or necessary, convenient or appropriate to the Project and the Bonds described above.

BE IT FURTHER RESOLVED that the signatures of the said officers upon such documents set forth above, or as may be otherwise required for or necessary, convenient or appropriate to the financing of the Project through the issuance of the Bonds, are deemed to be

conclusive evidence of their due exercise of the authority vested in them hereunder, and that electronic signatures may be utilized to the extent permitted by law and the Issuer's By-Laws.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

| <u>Member</u> | <u>Yea</u> | <u>Nay</u> | <u>Absent</u> | <u>Abstaining</u> |
|--------------------------|------------|------------|---------------|-------------------|
| Alan H. Philipson | _____ | _____ | _____ | _____ |
| Darrel J. Saizan, Jr. | _____ | _____ | _____ | _____ |
| Susan Good | _____ | _____ | _____ | _____ |
| Justin T. Augustine, III | _____ | _____ | _____ | _____ |
| Mindy Brickman | _____ | _____ | _____ | _____ |
| Troy A. Carter | _____ | _____ | _____ | _____ |
| Walter C. Flower, III | _____ | _____ | _____ | _____ |
| Eugene J. Green, Jr. | _____ | _____ | _____ | _____ |
| Edith G. Jones | _____ | _____ | _____ | _____ |
| Kyle J. Jones | _____ | _____ | _____ | _____ |
| Todd O. McDonald | _____ | _____ | _____ | _____ |
| Theodore C. Sanders, III | _____ | _____ | _____ | _____ |
| Jeffrey Schwartz | _____ | _____ | _____ | _____ |
| Eric B. Strachan | _____ | _____ | _____ | _____ |
| C. David Thompson | _____ | _____ | _____ | _____ |

And the resolution was declared adopted on this 9th day of May, 2017.

 /s/ Susan Good
 Secretary-Treasurer

 /s/ Alan H. Philipson
 President

EXHIBIT A

LEGAL DESCRIPTIONS OF THE PROJECT

LOT E, SQUARE 307-A

THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon and all of the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the FIRST MUNICIPAL DISTRICT of the Parish of Orleans, City of New Orleans, State of Louisiana, in Square 307-A, which square is bounded by Poydras Street, Loyola Avenue, Girod Street and property of the City of New Orleans, being designated as Parcel E according to a plan of resub-division of Plots X and Y into Parcels E, F and Z, Square 307-A of Murphy Engineering, Inc., Consulting Engineers, dated June 28, 1973, and according to which said plan of resubdivision, said Parcel E is more fully described as follows:

Commencing at the intersection of the southern right of way line of Poydras Street and the western right of way line of Loyola Avenue, proceed along the southern right of way line of Poydras Street a distance of 590.07 feet to a point; thence in a southerly direction on a bearing of South 00 degrees, 22 minutes, 45 seconds East a distance of 366.03 feet to a point, being the POINT OF BEGINNING. From the POINT OF BEGINNING proceed on the same bearing a distance of 261.50 feet to a point; thence in an easterly direction on a bearing of North 89 degrees, 37 minutes, 15 seconds East a distance of 391 feet to a point; thence in a northerly direction on a bearing of North 00 degrees, 22 minutes, 45 seconds West a distance of 261.50 feet to a point; thence in a westerly direction on a bearing of South 89 degrees, 37 minutes, 15 seconds West a distance of 391 feet to the point of beginning.

PARCEL B, SQUARE 307-A (POYDRAS PLAZA)

THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon and all of the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the FIRST MUNICIPAL DISTRICT of the PARISH OF ORLEANS, City of New Orleans, State of Louisiana, in Square 307-A, which square is bounded by POYDRAS STREET, LOYOLA AVENUE, GIROD STREET and the PSA PROPERTY, being designated as Parcel B according to a plan of resubdivision of Parcel Z-1 into Parcels Z-2, B and Z-3, Square 307-A, of Gerald B. Dunn, Land Surveyor, dated December 8, 1975, filed in C.O.B. 734, folio 270, and according to which said plan of re-subdivision, said Parcel B is more fully described as follows:

Commencing at the intersection of the southern right of way line of Poydras Street and the western right of way line of Loyola Avenue, proceed along the westerly right of way line of Loyola Avenue a distance of 307.36 feet to a point, being the point of beginning. From the point of beginning, continue along the westerly right of way line of Loyola Avenue on a bearing of South 0 degrees, 47 minutes, 45 seconds East a distance of 261.51 feet to a point; thence in a westerly direction on a bearing of South 89 degrees, 37 minutes, 15 seconds West a distance of

200.29 feet to a point; thence in a northerly direction on a bearing of North 0 degrees, 22 minutes, 45 seconds West a distance of 261.50 feet to a point; thence in an easterly direction on a bearing of North 89 degrees, 37 minutes, 15 seconds East a distance of 198.37 feet to a point, the point of beginning.

And, being designated as Parcel B according to a plan of Walker & Avery, Inc., Land Surveyor, dated February 23, 1988, revised May 20, 1988, and bearing no. T346-30, and according to which said plan, Parcel B is more fully described as follows:

Commencing at the intersection of the southern right of way line of Poydras Street and the western right of way line of Loyola Avenue, proceed along the westerly right of way line of Loyola Avenue a distance of 307.16 feet (307.36 feet-Title) to a point, being the point of beginning. From the point of beginning, continue along the westerly right of way line of Loyola Avenue on a bearing of South 0 degrees, 44 minutes, 33 seconds East a distance of 261.42 feet (261.51 feet-Title) to a point; thence in a westerly direction on a bearing of South 89 degrees, 37 minutes, 15 seconds West a distance of 200.61 feet (200.29 feet-Title) to a point; thence in a northerly direction on a bearing of North 0 degrees, 22 minutes, 45 seconds West a distance of 261.47 feet (261.50 feet-Title) to a point; thence in an easterly direction on a bearing of North 89 degrees, 38 minutes, 09 seconds East a distance of 198.97 feet (198.87 feet-Title) to the point of beginning.

Being the same property acquired by Refco Poydras Hotel Joint Venture by act before Kent Satterlee, Jr., Notary Public dated March 9, 1976, registered in COB 738C, folio 410.

LOT CC, SQUARE 307-A

THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all of the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the FIRST MUNICIPAL DISTRICT of the Parish of Orleans, City of New Orleans, State of Louisiana, in Square 307-A, which square is bounded by Poydras Street, Loyola Avenue, Girod Street and the Property of the City of New Orleans, being designated as Lot CC according to a plan of resubdivision of Lots D-1 and C into Lot CC, Square 307-A of Walker & Avery, Inc., Civil Engineers, dated September 22, 1981, and according to which said plan of resubdivision, said Lot CC is more fully described as follows:

Commencing at the intersection of the northerly right-of-way line of Girod Street and the westerly right-of-way line of Loyola Avenue, being the POINT OF BEGINNING, proceed along the northerly right-of-way line of Girod Street a distance of 433.90 feet to a point; thence in a northerly direction on a bearing of N 0 degrees 22' 45" W a distance of 206.41 feet to a point; thence in an easterly direction on a bearing of N 89 degrees 37' 15" E a distance of 432.61 feet to a point on the westerly right-of-way line of Loyola Avenue, thence in a southerly direction along the westerly right-of-way line of Loyola Avenue on a bearing of S 0 degrees 44' 33" E a distance of 203.60 feet to the point of beginning.

LOT H. SQUARE 307-A

A certain parcel of ground, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated Square 307-A in the First Municipal District of the City of New Orleans, State of Louisiana, bounded by Poydras Street, Loyola Avenue, Girod Street and LaSalle Street and is designated as Lot H, as shown on a Survey by the office of Gandolfo Kuhn, L.L.C. drawing number T-209-1 dated December 3, 2004 and is more particularly described as follows:

From the intersection of the westerly line of Loyola Avenue and the southerly line of Poydras Street; thence along said southerly line of Poydras Street North $84^{\circ}37'12''$ West a distance of 207.11 feet to the Point of Beginning; thence along the division line of Lot Z-4 and Lot H South $00^{\circ}22'48''$ East a distance of 327.84 feet to a point on the division line of Lot E and Lot H; thence along said line South $89^{\circ}38'49''$ West a distance of 150 feet to the division line of Lot F and Lot H; thence along said line North $00^{\circ}22'48''$ West a distance of 342.90 feet to the southerly line of Poydras Street; thence along said line South $84^{\circ}37'12''$ East a distance of 150.76 feet to the Point of Beginning, containing 50,306 square feet

LOT Z-4. SQUARE 307-A

A certain parcel of ground, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining situated Square 307-A in the First Municipal District of the City of New Orleans, State of Louisiana, bounded by Poydras Street, Loyola Avenue, Girod Street and LaSalle Street and is designated as Lot Z-4, as shown on a Survey by the office of Gandolfo Kuhn, L.L.C. drawing number T-209-1 dated December 3, 2004 and is more particularly described as follows:

Begin at the intersection of the southerly line of Poydras Street and the westerly line of Loyola Avenue; thence along said westerly line of Loyola Avenue South $00^{\circ}44'33''$ East a distance of 307.16 feet to the division line of Lot Z-4 and Lot B; thence along said line South $89^{\circ}38'49''$ West a distance of 208.01 feet to the division line of Lot Z-4 and Lot H; thence along said line North $00^{\circ}22'48''$ West a distance of 327.84 feet to the southerly line of Poydras Street; thence along said line South $84^{\circ}37'12''$ East a distance of 207.11 feet to the Point of Beginning, containing 65,724 square feet.

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Secretary-Treasurer of the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "Issuer"), do hereby certify that the foregoing _____ (__) pages constitute a true and correct copy of the proceedings taken by the Board of Directors of the Issuer on May 9, 2017, authorizing the officers of the Industrial Development Board of the City of New Orleans, Louisiana, Inc. to execute any necessary servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to property in the City of New Orleans, Louisiana, acquired by the Issuer in connection with the issuance of the issuance of not exceeding Two Hundred Twenty-Five Million Dollars (\$225,000,000) of Industrial Development Board of the City of New Orleans, Louisiana, Inc. Tax-Exempt and/or Taxable Revenue Bonds (Poydras Properties Hotel Holdings Co. LLC Project); and providing for other matters with respect to the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Issuer on this the 9th day of May, 2017.

(SEAL)

Secretary-Treasurer

BOARD MEMBERSHIP -
ALAN PHILIPSON

**STATEMENT OF ALAN PHILIPSON, PRESIDENT OF THE
NEW ORLEANS INDUSTRIAL DEVELOPMENT BOARD
MAY 9, 2017**

Since the last meeting, the Board has received two revised purchase offers on the Six Flags property, as well as a proposal from the Dreamlanding Group.

One purchase offer is from TPC-NOLA, the group headed by Tonya Pope, and is the same as the previous offer, which was to purchase the property for the appraised value of \$3,260,000.

The second purchase offer is from Knarf Enterprises, the group headed by Frank Scurlock, and is in the same format as their previous offer, however the cash price offered is increased from \$3.6 million to \$3,888,888.88, but they removed the offer of a \$800,000 supplemental payment if the property welcomes more than 800,000 visitors in 2018.

The Dreamlanding proposal does not contain a legally binding offer to purchase the property, but does contain a concept description, extensive biographies of the principals, a development

timetable and a suggestion that they would purchase the property for \$3.5 million.

These offers are not materially different than what was on the table on March 17, and they still do not address the previously stated concerns of the Executive Committee in that they do not convince us that they have the means to implement the full scope of their development plans. Therefore, I did not ask the Executive Committee to meet again. However, David Wolf and I have reviewed and discussed the offers extensively with Rebecca Conwell of the Mayor's Office of Economic Development and after careful consideration our consensus is that the IDB should reject these proposals and allow the City to begin a new process under the proposed CEA.

Ms. Conwell will address the Board at the conclusion of my comments and prior to action on the proposed CEA, and will update you all in regard to continuing efforts that the City is making towards redevelopment of this property.

I'm pleased to report that one very positive development has occurred since our last meeting, and that is that the City, through

Rebecca Conwell and the Mayor's Chief of Staff Brooke Smith, have agreed to take over full responsibility for the marketing, review of proposals, and coordination of development & redevelopment activities for the Six Flags property. Although the City has not agreed to take over the day-to-day maintenance of the property, the fact that they are willing to spearhead and coordinate the future redevelopment efforts on the property is one that I believe is advantageous for all of us.

David Wolf has prepared a cooperative endeavor agreement, which you have all seen a copy of. This CEA has been reviewed by the Mayor's staff and City Attorney Rebecca Dietz, and the City is prepared to sign the CEA as soon as the IDB approves it. The CEA has a term of one year, which is the maximum term that the City can enter into without City Council approval. The IDB will still have final approval power over any disposition of the property. I have been involved in the negotiation of the CEA and strongly recommend that the board approve this agreement and authorize me to sign it on behalf of the IDB.

At this time I would entertain a motion to reject the proposals to purchase the Six Flags property and authorize me to enter into this CEA with the City. After the motion I will to recognize Rebecca Conwell to address the CEA and the Six Flags proposals, and then will open the floor for further discussion from Board members and the public.

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF NEW ORLEANS, LOUISIANA, INC.
May 9, 2016**

The following resolution was offered by _____ and seconded
by _____:

BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "IDB"), that the IDB accepts the statement dated May 1, 2017, for services rendered by Adams and Reese LLP for the period January 1, 2016 through April 30, 2017, in the amount of \$39,380 with respect to general administrative matters including matters relating to the former Six Flags Property, and authorizes the immediate payment of such sum in full from the IDB General Fund.

BE IT FURTHER RESOLVED that the IDB budget for the fiscal year ended December 31, 2017, is hereby amended to reflect and include payment of such sum, as an authorized expenditure from the General Fund in addition to the general legal fees already budgeted for the current fiscal year.

BE IT FURTHER RESOLVED that it is recognized, found and determined that the IDB enjoys a real benefit from the availability of a general counsel to advise the IDB on general matters, including matters relating to the Six Flags property and to be available to provide advice to the IDB and its economic development partners on prospective bonds, PILOTs or other incentives, and therefore a real necessity exists for the continued employment of Adams and Reese LLP as special counsel to the IDB in connection with general administrative matters including, without limitation, matters relating to the former Six Flags Amusement Park. Accordingly, the employment of Adams and Reese LLP, New Orleans, Louisiana, as special counsel to the IDB to do and to perform comprehensive, legal and coordinate professional work of a traditional legal nature with respect to the foregoing is hereby ratified and confirmed. The fees to be paid special counsel for such general work shall not exceed the hourly rates approved from time to time by the Louisiana Attorney General for special counsels for local governmental units, plus reimbursement of their out-of-pocket expenses incurred in connection with the foregoing work. Special counsel is requested to submit statements for fees and expenses under this paragraph no less often than quarterly. Employment of special counsel for bond issues, PILOTs or similar transactions shall continue to be *ad hoc* and provided by resolution for each such transaction, with fees for such cases generally being paid by project beneficiaries.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

YEA:

NAY:

ABSENT:

ABSTAINING

And the resolution was declared adopted on this 9th day of May, 2017.

Secretary-Treasurer

President

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
JUNE 13, 2017 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

| | | |
|-----------------------|-----------------------|---------------------|
| Justin Augustine, III | Mindy Brickman | Eugene J. Green, Jr |
| Susan P. Good | Walter C. Flower, III | |
| Edith G. Jones | Todd O. McDonald | Alan H. Philipson |
| Darrel J. Saizan, Jr. | Jeffrey Schwartz | C. David Thompson |

Absent:

| | | | |
|----------------|-----------------------|-----------------------|---------------|
| Troy A. Carter | Kyle Jones (Resigned) | Theodore Sanders, III | Eric Strachan |
|----------------|-----------------------|-----------------------|---------------|

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel

Guests:

Marcel Wisznia, Wisznia Developments
Andrew Valenti, City Business
LaSwanda Jones, Downtown Development District
Amber Seely-Marks, RPG, The Bastion
Katherine Sayre, Times-Picayune
Avery Foret, Sherman Strategies
Courtney Stuckwisch, Mayor's Office of Economic Development
Rebecca Conwell, Mayor's Office
Shantell Brown, New Orleans Business Alliance
Lisa Ross, Orleans Parish Assessor's Office
Maurice Baird, Office of Council Member James Gray
Jessica Williams, The Advocate
Megan Stelly, Scurlock Entertainment

Bill Hoffman, Woodward Design
Maximus A Perdomo, Insulators LU#53, Building & Trades
Brenda Canada, New Orleans Business Alliance
Leigh Ferguson, Downtown Development District
Morris Kahn, Morris L. Kahn & Assoc.
Ernest Gethers, Office of Economic Development
Michael Whitehead, Wisznia
Newton Blanchard, Elevator Const.
Randy Hutchison, Wisznia
Simcha Ward, Wisznia
Stephen Stuart, Bureau of Governmental Research
Stanley McDaniel, The McDaniel Group
Dennis Miller, N. O. BT
Lorraine Washington, Justice & Beyond
Toni Weiss, Consultant
Rosalind Peychaud, Office of Community Development, DRU

President, Alan H. Philipson, called the meeting to order at 12:37 PM. A roll call was conducted and a quorum confirmed. An introduction of guests was held.

APPROVAL OF MAY 9, 2017 MINUTES

There was a unanimous approval of the May 9, 2017 minutes by the Board.

The President then advised that agenda items 5 – 8 would be presented by IDB counsel, Mr. David Wolf and the Mayor’s Senior Advisor, Ms. Rebecca Conwell.

STARLIGHT STUDIOS

Mr. Wolf informed the Board that he received an email on June 10, 2017, from Starlight Studios, requesting to defer until the July board meeting. No action taken.

WOODWARD AUDUBON, LLC

Mr. Wolf advised that this matter was presented at the May board meeting. Since that time, the cost/benefit and the “but for” analyses have been completed. Several meetings have been held by the IDB Committee, the City and the Developer to review and discuss both analyses, as well as address issues of concern to reach a PILOT proposal. The present negotiated PILOT arrangement is included in a resolution. (See attached). The final arrangement includes a change from a “subsidy” PILOT to a “certainty” PILOT. There will be no Base PILOT payment. The base payment shall be “fixed” amounts. The formula reached in this project is consistent with the one used in South Market District - The Odeon. The PILOT is equivalent to the taxes that would otherwise be paid. This current proposal will also contribute \$25,000 to the Neighborhood Housing Improvement Fund of the City. The Mayor’s Office finds this PILOT in line with taxes and is reasonable. The Developer now seeks IDB approval. Mr. Wolf then deferred to the Developer representative, Bill Hoffman, who presented an overview of the benefits to the City.

Mr. Hoffman then introduced Mr. Fred Caplin who explained additional benefits to the City. He added that by investing in this project he hopes to attract investors for other New Orleans projects.

Ms. Rebecca Conwell, the Mayor's Senior Economic Advisor, was recognized and informed that, when and as appropriate, the City will support projects. She stated that the Mayor's Office has been working closely for a compromise consistent with past projects. Further, the Mayor has positioned that the City is not in support of "subsidy" PILOTs for housing projects that do not include affordable housing. The Mayor could offer support of the project at this time but the support would be subject to change once the HR&A assessment of the City's incentive programs has been rendered.

Mr. C. David Thompson stated that he was of the understanding that an agreement had been reached in this matter. He questioned whether his understanding of what Ms. Conwell had just explained as the Mayor's position was one of "supporting now" but one that could possibly change once the HR&A assessment of the City's incentive programs is issued. He questioned whether the City could come back at a later date and rescind its support in an effort to cancel the approval if now given.

Mr. Eugene Green added his concern and felt that perhaps this matter should be deferred until the finding of the HR&A report. He added that for the record, however, he is in favor of affordable housing. He asked for a definitive statement of support from the administration in this matter.

Mr. Wolf then advised that he received, about an hour ago, a copy of a letter from the Mayor to Mr. Philipson wherein the Mayor expressed his position on affordable housing projects. The letter warrants clarification, i.e., projects without affordable housing vs those with affordable housing with requests for a PILOT - a supplemental PILOT as opposed to a "subsidy" PILOT. (see letter attached). Ms. Conwell stated that the HR&A review of City incentives such as PILOTs issued by the IDB will be evaluate on how decisions are made to issues the incentives, particularly those with affordable housing components. The assessment is ongoing with about four more months to go before the anticipated date of the final report. The Mayor's letter states that it will not support supplemental PILOTs for residential projects that do not include affordable housing.

Mr. Thompson emphasized that the IDB uses, and has been using, guidelines with a practical approach using the support of both the cost/benefit and "but for" analyses. He added that the IDB is a creation of the City Council. The IDB wants to work and has been working in conjunction with the City and its plans for economic development. As an independent board, however, he felt there can be no dictation by any one administration. The IDB would be within its rights to vote on this matter today after having worked with the City these past couple of months. It is important to note that there is no evaluation template for projects. Each project request is based on its own merits. The IDB wishes to continue to work closely with the City on projects, however a policy does not change the IDB mandate.

After all questions and opinions were rendered, Mr. Walter Flower floored a motion to adopt the Resolution as presented in the Board meeting folder (attached hereto as part of the minutes) regarding the Woodward Audubon project. Same was seconded by Mr. Darrel Saizan.

The President then opened the floor for discussion.

Ms. Conwell stated that, as negotiated, there was no City support or approval of this project.

Mr. Wolf read aloud the verbiage of the Resolution as requested by Mr. Justin Augustine. Mr. Wolf then reminded the Board the PILOT in this matter was a “certainty” PILOT - not a “subsidy” PILOT. He gave the Board a synopsis on the creation of industrial development boards, such as the IDB, by the State, all of which were created for the purpose of furthering industrialization and economic development throughout the State using bond issuances, all pursuant to the laws of the State and the parishes.

Mr. Thompson added that the Board was voting on the current project with the understanding that the Mayor’s office agrees in principle with the issuances of PILOTs. A guest then asked if the Developer, in this case, would be paying taxes. It was reiterated that under no circumstance does a developer NOT pay taxes. In this case, the Developer would be paying \$327,000 in taxes, yearly. With the exception of the IDB’s annual administration fee \$19,000 (1/20 of 1% of the capital cost of the project); and the \$25,000 contribution to the NHIF of the City, the remainder would be paid to Treasury as a Payment in Lieu of Taxes (PILOT). The original PILOT proposal, he reminded, was a subsidy PILOT request. As a result of negotiations, the Developer now presents and is willing to accept a “certainty” PILOT, fixing the amount.

Mr. Stephen Kennedy asked for clarity with regards to the \$25,000 for the NHIF and whether it is a one-time payment or a yearly payment, asking further why not \$50,000 or that it contain an yearly increase. Mr. Wolf advised that the Board adopted a policy that placed a \$50,000 cap on the payment of yearly administrative fee to the IDB. The combined amounts in this case of the IDB and NHIF amounts almost reaches that cap. The \$25,000 would be paid directly to the City during the 12-year period in which this PILOT exists.

After all discussions were had, a call for a vote was placed and the Board voted unanimously, with one abstention, on the Resolution as read by Counsel, granting the Woodward Audubon project a “certainty” PILOT.

BY THE PARKWAY APARTMENTS

This matter was deferred.

ST. CHARLES/ST. JOSEPH (TWO SAINTS)

Mr. Wolf advised that no action was required today in this matter. However, the Developer was given the opportunity to make a preliminary presentation on the concept of its application and PILOT request. Mr. Marcel Wisznia, Developer representative, presented and emphasized that the construction of this housing project is a “new” concept which creates housing for individuals in a co-op living environment. Rental rates are 100% AMI and 100% affordable. The concept is unconventional but it could allow an individual the opportunity to afford to live in the downtown area at reasonable rental rates. The Developer has a commitment to meeting both the IDB and the

City's local hire and DBE targets. Mr. Wisznia re-emphasized that 100% of the units are 100% affordable at 100% of the area median income. An inquiry was made concerning parking at the site since based on the application no parking was being provided. Mr. Wisznia advised they were working on this aspect of their project as this concept of housing does not require parking. Once resolved, he will report any modifications to the IDB.

Further clarity on the concept was provided. This is a shared living space concept with private living areas. This concept supports the workforce for the City's tourism industry. This type of living environment has been introduced and is currently in practice in several major metropolitan areas where there are large waiting lists for occupancy. By question of Mr. Philipson, Ms. Conwell informed the Board that the City is not opposed to this project. No further action was taken.

SIX FLAGS

Ms. Conwell was called upon for a monthly update pursuant to the Cooperative Endeavor Agreement signed between the City and the IDB. She advised that she continues to work on proposals with no recommendation at this time to present to the Board.

Mr. Green asked for an explanation of the City's plan for marketing, advertising and development of the property and the process for receiving proposal or purchase offers of the site. Ms. Conwell advised that with regards to filming at the site, the City maintains the IDB's policy for accepting or rejecting any request. For redevelopment/purchases, there has been no recommendation on how to proceed. In response to a question by Mrs. Edith Jones, the City has taken over the marketing and advertising and will recommend how to move forward once a viable project has been evaluated.

NEW MATTER – The Bastion

The President informed the Board of an insert in the agenda today for a request by The Bastion. He deferred the presentation to Mrs. Amber Seely-Marks who informed that the Developer now wishes to have its PILOT amended to secure a "certainty" PILOT, as a result of their incorporating more affordable units into the project. Their written proposal will be submitted prior to the next board meeting. No action was taken on this matter.

Financials

Mrs. Susan Good informed the Board that to-date, the IDB has collected all annual fees for 2017. Based on her calculations on what remains in the Six Flags funds, the IDB will deplete the funds to maintain, secure and insure the Six Flags site in about five months. Ms. Sharon Martin, the IDB Administrator, was asked to provide the Board, for the next meeting, with a true balance. The Board was reminded of the average cost to secure and maintain the site is approximately \$20K per month.

Adjournment

By motion of Mr. Saizan, with a second by Mr. Flower, the Board voted unanimously for adjournment.

Susan P. Good, Secretary-Treasurer

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

June 13, 2017

The following resolution was offered by _____ and seconded
by _____.

RESOLUTION

A resolution approving the form of and authorizing the execution of a "Lease Agreement and Agreement to Issue Bonds" and any and all additional documents and certificates deemed necessary in connection with the granting of a favorable payment in lieu of tax arrangement and the potential issuance of not exceeding \$38,150,000 of Taxable Revenue Bonds (Woodward Audubon LLC Project) of the Industrial Development Board of the City of New Orleans, Louisiana, Inc.; and providing for other matters with respect to the foregoing.

WHEREAS, the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "IDB"), is authorized and empowered under Chapter 7 of Title 51 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 51:1151 *et seq.*) (the "Act"), and other constitutional and statutory authority supplemental thereto, to acquire, own, lease, rent repair, renovate, improve, finance, sell, and dispose of facilities that are determined by the lessor to be instrumental to the removal of blight or the redevelopment of distressed areas, or to promote economic development through the creation of jobs, or to enhance the tax base of the City of New Orleans through the construction, renovation, or rehabilitation of improvements, other than facilities designed for the sale or distribution to the public of electricity, gas, water, or telephone or other services commonly classified as public utilities; and

WHEREAS, the IDB has received an application from Woodward Audubon LLC (the "Company"), a Delaware limited liability company authorized to do business in the State of Louisiana, with respect to the development and construction of leasehold improvements consisting of an approximately five (5) story apartment building, including approximately (i) 198 apartments, (ii) 15,000 gross square feet of street level commercial space and (iii) a 161-space parking garage located at 730 Julia Street between St. Charles Avenue and Carondelet Street, in the City of New Orleans (the "Project"), which application requests that the IDB enter into an arrangement whereby the Company will make an annual payment in lieu of *ad valorem* taxes, in an amount described herein (the "PILOT Payment"); and

WHEREAS, the details of the PILOT Payment have been negotiated by the IDB and the City of New Orleans through the Mayor's Office of Economic Development and the Company; and

WHEREAS, pursuant to the Act, property acquired by the IDB in connection with their issuance or agreement to issue bonds is exempt from *ad valorem* tax and pursuant to La. R.S. 51:1160 the IDB may require the Company to pay annually to the local taxing authorities, through the normal collecting agency, a sum in lieu of *ad valorem* taxes to compensate such authorities for any services rendered by them to such projects which sum shall not be in excess of the *ad valorem*

taxes the Company would have been obligated to pay to such authorities had it been the owner of the Project during the period for which such payment is made; and

WHEREAS, it is now the desire of this Board of Directors to authorize the President and/or Vice President and Secretary-Treasurer of the IDB to execute a "Lease Agreement and Agreement to Issue Bonds" (the "Lease Agreement") in substantially the form attached hereto as Exhibit A, and for the IDB to acquire the property described therein, consisting in this case of leasehold improvements only, and such other matters necessary and desirable in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., acting as the governing authority of the IDB, that:

SECTION 1. Approval of Lease Agreement and Incentives. The IDB hereby approves (i) the Lease Agreement and Agreement to Issue Bonds in connection with the issuance of not exceeding \$38,150,000 of Taxable Revenue Bonds (Woodward Audubon LLC Project), (ii) the execution and delivery of the Lease Agreement in substantially the form attached hereto as Exhibit A, with such changes as are approved by bond counsel to IDB, (iii) the acquisition of the property described therein consisting of leasehold improvements only, and (iv) such other matters necessary, convenient, appropriate and desirable in connection with the matters approved hereby.

SECTION 2. Approval of PILOT for Project Only; Future Phases Not Approved. The IDB further approves Base PILOT payment with respect to the Project, as set forth below and in Section 4.03 of the Lease Agreement attached hereto as Exhibit A, all subject to the further terms and conditions contained in said Section 4.03, particularly the targeted employment goals and clawbacks contained in Section 4.03(c) of the Lease Agreement:

[TABLE CONTINUES ON NEXT PAGE]

| Orleans Parish Tax Year | Payment Due Feb. 1 | Taxes due on Land | Base PILOT on Leasehold Improvements | Total of Taxes and PILOT | NHIF Payment | See Note | IDB Admin. Fee (4) | Total Payment |
|---|--------------------|-------------------|--------------------------------------|--------------------------|--------------|----------|--------------------|---------------|
| <u>Two-year construction period:</u> | | | | | | | | |
| 2018 | 2018 | \$ 64,407 | -- | \$ 64,407 | \$ 25,000 | 1 | \$ 19,077 | \$ 108,484 |
| 2019 | 2019 | 66,339 | -- | 66,339 | 25,000 | 1 | 19,077 | 110,416 |
| <u>Ten-Year PILOT after completion:</u> | | | | | | | | |
| 2020 | 2020 | 68,329 | \$ 214,564 | 282,893 | 25,000 | 2/3 | 19,077 | 326,970 |
| 2021 | 2021 | 70,379 | 221,001 | 291,380 | 25,000 | 2 | 19,077 | 335,457 |
| 2022 | 2022 | 72,491 | 227,631 | 300,121 | 25,000 | 2 | 19,077 | 344,198 |
| 2023 | 2023 | 74,665 | 234,459 | 309,125 | 25,000 | 2 | 19,077 | 353,202 |
| 2024 | 2024 | 76,905 | 241,493 | 318,399 | 25,000 | 2 | 19,077 | 362,476 |
| 2025 | 2025 | 79,212 | 248,738 | 327,951 | 25,000 | 2 | 19,077 | 372,028 |
| 2026 | 2026 | 81,589 | 256,200 | 337,789 | 25,000 | 2 | 19,077 | 381,866 |
| 2027 | 2027 | 84,037 | 263,886 | 347,923 | 25,000 | 2 | 19,077 | 392,000 |
| 2028 | 2028 | 86,558 | 271,803 | 358,360 | 25,000 | 2 | 19,077 | 402,437 |
| 2029 | 2029* | 89,154 | 279,957 | 369,111 | 25,000 | 2 | 19,077 | 413,188 |

* The final payments shall actually be due on December 31, 2028, upon conclusion of the Lease Term.

Note 1: There will be no Base PILOT Rent on the Project, which consists only of leasehold improvements, until such leasehold improvements are placed in service. The owner of the land and existing "Carriage House" building will continue to pay local property taxes based on the actual assessed valuation of the land and current millage rates for the term of this Agreement. The \$64,407 annual tax payment on the land shown in the above table will likely change over time as land assessment and millage rates change, however the Base PILOT payment will not be adjusted.

Note 2: The Annual Base PILOT Rent shall be the fixed amounts shown in the fourth column of the foregoing table regardless of any changes in the taxes due on the land and existing building (carriage house), the intent being that the total receipts from taxes on due on the land and carriage house plus the Base PILOT will be at least equal to the amount shown under "Total of Taxes and PILOT." This amount, together with the Supplemental Rent for NHIF and the IDB fee is the projected full amount of taxes that would be due on the property upon completion, at current millage rates.

Note 3: The foregoing table assumes that the Project (leasehold improvements) will have received a certificate of occupancy and will have been placed in service on or before January 1, 2020 so that the first "full" tax bill on the Project would, but for the Lessor's ownership of the Project, be for 2020 Taxes due on December 31, 2019. If the Project is still under construction on January 1, 2020 and has not received a certificate of occupancy, then each of the ten years of post-construction Base PILOT Rents shall be delayed by one year (i.e. 2021 through 2030, with final payment due December 31, 2029).

Note 4: The IDB Annual Administrative Fee is the lesser of 1/20% of 1% of (i) the actual capital cost of the entire project (\$38,154,376 x 0.0005 = \$19,077) and (ii) the fair market value of the project as determined by the Orleans Parish Assessor (projected upon completion to be \$32,899,980 x 0.0005 = \$19,077).

Furthermore, in Section 4.04 of the Lease, the IDB and the Company will acknowledge that there is no commitment whatsoever to any PILOT or other financial subsidy for future phases or expansions of the Project. Any future applications will be considered *de novo* on their own

facts, including whether to provide any PILOT and, in the event of any PILOT, the structure of such PILOT.

SECTION 3. Negotiation, Execution and Delivery of Documents. The President, Vice President and/or Secretary-Treasurer, or any one of them acting independently, are hereby authorized and directed for, on behalf of, and in the name of the IDB to negotiate, execute and deliver any and all documents described herein, including, without limitation, the Lease Agreement, a conveyance to the IDB of the Project consisting of the property described therein and all improvements now or hereafter located thereon and additional instruments, documents, consents, acknowledgements and certificates in addition to the aforesaid Lease and conveyance that are deemed by such officers upon the advice of counsel to be necessary, convenient, appropriate or desirable. The signatures of the said officers upon documents specifically described herein together with any documents and certificates as may be otherwise required for necessary, convenient, appropriate or desirable related to matters described in this resolution, are deemed to be conclusive evidence of their due exercise of the authority vested in them hereunder.

SECTION 4. Authorization. The President, Vice President and/or Secretary-Treasurer shall all, or any one of them, upon the advice of counsel, shall be further authorized to negotiate, execute and deliver any future servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to the property described in the Lease Agreement, as may be required by or provided for in the Lease Agreement or in connection with any bonds, or as may be requested by the Company, or as may otherwise be required for or necessary, convenient or appropriate to the Project and the bonds described above.

SECTION 5. Special Counsel. It is recognized, found and determined that a real necessity exists for the employment of special counsel in connection with the issuance of the aforesaid bonds and/or the negotiation of the PILOT and preparation of the Lease Agreement, and accordingly Adams and Reese LLP, New Orleans, Louisiana, are hereby employed as special counsel to the IDB to do and to perform comprehensive, legal and coordinate professional work of a traditional legal nature with respect to the foregoing. The fee to be paid special counsel shall not exceed an amount based on the Attorney General's then current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of general obligation bonds applied to the maximum amount of bonds (i.e. \$38,150,000) authorized by the Lease Agreement, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the foregoing work. In the event that the financing of the Project does not proceed to completion, bond counsel shall be entitled to reimbursement of their out-of-pocket expenses incurred in connection with the Project, and legal fees at an hourly rate to be agreed upon between the Company and said bond counsel; any amounts to be paid pursuant to this sentence shall be paid on behalf of the IDB by the Company.

SECTION 6. Effective Date. This resolution shall take effect immediately.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

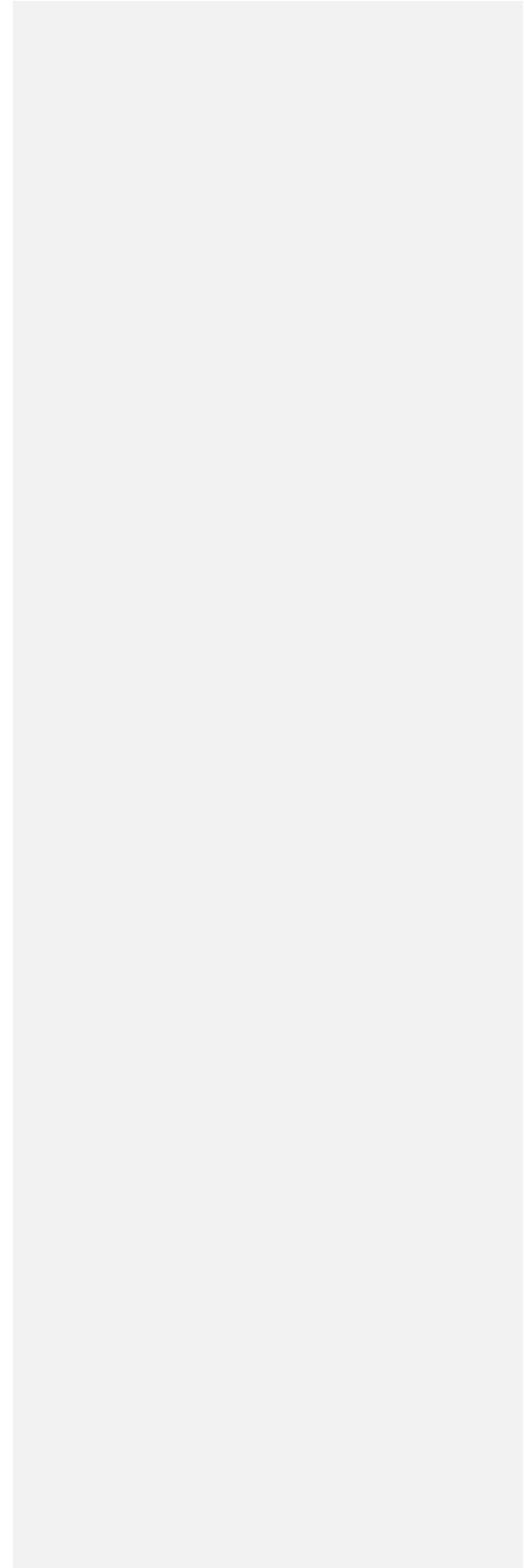
| <u>Member</u> | <u>Yea</u> | <u>Nay</u> | <u>Absent</u> | <u>Abstaining</u> |
|--------------------------|------------|------------|---------------|-------------------|
| Alan H. Philipson | _____ | _____ | _____ | _____ |
| Darrel J. Saizan, Jr. | _____ | _____ | _____ | _____ |
| Susan Good | _____ | _____ | _____ | _____ |
| Justin T. Augustine, III | _____ | _____ | _____ | _____ |
| Mindy Brickman | _____ | _____ | _____ | _____ |
| Troy A. Carter | _____ | _____ | _____ | _____ |
| Walter C. Flower, III | _____ | _____ | _____ | _____ |
| Eugene J. Green, Jr. | _____ | _____ | _____ | _____ |
| Edith G. Jones | _____ | _____ | _____ | _____ |
| Kyle J. Jones | _____ | _____ | _____ | _____ |
| Todd O. McDonald | _____ | _____ | _____ | _____ |
| Theodore C. Sanders, III | _____ | _____ | _____ | _____ |
| Jeffrey Schwartz | _____ | _____ | _____ | _____ |
| Eric B. Strachan | _____ | _____ | _____ | _____ |
| C. David Thompson | _____ | _____ | _____ | _____ |

And the resolution was declared adopted on this 13th day of June, 2017.

| | |
|--|---|
| _____ /s/ Susan Good Secretary-Treasurer | _____ /s/ Alan H. Philipson President |
|--|---|

**EXHIBIT A
to Authorizing Resolution**

FORM OF LEASE AGREEMENT AND AGREEMENT TO ISSUE BONDS



STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Secretary-Treasurer of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., (the "IDB"), do hereby certify that the foregoing _____ (___) pages constitute a true and correct copy of the proceedings taken by the Board of Directors of the IDB on June 13, 2017, approving the form of and authorizing the execution of a "Lease Agreement and Agreement to Issue Bonds" and any and all additional documents and certificates deemed necessary in connection with the granting of a favorable payment in lieu of tax arrangement and the potential issuance of not exceeding \$38,150,000 of Taxable Revenue Bonds (Woodward Audubon LLC Project) of the Industrial Development Board of the City of New Orleans, Louisiana, Inc.; and providing for other matters with respect to the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the IDB on this the 13rd day of June, 2017.

(SEAL) _____

MITCHELL J. LANDRIEU, MAYOR
CITY OF NEW ORLEANS

June 13, 2017

Mr. Alan Philipson
Chairman
Industrial Development Board
1340 Poydras Street, Suite 1114
New Orleans, Louisiana 70112

Dear Mr. Chairman:

Thanks to our partnership with you, The New Orleans Business Alliance, GNO, Inc., the Downtown Development District (DDD), and others, we are experiencing unprecedented growth in both commercial and residential property in downtown New Orleans. The DDD reports that \$6 billion has been invested in downtown New Orleans since 2005. In 2014, construction permits in the area increased by 38%, resulting in \$340 million in new construction. As you know, we've recently celebrate the openings of the \$2 billion University Medical and Veterans Affairs hospitals and the announcement of a \$100 million proton therapy center located in our state-of-the-art BioInnovation District that will usher in long-term health and economic benefits to our city.

Additionally, with the help of the Industrial Development Board's PILOT program and other incentive programs such as historic tax credits and the Restoration Tax Abatement program (RTA) we have seen an influx of market rate residential housing where we once saw blighted buildings and empty parking lots.

As with most ascending cities, we recognize that it is time to take stock of both our economic successes and our opportunities for improvement. The City is working with HR&A over the next 5 months to evaluate our past and current practices for awarding incentives and to learn how we can align our current resources and tools for incentivizing public investment to achieve our economic, equity, housing and resilience goals citywide.

The Industrial Development Board has played a significant role in the growth of our city. We look forward to working with you during the HR&A study and implementing HR&A's forthcoming recommendations. Until we have adopted our new policy, it is the administration's position that we will not support supplemental PILOTs for residential projects citywide that do not include permanent affordable housing (usually defined as minimally 50 years) or residential projects that do not include units that accommodate rents for lower income residents (less than 80% AMI) or workforce level rents typically 80%-120% AMI. RTA's will continue to be available for projects that qualify.

I look forward to working with you to ensure New Orleans becomes the City we always knew she could be.

Sincerely,



Mitchell J. Landrieu
Mayor, City of New Orleans

cc: IDB Board Members

1300 PERDIDO STREET | SUITE 2E04 | NEW ORLEANS, LOUISIANA | 70112
PHONE 504-658-4900/FAX 504-558-4938



NOTICE OF CANCELLATION
OF THE
BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE
CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, JULY 11, 2017 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. YOU WILL BE NOTIFIED IN ADVANCE OF THE NEXT IDB BOARD MEETING WHEN SCHEDULED.

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

July 6, 2017

NOTICE OF CANCELLATION
OF THE
BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE
CITY OF NEW ORLEANS, LA., INC.

THE TUESDAY, AUGUST 8, 2017 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. YOU WILL BE NOTIFIED IN ADVANCE OF THE NEXT IDB BOARD MEETING WHEN SCHEDULED.

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

August 3, 2017

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
SEPTEMBER 12, 2017 AT 9:00 AM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

| | | |
|-----------------------|---------------------|-----------------------|
| Justin Augustine, III | Mindy Brickman | Walter C. Flower, III |
| Susan P. Good | Eugene J. Green, Jr | Edith G. Jones |
| Lesli D. Harris | Todd O. McDonald | Alan H. Philipson |
| Darrel J. Saizan, Jr. | Jeffrey Schwartz | Theodore Sanders, III |
| Eric Strachan | David Thompson | |

Absent:

Troy A. Carter

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel

Guests:

Marc Robert, II, Robert's Fresh Market
Marc Robert, III, Robert's Fresh Market
Rick Fernandez, Robert's Fresh Market
Kev Abney, CRI
Tonya Pope, Jazzland
Greg LaRose, Times-Picayune
Ernest Gethers, City of New Orleans
Brenda Canada, NOLABA
Steven Kennedy, REO, LLC
Rebecca Conwell, Mayor's Office
Jessica Williams, The Advocate
Andrew Valenti, City Business
Courtney Thomas, Mayor's Office
Tamara Agins, Mayor's Office
Daryl Anderson, Office of Councilmember James Gray
James A. Gray, Councilmember
Richard Briscoe, Gulf South
Newton Blanchard, IUEC Local 16

Mike Sherman, Sherman Strategies
Frank Scurlock, Transformation Village
Morris Kahn, Kahn Tax Advisors
Peter Connick, Butler Snow
Hope Sherman, Edwards NOLA LGD
Avery Forest, Sherman Strategies
LaSwanda Jones, Downtown Development District
Courtney Stuckwisch, City of New Orleans
Darlene Robert, Robert's Fresh Market
Zach Monroe, Sabiston Consultants

President, Alan H. Philipson, called the meeting to order at 9:09 A. M. A roll call was conducted and a quorum confirmed. An introduction of guests was held.

APPROVAL OF JUNE 13, 2017 MINUTES

By motion of Mr. Darrel Saizan, with a second by Mr. Justin Augustine, there was a unanimous vote of approval for the June 13, 2017 minutes by the Board.

The President requested to re-order the agenda items. With no objections, discussion began with Item 8, Six Flags.

SIX FLAGS

The President introduced Councilman James Gray. Councilman Gray stated that he has, as a councilman and as a resident of New Orleans East, shared the frustration of many wanting to get something done at Six Flags. He has had the opportunity to meet with both concerned citizens, as well as those who have shared their hopes of redeveloping the site. Although, as he stated, everyone was guaranteed that a choice would be made by July, then August, and now September, he has been advised by the Mayor that additional time is needed by the City. He added that everyone is working very hard to ensure the best decision will be made. The time frame is not an additional six months, but rather just "a little more time". The City is very close, but as of today, there is no definitive decision and again asked for patience. He then asked if there were any questions. Being none, the President thanked Councilman Gray for his input and comments.

Ms. Rebecca Conwell spoke and reminded all about the CEA (Cooperative Endeavor Agreement), advising that those involved with the decision making are leveraging the best possible direction. Projects this large take a lot of time with constant communication with experts. With East New Orleans comprising 60% of our City's landmass, there is great potential for growth. She continued that there is no recommendation as of this date however, she stated emphatically that we are working fiercely to reach that best decision. Until then, she asked for further patience and confidence.

The President thanked Ms. Conwell for the update. Mr. Augustine then stated that this project is important to the City. The one thing that should be done is to get it right with no missteps. Making the right decision means everything. He also advised that he, as well as other members of the IDB,

are residents of East New Orleans and want the best. He urged patience and other members of the Board concurred.

MARKETFARE ST. CLAUDE

Mr. Marc Robert II was recognized and passed out an executive summary concerning this two-phase construction project. The summary covered the project's location and the plans for developing the supermarket and the other commercial facilities that are to be included. He then introduced Mr. Marc Robert III who explained why they are seeking a PILOT. He advised that this is an integrated project with the supermarket and out-parceling for other tenants. Identification of all tenants have yet to be completed. There are letters of intent – one being with an animal hospital and the other a 24-hour fitness center. The supermarket will be full-service with perishable goods, prepared foods, fresh meats, etc. The project will service basic needs and will accept SNAP (food stamp) benefits. It will employ 80 new full/part time employees. The Developers are working with their contractor, Duhe, and Sonya Oliver of the City's Office of Supplier Diversity, to achieve DBE goals and to ensure DBE compliance.

Over the next ten (10) years, they anticipate \$140M in sales which would generate \$7M in city sales tax. Their hope is that the other retail tenants (5-7) will produce an additional \$2.5M in sales taxes during that same time period.

Given the historic nature of the site, they have already incurred additional costs in connection with structural and infrastructural requirements. A three-page packet was distributed detailing such. As a result, they have had to scale back the community area to make the project work. Their proposal is that without a PILOT, the project will not work and much of the profitability will be lost. The developers maintain that the proposed tenants are concerned about the profitability margin and are seeking to engage in a five-year lease to see if their respective projects will survive.

He then advised that they have also applied for historic tax credit and have joined in with Hope Federal Credit Union. From this endeavor, they are the recipient of \$1M as a fresh fruit innovator of which a half million is forgivable and the other half million is at low interest.

Mr. Saizan asked as to why the site was designated as "historic". Mr. Robert II advised that it has nothing to do with architecture but is based on the first Schwegmann store having been located at that site. It was the first full service supermarket in the city. This is reason for it being placed on the national register, having historic value.

Mr. Philipson advised that the PILOT which is being requested will be discussed during negotiations by and among the IDB Committee, the City and the Developer, once the Cost Benefit and the But-For analysis have been completed and reviewed.

Mr. Augustine interjected that this project ties in with the transit-oriented plans of the RTA for St. Claude Avenue. The nature of this project helps to grow transportation services of that area, where the street car is critical.

Mrs. Susan Good interjected that she recalls an application for a Robert's project at this same location. She questioned whether this a revival of that application. Mr. Robert, III confirmed that after Hurricane Katrina, there was an application to the IDB for GO Zone bonds and other tax credits for development of the site. However, a lawsuit was filed against the landlord and the insurer which did not clear up until much later.

The President then asked for a motion to grant preliminary approval to the Marketfare St. Claude project. Same was offered by Mr. C. David Thompson and seconded by Mr. Saizan. The Board voted unanimously to grant same.

EDWARDS NOLA LGD

Mr. Mike Sherman was recognized and began by thanking the IDB for its approval of the PILOT on Edwards NOLA Mid-City, stating that without the PILOT, the construction of 382 apartments would not have been possible. All contracts are in place to-date of which \$6.7M are in DBE contracts, representing 47% participation and, that local hiring is off to a good start.

Edwards now seeks to develop a 4-story, 210-unit apartment complex facing Annunciation Street. Zoning has been approved, and the project has the support of Councilmember LaToya Cantrell. The developer is not seeking a subsidy PILOT but rather a "stabilization" PILOT in order to secure financing. This project will not be a multi-family project. It will be located at a former Robert's supermarket site. The project is set to change the area from a lower density to a higher density including a unique design with parking. These units will not be luxury apartments. They are designed to accommodate workforce salaries. There will be ten (10) rent-restricted units in conjunction with the affordable units. There are no garages but there will be parking with internal green space, and a pool. They will be designed to look like a series of homes. The developer now seeks preliminary approval.

The President opened for questions and comments by the Board. There were none. The floor was then opened for comment/questions by the public. Being none, a motion was then offered by Mr. Saizan, with a second by Ms. Mindy Brickman. By unanimous vote the Board voted to grant preliminary approval to the Edwards NOLA LGD project.

Financials

Mrs. Good informed the Board that to-date, there was nothing unusual to report. She did state that new computers are needed. With regards to Six Flags, she advised there were sufficient funds to cover monthly costs based on a report conducted by Ms. Martin. A recap, however, was requested because of a discrepancy of the balance in the Six Flags account. Ms. Martin will resolve this issue and will report a final figure once the discrepancy is found. There were no questions.

IDB City of Retirement Participation

Ms. Martin informed the Board that Mr. Philipson addressed a letter to Mr. Jesse Evans, the President/Chair of the New Orleans employee retirement system, seeking her participation in the retirement program. Each Councilmember was copied on this correspondence. She added that she has been with the IDB for eleven years, the last nine years as a full-time employee with no retirement plan. She asked each member to please speak with their respective councilmember seeking their support of this request. Mr. Eugene Green inquired as to whether a simple ordinance

could accomplish the participation. Mrs. Good advised that the City allowed participation of Ms. Martin in the healthcare program and felt the same should be afforded her in the retirement system.

There being no other business for discussion, the President requested a motion to adjourn. By motion of Mr. Green, with a second by Mr. Saizan, the meeting adjourned.

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, OCTOBER 10, 2017 MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF NEW ORLEANS, LOUISIANA, INC. HAS BEEN CANCELLED. YOU WILL BE NOTIFIED IN ADVANCE OF THE NEXT IDB BOARD MEETING WHEN SCHEDULED.

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

October 4, 2017

**MINUTES OF THE BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
CITY OF NEW ORLEANS, LA, INC.
NOVEMBER 14, 2017 AT 12:30 PM
21ST FLOOR CONFERENCE ROOM
1340 POYDRAS, ORLEANS TOWER**

Present:

| | | |
|-----------------------|-----------------------|---------------------|
| Mindy Brickman | Walter C. Flower, III | Eugene J. Green, Jr |
| Edith G. Jones | Lesli D. Harris | Alan H. Philipson |
| Darrel J. Saizan, Jr. | Theodore Sanders, III | Eric Strachan |
| David Thompson | | |

Absent:

| | | |
|-----------------------|------------------|---------------|
| Justin Augustine, III | Troy A. Carter | Susan P. Good |
| Todd O. McDonald | Jeffrey Schwartz | |

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
James Moffett, Adams & Reese, Bond Counsel
Lisa Maurer, Adams & Reese, Bond Council

Guests:

Andrew Valenti, City Business
Annie Cambria, Recovery School District
Shana Waters, LiUna
Frank Curiel, LiUna Local
Bill Tomasak, Landis Construction
James Carroll, TLC Engineering
Liam McCarthy, Landis Construction
Lisa Ross, Orleans Parish Assessor's Office
Josh Collen, HRI Properties
Chris Clement, HIR Properties
Greg LaRose, Times-Picayune
Mario Washington, HANO
Dottie Reese, HRI/DMM
Margaret Montgomery-Richard, HRI/DMM
Brandon Deshotel, Landis Construction
Stanley McDaniel, McDaniel Group
Lauren Marshall, Woodward Design
Tamara Agin, City of New Orleans
David Miller, RPG

Elizabeth Smyth, RPG
Craig Belden, City of New Orleans
Ernest Gethers, City of New Orleans
Sidney Barthelemy, HRI
Scott Cull, Dreamlanding
Rebecca Conwell, Office of the Mayor
Zach Monroe, Sabistan Consultant
Maurice Baird, Office of Council for District E
Christian Generes, Landis Construction
Steven Kennedy, REO, LLC

President, Alan H. Philipson, called the meeting to order at 12:39 P. M. A roll call was conducted and a quorum confirmed. An introduction of guests was held.

APPROVAL OF SEPTEMBER 12, 2017 MINUTES

By motion of Mr. Darrel Saizan, with a second by Mr. Walter Flower, III, the Board voted unanimously for approval of the September 12, 2017 minutes.

AMENDMENT TO AGENDA

The President advised of a necessity to amend the meeting's Agenda. Explanation was deferred to counsel, David Wolf who advised 1) that he sent an email to each Board member yesterday, (Nov. 13, a copy of which is attached); 2) that email provided a preliminary explanation of a press conference that was held by the City wherein it was announced that DXC Technologies would be moving its corporate operations to New Orleans. However, because the public announcement was made so late in the day, details of the IDB's participation could not be included in today's agenda.

Thereupon a motion was made by Walter C. Flower III and seconded by Darrel J. Saizan, Jr. to amend the meeting agenda to add the following item between Agenda Item No. 4 and Agenda Item No. 5:

"Recognition of representatives of the Mayor's Office, GNO Inc. and NOLABA to present an incentive package proposal for DXC Technology Services LLC, and consideration of a resolution giving preliminary approval to the proposed incentive package and providing for the employment of Adams and Reese LLP as special counsel to the IDB in connection with the negotiation, drafting and closing of any required incentive documents, subject to subsequent final approval of the IDB."

After affording the public the opportunity to comment on the motion, the foregoing motion was submitted to a vote, and the vote on the said motion was as follows:

YEA: Alan H. Philipson, Darrel J. Saizan, Jr., Mindy Brickman, Walter C. Flower III, Eugene J. Green, Jr., Lesli D. Harris, Edith G. Jones, Eric B. Strachan, Theodore C. Sanders, III and C. David Thompson

NAY: None

ABSENT: Justin T. Augustine, III, Troy A. Carter, Sr., Todd O. McDonald, Jeffrey Schwartz and Susan P. Good

ABSTAINING: None

After the agenda amendment had been approved, the President advised the Board that this corporate move involves the partnership of the City, the State and the IDB. The City is asking for an incentive participation from the IDB in the total amount of \$1.5 million over a ten-year period at yearly payments of \$150,000. He then deferred further explanation to Ms. Rebecca Conwell, the Mayor's Senior Economic Advisor.

Ms. Conwell stated that DXC Technologies, a digital information technology center, accepted the City and State's proposal and plans to create 200 jobs during the first year of operation and up to 2,000 jobs in the first five years. The City, in spite of the national competition, won the confidence of DXC to move its company to New Orleans. Additionally, DXC proposed to place a higher education component to its program, designing a special curriculum at public universities that is DXC-oriented. The partnership incentive package includes the State contribution of a \$25M grant to be distributed to participating public universities, the City contribution of a \$5M package over a 10-year period, and the IDB contribution at a total of \$1.5 million with a \$150,000 per year payment for a 10-year period. She added that the team which accomplished this task worked seamlessly and tirelessly. She then thanked the Board and Mr. Philipson, as President, for its help in creating the incentive to accomplish this move.

Mr. Quentin Messer, Executive Director of the New Orleans Business Alliance, thanked the IDB for its public service, advising that in a post-Katrina environment, the move of this digital technology information center, a Fortune 250 validated company, is a boon to the City of New Orleans. He, too, thanked the IDB for its willingness to participate in the incentive package and added that the move of DXC Technology is a wonderful opportunity for the City.

Mr. Philipson then advised that Mr. Wolf had prepared a resolution that covers the IDB's participating contribution as a board and, for the use of Adams and Reese in this matter as its counsel.

Mr. Wolf stated that a copy of the Resolution was included in each member's packet. (A copy of which is attached and made a part of the minutes). He summarized the previous presentations by reminding the Board that the City was proposing that the IDB contribute \$1.5 million over a ten-year period from the IDB's resources, or \$150,000 per year for ten years. He suggested strongly that the IDB piggy-back with the City, as well as the State, on clawbacks rather than negotiate a separate set of clawbacks. He further suggested that the IDB adopt, in principle, the \$1.5M

contribution subject to review of a draft of the cooperative endeavor agreement, adding, there may or may not be a PILOT involved.

Mr. Wolf presented a draft resolution approving, in principle, the IDB contribution to the DXC Incentive Package and employing Adams and Reese to represent the IDB in the negotiation of the final agreement.

Board discussion ensued. Mr. C. David Thompson requested clarification of where the IDB's yearly payment of \$150,000 would come from. Mr. Wolf informed that the payment would come from the collection of the IDB's annual fees. Mr. Flower commented that the IDB's participation in a project such as this is the best use of its funds. He added that it is with hope that this move would serve as the impetus in rekindling the IDB's training program. Mr. Philipson interjected that efforts are underway to discuss the IDB's reimplementation of its training program through Delgado. Mr. Thompson further inquired as to when the IDB would be privy to the State and City's incentive package. Ms. Conwell advised that the City will mirror and tie in the jobs' target and that if targets are not met at any given point, consideration will be given to the incentive offered. Mr. Wolf then reiterated his suggestion that the IDB piggy back on clawbacks of the City and State in a cooperative endeavor agreement, the structure of which has not yet been defined. Today, the Board is being asked to vote on the incentive agreement to participate at \$150,000 a year for ten years and for the hiring of Adams & Reese as counsel in the matter.

A motion was offered by Mr. Saizan and seconded by Mr Flower that (i) the DXC Incentive Package as outlined by the City on this date and further summarized in the minutes of this meeting is given preliminary approval, subject, however, to finalization of the exact terms of the incentive package as well as all necessary documentation, which final terms and documentation shall be presented to the IDB upon completion for final review and approval, and (ii) Adams and Reese LLP, New Orleans, Louisiana, shall be employed as special counsel to the IDB to do and to perform comprehensive, legal and coordinate professional work of a traditional legal nature with respect to the DXC Incentive Package as described above. The Board voted unanimously to accept the aforesaid resolutions.

Mr. Philipson thanked the Board for the unanimous vote and for their confidence and added that this is an exciting time and moment and an opportunity to let the country know what New Orleans and the IDB are doing. This and projects such as Sinter Metals (a metals company) who moved of its headquarters to Michoud are game changers. Mr. Eugene Green stated he attended the DXC press conference and thanked Mr. Philipson for his time and leadership in making things happen.

IBERVILLE ON SITE

Developer representative, Josh Collen, was recognized, who informed the Board that the final phase of the Iberville On-Site, namely, Phase VII, was ready for closing. In addition, he provided an update on the current status of the total project, advising: 1) The first three phases have been completed with 332 units currently occupied; 2) Phase IV, a total of 160 units, have been completed and is 30% occupied with prospects; 3) Phases V & VI are ahead of schedule with 75% of the project completed for 138 mixed income units. 4) Phase VII, for which 56 units will be constructed, is ready for closing and is located near the Lafitte Greenway; 5) The Housing Authority and Salazar have received tax credits from Canal Street to approximately Winn Dixie

and is part of the neighborhood transformation park space. The closing date is currently scheduled for December 15, 2017.

He continued, advising that DBE and WBE objectives include Section 3, (low income hiring and business use), is on target. Overall, Phase V & VI have \$45.3M of DBE and WBE participation. The major focus now is the partnership with Landis Construction during Phase VII. Section 3, during this phase, includes the IDB's requirement of 40% new hire. Business use commitment is, at this time, \$17M equivalent to 11% and is on-site work. Job training, in accordance with the CEA with the City, has 181 slots for standard construction work, customer service (non-contract) and Homewood Suites tie-ins.

Upon completion of this overview, Mr. Philipson thanked HRI and Josh for working with the City. Prior to his request for a motion, he deferred to Mr. Wolf to provide an explanation of what was being requested today. Mr. Wolf informed the Board that Phase VII of the Iberville On-Site development was the final phase for which the Developer now seeks approval. The original four phases, as applied for, were subsequently sliced into seven phases. All terms and clawbacks remain the same in the aggregate as in the previous phases which received PILOT approval.

Mr. Philipson inquired as to whether the Section 3 average wage offered health and welfare benefits. Mr. Collen responded that non-construction jobs (lodging and property management) and those jobs in partnership with local trades have full benefits if average work is 30 hours or more per week pursuant to the City Council agreement. Construction training does not include these benefits and the training is through MEP Pontchartrain Northside where certification is achieved. Currently 140 plus have been trained.

By motion of Mr. Saizan, with a second by Mr. Flower, the Board voted unanimously to approve the PILOT.

BASTION

Mr. Wolf then introduced Mr. James Moffett and Ms. Lisa Maurer, attorneys with Adams and Reese. Each, he advised, would present the following resolutions.

Ms. Maurer presented the overview of a resolution seeking approval of amendments to the terms of the PILOT in Phase 2 which was previously approved by the Board. (A copy of the Resolution is attached and included as part of the minutes). After Ms. Maurer's overview of the Resolution, Mr. David Miller and Ms. Amber Seely-Marks of Renaissance were recognized. The Board was advised they concurred in the representation made by Mr. Wolf and as reflected in the Resolution, they are now seeking a lower PILOT for Phase II as a result of the change in the number of affordable units that would be constructed. The new unit mix would be 40% market rate and increased to 60% affordable. Phase I has been completed and is fully occupied as "affordable". The 50% set aside for Vets has now been increased to 75% for Phase I and includes 1, 2 and 3 bedroom units. Currently 23 children are living on the site and as originally designed, there are wellness activities including yoga and more being offered.

Mr. Thompson requested clarity, stating that as he understands it, Phase I is 100% affordable; and Phase II, which is projected for a December closing, therefore creating a combined total of 86%

affordable. The PILOT being requested is a “certainty” PILOT, and the request for reduction of the PILOT is due to the increase in affordable units.

Mr. Saizan commented that he has had a number of complaints concerning landscaping at the site, adding the the presentation on Mirabeau, as he understands it from those complaining, should be reconsidered, as it doesn’t seem to fit in with the architecture. Mr. Miller, advised that The Bastion’s budget for landscaping alone is \$150,000 and the job has been done excellently. Mr. Saizan added that the complaints were not about the project but rather the appearance of the project from the vantage point of Mirabeau Avenue as the design.

The President then requested a motion for approval for the reduction of PILOT as presented by counsel. By motion of Mr. Thompson, with a second by Mrs. Mindy Brickman, the Board voted unanimously to approve the PILOT change requested.

RECOVERY SCHOOL DISTRICT, JOHN MCDONOGH/BRICOLAGE

Mr. Philipson advised that due to a conflict, he would recuse himself from the discussion and vote of this matter. He serves as Chair of the Bricolage Board. He then asked Mr. Saizan, as Vice President, to assume direction of this matter.

Mr. Saizan accepted and deferred to Mr. Moffett who provided the overview of the resolution in this regard, which included the location, value and cost of construction and incentives. He advised this matter was structured similar to previously approved Sophie B. Wright and Drew Elementary. The project involves a private developer and he reminded the Board that this matter seeks to preserve the tax exemption on the property as a PILOT. RSD will pay closing costs but there will be no IDB annual fee as was approved in the previously named projects. Further, the cost/benefit and “but for” analyses are to be waived, and because of Federal leveraging of contracts, the RSD could not commit contractually to the usual targets of 35% DBE and 40% local hire. However they would continue to use “best efforts” towards those goals. He then deferred the matter to Ms. Annie Cambria of the Recovery School District. She stated that Mr. Moffett’s overview was on point and added that to-date the project currently has 35% DBE participation. Mr. Saizan inquired as to whether or not the DBEs were New Orleans based businesses. Ms. Cambria stated she could not provide any accuracy on the locations of the businesses.

Mr. Wolf then interjected that there are two motions being presented today and added that RSD projects were previously approved by the Mayor and that after recent discussions with Ms. Rebecca Dietz, City Attorney, the Mayor’s office still stands behind its previous approvals for these RSD projects, as well as the waiver of the Cost-Benefit and But-For reports that would normally be required.

Mr. Saizan requested a motion for approval of the resolution. By motion of Mr. Thompson, and a second by Mr. Flower, the Board voted ten (10) Yeas, and 1 (one) recusal/abstention (Mr. Philipson) to approve the PILOT structure of the RSD/John McDonogh/Bricolage project.

RECOVERY SCHOOL DISTRICT, HARRIET TUBMAN

Mr. Moffett provided the overview on this matter, stating that is is identical in structure to the John McDonogh project. He provided the total cost, location of the project (Algiers), and incentives pursued. This project also involves a private developer. The PILOT would have the same structure as that of Drew, Sophie B. Wright and John McDonogh.

By motion of Mr. Theodore Sanders and a second by Mr. Eric Strachan, the Board voted unanimously for the approval of the PILOT and its structure for RSD/Harriett Tubman project.

SIX FLAGS

The President deferred updating of this matter to Ms. Conwell, who advised that there is an opportunity to move this property into commerce if the Board continues to be patient while the Mayor's office pursues development opportunities. Meanwhile, optimal use is being given as some film companies are leasing the site for small projects. The City remains committed to marketing and developing the property and believes there is still something greater than the selling of the property.

Mrs. Edith Jones interjected that as a N. O. East resident and member of the Board she listens to neighbors concerns and complaints about the fate of Jazzland. She requested information which shows how developers are being pursued and a message showing that the marketing is in constant motion. Ms. Conwell stated that just as the City pursued DXC and made headway, the City is constantly working to market the development of the former Six Flags site. There are many moving parts in doing so and the City continues to attend conferences pushing the site and getting input from sources.

Mr. Green reminded all that the Board has a longer period to deal with the property, longer than the Cooperative Endeavor Agreement unless it decides to sell or give it away. He extended the hope that the City would consider using other entities like homeowner associations in New Orleans east in facilitating with the distribution of updates to neighborhoods. It is very difficult for one entity to provide updates all the time and getting the neighborhood associations involved could help lessen the load of distributing updates.

REPORTS

Financials

The President asked that due to Mrs. Good's absence that discussion of the Six Flags and the IDB budgets be held at the December board meeting.

IDB City of Retirement Participation

Ms. Martin informed that to date, the IDB has not received a response to Mr. Philipson's letter seeking the opportunity to participate in the City's retirement program.

The President then requested a motion to convene an Executive Session. A motion was offered by Mr. Saizan and seconded by Mrs. Jones.

EXECUTIVE SESSION

The IDB went in to Executive Session to discuss "Lackings v. Schindler Elevator Corp., Corporate Realty, Inc., NOIDB, et. al" which relates to the Zelia/Benson Tower PILOT Transaction (No. 2017-03105 Orleans Parish CDC).

Executive Session ended at 1:47PM and regular board meeting resumed.

After coming out of executive session, it was explained that due to a potential conflict of interest Adams and Reese might have in connection with this litigation, the Executive Committee should be authorized to select and hire outside counsel to protect the IDB's rights in the event that Zelia did not fully comply with their indemnification obligations under the PILOT Lease. It was then moved by Mr. Flower, with a second by Mrs. Brickman, that the Executive Committee be granted the authority to engage counsel if it becomes necessary in this litigation. There was no further discussion. Due a conflict of interest, Ms. Harris recused herself from the vote. A roll call was taken, and the Board voted unanimously to give the Executive Committee authority to engage counsel if necessary.

At this time, Mr. Wolf explained that he wished to disclose to the Board that he had signed a purchase agreement for a condominium at The Standard, one of the Domain Properties projects that is currently under construction in the South Market District. It was also noted that this project is not one subject to an IDB PILOT. Mr. Philipson acknowledged that he had discussed this with Mr. Wolf prior to the purchase and that he did not then and does not now believe that it presents any conflict of interest. None of the Board members expressed any concerns about there being a conflict of interest. Mr. Philipson thanked Mr. Wolf for the disclosure.

There being no other business for discussion, the President requested a motion to adjourn. A motion and a second was offered and the meeting adjourned at 1:50PM

Susan P. Good, Secretary-Treasurer

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF NEW ORLEANS, LOUISIANA, INC.
November 14, 2017**

The following resolution was offered by Darrel J. Saizan, Jr. and seconded by Theodore C. Sanders, III:

WHEREAS, on May 9, 2017, the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "IDB"), adopted a resolution in which the IDB recognized, found and determined that the IDB enjoys a real benefit from the availability of a counsel to advise the IDB on general matters and to be available to provide advice to the IDB and its economic development partners on prospective bonds, PILOTs or other incentives, and in such resolution ratified and confirmed the continued employment of Adams and Reese LLP as special counsel to the IDB in connection with general administrative matters; and

WHEREAS, the IDB has been requested by the City of New Orleans, Louisiana (the "City") to participate in an incentive package directed to DXC Technology Services, LLC, or a related entity, with regard to certain economic development incentives to be provided by the State of Louisiana (the "State"), the City and the IDB relating to a proposed information technology center in the City (the "DXC Incentive Package"), and the IDB wishes to confirm that the employment of Adams and Reese LLP as special counsel shall include representation of the IDB as special counsel in connection with the negotiation, drafting and closing of such cooperative endeavor agreements, payment-in-lieu-of-tax arrangements or other economic development incentives as may be requested by the City and the State and subsequently approved by this Board of Directors;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the IDB that (i) the DXC Incentive Package as outlined by the City on this date and further summarized in the minutes of this meeting is given preliminary approval, subject however to finalization of the exact terms of the incentive package as well as all necessary documentation, which final terms and documentation shall be presented to the IDB upon completion for final review and approval, and (ii) Adams and Reese LLP, New Orleans, Louisiana, shall be employed as special counsel to the IDB to do and to perform comprehensive, legal and coordinate professional work of a traditional legal nature with respect to the DXC Incentive Package as described above. The fees to be paid special counsel for such work in relation to the DXC Incentive Package shall not exceed the hourly rates approved from time to time by the Louisiana Attorney General for special counsels for local governmental units, plus reimbursement of their out-of-pocket expenses incurred in connection with the foregoing work.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

YEA: Alan H. Philipson, Darrel J. Saizan, Jr., Mindy Brickman, Walter C. Flower III, Eugene J. Green, Jr., Lesli D. Harris, Edith G. Jones, Eric B. Strachan, Theodore C. Sanders, III and C. David Thompson

NAY: None

ABSENT: Justin T. Augustine, III, Troy A. Carter, Sr., Todd O. McDonald, Jeffrey Schwartz and Susan P. Good

ABSTAINING: None

And the resolution was declared adopted on this 14th day of November, 2017.

President

**INDUSTRIAL DEVELOPMENT BOARD OF THE
CITY OF NEW ORLEANS, LOUISIANA, INC.
November 14, 2017**

The following resolution was offered by C. David Thompson and seconded by Mindy

Brickman:

RESOLUTION

A resolution approving amendments to the terms of the Phase 2 PILOT previously approved by the Industrial Development Board of the City of New Orleans, Louisiana, Inc. for the Bastion New Orleans Partners project; and providing for other matters with respect to the foregoing.

WHEREAS, Bastion New Orleans Partners I LLC, has previously undertaken the development of a project consisting of the development of an approximately 78-unit intergenerational rental community with a mission to sustain a thriving recovery for injured veterans and surviving families that is currently being developed on an approximately 5.5 acre site at 1917 Mirabeau Ave., in the Gentilly section of New Orleans (the "Project"), in multiple phases, the first part of which, Phase 1, has been completed and is fully leased; and

WHEREAS, in connection with the Project, the Industrial Development Board of the City of New Orleans, Louisiana, Inc. (the "IDB"), previously approved certain payments in lieu of taxes and annual fees for the Project, such payments and fees having been approved in two phases denoted as "Phase 1" and "Phase 2" in a resolution of the IDB adopted on March 8, 2016, with Phase 1 originally consisting of 38 "affordable" units and Phase 2 originally consisting of an additional 40 units of which 60% were to have been market rate and 40% "affordable," for a total of 78 units, 31% of which would have been market rate and 69% of which would have been "affordable"; and

WHEREAS, the IDB has been informed that remaining 40 units of the Project will now be developed as separate phases, herein referred to as Phase 2 and Phase 3, with Phase 2 to be developed by Bastion New Orleans Partners II (the "Developer") and to include only 20 units, of which 40% will be market rate and 60% "affordable," (so that the initial 58 units in Phase 1 and Phase 2 will consist of 14% market rate and 86% "affordable"), and because Phase 2 will now be approximately half the number of units originally planned (with the remaining half still expected to be constructed as Phase 3), the expected amount of *ad valorem* taxes that would otherwise be due on the revised Phase 2 will be less than what was originally approved as the annual PILOT payment for Phase 2 by such resolution of March 8, 2016; and

WHEREAS, it is now the desire of this Board of Directors to reauthorize the President and/or Vice President and Secretary-Treasurer of the IDB to execute a "Lease Agreement and Agreement to Issue Bonds" (the "Lease Agreement") with respect to Phase 2, reflecting the reduced number of units as described above, and with a reduced annual PILOT Payment as provided for herein, as compared to the original Phase 2 of the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., acting as the governing authority of the IDB, that:

SECTION 1. Approval of Lease Agreement. With respect to Phase 2 of the Project, the IDB hereby approves the use of (i) the form of Lease Agreement attached to the aforesaid resolution of March 8, 2016, (ii) the execution and delivery of such Lease Agreement in substantially the form approved on March 8, 2016, with such changes as are approved by bond counsel to IDB as may be necessary to conform to the details of Phase 2 of the Project, (iii) the acquisition of the Phase 2 property as described therein, and (iv) such other matters necessary, convenient, appropriate and desirable in connection with the matters approved hereby.

SECTION 2. Approval of Revised PILOT for Phase 2. The IDB further approves the amendment of the PILOT and IDB Annual Fee payments with respect to Phase 2 (which amends the PILOT and IDB Fee Annual payments set forth in Section 2 of the resolution adopted on March 8, 2016), as shown in the following table, subject to the further terms and conditions contained in Section 4.03 of the Lease Agreement, particularly the targeted employment goals and clawbacks contained in Section 4.03(c) of the Lease Agreement:

| Tax Year | Phase I* | | Phase II | | Total PILOT | Total Annual Fee | Total Annual Fee + PILOT |
|----------|----------|------------|-----------|------------|-------------|------------------|--------------------------|
| | PILOT | Annual Fee | PILOT | Annual Fee | | | |
| 2017 | \$ 6,727 | - | | | \$ 6,727 | - | \$ 6,727 |
| 2018 | 10,774 | \$ 1,780 | | \$ 1,429 | 10,774 | \$ 3,209 | 13,983 |
| 2019 | 17,045 | 1,780 | | 1,429 | 17,045 | 3,209 | 20,254 |
| 2020 | 17,648 | 1,780 | \$ 12,371 | 1,429 | 30,019 | 3,209 | 33,228 |
| 2021 | 18,234 | 1,780 | 12,371 | 1,429 | 30,605 | 3,209 | 33,814 |
| 2022 | 18,838 | 1,780 | 12,371 | 1,429 | 31,209 | 3,209 | 34,418 |
| 2023 | 19,461 | 1,780 | 12,371 | 1,429 | 31,832 | 3,209 | 35,041 |
| 2024 | 20,101 | 1,780 | 12,371 | 1,429 | 32,472 | 3,209 | 35,681 |
| 2025 | 20,761 | 1,780 | 12,371 | 1,429 | 33,132 | 3,209 | 36,341 |
| 2026 | 21,441 | 1,780 | 12,371 | 1,429 | 33,812 | 3,209 | 37,021 |
| 2027 | 22,141 | 1,780 | 12,371 | 1,429 | 34,512 | 3,209 | 37,721 |
| 2028 | 22,863 | 1,780 | 12,371 | 1,429 | 35,234 | 3,209 | 38,443 |
| 2029 | 23,605 | 1,780 | 12,371 | 1,429 | 35,976 | 3,209 | 39,185 |
| 2030 | 24,371 | 1,780 | 12,371 | 1,429 | 36,742 | 3,209 | 39,951 |
| 2031 | 25,159 | 1,780 | 12,371 | 1,429 | 37,530 | 3,209 | 40,739 |
| 2032 | 25,970 | 1,780 | 12,371 | 1,429 | 38,341 | 3,209 | 41,550 |

* As approved by March 8, 2016 IDB Resolution.

Furthermore, in the Lease Agreement (see Section 4.04 of the form Lease Agreement attached to the March 8, 2016 resolution), the IDB and the Developer will acknowledge that there is no commitment whatsoever to any PILOT or other financial subsidy for future phases, including Phase 3. Any future applications will be considered *de novo* on their own facts, including whether to provide any PILOT and, in the event of any PILOT, the structure of such PILOT.

SECTION 3. Negotiation, Execution and Delivery of Documents. The President, Vice President and/or Secretary-Treasurer, or any one of them acting independently, are hereby authorized and directed for, on behalf of, and in the name of the IDB to negotiate, execute and deliver any and all documents described herein, including, without limitation, the Lease Agreement for Phase 2 of the Project, a conveyance to the IDB of the property and all improvements now or hereafter located on the site for Phase 2 of the Project and additional instruments, documents and certificates in addition to the documents described herein that are deemed by such officers to be necessary, convenient, appropriate or desirable in connection with Phase 2. The signatures of the said officers upon documents specifically described herein together with any documents and certificates as may be otherwise required for necessary, convenient, appropriate or desirable related to matters described in this resolution, are deemed to be conclusive evidence of their due exercise of the authority vested in them hereunder.

SECTION 4. Authorization. The President, Vice President and/or Secretary-Treasurer shall all, or any one of them, upon the advice of counsel, shall be further authorized to negotiate, execute and deliver any future servitudes, easements, mortgages, rights-of-way, releases, conveyances or other instruments with respect to the property comprising Phase 2, as may be required by or provided for in the Lease Agreement or in connection with any bonds as may be issued, or as may be requested by the Developer, or as may otherwise be required for or necessary, convenient or appropriate to accomplish the purposes of this resolution.

SECTION 5 Effective Date. This resolution shall take effect immediately.

The foregoing resolution having been submitted to a vote, the vote thereon was as follows:

| <u>Member</u> | <u>Yea</u> | <u>Nay</u> | <u>Absent</u> | <u>Abstaining</u> |
|--------------------------|------------|------------|---------------|-------------------|
| Alan H. Philipson | X | | | |
| Darrel J. Saizan, Jr. | X | | | |
| Susan P. Good | | | X | |
| Justin T. Augustine, III | | | X | |
| Mindy Brickman | X | | | |
| Troy A. Carter | | | X | |
| Walter C. Flower, III | X | | | |
| Eugene J. Green, Jr. | X | | | |
| Lesli D. Harris | X | | | |
| Edith G. Jones | X | | | |
| Todd O. McDonald | | | X | |
| Theodore C. Sanders, III | X | | | |
| Jeffrey Schwartz | | | X | |
| Eric B. Strachan | X | | | |
| C. David Thompson | X | | | |

And the resolution was declared adopted on this 14th day of November, 2017.

/s/ Susan P. Good
Secretary-Treasurer

/s/ Alan H. Philipson
President

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Secretary-Treasurer of the Industrial Development Board of the City of New Orleans, Louisiana, Inc., (the "IDB"), do hereby certify that the foregoing _____ (___) pages constitute a true and correct copy of the proceedings taken by the Board of Directors of the IDB on November 14, 2017, approving amendments to the terms of the Phase 2 PILOT previously approved by the Industrial Development Board of the City of New Orleans, Louisiana, Inc. for the Bastion New Orleans Partners project; and providing for other matters with respect to the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the IDB on this the 14th day of November, 2017.

(SEAL)

Secretary-Treasurer