**MINUTES OF THE “ZOOM” BOARD MEETING**

**OF THE**

**INDUSTRIAL DEVELOPMENT BOARD**

**of the**

**CITY OF NEW ORLEANS, LOUISIANA, INC.**

**AUGUST 10, 2021**

**Present:**

Mindy Brickman Susan P. Good Eugene J. Green, Jr

Lesli D. Harris Edith G. Jones Eric D. Jones, Ph. D

Lisa S. Mazique Darrel J. Saizan, Jr. Theodore C. Sanders, III

Rachel Shields David Thompson Iam C. Tucker

**Absent:**

Kea Sherman

Walter C. Flower III

 **Also Present:**

Sharon Martin, Administrator, IDB

Joyce Matthews, Administrative Assistant, IDB

David Wolf, Adams & Reese, Bond Counsel

**Guests (per Zoom name and telephone numbers)**

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| --- | --- |
| Alexcear Short | N. O. East Matters |
| Andy Obrien | N. O. Building Trades |
| Gerren Smith | N. O. Youth Advisory |
| Judith Moran | WD Phase I |
| Leigh Ferguson | Downtown Dev, District  |
| Vanessa Gueringer |  |
| WGNO |  |
| Beth Zeigler | Hancock Whitney |
| Courtney Stuckwisch-Wong | City of New Orleans |
| Elizabeth Smyth | OCH Redevelopment |
| Philip Sherman | Adams & Reese, LLP |
| Eva Washington | N. O. East Matters |
| Gerald Gosine |  |
| Tina Balthazar | Balthazar |
| Tonya Pope | TPC Nola |
| Immanuel Gilen | Bourgogne Bywater |
| Andrew Valenti | City Business |
| Rosalind Peychaud | La. Dept. of Econ. Dev. |
| Tangee Wall | N. O. East Matters |
| Tremon Tapp | City of N.O. |
| Marilyn LaForce | Friends of Culture |
| Kelly Primeaux | TLC Engineering |
| Christian Generes | Landis Construction |
| Jerry C. |  |

The meeting was called to order at 12:05 PM by Vice President, Darrel Saizan. A roll call confirmed a quorum.

Mr. Saizan opened with a moment of silence and a reading of IDB Resolution, (copy attached), offering appreciation of the contributions and generosities of IDB President, Mr. Alan Philipson. He served as the IDB’s President from March 2013 until his death on August 4, 2021. After the reading of the Resolution, Board Members, as well as Counsel, offered their personal remembrances of his leadership, his unselfish contributions and service to the City of New Orleans.

After offering her appreciation of Mr. Philipson’s contributions and leadership, Mrs. Edith Jones suggested that a fund be created in the name of Mr. Philipson as President and Mr. Allison Randolph, a former Vice President of the IDB and chair of the first DBE committee. It was under the leadership of Mr. Philipson and the guidance of Mr. Randolph as chair of the committee that the IDB Board approved the 35% DBE commitment for projects. The matter was tabled until a later date for review and approval.

An introduction of guests was requested by Mr. Saizan.

**APPROVAL MINUTES**

Mr. Saizan requested a motion for approval of the June 8, 2021, minutes. Same was offered by Mr. C. David Thompson with a second by Mr. Eugene Green. By a unanimous vote by the Board, the minutes were approved.

A second motion for approval of the AHP Resolution was requested. Same was offered by Mrs. Susan Good with a second by Mrs. Jones. The Board voted unanimously for approval of the Resolution.

**SIX FLAGS**

Mrs. Courtney Stuckwisch-Wong of the City’s Office of Economic Development presented an update on Six Flags’ matters.

**RFQ Process**

She provided the status of the RFQ process noting a second meeting of the selection committee was held in mid-May. At this meeting the two highest scoring responders were invited to a mini-RFP (Request for Proposal) phase which is the third and final round of the solicitation process. The Procurement Office is currently working on the Request. She added that this phase is anticipated to be offered within the next couple of weeks and will result in an idea of each responder’s development plans and the current standing of its financing efforts. It is anticipated that review by the Committee will require an additional 45-60 days. The Board will be informed when the selection is made.

**CEA EXTENSION**

Mrs. Stuckwisch-Wong advised that with the approaching deadline of the current CEA agreement, September 1, 2021, the City requests an extension through the end of the year that would cover the current solicitation process.

A motion was offered by Mrs. Rachel Shields with a second by Ms. Lesli Harris.

**OWNERSHIP OF SIX FLAGS**

Mrs. Stuckwish-Wong reported that there are on-going conversations between Mr. Wolf and the New Orleans Redevelopment Authority concerning a transfer of the property to NORA.

**SIX FLAGS ACCOUNT BALANCES**

Mrs. Good advised that per the June financials, and as early as this week, the Six Flags account was down to $19,000. However, she reminded the Board that at the last Board meeting, it approved a “loan” of $100,000 to the Six Flags account, rendering an approximate balance of $119,000. With the deduction of current expenses of $20,000, there would be approximately a $99,000 balance. She added that the IDB did recoup from Bank of New York, $5,500 which was placed back into the account leaving an approximate balance of $104,500.

**FILMING REQUESTS**

Ms. Sharon Martin, IDB Administrator, advised that a couple of requests were in process one of which is seeking 3-4 weeks on the site and another request for a longer term use (18 months). Each request is in the initial stage, awaiting review and an approval.

The Vice President opened the floor for questions concerning the reports on Six Flags.

Mr. David Wolf interjected a reminder for a vote on the extension of the CEA. He advised that it has been redrafted, with the same terms of the current agreement, beginning 9/1/2021 – 8/31/2022 - a full year extension.

Mrs. Jones presented to Mrs. Stuckwisch-Wong the questioned of whether the delay in the application process - giving the finalists an opportunity to “re-do” or “modify” their already submitted application, was true. She added that allowing modifications in the middle of the process is a bit out of the norm and that as a resident in N. O. East, she wanted to know if the statement was correct. Mrs. Stuckwisch-Wong stated that it was not correct. Each respondent was being allowed to update their information particularly for the point of financing, including any changes that have been made since their initial response. Mrs. Jones added that the community is concerned.

Mr. Saizan asked for the motion for approval of the extension. Mrs. Good being recognized, questioned whether the extension of the agreement would include the extension of the funds to cover expenses, stating that if the 18-month rental contract doesn’t come through, the total expenses would require at least an additional $200,000 from the IDB to cover expenses for 2022. Mr. Wolf interjected that other than the change of date, Sept 1, 2021 – Aug. 31, 2022, the agreement also includes language that covers the funds for expenses that would come from moneys budgeted by the IDB for that purpose.

Prior to the vote of the motion Mr. Wolf provided that the terms would remain the same with the exception of the statement that expenses would be paid from Six Flags money. That condition instead would read “from moneys budgeted for that purpose”.

Mr. Saizan recommended that the work of keeping the site secure and clean continue as we move forward, the appreciation of which has been stated by many New Orleans East residents.

The motion for the CEA extension passed unanimously.

**QUARTERLY REPORTS**

Mr. Saizan opened the floor for Developer Quarterly Reports

**Bourgogne Bywater – Immanuel Gilen**

Mr. Immanuel Gilen opened his report with condolences. He then advised that they are working above the goal with DBE at 36% participation and that 45% of the total DBE dollars have been spent. The DBE participation is bottom heavy. Completion is still anticipated around the 4th quarter of the year. With regards to the local hire goal, the indoor trades will allow for more local hiring. The last two quarters were at 42%. By the end of the project both goals will be met.

 **OCH Redevelopment Partners**

Ms. Elizabeth Smyth reported that the 2nd Quarter Report reflects that the project is behind by about 8 months. They anticipate getting the CO (certificate of occupancy) at the end of August, further advising that several things have happened including the fact that the contractor called in their payment and performance bond in May. Currently the DBE participation is at 38%. She stated that she hesitated to give local hire numbers at this time because they would not be correct as it will not recognize the new subs and the local workers of the subs. The current percentage is 21% but they are working hard to entice current subs and the new subs to stay on and complete the job.

Mr. Saizan opened the floor to the Board for questions.

Ms. Iam Tucker asked, what were the largest issues or hurdles in completing this development. She recalled there being both pandemic and pre-pandemic issues. Ms. Smyth advised that one of the biggest issues is having consistent management on the site. In January, they were looking for a new site superintendent and project manager having replaced one earlier in the year. However, when Myers called their bond, another manager was hired who have proven to be quite talented and who regained the confidence of the subs and those working for the subs. The other major issue is payment. Now that the surety is involved, payments are rolling out to the subs consistently. Having shown leadership and regular payment is proving to be beneficial. In response to a further question, Ms. Smyth advised that their new superintendent is Nickie Ludbaum and that FHMyers remains as their main contractor. The surety, U. S. Buyer, is timely with accepting and distributing payment requests. Completion is currently at 93.67% as of the last payout, which was issued in June.

**WD PHASE I – Judith Jones Moran**

Mrs. Jones Moran expressed condolences and appreciation of the work of Mr. Philipson.

She then advised that the construction is complete with occupancy having been opened this week. The $17.7M construction contract, awarding more than $5M for DBE represents 33% of the 35% goal. By the end, the 35% target will be met. Another report will be forthcoming with updated figures. The 40% local hire target has been attained.

Ms. Tucker asked, how did the project find success in meeting the targets. Ms. Moran advised that the local contractors, Landis Construction and Christian Generes, both did their work. She said that the IDB would be receiving an invitation to the opening scheduled for some time in September/October.

**REPORTS AND UPDATES (David Wolf)**

**Melp &Mag**

The Melp and Mag documents have been completed with the closing dated coming soon.

**Two Saints**

The Two Saints team would like to return for another approval of their project and to discuss their plans for meeting the IDB DBE/local hire goals.

**DBE Committee**

Mr. Wolf advised that he attended a meeting held by the DBE/Local Hire Committee. The Committee invited and discussed with Mr. Christian Brierre of South Market District-The Odeon Residential and Commercial, as well as the team of the 730 Julia Project (Woodward Audubon), their experience in meeting the DBE/local hire goals and to hear their ideas on how to better the objectives.

**By-Laws Review and Approval**

Mr. Wolf reminded the board that a copy of the changes to the IDB By-Laws was sent to them. The proposed changes streamline the process as it relates to virtual board meetings and conferences, acceptance of electronic signatures on documents, registered agent information, the authority of the Executive Committee and elections. More time to review of the changes may be necessary and it was suggested that the matter be deferred for a vote.

**DXC TECHNOLOGY UPDATE**

Mr. Wolf reminded the Board that the DXC CEA agreement is that for 10 years the IDB would make a payment of up to $150,000 to the City by April 30th of each year. By April 1st. the City is to provide the IDB with numbers related to payroll and number of employees hired by DXC for the previous year. He added that an inquiry was made for this year’s 2020 report for the 2021 payment in April and we were advised that it would be forthcoming. As of yet, no report has been received.

Ms. Stuckwisch-Wong advised that DXC held meetings at colleges and universities and that as she understands it, the State (Louisiana Office of Economic Development) is to submit $25M for workforce and training in digital technology. She is uncertain if DXC met the training targets or the number of students as of this time. She further stated that DXC has hired 100% of target at the entry level and that the average payroll is lower than expected because of the number of hires at that level. DXC committed to hiring 2,000 people over the ten (10) year period.

**FINANCIALS (Susan Good)**

Mrs. Good, Secretary-Treasurer, reported that 1) Again, the IDB received a clean Audit for 2021 and that it appears on the Louisiana Legislative Auditors website as “Approved”. 2) All administrative fees have been collected with the exception of $20; 3) As shown in the monthly financial report, nothing is overbudget. 4) CDs are being managed and as of now, with the interest rates as low as they are, the management of them are less cumbersome. The CDs once held at Liberty Bank have been converted into a savings account. There are now five (5) CDs. Many of the previously established CDs have been swept into the LAMP account until rates are better. 5) A separate journal entry for IDB funds related to the “loan” to Six Flags was established.

There being no questions, she asked for acceptance of the report as presented.

**Public Comment**

Mrs. Alexcear Smith of New Orleans East Matters expressed her condolences regarding the passing of Mr. Philipson. She then stated that her overall appreciation of the Six Flags RFQ process was not done fairly and it did not include the voices of the residents in East New Orleans.

Ms. Tangee Wall, a New Orleans East resident and is also a member of New Orleans East Matters, expressed condolences. Ms. Wall commented, however, that she, as well as other residents in N. O. East, are truly disappointed in what happened in approving the extension. The selection of the final two developers of the former Six Flags site was done prior to public comments. She questioned the benefit of a community voice.

Ms. Wall was reminded that per the CEA, the City has the power of deciding the Developer. Mr. Green thanked Ms. Wall for her comments and concerns. He stated that he voted to extend to see if the redevelopment can get done so the responsibility would be taken off the back of the IDB, and further expressed that he does have concerns in extending the agreement. However, the IDB will live up to securing and maintaining the site.

There being no further business, Mr. Saizan called for a motion to adjourn. Same was offered by Mr. Green and seconded by Mrs. Good. The meeting adjourned at 1:22PM.

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 Susan P. Good
 Secretary/Treasurer**