

**MINUTES OF THE “ZOOM” BOARD MEETING
OF THE
INDUSTRIAL DEVELOPMENT BOARD
of the
CITY OF NEW ORLEANS, LOUISIANA, INC.
DECEMBER 14, 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.	Iam C. Tucker

Absent:

Walter C. Flower III
Theodore C. Sanders, III
Kea Sherman
Rachel Shields
C. David Thompson

Also Present:

Sharon Martin, Administrator, IDB
Joyce Matthews, Administrative Assistant, IDB
David Wolf, Adams & Reese, Bond Counsel
Phillip Sherman, Adams & Reese
Cate Creed, Adams & Reese

Guests (per Zoom name and telephone numbers)

Jeffrey Schwartz	City of New Orleans
Jerry Cook	Consultant
Kelly Fremaux	TLC Engineering
Lisa Ross	Assessor’s Office
Mike Sherman	Sherman Strategies
Alexcear Short	N.O. East Matters
Tina Balthazar	Balthazar Elektrik
Andrew Valenti	N.O. City Business
Tangee Wall	N.O. East Matters
Susie Dudis	BGR
Eva Washington	N.O. East Matters
Avery Foret	Sherman Strategies, LLC
Renee Melchiode	NOLA PB, LLC
Keldrick Smoot	Smoot Consulting & Construction, LLC

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

A motion for approval of the agenda for the meeting was offered by Mrs. Mindy Brickman, with a second by Mrs. Edith Jones. By unanimous vote of the Board, the Agenda was approved.

An introduction of guests was conducted.

APPROVAL OF THE NOVEMBER 9, 2021 BOARD MEETING MINUTES

By motion of Mr. Eugene Green and seconded by Ms. Lisa Mazique, the minutes of the November 9, 2021 Board meeting were unanimously approved by the Board.

NOLA PB, LLC

Ms. Avery Foret was recognized along with Mr. Mike Sherman of Sherman Strategies and Ms. Renee Melchiode, the Developer. Ms. Foret provided an overview of the proposed development explaining that Pickleball is a mixture of badminton and ping pong on a smaller court. This development is a mixture of sports, entertainment, and eateries, open to all ages. The New Orleans Pickleball location will be the first in the Gulf South region and will be a great addition to the city's tourism attractions. The facility will be the result of repurposing two warehouses. Ms. Melchiode added that the development is a female, minority-owned business. The proposed facility is located in the St. Thomas neighborhood, near Walmart, on the corner of Rousseau and Josephine Streets.

Concerns were raised regarding parking at the venue to which Ms. Melchiode advised that of the two buildings purchased, an allocation of 19 parking spaces will be located in the second building, with plenty off-street parking available, including parking for bikes. This is part of the zoning requirement. One outside court will be a lighted facility. Hours of operation will be from 8AM – 11PM/12AM.

IDB counsel, David Wolf, introduced Mr. Philip Sherman of Adams and Reese who advised that the resolution to be approved by the Board is a standard resolution. Once approved by the Board, there will be a need for a cost/benefit and "but-for" analysis to which Ms. Foret acknowledged. Mr. Mike Sherman asked that in consideration of the PILOT and buy-back mechanism, with this development being a \$6M investment, that it would be appreciated if the transaction costs were kept as low as possible, including the smaller PILOT value which helps in meeting gaps in financing and in maintaining the development.

The President requested a motion for preliminary approval as presented in the resolution. Same was offered Mr. Green, with a second by Dr. Eric Jones.

Before the vote, Ms. Melchiode, in response to a Board question concerning its plans for DBE use, advised that she and her law firm already engage in using DBEs. Her team is simultaneously reaching out to DBEs - PILOT or not.

With a motion on the floor, the Board voted unanimously to grant preliminary approval to the Developer.

SIX FLAGS

Mr. Jeffrey Schwartz reported that with regards to Bayou Phoenix, the City is still meeting regularly with the Developer, working through the terms of the CEA, including the approach to site control. Further, there are simultaneous discussions with the IDB concerning the ownership of the property. Nothing can be consummated with the Developer without the input and approval of the IDB.

There are also terms re carrying costs (e.g., insurance, maintenance, security, etc.) as part of the discussion with the Developer. The City is making sure Bayou Phoenix speaks with other partners such as the City's Film Office, the film industry, and other uses as proposed by Bayou Phoenix, e.g., sports facilities/complex, entertainment, etc. The protest lawsuit by TPC NOLA and the City's response is hoped to be resolved soon.

Additionally, the conversations are continuing with NORA concerning the transfer of ownership of the property. It is hoped that discussions with Bayou Phoenix will be resolved by first quarter 2022.

In response to a question on the status of the CEA and ground lease and the conclusion thereof with Bayou Phoenix, Mr. Schwartz advised that it is yet being worked on and that it is anticipated to be completed in the first quarter of the year. It will cover a 24-month period during which time milestones will be identified with all pre-development work included, i.e., environmental, remediation, soil, laying of ground, financing, leading to lead to tenant leasing, investors, and partners. The City says no ground lease will be effectuated until financing is secured. The CEA will be contractual during the 24-month period.

DXC Technologies

Mr. Schwartz advised that the City is yet awaiting the delivery of requested documentation in support of 2020 and will again request a report for 2021. The City is happy with DXC's university partnerships, confident in its commitments in hiring and salary levels. In addition, to Covid, there have been management changes which has had an impact on every aspect of the commitment. He understands the frustration with the untimely reporting but the City will keep pushing forward.

The President expressed an appreciation for the university partnerships and asked if there were any reports to the IDB or from any of the universities. Mr. Schwartz stated that he would be happy to request/inquire but added that such reports were not a part of the agreement between the City and DXC.

FINANCIALS (Susan Good)

Mrs. Susan Good, Secretary-Treasurer, reported that year-to-date, income is down. She noted, there has been no income for application or closing fees for the year and that in addition, very little has been generated in interest earned as rates have been low. Annual Administrative fees invoiced by Hancock Whitney have been collected except for \$20. In November, the Iberia CD in the amount of \$137,000 was closed and those funds were deposited with LAMP. In keeping with the Board's objective of maintaining accounts in local banks, the CD that matured in November at First Bank and Trust has been converted into a money market account at that bank. There are three remaining active CDs, on which maturity is slated for May, June and September 2022. She added that the IDB line item for legal fees is over budget, but all other line items are within budget.

Budget 2022

Mrs. Good presented for review the draft of the IDB budget which includes the Six Flags budget. The Six Flags budget includes full expenses for one year. She suggested that the \$200K plus that is authorized to be paid to NORA, if the transfer takes place, to be made in quarterly payments. Also, if a ground lease is reached and revenues are generated, there should be no reason for the IDB to pay the total. Mr. Schwartz agreed that these issues should be considerations when

constructing the agreement for transfer of ownership, including any pre-delivered costs to be reimbursed.

Mrs. Good stated that the budget also covers rents for the office space, but that she is of the understanding that City Hall may be moving or that the IDB may be requested to move from its current office space. Mr. Schwartz interjected that he had spoken with Ms. Martin, the IDB's Administrator, about a possible move and suggested talking with the Board in the new year.

Mrs. Good finalized the budget presentation stating that salaries would be increased by 5.4% which is the CPI at end of September 2021. The formula for the increase is as approved by the Board several years ago and applies to both the Administrator and the Admin Assistant. She then requested a motion for approval of the budget as drafted and presented. Same was offered by Mr. Green with a second by Ms. Lesli Harris.

Mrs. Good advised that Ms. Martin will effectuate the salary increase via email to payroll and will include a "cc" to her and Mr. Saizan.

By vote of the Board, the 2022 budget was approved by the Board.

OTHER BUSINESS/NEW BUSINESS

Mrs. Jones requested the DBE Committee Report be placed on the agenda for the next Board meeting, particularly in light of the Board not having a chance to review or make comments. Mrs. Jones also asked that a meeting be scheduled for the Philipson-Randolph Economic Development Committee between now and the next Board meeting.

Counsel Report (David Wolf)

Counsel Wolf, reported:

- 1) He sent a reminder to the Board re online Ethics Training required by the State to be filed by December 31, 2021. He asked that each member send a copy of their completion certificate to Ms. Martin
- 2) He advised of pending board member openings: Mr. Flower is resigning from the Board after many years as an IDB board member and Mr. Green and Ms. Harris will be leaving the Board to take their seats as City Council Members. Adding the loss of Mr. Philipson, there will be a total of 4 vacancies.

Mrs. Good added that Mr. Flower was instrumental in getting the Workforce program started and suggested that a resolution be prepared in his honor. The President echoed her sentiments adding Mr. Flower was also instrumental in acquiring the PILOT for the Hyatt.

PUBLIC COMMENTS

Ms. Tangee Wall of New Orleans East Matters and Friends of Joe Brown extended her congratulations to Mr. Green and Ms. Harris on winning their respective elections. She then addressed the gondola exhibit at Joe Brown Park, stating the artwork is a great addition at the entrance of the park. She commented that the N. O. East community is currently working with State Legislators to move forward on adding a carousel in the park. Its planned location will be near the gondola sculpture. She complimented the IDB on its commitment to the New Orleans East community.

There being no further business on the agenda, the President requested a motion for adjournment. Same was offered by Mr. Green and seconded by Ms. Iam Tucker. The meeting ended at 1:10pm

/s/ Susan Good - Board Approved January/11/2022

Susan P. Good
Secretary/Treasurer