

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.
Tuesday, May 17, 2005**

Attendees: Torey Bullock, Farrell J. Chatelain, Glenda Jones- Harris, Irvin A. Joseph, Nina H. Marchand, Kyle E. Stoeber, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Bruce Bolyard, Ernest P. Legier, Mark McKenna, Jr., Eddy Oliver, James Smith, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Adams and Reese, L.L.P, Carliss Knesel – Hancock Bank, Peter J. Hamilton, Jr. – Hamilton Realty, Marcellus White – Iberville Karate Academy, Tim Smith – Louisiana Housing & Community Development, Nadine Jarmin, Judith Moran and Eugene Jones & - HANO, Stephen Stuart – BGR, Councilwoman J. Clarkson, Sherman Copeland, Wayne Neveu – Foley & Judell, LLP, Phillip Jones – Aldelphi Marking & Consulting

Call to Order

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present.

Approval of the Minutes

A motion was made by Mr. Wilson, seconded by Mrs. Marchand and unanimously passed to approve the minutes of the April 19, 2005 Board of Directors Meeting. There were eight yeas and no nays.

Old Business –NONE

New Business - HANO

Mr. Thorns stated there were three applications by HANO up for preliminary approval and one resolution accounted for the three projects.

Mr. Neveu stated that the resolution authorizes not exceeding \$40M in revenue bonds. He further stated that in December of 2003, the IDB issued \$49,250,000.00 in revenue bonds to finance phase I of the Fischer, Florida and Guste developments. He continued that Dr. Jarmin, Ms. Moran and Mr. Jones were there to give the Board details of all of the progress that has been made, along with a quarterly report that was given to the City to summarize all of the activities of HANO at these developments. He continued that the Housing Authority has a cooperative endeavor agreement with the City in which the City is agreeing to fund the infrastructure. Mr. Neveu stated that the Florida and Guste previous developments are almost completely demolished with new street systems being placed to integrate the development into the neighborhood to create an environment that is consistent with the history of that area prior to it becoming a public housing development.

New Business cont'd.

He stated that the initial \$49M was used to leverage tax credit equity and other funds from the affordable housing program. He stated that the first phase of Fishcer, Florida and Guste are underway. He stated that in 2003 HANO indicated that that would be the first of several phases that we would be financing over time. The sum not exceeding \$40M is the second phase of Fischer, Florida and Guste. He stated that HANO plans to issue these bonds at the end of the year in order to maintain a commitment that HANO has with HUD to have the financing in place to avoid other arrangements that would include going back and revisiting prior 3rd quarter reports that are being used in connection with this particular financing. He continued that the application is detail about the extent to which the bonds will leverage other monies and have included in the financing for Florida (IIB Central) a development that is being submitted for another Hope VI Grant. Part of that application requires evidence of a commitment to go forward to issue tax-exempt bonds that HANO has already used to generate equity. He stated that this needed to be reflected in the records. He continued that with respect to Florida IIB Central, HANO is in a very tight timeline to get a preliminary approval through and soon as the approval is given, HANO is prepared to submit a request for **volume cap** to the State Bond Commission and the Governors office to get an executive order to allocate the bond volume cap for Florida IIB Central to be included in the HOPE VI application so that HANO can get additional points in the competitive process for those monies.

Mr. Neveu stated that the City and HANO does not have enough resources to redevelop all the assets and a critical element of this financing through the IDB is the payment in lieu of tax arrangement through the IDB. Mr. Neveu stated that what HANO is hoping to achieve through this financing is the same arrangement as Phase I, which is the PILOT that permits the revenues that would otherwise be siphoned off through the taxes then to be maintained by HANO to redevelop other assets. He continued that there are five major developments underway and five more to go.

Mr. Joseph asked why isn't a quarterly report given to the IDB?

Dr. Jarmin stated "the report is mandated by the City".

Ms. Jarmin began by thanking the Board for its effort and cooperation in the first phase of bonding for the projects. She continued that she had just been named Administrative Receiver effective April 1, 2005 and has been a part of the Receiver Team for three years. Dr. Jarmin acknowledged Dr. Lori Moon, Mr. Carmen Valenti as part of the Receiver Team and introduced the new Deputy Receiver Mr. Eugene Jones. Dr. Jarmin continued by saying that HANO has a quick overview for the Board. She further stated that she would like to acknowledge some genuine concerns regarding the developments, which are: the level of minority and local participation in the HANO projects, property management and how it is going to be managed, resident relocation, criteria for moving back into housing and the cost factor regarding the units. She stated that a quarterly report mandated by the City as part of the cooperative endeavor agreement shows the level the participation and distributed that information to the Board.

New Business cont'd.

Dr. Jarmin stated that the Fischer, Florida, Guste, Desire and St. Thomas projects are in various stages of construction, demolition and infrastructure. She stated that this was first time in the history of HUD that their commitment has been so great.

Dr. Jarmin stated that because of the IDB's participation, HANO has put New Orleans in a different genre in terms of the Housing Authority trying to address the needs of the City. She stated that the handout was self-explanatory with breakdowns and would welcome answering any questions that the Board or the public might have. She stated that while there have been some outside hiring, the handout details the subs (local companies) that are getting the contracts. Dr. Jarmin stated that HANO is doing a lot to show that they're trying to keep the monies in the community. She stated that HANO gets the same rumors of non-local participation on the projects and apologized for not providing the Board with a quarterly report, but they are committed to doing that in the future. Dr. Jarmin stated that the two sites that generate the most activity is at Florida with 57 persons employed by subcontractors and of that number 51 are local or from the surrounding parishes; Desire with 61 subcontractor employees and of that 36 are local or from the surrounding parishes. She stated that these numbers were ran last night so that she could come and let the Board know that HANO is trying very hard and taking the commitment to the City of New Orleans very serious.

Mrs. Marchand stated that she would like to see HANO's methodology used to determine the numbers that they have regarding the participation. She stated that she would like to see the methodology HANO has used on each of their projects including how the contractors complete those percentages. Mrs. Marchand stated that she drives by the projects and know that some of the participants are not from New Orleans. Mrs. Marchand continued that at a previous meeting participants at the meeting expressed their concerns regarding the projects and are asking the Board to monitor HANO's compliance.

Dr. Jarmin stated that she would be happy to provide that information.

Mr. Chatelain stated that a perfect example of that was the lumber contract that came out of Houston. He stated that if the Board is going to give tax-exemption on this project we may as well give it back to the community.

Dr. Jarmin stated that she agreed, but the Board has to appreciate that HANO is in a very competitive situation with regards to dealing with both the IDB's funds as well as with Federal funds. She stated that she understood the commitment, but at the same time, this is the argument that is posed before the City. HANO has to be fiscally responsible and competitive and if the premiums on either supplies or labor are 30% over, then legally HANO has to take the lower bid regardless to where it comes from. She stated that she would be more than happy to look into the specifics of this case.

New Business cont'd.

Mr. Wilson asked if this included professional services?

Dr. Jarmin stated that the one about HANO agency wide does.

Mr. Thorns stated that the Board has not in the past asked for any reports on these kinds of things, and the Board does appreciate HANO bringing this to them. He stated that in the future, there will have to sit down and develop jointly what the reporting process will be and how it will be reported so that will clear up any questions.

Dr. Jarmin again stated that HANO would be more than happy to provide that report in any format that the IDB would like. Dr. Jarmin continued on the issue of property management and who was going to manage the properties. She stated that HANO is very carefully monitoring the situation and agreed that their expectations have not been fully met. She stated that the St. Thomas Project is the further along, but HANO had the least amount of involvement with and HANO had just taken over in 2002. Dr. Jarmin stated that the other projects are being very closely monitored. She stated that the Guste project is going to be resident managed by Ms. Stephanie Wiggins, the current resident manager and in good faith, HANO has decided to give Ms. Wiggins the proper training to continue to manage it under the tax credit format. She stated that Desire has private management. Dr. Jarmin stated that a letter of dissatisfaction was sent from HANO to the management staff of Desire notifying them of property mismanagement and stated that they have been given a short period to cure the problems or they will be replaced. She stated this is to let everyone know that HANO is very aggressive about maintaining the properties whether public or privately managed. Dr. Jarmin continued that there were some cost concerns regarding the units but feels confident that HANO, City Council, and HUD are all moving forward. She stated that the cost are as competitive compared to any other sites nation wide that are doing mixed financed deals.

Dr. Jarmin concluded that the other issues relocation and of the criteria to move back in. She stated that once again HANO is faced with controversy; people are saying the standards as set too high and HANO doesn't want the former residents to move back in; and on the other hand if we set them too low, people will complain about the same people moving back in. Dr. Jarmin stated that HANO has very stringent criteria and will not make any excuses about the fact that the bar has been raised and for very good reasons and HANO is willing to stand behind the logic behind the standards. She stated that HANO has an expectation of their residents and that's accountability, lease enforcement and it's nothing different than you or I in the private market would have to be held responsible for. She stated that HANO did make some promises to some of the former residents that we are trying to keep, but again, we are holding them accountable for keeping our properties in good condition.

Mr. Thorns stated that he had lunch with Dr. Jarmin and her staff and they went over some of the things they talked about today in terms of the IDB's perception of what is going on and he gave her the scenario that there's a sucking sound on either end of the I-10, and that is the outflow of things, and Dr. Jarmin has promised to prove us wrong on that issue and to set the record straight about what is going on. Mr. Thorns stated that he appreciated that because the IDB has a

New Business cont'd.

fiduciary responsibility to the City and the Citizens of New Orleans to ensure that what the IDB does is a benefit to the City. Mr. Thorns stated that some of the benefits that flow from these projects are economic opportunity whether it's for a small or large business, or for individuals. He stated that these things needed to be quantified and brought back to the table because it helps the IDB support the argument that the reasons were to benefit the City in a more comprehensive way. Mr. Thorns stated that IDB and HANO would sit together and develop reporting so that everything is clear to everyone. He stated that in the future the Cost Benefit Analysis would address more directly and measure the benefits that are coming and quantified in advanced. Mr. Thorns stated that it was pleasure to drive through the St. Thomas neighborhood and see families sitting on their porches watching their children playing. He continued by commending HANO for their participation in St. Thomas even though it was under the direction of another receiver team. MR. Thorns acknowledged Councilwoman Jackie Clarkson.

Councilwoman Clarkson stated that she came to offer her support on two projects for Algiers. She stated that Dr. Jarmin and staff is a great role model for redeveloping. She stated that she is most impressed with Fischer and that it is very important that HANO get to continue this work. She stated that HANO was endless in the numbers of people that they met with in Algiers and the community came in and gave their input regarding the matter. Councilwoman Clarkson said they were concerned about the dislocation of families and the current administration was very sensitive to the issues of turf mixing and other things that could be a problem. She stated that the senior citizens were relocated to a senior citizen village and they have raved about the treatment they were given. I made it very clear to HANO that we wouldn't have some of the problems that the former administration had with St. Thomas. She stated that she was there to give the staff all of the support that she could give them. She concluded that she was also in support of the Woodlands Apartments and appreciates the contributions that the IDB has made to make these types of deals possible.

A motion was made by Mr. Wilson, seconded by Mr. Chatelain and unanimously approved to authorize the issuance of up to \$40M for the Fischer, Florida & Guste Projects for the next phase of developments. There were eight yeas and no nays.

Mr. Thorns stated that the next step was to get a Cost Benefit Analysis for the projects and the fee structure has changed somewhat and that they will get together to address that issue. He stated that upon final approval, they would need to discuss reporting on the activities taking place.

Mr. Thorns gave a brief introduction of Mr. Marcellus White and his Karate Center for Kids. He stated that the facility was to enhance participation of African American males, most of which are a product of public housing and to motivate and guide them. Mr. Thorns asked Mr. White to give the Board a brief description of his facility.

New Business cont'd.

Mr. Marcellous introduced himself and stated that he was a product of one of the housing developments that is currently being renovated. He stated that one of the streets in the Desire facility is named after his uncle, Albert Savoy. Mr. White stated that he has been a liaison officer for the Iberville Development for the last 3½ years. He stated that he and others in the Police Department has found ways to give children other avenues of venting frustration and energy by creating a program called the Iberville Sojourner Truth Karate Tournament (2001-02) for both boys and girls. He stated that there was a tremendous response from HANO and the area businesses that participated. He stated that the kids not only keep their grades up but 75% of them passed the IOWA and LEAP tests. Mr. White stated that he wanted to continue what he was doing and needed the necessary funds to put forth the effort to do the tournament again. He stated that he has copies of a proposal that will give them an idea of what they are doing and would like the Board to review it. Mr. White thanked the Board for their time.

Mr. Thorns thanked Mr. White for coming and commended him for his participation with the youth in the area. He also suggested that Mr. White meet with HANO to see if they have any pointers, ideas or suggestions as well as others to let them know what he is trying to accomplish.

New Business – The Woodlands Apartments Project

Mr. Thorns asked the spokesperson for the Woodlands to speak. Mr. Tim Smith with Louisiana Housing & Community Development Corporation (LAHCDC) thanked the Board for giving him the opportunity to make his presentation. He stated that they are proposing to acquire the Woodlands Apartments in Algiers. He stated that it is 361 units and would like to do a substantial redevelopment of that project. Mr. Smith stated that physically, the property needs a great amount of work from the interior to the exterior. He stated that the property is currently 50% occupied and that number was higher until recent crimes in the area. He stated that crime has been a major problem on this site and they would like to rebuild this project. He continued that Latter & Blum has been retained by the current owners to manage the building and has made some progress in the past couple of months. He stated that the total project cost is about \$19M; the architect is Dodi Smith, a local firm that is completing the plans and specs for this property. He stated that they would utilize low income tax credits as well.

Mr. Thorns stated that what happens today is the Board would listen to the presentation and accept your proposal and at the end of this conversation we're hoping to give you preliminary approval which allows you to move forward and complete your other due diligence to go on to the Bond Commission and get approval to sell your bonds. He stated that after that there is another approval process that they would have to go through, but in the mean time the Board will require a Cost Benefit Analysis for this project. He stated that the cost benefit analysis is to measure the cost of this project to the benefit that this community is likely to receive from the project being done. He stated that that is measured from different perspectives and covert it to economics to be able to communicate that to the public. He stated that the Board engages a consultant to do that and Woodlands would pay for it. He stated that this helps the Board to

New Business cont'd.

decide how to negotiate with the project on what cost deferments or tax benefits that the Board may relieve them of. He stated that Mr. Cornelius would be happy to communicate with him on issue anytime he needed assistance. He stated that if a timeline is or has been created, let the Board know so that they can accommodate them accordingly. He stated that the IDB is trying to improve economically the City of New Orleans and everything that is done to help New Orleans in addition to renovating the property would be to both benefits and would like to quantify that. Mr. Thorns asked for any questions from the Board?

Mrs. Harris asked who are the principals?

Mr. Smith stated that the principals are partners of a for profit entity to acquire tax credits. In this case MMA financing (Clearwater, FL) has preliminarily permitted to acquire tax credits as well as the bonds. He stated that the LAHCDC has to create a for profit subsidiary to partner with MMA Financial. The principals will be our for profit subsidiary which is LAHCDC and MMA Financial.

Mrs. Harris asked is there anyone local?

Mr. Smith responded, "The LAHCDC is in New Orleans. Mr. Smith stated that the company is a publicly traded (NYSE Training Company) company with offices in nine major cities that specialize in doing these types of financing. He stated that the LAHCDC Board consists of Sherman Copeland, Dwayne Smith, another member from Vacherie and one out of Alexandria. He continued that there is also a private invested group who would be personally guaranteeing the bonds and tax credit transaction to MMA, which have for a fee offered personal guarantees and this group is out of Mobile, AL. Mr. Smith stated that the groups purpose is similar to Fannie Mae but they are not quasi-governmental, they are a for profit publicly traded company that does a multitude of things, one of which is to acquire syndicated bonds and tax credits for their investors.

On a motion duly made by Mrs. Marchand, seconded by Mr. Joseph and unanimously approved to give preliminary approval to the Woodlands Apartments. There were seven yeas and one abstention. Mr. Bullock abstained.

Juvenile Justice Center

Mr. Thorns stated that the Civil District Court is in preliminary status to acquire a piece of land to build the courthouse and will likely have to engage a real estate broker. He continued that the Courts are not interested, can't or don't want to engage a real estate broker. The person that the CDC has been in contact with is Mr. Pete Hamilton who is here today. Mr. Thorns asked the Board for approval of a real estate contract for Mr. Hamilton. He further stated that the IDB will not be responsible for payment of Mr. Hamilton's services and that compensation would come from the sale of the chosen piece of property. Mr. Thorns also stated that he has asked Mr. Cornelius to review a proposed contract and is asking for the Board's consideration and a motion for approval subject to satisfaction with the contract that Mr. Hamilton has provided. Mr. Cornelius stated that his recommendation is that the contract not be signed until he and the IDB have talked with representatives of the CDC. He also stated that CDC should review it for

New business cont'd.

they're approval. Mr. Cornelius further stated that if the Board is comfortable with the suggestion, they could authorize the consummation of the contract subject to his approval and determination that the CDC is not opposed to it.

A motion was made by Mr. Joseph, seconded by Mrs. Marchand and unanimously approved to authorize the execution of a contract with Mr. Hamilton, upon approval of legal counsel and determination of no objection by the CDC. There were seven yeas and no nays.

Mr. Wilson asked under what circumstances could the contract be discontinued or terminated? He continued that he wanted to assure that the other entity agrees with what the Board is doing. Mr. Thorns stated that whatever the termination clauses are in the agreement would be the reason to terminate it.

Mr. Cornelius stated that there is a one-year agreement with exclusive provision and his recommendation is that it not be signed until the Courts have been contacted. The Board is doing this to accommodate the Courts. He continued, the judicial expense fund is an unusual entity in that it has funds and are recognized in the State of Louisiana, but they are not incorporated and its very difficult for them to get some things done. They've asked the Board to do this but not at the expense of the Board.

Mr. Thorns introduced the group that was selected for the CDC Project. The company is ADELPHI headed by Mr. Phil Jones and Mr. Joe M. Ricks, Jr. Mr. Thorns called for a motion to approve the consultant firm.

On a motion duly made by Mr. Wilson, seconded by Mrs. Harris and unanimously approved to acquire the services of ALDEPHI Consultants for the Cost Benefit Analysis for the CDC Project. There were seven yeas and no nays.

Trustee Services

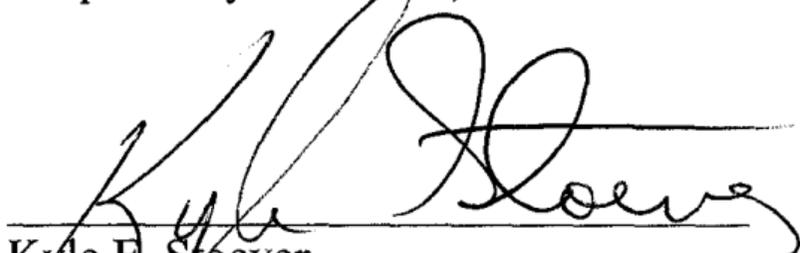
Mr. Thorns stated that the projects that have been approved today are going to generate fees that need to be collected on an annual basis. He stated that because of a lack of staff to deal with collecting monies, the Board is looking to put a process in place where the monies are transferred to a Trustee who will be responsible for the collection and management of those fees. Mr. Cornelius stated that at the request of Mr. Stoever he has prepared a RFP for Trustee Services.

On a motion duly made by Mr. Joseph, seconded by Mrs. Harris and unanimously approved to authorize the Secretary/Treasurer (Mr. Stoever) and Legal Counsel (Mr. Cornelius) to prepare an RFP for Trustee Services. There were seven yeas and no nays.

Adjournment

On a motion duly made by Mr. Chatelain, seconded by Mr. Joseph and unanimously passed, the meeting was adjourned. There were eight yeas and zero nays.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kyle E. Stoever", is written over a horizontal line. The signature is fluid and cursive.

Kyle E. Stoever

Secretary/Treasurer

Industrial Development Board

Of The City of New Orleans, LA, Inc.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.
Tuesday, April 19, 2005**

Attendees: Bruce Bolyard, Torey Bullock, Farrell J. Chatelain, Glenda Jones- Harris, Irvin A. Joseph, Ernest P. Legier, Nina H. Marchand, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Mark McKenna, Jr., Eddy Oliver, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Adams and Reese, L.L.P, Carliss Knesel – Hancock Bank, Peter J. Hamilton, Jr. – Hamilton Realty, Kenneth Burrell – Civil District Court, Rick Richter – Sher Garner Law Firm, Katie Brown – District E, Tod Francis – Francis Financial

Call to Order

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present.

Swearing In:

Mr. Cornelius swore in Mr. Torey Bullock. Mr. Thorns welcomed and introduced the newest member of the Board. Mr. Thorns proceeded and asked for audience introduction.

Approval of the Minutes

A motion was made by Mr. Bolyard, seconded by Mr. Smith and unanimously passed to approve the minutes of the February 15, 2005 Board of Directors Meeting. There were eleven yeas and no nays.

New Business – Juvenile Justice Center

Mr. Thorns stated that the Board has a proposal from the New Orleans Justice Foundation regarding Civil District Court and Juvenile Court Buildings. Mr. Thorns asked Mr. Richter to brief the Board about the project.

Mr. Richter (Sher-Garner) stated that they are representing the Civil District Court as well as the First and Second City Courts of the Parish of Orleans. He stated that those entities occupy the Civil District Court complex located on the corner of Loyola Avenue and Poydras Street. Mr. Richter stated that the building has 120,000 square feet of space and is functionally inadequate to handle the affairs of the Courts. He continued that the space does not respect the Judiciary of the State and the idea of the system of justice and is not adequate to do what its designed to do.

New Business – Juvenile Justice Center (cont'd)

Mr. Richter stated that the City of New Orleans has the responsibility for building a suitable courthouse and did build that courthouse in the 50's or 60's and it has since outlived its usefulness. He stated that the City of New Orleans does not presently have the funds to replace the structure and the Courts have for a number of years tried to get some legislation through the State to allow them to lift their tariffs (filing fees paid to the court to maintain case loads, fees associated with mortgage and conveyance) but to no avail. Mr. Richter stated that the filing fees are pooled into a Judicial Expense Fund and from that fund all salaries and operational expenses of the Courts are paid. He also stated that the court system maintains its own operations through those filing fees that are raised. Mr. Richter stated that the Courts can lift their fees to occupy space, but cannot lift fees to build space. Therefore, the Courts has proposed with the cooperation of the City and hopefully the assistance of the IDB, to form a Non For Profit Organization (501C3 tax-exempt entity) to receive donations from third parties and take the tax-exempt income to own a new courthouse complex.

Mr. Richter stated that they are asking the IDB to authorize the issuance of revenue bonds that have been tested for underwriting acceptability. He further stated that they are asking the IDB to act as their issuer to issue not exceeding \$140M in Bonds. He stated that the proceeds would be used to acquire a building site and that site would be leased under a master lease to the 501C3, which is called the "New Orleans Justice Center". Mr. Richter continued that the proceeds will be taken under the obligation of a lease entered into with the IDB to build a new court house and related facility and sublet the bulk of that facility to the City of New Orleans in which they will house the Courts (Civil District, First City Court, Consortium of Material Archives, Registrar of Conveyances, Recorder of Mortgages, Civil Sheriff, and the Constable of First City Court as well as their employees) as it occupants. He stated that there would also be some ancillary commercial space within the building; restaurants, postal center, copy center and other commercial businesses. Mr. Richter stated that Civil District Court will lift its tariff approximately 33% and pay revenues (occupancy expenses) to the City and they will pay the New Orleans Justice Center. He continued that the New Orleans Justice Center would pay the IDB the revenues to amortize the bonds. He also stated that they have requested the City to act as the Lessee and to assume the obligations of a Lessee under the lease. Mr. Richter stated that a site has not been identified but that the Courts has decided that the site for the facility would be in an area bounded by Claiborne, Howard, the River and Canal to keep the space downtown.

Mr. Wilson asked for clarification regarding the statement of "functionally inadequate"? He asked Mr. Richter to be more specific?

Mr. Burrell stated that the Courts have no jury deliberation room. There are no places for attorneys and clients to have confidential conversations away from other defendants that they are litigating against and if they make too much noise, we have to hold them in contempt of court. There are no places to secure prisoners when they come into the buildings. He stated that prisoners are on the elevators with judges, jurors, etc. He continued that every surrounding parish has new courthouses except the busiest one and the one that produces the most volume in the State of Louisiana.

New Business – Juvenile Justice Center (cont'd)

Mr. Burrell continued by stating that there are wholes in the ceilings; that appliances couldn't be plugged into outlets without computers going out. He stated that the system is falling apart and cannot continue to operate and move into the 21st century under those circumstances. He continued that jurors are going into restrooms where the defendants and plaintiffs are which could cause mistrials and that the surroundings need to be improved.

Mrs. Jones-Harris stated that she didn't hear anyone speak about Juvenile Court?

Mr. Richter stated that there is conflict in having a Juvenile Court that handles criminal matters in a civil setting. He stated that apart from Juvenile Court everything in the Civil District Court building is a civil matter. He stated that there is a separate Criminal Court on Tulane Avenue.

Mrs. Jones-Harris stated that there is not enough space on Tulane Avenue.

Mr. Richter agreed and stated that Juvenile has very special needs. He stated that they do not want them on Tulane Avenue with adult criminal defendants. He continued that they need an area where they can be transferred safely from the New Orleans East Detainment Center into a confined area into the trial chambers for their particular matters, unlike a criminal setting down on Tulane Avenue. Mr. Richter stated that the Juvenile facility is going to be separated from the CDC facility and is entirely employed by and is an instrumentality of the City of New Orleans. Every other court that was mentioned is a State Court or a State Office. Mr. Richter continued that the Juvenile Courts need, want and should have a separate facility. He further stated that the City has some surplus property that is under consideration (2400 Canal Street) and are looking for other campuses for the Juvenile Courts but that has not yet been identified.

Mr. Thorns stated that the question is are these combined as it relates to this issue?

Mr. Richter stated no. "We are not paying for the Juvenile Court facility out of the proceeds of these bonds."

Mr. Burrell asked to clarify the response? He continued that originally in 2001, 02 and 03, we went to the Legislature to ask for authority to raise the fees to pay for a Juvenile Court facility. Three times in the infinite wisdom of the Legislature, they told us "yes" you may be them a new facility, but no you can't raise fees to do it". Therefore, we cannot build them a facility. We have done space programs for them and everything within the law that we could, but it would be a violation of law to raise our fees to spend on another entity outside Civil District Court and that's why we are here with a leased position. Mr. Burrell stated, "We dare not try to go back a fourth time because costs are increasing." He continued "we feel a need to keep the cost on the citizens down to a level that they can afford. If we continue to wait the cost would be prohibited and that's why we are desperate to do something now." He stated "We have laid out formula's for the City and Juvenile Court to get a new facility as well, but we cannot do this in our fee structure."

Mr. Thorns asked are the \$140M only for the Courts and the other state office other than Juvenile?

Mr. Burrell stated "yes".

New Business – Juvenile Justice Center (cont'd)

Mr. Burrell continued “If the Mayor comes in with Juvenile Court and the City is going to take that portion \$5 or \$15M and pay that portion, we don’t have a problem saving you the paper work to do it all at one time. We originally tried to do that but as it stands now we can’t and we don’t want to mislead anybody to say that we can do this until we get some legislation or a ruling from the Supreme Court saying we are going to do something.”

Mr. Richter stated, “We tried to help the City solve that problem, but we cannot by law pay for that process.”

Mr. Thorns asked, “As it relates to the Mayor and the City Council who has the judiciary responsibility for Juvenile Court, what are they saying?”

Mr. Richter stated that the City is looking for solutions for Juvenile just as we are.

Mrs. Marchand asked as it stands right now, they would not be building a facility?

Mr. Richter and Mr. Burrell stated, not out of any of these proceeds.

Mr. Thorns asked would they remain in the same facility?

Mr. Burrell stated that there is a plan by the Mayor and some private sector properties to try and work out a solution similar to what we’re working out –maybe coming to this Board. He continued we are not a liberty to speak about it right now because the City and that private person have not consummated it.

Mr. Thorns asked what would happen if the Mayor rose \$15-\$20M? He continued, we want to be clear on what you’re proposing here today is strictly for the State Offices not including Juvenile Court and that whatever is done with Juvenile will be done independently by the Mayor?

Mr. Richter stated yes that’s right, and that if the Mayor wanted to raise the money and invest it in 2400 Canal for the Court he could do that.

Mr. Cornelius stated that he understands that the Judicial Expense Fund can’t pay for the Juvenile facility, but thought the Non-Profit Corporation that was being formed would be willing if the City desired them to do so, to do a facility for the CDC Courts as well as the Juvenile facility. He further stated that if that were the case, the City would sign a lease to pay the CDC court debt service and the CDC Judicial Expense Fund would hold the City harmless to the extent the funds were sufficient to reimburse the City for that. He stated that the lease payments made by the City for the Juvenile facility would be separate and apart on a separate facility. He stated that that being his understanding of the Corporation, the City in both instances to make this work is likely to sign a lease, one for the CDC and one for the Juvenile facility if they decide to do a Juvenile facility. The application as it stands and the resolution that was prepared (which could be changed) was in anticipation of an approval for undertaking; if they could put it together for either or both facilities. He stated that the whole project is driven by the CDC’s

New Business – Juvenile Justice Center (cont'd)

Judicial Expense Fund financing which is for the CDC Courts and adding the Juvenile Court in here is an effort to appease the City and to help them come up with another way to solve their problem with Juvenile Court.

Mr. Thorns asked is the \$140M issue for the CDC only, and if the Mayor decides that he wants to do Juvenile, will the Board have to do a separate issue or increase the size of this issue?

Mr. Richter stated no, that there is room inside of this issue.

Mr. Cornelius stated that there is room inside the \$140M to cover Juvenile Court.

Mr. Burrell stated that is well more than enough for Juvenile Court. He further stated that the cost survey suggests that the project will cost approximately \$80-90M. He also stated that separate architectural programs have been done for Civil District Court as well as Juvenile Court and that they are working with a consultant from the National Center of State Courts that have been paid to work on both projects. He further stated that everything possible by law has been done for Juvenile Court as well as spending three years with the Legislature trying to do more.

Mr. Thorns stated that the groundwork is being laid and it would be easy for the Mayor to walk in, agree with the program and move forward.

Mr. Burrell stated yes.

Mr. Joseph asked what would happen to the current building?

Mr. Richter stated that they expect the City would demolish it and/or offer it for sale.

Mr. Joseph asked could the building be renovated to house juveniles in the court system?

Mr. Richter stated that would be up to the City. He further stated that the other building lends itself functionally better suited for Juvenile than the current facility. He stated that there is a social component to it; every morning between 8-9 a.m., juveniles are being escorted in a business district, into the Juvenile facility and tourists as well as citizens see this and this is not safe, nor is it socially acceptable.

Mr. Chatelain asked what was going to happen with the Supreme Court Building?

Mr. Burrell stated that the Supreme Court Building is the property of the State. He stated that a bill passed two years that authorized the City to enter into a property of endeavor agreement with the State to build a new Civil District Court site there if it were acceptable to the Commission of Administration at the end of the Foster administration. He continued that the former Administrator did not sign the document and that a request had been made to find a site for the project in which 2400 Canal would have been ideal, but we could not get the City and State Administration's to the table at the same time to consummate the deal. Mr. Richter stated that both entities agreed on the site but neither would confirm it with each other.

Mrs. Jones-Harris asked if this type of initiative (a Non-Profit building a Judicial facility) ever been done anywhere else in the State of Louisiana?

Mr. Richter stated that this model has been done numerous times throughout the Country.

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New Business – Juvenile Justice Center (cont'd)

Mr. Wilson asked if the State and the City agreed is it too late get the deal done?

Mr. Burrell stated that at this point it may be simply because Mr. Wilson, (Superintendent of Buildings) are doing an \$8M renovation in capital projects for the State Office Building. Time was of the essence and probably in the next 30 days the 2-year limit will have expired.

Mr. Legier asked about the City giving up a building in which it owns to enter into a lease with a private company and not knowing the member and officers involved?

Mr. Richter stated that the members of that entity are all elected officials and is a composition of Civil Sheriff, Judges at Civil District Court, Constable, and Councilperson Rene' Pratt of the District and the Mayor.

Mrs. Marchand asked about the 500 jobs concerning the construction phase? How many of those jobs will be permanent?

Mr. Richter stated we anticipate that there is going to be a relocation of existing jobs on a permanent basis because staff already fills every position. He continued that when the Court House is position there is going to be a demand for parking so there is going to be a parking structure built, as well as commercial property and law offices built around it.

Mr. Thorns asked if a garage is included in the building?

Mr. Richter stated it depended on the site. There are certain sites that are under study that will access capacity for parking already there or they will expand existing parking to accommodate it. There are other sites that are under consideration that would require a new deck/new structure.

Mr. Thorns asked as it relates to homeland security, does the building have a parking garage?

Mr. Richter stated that as it relates to homeland security we are going to accommodate those critical persons (30 public elected officials) a separate access controlled parking garage that is totally segregated from the public parking and that is a part of this issue. The public parking is not a part of this issue.

Mr. Thorns asked Mr. Burrell if the Judges were ready to move forward?

Mr. Burrell stated absolutely.

Mr. Thorns stated that under the rules of the IDB there are requirements for the project to proceed. He continued that one would be a Cost Benefit Analysis for is project that would have to be conducted and paid for by the CDC and that the Board would authorize and decide who would perform the analysis. He stated that the Board is interested in the temporary and permanent jobs that will be created during this project and other economic spin-offs that are going to take place. He stated that the issue of private non-governmental lessees may be an issue and the Board will need that to be resolved. Mr. Thorns suggested that conversations be had with the Assessors, the City Council as well as the Mayor to make sure they are briefed on what you are planning. He stated that in addition to that an administrative fee is involved and we will talk about that when we get to that point.

New Business – Juvenile Justice Center (cont'd)

Mr. Thorns asked the team of representatives to introduce themselves as well as brief the Board of their position? The following persons introduced themselves:

Maurice Brown – Morgan, Keegan – (will serve as the investment banker)

Todd Francis – Francis Financial Group – (will serve as financial advisor)

Mr. Bullock asked if this was a 30-year debt service? Mr. Thorns stated that there had not been a request for how long they wanted it to be.

Mr. Burrell stated that they would need 25-30 year bonds based upon the interest rates. He stated that if they think they could do 25. He stated that there are provisions with class action suits where a portion has to go to non-profits and we could put that toward the debt service. He stated that they plan to do everything they can do to lower the fees and provide an adequate facility to do their business.

Mr. Thorns stated that in theory the IDB will own the building and when it's paid off it reverts back to the fiduciary entity or the non-profit entity. Mr. Thorns asked the Board if there were any other questions or comments? He asked Mr. Cornelius what was the request?

Mr. Cornelius stated that the request is a standard form resolution if you're ready to consider this; it authorizes the issuance of up to \$140M in bonds for the purposes that you just had described. He stated that it would allow for the entry of a preliminary agreement with this group that would not be binding on behalf of the Board, but just an expression of the intent to move forward.

On a motion duly made by Mrs. Marchand, seconded by Mr. Chatelain and unanimously approved Preliminary Approval for the Civil District Court Project. There were 11 yeas and zero nays.

Other Business - Chamber of Commerce Membership

Mr. Thorns explained that the City had a new Chamber of Commerce that only covers the New Orleans area that is very diverse and energetic. He stated that the Chamber has asked that the IDB become a member. Mr. Stoever stated that all members would enjoy all benefits of the Chamber and that the annual fee was \$3000.00. He continued that it would give the Board an opportunity to get out and circulate with the business community and that it promotes the mission of the IDB. Mr. Bruce Bolyard asked was that the standard fee? Mr. Wilson what are some of the benefits and how does this give us access to the Chamber? Mr. Thorns responded, "I do not have the answers to those questions". Mr. Chatelain suggested that someone from the Chamber attend the next meeting to give the Board details on how membership works and the Board agreed.

Old Business – Marketing Update

Mr. Wilson stated that he had spoken with three firms (Bright Moments, Cosmo PR, and The Earhart Group) and discussed the Board's interest. He asked if any of the Board members knew of any marketing firms that would be interested in working the Board that they leave the information with him. Mr. Thorns stated that the Board is trying to become more proactive in getting the word out about the IDB. He stated that the Board is very diverse; since joining the Board in the 80's when the focus was on industrial redevelopment (warehouses) 20 years later and we're doing Courthouses and in between we've done multi-family housing projects. Mr. Thorns continued, the IDB is a key component to economic development and that the Board needs to find and work with partners that are in touch with economic redevelopment opportunities.

Mr. Thorns stated that the Legislature will be meeting soon and that there are ways the Board could participate in sponsoring some of the activities. He stated that the Board could give him authority to investigate ways the Board could get involved; using reasonable judgment a certain dollar amount determined by what level the Board needs or wants to participate and the Board can posthumously approve it.

On a motion duly made by Mr. Joseph, seconded by Mr. Legier and unanimously approved to give Mr. Thorns the authority to look into Legislative activities to donate a reasonable amount of dollars on behalf of the Board toward the Legislative Session. There were 11 yeas and zero nays.

Administrative Fees

Mr. Stoever stated that the committee to review the fee structure for the Board consisted of himself, Mr. Wilson, Mr. Chatelain and Mr. Cornelius. He stated that one of the purpose involved in reviewing the fees was to create a structure that was more competitive and fair to small projects. Mr. Stoever asked Mr. Cornelius to brief the Board on the formula that was used to come up with the new fees. Mr. Cornelius stated that his suggestion to the group was that 1/10 of 1% in terms of comparison to the savings to get an Ad Valorem Tax through the program is not an unreasonable fee and that applied to the large projects also. He stated that 1/10 of 1% on \$50M will give the Board \$50,000 so the Board gets more. Mr. Cornelius continued that this scale is fairer to the smaller projects.

On a motion duly made by Mr. Stoever, seconded by Mrs. Marchand and unanimously approve to put the new fee structure into place. There were 11 yeas and zero nays.

Mr. Stoever stated that this scale is going to make it much easier for the Trustee to collect fees for the Board once that process is put into place.

Old Business – Trip to Cuba

Mr. Thorns stated that by a telephone pole the Board authorized him to go to Cuba with the Governor and he wanted to give a report on that trip. He stated that there is going to be a summit in Mobile, AL on June 9-10, 2005. This summit will deal with the possibilities of doing business with Cuba. He stated that he would like the Board to have representatives there to participate in the forum. He continued that the Governor donated \$15M for food to ship to Cuba and that she is trying to form a more cohesive relationship between the two. He stated that he would share with the Board the information on the Summit and hope that some of the Board members will be able to attend. He stated that the cost was \$2400 to go and he will give the Coordinator the necessary information for files. He stated that a Brownfield conference is coming up and he will ask some of the Board members to attend.

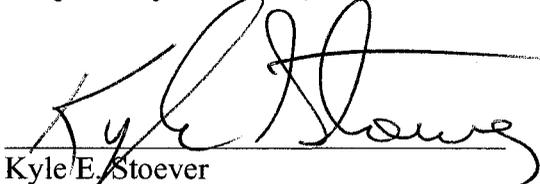
On a motion duly made by Mr. Legier, seconded by Mr. Chatelain, to reimburse the president for expenses of the trip. There were 11 yeas and zero nays.

Mr. Thorns stated that the Audit should be completed by next month. He stated that there were some in-house matters that needed to be taken care of but for the most part, everything looks good.

Adjournment

On a motion duly made by Mr. Wilson, seconded by Mrs. Marchand and unanimously passed, the meeting was adjourned. There were 11 yeas and zero nays.

Respectfully submitted,



Kyle E. Stoeber

Secretary/Treasurer

Industrial Development Board

Of The City of New Orleans, LA, Inc.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.
Tuesday, February 15, 2005**

Attendees: Farrell J. Chatelain, Irvin A. Joseph, Ernest P. Legier, Nina H. Marchand, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Bruce Bolyard, Steven Gill, Glenda Jones- Harris, Mark McKenna, Jr., Eddy Oliver, John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Adams and Reese, L.L.P, Carliss Knesel – Hancock Bank, Chuck Martinez – Advanced Commercial Contracting, Inc., Steve Favorite – SRS Crew

Call to Order

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

Office Matters

Mr. Thorns stated that he would like the Coordinator to send on a weekly basis a letter to the appropriate Council members reminding them that the Board has a problem with absences that needs to be resolved.

Mrs. Marchand expressed her concerns about a weekly letter going to the Council members and suggested that the President place a call to the appropriate appointing Councilpersons about the problem. Mr. Stoever stated that according to the Boards attendance policy it requires the Council to be notified when one of their members are not attending the meetings.

Approval of the Minutes

A motion was made by Mr. Wilson, seconded by Mr. Smith and unanimously passed to approve the minutes of the January 18, 2005 Board of Directors Meeting. There were eight yeas and no nays.

Old Business - Finances – Public Funds Account

Mr. Stoever reminded the Board that the Audit was still in progress and through that process, he discovered that the Public Funds Account at Liberty Bank in which the Board was promised in August 04 a certain rate was in a non-interest bearing account. The Board approved the movement of funds from the CD Account to a Public Funds Account. Mr. Stoever stated that Mr. Daste had told the Coordinator that he would restore the interest as promised but that Mr. Daste had not returned any of his phone calls.

Old Business cont'd.

Marketing Process

Mr. Wilson asked if the Board desires to talk about interviewing several marketing firms? Mr. Thorns stated that the Board had not gotten to that point yet. Mr. Cornelius and I have had some conversation about where we wanted to be and where we could be and how active we needed to be on this sort of thing. So we would like to hear some of Mr. Cornelius' thoughts on this matter based on other Industrial Development Board around the state.

Mr. Cornelius stated that not many Boards have the funds necessary to do much advertising. He stated that there is nothing that prohibits the Board from having a reasonable marketing effort. He stated that years ago the Board contributed to the making of a film for the City of New Orleans in the form of a video tape that could be sent to people to tell them about New Orleans and they highlighted projects that the Board did. So the Board has a history of having invested in marketing and the Board certainly can do it without taking all of its assets.

Mr. Thorns stated that the Board can get involved in it and determine what the Board wants to accomplish by marketing itself. We legally have no authority outside of Orleans Parish so what we need to try to do is enhance Orleans Parish. His suggestion was that the Board finds out where the users of the Boards services come from. Mr. Thorns further stated that the Board could put out a request for a proposal to try and determine what approach to take. He suggested that the Board could talk with some firms and ask them to give us ideas as to what the Board can do to generate more activity. Mr. Stoever made a suggestion that the Board set up a meeting with Don Hutchinson to coordinate this with the Office of Economic Development. Mr. Thorns stated that he thinks that people are not clear about who the Board is and what we do. He suggested that the Board should illustrate their abilities by using past projects as a means of informing people on what the Board can do. He continued by stating that the Board needs to learn how to package itself along with the incentives that it provides.

Mr. Legier asked if there is anything that would prohibit the Board from doing a Public Service Announcement? Mr. Thorns responded that he could not think of anything and asked for Mr. Cornelius' thoughts? Mr. Cornelius stated that there was nothing that prohibited the Board from doing that and also suggested that the Board could on a semi or quarterly basis have comprehensive seminars with the City and other entities.

Mr. Thorns stated that the Board should interview some firms and talk to them about what the Board wants to do and the firms that demonstrate their ability to help the Board sell itself will be the ones that they would consider contracting with.

Mrs. Marchand asked what kind of funds could the Board afford to spend on this type of marketing venture and what kind of marketing do you want to do? Mr. Thorns stated that we have not discussed that yet. He further stated that the Board has to get a feel for where they want to go with this and where it leads us. Mr. Wilson stated that the Board should find define the Boards target market and get a firm that know what they're doing to specifically target the market

Old Business cont'd.

Mr. Thorns suggested that the Board establish a Marketing Committee to start the process of looking for firms that can provide us with some marketing assistance and at the same time, the Board ought to look at the cost of this endeavor. He also suggested that before the Board goes to establish a cost in advance of the process that the Board listens to what the firms have to say. He stated that after the Committee has interviewed several firms and recommend a cost and a time line for doing this and report back to the Board.

The following persons volunteered for the Marketing Committee:

Mr. Ernest Legier, Jr.
Mrs. Nina H. Marchand
Mr. Tyrone Wilson - Chairman
Mr. Farrell Chatelain

A motion was made by Mr. Legier, seconded by Mr. Joseph and unanimously passed to approve the establishment of a Marketing Committee. There were eight yeas and no nays.

Mr. Thorns asked the Chairman to call a meeting, establish some goals and objectives and a timeline and report to the Board at the next meeting on the goals and objectives and the timelines.

Annual Report

Mr. Thorns stated that the Board needed to ratify the cost of doing the Annual Report. The cost of the production was \$5950.00 for 1500 copies in color. He Thorns stated that he would like to see some improvements in the next report. He further stated that addresses were not included regarding the properties and that those missing addresses didn't give clarity to the reader so they could appreciate what they're actually looking at. Mr. Thorns concluded that the Coordinator needed to go back and fix those things. Mrs. Marchand stated that the report was very nice.

A motion was made by Mr. Legier, seconded by Mr. Chatelain and unanimously passed to ratify the amount of \$5950.00. There were eight yeas and no nays.

Mr. Stoever stated that the Committee to reexamine the Board's Fee Structure would meet after this meeting.

New Business – HANO Concerns

Mr. Thorns asked for the introduction of new guests that arrived at the meeting? Mr. Steve Favorite of SRS Crew came to ask how the Board could help consultants in the City. Mr. Thorns stated that Mr. Favorite along with other firms was not participating in any of the activity related to the HANO Projects. Mr. Chatelain stated that he has raised that point many times in the meeting and that Ms. Moon would not give the Board anything in writing that would state that she would try to contract with people here in the City as much as she could. Mr. Stoever stated

New Business cont'd.

that the Committee put effort into researching this. He stated that Mr. Wilson spent a good bit of time review the Federal Laws as it relates to contracts and the Committee did go into to detail about this concern. Mr. Wilson stated he recalled asking that question several times and they're response was always that "they (HANO) was bound by Federal Procurement Guidelines and that they had to go with the lowest responsive qualified bids", and that was the bottom line. We asked them to weigh it towards New Orleans companies and they said they couldn't do that by Federal Law and we were provided the statues and I couldn't find where they were wrong.

Mr. Favorite stated that low and responsive bidders didn't get the project. Mrs. Marchand asked Mr. Favorite seen the lowest bidders on paper? Mr. Favorite stated not for RFP's. Mr. Favorite also stated that if they are creating New Orleans style homes, who could assist them, better than those from New Orleans? Mr. Chatelain asked that if the local people cannot make money that's to be made, why should there be any exemptions? Mr. Thorns stated that at some point these firms were working with HANO, but the issue is not whether or not they were being selected as much as it is that they're not working. They're no longer doing any work with HANO. Mr. Favorite stated that while he has worked as a consultant, his firm had submitted on several projects but had never been selected as a prime. Mrs. Marchand stated that she had spoken with Dr. Moon several times and that Dr. Moon asked her to submit a copy of companies that can do the kind of work they were looking for and I submitted 100-200 construction companies and they were never used.

Mr. Favorite stated that the majority of work came from out-of-State contractors. We sit here and wonder why were in the position we're in and we've got close to \$886M in work that can be made in one year and the out-of-State contractors got the money. Mr. Wilson stated that the Board gets HANO back to answer questions regarding this matter. Mr. Chatelain stated that he thinks the Board is powerless after the fact but that the Board could surely change the way things are done in the future and ask for something in black and white in every contract saying that qualified Louisiana Contractors are going to be used. Mr. Favorite stated that there is still more than enough work and that the Board should think about what's going on. Mr. Wilson asked could the Board ask them to come in and give a status report and invite the Consultants? Mr. Chatelain stated that in the future we should have HANO bring in rejected Bids and review them for qualifications.

Mr. Thorns made a suggestion that the Board should write HANO about the rumors of 5 firms that have been or no longer working with the projects. He further stated that it should be stated that New Orleans is not getting a fair shake at the jobs and to let the Mayor and Council know. Let it also be known that that was not the essence of the Boards understanding when it was issued. The Board needs to clearly put itself in a position to fulfill its obligation. Part of the Boards obligation lies in the Cost Benefit Analysis to ensure that there were benefits flowing to the City and that the benefits flowing to the City was jobs, sales taxes, etc. We need to let them know that we are deeply concerned that those things are not happening and that they need to be addressed.

New Business cont'd.

Mr. Cornelius stated that the point he was going to make is that when it comes down to the Board's decision to give a tax exemption or not comes down to subjective questioning. I think one of the things the Board can do in the future is take a position with the advisers that are hired to do the Cost Benefit Analysis are to greatly discount the value of jobs that are not New Orleans, Louisiana and Metropolitan area jobs. There is no reason why this Board can value these jobs more than value other jobs. You're not saying that you won't approve other outside jobs, but that it's a factor that you will take into account. The questions that we want answered are how many New Orleans, Metropolitan and Louisiana jobs by percentages do they commit. This can be used as a factor in making your determination.

Mr. Thorns asked could the Cost Benefit Analysis be interpreted as a contract? In other words if the decisions of this Board are made pursuant to a Cost Benefit Analysis of which they paid for and agreed to, in essence there is a contract existing amongst us that certain things would be done or become reality if it took place. To me that's a contract. The question is what are those things and whether or not those things are happening? That's contractual in my mind. Mr. Thorns asked if the Board is giving away its potential revenue and not gotten back for it, the benefits that we assumed we were going to get back? That's the questions that we're dealing with. I think we have a fiduciary responsibility as Board members that that happen. Mr. Cornelius stated that the HANO deal stated differently than the others because the City came to us saying they didn't want them to pay taxes because we want them to put in as many low-income assisted living facilities as we can; so this is more of a public project and the difficulty will be in coming back to them and getting anything of real value out of it if they don't comply. Mr. Cornelius stated that certainly with private companies there is no reason why you can't build this into the Bond document that they Ad Valorem Tax break is conditioned upon. Mr. Thorns stated that if the Board finds that something is not happening it's the Board's responsibility to question and investigate. Mr. Thorns also stated that 2 things should happen: first is that the Board makes it clear that they are serious about this and are going to do what's supposed to be done as a Board of the City of New Orleans, and the second this is that the Board is not going to tolerate that in any future activity. Mr. Thorns stated that the Board's intention is to create new jobs and opportunities for the Citizens and business entities of New Orleans and we need to know if we're doing that and if not why?

Mr. Cornelius stated that he didn't think it's an enforceability issue right now and that the Board should find out whether people are complying what they represented and for the future I think we need to focus especially on private projects that they do or they'd have to pay the Payment-In-Lieu of Tax or some pro-rata portion or something related to that and it would be case by case. This is more of a public originating project. Mr. Thorns stated that he thinks that the Board should be talking with Carmen Valenti. Mr. Thorns stated that now that we are aware of this situation, we need to act on it. Mr. Cornelius and Mrs. Marchand suggested that the Board request a report from HANO. Mr. Legier asked if there are any closing documents that outline the relationship involved in this legal contract?

New Business cont'd.

Mr. Cornelius stated that there are representations made to convey to a third party independent consultant hired to make recommendations to the Board and in conjunction with that you have the City putting a lot of pressure on the Board to give them absolute exemption in which the Board doesn't typically do. If you would have said okay if you comply this is what your deal is if you don't you're going to pay a certain percentage of what you're going to pay in Ad Valorem Taxes of penalties or whatever and what they would have to do is set aside money that would otherwise go to fund low-income and assisted housing they would assure they were clear of it so that they could use the money. Mr. Legier asked "what's to keep them from ignoring any request that we have"? Mr. Cornelius stated that in one respect there wouldn't be any loss because this property was not subject to tax before. The Board didn't change the status quo; we gave them further assurance of protection that they would not be subject to Ad Valorem taxes.

Mr. Thorns stated that what he would like to do is take some action. He stated that basically the action would be one or two things: We either ask them to provide us with a statement of the participation of laborer employees hired and/or businesses engaged or on the other hand we can simply go to them and say that we've gotten this information from the grape vine that we have this problem. Mr. Chatelain asked to make another comment. He stated that he thinks it is so much starter not do anything here but make changes in future. I suggest that we do everything on the front end. Mr. Thorns stated that by making it perfectly clear that it's not working, maybe they'd be willing to correct it now as well as be prepared to deal with it when they come back. Mr. Thorns stated that he was fearful of doing nothing right now. The Board has a responsibility and should decide what we are going to do. Mr. Stoever stated that he thinks the Board is well within its rights to get an update on local participation. Mr. Wilson stated that he thinks bringing them in to answer questions provides some merit. Mrs Marchand stated that the Board needs to know what it is we want to achieve by bringing them in. As stated before, we can't do anything about it, but we can correct this problem for the future.

Mr. Cornelius stated that the Board can make a motion to contact HANO and request an update with respect to local contractors and suppliers.

On a motion duly made by Mr. Joseph, seconded by Mr. Stoever and unanimously passed to have Mr. Thorns contact HANO and request an update with respect to local contractors, suppliers, professionals and employees pursuant to the representations made in the Cost Benefit Analysis.

Mr. Favorite stated that there was also a request made in section 3 programs that provides training for housing residents that have not been in compliance with. The Board needs to check that also. The contractors are promised to provide a certain amount of training and jobs for those residents, but they're not doing it.

New Business cont'd.

Mr. Thorns suggested that the Board make an motion to amend the last motion to include the section 3 program into the request.

On a motion duly made by Mr. Stoever, seconded by Mr. Smith and approved to amend the motion to have Mr. Thorns contact HANO and request an update with respect to local contractors, suppliers, professionals and employees pursuant to the representations made in the Cost Benefit Analysis as well as updated information on the Section 3 Program.

Advanced Commercial Contracting, Inc.

Mr. Thorns asked Mr. Cornelius to brief the Board on the Project. Mr. Cornelius stated that the Company has requested the Board to approve a bond issue for a custom millwork manufacturing facility in New Orleans. Mr. Cornelius continued by saying the company had suffered a fire loss and needs new facilities and that a representative from the company was present to tell the Board what their plans are. Mr. Cornelius stated that the company had submitted an application and needed clarification on the amount being asked for. He stated that the budget shows a \$4,000,050.00 budget and the cover request is up to \$10M in bonds. Mr. Cornelius stated that the Board always puts some kind of a buffer of an amount more than can be conceivably used for the project because it's a lot harder to come back and start over if you need more, so I just pulled out \$5.5M as a comfortable buffer if the company feels comfortable with that. The Board could at no disadvantage put \$10M , but I need clarification on what the company needs.

Mr. Martinez (ACC,Inc. representative) stated that the company would not have a problem with the \$5.5M. Mr. Cornelius asked if there is any chance that the cost would be over \$5.5M because if there is, I'd rather move the numbers up a little? Mr. Martinez stated "no". Mr. Thorns asked Mr. Martinez if he was sure about the amount and Mr. Martinez responded "yes". Mr. Martinez stated that the company is trying to build a 40,000 square foot facility at 2740 Arts Street, that employs 55 people and plan to employ an additional 35 people on a permanent basis. Mr. Martinez stated that the company has been around for some 30-35 years and that all of the employees are pretty much local people and that some work is produced very little work out of State.

Mr. Thorns stated that he and Mr. Cornelius met with this company about a year ago along with Councilman Gusman and that the company provides a lot of custom mill work in some of the finer homes in the area. The company was looking at trying to expand and create an industrial commercial corridor. The company is located near few residential homes between the railroad tracks and the Florida Avenue Canal and I-610. One of the reasons we would be considering this project is that it would be an anchor for that kind of activity at some point and time. Mr. Thorns stated that generally what the Board does is receive the proposal, have some discussion with the company and be granted preliminary approval. This preliminary approval gives the company the ability to move forward with the process and go through the hurdles that you have to to get final approval. Mr. Martinez stated that it was his understanding that as far numbers were concern, we would be working with Bond Counsel?

New Business cont'd.

Mr. Thorns stated that Mr. Cornelius would walk you through the process and let you know exactly what you need to have done. Mr. Thorns further stated that there are some requirements by the Board and we will provide you that in writing. One of the requirements would be that you have a Cost Benefit Analysis. The Cost Benefit Analysis paid for by the company. The Analysis is designed to show the City that this project is worthwhile, giving up its ability to issue bonds as well as any tax adjustments or Ad Valorem Tax. Mr. Thorns stated that the Board would provide the company with a very clear understanding of what the Board is looking for. Mr. Thorns asked the Board if there are any questions about the project?

Mr. Cornelius stated that there is a page missing from the application. Mr. Thorns stated that the Board needs a complete application package and that the company will be granted preliminary approval subject to a complete application. Mr. Wilson asked who the company's contractor is? Mr. Martinez stated Performance Interiors. Mr. Martinez asked if he could fax the additional information in? Mr. Martinez asked if there is a time frame?

Mr. Cornelius stated that the Board could add "if additional materials are not received, the decision could be rescinded" Mr. Thorns stated that he is trying to eliminate asking the Board to come back to deal with the additional information. He stated we would rather have you move forward and provide the additional information that would be satisfactory to us. Mr. Cornelius stated that if the Board wants to move forward, he would suggest that there be a provision in the resolution that says "its subject to Counsel for the Board receiving the additional information on or before a certain date", but this does not give the Board the opportunity to work on it. Mr. Cornelius suggested that the Coordinator retrieve an application to see what pages are missing. The Board agreed. Mr. Legier stated that he would like to see the project happen. He further stated that he thought it would be a great project and an asset to the City.

Mr. Martinez asked if it was possible for the company to get approval subject to Mr. Cornelius receiving information? Mr. Thorns stated that we are working on that by trying to identify exactly what is missing based upon a copy of a blank application. Mr. Cornelius stated that its important to get the application to see if it involves questions that the Board believes are critical to its decision to approve or not. If it's something your financials that aren't going to change, then they can just deposit it with us.

While reviewing, reading and comparing the application, Mr. Cornelius asked if the company owned the property and Mr. Martinez stated "yes". Mr. Cornelius asked if the company had submitted it's application fee and the Coordinator responded "yes". Mr. Martinez stated that the company has spoken with two financial institutions that are interested in the bonds. Mr. Cornelius stated this is not a commitment; it's just a letter from the Bank saying that we're interested in purchasing these bonds. Mr. Cornelius asked if the company was doing any work with Minority Contractors and/or Women Owned Businesses? Mr. Martinez stated, "yes" and I can submit those that are. Mr. Cornelius stated that the Board could give preliminary approval stating in the Resolution that the final approval will not be given unless the missing items are delivery and to your satisfaction. Amongst discussion, Mr. Thorns stated that we would consider

New Business cont'd.

letting the process move along and understand that we have to have this information before we can give final approval. Mr. Thorns asked if there was any other discussion about this issue. He further stated that it really is important to have some manufacturing like this in the area. Mr. Cornelius stated that as a manufacturer, the company is asking for a 10-year exemption and that the 10-year exemption is available to the Board of Commerce and Industry for everyone who qualifies as a manufacturer. He further stated that in situations where you're not asked to give more than that, I don't think that the Board has in the past put them through a Cost Benefit Analysis. If there is a determination that they are the ones qualified as a manufacturer for the State 10-year exemption I have to raise that issue. Do you put a project that's a manufacturer through the expense of a Cost Benefit Analysis if they can elect to go to the State and qualify for the 10-exemption that way? Mr. Thorns stated that is going to be their choice. I think they have to choose? Mr. Thorns asked Mr. Martinez if he understood what Mr. Cornelius was saying? Mr. Martinez responded "yes I do, and I'd like to discuss that with the owner of this company." Mr. Thorns stated that the company has to make a decision about that. He further stated that the Board will give preliminary approval and you will have only a short period of time to come back and let us know if you want to go forward. Mr. Thorns stated that Mr. Cornelius would explain the 10-year Tax Exemption for Manufacturers and meet the guidelines of manufacturing. Mr. Cornelius stated that a letter can be gotten from the Board of Commerce and Industry indicating whether they will give them exemption or not. Mr. Cornelius stated that in the last 25 years there has been one delay for one meeting that they've given the tax exemption – what they say qualifies as a manufacturer. Mr. Thorns asked for a motion for preliminary approval for this project.

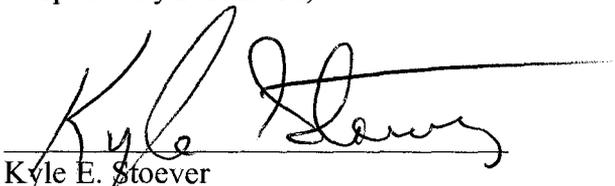
On a motion duly made by Mr. Joseph, seconded by Mrs. Marchand and unanimously approved Preliminary Approval for the Advanced Commercial Contracting, Inc. Project. There were eight yeas and zero nays.

Mr. Martinez thanked the Board for their recommendation and approval.

Adjournment

On a motion duly made by Mr. Smith, seconded by Mr. Wilson and unanimously passed, the meeting was adjourned. There were eight yeas and zero nays.

Respectfully submitted,



Kyle E. Stoever
Secretary/Treasurer
Industrial Development Board
Of The City of New Orleans, LA, Inc.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF NEW ORLEANS, LOUISIANA, INC.
Tuesday, January 18, 2005**

Attendees: Bruce Bolyard, Farrell J. Chatelain, Glenda Jones- Harris, Irvin A. Joseph, Eddy Oliver, James Smith, Kyle E. Stoever, Jimmie Thorns, Tyrone A. Wilson

Absent: Joseph Authement, Steven Gill, Ernest P. Legier, Nina H. Marchand, Mark McKenna, Jr., John B. Williams

Others: Kimberly M. Johnson, Coordinator-IDB, Ray Cornelius-Adams and Reese, L.L.P, Erin R. Wedge, Wayne Neveu – Foley & Judell, L.L.P., Carliss Knesel – Hancock Bank, Ernest Gethers - MOED

Call to Order

Mr. Thorns called the meeting to order. Ms. Johnson then proceeded to call the roll. It was ascertained that a quorum was present. Mr. Thorns asked for audience introduction.

Approval of the Minutes

A motion was made by Mr. Joseph, seconded by Mr. Wilson and unanimously passed to approve the minutes of the September 21, 2004 Board of Directors Meeting. There were nine yeas and no nays.

Treasurers Report

Mr. Stoever gave an overview of the Board's financial position that included available funds that supports the Board's operation. Mr. Stoever stated that the Board was conducting a four-year audit. The firm of Bruno & Tervalon will be handling that audit. Mr. Stoever stated that the auditors would be requesting information from each Board about any participation and/or outside business interest that any member of the Board has had with any of our projects. Ms. Johnson stated that those letters are forthcoming.

The Board asked for clarification on the securities account.

Mr. Stoever stated that the securities account is at Banc One Securities. Every six months, the Board purchases six-month treasury bills, which comes out of the bank account through securities and when the t-bills mature, the full amount of the amount of bills is returned back to our bank account. At some point in time, if we get back into an environment where rates are high we certainly will want to look into locking in the longer term higher rate type bonds, but at this point with the rising re-inflationary environment it's best to be on the short end of the curve and participate as the rates rise.

A motion was made by Mr. Joseph, seconded by Mr. Wilson and unanimously approved to accept the Annual Financial Report. There were nine yeas and no nays.

Old Business

Ratification - IDB Summit

Mr. Thorns stated that we have some items that we need to discuss under old business; some things that we have not been able to do. As a matter of philosophy, we never call meetings unless we have something to do or discuss. Unfortunately in between us having some meetings, we have done a couple of things that we need the Board to ratify. One of them was a summit. The idea was to extend ourselves as the IDB and to try to develop a relationship with other entities that may jointly with us produce some economic development projects. Mr. Thorns commented that the summit was very successful. However in connection with doing that summit there were some expenses that did not receive prior approval. The cost of the summit was approximately \$10,655.91. This amount includes, the room, catering, the videographer and the consultant who put the summit together. I would like to request your approval of an amount not to exceed \$12,000 just in case there are some other expenses out there and ratify the actions of this economic development summit.

Mr. Joseph, seconded by Mrs. Harris, made a motion to approve the amount of and not exceed \$12,000 for expenses for Economic Development Summit. There were nine yeas and no nays.

Ratification – Photographs (IDB Projects/Board Members)

Mr. Thorns stated that photographs of the IDB's projects as well as photographs of Board members have been taken. The photographs of the projects were taken for archive purposes as well as for the Annual Report. Mr. Thorns asked for approval of the funds \$3,545.00 remitted for services rendered. This amount represents the expenses that have been paid to date. Mr. Thorns asked that the Board approve the paid amount of \$3,545.00.

Mr. Chatelain, seconded by Mrs. Harris, made a motion to approve the amount of \$3,545.00 for the photographs of Board members and projects. There were nine yeas and no nays.

Mr. Thorns called for a vote to allow for expenditures to be made without Board approval. The limit is for and not to exceed \$1,000.00 for purchases.

Mr. Stoever, seconded by Mr. Joseph, made a motion to approve expenditures in the amount of up to \$1,000.00 can be made without Board approval. Amounts exceeding \$1,000.00 has to have Board approval. There were nine yeas and no nays.

New Business -Administrative Fees

Mr. Thorns stated that fees are collected for each project that the Board finances. He stated that there is a published fee schedule (Administrative Fee Policy) that has been approved by the Board. Those fees are generally paid annually. He asked Mr. Stoever (Secretary/Treasurer) to speak about the fees that the Board has collected as well as the issue of insuring the fees are paid in a timely matter and any penalties related to default payments.

Mr. Stoever stated that the Board has had one year of experience in the fee collection business. For the most part it's gone very smoothly. However we have had a couple of problems regarding breakdowns at the times of closing. He stated that after some communication between Foley & Judell, the payments arrived.

Mr. Thorns stated that the Board has restructured the way the Board establishes what the fees are going to be and how much they are. We had just begun to create the document to establish payment. Mr. Thorns stated that the first concern is that the fees go on for 10 to 20 years and some longer than that and that majority of the present members will likely be gone. The second concern is that the Board needs to have a process set in forth where the Board does not have to be involved in the annual collection of fees; sending out invoices or following up on who's paid or who has not paid. The third concern is whether or not those who do not pay the fees in a timely manner, that there need to be a set penalty for delinquency. Mr. Thorns suggested that the Board consider revising its policy of fees and to include what the policy is on the collection and payment of fees. In addition to that the Board may want to consider lump sum payment of fees and how they will address those fees. He stated that the Board should be flexible to that option. Mr. Thorns stated that the Board does not want to get into a situation where the Board is chasing or forgetting to collect fees. He stated that this is the first opportunity after the first year of experience to address this issue.

Mr. Stoever asked Mr. Cornelius "at the time of closing, who is ultimately responsible to forward the fees to the Board"?

Mr. Cornelius responded that bond counsel should collect it, but some projects occurred where other bond counsel may not have understood the requirement.

Mr. Stoever asked "since you're no longer at Foley if Foley's going to bring additional projects to the Board is Foley responsible to see that our fees are collected?"

Mr. Cornelius stated "they can be, but I think the way to do is to send a letter to Foley stating what the Board wants their Bond Counsel to do. We can say that as part of the closing there will be a collection from the Trustee of the amounts necessary to pay the Board and there will be provisions made for the Trustee to collect and transfer that payment without any further direction." Mr. Cornelius stated that typically at closings there are monies that are set aside for costs.

Board fees ought to be included in that closing set-aside. We actually have a Trust Officer present, Ms. Carliss Knesel from Hancock Bank who made be able to give you some information.

Mr. Stoever stated "We have had two occasions where clients were not told about the administrative fees related to their projects. Our fees have been established for quite some time now, so apparently somewhere along the line at Foley & Judell someone did not properly notify them up until the very last minute that there would be a fee due the Industrial Development Board. I got a call Friday, from Tony Mitze in the tax department at Wal-Mart indicating to me that they were not aware that Wal-Mart owed the IDB a fee on an annual basis and that they were investigating it and placed a call to Foley & Judell. Subsequently they have not paid their annual fee to us and they are currently delinquent. As I understand from Ray, there is no penalty provision in the current lease agreement therefore if they don't pay essentially we have to take legal action to take possession of the property due to non-payment of fee. What I'm trying to avoid is getting into a situation where we're not providing due diligence in the process of collecting these fees in a timely manner. Hopefully years down the line there will be numerous projects we're collecting fees from to support this Board and it's ability to continue. This past year has shown me that we have had to stay very closely on top of. For the most part things have worked out pretty well, but we have had some situations where it appears there has been miscommunication between Bond Counsel and their clients over the fee structure that exists with this Board. I expect to collect the fees, and there's not been one project that I've chaired as a Committee chairman that we have not thoroughly, from day one mentioned the fee process. This is the situation that we're in and I'm asking Ray for some advice since it involves the legal aspect of our agreement, how to proceed with this. Whether we send them a notice; it's not fair for one project to pay promptly and have other pay 2-4 months late."

Mr. Cornelius stated that the Boards payments are protected and that Board fees are not assigned to the Trustee or the Bondholders. My experience with major corporations like Wal-Mart is it's always that first payment that's held up. I don't think that they pay as much attention to detail as some smaller companies do, but this is certainly right in the rent section. It has all of the details along with the priorities of payments. I do think that we can absolutely collect these fees and I'll be happy to do that if the Board wishes.

Mr. Stoever asked should a late fee be included in our contracts from this point on? He stated that the Board should make sure that the foundation in that contract is solid. We want to do a good job with this.

Mr. Cornelius responded if that's what the Board wants. I think it's a good idea.

Mr. Thorns stated that the reason for this decision is that the Board wants to get out of the monthly or annually collection of fees. We would like to be able to have a Trustee handle these matters for us. When we modify our agreements it would include the wording of a Trustee and when payments are due; what late fees are if not paid promptly and maybe put in some provisions for a lump sum payment with a discount. Those are the components that we need to

have in there and that will relieve the Board of having to do something that it's incapable of doing.

Mr. Stoever stated that he has asked Mr. Cornelius to prepare an RFP to give to the various Trust Departments and get quotes on what it would actually cost us.

Mr. Thorns asked if that would be considered professional services?

Mr. Stoever stated that he contacted Bank One and he was referred to J. P. Morgan. They stated that they could not quote without specifics. Hancock Bank couldn't give us a quote without knowing what their obligations and liabilities are going to be as well as how much work is involved.

Mr. Thorns asked Ms. Knesel if she could explain the process?

Ms. Knesel stated that most Trust Accounting Systems are set up according to handle that type of business activity. We could set it up to invoice and receive fees and deposit into the Board account.. It would be treated as an escrow account and governed by the document they would perform the duties stated. There is an annual fee of \$750 provided the account does not require daily activity.

Mr. Stoever stated that when the Board set up the fee structure, we had one fee from \$500,000 to \$5Million; I proposed that we become more competitive and start to seek out smaller projects and lower the fees from \$5Million to \$500,000. Currently if someone has a million and a half dollar project, they are going to pay the same fee as someone who has a \$5Million dollar project and that's not fair. It's not competitive; needless to say, we're not doing any of that business and in a City that is absolutely full of projects between \$500,000 and \$5Million. If we can become competitive on the lower end I think we would see more activity under \$5Million.

Mr. Thorns stated, "If the Board intends to escalate their activity in terms of marketing and seeking out projects, it needs to be sure that they are in a competitive state. We need to look at working with other folks and doing projects in the City that create Economic Development. Mr. Thorns stated that there's a meeting coming up pretty soon with Don Hutchinson, Director of Economic Development who needs to know that we are one of the tools that you do economic development with and how we work. We've been trying over the last year or so to make sure that the people who are on the Board are capable and available to participate on the Board and make sure they understand what we can do; and what we can do sometimes change. It used to be

industrial development meaning we did warehouse, plants and things like that but if you look around there's not a lot of stuff like that out there. The Industrial Development Board simply means economic development and doing those things that will bring about economic development. Any real estate project out there \$500,000 and above; we're willing to get involved and in addition to that housing is one of the major redevelopments on the horizon and we don't want to overlook that. We as a Board are the only ones in the City of New Orleans that has the power to give the benefit of a Payment-In-Lieu of Taxes. I hope that in the years to come that we become more activity with bankers and real estate people and those looking at economic development and try to offer our services to them."

Mr. Thorns asked Mr. Cornelius to write a letter to clarify the situation about the Boards process.

Mrs. Harris stated that she would like the Board to make a presentation to the District II Advisory Council to explain how the Board operates.

Mr. Wilson stated that as far as marketing is concern, the Board might need to look for a professional PR person whose main job is marketing.

Mr. Wilson, seconded by Mr. Chatelain made a motion to start the process for interviewing marketing firms. Mr. Stoever suggested that the Board establish a budget for these services. There were nine yeas and no nays.

Mr. Stoever made a suggestion that the Board come up with another fee schedule. Mr. Chatelain, seconded by Mr. Boylard made a motion to re-examine the fees for projects. There were nine yeas and no nays.

Mr. Thorns formed a committee to re-examine the Boards fees. The following persons were selected to be on that committee:

Kyle Stoever, Chairman

Tyrone Wilson

Farrell Chatelain

Lump Sum Payments

Mr. Thorns stated that the lump sum payments needs further discussion and technical analysis to make sure the Board does not lock themselves into something that they can't live with later. Mr. Stoever stated that he would like to forward the current figures from to the Auditors for their review for clarification and correction. Mr. Thorns stated that the concept is something that he would like to Board to move on and authorize it based upon a technical review that will let the Board know if it will work in their favor. Mr. Thorns asked the Board for their agreement on this procedure.

Mr. Cornelius stated that if the Board is agreeable to the lump sum payment with a 5% discount subject to verification of their accounts; it would probably be a simple thing for them to verify.

Mr. Thorns asked that the Board consider allowing the closing to go forward in the next few days predicated on the fact that the Board reviews the numbers and make sure they are correct?

Mr. Cornelius stated that the numbers that have been calculated were calculated before the recent payment of Administrative Fees. If the Board wanted to move forward to help them get to closing, he suggested writing; "acceptance of these amounts are subject to verification of the mathematical calculations before the fees are accepted." That includes both the calculation of these full amounts with a 5% discount as well as the exact amount paid deducting the amounts paid in December. I will add that in.

Mr. Chatelain, seconded by Mr. Joseph made a motion to accept the lump sum payment subject to verification of calculations. There were nine yeas and no nays.

Adjournment

On a motion duly made by Mr. Smith, seconded by Mr. Bolyard and unanimously passed, the meeting was adjourned. There nine yeas and no nays.

Respectfully submitted,



Kyle E. Stoever

Secretary/Treasurer

Industrial Development Board

Of The City of New Orleans, LA, Inc.