

ALGIERS DEVELOPMENT DISTRICT
BOARD MEETING
March 19 2021· 10:00 a.m.
ZOOM MEETING

Call to Order/Welcome

Mr. Mark Major called the meeting to order at 10:10 a.m.

Roll Call: Ms. Vanessa Duplessis.

ADD Board of Commissioners Present

Mr. Mark Major (Treasurer and Acting Chairman) Col. Dell Dempsey (Secretary), Rep. Mack Cormier, Ms. Anise Courseault and Ms. Daniela Rivero-Bryant. Chairman Troy Carter and Sen. Joseph Bouie were unable to attend.

Others Present

Mr. Ray Manning and Mr. Ron Bordelon (Algiers Development District (ADD) Consultants); Mr. Sean Bruno (CPA); Mr. Scott Zander and Mr. Richard Cortizas (Jones-Walker); Mr. Derrick Heyl, Mr. Doug Downing, Mr. Jake Caparo and Mr. Peyton Bush (New Orleans Military and Military Academy (NOMMA); Dr. Peter Cho (Delgado/Algiers Development Corporation; Sonjia Brown-Joseph (Clara's Little Lambs); Col. Eric Burns (Commanding Officer, Marine Corps Support Facility); Mr. Norman Hebert (Federal City Inns & Suites); Ms. Courtney Stuckwisch-Wong (City of New Orleans); ADD Executive Director Ms. Kathy Lynn Honaker, staff members Mr. Bill Garrett and Ms. Vanessa Duplessis.

Rules of Order: Mr. Richard Cortizas stated the Meeting Rules of Order.

January 22, 2021 Minutes Approval: Mr. Mark Major asked for a motion to approve the January 22 minutes. A motion was made by Ms. Daniela Rivero-Bryant, seconded by Ms. Anise Courseault. The January 22, 2021 minutes were approved without objection.

Revised ADD Budget for Year Ended December 31, 2020: Mr. Sean Bruno, CPA for ADD stated that Louisiana state law requires a budget revision if your total revenues or expenses are expected to deviate from the amount budgeted by five 5% or greater. Budgeted revenues verses actual was on target and no 2020 budget revisions to revenues were required. A 2020 budget revision was required for budgeted expenses. This revision was due to a previous budget submission showed the professional services line item, as well as other professional services listed separately. This revision consolidates all professional services contracts into a single professional services line item that will correlate precisely with the budget template that is required by the City of New Orleans. The budget preparation for 2021 will consolidate all professional services into a single line item to match the budget template required by the City of New Orleans. Mr. Bruno added that there is a template that breaks out all ADD contracts. Also, the bond principal payments line item was budgeted as a single \$300K line item and it should be \$200K for principal and \$70K for interest on a quarterly basis. This revision separates the bond principal and interest payments. These expense revisions will bring us under compliance with the below the 5% threshold as required by Louisiana state law.

Mr. Major asked for a motion to approve the revised 2020 budget. Ms. Daniela Rivero-Bryant inquired about the location of the landscaping line item. Mr. Bruno responded that it is in the professional services, and a template breaks out all contracts. Mr. Major requested that all Commissioners who desire a copy, receive the break out of all contracts. A motion to approve the revised 2020 budget was made by Ms. Daniela Rivero-Bryant, seconded by Col. Dell Dempsey and unanimously approved by all.

Financial Update with Budget to Actual: Mr. Sean Bruno, CPA for the Algiers Development District, reviewed the financials which included the financials with budget-to-actual. Mr. Bruno covered the Algiers Development District Statement of Financial Position for the year end December 31, 2020. This statement detailed the assets, liabilities and equity, and the statement of activities, including Property One.

Mr. Mark Major asked for a motion to approve the Financial Update with budget-to-actual covered by Mr. Sean Bruno. A motion was made by Col. Dell Dempsey and was seconded by Rep. Mack Cormier. The financial update with budget-to-actual was approved without objection.

Col. Dell Dempsey and Ms. Daniela Rivero-Bryant both had questions about property, flood and liability insurance. Ms. Kathy Lynn Honaker responded that ADD carries both property and liability coverage. ADD is not required to carry flood insurance due to the property elevation as one of the highest in New Orleans. Mr. Major requested that the ADD staff send an insurance summary to all ADD Commissioners who desire a copy.

Audit Engagement for Year End 2020: Mr. Sean Bruno stated that the Audit firm is Carr-Riggs-Ingram (CRI). There is a meeting scheduled with CRI for the first week of April to have the entrance conference. The field work should begin at the beginning of May. The audit is expected to be completed at the end of May. Statutorily, the audit is due to the state of Louisiana by June 30, 2021.

The Board received the 2020 Louisiana Compliance Questionnaire as an attachment in the Board packet. The completed 2020 Louisiana Compliance Questionnaire is required by the state auditor's office as an annual requirement. In this document, ADD is required to answer questions related to ADD compliance with applicable laws and regulations.

Mr. Mark Major asked for a motion to accept the completed 2020 Louisiana Compliance Questionnaire that needs to be executed by the ADD Chairman, Treasurer, and the Executive Director, and subsequently submitted to CRI. A motion was made by Rep. Mack Cormier, seconded by Col. Dell Dempsey. The completed 2020 Louisiana Compliance Questionnaire was approved without objection.

Old Business

Development update: Mr. Bill Garrett gave an overview of the Delgado Advanced Technology Center construction. The project is approximately 95% complete and is currently on schedule for a May 2021, completion. Dr. Peter Cho added that the Advanced Technology Center is part of the state's Act 360 Funded Project. The Advanced Technology Center will house Delgado's traditional science, technology engineering and math. For these STEM fields, including cyber-security, Delgado will partner with NOMMA and the Marine Reserve. The Advanced Technology Center will house 2500-3000 students that will attend classes. This will effectively double the Delgado West Bank Campus student population.

Mr. Ron Bordelon presented that the private developers that we are working with are the Finch Group and BT+MSG and that discussions are continuing. We are in negotiations with BT+MSG on the next steps and are down to just a few remaining items of discussions regarding valuation. With regards to the Finch Group, concept discussions center around hospitality and higher end residential. A meeting with the Finch Group is planned to discuss their detailed plans and how they can specifically support our military partners. Our goal is to ensure that the two development plans are complimentary to each other.

He continued that the LSU Health Foundation continues to forward their concept of the full life cycle of care. We are in specific negotiations and discussions with potential operators of a primary care facility in

building 722 fronting General Meyer at 2375 Constellation Street. A low-cost pharmacy is also being negotiated for Federal City.

Mr. Bordelon next gave an update on NOMMA negotiations. He stated the ADD Development team has reached an agreement in concept with the NOMMA team for consideration by the ADD Board.

The agreement for consideration includes site control of two (2) parcels and buildings. This area includes the vacant land and parking lot adjacent to the current NOMMA facility facing Patterson Road, as well as the land across O'Bannon at the front of NOMMA—which includes 3 buildings.

The agreement also includes the usage of the athletic field bounded by Sanctuary, Hebert, the Quarters A property line and the extended building 10 property line, until such time that NOPD moves and building 10 is purchased with the land running to Hebert. Once NOPD moves, this land will be available for NOMMA to purchase except for building 10 and extended land to Hebert.

All the property has been surveyed. This agreement also allows NOMMA unrestricted green space access between building 8 and the levee fence until the land and building 8 is sold.

Mr. Ray Manning then discussed the more specific development timelines:

The Delgado Advanced Technology Center is scheduled for completion May 2021.

The NOMMA conversations have concluded in a positive way to allow them to move forward with their designs as well as their fund-raising.

Regarding the BT+MSG CEA, we expect to request Board approval in May 2021.

The Finch Group CEA should be ready for Board approval in late Summer 2021.

The P-3 Group already has an executed CEA regarding the Public Safety Center project and are in their due diligence process.

We are requesting Board approval today for the NOMMA expansion and athletic fields use.

Mr. Bordelon already covered in detail the LSU Health Foundation initiatives.

Mr. Richard Cortizas recommended that the Board authorize Mr. Bordelon and Mr. Manning to negotiate on the Board's behalf to finalize the NOMMA agreement.

Ms. Daniela Rivero-Bryant inquired about the exact target date for the transfer of the land for the MOMMA Expansion?

Mr. Peyton Bush from the NOMMA Board stated that the NOMMA Board has reviewed the term sheet that is a non-binding agreement which spells out all the material terms of the deal. From the NOMMA Board's perspective there are only two outstanding issues aside from the green space that is very close to being resolved. The first issue is negotiation of the property evaluation. ADD has an appraisal and the Nomma Board had an appraisal commissioned. The two appraisal values are far apart. A possible solution is to have a third appraisal that NOMMA and ADD agree to as the property valuation needs to be resolved. The second issue is determining what the payment would be for option years two and three. Assuming that the Term Sheet could be completed at the end of May or mid April, NOMMA will continue to finalize

the design process and commence fundraising. The NOMMA Board has hired a fundraising consultant for about a year to help identify prospects and begin outreach. The fundraising could take 18-24 months. From NOMMA's prospective, the two-three year timeline on the option is reasonable to get to a final closing closing on the project.

Ms. Daniela Rivero-Bryant asked Mr. Bush if NOMMA was not prepared to take the land?

Mr. Bush stated that NOMMA has the finances to purchase the land. The fundraising that was described was for construction of the expansion. Fund raising will require NOMMA to first have site control of the land.

Mr. Ray Manning stated that the requested ADD Board action today will allow us to enter an option. That Option will define several additional option periods. ADD and NOMMA will then need to agree on a price for the expanded property. At that point, it will be up to NOMMA to put themselves in a position--given those two option periods—to go forward and purchase the property expansion. Mr. Manning and the entire team shares Ms. Rivero-Bryant's stated sense of urgency to execute the NOMMA Project and the entire Master Plan.

Mr. Mark Major asked for a motion to authorize the team of Messrs. Bordelon, Manning, Cortizas, and Ms. Honaker to complete these negotiations. The motion to authorize the Chairman or his designee to execute all documents required to complete these NOMMA transactions was made by Col. Dell Dempsey, seconded by Ms. Daniela Rivero-Bryant. The motion was approved without objection.

New Orleans Riverside at Federal City Weekly Inspections: Mr. Bill Garrett stated that shrubs, landscaping, and trees which required attention have been completed. The insurance adjusters and inspectors gave completed their work regarding the Hurricane Zeta building damage. The compiled claim amount should be available for review in about a week.

Fire/Building 101 on March 6, 2021: Ms. Kathy Lynn Honaker stated this is an ongoing investigation by the New Orleans Police Department and the New Orleans Fire Department. As most of you know, a vehicle left the road and impacted building 101 at approximately 12:30 p.m. An active-duty marine and a retired marine rescued the driver prior to the vehicle catching fire. The New Orleans Fire Department responded with six trucks on the scene. Chairman Troy Carter, along with Board members Mark Major and Col. Dell Dempsey were also in contact with me via phone. The captain of the NOPD Fourth District assisted greatly in barricading the site and securing the perimeters of the site with assistance from Property One and Bill Garrett. Col. Terry Ebbert called to inquire if we needed assistance. A meeting was also held with NOMMA's security manager to ensure the security of the school and its site. Greg Beuerman and the BMF TEAM assisted greatly with the media coverage. Building 101 total loss was reported to our insurance company.

Lights on Bike/Hike Trail Update: Ms. Kathy Lynn Honaker briefed that there was a delay in shipment of the remaining lights. They are scheduled to arrive mid-to-late April. As soon as they are delivered, they will be installed.

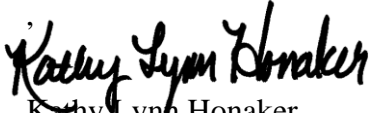
New Business

No New Business.

Public Comments: None.

Adjourn Meeting: Mr. Mark Major asked for a motion to adjourn. A motion to adjourn was made by Rep. Mack Cormier, by Ms. Anise Courseault. Without objection, the meeting adjourned at 11:16 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Kathy Lynn Honaker". The signature is written in a cursive style with a large initial 'K'.

Kathy Lynn Honaker
Executive Director

KLH/wlg