

ALGIERS DEVELOPMENT DISTRICT
BOARD MEETING
Friday, October 1, 2021· 10:00 a.m.
ZOOM MEETING

Call to Order/Welcome

Chairman Mark Major called the meeting to order at 10:00 a.m. Chairman Major welcomed Mr. Jabarie Walker to the ADD Board of Commissioners. Mr. Walker serves as the Deputy Chief of Staff for the City of New Orleans. He was appointed to the Board on August 4 by Mayor LaToya Cantrell. Chairman Major welcomed back Senator Gary Carter who previously served as an ADD Commissioner. Senator Carter was elected on June 13 as the State Senator for the 7th District.

Roll Call: Ms. Vanessa Duplessis

ADD Board of Commissioners Present

Mr. Mark Major (Chairman), Rep. Mack Cormier, Ms. Anise Courseault (Treasurer), Senator Gary Carter, Ms. Daniela Rivero-Bryant and Mr. Jabarie Walker. Senator Joe Bouie was not able to attend.

Others Present

Ms. Courtney Stuckwisch (Mayor Cantrell's Office); Mr. Sean Bruno (CPA); Mr. Richard Cortizas and Mr. Scott Zander (Jones-Walker); Mr. Greg Beuerman and Anna Corin Koehl (BMF); LTGEN Dave Mize (Ret) (NOMMA Board) and Mr. George Jacobs (NOMMA Ops); Mr. Jim Henderson and Dr. Peter Cho (ADC Board Members); Mr. Andy Thomas (MFR Assistant Jag); Col. Dell Dempsey, Mr. J. Morgan, Ms. Bella Badortha; Ms. Verna Jones (Community); ADD Executive Director Ms. Kathy Lynn Honaker, staff members Ms. Vanessa Duplessis and Mr. Bill Garrett.

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

July 23, 2021 Minutes Approval: Chairman Major asked for a motion to approve the July 23 minutes. A motion was made by Mr. Mack Cormier, seconded by Ms. Daniela Rivero-Bryant. The July 23 minutes were approved without objection.

Financial update with Budget-to-Actual: ADD's CPA Sean Bruno briefed the Algiers Development District Statement of Financial Position as of August 31, 2021. This statement detailed the assets, liabilities & equity, as well as the statement of activities. The report also included the budget-to-actual.

Ms. Daniela Rivero-Bryant asked what was the cost for the professional services for the professional adjusters for acquiring additional insurance from the Hurricane Zeta damages. Ms. Kathy Lynn Honaker covered the information of funds paid per the contract. Chairman Major directed Mr. Bruno to include the insurance proceeds and insurance expenses detail in all future reports.

Chairman Major asked if there were any questions regarding the financial report. The Chairman then entertained a motion to accept the financial report presented by Mr. Bruno. A motion was made by Senator Gary Carter, seconded Ms. Daniela Rivero-Bryant. The August 31 financial report was approved without objection.

Audit Year Ending December 31, 2020: Mr. Sean Bruno stated the audit was submitted prior to the June 30, 2021 deadline. Mr. Bruno continued that the audit went smoothly and ADD received an "unmodified opinion" which is the best audit opinion. Ms. Kathy Lynn Honaker and Chairman Major both recognized Ms. Vanessa Duplessis, Sean Bruno and Mr. Meredith Johnson for their vital contributions in completing the audit.

Chairman Major asked for a motion to adopt ADD's financial audit that was submitted to the Louisiana Legislator's Auditors office in accordance with our legal requirements. A motion was made by Rep. Mack Cormier, seconded by Sen. Carter. The financial audit for year ending 2020 was approved without objection.

2022 ADD Planned Budget: Mr. Sean Bruno presented the 2022 budget to be submitted to the City of New Orleans. Mr. Bruno acknowledged the uncertainty of the budget hearing process that will take place this year due to the pandemic and Hurricane Ida.

Mr. Jabarie Walker stated that the City Council is in the process of working towards a plan to have the budget hearings. He continued that the Mayor's office is also working on making preparations for the budget and the district's submissions.

Chairman Major asked for a motion to adopt as presented, the 2022 ADD planned budget. A motion to accept the budget as presented was made by Daniela Rivero-Bryant, seconded by Rep. Mack Cormier. The 2022 ADD planned budget as presented was approved without objection.

Old Business

Development Update

- **BT+MSG:** Mr. Ron Bordelon briefed that there are a total of four transactions associated with the BT+MSG relationship. The first transaction that the Board had prioritized has been fully executed by BT+MSG and ADD. Funds of \$200K have been transferred by BT+MSG to ADD to begin the process of transferring the building 4 parcel. BT+MSG is in their due diligence period for 75 days.

Chairman Major commented that this is the beginning of the realization of projects that this agency has been working on for several years and agreements are being executed. Chairman Major thanked the entire development team of our professional staff, consultants, and attorneys, who have all worked diligently to bring this to execution and make this a reality.

Ms. Kathy Lynn Honaker described that the four BT+MSG parcels are: Building 4 as previously discussed, Building 10 across the street from the auditorium, unimproved land east of the auditorium and the large rectangular property along Behrman between General Meyer and Opelousas both for residential development.

Mr. Scott Zander covered the "due diligence" period before proceeding to active sale for building 4. He stated that we have the framework for the executed building 4 agreement that will be utilized on the remaining three BT+MSG parcels. The three remaining BT+MSG agreements should be completed in the next two months.

Ms. Daniela Rivero-Bryant inquired if there was a required start date for the developer? Mr. Richard Cortizas responded that this occurs generally three years after closing in order to secure financing and commence construction.

- **The Finch Group:** Mr. Ray Manning covered that the Finch Group agreements were going to follow the BT+MSG agreements. The Finch Group has continued to stay engaged by discussing the infrastructure and code requirements. A meeting is planned in the next sixty days to move the Finch Group discussions forward. Mr. Ray Manning added that the Finch Group held a meeting with USMC and USCG representatives to assess the potential for military hotel nights usage.

Mr. Scott Zander added that they have exchanged a draft purchase and sales agreement with the Finch legal counsel.

Ms. Kathy Lynn Honaker added that she has had continuous contact with the entire Finch Group team, and they continue to be eager about the project and love doing business in the city of New Orleans.

- **New Orleans Maritime and Military Academy (NOMMA):** Mr. Ron Bordelon briefed that the appraisals have been completed as commissioned by ADD and NOMMA. The appraisal information has been shared by both parties. Mr. Richard Cortizas and Mr. Scott Zander are in direct contact with NOMMA's attorney to seek concurrence on the valuations of all three NOMMA parcels. The three parcels are: the parking lot north of NOMMA, the block across O'Bannon from NOMMA and Hebert St, and the athletic field that contains the track and the football/soccer field adjacent to Quarters A.

Hurricane Zeta: Ms. Kathy Lynn Honaker covered the activities that the Well-Adjusted Claims company has been working with ADD. The Well-Adjusted Claims company spent three weeks during July and August 2021, going through every building in detail. The initial insurance adjuster spent three days total to assess all the Hurricane Zeta damages in every building. Ms. Honaker stated that we just signed and submitted a letter to the insurance company on September 7, stating that ADD was owed \$3 million instead of the \$987,000 that was previously received. A joint reinspection will be scheduled soon. The Well-Adjusted Claims company was paid \$71,382.79 for their services thus far. The total contract amount is for \$115,000. The Well-Adjusted Claims company is also engaged in representing ADD with this claim to successfully recover the difference of their assessment and the insurance company's payment to ADD.

Hurricane Ida-New Orleans Riverside at Federal City Weekly Inspections: Ms. Kathy Lynn Honaker briefed that the Well-Adjusted Claims Company assessed the entire property for damages following Hurricane Ida. Chairman Major personally inspected the property following Hurricane Ida. The property had extensive tree debris, tarp damages to a few buildings, which included damages to the three ADD owned homes that Property One will repair. The Well-Adjusted Claims company determined that the Hurricane Ida damages did not exceed our insurance deductible. The facility did experience extensive power outages. Entergy's Mr. Preston Favorite was vital to the total restoration of power. Chairman Major sent thank you letters to those individuals who assisted during the Hurricane Ida cleanup.

New Business

LSU Health Fitness Center: Chairman Mark Major stated that ADD understands the importance of the fitness center to the Algiers community. It was Ms. Daniela Rivero-Bryant that initially brought to our attention the fitness center was closed. We immediately commissioned a meeting with the LSU Health Foundation and follow-up meetings are scheduled. The damage that occurred to the fitness center was immediately identified by Property One and the mitigation efforts are being completed. There is a CEA in effect between the LSU Health Foundation and the Algiers Development District. The purpose of the meetings is to determine a fitness center solution that will work for both parties. This is an extremely high priority for the ADD Board of Commissioners. Chairman Major asked everyone to please bear with us as we work through this to find a solution. He stated that we want to ensure that when the fitness center reopens it is safe for the community, and a COVID-safe environment.

Ms. Daniela Rivero-Bryant stated her disappointment in the LSU Health Foundation not meeting its responsibilities. ADD will continue to explore opportunities to open the fitness center as soon as possible. It will take time to find the right solution to be brought before this Board, so we ask for community patience.

Chairman Major asked for a motion to authorize the Chairman and Senator Gary Carter in the interim, to take the necessary steps to bring resolution to the operation of the fitness center. A motion was made by Rep. Mack Cormier, seconded by Ms. Daniela Rivero-Bryant. The motion was approved without objection.

Public Comments: Chairman Mark Major asked Mr. Bill Garrett to organize the public comments. Ms. Bella Badortha commented that she is a genuinely concerned member of the community. She was a part-time instructor at a fitness center. She stated that the fitness center could be successful with individuals with the right vision. She would appreciate ADD considering this very important matter.

Staff: Chairman Mark Major stated that our key team members, Ms. Kathy Lynn Honaker, Mr. Bill Garrett, and Ms. Vanessa Duplessis and have not received a financial increase for their services or compensation in more than seven years. The Chairman stated that this matter is long overdue to be addressed. The Chairman requested ADD's Treasurer Ms. Anise Courseault and CPA Mr. Sean Bruno, to research this issue and bring recommendations back to the Board at the November meeting. Chairman Major stated that the staff are 1099 employees who receives no benefits, health or retirement and pay their own taxes, etc. He asked that Mr. Bruno and Ms. Courseault, return recommendations for options to address this matter. A motion was made by Ms. Rivero-Bryant, seconded by Rep. Mack Cormier. The motion was approved without objection.

Ms. Rivero-Bryant asked for consideration for the professional staff to become W-2 employees instead of 1099 contract employees and receive the necessary health, dental and retirement benefits, etc.

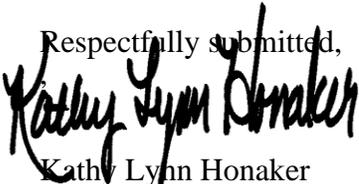
Public Comments: Chairman Mark Major asked if there were any additional public comments, there were none,

Next meeting: Friday, November 12 at 10:00 a.m.

Ms. Daniela Rivero-Bryant thanked the staff for the new Website. All meetings are posted there.

Adjourn Meeting: Chairman Mark Major asked for a motion to adjourn. A motion to adjourn was made by Senator Gary Carter and was seconded by Rep. Mack Cormier. Without objection, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,



Kathy Lynn Honaker
Executive Director

KLH/wlg