

Forward Jefferson Corporation

700 Churchill Parkway, Fairfield, LA 70094

PH: (504) 875-3908 FAX: (504) 875-3923

FORWARD JEFFERSON CORPORATION (FORJ)

November 19, 2015

8:30 A.M.

AGENDA

I. Unfinished and New Business – Chairwoman, Lynda Nugent-Smith

- Approval of Minutes for **August 27, 2015**
- FORJ resolution authorizing the sale of the JEDCO office building and incubator to JEDCO and the repayment of the building loan

II. Adjournment

The meeting begins at 8:30 a.m. and will be held at JEDCO, 700 Churchill Parkway, Fairfield, LA 70094.

In accordance with provisions of the Americans with disabilities Act Amendments Act of 2008, as amended, FORJ shall not discriminate against individuals with disabilities on the basis of disability in its services, programs or activities. If you require auxiliary aids or devices, or other reasonable accommodation under the ADA Amendments Act, please submit your request to the ADA Coordinator at least forty-eight (48) hours in advance or as soon as practical. A seventy-two (72) hour advanced notice is required to request Certified ASL interpreters.

ADA Coordinator for FORJ – Scott Rojas, Director of Facilities and IT, 700 Churchill Parkway, Fairfield, LA 70094 Telephone – (504)875-3908 Email – srojas@jedco.org

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ANNUAL MEETING FORWARD JEFFERSON CORPORATION (FORJ)

August 27, 2015
8:30 A.M.

MINUTES

Call to Order 8:30 a.m.

Attendance: Joe Ewell, Greg Jordan, Steve LaChute, Mark Madderra, Dr. Vinicio Madrigal, Lynda Nugent-Smith, Paul Rivera, Mike Rongey

Staff: Jerry Bologna, Lacey Bordelon, Cynthia Grows, Jessica Lobue, Alberto Queral, Scott Rojas, Kelsey Scram, Penny Weeks

Absences: Jim Garvey, Bill Peperone, Stan Salathe

Attorney: Reed Smith, Jefferson Parish Attorney's Office

Guests: John Monzon, Ken Pickering, Haley Olvr, Gretchen Hirt - Representing Southeast Louisiana Flood Protection Authority West

I. Call to Order – Chairwoman, Lynda Nugent-Smith

- **Approval of minutes for May 29, 2014**

Dr. Vinicio Madrigal motioned to approve the minutes; seconded by Joe Ewell. The motion passed unanimously.

- **Appointment of Officers for 2016**

Joe Ewell motioned for the slate of officers to remain the same; seconded by Paul Rivera. The motion passed unanimously.

Officers: Chair – Lynda Nugent Smith
Vice Chair – Dr. Vinicio Madrigal
Treasurer – Bill Peperone
Secretary – Jim Garvey

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- **Approval of 2014 Tax Return**

Amy Walters with LaPorte CPAs presented the 2014 Form 990. Dr. Vinicio Madrigal motioned to accept the report with amendments outlined below. The motion was seconded by Steve LaChute, and passed unanimously.

Amendments:

Page 1 – Name and title of officer changed to: Lynda Nugent-Smith
Page 2 No. 2 – Corrected spelling of last name: Burkart
Page 2 No. 4 – Corrected spelling: Causeway
Page 7 – Removed two Directors: Manuel Blanco and Frank Trapani
Page 7 – Added one Director: Mark Madderra

II. Adjournment

Joe Ewell motioned to adjourn; seconded by Dr. Vinicio Madrigal. The motion passed unanimously.

Jim Garvey
FORJ, Secretary
(Minutes for August 27, 2015)

Forward Jefferson Corporation


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MEMORANDUM

DATE: November 19, 2015

TO: FORJ Board of Directors

FROM:  Jerry Bologna, JEDCO Executive Director
via Lacey Bordelon, JEDCO Deputy Director

SUBJECT: FORJ resolution authorizing sale of building to JEDCO and repayment of building loan

Background:

In February 2009, Forward Jefferson Corporation (FORJ) entered into a credit agreement with AmCREF Fund I, LLC (the lender, Community Development Entity and subsidiary of Capital One) and Capital One (the servicer) under a New Markets Tax Credits financing structure to finance the construction of the JEDCO office building and incubator at an aggregate principal amount of \$4,000,000. The seven-year \$4 million loan was made in three separate facility notes (listed below). All three notes are due on February 20, 2016 and cannot be prepaid:

Facility Note A: \$2.83 million (interest bearing, LIBOR plus 2%) – approximate balance at maturity of \$2.2 million

Facility Note B: \$500,000 (non-interest bearing)

Facility Note C: \$670,000 (non-interest bearing)

When the initial financing was structured, JEDCO provided \$500,000 as a subordinated leveraged loan to COCRF Investor I, LLC at a fixed interest rate of 12.2066% per year. This loan will generate \$670,000 over the seven-year loan term. At the same time, Capital One made a senior leveraged loan in the amount of \$2,830,000 to COCRF Investor I, LLC and an investment of \$670,000. In turn, COCRF made a \$4,000,000 Qualified Equity Investment to AmCREF Fund I, LLC, a Qualified Community Development Entity with allocation of federal new market tax credits. AmCREF issued the \$4,000,000 loan to FORJ in three notes (Facilities A, B and C). ***Please see Exhibit A for a graphic depiction of the February 2009 loan closing.***

In accordance with JEDCO's Building Lease and Purchase Agreement with FORJ, JEDCO is required to purchase the building from FORJ at a cost equal to the indebtedness remaining on the three notes at loan maturity (i.e. February 20, 2016).

Discussion:

JEDCO has secured a loan commitment from Iberia Bank for a loan not to exceed \$2,500,000, which will be used to repay FORJ's Facility A note, and has taken the necessary steps to effect the transaction as evidenced by JEDCO Board resolutions adopted on April 30, 2015, July 30, 2015 and September 24, 2015. The loan is expected to close prior to the end of 2015 and the loan proceeds will fund an escrow account until such time that the escrow funds can be used to finance the repayment of Note A (i.e. at loan maturity date, February 20, 2016).

In order to extinguish Notes B and C, Capital One can issue a one-day loan to FORJ in the amount of \$1,170,000, an amount sufficient to pay notes B and C owed to AmCREF. AmCREF then repays COCRF who then pays JEDCO the \$1,170,000 (i.e. the subordinated loan of \$500,000 with \$670,000 in interest). JEDCO then uses the \$1,170,000 to pay FORJ's one-day Capital One loan. ***Please see Exhibit A for a graphic depiction of the anticipated February 2016 FORJ debt repayment.***

At the end of the day, FORJ no longer has title to the JEDCO building and all Facility Notes have been repaid leaving FORJ with no outstanding debt. JEDCO will possess title to the building and will have an outstanding loan on the building.

An accompanying resolution will be submitted to JEDCO at this meeting for its consideration to purchase the building from FORJ at the maturity date of FORJ's loan.

Recommendation:

We are requesting that the FORJ Board of Directors adopt the attached resolution which authorizes the sale of the JEDCO building and incubator to JEDCO, directs the proceeds of the sale to be used toward the repayment of FORJ's outstanding debt, and authorizes FORJ officers to take all actions necessary and execute all documents necessary to extinguish FORJ's building debt.

The resolution for your consideration today along with a flow chart depicting the FORJ loan closing in 2009 and the anticipated debt repayment in 2016 are attached for your reference and review.

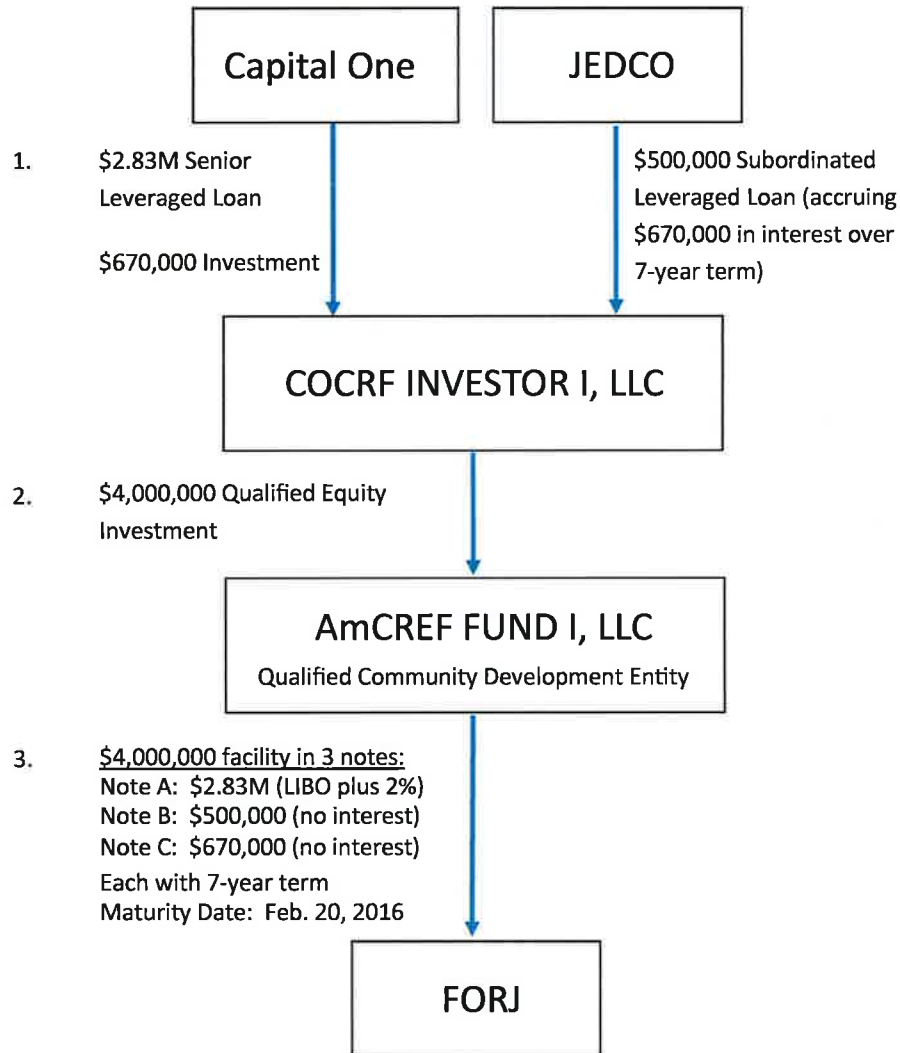
Attachments (2):

- Resolution authorizing sale of building to JEDCO and repayment of building loan
- Exhibit A – FORJ Debt Closing (February 20, 2009) and FORJ Debt Repayment (February 20, 2016) flow charts

FORJ DEBT CLOSING

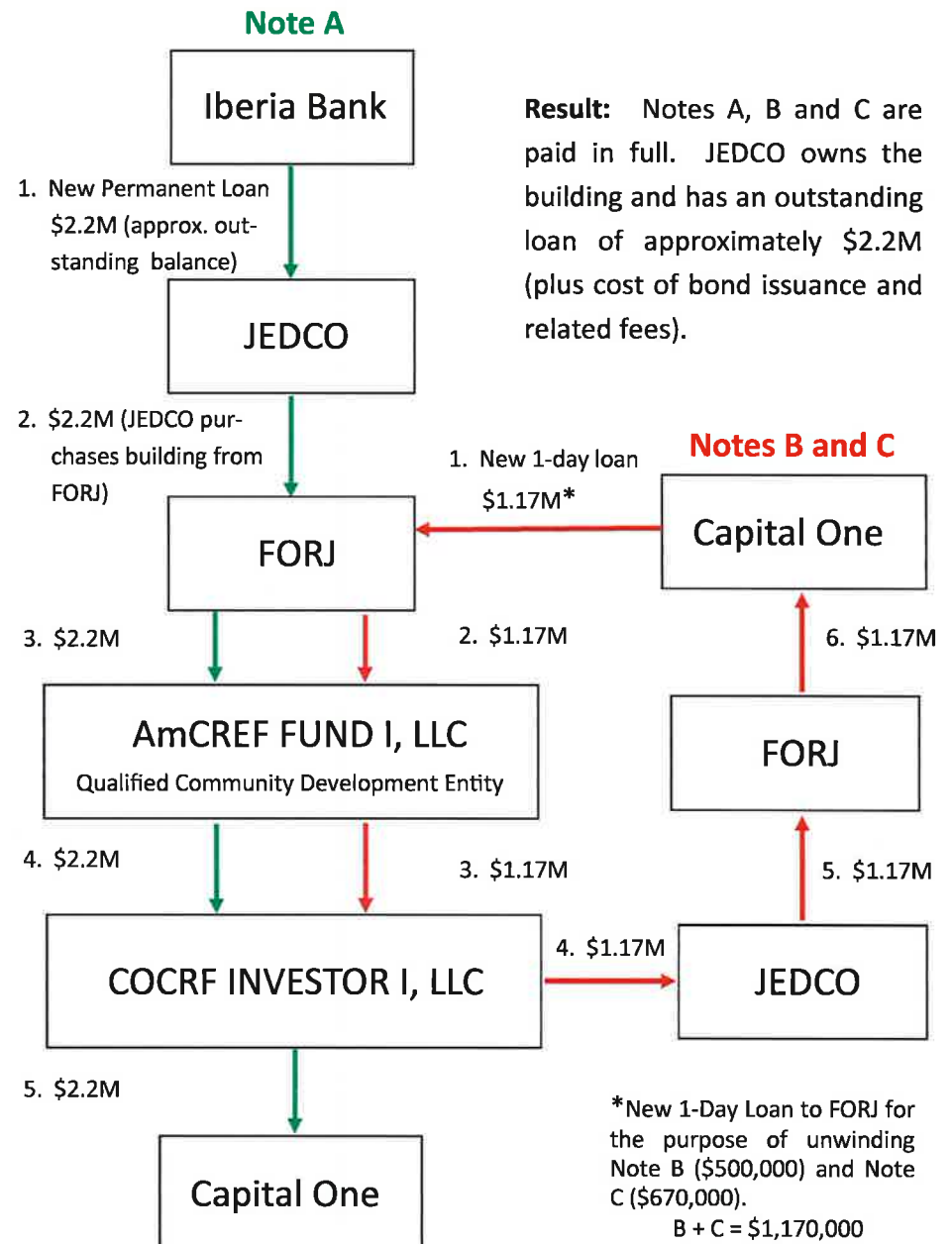
February 20, 2009

New Markets Tax Credit Facility



FORJ DEBT REPAYMENT

February 20, 2016



FORWARD JEFFERSON CORPORATION

RESOLUTION

On motion of _____, seconded by _____, the following resolution was offered:

FORJ RESOLUTION AUTHORIZING THE SALE OF THE JEDCO OFFICE BUILDING AND INCUBATOR TO JEDCO AND THE REPAYMENT OF THE BUILDING LOAN

WHEREAS, FORJ, as owner of the JEDCO office building and incubator, and JEDCO as the lessee entered into a Building Lease and Purchase Agreement ("Lease Agreement") on February 20, 2009 for the JEDCO office building and incubator; and

WHEREAS, the Lease Agreement stipulates that FORJ lease the building to JEDCO from February 18, 2009 through February 18, 2016, a term that coincides with the term of FORJ's New Markets Tax Credit Facility; and lease payments are based on the amount of debt service required by FORJ to repay its obligations incurred in financing and construction of the building; and

WHEREAS, at the end of the lease term, JEDCO is to purchase the building from FORJ for a price and sum equal to any outstanding principal and interest owed by FORJ; and

WHEREAS, JEDCO has maintained compliance with the Lease Agreement over the life of the agreement, including remitting required rent to FORJ in a timely manner, maintaining insurance on the facility, supervising and paying for all required maintenance and repairs to the building, and operating its business retention and attraction, financing and incubator programs from the building for the term of the lease; and

WHEREAS, JEDCO is pursuing a loan not to exceed \$2,500,000 to finance the repayment of FORJ's loan as evidenced by JEDCO board resolutions adopted on April 30, 2015, July 30, 2015 and September 24, 2015, and receipt of a formal loan commitment from Iberia Bank dated October 21, 2015, which anticipated loan is expected to close prior to the end of 2015 where funds will remain in escrow until such time that FORJ's New Markets Tax Credit Facility can unwind.

NOW, THEREFORE, BE IT RESOLVED by Forward Jefferson Corporation that the herein described resolution be approved for the sale of the JEDCO office building and incubator to JEDCO with the proceeds of the sale used to extinguish FORJ's outstanding debt on Facility A Note to AmCREF Fund I, LLC, subsidiary of Capital One.

Be it further resolved that the FORJ Chairman, Vice-Chairman, Treasurer and Secretary are authorized and empowered to take all necessary action and execute any and all documents required to effect the sale transaction and the repayment of FORJ's outstanding debt, including Facility A, B and C notes.

The foregoing resolution having been submitted to a vote, the vote hereon was as follows:

YEAS:

NAYS:

ABSENT:

The resolution was declared to be adopted on this the 19th day of November, 2015.

Attested by:

Jim Garvey, Secretary
FORJ