



JEDCO Board of Commissioners Meeting

November 19, 2015

8:35 A.M.

Agenda

I. Call to Order – Chairman, Paul Rivera

- **Approval of Board Absences**
- **Approval of JEDCO Minutes for October 29, 2015**

II. Public Comments on Agenda Items

III. Unfinished and New Business – Chairman, Paul Rivera

- **Approval of Nominating Committee Recommendations for 2016:**
 - Officers
 - Executive Committee
 - Finance Committee
 - Finance Committee Chairman
 - Audit Committee
 - By-Laws Committee
 - Resolution recommending the appointment of JEDCO's 2016 Chairman to the Jefferson Parish Economic Incentive Fund Evaluation Committee
- **Appointment of 2016 Nominating Committee**
- **Resolution authorizing Executive Director to execute conveyance of land to Delgado (deferred from October 29, 2015 meeting) – Lacey Bordelon**
- **JEDCO resolution authorizing the purchase of the JEDCO office building and incubator from Forward Jefferson Corporation**

IV. Monthly Financial Report – Cynthia Grows

V. Executive Director Report – Jerry Bologna

- **JEDCO 2015 Small Business of the Year Award**
- **Economic Development Services Update**

VI. Public/Other Comments

VII. Adjournment

The meeting begins at 8:35 a.m. and will be held at JEDCO, 700 Churchill Parkway, Avondale, LA 70094

In accordance with provisions of the Americans with disabilities Act Amendments Act of 2008, as amended, JEDCO 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 JEDCO – Scott Rojas, Director of Facilities and IT, 700 Churchill Parkway, Avondale, LA 70094 Telephone – (504)875-3908 Email – srojas@jedco.org



JEDCO Executive Committee Meeting

October 29, 2015

8:30 A.M.

Minutes

Call to Order 8:30 a.m.

Attendance: Jimmy Baum, Mario Bazile, Bruce Dantin, Brian Heiden, Greg Jordan, Bruce Layburn, Joe Liss, Mark Madderra, Lynda Nugent-Smith, Paul Rivera

Staff: Jerry Bologna, Lacey Bordelon, Cynthia Grows, Alberto Queral, Scott Rojas, Penny Weeks

Absences: Joe Ewell, Steve LaChute, Dr. Vinicio Madrigal, Bill Peperone, Mike Rongey

Attorney: Reed Smith, Jefferson Parish Attorney's Office

Guests: Robert Suggs – South Coast
Etienne Balart – Jones-Walker
Scott Zander – Jones-Walker
Jeffery Simno – Parish President's Office

I. Call to Order – Chairman, Paul Rivera

Chairman Rivera opened the meeting by welcoming the above named guests and leading in the Pledge of Allegiance.

- **Approval of Board Absences** – Greg Jordan motioned to excuse Dr. Vinicio Madrigal, Bill Peperone and Mike Rongey; seconded by Bruce Dantin. The motion passed unanimously.
- **Approval of JEDCO Minutes for September 24, 2015**– Greg Jordan motioned to approve the minutes; seconded by Mari Bazile. The motion passed unanimously.
- **Presentation: Implementation of a Property Assessed Clean Energy Program(PACE) – Robert Suggs**
Mr. Suggs presented an overview of the Property Assessed Clean Energy financing program available for the Louisiana Sustainable Energy Financing Districts. The overview included eligibility criteria, financing terms and key benefits.

II. Public Comments on Agenda Items

None

III. Unfinished and New Business – Chairman, Paul Rivera

- **Swearing-in of New Commissioner**
Jerry welcomed Dr. Larissa Littleton-Steib as the new Commissioner. Dr. Littleton-Steib will be representing the New Orleans Black Chamber of Commerce. Parish Attorney Reed Smith officiated the swearing-in.
- **Appointment to JEDCO Finance Committee**
Mark Madderra motioned to appoint Dr. Larissa Littleton-Steib to the JEDCO Finance Committee; seconded by Mario Bazile. The motion passed unanimously.
- **Approval of Letter of Support for a Property Assessed Clean Energy Program**
The Chairman asked for a motion to cancel this agenda item, and stated that at this time Mr. Robert Suggs is not seeking a letter of support. Mark Madderra motioned to cancel the agenda item; seconded by Bruce Layburn. The motion passed unanimously.
- **Approval of Letter of Support for Louisiana Super Region Rail Authority – Jerry Bologna**
Jerry presented the Letter of Support for the intercity passenger rail line along the corridor between Baton Rouge and New Orleans. Bruce Layburn motioned to approve the letter; seconded by Greg Jordan. The motion passed unanimously.
- **Resolution authorizing Executive Director to execute conveyance of land to Delgado (deferred from September 24, 2015 meeting) – Lacey Bordelon**
Bruce Layburn motioned to defer to the next meeting – November 19, 2015; seconded by Greg Jordan. The motion passed unanimously.

IV. Monthly Financial Report – Cynthia Grows

- Bruce Layburn motioned to accept the report as presented; seconded by Mario Bazile. The motion passed unanimously.

V. Executive Director Report – Jerry Bologna

- **LIDEA** – Jerry announced that he will be serving on the Louisiana Industrial Development Executive Association Board of Directors for 2016.
- **JEDCO Reaccreditation** – JEDCO is one of fewer than 50 accredited economic development organizations in North America. Earlier this week, JEDCO staff underwent the reaccreditation process through the International Economic Development Council. This year's reaccreditation required an on-site visit from the AEDO Review Team, which is made up of economic developers from other parts of the country. The Review Team met with senior staff, as well as a number of Jefferson Parish stakeholders to interview them about JEDCO's role within the community. One member of the review team commented that this was by far the best run and most well-recognized

organization that he has visited. Results of the reaccreditation process are expected in the next couple of weeks.

- **JEDCO Annual Luncheon** – The luncheon is scheduled for December 3, 2015 at the Hilton New Orleans Airport.
- **Iberia Bank Commitment Letter** – Iberia Bank furnished JEDCO with a commitment letter for the loan refinance of the JEDCO building. JEDCO's financial advisors have reviewed and are very comfortable with the letter.
- **Southeast Louisiana Flood Protection Authority-West** – The Board discussed the upcoming millage election pertaining to the SLFPAW. Even though JEDCO cannot take an official position on this millage, Jerry encouraged all Commissioners to familiarize themselves with the issue as this is of great concern to JEDCO as we consider the development of the Westbank, including Churchill Park.

VI. Other updates/comments from JEDCO Board of Commissioners

None

- VII. Adjournment** – Greg Jordan motioned to adjourn; seconded by Mario Bazile. The motion passed unanimously.

Mario Bazile


JEDCO Secretary

Minutes for October 29, 2015

MEMORANDUM

DATE: November 19, 2015

TO: JEDCO Board of Commissioners

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

SUBJECT: JEDCO resolution authorizing purchase of building from FORJ and repayment of FORJ's 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, JEDCO will possess title to the building and will have an outstanding loan on the building. FORJ's loan will have been repaid in its entirety leaving FORJ with no outstanding debt.

An accompanying resolution will be submitted to FORJ at this meeting for its consideration to sell the building to JEDCO, directing the proceeds of the sale to be used toward the repayment of FORJ's outstanding debt, and to take all actions necessary and execute all documents necessary to extinguish FORJ's building debt.

Recommendation:

We are requesting that the JEDCO Board of Commissioners adopt the attached resolution which authorizes the purchase of the JEDCO building and incubator from FORJ and the execution of all actions and 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.

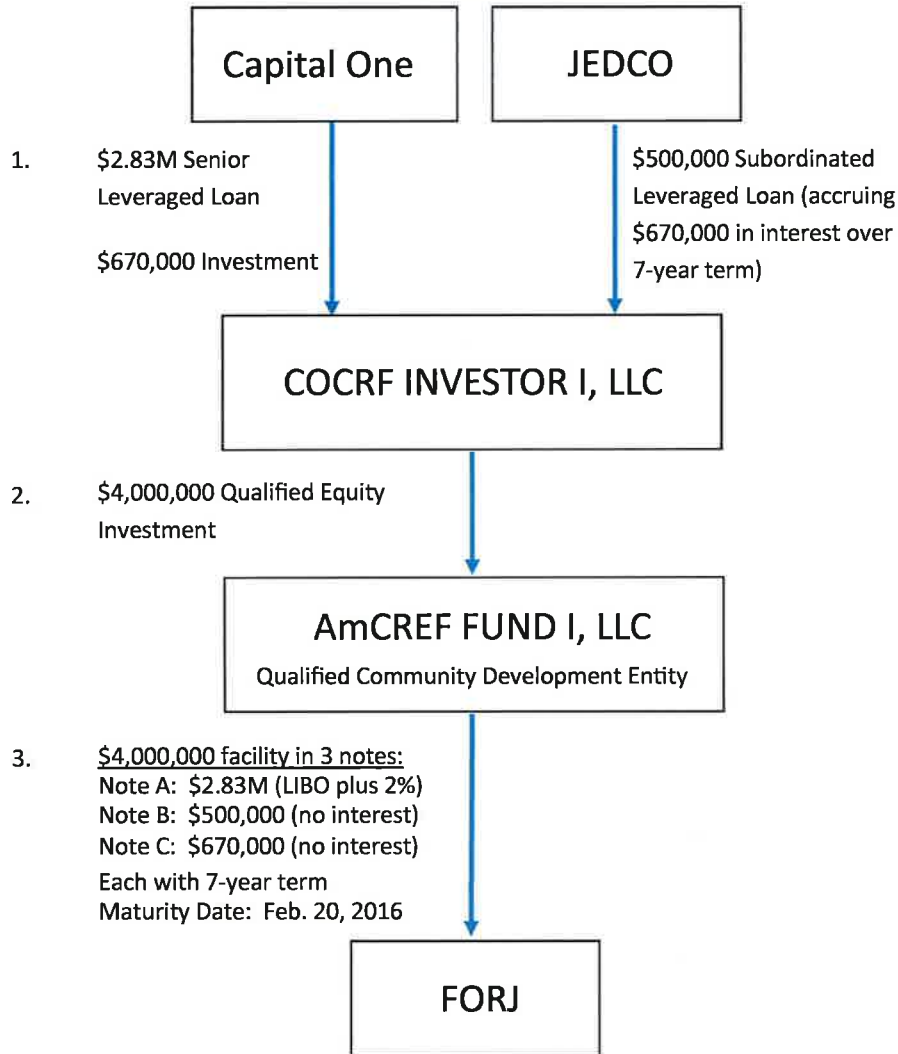
Attachments (2):

- Resolution authorizing purchase of the JEDCO building from FORJ 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

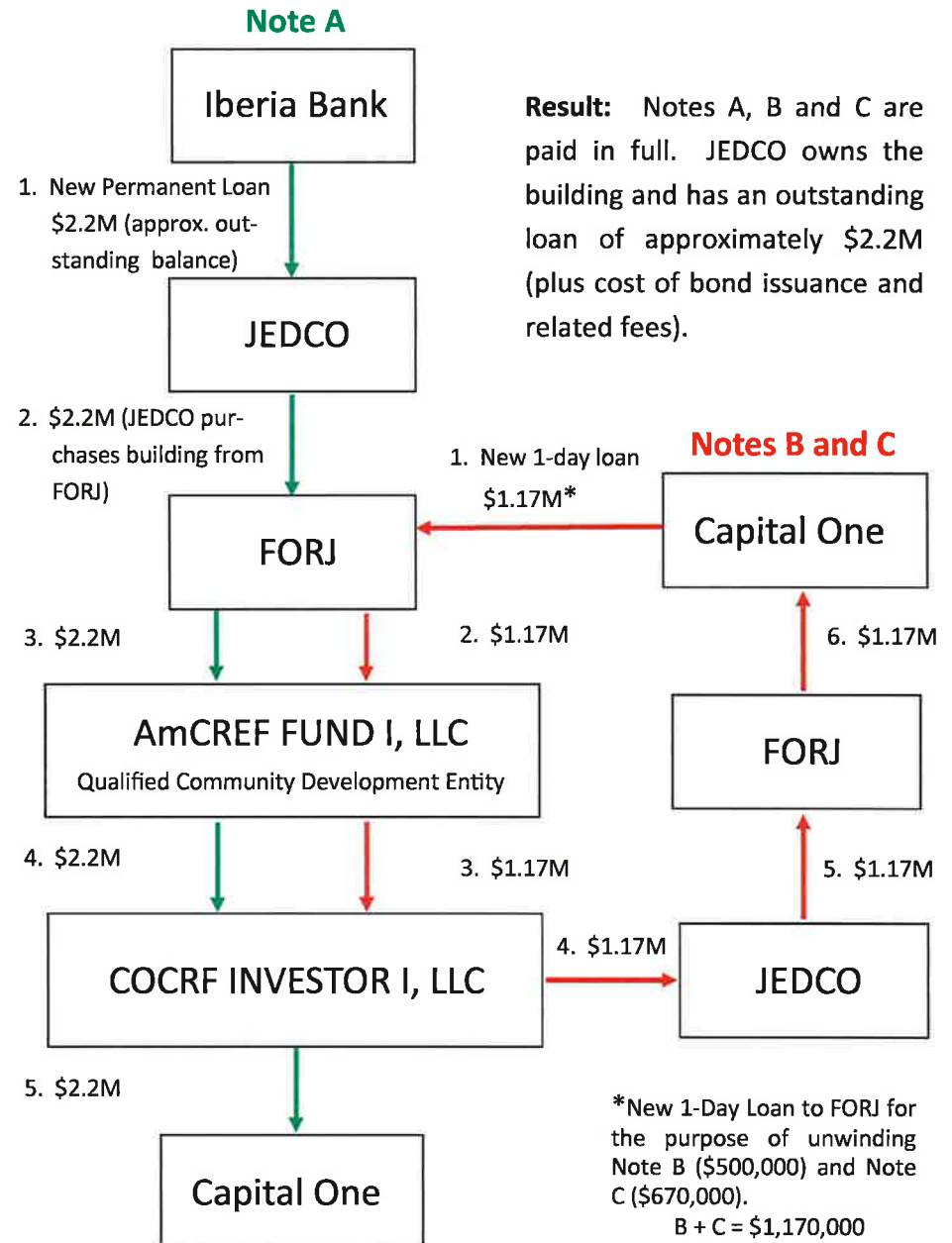
February 20, 2009

New Markets Tax Credit Facility



FORJ DEBT REPAYMENT

February 20, 2016



JEDCO RESOLUTION

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

JEDCO RESOLUTION AUTHORIZING THE PURCHASE OF THE JEDCO OFFICE BUILDING AND INCUBATOR FROM FORWARD JEFFERSON CORPORATION

WHEREAS, Forward Jefferson Corporation ("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 the Board of Commissioners of the Jefferson Parish Economic Development and Port District that the herein described resolution be approved for the purchase of the JEDCO office building and incubator from FORJ using the proceeds of the anticipated loan from Iberia Bank.

Be it further resolved that the JEDCO Chairman, Vice-Chairman, Treasurer, Secretary and Executive Director are authorized to take all necessary action and execute any and all documents required to effect the transaction, including actions and documents which may be needed by JEDCO to fulfill the repayment of FORJ's outstanding debt.

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:

Mario Bazile, Secretary
JEDCO