

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE COMMERCIAL REAL ESTATE COMMITTEE MEETING
THURSDAY JUNE 5, 2014 – 2:30 P.M.

The regular monthly meeting of the Commercial Real Estate Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, June 5, 2014 at 2:30 p.m., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Chairman Ernst called the meeting to order at 1:36 p.m. and led in the Pledge of Allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman Greg Ernst
Vice Chair Robert E. Smith Lupo
Commissioner Eugene Green

ABSENT:

Commissioner John Trask

STAFF:

Louis Capo - Executive Director
Sharon Martiny - Non-Flood

ALSO PRESENT:

Gerard Metzger – Legal Counsel
Al Pappalardo – Real Estate Consultant
Jose Garcia

APPROVAL OF AGENDA

Commissioner Lupo offered a Motion to Amend the Agenda, seconded by Commissioner Green and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Lupo offered a Motion to Approve the minutes of the April 3, 2014 and May 8, 2014 Commercial Real Estate Committee meetings, seconded by Commissioner Green and unanimously adopted.

NEW BUSINESS

1. Motion to recommend approval of transfer of Orleans Marina Boathouse Lease No. 18 bearing Municipal Address 228 South Roadway, New Orleans, Louisiana

Mr. Metzger advised that the improvements for Boathouse N-18, the Betpouey lease in Orleans Marina, are being sold for \$260,500. There is no transfer fee until after 2022 and the Authority will receive an administrative fee of \$250.00. The Authority will also be reimbursed for attorney fees in connection with this matter.

Mr. Metzger advised that boathouse transfers require that the lessor consent which is completed through Board action. A Resolution can be adopted authorizing and delegating authority to the Executive Director to authorize boathouse transfers.

Mr. Pappalardo advised that it is appropriate on a transfer of a property, as the Authority is not transferring a fee; the leasehold improvements are being transferred. It is appropriate to have Board action. Chairman Ernst called for a vote and transfer of the boathouse passed.

2. Motion to recommend approval of transfer of Orleans Marina Boathouse Lease No. W-21 bearing Municipal Address 7301 West Roadway Street, New Orleans, Louisiana

Mr. Pappalardo advised that this boathouse is in the curve of West Roadway and suffered damage during Hurricane Katrina. The boathouse was taken back by the bank and has been on the market for several years. This is a purchase for \$100,000 and the property is in fair condition only. The lease expiration with all of the options would be 2043. There will be a \$250 administrative transfer fee and reimbursement of attorney's fees in connection with this transfer. There is no transfer fee in this lease.

Mr. Garcia advised that the outside of the boathouse is in bad shape, but the structure is on solid beams. It is in fair condition and will need a new roof, new walls and new interior.

All Committee members were in favor of recommending the boathouse transfer to the Board.

3. Motion to recommend approval of a Professional Service Contract with Pappalardo Consultants, Inc. commencing on July 1, 2014

Mr. Capo advised that the budget approved in March included Real Estate Consultant funding in the amount of \$92,000. It is staff recommendation to approve a contract with Pappalardo Consultants.

Commissioner Lupo advised that the institutional memory of Mr. Pappalardo and his group is a value to the Authority. Mr. Pappalardo is respected in the community and knows this area better than anyone. Chairman Ernst thanked Mr. Pappalardo for everything he has done for the Board. Commissioner Green noted as a former member of the Levee Authority Board prior to Hurricane Katrina, Mr. Pappalardo's work was important in helping the Authority redevelop after the storm.

The Committee offered a unanimous vote to recommend approval for Mr. Pappalardo's professional service contract to the full Board.

4. Motion to recommend approval of a lease for Suite 6509 with Nancy Decuers, APAC in the Lake Vista Community Center

Nancy Decuers has a professional accounting firm and has been a tenant since 2008. The lease has a primary term of three years with one 3-year option, which expires June 30, 2014. Ms. Decuers wishes to renew for another three years and will be assessed the new rental rate of \$15.00 per square foot. The rent will be \$17,520 per year.

The Committee offered a unanimous vote to recommend approval of the lease with Nancy Decuers.

5. Discussion of an extension of the Lakeview Landings, LLC lease completion date for the construction of the ship or day store and fuel dock

Nick Asperditis requested via e-mail an extension to the end of July for completion of the fuel dock. Lakeview Landings is behind with getting fuel tanks in the ground. Mr. Asperditis believes this can be completed by the end of July.

The Authority previously gave Lakeview Landings until the end of May 31, 2014 to complete the day store. Mr. Asperditis had a deadline to meet and that deadline is coming up. Mr. Asperditis is requesting an extension of time for completion of the day store and fuel dock.

Mr. Metzger noted that Mr. Asperditis is requesting a deadline of July 30 and suggested giving a deadline date of August 31, 2014 in the event there are additional delays due to inclement weather between now and July 30, 2014. Mr. Asperditis is paying the rent. Commissioner Lupo requested that the minutes note that the Committee understands there could be extenuating circumstances where Mr. Asperditis would require an additional extension.

Commissioner Green moved to extend Lakeview Landings agreement through August 31, 2014 and the Committee offered a unanimous vote to extend through August 31, 2014 the completion of the ship and day store for Lakeview Landings.

Mr. Pappalardo advised that an RFP for the Terminal Building at South Shore Harbor Marina is being prepared. The RFP will require a new survey of South Shore Harbor to effectively allocate the amount of parking in the areas that would go with the property. The survey will cost approximately \$2,000 and is important in order for South Shore Harbor to move forward.

ANNOUNCEMENT OF NEXT MEETING

Chairman Ernst announced the next scheduled Commercial Real Estate meeting is scheduled for Thursday, July 10, 2014 at 1:30 p.m.

ADJOURNMENT

Commissioner Lupo offered a motion to Adjourn, seconded by Commissioner Green and unanimously adopted.

The meeting adjourned at 1:52 p.m.