

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE COMMERCIAL REAL ESTATE COMMITTEE MEETING
THURSDAY MAY 21, 2015 – 3:30 P.M.**

The regular meeting of the Commercial Real Estate Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, May 21, 2015 at 3:30 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 Green called the meeting to order at 3:41 p.m. and led in the pledge of allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman Eugene Green
Comm. Dieter Hugel
Comm. Leila Eames

FURTHERMORE PRESENT:

Comm. Thomas Fierke

ABSENT:

Comm. Romona Baudy

STAFF:

Cornelia Ullmann – Chief Operating Officer
Sharon Martiny – Administrative Assistant

ALSO PRESENT:

Al Pappalardo – Real Estate Consultant
Jim Martin – DEI
Beth Vargas – Boathouse Resident
Matthews Vargas – Boathouse Resident

ADOPT AGENDA

Comm. Hugel offered a motion to adopt the Agenda, seconded by Comm. Eames and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Comm. Hugel offered a motion to approve the March 2015 and April 2015 Commercial Real Estate meeting minutes, seconded by Comm. Eames and unanimously adopted.

OPENING COMMENTS

Chair Green thanked the public for their attendance and noted that several important issues will be addressed. The public was invited to attend the full board meeting where the items will be further discussed.

OLD BUSINESS

1) Status of lease negotiations with Studio Network-Lakefront, LLC for South Shore Harbor Marina Complex for both the long term lease and the location agreement for the September 2015 music festival

The COO advised that Mr. von Kurnatowski and a contractor met with Mr. Dixon at the South Shore Harbor location. Lease negotiations picked up after Jazz Fest and the Authority is in the process of engaging an attorney for those negotiations. The Attorney General's office must approve the attorney whose fee is based on years of service. The Board adopts a Resolution choosing the specific attorneys and/or firms and that contract is forwarded to the AG's office for approval. Comm. Fierke advised that the Legal Committee would be making a recommendation regarding counsel to the full Board at 5:30 p.m.

The COO advised that counsel is not needed for the September music event location agreement as current counsel put together that Agreement which will be reviewed by the Authority's real estate consultant, Al Pappalardo. The agreement to enter into the long term lease is 18 pages and has been forwarded to Mr. von Kurnatowski. There is an initial period in the long term lease for Mr. von Kurnatowski to determine if he can obtain the required permits.

Chair Green requested a summary of the important conditions of the long term lease for the Committee members. The COO advised that the requested lease terms are for 50 years with a 49 year option. Mr. von Kurnatowski provided a schedule to have the entire project completed, and assuming permits are issued and other factors, the entire project should be completed by January 2017. Mr. von Kurnatowski proposed a certain amount of rent while under construction and a higher fixed rent when opened and a percent would begin after the facility is fully functioning.

NEW BUSINESS

1) Request by Wholesalers Development Co., Inc. to transfer Boathouse No. N-29 to Matthews Vargas

Al Pappalardo, Real Estate Consultant, advised that this is a routine boathouse transfer. It is the sale of improvements to Matthews Vargas by Wholesale Development. Everything is in order with the purchase and sale agreement.

Comm. Hugel offered a motion to transfer Boathouse No. N-29 to Matthews Vargas, seconded by Comm. Eames and unanimously adopted.

2) Discussion regarding response to RFQ for LVCC foundation repair

The COO advised that an RFQ was circulated for foundation repairs to the slab at Lake Vista Community Center. The sole respondent was Design Engineering. There is \$350,000 available for this project. This is to determine if there is a plumbing/slab issue. There is some separation of the building and sidewalk. The cost of the analysis will be deducted from the amount available. Chair Green advised that the COO requests the Committee approve DEI, the sole respondent to the RFQ. A proposal will be provided by DEI relative to the work and price range.

Comm. Hugel offered a motion that the Authority accept DEI's proposal to assess the foundation at Lake Vista Community Center, seconded by Comm. Eames and unanimously adopted.

ANNOUNCE NEXT MEETING

Chairman Green announced that the next Commercial Real Estate Committee meeting will be combined with the Insurance Committee and is scheduled for Thursday, June 11, 2015 at 1:30 p.m.

ADJOURNMENT

Comm. Hugel offered a motion to Adjourn, seconded by Comm. Eames and unanimously adopted. The meeting adjourned at 3:56 p.m.