

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
**Minutes of the Joint Marina/Commercial Real Estate Committee/
Recreation-Subdivision Committee Meeting**
Tuesday December 8, 2015 – 1:00 p.m.

The joint meeting of the Marina/Commercial Real Estate/Recreation-Subdivision Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, December 8, 2015 at 1:00 p.m., in the 2nd Floor of the Lake Vista Community Center located at 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 1:10 p.m. and led in the pledge of allegiance. The roll was called which constituted a quorum.

Present: Commercial Real Estate:

Chair Eugene Green
Comm. Glenn Higgins
Comm. Leila Eames

Present: Marina:

Chair William Settoon
Comm. Glenn Higgins

Present: Recreation/Subdivision

Chair Greg Ernst
Comm. William Settoon

Furthermore Present:

Comm. Michael Stack

Absent:

Comm. Stanley Brien (Marina and Recreation/Subdivision Committees)

Staff:

Cornelia Ullmann – Chief Operating Officer
Sharon Martiny – Administrative Assistant
Charles Dixon – Marina Director

Also Present:

Al Pappalardo – Real Estate Consultant
Capt. Tom White – Fairview Realty
Chris Fenner – Stuart Consulting
Charles Silbernagel – CIS Architects
Karl Hudson – Tenant at Orleans Marina
Jordan Brimer – Schubert's Marine

Opening Comments

Chair Ernst noted that Authority members are deciding whether a full Board meeting is required. I was on the phone with Comm. Heaton on the way over. I'm not sure yet, we may have to come back so stay tuned and we will get the details to you as soon as we can.

Adopt Agenda

Comm. Higgins moved to adopt the Agenda, seconded by Comm. Settoon. Motion passed.

Approval of Prior Minutes

Comm. Settoon moved to approve the October 8, 2015 Recreation/Subdivision Committee meeting minutes, seconded by Comm. Ernst. Motion passed.

Presentations

Presentation by Real Estate Consultant and Chief Operating Officer regarding New Basin Canal and Orleans Marina boathouses

The COO advised that improvements to Boathouse W-21 (Jose Garcia) are moving forward. Demolition of Boathouses W-19 and 20 will take place in the near future and the cost is approximately \$78,000 plus engineering. Boathouses 41-46 were built in the 1960's and there is currently one tenant in that area. Boathouses on N. Roadway are in good shape and all are rented. The Authority currently owns boathouses 1, 7, 15, 16, 19 and 20. Boathouse W-21 started out as a commercial development, but was later changed to residential. Boathouses W-1 through 20 were built in the 1970's. Boathouse 46 is currently in litigation.

Al Pappalardo, Real Estate Consultant, noted that Boathouse W-15 has a tax lien. A meeting with Whitney, Whitney's real estate agent and a perspective purchaser involved discussion regarding the purchase and development of Boathouses W-14, 15, 16, 19 and 20 along with any remaining available boathouses. There are real estate agents on both sides and after the meeting all parties felt an agreement could be worked out to everyone's benefit.

The COO advised that new FEMA regulations provide that FEMA will not write NFIP insurance on any living space above water. Boathouses W-1 through 20 area the only boathouses on the entire basin that include land. The entire area can be redeveloped with first class boathouses, living quarters over the land and parking underneath. The boatshed could extend onto the water and be in FEMA compliance. Due to post Katrina FEMA guidelines that strip of land is attractive for future development and is a very valuable stretch of property.

There may be opportunities for redevelopment along S. Roadway which would result in additional revenue for the Authority. The front portion of those boathouses provide enough room for living quarters, which must be elevated 18 feet. There are minimum requirements for development of a boathouse. The building requirements are from 1980 and must be updated to include new FEMA regulations.

Sintes previously leased Boathouse W-1 (a garage set back from the road), but chose not to renew after lease expiration. The boathouse does not present a viable rental, and would be costly to build out. Comm. Green suggested W-1 be included in the next capital outlay allocation. The Authority could then obtain funding to demolish the boat shed. W-7 is bigger than the W-1, and could only be leased monthly as a covered slip due to its poor condition. The lease requires that tenants are required to maintain the boathouse. These boathouses are deteriorating, and must be demolished. Comm. Green suggested Authority require private owners to sign waivers releasing the Authority from any liability in the event of an accident or incident in the immediate area of those boathouses. Boathouses 42-45 are not occupied. Mary Salzer occupies one boathouse N-41, the leasehold is maintained and the lease (due July 20) has one 5-year option through 2021. Mrs. Salzer will relocate if another boathouse is provided. Legal counsel will research the proper procedure to declare the boathouses blighted and in need of demolition.

Mr. Pappalardo noted that Linfield, Junius performed a structural analysis and report of 41-46. The boathouse was one structure subdivided into slips. Everything in that area is deteriorating. Comm. Green requested this issue be further discussed at the January CRE meeting. In the interest of public safety Boathouses 41-46, W-1, W-7 should be demolished. Chair Ernst suggested a joint Marina/CRE/Legal Committee meeting in January to determine a recommendation.

Old Business

1) Discussion regarding multiple submissions for architect review of subdivision restrictions (Recreation/Subdivision)

Charles Silbernagel, CIS Architects, advised that plans are reviewed for compliance. Any issues are corrected and quickly returned. Drawings not prepared by a design professional present problems as they are only stamped (not drawn) by the professional, which is illegal. In most cases the draftsman is difficult to contact. Somebody is needed to answer questions and make changes to the drawings. Architects that regularly do work in Lakeview send revised drawings within two days; draftsmen can take three months to submit revised drawings.

Mr. Silbernagel suggested a re-submittal fee be determined and charged for drawings that must be reviewed more than once. Re-submittals take approximately 5 hours to review. Chair Ernst advised that the architect fee covers the basic review, not unanticipated labor incurred after initial review. This issue will be put back on the Recreation/Subdivision Agenda and Mr. Silbernagel can determine the re-submittal fee.

Comm. Settoon noted that the City should not accept plans not stamped by this Authority. The COO advised that Zack Smith or Ed Haran will advise the resident to return with stamped plans. Comm. Settoon recommended the COO draft correspondence to the Director of Safety and Permits for the City of New Orleans outlining how permits are to be issued for these subdivisions (Lake Oaks, Lake Terrace, Lake Vista and Lakeshore). Comm. Higgins suggested further discussion regarding types of plans the Authority accepts, if the Authority accepts liability for incorrect plans or if plans are not prepared by a licensed professional. Mr. Silbernagel advised that several communities have subdivision restrictions which require a licensed architect submit plans/specifications. It is feasible that this Authority do the same. Chair Ernst requested the Legal Committee research whether the Authority can require plans be submitted and approved by a professional architect or engineer or just under their direct supervision. Comm. Higgins noted if a design professional supervises several employees, he does not do the drawings himself.

2) Discussion regarding various subdivision restrictions and building guidelines for boathouses (CRE)

Mr. Silbernagel will update boathouse requirements and will use the requirements for the Breakwater Dr. boathouses as a model.

3) Update on boathouses W-11, 12 and 13 (CRE)

The COO advised that Mrs. Davis did not provide the insurance certificate requested for December 1, 2015. Comm. Green noted that this ends the Authority's involvement with W-11, 12 and 13. For the record, the Authority was too involved in these particular boathouses, which the Authority does not own and for which there is an agreement already established.

PUBLIC COMMENTS

Capt. Tom White, Fairview Realty, stated that Mrs. Davis did not take control of the boathouse. Piles cannot be driven due to the condition of existing boathouses. The pile driver and engineer advised that they will not take liability for driving piles and having other boathouses fall. There is 1½ years remaining on the lease and rent is \$32,400 per year.

Capt. White requested a vote to terminate the lease for boathouses W-11, 12 and 13 and take the property back. Chair Ernst requested that the issue be put on the January Board meeting Agenda. The COO requested that the relief Capt. White is requesting be put in writing.

4) Update on demolition of boathouses W-19 and 20 (CRE)

The COO advised that electricity was disconnected and the boathouses should be demolished this week. An e-mail was received with an offer to lease boathouses W-19 and 20. Chair Ernst requested a reply e-mail be sent advising that the request be put in writing.

Mr. Pappalardo advised that the property could bring in revenue of \$24,000 per year. This will be the first time the Authority has an open boathouse site. Boathouses W-19 & 20 offers attractive property that includes more land than any other boathouse. A sign outside could be placed outside advising that the site is available, and could be developed as one 40-foot site or as two 20-foot sites. Comm. Green requested Mr. Pappalardo determine a suggested offering price for W-1, 7, 19 and 20 and discuss the matter at the next CRE meeting.

Comm. Settoon noted water levels in Orleans Marina have been high. All businesses past the pumping station were shut down for five days last month due to flooding on the shallow part of the road. The private road in front of the boathouses does not flood. The private roadway was built to allow ingress and egress from the boathouse houses owned by this Authority. There was a suggestion to (on emergency basis) allow vehicles to pass in front of those boathouses to get around the low spot flooding.

Karl Hudson, Orleans Marina tenant, advised that flooding occurs during high water levels and is directly tied to the water level of the Lake. Comm. Stack advised that the easiest fix is a gate control or valves on the drainage system that stops the road from flooding. Raising the roadway is a significant cost. Before the Authority invests money to provide access to the private road, that money could be spent addressing the problem. Chair Ernst requested photographs of the private road along with a plan allowing access to that road.

5) Update on Lake Vista Community Center (CRE)

The COO advised that the center portion of the roof is fine. Costs to repair the roof are as follows: canopy area along front of building - \$20,000, right (east) side - \$16,000 and left side - \$25,000. Repairs include roofing work and resealing. Soprema repaired the roof and sent a roofing inspector who did minor repairs before Thanksgiving. Chair Ernst requested the COO forward the estimate. Comm. Settoon requested a status of the structural review (\$35,000) of the LVCC. The COO advised that a thorough structural review will cost approximately \$19,000. Eustis Engineering provided two scopes of work. Coring of Suite 6513 was authorized and will determine many issues regarding that end of the building. Eustis Engineering will advise when the work can be done. Mr. Pappalardo suggested waiting for the survey until results from the core are received from Eustis.

Jim Martin (DEI) noted no discontinuities inside the building. The slab is moving from the front toward the next grade beam. There is movement in the back of the building, which has been going on for a long time. Long ago someone built a pavement ramp near every rear entrance from the parking lot and the slab is still moving. A soil survey can determine the structural integrity of the building. DEI facilitated Eustis with BFM (survey sub) to view the site and determine what is happening under the foundation. The challenge is that there are no as-built plans or structural drawings. The building appears to have beams which have not moved. The building edges are stiff and the sidewalk sank several inches. What was assumed to be a floating slab has come down several inches. DEI will do a comprehensive structural survey to identify the problems and provide possible prioritized solutions to guide the expenditure of funds.

6) Update on Shelter 3 replacement (Recreation/Subdivision)

The COO advised of many weather issues which caused delayed the December 5, 2015 completion date. The building will be turned over in approximately 30

days, but water and electricity must be turned on before the Shelter is opened. The Shelter is expected to open by February 1, 2016.

**7) Update on installation of back flow preventers
(Recreation/Subdivision)**

The Authority is awaiting final approval from the Corps to give the final okay for Shelter Nos. 1 and 2. Shelter 3 will have a backflow preventer installed as part of the replacement project and the backflow preventer has already been installed at Shelter 4.

8) Update on status of rub rails & Pennick Dock (Stuart Consulting)

Chris Fenner, Stuart Consulting, advised that five contractors examined the rub rails and Pennick Dock. There were no responsive quotes. A second RFP will be prepared for labor only (the Authority will purchase materials) to possibly generate more interest for labor only. The PW is written for \$33,000; 375 feet of rub rails. A package will be prepared to repair the Pennick Dock and restore electrical and water service under the dock.

Announce Next Commercial Real Estate Meeting

Chairman Green announced that the next Commercial Real Estate Committee meeting is scheduled for Thursday, January 7, 2016 at 1:30 p.m.

Announce Next Marina Meeting

Chairman Settoon announced that the next Marina Committee meeting is scheduled for Tuesday, January 5, 2015 at 4:30 p.m.

Announce Next Recreation/Subdivision Meeting

Chairman Ernst announced that the next Recreation/Subdivision Committee meeting is scheduled for Tuesday, January 7, 2016 at 3:30 p.m.

Adjournment

Comm. Settoon offered a motion to Adjourn, seconded by Comm. Higgins and unanimously adopted. The meeting adjourned at 1:53 p.m.