

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE COMMERCIAL REAL ESTATE COMMITTEE MEETING  
TUESDAY SEPTEMBER 19, 2017 – 11:00 A.M.**

The regular meeting of the Commercial Real Estate Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday September 19, 2017 at 11:00 a.m., in the 2<sup>nd</sup> Floor Conference Center in New Orleans Lakefront Airport, 6001 Stars & Stripes 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.

Chair Green called the meeting to order at 11:07 p.m. and led in the Pledge of Allegiance. The roll was called which constituted a quorum.

**Present:**

Chair Eugene Green  
Comm. William Settoon  
Comm. Leila Eames

**Furthermore Present:**

Chair Wilma Heaton

**Staff:**

Jesse D. Noel, P.E. – Executive Director  
Sharon Martiny – Administrative Assistant  
Ngoc Ford – Deputy Director

**Also Present:**

Gerry Metzger – Legal Counsel  
Al Pappalardo – Real Estate Consultant  
Ray Landeche – Lakeshore Resident  
Ann Duffy – Lake Oaks Resident  
William Rafferty – House of Representatives Dist. 94

**Opening Comments**

Chair Green thanked everyone for attending and noted the modest Agenda.

**Adopt Agenda**

Comm. Eames offered a motion to adopt the Agenda, second by Comm. Settoon. Motion passed.

**Approve Minutes**

Comm. Settoon offered a motion to approve the Commercial Real Estate Committee meeting minutes from July 26, 2017, second by Comm. Eames. Motion passed.

**Director's Report**

E.D. Noel advised that the Asset Management Plan (AMP) is underway and a draft was circulated to staff for comment to get input on each facility. In the near future, a draft will be sent to the Commissioners for review and comment. The Lakeshore Landings Sneak Peak was a success and a September concert series will continue on each Friday, Saturday, and Sunday throughout the month of September. There will be food, drinks and a free concert to promote the venue, which is one of a kind in New Orleans. The event is free to the public and \$5 to park. The Lessee will turn the former Bally's Terminal Building into an interior theater, and a large exterior amphitheater will be constructed thereafter. The lessee will also install access gates at the beginning of each pier at South Shore Harbor to prevent trespassers from entering the piers.

A lease is currently being negotiated with Oceana and Schubert's based on the Term Sheets provided to the Board, and staff is awaiting comments. Negotiated lease terms set for Parcel K with Brisbi Development have been received. Staff will request the Authority purchase AV equipment for the Conference Center in the Lakefront Airport Terminal Building at a cost of approximately \$80,000.00, which cost is FEMA reimbursable from outstanding Katrina funds under "movable contents". The x-ray

machine formerly located in the Airport was considered movable contents, the equipment can be purchased through those available funds. The equipment will include audio and video screens, a large flats screen television monitor and mobile audio for all commissioners.

A draft confidential report was received from the Legislative Auditor, and staff will respond to that report within the week. The full Board will be notified of the response at the September Board meeting. A draft report from the annual auditors (Carr, Riggs and Ingram) will be forthcoming.

Chair Green noted the many projects that will change the face of the Lakefront, which include the former Naval Reserve facility, Brisbi's development of Parcel K, development of the N. Peninsula, renovations/buildouts to the Lake Vista Community Center by future tenants, and construction of a Pizza restaurant by Schubert's Marine. Moving to 2018 there will be much activity in that area.

### **Old Business**

#### **1) Update regarding term sheet with le Triomphe for the lease and development of the N. Peninsula**

E.D. Noel advised that the 15-acre N. Peninsula site was surveyed for accurate boundary lines, and a topography was performed to determine if the site will require fill. Le Triomphe has the survey information and is coordinating with the surveyor to get preliminary estimates regarding costs to develop that site. Staff will work with Legal Counsel, the Real Estate Consultant and le Triomphe to prepare a Term Sheet and determine what will be developed on the site. The 4-inch water line to boat slips and the lift station at the Wedel Hangar can potentially service the site. DEI provided a study years ago, which stated utilities could cost approximately \$10 million assuming the development was extensive including a boulevard and hotels.

#### **2) Update regarding former Naval Reserve site**

E.D. Noel advised that a survey was prepared for the former Naval Reserve site based on the 8.67 acres available. SLFPA-E requires a 15-foot offset from the toe of the levee to Lakeshore Drive. This Authority has a requirement that 350 feet from the offset of the seawall be set aside for recreation and park facilities. The line is drawn in the survey and notes that 350 feet. The path forward is to prepare an RFP to lease that site.

Mr. Metzger noted that Section 307, Title 38, Subsection C.1 notes that the Authority has jurisdictional power and authority within the territorial limits (350 feet) of the project to dedicate to public use and to layout, construct, embellish and maintain a system of parks, beaches and tracks of land with related and unrelated buildings and to construct, equip and maintain golf courses, playgrounds, places of amusement/entertainment, gyms, beaches and aviation fields. The development must be something connected with a public park. The Authority has previously located restaurants at Shelter Nos. 1 and 2 as commercial activity related to the park is allowed inside that area. Section 307 is to dedicate that strip of land for public purposes, and is the original legislature for development of the Lakefront.

Settoon – all for putting out RFP. Had an unsolicited proposal for a soccer field and we should notify them. Said we could not give it to them unless an RFP was issued. Would like to see a combination of soccer and volleyball. Can put up a stand and sell refreshments. Noel – received same req for recreational area. Can draft RFP for next month. Area between the 350 and 15 ft wd can get acreage for that because it is potentially developable for other uses and keep the buffer between that line and the roadway.

Chair Green suggested the RFQ be prepared in two stages. The Authority must preserve 350 feet along the shoreline for recreation. The initial RFP can be issued for 4.7 acres so the Committee can see what proposals are received. Mr. Metzger advised that there are many options outside of the 350 feet required for recreation as the space is not a passive park. E.D. Noel noted that 2 to 3 acres is an educational campus

district. Chair Green requested that the developer communicate with UNO and SUNO to advise that some space may be available to them because that space is an educational campus. The developer can review current programs at UNO and SUNO and offer or make specific suggestions regarding development on the educational campus. The developer must offer the two universities space within the future development of that site.

Chair Green recommended, and Comm. Eames second that an RFP be prepared on the developable site subject to the final determination of the Executive Director, whom will report to this Committee and the Board. The following provisions must be included in the RFP:

- 1) The developer must communicate SUNO to determine if SUNO desires to lease some of that site and an educational campus;
- 2) The developer must communicate UNO to determine if UNO desires to lease some of that site and an educational campus
- 3) The developer must include a 35% DBE goal.

E.D. Noel noted that the Authority was not obligated to seek educational participation because the Authority owns the property; the Authority is being considerate of the master plan of both UNO and SUNO. There is no current State law that mandates DBE participation, but the Board did pass a Resolution that requires a 16% DBE goal.

### **3) Discussion regarding LVCC tenants and available space**

E.D. Noel noted a great amount of work underway at the Lake Vista Community Center. Suite 6513 is under construction by Metro Studio, and that tenant is actively doing the framework. Suite 6521 is under construction by the Orleans Levee District Police for the new substation to house O.L.D. police while the new Police Station is under construction. A police presence in that area has received a good response from the residents of the surrounding neighborhoods. Suite 6508 is the new Birds Nest Coffee Shop, which is now complete. The tenant is awaiting a Certificate of Occupancy. Suite 6514 (formerly NFPAMA) has been leased to Lakeview Creative Arts who will expand to include both Suites 6512 and 6514. The only unoccupied suite is 6516, but there is an active interest for that unit. The second floor meeting room has not been maintained in recent years. Some minor maintenance will be performed including floor waxing, carpet and paint as that room is used regularly for early voting and for neighborhood association meetings.

### **New Business**

- 4) **Motion to recommend that the NFPAMA delegate authority to the Commercial Real Estate Committee to approve Boathouse lease transfers and Estoppel Certificates**

E.D. Noel advised that lease transfers are an administrative task. The Authority receives an 8% transfer fee when a boathouse is transferred. The transfer is an administrative function and more prudent to be held at the committee level.

Comm. Eames moved to recommend that the NFPAMA delegate authority to the Commercial Real Estate Committee to approve Boathouse lease transfers and Estoppel Certificates, second by Comm. Settoon.

### **Announcement of next Commercial Real Estate meeting**

Chair Green announced that the next Commercial Real Estate Committee meeting is scheduled for Thursday October 19, 2017 at 3:30 p.m.

### **Adjournment**

Comm. Settoon offered a motion to adjourn, second by Comm. Eames. The meeting ended at 11:46 a.m.