

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE LEGAL COMMITTEE MEETING
THURSDAY MAY 14, 2015 – 4:30 P.M.**

The regular meeting of the Legal Committees of the Non-Flood Protection Asset Management Authority was held on Thursday, May 14, 2015 at 4:30 p.m., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, La 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 DeRouen called the meeting to order at 3:38 p.m. and led in the Pledge of Allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman Patrick DeRouen
Comm. Thomas Fierke
Comm. Anthony Richard

ABSENT:

Comm. Leila Eames

STAFF:

Cornelia Ullmann - Chief Operating Officer
Sharon Martiny – Administrative Assistant

ALSO PRESENT:

Gerard Metzger – Legal Counsel

ADOPT AGENDA

Comm. Fierke offered a motion to adopt the Agenda, seconded by Comm. Richard and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Comm. Fierke offered a motion to approve the January 8 and February 5, 2015 Legal Committee meeting minutes, seconded by Comm. Richard and unanimously adopted.

NEW BUSINESS

1) **Discussion regarding Boathouse W-15 and permission by Board Approved lessee to pay back taxes prior to boathouse reverting to NFPAMA**

The COO advised that the Board approved transferring the leases on W-15 and 16 to Mrs. Davis. Mrs. Davis had an agreement with W-14 (Whitney) to purchase the improvements and transfer the underlying lease. Ms. Davis is attempting to remove the tax lien from the tax records of W-14, and is making sure she is safe before taking all boathouses. She stated that she has spoken with the Assessor's office, her attorney and her real estate agent. Just recently, Sharon McDonald of the City's Treasury Dept. advised via e-mail that demolishing the improvements does not extinguish the tax lien. Mrs. Davis wants to transfer the boathouses into her name and the tax lien is an issue that the Authority must deal with.

Mr. Metzger advised that Boathouses W-14 and W-15 are in the middle of W. Roadway near the dip in the road. They were leased to Jack DeWald 30 years ago and the boathouses were merged together. There were two separate leases. Mr. DeWald lived in one half and rented out the other half. Taxes on W-14 improvements were paid every year. Taxes on W-15 were not paid, the City would adjudicate it and buy it at the tax sale. Ultimately, several hundred thousand dollars of taxes are claimed due, along with interest and penalties. Whitney Bank took over the W-14 lease and has been paying the lease payments.

Mr. Metzger stated that the Authority's attorney advised the City that taxes were on improvements only, and if improvements are demolished, effectively there is no lien; it is gone. If another lessee comes builds new improvements it benefits the City by getting new property on the tax roll. The City initially advised if improvements were demolished the tax lien is cancelled. The City recently appeared saying the tax lien would continue, which is causing a problem for the transfer of the lease. Mrs. Davis wants all three boathouses and a Board resolution proves Mrs. Davis can lease all three boathouses.

Comm. Richard suggested contacting Councilman Brossett to see if he can assist in resolving the matter. The City is halting future revenue. Mr. Metzger advised that W-15 has the tax lien, which is *in rem* (latin for “the thing”). It is not a personal obligation and the City could probably write the lien off once the improvements are demolished. The City could then begin to receive taxes on the new improvements. Comm. Fierke suggested the COO meet with Councilman Brossett and inform him of the boathouses and tax revenue that could be received on the improvements to one boathouse.

Chair DeRouen advised that responses to legal services will be placed on the June 2015 Legal Committee agenda. All who submitted a response will be notified that the matter will be discussed at the June meeting.

ADJOURNMENT

Comm. Richard offered a motion to Adjourn, seconded by Comm. Fierke and unanimously adopted.

ANNOUNCEMENT OF NEXT MEETING

The next Legal Committee meeting is scheduled for Thursday, June 4, 2015 at 3:30 p.m. The meeting adjourned at 3:53 p.m.