

**MINUTES OF THE BOARD MEETING  
OF THE  
INDUSTRIAL DEVELOPMENT BOARD  
CITY OF NEW ORLEANS, LA, INC.  
JULY 12, 2016 AT 12:30 PM  
21<sup>ST</sup> FLOOR CONFERENCE ROOM  
1340 POYDRAS, ORLEANS TOWER**

**Present:**

Walter C. Flower, III	Susan P. Good, Sec.-Trea.	Alan H. Philipson, Pres.
Darrel J. Saizan, Jr., Vice Pres.	Eric Strachan	C. David Thompson

**Absent:**

Justin Augustine, III	Troy A. Carter, Sr.	Mindy Brickman
Eugene J. Green, Jr	Edith G. Jones	Kyle Jones
Theodore Sanders, III	Jeffrey Schwartz	Todd O. McDonald

**Also Present:**

Sharon Martin, Administrator, IDB  
Joyce Matthews, Administrative Assistant, IDB  
David Wolf, Adams & Reese, Bond Counsel

**Guests:**

Tonya Pope, Jazzland  
William Pope, Jazzland  
Ed Blouin, Village de L'Est  
Arthur L. Busby, Community Legion  
Andrew Valenti, City Business  
Rebecca Conwell, City of New Orleans, Mayor's Office  
Stephen Stuart, Bureau of Governmental Research  
Lisa Ross, Office of the Assessor of Orleans Parish  
Jessica Williams, The Advocate  
Katy Dupre, New Orleans Business Alliance  
Courtney Stuckwisch, City of New Orleans, Mayor's Office  
Hayne Rainy, City of New Orleans, Mayor's Office  
Ernest Gethers, City of New Orleans, Mayor's Office  
Barry Tharp, Trinity Development  
Scott Murphy, Ironworks Union  
Wes Palmisano, 1730 Tchoupitoulas/Palmisano  
Scott Cull, 3090 Management  
Richard Briscoe  
Katherine Sayre, NOLA.com  
Jose Alvarez, EDR  
S. Parkerson McEnergy, The McEnergy Company  
Peter McEnergy., The McEnergy Company

## **Guests cont'd**

Frank Scurlock, Transformation Village  
John Mmahat, Blum Productions  
Steven Kennedy  
Stanley McDaniel, The McDaniel Group

President, Alan H. Philipson, called the meeting to order at 12:40 PM. A roll call was conducted. There was not a quorum in attendance. The President then requested an introduction of guests. The President then recommended a redirection of the agenda so as to address first those matters that did not require a board vote for the purpose of waiting for members who had confirmed their attendance but had not yet arrived.

## **SIX FLAGS – Appraisal Update**

The President recognized Mr. Peter McEnery of the McEnery Company who advised that his company is moving forward with the appraisal as commissioned. Peter McEnery then deferred continuance of the update to his partner, Mr. Parke McEnery. Parke McEnery advised they were well into the appraisal having had a second site visit that included demolition contractors and a personal property appraiser. The property appraiser has completed an initial letter concerning net value of property plus costs of demolition and salvage value (net add or net loss), which included the market value of the land. He emphasized that the former Six Flags site and the adjoining and non-adjoining properties were a unique situation but that the appraisal will rely on comparatives.

Mr. Walter Flower asked Mr. Parke McEnery to elaborate on appraisals his company has done in New Orleans East to date and to inform as to the target date for completion of the appraisal. Mr. McEnery responded that a target date is set for early August at which time they expect to submit the appraisal to the IDB for review. In response to appraisals performed, Mr. McEnery cited among appraisals conducted, The Plaza Mall, N. O. East Hospital, a six-story office building, a wild life refuge near Six Flags, a hotel and numerous other strip malls, multi-family and low income housing. Mr. C. David Thompson inquired as to how many comps would be used. Mr. McEnery advised that their reliance will be on locating market data with a broader search for properties similarly located which may include tracts located in Baton Rouge or along the Mississippi coast. He added that the McEnery Company is licensed from Texas to Florida.

Mrs. Susan Good asked if the scrap would be divided “out”, and if there would be separate appraisals in light of the parcels having different tax bill assessments. Mr. Peter McEnery continued by advising that the properties constitute two parcels – contiguous and non-contiguous. Mr. Parke McEnery said that parcel number 2 will comprise an opinion of land only.

## **REPORTS**

### **Financials**

Mrs. Good reported that because of the early date of the meeting, a financial report was not available.

### **Administrator’s Report**

Ms. Sharon Martin, the IDB administrator, advised that a copy of her report was included in each member’s meeting folder. She pointed out that the IDB’s audit was completed and was timely filed with the Louisiana Legislative Auditors.

### **1730 TCHOUPITOULAS, LLC**

Upon inquiry from the President regarding an Executive Committee meeting, this matter was deferred to counsel, David Wolf. Mr. Wolf explained that in light of the fact that a quorum was not present, the IDB had the option of opening an Executive Committee meeting to review any issue that requires a vote. He explained that years ago, the Board had voted on an amendment to its By-Laws that allowed the option of convening an Executive Committee to move matters forward. This amendment provides that an Executive Committee may convene to vote on matters as long as five (5) directors are present. It further resolves that any matter voted upon in an Executive Committee meeting would be subject to full board approval within one hundred twenty (120) days. The current number of members at this meeting would allow a vote for preliminary approval on the 1730 Tchoupitoulas proposal if an Executive Committee is convened and such matter approved by the full board at a later date.

### **At 1:22 the President convened an Executive Committee Meeting to review the 1730 Tchoupitoulas application**

#### **EXECUTIVE COMMITTEE MEETING – 1:22 PM**

##### **1730 Tchoupitoulas**

Mr. Wesley Palmisano, president and founder of the Palmisano Construction Company, was recognized. Mr. Palmisano provided a background of his company which was founded in Orleans Parish in April of 2013. Currently, the company has 75 employees. His company is one of the top three construction companies in the area (Landis, Woodward and Palmisano). Most of its contracts are in New Orleans and total some \$100M. The company needs new and larger facilities which the proposed 1730 Tchoupitoulas project will provide. 1730 Tchoupitoulas proposes the construction of a facility that offers parking, first floor retail and office space, warehouse space and 25,000 square feet of office space on all three floors to be located close to downtown New Orleans. There is a request for a PILOT to help move this project forward. The project, he stated, would serve as a catalyst in revitalizing the Tchoupitoulas corridor and Central City area, as well as help in keeping the cost of construction within reason. He added that he could do the project in Jefferson Parish but would prefer to establish in Orleans Parish. The benefits to the City would be the number of construction jobs that would be created (145 during construction). There would be 71 new jobs created, and he foresees another 100 jobs being created within that next five years according to his business plan. Another great benefit is the training facility he hopes to create within the space that would provide apprenticeship programs, workshops and warehousing. He added that he believed Woodward and Landis have received historic tax credits and other incentives from the City and the IDB.

Mr. Darrel Saizan commented that he appreciated the presentation, adding that he has noticed that Palmisano is doing the construction at the Homewood Suites project (an IDB approved project with a PILOT). Having offered these comments, Mr. Saizan stated that he wished to offer a motion for preliminary approval of this project at the appropriate time.

Mr. Palmisano, in response to a question by Mr. Thompson, stated that he owns the site which he purchased for \$1.5M and, the total development cost of the project is \$10M.

Mr. Flower inquired as to whether or not Woodward, in fact, received incentives from the IDB. This matter was addressed by Mr. Wolf who advised that no such incentive, PILOT or otherwise, was approved or given by the IDB to the construction of the Woodward facility. Mr. Palmisano acknowledged this response. In further answering, he advised that the proposed facility would house equipment, as well as any apprenticeship programs that might be created. Training would include entry level carpentry, but no electrical training.

Mr. Wolf advised Mr. Palmisano that the Executive Committee vote for preliminary approval is subject to ratification by the full board and once approved by the full board would require the commissioning of a cost/benefit analysis and the “but for” analysis which reports, if ordered now, would more than likely be completed by the September meeting. Then a PILOT would be negotiated, followed by a vote of the full board for approval.

The public was asked for comments and Mr. Steven Kennedy was recognized. He congratulated Mr. Palmisano, adding that the local hire objective piece is appreciated but that he would also like consideration of assistance to previously incarcerated individuals through a re-entry program.

There being no further public comment, a vote was taken on the motion of Mr. Saizan, with the second by Mrs. Good. By unanimous vote of the Executive Committee, preliminary approval was granted to the 1730 Tchoupitoulas project subject to confirmation and approval by the full board within 120 days.

There being no further discussions during the Executive Committee meeting, a motion was offered by Mrs. Good and seconded by Mr. Saizan for adjournment. The meeting adjourned at 2:15PM.

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Susan P. Good, Secretary/Treasurer