

**MINUTES OF THE
LAKEFRONT MANAGEMENT AUTHORITY
BOARD MEETING
THURSDAY, NOVEMBER 18, 2021**

PRESENT:

Chair Wilma Heaton
Commissioner Stanley Brien (*left at 6:19 PM)
Commissioner Sean Bruno (*left at 5:56 PM)
Commissioner Esmond Carr
Commissioner Stanley Cohn
Commissioner Monika Gerhart (*left at approximately 6:40 PM)
Commissioner Eugene Green, Jr.
Commissioner Dawn Hebert
Commissioner Renee Lapeyrolerie (*left at approximately 6:50 PM)
Commissioner Pat Meadowcroft (*left at 6:36 PM)
Commissioner Anthony Richard
Commissioner Bob Romero
Commissioner Howard Rodgers

ABSENT:

Secretary Thomas Fierke
Vice Chair David Francis

STAFF:

Louis Capo – Executive Director
Madison Bonaventure – Assistant to the Executive Director/Board Secretary
Bruce Cain – Harbor Master
David Martin– Director of Engineering and Operations
Bruce Martin – Airport Director

ALSO PRESENT:

Gerard G. Metzger – Legal Counsel to the LMA
Al Pappalardo – Real Estate Consultant to the LMA
L. Brook– South Shore Harbor Marina Tenant
Karl Hudson – Orleans Marina Tenant Association
Ray Landeche – Lakeshore Resident

The regular monthly Board Meeting of the Lakefront Management Authority was held on Thursday, November 18, 2021, at the Lakefront Airport Terminal Building, 2nd Floor Conference Center, 6001 Stars and Stripes Blvd., New Orleans, Louisiana 70126, after due legal notice of the meeting was sent to each Board member and the news media and posted.

Chair Heaton called the meeting to order at 5:35 P.M., and Commissioner Rodgers led in the pledge of allegiance. Executive Director Louis Capo called the roll, and a quorum was present.

OPENING COMMENTS:

Chair Heaton suggested that the Board consider taking actionable items first and to hear reports afterwards. She understood some Commissioners needed to leave and did not want to lose a quorum for actionable items.

MOTION TO ADOPT AGENDA:

A motion was offered by Commissioner Bruno, seconded by Commissioner Cohn, and was unanimously adopted to amend the agenda to hear the reports after business was conducted and before Executive Session.

A motion was offered by Commissioner Lapeyrolerie, seconded by Commissioner Meadowcroft, and was unanimously adopted to adopt the agenda as amended.

ADOPTION OF THE MINUTES:

A motion was offered by Commissioner Bruno and was seconded by Commissioner Meadowcroft to adopt the minutes of October 28, 2021. Commissioners Gerhart, Lapeyrolerie, and Romero abstained because they were not in attendance of the meeting. The motion carried.

PUBLIC COMMENTS: NONE

NEW BUSINESS:

- 1) **Motion to approve an Agreement with Edward R. Drury for use of property insurance proceeds for the repair and rebuilding of the Boathouse on Orleans Marina Boathouse Sites N-6 and N-7 in the Orleans Marina.**

A motion was offered by Commissioner Cohn, seconded by Commissioner Meadowcroft, and was unanimously adopted to approve an Agreement with Edward R. Drury for use of property insurance proceeds for the repair and rebuilding of the Boathouse on Orleans Marina Boathouse Sites N-6 and N-7 in the Orleans Marina.

Commissioner Cohn, Chair of the Legal Committee, explained that a resolution to Mr. Drury's issue had been discussed and recommended by the Legal Committee. He said that following Hurricane Ida, his boathouse was declared a total loss and received funds from his insurer to remediate the property. The LMA was listed as a loss payee as per the lease, and the LMA's endorsement was needed. Mr. Drury did not agree with the LMA's process for ensuring improvements were remediated and wanted to seek a solution to obtaining his insurance proceeds. He advised that Mr. Drury was a reputable attorney and had been a trustworthy tenant for over 50 years.

He explained that to ensure that the property would be remediated, Mr. Drury would be compelled to report invoices to the LMA. Mr. Drury would be setting up a special banking account so the LMA could verify that funds were spent towards remediating the property. He felt as Chair of the Legal Committee that the LMA was adequately protected.

Gerard Metzger, Legal Counsel to the LMA, agreed with Commissioner Cohn's assessment and the Committee's recommendation.

MOTION: 01-111821
RESOLUTION: 01-111821
BY: COMMISSIONER BRUNO
SECONDED: COMMISSIONER COHN

November 18, 2021

- 1) Motion to approve an Agreement with Edward R. Drury for use of property insurance proceeds for the repair and rebuilding of the Boathouse on Orleans Marina Boathouse Sites N-6 and N-7 in the Orleans Marina.**

RESOLUTION

WHEREAS, the Lakefront Management Authority (“Management Authority” or “Lessor”) is a political subdivision of the State of Louisiana, successor of the former Board of Commissioners of the Orleans Levee District and the governing authority of the non-flood protection assets of the Orleans Levee District (“District”);

WHEREAS, the Orleans Marina located at West End in the City of New Orleans is one of the non-flood protection assets of the Orleans Levee District under the management and control of the Management Authority;

WHEREAS, as owner of the Orleans Marina, the Orleans Levee District is authorized to lease its water bottoms and land as moorings for boats and construction of boathouses for fair and equitable rental rates, as provided under La.Rev.Stat. 38:336(A) and (B)(4);

WHEREAS, Edward R. Drury (“Lessee”) has leased South Roadway Boathouse Sites N-6 and N-7 (the ‘Leased Premises’) for approximately 50 years and currently leases these boathouse sites pursuant to the terms of two written lease agreements each dated and effective on March 15,2006 with the former Board of Commissioners of the Orleans Levee District, which leases are for a term of five years with five (5) five-year options to renew (collectively the “Lease”);

WHEREAS, the Lease is for water bottoms and land and pursuant to the terms of the Lease the Lessee owns the boathouse improvements located on the leased premises;

WHEREAS, the Lease provides that the Lessee is obligated to maintain in good repair the improvements located on the leased premises, to insure the improvements for the replacement value of the improvements and name the lessor as a loss payee on the property insurance policy on the improvements, and further provides that on the expiration or earlier termination of the Lease that the improvements on the leased premises shall become the property of the lessor without payment of any compensation by the lessor to the lessee;

WHEREAS, Hurricane Ida struck southeast Louisiana on August 29, 2021 causing devastating damage and destroyed the boathouse improvements on the Leased Premises;

WHEREAS, the insurer of the boathouse improvements on the Leased Premises after inspection concluded that the damage to the boathouse improvements resulted in a total loss and issued a check for the face value of the property insurance policy in the amount of \$235,000.00, payable to Lessee and the Management Authority, as a loss payee or additional insured on the insurance policy (the “check”);

WHEREAS, Lessee requested that the Management Authority endorse the check for the insurance proceeds to him conditioned on his agreement to use the proceeds to rebuild the boathouse improvements on the Leased Premises;

WHEREAS, after discussions with Lessee on this request, the Chair of the Legal Committee, Staff and Legal Counsel for the Management Authority prepared an Agreement regarding this matter, which was approved by Lessee, a copy of which is attached to this Resolution (the “Agreement”);

WHEREAS, the Legal Committee of the Management Authority at its meeting held on November 10, 2021 reviewed the Agreement and the Committee voted to recommend to the Management Authority approval of the Agreement with the Lessee; and,

WHEREAS, the Management Authority after considering the request of Lessee at its regularly scheduled meeting held on November 18, 2021 resolved that it was in the best interest of the Orleans Levee District to authorize the Executive Director or Chair of the Management Authority to endorse the check for the insurance proceeds to the order of Lessee to repair and rebuild the boathouse improvements conditioned upon the execution by Lessee of the attached Agreement.

THEREFORE, BE IT HEREBY RESOLVED, that the Lakefront Management Authority hereby approves the request of Edward R. Drury to repair and rebuild the boathouse improvements on Orleans Marina Boathouse Sites N-6 and N-7 and further hereby authorizes the Executive Director or Chair of the Management Authority to endorse the insurance company check issued for the damage to the boathouse improvements to the order of Edward R. Drury, conditioned upon the execution by Edward R. Drury of the Agreement for use of the insurance proceeds to repair and rebuild the boathouse improvements, a copy of which is attached to this Resolution.

BE IT FURTHER RESOLVED that the Chairman or Executive Director of the Management Authority be and is hereby authorized to take any action and to sign all documents necessary to accomplish the above.

YEAS: HEATON, BRIEN, BRUNO, CARR, COHN, GERHART, GREEN,
HEBERT, LAPEYROLERIE, MEADOWCROFT, RICHARD, RODGERS,
ROMERO

NAYS: -

ABSTAIN: -

ABSENT: FIERKE

RESOLUTION ADOPTED: YES

2) **Motion to rescind Resolution No.06-082621 that approved a lease of Suite 6504 in the Lake Vista Community Center with Muscular Therapy, LLC.**

A motion was offered by Commissioner Bruno, was seconded by Commissioner Cohn, and was unanimously adopted to rescind Resolution No. 06-082621 that approved a lease of Suite 6504 in the Lake Vista Community Center with Muscular Therapy, LLC.

Director Capo explained that after the Board's approval of a lease with Mr. Dudley Raven Bailey on August 26, 2021, Mr. Bailey has been unresponsive. He said he gave the tenant-to-be several weeks to come in to sign the lease and provide proper documents due to impacts of Hurricane Ida (landfall August 29, 2021), but he never set up an appointment or responded to his communications regarding an appointment to sign the lease despite the lease having been confected timely. He said it was staff's goal to have him sign the lease by October 1, 2021.

He explained that his last communication from Mr. Bailey was from sometime back in late September to answer some questions about the lease terms. Director Capo responded to his inquiry and advised that Mr. Bailey come in by October 1, 2021 to sign the lease. Thereafter, he did not receive a response from him, nor did he appear to sign the lease.

He explained that he made it clear in an email to Mr. Bailey on November 1, 2021 that if he did not sign the lease that he would be placing the item to rescind the resolution authorizing the lease on the Commercial Real Estate Committee agenda for recommendation and subsequently the Board Meeting agenda for recension at the November meetings.

Commissioner Carr asked if the lease had been signed. Mr. Metzger said no lease had been signed, and the LMA had never relinquished the unit over to them. Director Capo was asking the Board to consider the resolution so the unit could be put back into commerce.

Mr. Metzger advised that despite the impact of Hurricane Ida, the lease was ready by the second week of September. He understood that after receiving a copy of the lease, Mr. Bailey had some questions which Director Capo answered. Director Capo and Mr. Metzger believed that the tenant no longer had interest in the unit.

Chair Heaton said that the issue had been discussed at Commercial Real Estate. She felt staff had given the tenant-to-be adequate time to respond.

MOTION: 02-111821
RESOLUTION: 02-111821
BY: COMMISSIONER COHN
SECONDED BY: COMMISSIONER MEADOWCROFT

November 18, 2021

2) Motion to rescind Resolution No.06-082621 that approved a lease of Suite 6504 in the Lake Vista Community Center with Muscular Therapy, LLC.

RESOLUTION

WHEREAS, the Lakefront Management Authority ("Management Authority") is a political subdivision of the State of Louisiana and the governing authority of the non-flood

protection assets of the Orleans Levee District (“District”);

WHEREAS, the Lake Vista Community Center located in the City of New Orleans on Spanish Fort Boulevard is one of the non-flood protection assets of the District managed by the Management Authority;

WHEREAS, Muscular Therapy, LLC, a Louisiana limited liability company, (“Lessee”), offered to lease Suite 6504 in the Lake Vista Community Center, for a term of five (5) years, commencing of September 1, 2021, for a rental rate of \$17.00 per square foot, totaling \$1,267.91 per month, with a rent credit of \$634.50 per month over the first forty (40) months of the term of the lease, totaling \$25,380.00, conditioned on repairs and improvements to be made to the leased premises, based on the cost estimate of Blanchard Construction Company, dated on May 5, 2021, and under the standard terms and conditions for leases of suites in the Lake Vista Community Center;

WHEREAS, the proposed lease for the leased premises was considered by the Commercial Real Estate Committee of the Management Authority at its meeting held on August 26, 2021, and the Committee voted to recommend that the Management Authority approve the proposed lease under the terms and conditions set forth above;

WHEREAS, the Management Authority after considering the proposed lease and recommendation of Staff and the Commercial Real Estate Committee adopted Resolution No.06-082621 approving the proposed lease with Muscular Therapy, LLC;

WHEREAS, after the adoption of the Resolution approving the lease, the Executive Director of the Management Authority had a written lease agreement prepared and requested that Muscular Therapy, LLC schedule a time and date for the lease to be signed by the parties;

WHEREAS, despite several requests by the Executive Director that the lease agreement be signed, Muscular Therapy, LLC did not contact the Executive Director to schedule a time and date to sign the lease;

WHEREAS, the Executive Director informed the members of the Commercial Real Estate Committee of the Management Authority of the failure of Muscular Therapy, LLC to sign the lease at its monthly meeting held on November 18, 2021, and the Committee voted to recommend that the Resolution approving the lease be rescinded so that the premises could be placed back on the market for lease; and,

WHEREAS, after considering it to be in the best interest of the District and Management Authority, the Management Authority resolved to rescind Resolution No. 06-082621.

THEREFORE, BE IT HEREBY RESOLVED, that the Lakefront Management Authority hereby rescinds Resolution No. 06-082621 approving a lease of Suite 6504 in the Lake Vista Community Center with Muscular Therapy, LLC.

BE IT HEREBY FURTHER RESOLVED that the Lakefront Management Authority Chairman or Executive Director be and is hereby authorized to sign any documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: HEATON, BRIEN, BRUNO, CARR, COHN, GERHART, GREEN,
HEBERT, LAPEYROLERIE, MEADOWCROFT, RICHARD, RODGERS,
ROMERO

NAYS: -

ABSTAIN: -

ABSENT: FIERKE
RESOLUTION ADOPTED: YES

Directors' Reports:

Director Capo explained that the LMA sent out a press release about filming activities on Lakeshore Drive taking place that evening in the vicinity of the University of New Orleans. A special effects explosion would occur as part of the film production's activities. Notices had been sent to neighborhood presidents, so the community was informed.

He advised that the auditors needed some additional information to complete the audit and perhaps due to extenuating circumstances associated with Hurricane Ida, they were running later than usual. Commissioner Bruno, Chair of the Finance Committee, explained that typically statutory law mandated that reports were due by December 31; however, deadlines had been extended due to Hurricane Ida.

Director Capo advised that two new guards would be starting at the marinas the following Monday. They would be civil service employees of the LMA and will be trained.

Commissioner Bruno left the meeting.

Director Capo began discussing ongoing projects and remediation efforts:

- Director Capo advised that the National Guard Hangar rehabilitation (Hurricane Zeta) was almost complete, and the Ochsner's Medivac Unit had moved back in to their leased premises. The McDermott Hangar roof repairs were ongoing.
- Mr. David Martin noted that the water pressure issues improved substantially after a leak was identified by LMA maintenance staff.
- Director Capo said that staff would be bringing the acquisition of a refurbished ARFF vehicle to the Board for consideration next month. Commissioner Lapeyrolerie asked if it would be discussed at the Airport Committee. He advised that it would be. He said that the current ARFF vehicle required costly repairs and was at the end of its useful life. The acquisition of the refurbished vehicle would mean that the ARFF department could operate at full capacity.
- Director Capo said that they would have the Orleans Marina docks inspected. He advised that the Southeast Louisiana Flood Protection Authority – East had awarded a contract for the repair of the bulkhead in the Orleans Marina.
- Director Capo said that fencing needs to be repaired at Orleans Marina as a result of Hurricane Ida.
- He advised that marina staff had been working out of South Shore Harbor Marina due to water intrusion in the Harbor Master Building. He was working with Del Sol to write a communication to the insurance company to see if they would pay for a temporary trailer at Orleans Marina to bring staff back to the site. Commissioner Carr asked about the consultant working on the Harbor Master Building. He asked if the LMA would rent the trailer from the consultant. Mr. David Martin advised that the trailer, priced at \$14,000 for a six-month rental, was not coming from the consultant. It was being sourced from Will Scott. Del Sol was authorized through Board resolution to assist the Authority in project management for recovery efforts which included assisting the Authority in capturing reimbursement from the insurance companies and FEMA where eligible.

Karl Hudson asked about the bathrooms at Orleans Marina. Mr. David Martin said quotes had been obtained for all bathrooms, but the high cost of the quotes prompted Mr. David Martin to seek additional quotes for a more competitive price.

Director Capo said that they were currently advertising for security camera installation at the marinas. Replacement dock boxes had been ordered. The pump out system was also being replaced.

Commissioner Carr asked for more details on the camera system. Mr. David Martin advised that the observation system that had been installed was outfitted with Dahua cameras which were on the list for prohibited security devices. Commissioner Carr asked about the networking for the system and Mr. David Martin answered his inquiry.

Director Capo advised that they would be seeking reimbursement for pier damages as a result of Hurricane Ida.

Director Capo said that safety striping at the marinas was nearly complete and had been performed by the LMA's maintenance crew. Lighting had also been repaired.

Director Capo said the old trailer, formerly used as the Harbor Master Building, at South Shore Harbor would be auctioned off and/or removed.

Director Capo said that Mr. David Martin put out a package to remediate the piping on the fuel dock at South Shore Harbor Marina. He said they would also be remediating the navigational aid system.

Director Capo said that staff is still working to bring Shelter No. 4 back into commerce. Mr. David Martin said he was able to locate the original sky light supplier, so they will be able to get a replacement sky light to a contractor.

Director Capo and Mr. David Martin said that the FPA would be seeking to remediate flooding issues near Shelter No. 1. Mr. David Martin said that the FPA would also be replacing catch basins in the vicinity of shelters. Commissioner Carr asked about the needs to remediate the site. Mr. David Martin advised that the FPA was working to remediate the problem. Director Capo clarified that drainage on the lakefront was the responsibility of the FPA. Mr. David Martin said the FPA was cooperating with the LMA to resolve the drainage issues in the green space areas on the lakefront.

Mr. David Martin explained that the debris clean up from Hurricane Ida was nearly complete, and he anticipated that the paid amount would be 65% of the bid value once the work was complete. The contractor still needed to chip and dispose of the debris in the next week or so. The contractor would be going to the debris management site to remove it.

Chair Heaton thanked staff for their efforts. As a result of their swift actions, FEMA would be reimbursing the Authority up to 100% on debris cleanup efforts. The community also benefited from the cleaning of the debris on a quicker timeline. She understood that some agencies would only be receiving 75% reimbursement due to much later start dates.

Commissioner Carr asked if the debris would be chipped on site. Mr. David Martin confirmed that was the case, and it was properly permitted. It would also be audited by the debris monitor, and it must be delivered to a proper disposal site.

Director Capo said that applications had been completed for the consideration of the State Bond Commission for the Seabrook Boat Launch and lakefront pavilions and benches. In accordance with procedure, Capital Outlay applications had been filed again. Commissioner Hebert asked about the Frank Davis Fishing Pier. Mr. David Martin said that photos had been provided to FEMA. The pier had been constructed with leftover materials years ago and a design could not be located.

Commissioner Hebert said there was a back down area of the Seabrook Boat Launch that she had safety concerns about. She said at one time there were cones blocking it off. Mr. David Martin said he would have his maintenance team look into it and secure the area.

Director Capo advised that the fire alarm system at the Lake Vista Community Center had been repaired. The contract had also been signed for the Lake Vista Community Center Roof Replacement.

Director Capo said that in response to concerns from Councilman Giarrusso and Representative Hilferty's office about the former Civil Defense Shelter site, the LMA cleaned up some vegetation in the area. They had also enlisted the help of the public health office to provide assistance to homeless persons living on the site. He advised that there was a conflict over who had control over the site as the site was leased to the City of New Orleans.

Mr. David Martin said that the LMA and FPA would be cooperating so the FPA could determine a traffic solution at Stars and Stripes Boulevard. and Downman Road.

Director Capo said they would be auctioning off surplus items. Commissioner Richard asked when staff was expecting to have an auction of surplus items. Mr. David Martin advised that it would be around the first of the year so staff had time to catalogue items.

Chair Heaton said that staff had been putting together a comprehensive list of projects that totaled up to \$13 million and provided potential sources of funding. She appealed to the Board for their support in searching for funding sources and complimented staff for putting the report together.

Committee Reports:

Chair Heaton invited Chairs of Committees to provide reports. Airport and Marina reports had been sufficiently discussed in the Directors' Reports.

Nominating Committee: Chair Cohn said that the Committee met last week to discuss the criteria for the consideration of nominees for officer positions. He advised that he originally proposed a date of November 29, and it was determined that date would not work. He said the Committee would meet again on December 6 or 7. Chair Heaton and Committee Chair Cohn appealed to the Board for Commissioners to attend if they wanted to serve.

Commercial Real Estate: Director Capo advised that staff presented a plan to advertise a Request for Proposals and Qualifications at the Commercial Real Estate Committee for Parcel L, the former Bally's site at 6701 Stars and Stripes Boulevard. He anticipated presenting a draft document to present to the Committee and the Board in December. Commissioner Carr asked if it was ready. Chair Heaton advised that it was close, and staff would be incorporating some suggestions from the Committee.

Director Capo anticipated that the Authority would advertise the parcel at the beginning of 2022 and would advertise for 90 days. Chair Heaton advised that Parcel L was smaller than what was originally leased out to Studio Network-Lakefront, LLC. The boathouse and provision shop were not included. She advised that the terminal building may get demolished.

Commissioner Green asked about the parcel and the possibility for a developer to expand. Director Capo said that consultants had advised a phased-in approach to the leasing of the areas and said that multiple lessees were an option.

The Board discussed the former use of the site when it was leased by Bally's Casino. Director Capo invited Commissioners to tour the building with him.

Commissioner Hebert asked if the building would be demolished. Chair Heaton said that the Committee proposed suggesting it in the RFP/Q but should not require it.

Commissioner Green asked about the advertisement process. Director Capo responded that it would be a public Request for Proposals and Qualifications process and creditworthiness would be a factor for consideration. Experience with real estate development would be a factor as well. Chair Heaton said that a successful development should be compatible with the marina.

Director Capo said that he had met with Mr. Mike Gillen, Mr. Karl Hudson, Marina Chair Stanley Brien, and Commissioner Carr. He said that Mr. Gillen and Hudson and made large requests for information and with limited staff they would do their best to address all concerns as quickly as possible.

Commissioner Green advised that he had met with the neighborhood presidents, and they had thanked the LMA for the debris removal efforts.

Commissioner Meadowcroft criticized the use of the lakefront property as a staging site for debris as a disregard of the natural resource. Commissioner Carr concurred. Mr. David Martin and Director Capo understood her concern.

Commissioner Brien left the meeting.

Executive Session:

1)Personnel matters regarding anonymous complaints and potential litigation. (La Rev. Stat. 42:17).

A motion was offered by Commissioner Richard and was seconded by Commissioner Lapeyrolerie to enter Executive Session.

Mr. Metzger advised that the item was eligible for discussion under Executive Session pursuant to La Rev. Stat. 42:17.

Commissioners Meadowcroft, Gerhart, and Lapeyrolerie left during Executive Session. The quorum was lost.

Announcement of Next Regular Board Meeting: December 16, 2021

Adjournment: The meeting ended due to lack of a quorum at 6:55 PM.