

**MINUTES OF
LAKEFRONT MANAGEMENT AUTHORITY
REGULAR MEETING OF THE COMMERCIAL REAL ESTATE COMMITTEE
HELD ON THURSDAY, FEBRUARY 17, 2022**

PRESENT: Chair Howard Rodgers
Commissioner Wilma Heaton
Commissioner Monika Gerhart (Arrived at 3:35PM)
Commission Carr (Arrived at 3:50PM)

ABSENT: Commissioner Thomas Fierke

STAFF: Louis Capo – Executive Director
Winifred Christopher – Assistant to the Executive Director
David Martin– Director of Engineering & Operations

ALSO
PRESENT: Gerard Metzger – Legal Counsel to the LMA
Al Pappalardo – Real Estate Consultant to the LMA
Ray Landeche – Lakeshore Property Owners Association

The Regular Meeting of the Commercial Real Estate Committee of the Lakefront Management Authority met on Thursday, February 17, 2022, at the New Orleans Lakefront Airport Terminal Conference Center located at 6001 Stars and Stripes Boulevard, New Orleans, Louisiana, 70126. The Committee met after the notice was posted and sent to the public and media.

Chair Rodgers called the meeting to order at 3:30 P.M. and led in the pledge of allegiance. A quorum was called at 3:35 PM

Opening Comments: None

Adoption of Agenda:

A motion was offered by Commissioner Heaton, seconded by Commissioner Gerhart, and was unanimously approved, to adopt the agenda.

Director's Report:

Items to be discussed under new business item number one.

Public Comment: NONE

New Business:

1) Discussion regarding proposed the Fiscal Year 2022-2023 Budgets.

Executive Director Louis Capo presented the proposed the Fiscal Year 2022-2023 Budgets.

- Staff recommendations for daily operations for the two parcel properties:
 - Lake Vista Community Center
 - New Basin Canal
- Capital Budget
 - Director Capo also presented the committee with a spreadsheet of all projects proposed, however, announced that the Director of Maintenance and Engineering, David Martin would speak about the current roofing replacement at Lake Vista Community.
 - Director Martin stated that the contract has been awarded and notice of proceeding was issued in the fall to Roofing Solutions in Prairieville, Louisiana.
 - Roofing solutions ran into difficulty sourcing the specified roofing material
 - Thermoplastic polyolefin on top of a Styrofoam insulation
 - Roofing Solutions has been advised that the project is very important and the LMA would not be entertaining a time extension
 - An evaluation of a second alternative, which would be a lightweight concrete with a Polyvinyl chloride or PVC roofing material, and the substitution was allowable per the architect.
 - However, since then, the architect of record has been working with the contractor and they've sourced what they believe to be enough material for the original design system. Presently, the LMA is seeking an update from the contractor regarding his return to the worksite.
 - Chairman Rodgers asked whether the LMA needed to sign an extension.
 - Director Martins responded that is not the LMA's intent to do so and it is solely on the contracts to have the project completed on the agreed-upon date.
 - Director Capo continues his report with the refurbishment at Lake Vista Community Center. He referenced that funding has been allocated for the 2nd-floor refurbishment at the Lake Vista Community Center.
 - Alarm system updates or upgrades have been budgeted, and the

capital budget for next year is \$325,000.

- The restrooms at the Lake Vista Community Center have been updated to comply with ADA regulations.
- Lake Vista Community Center will be used for early voting for the March 2022 elections. There is only one item on the ballot, however, they will use the center for April's early voting.
- Operations Budget
 - On the revenue, the total income forecasting for next year for The Lake Vista Community Center is \$270,189.00.
 - The current budget this year is \$274,015. That's a 1% decrease in the amount of money that we plan on receiving next year.
 - The LMA is still trying to get the Flood Protection Authority to give up the police station to have two vacant suites rented out for revenue. We do have some interest in that from the adjacent leasing, and we're going to be in negotiations with them to see if they'll take that lease on. Therefore projecting a little less income.
 - Commissioner Heaton requested that Director Capo check with Orleans Levee District Police Department about putting it back in commerce if they aren't using the facility.
 - Chair Rodgers suggested that there is possible use as a neighborhood NOPD sub-station for the community benefit.
 - The committee suggested that LMA research Flood Protection Authority's intent for the building.
 - The next item is personal services with allocation cost, there is no staff assigned to the Lake Vista Community Center. Allocated costs for engineers and maintenance administrative services.
 - The next item is contractual services. There was no change in that budget from last year, LMA budgeted \$100,700 same this year, \$100,700.
 - The next item is material and supplies purchased in-house by our staff for repairs. The same budget as last year, \$13,250. and we're budgeting this year \$13,250 with a zero percent change in expenses for the material and supplies for Lake Vista.
 - The next is professional services which went up 8%. It went from \$12,500 to \$13,500

- Legal expenses went up by \$1000.00, projected cost of \$2000.00
- Director Capo expressed that the LMA is projecting to have revenues over expenditures. The next year's proposed budget of approximately \$40,000, showing a small profit at the Lake Vista Community Center.
- Lake Vista Community Center elevator has existed since 1994.
- The capital improvement budget is \$325,000 to refurb the LVCC second floor in hopes to generate future revenue.
- New Basin Canal Properties.
 - The properties along the New Basin Canal for the new fiscal total \$1,274,177.00, a 22% increase over what was projected this year at \$1,041,237.
 - There will be an increase in property and rents which is due to CPI adjustments and appraisals that are taking place this year at the start of next year. That's going to increase our rental income.
 - He stated his hopes of having 424 can return to commerce, the former Mike Myers boatyard, and currently collecting rent from Schrammel quantum sales.
 - \$2460.00 for salary allocation for engineering and staff assigned to the direct properties
 - Contractual services, last year we proposed \$52,100. This year we're proposing 13,000 in contractual services. Reducing to 75%.
 - Material and supplies were reduced to zero, citing land leases and reduction of maintenance.
 - Professional services, proposing to reduce that by 53% this year we went from 106,000 budgeted last year to 50,000 this year.
 - Director Capo stated that the LMA will still be on target to make close to \$1,000,000.000.

Announcement of next Commercial Real Estate Committee Meeting:

1) Thursday, March 17, 2022 – 3:30 P.M.

Adjourn:

A motion was offered by Commissioner Heaton, seconded by Commissioner Gerhart, and was unanimously approved to adjourn the meeting at 4:52 PM.