



JEDCO Board of Commissioners
May 30, 2024 @ 8:30 A.M.
JEDCO Administration Building
700 Churchill Parkway, Avondale, LA 70094

MINUTES

Call to Order: 8:30 a.m.

Attendance: Chairwoman Mayra Pineda, Mickal Adler, Jimmy Baum, Billy Douglass, Joe Ewell, Brian Heiden, Teresa Lawrence, Jim Martin, Joe Riccobono, Gene Sausse, Lynda Nugent Smith, Bob Stevens, Shondra Williams

Absences: Kenny Bertucci, Michael Fahrenholt, Josline Frank, Melissa O’Neal, Paula Polito, Stephen Robinson, Melissa Simeon, Teri Tucker

Staff: Jerry Bologna, Lacey Bordelon, Janet Galati, Annalisa Kelly, Jennifer Lapeyrouse, Scott Rojas, Neil Schneider, Anthea Smith, Penny Weeks, Jennifer Wollfarth, Kate Wendel

Attorney: Reed Smith – Jefferson Parish

Guest: David Greenwood – RNGD
David Wolf – Adams and Reese
Michael Hecht – GNO, Inc.
Joey Richard – Richard CPAs

I. Call to Order – Chairwoman, Mayra Pineda

- **Approval of Board absences for today, May 30, 2024** – Jimmy Baum motioned, seconded by Joe Ewell, to excuse the absences of Kenny Bertucci, Mike Fahrenholt, Teri Tucker, Paula Polito, Josline Frank. The motion passed unanimously.
- Approval of minutes for April 25, 2024 – Teresa Lawrence motioned, seconded by Joe Ewell, to approve the minutes. The motion passed unanimously.

Chairwoman Pineda requested a motion to take two agenda items out of order – the GNO, Inc. presentation and approval of JEDCO’s 2023 Financial Audit Report to be presented when Mr. Hecht and Mr. Richard arrive. Joe Ewell motioned to approve, seconded by Lynda Nugent Smith. The motion passed unanimously.

II. Public Comments on Agenda Items

There were no public comments.

III. Unfinished and New Business

- **A resolution reappointing members to the JEDCO Architectural Review Committee for Churchill Park – Lacey Bordelon**

According to the Declaration of Covenants, Restrictions and Reciprocal Servitudes for the Churchill Technology & Business Park, the JEDCO Architectural Review Committee shall consist of seven (7) voting members and two (2) ex-officio members. Three (3) voting members are appointed by the Jefferson Parish Council, one (1) by the Parish President and three (3) by JEDCO. One (1) ex-officio member represents Churchill Farms, Inc. and the other is the Jefferson Parish Engineer.

According to the Declaration, the seven-member Committee is to be comprised of one licensed landscape architect, one licensed civil engineer and one licensed architect. Members of the Committee shall be qualified in architecture, engineering, environmental design, land planning, landscape architecture and/or real estate development. Committee members may be reappointed after their initial term expires for a term of 3 years and may be reappointed to successive terms.

The terms of Mark Madderra, Matthew Zeringue, and Richard Poche expired on May 27, 2024, and JEDCO desires to reappoint each to serve an additional three-year term. Mr. Madderra has experience in real estate development and financing, Mr. Zeringue is a licensed civil engineer, and Mr. Poche is a licensed landscape architect. Ms. Angela Desoto is the current Parish Engineer and will serve in the ex-officio capacity.

Mickal Adler motioned, seconded by Bob Stevens, to approve the resolution. The motion passed unanimously.

- **A resolution approving the form of and authorizing the execution of a "Lease Agreement and Agreement to Issue Bonds" and any and all additional documents and certificates deemed necessary in connection with the granting of a favorable payment in lieu of tax arrangement and the potential issuance of not exceeding \$24,000,000 in aggregate principal amount of taxable and/or tax-exempt Revenue Bonds of the Jefferson Parish Economic Development and Port District for the acquisition, construction and development of a manufacturing and training facility in Metairie, for the benefit of RNGD LLC and its affiliates, in Jefferson Parish; and providing for other matters with respect to the foregoing – Lacey Bordelon**

On April 11, 2024, the JEDCO Executive Committee approved a preliminary resolution giving JEDCO staff the approval to negotiate and develop a Lease Agreement and Agreement to Issue Bonds with a favorable payment in lieu of tax ("PILOT") arrangement with respect to the proposed investment by RNGD LLC

of approximately \$24,000,000 in the acquisition and construction of a new corporate headquarters facility, the construction and equipping of a new manufacturing and steel fabrication facility, the expansion of the existing manufacturing facility, and the development of a workforce training academy for the construction industry in Labarre Business Park, Metairie.

The company has developed a proprietary process, called “Relentless Pursuit”, that enables them to guarantee clients a 10% reduction in budget or timeline, or their preconstruction services are free. RNGD has developed innovations in prefab and technology and plans to expand their prefabrication work with this proposed expansion in Jefferson Parish, expand their client base implementing their proprietary process, and continue exploring and developing new innovations to further streamline the design and building process.

The project will consist of (1) a new 80,000 square-foot manufacturing and steel fabrication facility, plus expansion of an existing manufacturing facility, (2) a new 20,000 square-foot skilled trades training academy called The Renegade Academy, and (3) the new 35,000 square-foot corporate office for RNGD LLC's regional business organization. The expansion will include the acquisition of \$2,000,000 in machinery, equipment and office furnishings. The company currently has about 240 full-time employees and anticipates the creation of an additional 130 jobs over the next seven (7) years for a total employment count of 370 employees and a payroll of \$32,506,000.

JEDCO staff and Special Counsel developed a PILOT Lease Agreement with RNGD representatives that will provide ten years of property tax savings to RNGD once the Project is completed, placed in service and conveyed to JEDCO. PILOT Rent throughout the ten-year term of the Lease will equal the amount of property taxes the company will pay on the property in December of 2024, which is estimated to be a pre-improvement value of approximately \$79,048. While the assessment of the Project might change over time, the PILOT Rent will not change over the 10-year term of abatement. It is anticipated that the post-development assessment of the property will be approximately \$2,191,500, yielding a post-development property tax amount of approximately \$283,082. The company will accumulate roughly \$204,034 in tax savings each year for a total 10-year savings of \$2,040,340, which is approximately 8.5% of the company's total estimated capital cost. This amount of savings equals approximately \$5,514 per job the company will retain and create. These estimates were calculated with guidance from the Jefferson Parish Assessor's Office using the current millage, which is the tax year 2023 millage of .13155. The actual millage each year of the PILOT Lease could be different. Per the PILOT Lease, the company is to provide evidence of the 2024 tax payment amount as well as document the actual capital cost of the Project to JEDCO. The Assessor's Office will provide annual assessments to JEDCO of the post-development Project.

The proposed PILOT Lease requires RNGD to maintain its corporate headquarters and main administrative offices in Jefferson Parish or the lease will be terminated. This condition for early Lease termination is used in JEDCO's PILOT Leases where the Lessee is headquartered or proposing to be headquartered in Jefferson Parish. An additional condition for early Lease termination included in JEDCO's PILOT Leases and in this proposed Lease is if the company falls short of the Targeted Employment or Targeted Payroll in two years regardless of whether those years are contiguous or not. The clawback penalty calculation is designed to completely eliminate all tax savings for the year if the company's Actual Employment or Actual Payroll is less than 50% of the Targeted amounts.

The PILOT Advisory Committee met to review the proposed Project and PILOT Lease Agreement on May 28, 2024 and voted to recommend approval of the Lease as amended (i.e. with the changes to the Targeted Payroll) to the Board of Commissioners.

Bob Stevens motioned, seconded by Jim Martin, to approve the resolution which approves the form of and execution of the Lease Agreement and Agreement to Issue Bonds with a favorable PILOT arrangement with respect to the proposed \$24,000,000 investment by RNGD and with such changes as approved by bond counsel, along with the execution of related documents such as the conveyance(s) of the Project to JEDCO, and additional documents as needed to facilitate the Project and the PILOT Lease. The motion passed unanimously.

- **Presentation – GNO, Inc. updates**

Michael Hecht, President and CEO of GNO, Inc., reported that the Insurance Institute for Business & Home Safety recently released the fifth edition of Rating the States. The study found that Louisiana is one of the two most improved states in America for resilience against extreme weather, primarily due to new construction codes. Overall, Louisiana is now ranked 5th best out of 18 hurricane-prone coastal states. Mr. Hecht believes that combined with recent legislation, this improved ranking should help mitigate homeowners' insurance rates in Louisiana.

Mr. Hecht was appointed to serve as Governor Landry's Coordinator for Super Bowl LIX. In this role, he will lead the Economic Development sub-committee for Super Bowl LIX, and along with public agencies and private sector partners, will address several projects before the end of the year. Some of the projects include resurfacing Poydras Street and dozens of other roads, LED lights on the Crescent City Connection bridge, cleaning drainage canals and catch basins, widespread beautification, and repair of streetlights along the Interstate 10 corridor and the airport to downtown.

- **Approval of JEDCO's 2023 Financial Audit Report – Jennifer Wollfarth**
 Joey Richard, representing Richard CPAs, provided hard copies of the JEDCO Financial Statements for the year ending December 31, 2023 to each Commissioner. The Financial Statements included component units for Forward Jefferson Corporation and JEDCO Development Corporation. There were no material weaknesses or significant deficiencies reported in accordance with generally accepted auditing standards.

Joe Ewell motioned, seconded by Jim Martin, to approve the report as presented. The motion passed unanimously.

- **A resolution approving the form of and authorizing the execution of a "Lease Agreement and Agreement to Issue Bonds" and any and all additional documents and certificates deemed necessary in connection with the granting of a favorable payment in lieu of tax arrangement and the potential issuance of not exceeding \$41,700,000 in aggregate principal amount of taxable and/or tax-exempt Revenue Bonds of the Jefferson Parish Economic Development and Port District for the acquisition and construction of an approximately 144-unit multifamily low income and affordable housing development to be located at the intersection of Lapalco Boulevard and Manor Heights Drive in Marrero, Louisiana; and providing for other matters in connection with the foregoing (deferred from March 28, 2024) – Lacey Bordelon**

Mickal Adler motioned, seconded by Lynda Nugent Smith, to defer to the next meeting. The motion passed unanimously.

- **Approval of an unbudgeted expense to update and enhance the audio-visual equipment and replace defective ceiling grid at the JEDCO Conference Center– Scott Rojas**

JEDCO consulted with Assurance A/V Solutions to determine the best solution for the Conference Center considering the diversity of events as well as JEDCO's specific ongoing needs for in-house events. This proposal will include new controls, new receivers, wireless tabletop mics and the installation of a new projector. JEDCO is proposing the use of the Conference Center Capital Expenses as the source of funding. Assurance A/V Solutions' proposal is state contract pricing and includes all equipment, materials, and labor to complete the project for a total of \$40,978.61.

JEDCO is seeking to replace the ceiling grid at the conference center which started delaminating in 2020. A warranty claim was filed with CertainTeed but was advised that the warranty had expired. Hurricane Ida worsened the situation as the facility was without power for 3 weeks causing higher temperatures and humidity within the building. The removal and replacement of the tiles, including cutting around all fixtures, is \$16,000.00.

JEDCO staff understood the importance of maintaining the facilities and established capital budgets for larger repairs. The life expectancies of all systems

were estimated, and funds were earmarked yearly for such repairs. Both requested repairs are utilizing the JEDCO Conference Center Capital Budget.

Approval of this expenditure is required when JEDCO has an unbudgeted expense. At a later date, the JEDCO Board of Commissioners or the Executive Committee will be asked to approve a 2024 budget amendment, which will reflect this Conference Center Capital Expense.

Gene Sausse motioned, seconded by Joe Riccobono, to approve the unbudgeted expense. The motion passed unanimously.

IV. Monthly Financial Report

- **April 2024 – Jennifer Wollfarth**

Ms. Wollfarth presented the budget-to-actual comparisons for April. Each fund details actual expenses for April and year-to-date totals compared to the approved budget for 2024.

Joe Ewell motioned, seconded by Billy Douglass, to approve the report as presented. The motion passed unanimously.

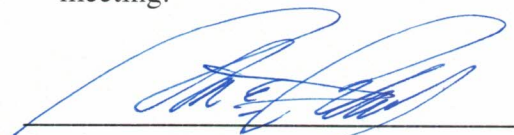
V. President and CEO Report – Jerry Bologna

- Neil Schneider recently joined the JEDCO team and will serve as the Director of Churchill Technology & Business Park. Mr. Schneider will provide overall leadership for the development and marketing of the Park.
- Mr. Bologna thanked all Commissioners for submitting their Personnel Financial Disclosure forms to the State Ethics Board by the May 15th deadline.
- HB 654, presented by Rep. Hilferty, has been signed by the Governor. The bill authorizes lease for redevelopment of certain public property in Orleans and Jefferson parishes, referred to as West End. JEDCO will work with New Orleans Building Corporation to issue an RFP for interested developers.
- JEDCO's request (since 2015) for Capital Outlay funding to construct a roadway within Churchill Park finally moved from Priority 5 to Priority 1 during this legislative session.

VI. Other Updates or Comments from the JEDCO Board of Commissioners

There were no other comments.

VII. Adjournment – Mickal Adler motioned, seconded by Billy Douglass, to adjourn the meeting.



Stephen Robinson
JEDCO Secretary