

**St. Tammany Parish Development District
Board of Commissioners Meeting
Minutes July 21, 2022**

Present: Scott Day, Mimi G. Dossett, Mike Gambrell, Al Hamauei, Marty Mayer, Eric Schouest, Mike Tillman

Absent: Joan Coffman, Bruce Javery, Bill Newton, Dr. William Wainwright

Staff: Chris Masingill, Jolie Bernard, Sharon DeLong, Keith Espadron, Elizabeth Lee, Ashley Llewellyn, Kate Moore, Jake Nickens, Todd Whalley, and Fellow Abigail Chascin

Counsel: Mark Balkin, Hardy Carey Chautin & Balkin, David Wolf, Adams & Reese

<p>Guests: John Henry Jackson-US Commercial Svcs.; Rachel Shields, GNO, Inc.; Mike Saucier, Gulf States Development Services, LLC; Frank Alquist, Patrick Fabrication; George Mayer, RTD Beverages</p>

President Mayer called the meeting to order at 11:10 a.m. Quorum was established by Commissioners present. Guests introduced themselves to the group. Mayer congratulated Chris Masingill for his fourth anniversary of service to St. Tammany Corporation and congratulated the team on its recent receipt of the President's "E" Award.

PUBLIC COMMENT PERIOD

No public comment on any agenda item.

CONSENT AGENDA

With no corrections, the Consent Agenda, which consisted of June 16 Board of Commissioner Minutes, June Financial Statements – all accounts and the Updated Disaster Recovery | Business Continuity Plan *Mike Gambrell, seconded by Mike Tillman, moved to approve the consent agenda. All were in favor. Motion passed.*

NEW BUSINESS

Proposed Budget for Sports/Tourism Account

Masingill introduced the proposed budget for the special revenue fund for August 2021 through July 2022. *Mike Gambrell, seconded by Mimi Dossett, motioned to approve the budget as presented. All were in favor. Motion passed.*

Resolution of Conveyance – Diversified Foods & Seasonings, LLC.

Acting as the governing authority of the District in connection with the final payment and discharge of the District's Taxable Revenue Bonds for Diversified Foods and Seasonings, Inc., Project Series 2002, the President and Vice President of the District are authorized and directed to execute reconveyance of the real property from the District to Diversified Foods and Seasonings, L.L.C. upon receipt of the \$1,000 purchase price as provided for in Section 8.2 of the Lease Agreement dated April 1, 2002. *Eric Schouest, seconded by Mike Tillman, motioned to approve the resolution. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.*

Finance Committee Recommendations on PILOT & Micro PILOT Projects

Masingill stated the Finance Committee recently reviewed applications for two Micro PILOT projects and one standard PILOT project and noted the Finance Committee's recommended updates to the term sheets have been made. Jake Nickens presented all three projects and noted all fulfilled the three-pronged approach for project consideration, which consists of the project application, a third-party impact study, and a letter of support from the appropriate fire district.

Project Siren – RTD Beverages is a bottled beverage manufacturer located in Covington considering the purchase of additional equipment to improve efficiency and increase service capacity. The company has been adversely impacted by the effects of COVID 19, and the rising costs associated with shortages and inflation. As

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such they have requested consideration for a Micro PILOT which in turn will help secure the new and retained jobs and associated payroll for St. Tammany Parish.

Capital investment is anticipated to be \$1.3 million and the average salary for three new and ten existing jobs with a total annual payroll of \$784,000. The annual PILOT requested provides a 55% tax abatement for five years. The benefit-cost ratio is 8.4:1. David Wolf added the PILOT involves \$1.3 in equipment only, no land or property. *Mimi Dossett, seconded by Mike Tillman, motioned to approve the resolution. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.*

Project Shore – Patrick Fabricating and Welding is a new fabricated structural metal company in Abita Springs. The parent company (C&S Services) is purchasing assets from a separate company that went out of business and in turn is making additional hires and investments. The company anticipates twenty new hires with an average wage of \$45,000. The new investment will include land, a building, and additional equipment. The company requested a Micro PILOT to assist with the rising cost of doing business due to inflation and other factors that have made construction more expensive, and to guarantee that jobs and payroll stay in St. Tammany. If granted, the benefit will secure twenty new jobs and \$900,000 in annual payroll.

Capital investment is anticipated to be \$1.8 million and create twenty new jobs. The annual PILOT requested provides a 55% tax abatement for five years. The benefit-cost ratio is 11.4:1. David Wolf summarized how the program was set up as a reimbursable PILOT by using a base PILOT of 55% on land, building and equipment for a cost savings of \$19.3K per year; however, by using the assets land and building only, and reducing the base PILOT to 14.3% gives the company the same amount of savings and eliminates a reconveyance of small and/or used equipment. *Mike Gambrell, seconded by Al Hamauei, motioned to approve the resolution. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.*

Project Red Owl consists of the construction of a high end 55,000 square foot grocery store in the Oak Harbor area of Slidell which has few convenient food options. The project will create seventy new full-time jobs and yield \$3.2 million in new annual compensation (average compensation package is \$45,714). This will also be the anchor tenant for a 10+ acre shopping center/commercial development. The development is currently collaborating with the Sheriff's office on the addition of a sub-station within the complex.

For the project to be feasible, the site must undergo infrastructure improvements including the construction and installation of a traffic light and other upgrades. Total infrastructure costs are estimated at \$685,000. To address this issue and help secure the investment and new jobs for the parish, the company has requested St. Tammany Corporation consider a standard PILOT.

Following the placed-in-service date the company would make a payment-in-lieu-of-taxes equal to 50% of the full amount of property taxes that would otherwise be due for either 10 years or until they have reached a total savings benefit of \$685,000, whichever comes first. The projected project expenditures total \$18.5 million, broken down as follows:

- \$13,500,000 in Land and Building
 - \$1,500,000 for Land
 - \$12,000,000 for Building
- \$5,000,000 in Equipment

The company will create seventy new full-time jobs over the first two years of the project. Based on projected taxes of \$129,721 the PILOT would be approximately \$64,861/per year. David Wolf added the PILOT was structured in a way to ease or eliminate infrastructure costs to the Parish while allowing the project to move

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forward. *Al Hamauej, seconded by Mike Gambrell, motioned to approve the preliminary resolution. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.* Final approval of the PILOT will be presented to the board when the business is placed in service in 2024.

EDA Grant Management – Masingill stated an RFP to manage the EDA Grant was advertised and a proposal was received and reviewed by a selection review committee, spearheaded by Ashley Llewellyn. Llewellyn stated the review committee recommends the selection of GrantWorks, Inc. to provide project-related program and project delivery services for Northshore Regional Resiliency Collaborative/Economic Adjustment Assistance Award #08-79-05564. With the approval of this resolution, the intention is to immediately begin work with the firm for the implementation of the grant program of work. *Mimi Dossett, seconded by Mike Gambrell, motioned to approve the preliminary resolution. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.*

Resolution of Appreciation & Service-David Wolf, Bond Counsel – Masingill stated Wolf had served this organization with over two decades of service, and as a small token of our appreciation, he read into the record the resolution of appreciation thanking David for his years of service to the District. *Mike Tillman, seconded by Al Hamauej, motioned to approve the resolution of appreciation. Motion passed.* Wolf extended his gratitude to the board and staff for the opportunity to serve.

Resolution of Appreciation & Service-Jake Nickens – Masingill noted Jake has had an enormous impact to our team, and although his official term expires July 31, Jake will provide support of technical services through the end of the year as part of his transition. Masingill read into the record the resolution of appreciation thanking Jake for his years of service to the District, as well as serving as a cornerstone of the organization's vision. *Mike Tillman, seconded by Eric Schouest, motioned to approve the resolution of appreciation. Motion passed.* Nickens extended his gratitude to the board and staff for the opportunity to serve.

OLD BUSINESS - None

EXECUTIVE UPDATE

Masingill introduced John Henry Jackson, Senior International Specialist of U.S. Commercial Services who was responsible for assisting in STC's application for the President's "E" Award. The President's "E" Award was created in 1961 by Executive Order of the President. It is the highest recognition a U.S. entity can receive for making a significant contribution to the expansion of U.S. exports. The "E" Award for Export Service is given to businesses and organizations for assisting and facilitating export activities. The accompanying certificate of commendation, which is signed by the U.S. Secretary of Commerce in the name and by the authority of the President, and the banner authorized to be flown by the recipient organization will both hang in the conference room to serve as a constant reminder of organizational accomplishment.

Masingill introduced Rachel Shields, Chief of Staff at GNO, Inc., who gave a brief history of her experience with the Wind Energy Alliance. In late June, 65 delegates from Louisiana traveled to the Block Island Wind Farm near Providence, RI to learn about their project and how a similar project could be created in Louisiana. Shields also shared insights on legislative initiatives to explore the aspect of statewide revenue sharing. Masingill shared several photos from the trip.

Masingill welcomed our new Graduate Research Fellow, Abigail Chascin, to the team.

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EXECUTIVE SESSION

Mike Gambrell, seconded by Mimi Dossett, motioned to enter the Executive Session at 12:30 pm to discuss personnel matters. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.

Mimi Dossett, seconded by Mike Tillman motioned to exit the Executive Session at 12:48 pm. A roll call vote was taken. All Commissioners present voted to approve. Commissioners absent were previously noted.

Board Action from the Executive Session

Marty Mayer, seconded by Mike Tillman, motioned Chris Masingill's performance review resulted in awarding him with a full compensation package as per his contract. All were in favor. Motion passed.

ANNOUNCEMENTS

**Next meeting Thursday, August 18 at 11 a.m. | Slidell Municipal Auditorium Meeting Room
| 2056 2nd Street, Slidell | Confirmed**

ADJOURN

Scott Day, seconded by Mike Gambrell, motioned to adjourn the meeting. All were in favor. Motion passed.

Minutes reviewed and submitted by the STC Staff.

**St. Tammany Parish Development District
Finance Committee Meeting Minutes
10 am, Monday, July 20, 2022**

Present: Mike Gambrell, Chairman; Scott Day; Al Hamauei; Eric Schouest, Mike Tillman

Absent:

Staff: Chris Masingill, Jake Nickens, Sharon DeLong

Guests: None

With the required quorum noted, Mike Gambrell called the meeting to order at 10:01 am. There was no public comment on any agenda item.

NEW BUSINESS

Masingill stated our policy position is to be pro-active and aggressive in promoting expansion of business with the utilization of the newest tool in our incentive toolbox, the Micro PILOT. This program not only expands the district's portfolio but allows for a local incentive opportunity for small business projects.

Jake Nickens presented all three projects and noted all fulfilled the three-prong approach for project consideration, which consists of the project application, a third-party impact study, and a letter of support from the appropriate fire district.

Project Siren – RTD Beverages is a bottled beverage manufacturer located in Covington considering the purchase of additional equipment to improve efficiency and increase service capacity. The company has been adversely impacted by the effects of COVID 19, and the rising costs associated with shortages and inflation. As such they have requested consideration for a Micro PILOT which in turn will help secure the new and retained jobs and associated payroll for St. Tammany Parish.

Capital investment is anticipated to be \$1.3 Million. The project will create three new jobs and help retain ten existing jobs with a total annual payroll of \$784K. The annual PILOT requested is a 55% tax abatement for five years. The benefit-cost ratio is 8.4:1. David Wolf added the PILOT involves \$1.3 million in equipment only, no land or property. *Scott Day, seconded by Eric Schouest motioned to approve the resolution for recommendation to the board at its July meeting. All were in favor. Motion passed.*

Project Shore – Patrick Fabricating and Welding is a new fabricated structural metal company in Abita Springs. The parent company (C&S Services) is purchasing assets from a separate company that went out of business and in turn is making additional hires and investments. The company anticipates twenty new hires with an average wage of \$45,000 annually. The new investment will include land, a building, and additional equipment. The company requested a Micro PILOT to assist with the rising cost of doing business due to inflation and other factors that have made construction more expensive and to guarantee that jobs and payroll stay in St. Tammany. If granted the benefit will secure twenty new jobs and \$900,000 in annual payroll.

Capital investment is anticipated to be \$1.8 Million and create twenty new jobs. The annual PILOT requested provides a 55% tax abatement for five years. The benefit-cost ratio is 11.4:1. David Wolf summarized how the program was set up as a reimbursable PILOT by using a base PILOT of 45% on land, building and equipment for a cost savings of \$19.3K per year; however, by using the assets land and building only, and reducing the base PILOT to 14.3% gives the company the same amount of savings and eliminates a reconveyance of small and/or used equipment. *Al Hamauei, seconded by Mike Tillman, motioned to approve the resolution for recommendation to the board at its July meeting. Due to the nature of his business relationship with principals of the company, Mike Gambrell recused himself from the vote. All other members were in favor. Motion passed*

Project Red Owl – The first retail PILOT undertaken by STC consists of the construction of a high end 55,000 square foot grocery store in the Oak Harbor area of Slidell which has few convenient food options. The project will create seventy new full-time jobs and yield \$3.2 million in new annual compensation (average compensation package is \$45,714). This will also be the anchor tenant for a 10+ acre shopping

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center/commercial development. The development is currently collaborating with the sheriff's office on the addition of a sub-station within the complex.

For the project to be feasible, the site must undergo infrastructure improvements including the construction and installation of a traffic light and other upgrades. Total infrastructure costs are estimated at \$685K. To address this issue and help secure the investment and new jobs for the parish, the company has requested St. Tammany Corporation consider a standard PILOT.

Following the placed-in-service date the company would make a Payment-in-lieu-of-taxes equal to 50% of the full amount of property taxes that would otherwise be due for either 10 years or until they have reached a total savings benefit of \$685K, whichever comes first. The projected project expenditures total \$18.5 Million, broken down as follows:

- \$13,500,000 in Land and Building
 1. \$1,500,000 for Land
 2. \$12,000,000 for Building
- \$5,000,000 in Equipment

In return, the company will create seventy new full-time jobs over the first two years of the project. Based on projected taxes of \$129,721 the PILOT would be approximately \$64,861/per year. David Wolf added the PILOT was structured in a way to ease or eliminate infrastructure costs to the Parish while allowing the project to move forward. *Al Hamauei, seconded by Mike Tillman, motioned to approve the resolution for recommendation to the board at its July meeting. All were in favor. Motion passed*

To ease comparisons in documents presented, Mike Tillman recommended revising the Term Sheet to reflect the same information as the Project at a Glance from the Impact Study. Masingill noted the revisions would be made for the board meeting the next day.

OLD BUSINESS-NONE

Adjourn

With no further business, the meeting adjourned at 10:49 am on a motion by Scott Day, seconded by Al Hamauei. All were in favor. Motion passed.

Respectfully submitted by the STC Staff

**St. Tammany Parish Development District
Nominating Committee Meeting MINUTES
9:00 am, Thursday, August 11, 2022**

Present: Chairman, Marty Mayer; Mike Tillman, Parish President Mike Cooper, Carrie Calvin, Chris Masingill
Absent: None
Staff: Sharon DeLong
Guests: None

Chairman Marty Mayer called the meeting to order at 9:07 am.

NOMINATIONS FOR RENEWING COMMISSIONERS

Mayer noted renewal surveys and supporting documentation had been received by two Commissioners seeking a second 3-year term, which were Marty Mayer and Dr. Will Wainwright. As Eric Schouest filled the vacated seat of Scott Biggers, whose term expires Dec 31, 2022, Schouest submitted a renewal survey for his first full 3-year term.

Chris Masingill, seconded by Mike Cooper, motioned to approve the Marty Mayer and Dr. Will Wainwright for the second 3-year terms noted above. All were in favor, with Marty Mayer abstaining from the vote. Motion passed.

Chris Masingill, seconded by Mike Cooper, motioned to approve the Eric Schouest for his first full 3-year terms noted above. All were in favor. Motion passed.

These recommendations will be heard at the August 18 Board of Commissioners meeting for board approval. After approval, the following nominees will be submitted for final approval at the October 6, 2022 Parish Council meeting:

Eric Schouest for a first year term beginning Jan 1, 2023 – Dec 31, 2025.

Marty Mayer – renewing for a second term Jan 1, 2023 – Dec 31, 2025.

Dr. Will Wainwright– renewing for a second term Jan 1, 2023 – Dec 31, 2025.

With no further business, Carrie Calvin, seconded by Mike Tillman, made a motion to adjourn the meeting at 9:30 am. All were in favor. Motion passed.

Minutes respectfully submitted by Sharon DeLong, Manager of Administration