



**Joint Meeting of:**

**Build Baton Rouge Board of Commissioners**

**East Baton Rouge Community Development Entity  
Board of Directors, Inc.**

**East Baton Rouge Community Development Entity, L.L.C.  
Advisory Board**

<b>MINUTES</b>	<b>NOVEMBER 21, 2019</b>	<b>9:00 AM</b>	<b>EBR MAIN LIBRARY, 7711 GOODWOOD BLVD.</b>
<b>MEETING CALLED BY</b>	Rodney Braxton		
<b>TYPE OF MEETING</b>	Build Baton Rouge (BBR) Board of Commissioners - Regular Meeting		
<b>NOTE TAKER</b>	Tara Titone		
<b>ATTENDEES</b>	<p><b>Attending Board Members:</b> Brian Haymon, EBRCDE Board Vice Chairman; Theodore Major, EBRCDE Board Secretary; Rodney Braxton, Advisory Board Secretary/Treasurer; Bryon Turner, Advisory Board; Pastor Leo Cyrus, Advisory Board</p> <p><b>Also Attending:</b> Christopher Tyson, BBR CEO; Tara Titone, BBR COO; Tasha Saunders, BBR Grants Director; Rebekah Strickland, BBR Administrative Assistant; Heather LeBlanc, V. Graham (BBR CFO); Susan Turner, BBR Board Treasurer; Charles Landry, BBR Board; Amanda Spain, Baker Donelson; Rowdy Gaudet, City Parish Assistant Chief Administrative Officer; Timothy Boone, The Advocate; Councilwoman Wicker, EBR Metro Council District 10; Phillip LaFargue and Samantha Knotts, Emergent Method; Willie Parns, Parns Construction, LLC; Jonathan Hill, Franklin Associates; Lisa Kent, Tax Advantage Group (by telephone)</p>		
	<b>CALL TO ORDER</b>		<b>RODNEY BRAXTON</b>
<b>DISCUSSION</b>	The meeting was called to order by Mr. Braxton at <b>9:12 AM</b>		
	<b>APPROVAL OF MINUTES</b>		<b>RODNEY BRAXTON</b>
<b>DISCUSSION</b>	The EBRCDE Board reviewed the minutes from the November 15, 2018 meeting. Mr. Major made a motion to approve the minutes, and Mr. Haymon seconded the motion. The November 15, 2018 minutes were approved with no objection.		

<b>DISCUSSION</b>	The Advisory Board reviewed the minutes from the November 15, 2018 and October 17, 2019 meetings of the EBRCDE Advisory Board. Mr. Turner made a motion to approve the minutes, and Mr. Braxton seconded the motion. The November 15, 2018 and October 17, 2019 minutes were approved with no objection.	
	<b>NEW MARKETS TAX CREDIT PROJECTS UPDATE</b>	<b>TAX ADVANTAGE GROUP</b>
<b>DISCUSSION</b>	<p>Ms. Kent presented an update on CDE activities. She discussed community outcome achievements, asset management and portfolio risk ratings, and stated that all projects of the EBRCDE will have unwound at the end of 2019. TAG has assisted BBR with the unwinds of each project. The Emerge Center will unwind on December 23, 2019. The following attachments provide further detail into what was presented to the Boards.</p> <p>Ms. Kent explained that the "B" Portfolio Risk Ratings were initial risk ratings given at the time of project underwriting and closing and could change if borrowers were delinquent on loan payments. All loan payments have been on schedule. Mr. Braxton asked why Emerge is rated a "B". Ms. Kent explained that the "B" rating for the Emerge Center was due to the debt ratio being higher at loan closing, as there was more money loaned to the project than collateral worth. Ms. Kent will send the Boards a criteria scoring sheet for the CDE's.</p> <p>Ms. Kent stated that 618 construction jobs were created and 234 permanent jobs were created. Mr. Turner asked how many of the 234 jobs are actual full-time positions. Ms. Kent explained that each full-time job created is based off of the number of hours worked to make a full-time job, so part time-jobs are included and combined to make full-time jobs based on hours. Ms. Kent will send the Board information on how many full-time jobs were actually created, breaking out the full and part-time jobs.</p>	
	<b>NEW BUSINESS</b>	<b>RODNEY BRAXTON</b>
<b>DISCUSSION</b>	No new business.	
	<b>PUBLIC COMMENT</b>	<b>RODNEY BRAXTON</b>
<b>DISCUSSION</b>	No public comment.	
	<b>ADJOURNMENT</b>	<b>RODNEY BRAXTON</b>
<b>DISCUSSION</b>	The meeting was adjourned by Mr. Braxton at <b>9:25 AM</b> .	



tax **advantage** group

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**MEMORANDUM**

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**FROM:** TAX ADVANTAGE GROUP  
**TO:** FILE  
**SUBJECT:** EBRCDE 2019 BOARD MEETING  
**DATE:** NOVEMBER 21, 2019

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I. EBRCDE Closed Projects: Community Outcomes

II. Asset Management: Risk Ratings

III. Unwind Targets

1. Emerge Center

December 2019

East Baton Rouge Community Development Entity  
 Closed Projects and Community Outcomes as of 12.31.2018

NAME	NMTC ALLOCATION	PROJECTED NMTC EQUITY TO PROJECT	DATE CLOSED	END OF NMTC COMPLIANCE PERIOD	TAX CREDIT INVESTOR	*EBRCDE INDEMNIFICATION CAPS	EBRCDE INDEMNIFICATION AMOUNTS	Actual Jobs Construction	Actual Jobs Permanent	Actual Total Jobs	Total Square Feet	Community Goods and Services
Howell Place YMCA (Exxon Mobil YMCA)	\$ 6,100,000	\$ 1,078,236	9/24/2010	9/24/2017	Capital One	NA	NA	140	22	162	14,083	4,500 Including 50 child care slots
Red Stick Hospitality (Hampton Inn)	\$ 17,000,000	\$ 3,145,527	9/16/2011	9/16/2018	Wells Fargo	NA	NA	143	42	185	84,362	Including 150 child care slots; 85% of FT positions are LIPs (tested and recruited by the LA Workforce Commission)
Americana YMCA	\$ 11,300,000	\$ 2,280,750	5/25/2012	5/25/2019	US Bank	NA	NA	110	33	143	26,000	6,000
Honeywell	\$ 17,500,000	\$ 4,000,703	6/25/2012	6/25/2019	Chase	NA	NA	173.5	52	225.5	154,055	Patients per year, of which 60% are Medicaid recipients
Emerge Center	\$ 8,100,000	\$ 1,761,610	12/21/2012	10/31/2019	Chase	\$ 825,037	\$ 3,159,000	51.65	88	139.65	26,854	3,200
<b>Totals</b>	<b>\$ 60,000,000</b>	<b>\$ 12,266,826</b>				<b>\$ 825,037</b>	<b>\$ 3,159,000</b>	<b>618.15</b>	<b>237</b>	<b>855.15</b>	<b>305,354</b>	<b>13,700</b>

\*Caps do not apply if recapture is result of ....which includes failure to notify Investor of occurrence or expected occurrence of Redemption or Sub-All Failure

EBCRDE Portfolio Risk Rating

		<u>September 30, 2015</u>		<u>September 30, 2016</u>		<u>September 30, 2017</u>		<u>September 30, 2018</u>		<u>September 30, 2019</u>	
RDA Fund I	Howell Place YMCA	B	4	B	4						
RDA Fund II	Red Stick Hospitality	A	5	A	5	A	5				
RDA Fund III	Americana YMCA	A	5	A	5	A	5	A	5		
RDA Fund IV	Honeywell	B	4	B	4	B	4	B	4		
RDA Fund V	Emerge Center	B	4	B	4	B	4	B	4	B	4
	Average	B	4.4	B	4.4	B	4.5	B	4.3	B	4

LENDER: REDEVELOPMENT AUTHORITY FUND V, LLC

BORROWER: THE EMERGE CENTER HOLDING COMPANY, INC.

Loan Closing Date – December 21, 2012

Loan Maturity Date - December 20, 2047

Project Costs – \$8,004,106

QLICI Loans – \$7,857,000

Other Loans – None

Appraised FMV of Project - \$7,638,000

Project LTV – 103%

Project DSCR – 1.08x

Collateral - Mortgage, Security Agreement and Assignment of Leases and Rents

- UCC-1 Financing Statements – all accounts, equipment, general intangibles, books and records, proceeds of any collateral, and all fixtures relating to real property

Guarantor – Baton Rouge Speech and Hearing Foundation

Guaranty – all obligations, duties, covenants and agreements of Borrower under the Loan Documents

- Construction and Completion of Improvements

**September 30, 2019 Risk Rating – B Pass**

Project LTV exceeds normal underwriting limits

All loan interest payments have been received as scheduled