

Group makes case for growth

BR authority: ‘Today was a big first step’

BY CHAD CALDER

Advocate business writer

The East Baton Rouge Redevelopment Authority gave a public presentation Thursday that was as much about making the case for permanent funding going forward as it was celebrating the accomplishments of the last three years.

“Beginning an Era of Progress,” presented to more than 100 elected and civic officials at the Old Governor’s Mansion downtown, made no mention about future funding for the city-parish’s main blight-fighting agency.

But RDA President Walter Monsour said afterward that he expects to present to the mayor-president and the Metro Council some permanent funding options by the first quarter of next year.

“I think we made a good case of what we can do,” he said of the \$19.7 million the RDA has put toward \$200 million in projects. “I think today was a big first step in (establishing) trust: If you give them the authority and the money, here’s what they can do.”

Monsour ruled out proposing a new tax, but said higher fees and fines on code enforcement and the potential redirection of existing revenue sources would be among the options to fund the RDA in its efforts to eliminate blight and attract private investment to poor neighborhoods.

“I wouldn’t want to pursue another tax on the general public,” he said. “I want to convince the council and the mayor that these funds need to be redirected for redevelopment so that we can not only improve and revitalize, but also it’s an economic driver. It’s a help to the school system, it’s an attack on the crime problem ... all the different components we’ve been trying to approach.”

Monsour said the RDA is putting together a package on how other redevelopment authorities — in Pittsburgh and Portland, Ore., for example — have found permanent funding. In some cases, more-established redevelopment authorities generate revenue from their own developments.

Monsour said a bond issue could ultimately be in the cards as well.

“It would be our debt based on our revenue streams, not based on the underlying credit of the city-parish government,” he said. “Any debt we would pursue would be singularly dependent upon the East Baton Rouge Redevelopment Authority and would not have any negative, or positive, effect on the general fund of the parish government.”

The presentation, available at ebrra.org/report, noted:

- The RDA has allocated \$60 million in federal New Markets Tax Credits to projects like the YMCAs at Howell Place and in Zachary, the Honeywell Plant near Northdale and the Hampton Inn & Suites downtown.
- It has given out \$365,000 in matching grants for businesses to improve their storefronts.
- It purchased Smiley Heights, 198 acres north of Florida Boulevard near Melrose East that will become home to a new charter school and Baton Rouge Community College’s automotive training center, partially funded by \$14 million from the state.
- The RDA has provided \$4.8 million in gap financing to \$116.7 million in affordable housing developments that have created 760 units.
- It has cleared the title on 20 pieces of tax delinquent property — most being transferred to Habitat for Humanity — with 112 others pending.

The RDA was initially funded with \$7.5 million from East Baton Rouge Mortgage Finance Authority but also got block grant money tied to hurricanes Gustav and Ike. Between 2009 and 2011, it had \$4.6 million in expenditures on \$7.4 million in revenue.

According to a budget provided by the RDA, it has salaries and benefits for its staff of 12 for the upcoming year of \$973,753. Monsour said his salary has been \$265,000 per year, plus about \$100,000 in annual benefits, since he was hired.

Monsour said the RDA’s administrative costs for the next four years are covered by fees generated by the new market credits it has already allocated. But the RDA cannot always rely on a steady supply of those credits going forward. In the last round, for example, it received none. It is preparing to apply for the next round in the coming months.

John Noland, chairman of the RDA’s board since its creation, told the legislators, council members, chamber and civic officials in the audience Thursday that the RDA’s work “is good public policy.”

A self-described rich, white Republican, he said too much of the community’s resources are “in the hands of people who look like me.”

“The RDA exists, in no small measure, to level the playing field,” he said, calling the issue of blight and poverty one of social justice.

Noland said he’d lobby the city-parish power structure for a long-term funding solution, and that he’d have no problem arguing the means and mission of the RDA to the Tea Party.

“This problem is caused more by apathy than by hostility,” he said. “And I believe that it’s quite possible for other people who look like me to become enthusiastic about it for the betterment of the health of Baton Rouge. We’re not going to be a healthy city if we allow this to continue.”

“I could put you in my car, and in two hours, we would be back where we started, and you would say, ‘I cannot believe that blight could exist at such a pervasive and deep, deep level as it does in Baton Rouge.’ It would make you weep.”

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