



**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET**

STATE CAPITOL

P.O. BOX 44294, CAPITOL STATION

BATON ROUGE, LOUISIANA 70804

**(225) 342-1964**

REPRESENTATIVE JEROME ZERINGUE  
CHAIRMAN

SENATOR BODI WHITE  
VICE-CHAIRMAN

**REVISED AGENDA**

Friday, June 2, 2023

9:00 a.m.

Committee Room 5

**I. CALL TO ORDER**

**ADDED AGENDA ITEM #7**

**II. ROLL CALL**

**III. BUSINESS**

1. Fiscal Status Statement and Five-Year Base-Line Budget
2. Review of extension of a contract between the Louisiana Department of Health and MCNA Insurance Co., d/b/a MCNA Dental Plan, in accordance with the provisions of R.S. 39:1615(J)
3. Review of extension of a contract between the Louisiana Department of Health and DentaQuest USA Insurance Co., Inc., in accordance with the provisions of R.S. 39:1615(J)
4. Review and approval of a resolution to increase the GARVEE bond program amount for the Department of Transportation and Development and to issue the Series 2023 GARVEE bonds in accordance with the provisions of R.S. 48:27(E)
5. Review and approval of the Sabine River Authority's FY 2023-2024 budget in accordance with the provisions of R.S. 38:2324(B)
6. Review and approval of Water Sector Commission recommendations in accordance with the provisions of R.S. 39:100.56
7. **Review of Tax Increment Financing proposal to utilize 45% of the 4.45% state sales tax within the New Orleans BioDistrict within the city of New Orleans in accordance with the provisions of R.S. 33:9038.34(A)**

**IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE**

**V. ADJOURNMENT**

Any person who does not feel comfortable giving testimony in person may submit a prepared statement in lieu of appearing before the committee:

A. Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and

the committee records shall reflect receipt of such statement and the date and time thereof.

B. Any person who files a prepared statement which contains data or statistical information shall include in such prepared statement sufficient information to identify the source of the data or statistical information. For the purposes of this Paragraph, the term "source" shall mean a publication, website, person, or other source from which the data or statistical information contained in the prepared statement was obtained by the person or persons who prepared the statement.

**NOTE: Statements emailed to [metoyers@legis.la.gov](mailto:metoyers@legis.la.gov) and received prior to noon on Thursday, June 01, 2023, will be distributed to the committee members prior to the meeting.**

JEROME "ZEE" ZERINGUE, CHAIRMAN

PLEASE SUBMIT A WITNESS CARD TO THE COMMITTEE ADMINISTRATIVE ASSISTANT BEFORE THE MEETING BEGINS IF YOU WANT TO TESTIFY BEFORE THE COMMITTEE.

# Agenda Item #1

## Fiscal Status Statement & Five-Year Base-Line Budget

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET  
GENERAL FUND FISCAL STATUS STATEMENT  
FISCAL YEAR 2022-2023  
(\$ in millions)**

**June 2, 2023**

	<u>MAY 2023</u>	<u>JUNE 2023</u>	<b>JUNE 2023 Over/(Under) MAY 2023</b>
<b><u>GENERAL FUND REVENUE</u></b>			
Revenue Estimating Conference - May 18, 2023	\$11,964.700	\$12,288.100	\$323.400
FY 21-22 Revenue Carried Forward into FY 22-23	\$404.875	\$404.875	\$0.000
<b>Total Available General Fund Revenue</b>	<b><u>\$12,369.575</u></b>	<b><u>\$12,692.975</u></b>	<b><u>\$323.400</u></b>
<b><u>APPROPRIATIONS AND REQUIREMENTS</u></b>			
<b>Non-Appropriated Constitutional Requirements</b>			
Debt Service	\$435.582	\$435.582	\$0.000
Interim Emergency Board	\$1.323	\$1.323	\$0.000
Revenue Sharing	\$90.000	\$90.000	\$0.000
<b>Total Non-Appropriated Constitutional Requirements</b>	<b><u>\$526.905</u></b>	<b><u>\$526.905</u></b>	<b><u>\$0.000</u></b>
<b>Appropriations</b>			
General (Act 199 of 2022 RS)	\$10,433.271	\$10,433.271	\$0.000
Ancillary (Act 169 of 2022 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 168 of 2022 RS)	\$174.578	\$174.578	\$0.000
Legislative (Act 198 of 2022 RS)	\$85.778	\$85.778	\$0.000
Capital Outlay (Act 117 of 2022 RS)	\$50.000	\$50.000	\$0.000
<b>Total Appropriations</b>	<b><u>\$10,743.626</u></b>	<b><u>\$10,743.626</u></b>	<b><u>\$0.000</u></b>
<b>Other Requirements</b>			
Funds Bill (Act 167 of 2022 RS)	\$170.500	\$170.500	\$0.000
Funds Bill (Act 1 of 2023 1ES)	\$45.000	\$45.000	\$0.000
<b>Total Other Requirements</b>	<b><u>\$215.500</u></b>	<b><u>\$215.500</u></b>	<b><u>\$0.000</u></b>
<b>Total Appropriations and Requirements</b>	<b><u>\$11,486.031</u></b>	<b><u>\$11,486.031</u></b>	<b><u>\$0.000</u></b>
<b>General Fund Revenue Less Appropriations and Requirements</b>	<b>\$883.544</b>	<b>\$1,206.944</b>	<b>\$323.400</b>

**II. FY 2021-2022 Fiscal Status Summary:**

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year. "At the first meeting of the Joint Legislative Committee on the Budget after publication of the Comprehensive Annual Financial Report for the state of Louisiana, the commissioner of administration shall certify to the committee the actual expenditures paid by warrant or transfer and the actual monies received and any monies or balances carried forward for any fund at the close of the previous fiscal year which shall be reflected in the budget status report."

**FY22 GENERAL FUND DIRECT SURPLUS/(DEFICIT) - ESTIMATED (millions)**

<b>FY21 Surplus/(Deficit)</b>		699.220
<b>FY22 General Fund - Direct Revenues:</b>		
Actual General Fund Revenues	12,898.930	
General Fund - Direct Carryforwards to FY22	183.621	
Other Transfers	30.316	

<b>Total FY22 General Fund - Direct Revenues</b>		<b>13,112.867</b>
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**FY22 General Fund - Direct Appropriations & Requirements:**

Draws of General Fund - Direct Appropriations	(9,032.262)
General Obligation Debt Service	(432.530)
Transfers to Revenue Sharing Fund (Z06) - Constitution 7:26	(90.000)
Transfers Out to Various Funds for 20-XXX	(75.998)
Transfers to Coastal Protection and Restoration Fund (Z12) - R.S. 49:214.5.4	(12.000)
Transfers per Legislative Acts - Act 448 of 21RS - Hurricane and Storm Risk Reduction System Repayment Fund	(400.000)
Transfers per Legislative Acts - Act 505 of 22RS - Megaprojects Leverage Fund & Construction Subfund of the TTF	(600.000)
Transfers per Legislative Acts - Act 114 of 22RS - Funds Bill - Various Funds	(602.350)
Use of FY21 Surplus	(696.411)
Transfer to Revenue Stabilization Fund (Z25)	(788.478)

<b>Total FY22 General Fund - Direct Appropriations &amp; Requirements</b>	<b>(12,730.029)</b>
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<b>General Fund Direct Cash Balance</b>	<b>1,082.058</b>
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**Obligations Against the General Fund Direct Cash Balance:**

General Fund - Direct Carryforwards to FY23	(404.875)
Unappropriated Use of FY21 Surplus	(2.809)
FY 22 adjustment completed in FY 23 - Remote Sellers - June 2022 taxes collected in July and distributed to LDR in August	17.628
FY22 adjustments completed in FY 23 - transfer to the Coastal Protection and Restoration Fund (Z12)	(0.725)
FY22 adjustments completed in FY 23 - corrections to various fund reversion amounts	9.415
FY22 LDR audit adjustments completed in FY 23 - sales tax and individual income tax revenues	25.827
FY22 LDR audit adjustments completed in FY 23 - corporate income tax and corporate franchise tax revenues	13.674
FY22 additional transfer to the Revenue Stabilization Fund (Z25) due to audit adjustment to corporate taxes	(13.674)

<b>Total Adjustments</b>	<b>(355.538)</b>
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<b>Net General Fund Direct Surplus/(Deficit)</b>	<b>726.521</b>
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<b>Certification in accordance with R.S. 39:75A(3)(a)</b>	<b>\$726,520,516</b>
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## Notes:

Due to the FY 22 adjustments made in FY23, the revised amount transferred to the Revenue Stabilization Fund (Z25) is \$802.2m.  
 Due to the FY 22 adjustments made in FY23, the revised amount transferred to the Coastal Protection and Restoration Fund (Z12) is \$12.7m.

**III. Current Year Items Requiring Action****IV. Horizon Issues Not Contained in 5-Year Plan**

## FIVE YEAR BASE LINE PROJECTION STATE GENERAL FUND SUMMARY CONTINUATION

	Official Current Fiscal Year 2022-23	Ensuing Fiscal Year 2023-2024	Projected Fiscal Year 2024-2025	Projected Fiscal Year 2025-2026	Projected Fiscal Year 2026-2027
<b>REVENUES:</b>					
Taxes, Licenses & Fees	\$16,035,000,000	\$15,277,400,000	\$15,102,900,000	\$14,665,600,000	\$14,935,500,000
Less Dedications	(\$3,746,900,000)	(\$3,352,000,000)	(\$3,211,400,000)	(\$3,177,400,000)	(\$3,208,900,000)
<b>TOTAL REC REVENUES</b>	<b>\$12,288,100,000</b>	<b>\$11,925,400,000</b>	<b>\$11,891,500,000</b>	<b>\$11,488,100,000</b>	<b>\$11,726,600,000</b>
<b>ANNUAL REC GROWTH RATE</b>					
		-2.95%	-0.28%	-3.39%	2.08%
<b>Other Revenues:</b>					
Carry Forward Balances	\$404,874,737	\$0	\$0	\$0	\$0
<i>Total Other Revenue</i>	<i>\$404,874,737</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<b>TOTAL REVENUES</b>	<b>\$12,692,974,737</b>	<b>\$11,925,400,000</b>	<b>\$11,891,500,000</b>	<b>\$11,488,100,000</b>	<b>\$11,726,600,000</b>
<b>EXPENDITURES:</b>					
General Appropriation Bill (Act 199 of 2022 RS)	\$10,028,395,894	\$10,820,888,699	\$10,787,028,766	\$11,066,220,917	\$11,304,180,950
Ancillary Appropriation Bill (Act 169 of 2022 RS)	\$0	\$0	\$5,731,199	\$11,662,990	\$17,802,394
Non-Appropriated Requirements	\$526,904,967	\$532,442,769	\$550,628,208	\$552,866,588	\$541,140,916
Judicial Appropriation Bill (Act 168 of 2022 RS)	\$174,577,666	\$176,567,800	\$176,567,800	\$176,567,800	\$176,567,800
Legislative Appropriation Bill (Act 198 of 2022 RS)	\$85,777,844	\$85,777,844	\$85,777,844	\$85,777,844	\$85,777,844
Special Acts	\$0	\$0	\$11,853,171	\$11,853,171	\$11,853,171
Capital Outlay Bill (Act 117 of 2022 RS)	\$50,000,000	\$0	\$0	\$0	\$0
<b>TOTAL ADJUSTED EXPENDITURES (less carryforwards)</b>	<b>\$10,865,656,371</b>	<b>\$11,615,677,112</b>	<b>\$11,617,586,988</b>	<b>\$11,904,949,310</b>	<b>\$12,137,323,075</b>
<b>ANNUAL ADJUSTED GROWTH RATE</b>					
		6.90%	0.02%	2.47%	1.95%
<b>Other Expenditures:</b>					
Carryforward BA-7s Expenditures	\$404,874,737	\$0	\$0	\$0	\$0
Supplemental Bill (Act 1 of 2023 1ES)	\$45,000,000	\$0	\$0	\$0	\$0
Funds Bills (Act 167 of 2022 RS)	\$170,500,000	\$0	\$0	\$0	\$0
<b>Total Other Expenditures</b>	<b>\$620,374,737</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$11,486,031,108</b>	<b>\$11,615,677,112</b>	<b>\$11,617,586,988</b>	<b>\$11,904,949,310</b>	<b>\$12,137,323,075</b>
<b>PROJECTED BALANCE</b>	<b>\$1,206,943,629</b>	<b>\$309,722,888</b>	<b>\$273,913,012</b>	<b>(\$416,849,310)</b>	<b>(\$410,723,075)</b>
Oil Prices included in the REC forecast.	\$81.80	\$73.48	\$70.33	\$66.41	\$66.90

# Agenda Item #2

Review of contract  
between the Louisiana  
Department of Health  
and MCNA Insurance  
Co., d/b/a MCNA  
Dental Plan

**John Bel Edwards**  
GOVERNOR



**Dr. Courtney N. Phillips**  
SECRETARY

**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

February 3, 2023

**TO:** Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts

**FROM:** Bureau of Health Services Financing, Medical Vendor Administration  
Tara A. LeBlanc, Medicaid Executive Director  
Kolynda Parker, Medicaid Deputy Director

DS  
KBP

DS  
JAL

**RE:** Request for Pre-approval by OSP for JLCB  
LaGov POs/Contracts # 2000506234 & # 2000506243

The following draft amendment is submitted for review and pre-approval prior to submission to JLCB in accordance with R.S. 39:1615(J). The agency is submitting for consideration at the meeting scheduled for March 17, 2023.

<b>Agency Name</b>	Medical Vendor Administration
<b>Contractor Name</b>	DentaQuest USA Insurance Company, Inc. MCNA Insurance Company d/b/a MCNA Dental Plans
<b>LaGov PO/Contract#</b>	2000506234 & 2000506243
<b>Contract Description</b>	Contractors function as risk-bearing, Prepaid Ambulatory Health Plan health care delivery system that provides specified core dental benefits and services for eligible Louisiana Medicaid enrollees.
<b>Contract Start Date</b>	01/01/2021
<b>Contract End Date</b>	12/31/2023
<b>Amendment #</b>	8
<b>Description of Proposed Amendment</b>	In accordance with section 1.3 of the contract, LDH is exercising the option to extend the contract for up to twenty-four (24) additional months at the same rates, terms, and conditions of the initial Contract Term. This amendment extends the contract through December 31, 2025, upon approval of the Joint Legislative Committee on the Budget (JLCB).
<b>Proposed End Date</b>	12/31/2025
<b>Current Contract Amount</b>	DentaQuest: \$368,376,574.00 MCNA: \$368,376,574.00
<b>Contract Amount After Proposed Amendment</b>	DentaQuest: \$620,070,773.00 MCNA: \$620,792,433.00

Your cooperation in this regard is greatly appreciated. If additional information is needed, please call Ali Bagbey at (225) 342 – 8809 or email [ali.bagbey@la.gov](mailto:ali.bagbey@la.gov).





**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

February 7, 2023

Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts  
Office of State Procurement  
P. O. Box 94095  
Baton Rouge, Louisiana 70804-9095

Dear Ms. Rice:

The following contract amendment is being submitted to your office this date for review and approval in accordance with Louisiana Revised Statutes 39:1551 et seq. and the rules and regulations adopted pursuant thereto:

Submitting Agency – Louisiana Department of Health

Contractor – MCNA Insurance Company d/b/a MCNA Dental

LaGov - 2000506243

Maximum Contract Amount: \$620,792,433.00

Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460.00;  
FY23: \$128,734,874.00; FY24: \$129,886,328.00; FY25: \$125,174,943.00; FY26:  
\$63,526,284.00

Your cooperation in this regard is greatly appreciated. If additional information is needed, please call Brandon Bueche at (225) 384-0460.

Sincerely,

A handwritten signature in black ink that reads "Ali Bagbey".

Ali Bagbey  
Medicaid Program Manager 1-B

**ASSISTANT SECRETARY'S CERTIFICATE**

I, Heather A. Lang, the undersigned, hereby certify as follows:

1. That I am an Assistant Secretary of MCNA Insurance Company, a Texas corporation (hereinafter the "Corporation").
2. That attached hereto as Attachment A is a true, correct and complete copy of the resolutions duly adopted by the Board of Directors of the Corporation by unanimous written consent dated January 12, 2023.
3. That the resolutions attached hereto have not been amended, repealed, or rescinded and remain in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 12<sup>th</sup> day of January 2023.



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Heather A. Lang  
Assistant Secretary

**AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

Amendment #: 8  
LAGOV#: 2000506243  
LDH #: \_\_\_\_\_  
Original Contract Amount \$355,700,072.00  
Original Contract Begin Date 01-01-2021  
Original Contract End Date 12-31-2023  
RFP Number: 3000013043

(Regional/ Program/  
Facility) \_\_\_\_\_  
Medical Vendor Administration  
Bureau of Health Services Financing  
**AND**  
MCNA Insurance Company, d/b/a MCNA Dental  
Contractor Name

**AMENDMENT PROVISIONS**

**Change Contract From:** Current Maximum Amount: \$368,376,574.00 Current Contract Term : 1/1/2021 - 12/31/2023

CF-1  
11) Termination Date: 12/31/2023  
12) Maximum Contract Amount: \$368,376,574.00  
13) Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460.00; FY23: \$128,734,874.00; FY24: \$66,171,696.00

**Change Contract To:** If Changed, Maximum Amount: \$620,792,433.00 If Changed, Contract Term: 1/1/2021 - 12/31/2025

CF-1  
11) Termination Date: 12/31/2025  
12) Maximum Contract Amount: \$620,792,433.00  
13) Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460.00; FY23: \$128,734,874.00; FY24: \$129,886,328.00; FY25: \$125,174,943.00; FY26: \$63,526,284.00

**Justifications For Amendment:**

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

In accordance with section 1.3 of the contract, LDH is extending the contract for twenty-four (24) additional months at the same rates, terms, and conditions of the initial contract term. This amendment extends the contract through December 31, 2025.

This Amendment Becomes Effective: 12-31-2023

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

**CONTRACTOR**

MCNA Insurance Company, d/b/a MCNA Dental

**STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

**Secretary, Louisiana Department of Health or Designee**

<b>CONTRACTOR SIGNATURE</b>	<b>DATE</b>
PRINT NAME <span style="float: right;">Tom Wiffler</span>	
CONTRACTOR TITLE <span style="float: right;">CEO</span>	

<b>SIGNATURE</b>	<b>DATE</b>
NAME <span style="float: right;">Tara A. LeBlanc</span>	
TITLE <span style="float: right;">Medicaid Executive Director</span>	
OFFICE <span style="float: right;">Louisiana Department of Health</span>	

<b>PROGRAM SIGNATURE</b>	<b>DATE</b>
NAME	

**ATTACHMENT A**

**WHEREAS**, the Louisiana Department of Health (the "LDH") has contracted with the Corporation to administer the dental benefits of its Medicaid and Children's Health Insurance ("CHIP") program enrollees commencing on January 1, 2021, and automatically renewing until December 31, 2025, unless terminated (the "Contract").

**WHEREAS**, the LDH desires to amend the Contract with the Corporation and is requiring the Corporation to adopt a resolution identifying the individuals authorized to execute the Contract as a precursor to entering into the contract amendment.

**IT IS THEREFORE, RESOLVED**, that the following individuals are hereby authorized to execute the Contract and any additional documents ancillary thereto, and to take such other actions as necessary to complete the contracting process with LDH:

Colleen H. Van Ham	Director and Chief Executive Officer
Mitchell R. Davis	Chief Financial Officer
Peter M. Gill	Treasurer
Michael C. Brody	Director and Secretary
Heather A. Lang	Assistant Secretary
Thomas P. Wiffler	Director

**BE IT FURTHER RESOLVED**, that any and all actions taken, done or performed in connection with the Contract and the authority granted by the foregoing resolution, as well as any and all actions, of any nature whatsoever, heretofore taken by any director, officer, employee, agent, attorney or other representative of the Corporation incidental to, contemplated by, arising out of or in connection with, or otherwise relating to, in any manner whatsoever, the subject of the foregoing resolution, are hereby approved, ratified and confirmed in all respects as the act and deed of the Corporation.

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION  
BA-22 (Revised 7/2020)**

Date: 1/26/2023 Dept/Budget Unit/Program #: 09-306 / Prg 3061  
 Dept/Agency/Program Name: DHH / Medical Vendor Payments / MVP PO/Contract/LaGOV#: 2000506243  
 Agency/Program BA-22 #: 16 Agency/Program Contract #: \_\_\_\_\_

Fiscal Year for this BA-22: 2022-2023 BA-22 Start/End Dates: 07/01/22 06/30/23  
 (yyy-yy) (Start Date) (End Date)

Multi-year Contract (Yes/No): Yes If "Yes", provide contract dates:  
01/01/21 12/31/25  
 (Start Date) (End Date)

MCNA Insurance Company, d/b/a MCNA Dental Plans 310077367  
 (Contractor/Vendor Name) (Contractor/Vendor No.)

In accordance with section 1.3 of the contract, LDH is exercising the option to extend the contract for up to twenty-four (24) additional months at the same rates, terms, and conditions of the initial Contract Term. This amendment extends the contract through December 31, 2025, upon approval of the Joint Legislative Committee on the Budget (JLCB).

Contract Amendment (Yes/No): Yes Amendment Start/End Dates: 01/01/23 12/31/25  
 (Start Date) (End Date)

Contract Cancellation (Yes/No): No Date of Cancellation: \_\_\_\_\_  
 Amendment is to extend contract for an additional 24 months at the same rate and terms as initial contract term. The FY 23 budget was previously approved via BA-22 #14. This BA-22 is to extend contract through December 2025 due to amendment and does not indicate approval of funds for FY 24 & FY 25 at this time.  
 (Provide rationale for amendment or cancellation)

This information is to be provided at the Agency/Program Level					
MEANS OF FINANCING	AMOUNT				
	Current Year	%	Total Contract	%	
State General Fund	\$0.00	26.63%	\$165,317,024.91	26.63%	
Interagency Transfers	\$0.00	0.00%	\$0.00	0.00%	
Fees and Self Gen.	\$0.00	0.00%	\$0.00	0.00%	
Statutory Dedication	\$0.00	0.00%	\$0.00	0.00%	
Federal	\$0.00	73.37%	\$455,475,408.09	73.37%	
<b>TOTALS</b>	\$0.00	100.00%	\$620,792,433.00	100.00%	

\*Specify Source (i.e., grant name, fund name, IAT sending agency and revenue source, fee type and source, etc.)

Are revenue collections for funds utilized above in line with budgeted amounts? (Yes/No) Yes

If not, explain. \_\_\_\_\_

This information is to be provided at the Agency/Program Level	
Name of GL /Category:	<u>Loc Aid - Medicaid Payments/Other Charges</u>
GL/Category Number:	<u>5610015</u>
Amount Budgeted:	<u>\$ 16,296,661,021.00</u>
Amount Previously Obligated:	<u>\$13,911,090,828.70</u>
Amount this BA-22:	<u>\$0.00</u>
Balance:	<u>\$2,385,570,192.30</u>

The approval of the aforementioned contract will not cause this agency/program to be placed in an Object Category deficit.

Agy/Prg Contact: Gary Bennett  
 Name: Gary Bennett  
 Title: Medicaid Program Manager 1-A  
 Phone: 225-342-1692

Reviewed/Approved By: Damatia N Gipson  
 Name: Damatia N Gipson  
 Title: Medicaid Program Manager  
 Phone: 225-342-2755

**FOR AGENCY USE ONLY**

COST CENTER	FUND	GL	ORDER #	GRANT#	WBS ELEMENT	AMOUNT
3061029701	3060000000	5610015		U3061000.2021	U306100001.306	\$56,689,544.00
3061029701	3060000000	5610015		U3061000.2122	U306100001.306	\$116,780,460.00
3061029701	3060000000	5610015		U3061000.2223	U306100001.306	\$34,282,096.95
3061029701	306000060E	5610015		U3061000.2223	U306100001.306	\$94,452,777.05
3061029701	3060000000	5610015		U3061000.2324	U306100001.306	\$129,886,328.00
3061029701	3060000000	5610015		U3061000.2425	U306100001.306	\$125,174,943.00
3061029701	3060000000	5610015		U3061000.2526	U306100001.306	\$63,526,284.00



FOR CIVIL SERVICE USE ONLY

Effective Date of Contract	Approval Date	
	SCS Commission Approval (if required)	SCS Approval (Initial and Date)
Comments		

COMPLETE THE FOLLOWING INFORMATION FOR REQUESTS DEALING WITH THE CONTRACTING OF STATE SERVICES AND/OR STATE PERSONNEL

Agency Name	Personnel Area Number	Agency Number
Medical Vendor Administration	279	306

CONTRACT INFORMATION

Contract #	Name of Contractor	
2000506243	MCNA Insurance Company, d/b/a MCNA Dental	
Is this an amendment to an existing contract?	If yes, OCR # (if applicable)	
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Start Date of Contract	End Date of Contract/Amendment	Dollar Amount of Contract (Including Amendment)
01/01/2021	12/31/2025	\$620,792,433.00

CONTRACT DETAILS PROVIDED BY AGENCY TO SCS

Provide a brief overview of services to be performed to include the following:

Services to be replaced/provided by a contractor:

Contractor will function as a risk-bearing, Prepaid Ambulatory Health Plan health care delivery system that provides specified core dental benefits and services for eligible Louisiana Medicaid enrollees as defined in the Louisiana Medicaid State Plan, administrative rules, and Medicaid Policy and Procedures manuals.

Advantages of contracting out services:

See justification below.

Justification for contracting out services:

LDH does not have sufficient staff with specialized expertise nor experience to perform these services.

POTENTIAL IMPACTS ON CLASSIFIED STATE EMPLOYEES

Will this contract result in the removal of responsibilities from one or more classified state employees?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

Will this contract establish a relationship wherein an employee or official of the state takes the following actions:

Determines the work hours of the person performing the contractual services	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Determines the day to day duties of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Approves the absences from the work place of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**If the answer to all of the previous four questions is "NO," please email this completed form to [DSCScontractreview@la.gov](mailto:DSCScontractreview@la.gov) or send it in PROACT for SCS approval. If the answer to any of the questions is "YES," please complete the "Notification of SCS Commission's Authority on Contracts" portion of the form and then submit two copies of the proposed contract with this form to the Department of State Civil Service, Employee Relations Division, P.O. Box 94111, Baton Rouge, LA 70804-9111.**

**NOTIFICATION OF SCS COMMISSION'S AUTHORITY ON CONTRACTS**

An agency requesting approval of an outsourcing contract which will result in the involuntary displacement of a classified employee must have the State Civil Service Commission's approval as provided in Civil Service Rule 2.9(h). The Commission will review all request for contract approval under the following guidelines:

1. The Commission will review all contracts that directly affect civil service employees within in a reasonable period of time to the contract's implementation.
2. The Commission will ensure that classified employees are competitively selected on the basis of merit, free from political influence, and will protect classified employees from dismissal or disciplinary actions for religious or politically-motivated reasons.
3. The Commission will approve contracts that are entered into for reasons of efficiency and economy, provided that the decision to privatize is made without political motivation as to the civil servants.
4. The Commission will request all documents from the agency which are necessary to determine if any classified employee will be involuntarily displaced from civil service and if so, whether the contract was entered into for reasons of efficiency and economy and not for politically-motivated reasons.
5. The Commission will not determine whether a service should or could be provided within the classified system, whether the contract is in the best interest of the State, or whether the fiscal restraints presented by the state justify privatization.
6. The Commission will challenge in the court system of Louisiana any contract that it has good cause to believe was entered into as a pretext for the discriminatory dismissal or treatment of civil servants for religious or political reasons.


**APPOINTING AUTHORITY ACKNOWLEDGEMENT FOR CONTRACTS REQUIRING SCS COMMISSION APPROVAL**

***I hereby acknowledge that I have reviewed the information listed above pertaining to the authority of the Civil Service Commission in relation to contracts and further verify, to the best of my knowledge, that the proposed contract has been entered into for reasons of efficiency and economy and not for politically motivated reasons.***

Name of Appointing Authority	Date

Title of Appointing Authority

**AGENCY INFORMATION**

Signature of Appointing Authority or Designee	Date
	2/7/2023

Title of Person Signing this Request
Medicaid Program Manager

**Contact Information (Human Resources Contact)**

<b>Name</b>	Katina Bridgewater		
<b>Email</b>	<a href="mailto:Katina.Bridgewater@la.gov">Katina.Bridgewater@la.gov</a>	<b>Phone Number</b>	225-342-8407



## Vendor Profile Data

Company Data		
<b>Company Name / Full Name</b>	MCNA INSURANCE COMPANY	
<b>Vendor ID</b>	310077367	
<b>Domicile / Physical Address</b>	Street Address	3100 SW 145th, Suite 200
	City	miramar
	State	FL
	Parish/County	
	Zip Code	33027
	Country	US
<b>Business Type</b>	C Corporation	
<b>Publicly Traded</b>	No	
<b>All applicable federal, state, and payroll taxes have been paid and are current</b>	Yes	

Leadership and Governance Data	
<b>Owners</b>	UnitedHealth Group
<b>Board of Directors</b>	Colleen Van Ham Michael Brody Thomas Wiffler Scott Flannery David Milich
<b>Corporate Officers</b>	Shannon LePage Dr. Linda Altenhoff Colleen Van Ham Michael Brody Peter Gill Heather Lang Nyle Cottingham Daniel Salama Mayre Thompson Dr. David McKeon



<b>Ownership Demographics</b>		
<b>Percent Ownership by Race</b>	White / Caucasian	0.00
	Black / African American	0.00
	American Indian / Native Alaskan	0.00
	Asian	0.00
	Pacific Islander / Native Hawaiian	0.00
	Other	100.00
	Publicly Traded	
<b>Percent Ownership by Ethnicity</b>	Hispanic or Latino	0.00
	Not Hispanic or Latino	100.00
	Publicly Traded	
<b>Percent Ownership by Women</b>		0.00
<b>Percent Ownership by Veterans</b>		0.00
<b>Percent Ownership by Louisiana Residents</b>		0.00

<b>DBE Certification</b>	
<b>MBE</b>	<input type="checkbox"/>
<b>MWBE</b>	<input type="checkbox"/>
<b>WWBE</b>	<input type="checkbox"/>
<b>WMBE or Other DBE</b>	<input type="checkbox"/>

<b>Agent and Lobbyist Information</b>	
Randy Hanie & Associates	1465 Ted Dunham Drive Baton Rouge, 70804 USA

Last Review: 12/16/2022 09:52:43

By: Shannon LePage

# Agenda Item #3

Review of extension of  
a contract between the  
Louisiana Department  
of Health and  
DentaQuest USA  
Insurance Co., Inc.

Office of State Procurement  
State of Louisiana  
Division of Administration

JOHN BEL EDWARDS  
GOVERNOR



JAY DARDENNE  
COMMISSIONER OF ADMINISTRATION

March 2, 2023

TO: Ms. Tara LeBlanc  
Louisiana Department of Health  
Medicaid Executive Director

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO  
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB  
LaGov PO/Contract # 2000506234/Amendment 1  
DentaQuest USA Insurance Company, Inc.

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "Agency Memo to OSP After JLCB Approval," along with the stamped amendment from the JLCB.

**The amendment will not receive final approval by OSP until all required reviews are complete and it is submitted to OSP in LaGov, Proact, or LESA, as applicable.**

If you should have any further questions/comments, please do not hesitate to contact Pam Rice at OSP.

**AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

Amendment #: 8  
LAGOV#: 2000506234  
LDH #: \_\_\_\_\_  
Original Contract Amount \$355,700,072.00  
Original Contract Begin Date 01-01-2021  
Original Contract End Date 12-31-2023  
RFP Number: 3000013043

(Regional/ Program/  
Facility) \_\_\_\_\_  
Medical Vendor Administration  
Bureau of Health Services Financing  
**AND**  
DentaQuest USA Insurance Company, Inc.  
Contractor Name

**AMENDMENT PROVISIONS**

**Change Contract From:** Current Maximum Amount: \$368,376,574.00 Current Contract Term : 1/1/2021 - 12/31/2023

CF-1  
11) Termination Date: 12/31/2023  
12) Maximum Contract Amount: \$368,376,574.00  
13) Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460.00; FY23: \$128,734,874.00; FY24: \$66,171,696.00

**Change Contract To:** If Changed, Maximum Amount: \$620,070,773.00 If Changed, Contract Term: 1/1/2021 - 12/31/2025

CF-1  
11) Termination Date: 12/31/2025  
12) Maximum Contract Amount: \$620,070,773.00  
13) Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460.00; FY23: \$128,734,874.00; FY24: \$129,604,869.00; FY25: \$124,882,936.00; FY26: \$63,378,090.00

**Justifications For Amendment:**

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

In accordance with section 1.3 of the contract, LDH is extending the contract for twenty-four (24) additional months at the same rates, terms, and conditions of the initial contract term. This amendment extends the contract through December 31, 2025.

This Amendment Becomes Effective: 12-31-2023

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

**CONTRACTOR**

DentaQuest USA Insurance Company, Inc.

**STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH**

**Secretary, Louisiana Department of Health or Designee**

<b>CONTRACTOR SIGNATURE</b>	<b>DATE</b>
PRINT NAME <u>Brett Bostrack</u>	
CONTRACTOR TITLE <u>Senior Vice President</u>	

<b>SIGNATURE</b>	<b>DATE</b>
NAME <u>Tara A. LeBlanc</u>	
TITLE <u>Medicaid Executive Director</u>	
OFFICE <u>Louisiana Department of Health</u>	

<b>PROGRAM SIGNATURE</b>	<b>DATE</b>
NAME _____	

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION  
BA-22 (Revised 7/2020)**

Date: 1/26/2023 Dept/Budget Unit/Program #: 09-306 / Prg 3061  
 Dept/Agency/Program Name: DHH / Medical Vendor Payments / MVP PO/Contract/LaGOV#: 2000506234  
 Agency/Program BA-22 #: 17 Agency/Program Contract #: \_\_\_\_\_

Fiscal Year for this BA-22: 2022-2023 BA-22 Start/End Dates: 07/01/22 06/30/23  
(yyy-yy) (Start Date) (End Date)

Multi-year Contract (Yes/No): Yes If "Yes", provide contract dates:  
01/01/21 12/31/25  
(Start Date) (End Date)

DentaQuest USA Insurance Company, Inc. 310046175  
(Contractor/Vendor Name) (Contractor/Vendor No.)

In accordance with section 1.3 of the contract, LDH is exercising the option to extend the contract for up to twenty-four (24) additional months at the same rates, terms, and conditions of the initial Contract Term. This amendment extends the contract through December 31, 2025, upon approval of the Joint Legislative Committee on the Budget (JLCB).

Contract Amendment (Yes/No): Yes Amendment Start/End Dates: 01/01/23 12/31/25  
(Start Date) (End Date)

Contract Cancellation (Yes/No): No Date of Cancellation: \_\_\_\_\_  
 Amendment is to extend contract for an additional 24 months at the same rate and terms as initial contract term. The FY 23 budget was previously approved via BA-22 #15. This BA-22 is to extend contract through December 2025 due to amendment and does not indicate approval of funds for FY 24 & FY 25 at this time.  
(Provide rationale for amendment or cancellation)

This information is to be provided at the Agency/Program Level					
MEANS OF FINANCING	AMOUNT				
	Current Year	%	Total Contract	%	
State General Fund	\$0.00	26.63%	\$165,124,846.85	26.63%	
Interagency Transfers	\$0.00	0.00%	\$0.00	0.00%	
Fees and Self Gen.	\$0.00	0.00%	\$0.00	0.00%	
Statutory Dedication	\$0.00	0.00%	\$0.00	0.00%	
Federal	\$0.00	73.37%	\$454,945,926.15	73.37%	
<b>TOTALS</b>	\$0.00	100.00%	\$620,070,773.00	100.00%	

\*Specify Source (i.e., grant name, fund name, IAT sending agency and revenue source, fee type and source, etc.)  
 Are revenue collections for funds utilized above in line with budgeted amounts? (Yes/No) Yes  
 If not, explain. \_\_\_\_\_

This information is to be provided at the Agency/Program Level	
Name of GL /Category:	<u>Loc Aid - Medicaid Payments/Other Charges</u>
GL/Category Number:	<u>5610015</u>
Amount Budgeted:	<u>\$ 16,296,661,021.00</u>
Amount Previously Obligated:	<u>\$13,911,090,828.70</u>
Amount this BA-22:	<u>\$0.00</u>
Balance:	<u>\$2,385,570,192.30</u>

The approval of the aforementioned contract will not cause this agency/program to be placed in an Object Category deficit.

Agy/Prg Contact: Gary Bennett Reviewed/Approved By: Damatia N Gipson  
 Name: Gary Bennett Name: Damatia N Gipson  
 Title: Medicaid Program Manager 1-A Title: Medicaid Program Manager  
 Phone: 225-342-1692 Phone: 225-342-2755

FOR AGENCY USE ONLY						
COST CENTER	FUND	GL	ORDER #	GRANT#	WBS ELEMENT	AMOUNT
3061029701	3060000000	5610015		U3061000.2021	U306100001.306	\$56,689,544.00
3061029701	3060000000	5610015		U3061000.2122	U306100001.306	\$116,780,460.00
3061029701	3060000000	5610015		U3061000.2223	U306100001.306	\$34,282,096.95
3061029701	306000060E	5610015		U3061000.2223	U306100001.306	\$94,452,777.05
3061029701	3060000000	5610015		U3061000.2324	U306100001.306	\$129,604,869.00
3061029701	3060000000	5610015		U3061000.2425	U306100001.306	\$124,882,936.00
3061029701	3060000000	5610015		U3061000.2526	U306100001.306	\$63,378,090.00



FOR CIVIL SERVICE USE ONLY

Effective Date of Contract	Approval Date	
	SCS Commission Approval (if required)	SCS Approval (Initial and Date)

Comments

COMPLETE THE FOLLOWING INFORMATION FOR REQUESTS DEALING WITH THE CONTRACTING OF STATE SERVICES AND/OR STATE PERSONNEL

Agency Name	Personnel Area Number	Agency Number
Medical Vendor Administration	279	306

CONTRACT INFORMATION

Contract #	Name of Contractor
2000506234	DentaQuest USA Insurance Company, Inc.

Is this an amendment to an existing contract?	If yes, OCR # (if applicable)
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

Start Date of Contract	End Date of Contract/Amendment	Dollar Amount of Contract (Including Amendment)
01/01/2021	12/31/2025	\$620,070,773.00

CONTRACT DETAILS PROVIDED BY AGENCY TO SCS Provide a brief overview of services to be performed to include the following:

Services to be replaced/provided by a contractor:

Contractor will function as a risk-bearing, Prepaid Ambulatory Health Plan health care delivery system that provides specified core dental benefits and services for eligible Louisiana Medicaid enrollees as defined in the Louisiana Medicaid State Plan, administrative rules, and Medicaid Policy and Procedures manuals.

Advantages of contracting out services:

See justification below.

Justification for contracting out services:

LDH does not have sufficient staff with specialized expertise nor experience to perform these services.

POTENTIAL IMPACTS ON CLASSIFIED STATE EMPLOYEES

Will this contract result in the removal of responsibilities from one or more classified state employees?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

Will this contract establish a relationship wherein an employee or official of the state takes the following actions:

Determines the work hours of the person performing the contractual services	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Determines the day to day duties of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Approves the absences from the work place of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**If the answer to all of the previous four questions is "NO," please email this completed form to [DSCScontractreview@la.gov](mailto:DSCScontractreview@la.gov) or send it in PROACT for SCS approval. If the answer to any of the questions is "YES," please complete the "Notification of SCS Commission's Authority on Contracts" portion of the form and then submit two copies of the proposed contract with this form to the Department of State Civil Service, Employee Relations Division, P.O. Box 94111, Baton Rouge, LA 70804-9111.**

**NOTIFICATION OF SCS COMMISSION'S AUTHORITY ON CONTRACTS**

An agency requesting approval of an outsourcing contract which will result in the involuntary displacement of a classified employee must have the State Civil Service Commission's approval as provided in Civil Service Rule 2.9(h). The Commission will review all request for contract approval under the following guidelines:

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2. The Commission will ensure that classified employees are competitively selected on the basis of merit, free from political influence, and will protect classified employees from dismissal or disciplinary actions for religious or politically-motivated reasons.
3. The Commission will approve contracts that are entered into for reasons of efficiency and economy, provided that the decision to privatize is made without political motivation as to the civil servants.
4. The Commission will request all documents from the agency which are necessary to determine if any classified employee will be involuntarily displaced from civil service and if so, whether the contract was entered into for reasons of efficiency and economy and not for politically-motivated reasons.
5. The Commission will not determine whether a service should or could be provided within the classified system, whether the contract is in the best interest of the State, or whether the fiscal restraints presented by the state justify privatization.
6. The Commission will challenge in the court system of Louisiana any contract that it has good cause to believe was entered into as a pretext for the discriminatory dismissal or treatment of civil servants for religious or political reasons.


**APPOINTING AUTHORITY ACKNOWLEDGEMENT FOR CONTRACTS REQUIRING SCS COMMISSION APPROVAL**

***I hereby acknowledge that I have reviewed the information listed above pertaining to the authority of the Civil Service Commission in relation to contracts and further verify, to the best of my knowledge, that the proposed contract has been entered into for reasons of efficiency and economy and not for politically motivated reasons.***

Name of Appointing Authority	Date

Title of Appointing Authority

**AGENCY INFORMATION**

Signature of Appointing Authority or Designee	Date
	2/7/2023

Title of Person Signing this Request
Medicaid Program Manager

**Contact Information (Human Resources Contact)**

<b>Name</b>	Katina Bridgewater		
<b>Email</b>	<a href="mailto:Katina.Bridgewater@la.gov">Katina.Bridgewater@la.gov</a>	<b>Phone Number</b>	225-342-8407



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

February 7, 2023

Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts  
Office of State Procurement  
P. O. Box 94095  
Baton Rouge, Louisiana 70804-9095

Dear Ms. Rice:

The following contract amendment is being submitted to your office this date for review and approval in accordance with Louisiana Revised Statutes 39:1551 et seq. and the rules and regulations adopted pursuant thereto:

Submitting Agency – Louisiana Department of Health

Contractor – DentaQuest USA Insurance Company, Inc.

LaGov - 2000506234

Maximum Contract Amount: \$620,070,773.00

Estimated Amounts by Fiscal Year: FY21: \$56,689,544.00; FY22: \$116,780,460; FY23: \$128,734,874; FY24: \$129,604,869.00; FY25: \$124,882,936.00; FY26: \$63,378,090.00

Your cooperation in this regard is greatly appreciated. If additional information is needed, please call Brandon Bueche at (225) 384-0460.

Sincerely,

A handwritten signature in black ink that reads "Ali Bagbey".

Ali Bagbey  
Medicaid Program Manager 1-B





## Vendor Profile Data

Company Data		
<b>Company Name / Full Name</b>	DENTALQUEST USA INSURANCE CO	
<b>Vendor ID</b>	310046175	
<b>Domicile / Physical Address</b>	Street Address	465 MEDFORD ST
	City	BOSTON
	State	MA
	Parish/County	
	Zip Code	02129
	Country	US
<b>Business Type</b>	C Corporation	
<b>Publicly Traded</b>	No	
<b>All applicable federal, state, and payroll taxes have been paid and are current</b>	No	

Leadership and Governance Data	
<b>Owners</b>	DentQuest, LLC: 100% owner of DentaQuest USA Insurance Company, Inc. DentaQuest Group, Inc.: 100% owner of DentaQuest, LLC Sun Life Financial Inc., ultimate parent Sun Life Assurance Company of Canada Sun Life (Bermuda) Finance No.2 LLC Sun Life Global Investments Inc. Sun Life 2007-1 Financing Corp. Sun Life (Luxembourg) Finance No. 2 SARL Sun Life (Luxembourg) Finance No. 1 SARL Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc. - 100% owner of DentaQuest Group, Inc.
<b>Board of Directors</b>	Brett Bostrack Robert Lynn Michele Blackwell Frank Scalise
<b>Corporate Officers</b>	Brett Bostrack, President Frank Scalise, Treasurer

<b>Ownership Demographics</b>		
<b>Percent Ownership by Race</b>	White / Caucasian	100.00
	Black / African American	0.00
	American Indian / Native Alaskan	0.00
	Asian	0.00
	Pacific Islander / Native Hawaiian	0.00
	Other	0.00
	Publicly Traded	
<b>Percent Ownership by Ethnicity</b>	Hispanic or Latino	0.00
	Not Hispanic or Latino	100.00
	Publicly Traded	
<b>Percent Ownership by Women</b>		0.00
<b>Percent Ownership by Veterans</b>		0.00
<b>Percent Ownership by Louisiana Residents</b>		0.00

<b>DBE Certification</b>	
<b>MBE</b>	<input type="checkbox"/>
<b>MWBE</b>	<input type="checkbox"/>
<b>WWBE</b>	<input type="checkbox"/>
<b>WMBE or Other DBE</b>	<input type="checkbox"/>

<b>Agent and Lobbyist Information</b>	
Cary Koch, Rodell Parsons	8440 Jefferson Highway Baton Rouge, LA 70809 USA
John Koch, Parsons Rodel	8440 Jefferson Highway Baton Rouge, LA 70809 USA

**Last Review:** 12/20/2022 08:36:12

**By:** Elise Cannestra

## Agenda Item #4

Review and approval of  
a resolution to increase  
the GARVEE bond  
program amount for the  
Department of  
Transportation and  
Development and to  
issue the Series 2023  
GARVEE bonds

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET**

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION**

A resolution approving an increase in the authorized not to exceed amount of State of Louisiana Grant Anticipation Revenue Bonds from \$650,000,000 to \$830,000,000; approving the issuance of not exceeding \$250,000,000 State of Louisiana Grant Anticipation Revenue Bonds, in one or more series, to finance certain state transportation projects under the Grant Anticipation Revenue Vehicle Act; and providing for other matters in connection therewith.

**WHEREAS**, pursuant to La. R.S. 48:27 (the "Act"), the State Bond Commission (the "Commission") is authorized to issue bonds for the purpose of financing any qualified federal-aid transportation project or state transportation project payable from, among other things, federal transportation funds; and

**WHEREAS**, subsection (D)(1)(b) of the Act provides that the Commission shall not authorize the issuance of bonds, unless such bonds and the projects to be funded thereby have been previously approved by the Joint Legislative Committee on the Budget (the "Committee"); and

**WHEREAS**, on December 13, 2018, the Commission adopted a resolution granting preliminary approval to the issuance of not exceeding \$650,000,000 State of Louisiana Grant Anticipation Revenue Bonds, in one or more series (the "GARVEE Bonds"), for the purpose of funding a portion of the costs of the Projects (as defined hereinbelow), paying costs of issuance of the GARVEE Bonds, and paying other bond-related costs, including, without limitation, capitalized interest and reserve funds, and the Department of Transportation and Development of the State of Louisiana (the "Department") has identified the following four (4) projects to be funded with proceeds of the GARVEE Bonds (collectively, the "Projects"):

- A. State Project No. H.003370, I-220/I-20 Interchange Improvement and Barksdale Air Force Base Access Project in Bossier Parish (the "Barksdale Project");
- B. State Project No. H.011670, I-10/Loyola Dr. Interchange Improvement Project in Jefferson Parish (the "Loyola Project");
- C. State Project No. H.004100, I-10: LA 415 to Essen on I-10 and I-12 Project in East Baton Rouge Parish (the "I-10 Project");
- D. State Project No. H.004791, LA 23 Belle Chasse Bridge and Tunnel Replacement Project in Plaquemines Parish (the "Belle Chasse Project"); and

**WHEREAS**, this Committee previously approved the GARVEE Bonds and the Projects pursuant to resolutions adopted on March 19, 2019 and February 26, 2021; and

**WHEREAS**, pursuant to resolutions adopted on March 21, 2019 and April 15, 2021, the Commission previously issued the following GARVEE Bonds: (i) \$185,000,000 State of Louisiana Grant

Anticipation Revenue Bonds, Series 2019A and (ii) \$155,240,000 State of Louisiana Grant Anticipation Revenue Bonds, Series 2021; and

**WHEREAS**, in connection with an increase in the annual obligation authority for federal highway funds available to the State of Louisiana, the Department has requested that this Committee and the Commission increase the total amount of GARVEE Bonds authorized from \$650,000,000 to \$830,000,000 in accordance with the Act; and

**WHEREAS**, notwithstanding the foregoing approvals of the GARVEE Bonds as stated above, the Committee requires the Department to seek approval from the Committee for all subsequent series of GARVEE Bonds; and

**WHEREAS**, the Department desires to obtain the approval of this Committee for the issuance of a third series of GARVEE Bonds in an amount not to exceed \$250,000,000 (the "Series 2023 Bonds") for the purpose of funding a portion of the costs of the Projects, paying costs of issuance of the Series 2023 Bonds, and paying other bond-related costs, including, without limitation, capitalized interest and reserve funds, and

**WHEREAS**, this Committee desires to approve the issuance of the Series 2023 Bonds, the financing of the Projects pursuant to the Act, and the increase in the not to exceed amount of GARVEE Bonds to be issued;

**NOW, THEREFORE, BE IT RESOLVED** by this Committee that:

**SECTION 1.** This Committee hereby approves the increase in the total not to exceed amount of the GARVEE Bonds to be issued from \$650,000,000 to \$830,000,000.

**SECTION 2.** This Committee hereby approves the funding of the Projects by the GARVEE Bonds and the expenditure of funds for such Projects.

**SECTION 3.** This Committee hereby approves the issuance of the Series 2023 Bonds in a principal amount not to exceed \$250,000,000, bearing interest rates not to exceed seven percent (7%) per annum for fixed rates and twelve percent (12%) per annum for variable rates and maturing not later than 15 years from the date of issuance, in one or more series, as desired, for the purpose of funding a portion of the expected costs of the Projects, including in particular the I-10 Project, paying costs of issuance of the Bonds, and paying other bond-related costs, including, without limitation, capitalized interest and reserve funds.

**SECTION 4.** This Committee hereby approves the Series 2023 Bonds for the express purpose of granting the required contracts in a principal amount not to exceed \$250,000,000 with the understanding that the Department has the ability to manage the actual application of the Series 2023 Bond proceeds in order to appropriately fund the Projects and meet expenditure requirements of the Internal Revenue Service. The Department also further agrees to report quarterly to the Committee on the GARVEE program, including contracting information and the expenditure of GARVEE Bond proceeds.

**SECTION 5.** Notwithstanding the foregoing approvals of the GARVEE Bonds as stated above, the Committee requires the Department to seek approval from the Committee for all subsequent series of GARVEE Bonds.

**SECTION 6.** This resolution shall become effective immediately upon its adoption.

This resolution was declared adopted on this 2<sup>nd</sup> day of June, 2023.

---

Secretary, Joint Legislative  
Committee on the Budget

# Joint Legislative Committee on the Budget

## GARVEE UPDATE

May 5, 2023

Eric Kalivoda  
Secretary



# Agenda

1. GARVEE Approval Recap
2. Request
3. GARVEE Projects Update
4. Recap
5. Questions



# GARVEE Approval Recap

1. Joint Transportation Approval of GARVEE Bond Projects and Program on January 31, 2018.
2. JLCB Resolution Approving \$650M GARVEE Bond Program on March 19, 2019.

1. April 2019 SBC Issues \$185M GARVEE bonds with JLCB & Joint Transportation approval.
2. March 2021 SBC Issues \$155M GARVEE bonds with JLCB & Joint Transportation approval.

1. March 2023 Joint Transportation by committee vote approved to increase the GARVEE Bond Program to \$830M.
2. May 2023 request JLCB to approve a resolution to increase the GARVEE Bond Program to \$830M and to approve the 3<sup>rd</sup> Bond issuance of up to \$250M.
3. June 2023 return to JLCB for final approval and request SBC to approve a resolution to increase the GARVEE Bond Program approval from \$650 to \$830M and issue the 3<sup>rd</sup> series up to \$250M GARVEE bonds in August /September 2023.
4. The 4<sup>th</sup> series of GARVEE bonds is expected in the fall 2024 with approximately \$240M of GARVEE remaining.

# Approval Request

- Request JLCB to approve a resolution to issue \$250M of GARVEE bonds in 3<sup>rd</sup> Quarter of 2023.
- Request JLCB to approve a resolution to increase the GARVEE Program from \$650M to \$830M.
  - Provides \$180M additional GARVEE funds, on top of the \$415.4M GARVEE already programmed, to the I-10 Baton Rouge Widening Project.

\*\* DOTD will coordinate with the SBC for a resolution to approve the following:

- To issue up to \$250M of GARVEE bonds in 3<sup>rd</sup> Quarter of 2023.
- To increase the GARVEE Program from \$650M to \$830M.

# GARVEE Projects

## **I-20 entrance into Barksdale Air Force Base - Project Complete (\$80.5 million)**

- \$78.8M GARVEE Programmed - \$78.8M GARVEE Expended

## **I-10/Loyola Drive Interchange in Kenner - 2023 Completion (\$166 million)**

- \$138.8M GARVEE Programmed - \$136.3M GARVEE Expended

## **Belle Chasse Bridge & Tunnel Replacement - 2025 Completion (\$181.3 million)**

- \$17M GARVEE Programmed - \$17M GARVEE Expended

## **I-10 Corridor in Baton Rouge - 2028 Completion (\$925 million\*)**

- \$415M GARVEE Programmed - \$32.6M GARVEE Expended
- Requesting to increase GARVEE authorization by \$180M

\*Includes the College Flyover and the KCS bridge replacement

# I-220/I-20 Interchange & BAFB Access

## Project Update:

➤ *Project Complete.*



# Loyola Dr./Interstate 10 (I-10) Interchange

## Project Update:

- *New interchange expected to be open to traffic in Fall 2023.*
- *Flyover Ramps and Auxiliary Lane open in Fall of 2023.*





# Belle Chasse Bridge and Tunnel Replacement

## Project Update:

- *Construction underway and 59% complete.*
- *Final design and utility relocation are in progress.*
- *Projected open to traffic April 2024.*
- *Projected completion February 2025.*



# I-10 Reconstruction and Widening CMAR\* (Baton Rouge)

The CMAR process is a best value procurement method that includes Owner led coordination between the Designer, Contractor and Independent Cost Estimator. The CMAR process enhances risk mitigation efforts and provides greater cost certainty over traditional delivery methods.

- Provides enhanced real-estate support.
- Provides enhanced utility relocation coordination.
- Provides the ability to procure early works packages, mitigating the risk of the construction price volatility and mitigates long lead procurement timeframes.
- Constructability is confirmed prior to cost negotiations thereby reducing potential future cost increases.

\*CMAR – Construction Management at Risk

\*\* Does not include the College Flyover or the KCS bridge

# I-10 Reconstruction and Widening (Baton Rouge)

**Project Schedule:** Due to the complexity of this project it is being phased.

- The College Dr. flyover – Construction in Progress
  - \$57.4 million of GARVEE bonds are programmed with \$28.6 million expended.
  - The new ramp is currently being constructed and is expected to be open to traffic mid 2023.
  - Project completion including I-10 WB bridge and realignment of I-12 expected in late 2023.
- The KCS Bridge replacement – Bridge Installed
  - Closeout work is underway and project completion is imminent.
  - \$7.16M GARVEE bonds are programmed.





# I-10 Reconstruction and Widening (Baton Rouge)

- I-10 Widening West of Washington Street to Acadian Thruway (Segment 1 of Phase 1).
  - 2028 Projected completion.
  - Early work packages (EPW) such as pile procurement, girder procurement, and subsurface utility exploration are underway. EPW 1 & 2 are awarded for \$57.4 million.
  - Original estimated construction cost was \$415.4 million and changes in project scope and market conditions increased estimate to \$850 million.
  - Funding gap will be closed with \$255 million in Federal IIJA funds and \$180 M additional GARVEE.



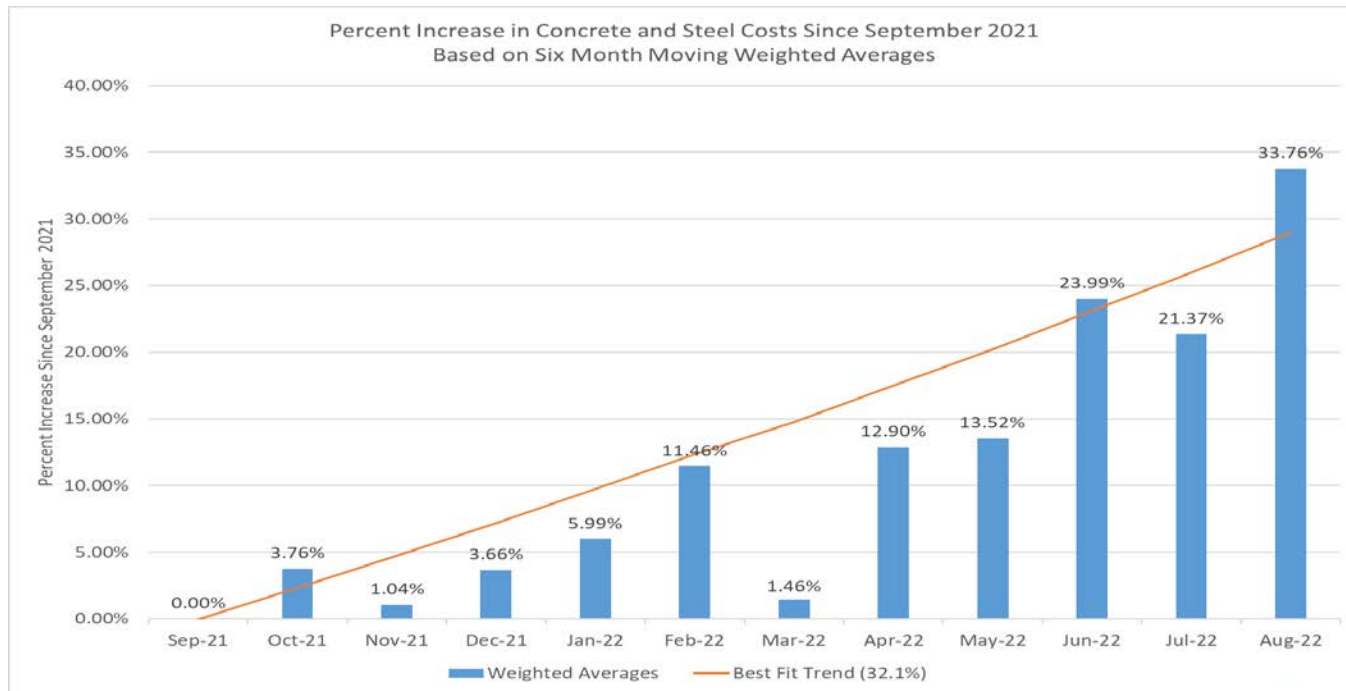
# I-10 Reconstruction and Widening (expanded scope)



# I-10 Reconstruction and Widening (inflationary pressures)

## Inflation:

- Prices for Concrete and Steel, the two biggest construction materials on I-10, have increases 33.76% between Sept 2021 and Aug 2022.



# Recap of Today's Request

- Request JLCB to approve a resolution to issue \$250M of GARVEE bonds in 3<sup>rd</sup> Quarter of 2023.
- Request JLCB to approve a resolution to increase the GARVEE Program from \$650M to \$830M.
  - Provides \$180M additional GARVEE funds, on top of the \$415.4M GARVEE already programmed, to the I-10 Baton Rouge Widening Project.

\*\* DOTD will coordinate with the SBC for a resolution to approve the following:

- To issue up to \$250M of GARVEE bonds in 3<sup>rd</sup> Quarter of 2023.
- To increase the GARVEE Program from \$650M to \$830M.

# QUESTIONS

# Agenda Item #5

Review and approval of  
the Sabine River  
Authority's FY  
2023-2024 budget

**BUDGET REQUEST**  
Fiscal Year Ending June 30, 2024

BUDGET UNIT: Sabine River Authority  
15091 Texas Highway  
Many, LA 71449  
PHONE: (318)256-4112  
FAX: (318)256-4179

SCHEDULE NUMBER: N813


AGENCY WEB ADDRESS: [www.srala-toledo.com](http://www.srala-toledo.com)

TO THE JOINT LEGISLATIVE COMMITTEE ON BUDGET:

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MAJOR REPAIRS:	PAGE 10

WE HEREBY CERTIFY THAT THE STATEMENTS AND FIGURES ON THE ACCOMPANYING FORMS ARE TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE.

HEAD OF BUDGET UNIT: 
PRINTED NAME/TITLE: Warren Founds/Executive Director
DATE: April 4, 2023
EMAIL ADDRESS: <a href="mailto:warren.founds@la.gov">warren.founds@la.gov</a>

FINANCIAL CONTACT PERSON: Kellie Ferguson
TITLE: Administrative Program Director 3
TELEPHONE NUMBER: 318-256-4112
EMAIL ADDRESS: <a href="mailto:kellie.ferguson@la.gov">kellie.ferguson@la.gov</a>

## Mission Statement:

The mission of the Sabine River Authority of Louisiana, consistent with Louisiana Revised Statutes 38:2321, et. seq., and with Article 48 of the Federal Power Commission License, Project 2305, is to provide for economic utilization and preservation of the waters of the Sabine River and its tributaries by promoting economic development, irrigation, navigation, improved water supply, drainage, public recreation, and hydroelectric power for the citizens of Louisiana.



AMENDED SUMMARY STATEMENT OF EXPENDITURES FOR YEARS SHOWN

CATEGORY OF TOTAL EXPENDITURES	PRIOR YEAR ACTUAL 2021-2022	EXISTING OPERATING BUDGET 2022-2023	TOTAL REQUEST 2023-2024	OVER/UNDER EXISTING OPERATING BUDGET	PERCENT CHANGE
<b>SALARIES:</b>					
Regular	\$2,329,904	\$2,825,828	\$2,766,408	(\$59,420)	-2.10%
Other Compensation	\$140,535	\$331,640	\$331,640	\$0	0.00%
Related Benefits	\$1,393,236	\$2,041,612	\$1,856,456	(\$185,156)	-9.07%
<b>TOTAL SALARIES</b>	<b>\$3,863,675</b>	<b>\$5,199,080</b>	<b>\$4,954,504</b>	<b>(\$244,576)</b>	<b>-4.70%</b>
<b>OPERATING EXPENSES:</b>					
Travel	\$11,100	\$19,600	\$19,600	\$0	0.00%
Operating Services	\$1,109,228	\$1,072,794	\$1,151,809	\$79,015	7.37%
Supplies	\$320,382	\$426,566	\$441,534	\$14,968	3.51%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$1,440,710</b>	<b>\$1,518,960</b>	<b>\$1,612,943</b>	<b>\$93,983</b>	<b>6.19%</b>
<b>PROFESSIONAL SERVICES</b>	<b>\$29,369</b>	<b>\$232,010</b>	<b>\$232,010</b>	<b>\$0</b>	<b>0.00%</b>
<b>OTHER CHARGES:</b>					
Other Charges	\$626,244	\$455,500	\$495,500	\$40,000	8.78%
Interagency Transfers	\$365,032	\$417,375	\$417,375	\$0	0.00%
<b>TOTAL OTHER CHARGES</b>	<b>\$991,276</b>	<b>\$872,875</b>	<b>\$912,875</b>	<b>\$40,000</b>	<b>4.58%</b>
<b>ACQUISITIONS &amp; MAJOR REPAIRS:</b>					
Acquisitions	\$314,576	\$419,950	\$349,200	(\$70,750)	-16.85%
Major Repairs	\$409,430	\$1,291,500	\$985,500	(\$306,000)	-23.69%
<b>TOTAL ACQUISITIONS &amp; MAJOR REPAIRS</b>	<b>\$724,006</b>	<b>\$1,711,450</b>	<b>\$1,334,700</b>	<b>(\$376,750)</b>	<b>-22.01%</b>
<b>TOTAL EXPENDITURES &amp; REQUEST</b>	<b>\$7,049,036</b>	<b>\$9,534,375</b>	<b>\$9,047,032</b>	<b>(\$487,343)</b>	<b>-5.11%</b>
<b>POSITIONS (SALARIES REGULAR):</b>					
Classified	65	65	65	0	0.00%
Unclassified	2	2	2	0	0.00%
<b>TOTAL POSITIONS (SALARIES REGULAR)</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>0</b>	<b>0.00%</b>
<b>POSITIONS (OTHER CHARGES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

SABINE RIVER AUTHORITY OF LOUISIANA

Activity:	PRIOR YEAR OPERATING BUDGET 2021-2022	EXISTING OPERATING BUDGET 2022-2023	TOTAL REQUEST 2023-2024	OVER/UNDER EXISTING OPERATING BUDGET
General Fund	-	0	0	0
Interagency Transfer	-	0	0	0
Self Generated Revenue	7,049,036	9,534,375	9,047,032	-487,343
Statutory Dedication Name	-	0	0	0
Federal Funds	-	0	0	0
<b>TOTAL REVENUE</b>	<b>7,049,036</b>	<b>9,534,375</b>	<b>9,047,032</b>	<b>(487,343)</b>
Classified	65	65	65	0
Unclassified	2	2	2	0
<b>TOTAL POSITION CONTROL</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>0</b>
2100 Salaries-Classified - Regular	2,163,563	2,536,869	2,468,795	(68,074)
2110 Salaries-Classified - Overtime	-	0	0	0
2120 Salaries-Classified - Termination	19,531			0
2130 Salaries-Unclassified - Regular	146,810	288,959	297,613	8,654
2140 Salaries-Unclassified - Overtime		0	0	0
2150 Salaries-Unclassified - Termination	-			0
<b>TOTAL SALARIES</b>	<b>2,329,904</b>	<b>2,825,828</b>	<b>2,766,408</b>	<b>(59,420)</b>
2200 Wage Unclassified ~14 - 16 wage workers for aproxiametly 29,000 hours.	104,948	223,600	223,600	0
2210 Student Labor	13,187	45,240	45,240	0
2220 Compensation of SRA Board Members ~SRCA Members	22,000	62,400	62,400	0
Subtotal for Board Members	400	400	400	0
	22,400	62,800	62,800	0
<b>TOTAL OTHER COMPENSATION</b>	<b>140,535</b>	<b>331,640</b>	<b>331,640</b>	<b>0</b>
<b>TOTAL SALARIES &amp; OTHER COMPENSATION</b>	<b>2,470,439</b>	<b>3,157,468</b>	<b>3,098,048</b>	
2300 & 2345 Retirement - State	964,065	1,116,202	1,111,213	(4,989)
2350,60,70 F.I.C.A./Medi/Unemployment	44,478	68,305	67,637	(668)
2345, 2380 Group Insurance - State	384,693	857,105	677,606	(179,499)
<b>TOTAL RELATED BENEFITS</b>	<b>1,393,236</b>	<b>2,041,612</b>	<b>1,856,456</b>	<b>(185,156)</b>
<b>TOTAL PERSONNEL SERVICES</b>	<b>3,863,675</b>	<b>5,199,080</b>	<b>4,954,504</b>	<b>(244,576)</b>



2520	In State Travel - Field Travel ~Training, Educational Classes, and Government Meetings necessary in day to day operations, Sabine River Compact Administration semi-annual meeting (R.S. 38:2332.2); routine business for and on behalf SRA as it pertains to operations within the scope of an 801.1 agency (SRA is statutorially domiciled in Sabine Parish therefore, frequent trips to Baton Rouge are routine); attend meetings with LA Travel Promotion Association to promote Toledo Bend; and training sessions.	672	6,000	6,000	0
2530	In State Travel - Board Members ~Reimbursement of expenses for the 13 member Board of Commissioners, R.S. 38:2322.C.	8,826	11,000	11,000	0
2620	Out of State Travel - Field Travel ~FERC meeting for operation of Toledo Bend Dam ~Annual meeting for the American Fisheries Society. ~Annual 5 States El Comino Commission. ~SRCA Meeting. ~Field travel to different fishery projects. ~Meeting with Legislative Delegation.		1,600	1,600	0
2630	Out of State Travel - Board Members ~SRA Board Members serving on Toledo Bend Project Joint Operation Board, normally meets semi-annual TBPJO Administrative office.	1,602	1,000	1,000	0
<b>TOTAL TRAVEL</b>		<b>11,100</b>	<b>19,600</b>	<b>19,600</b>	<b>0</b>
2700	Advertising	21,531	18,993	22,500	3,507
2710	Printing	1,858	1,408	1,450	42
2770	Maintenance of Prop & Equip - Auto	19,288	14,071	20,000	5,929
2780	Maintenance of Prop & Equip - Other	10,422	7,037	10,500	3,463
2790	Maintenance of Buildings	4,284	2,112	2,175	63
2870	Rentals - Equipment, Etc.	3,139	12,664	13,044	380
2890	Dues & Subscriptions	13,275	2,815	15,000	12,185
2900	Mail, Delivery & Postage	3,667	7,738	7,970	232
2910	Telephone/Data Lines/Communication - Services	66,708	61,489	67,000	5,511
2950	Utilities - Electricity - Gas - Water - Other	933,861	855,064	950,000	94,936
2980	Other Operating Services - Uniforms/Laundry	4,966	0	5,000	5,000
2990	Lab Fees	2,124	2,106	2,169	63
3000	Miscellaneous	24,105	87,297	35,000	(52,297)
<b>TOTAL OPERATING SERVICES</b>		<b>1,109,228</b>	<b>1,072,794</b>	<b>1,151,809</b>	<b>79,015</b>

3100	Office Supplies	4,494	3,804	4,700	896
3120	Operating Supplies - Computer	12,365	12,675	13,055	380
3130	Operating Supplies - Clothing and Uniforms	3,890	2,535	4,000	1,465
3140	Operating Supplies - Medical	-	1,268	1,306	38
3170	Operating Supplies - Auto	139,064	152,271	156,839	4,568
3190	Operating Supplies - Bldgs, Grounds & Gen Plant	49,936	88,732	91,394	2,662
3200	Operating Supplies - Household	10,064	25,352	26,113	761
3210	Operating Supplies - Farm		1,268	1,306	38
3300	Repair & Maintenance Supplies - Auto	36,117	50,706	52,227	1,521
3310	Repair & Maintenance Supplies - Other	64,452	86,689	89,290	2,601
3320	Software		1,266	1,304	38
<b>TOTAL SUPPLIES</b>		<b>320,382</b>	<b>426,566</b>	<b>441,534</b>	<b>14,968</b>
<b>TOTAL OPERATING SERVICES</b>		<b>1,440,710</b>	<b>1,518,960</b>	<b>1,612,943</b>	<b>93,983</b>
3400	Accounting & Auditing	18,600	52,010	52,010	0
3410	Management Consulting		0	0	0
3420	Engineering & Architectural		0	0	0
3430	Legal	10,769	150,000	150,000	0
3460	Other Professional Services		30,000	30,000	0
<b>TOTAL PROFESSIONAL SERVICES</b>		<b>29,369</b>	<b>232,010</b>	<b>232,010</b>	<b>0</b>
3650	Miscellaneous Charges				0
	~Water Royalty	249,258	270,500	270,500	0
	~Directional Signs/Marking Boatlanes/Bridge Lighting	80,809	35,000	75,000	40,000
	~Economic Development	296,177	150,000	150,000	0
<b>TOTAL OTHER CHARGES</b>		<b>626,244</b>	<b>455,500</b>	<b>495,500</b>	<b>40,000</b>
4940	IAT - Transfer of Funds		0	0	0
4980	IAT - Insurance	341,375	341,375	341,375	0
5040	IAT - Telephone & Civil Service	23,657	76,000	76,000	0
<b>TOTAL INTERAGENCY TRANSFER</b>		<b>365,032</b>	<b>417,375</b>	<b>417,375</b>	<b>0</b>
<b>TOTAL Other Charges &amp; IAT</b>		<b>991,276</b>	<b>872,875</b>	<b>912,875</b>	<b>40,000</b>



4420	Acquisitions-Capitalized Automobile => \$5000		123,500	200,000	76,500
4421	Acquisitions-Automobile				0
4440	Equipment \$1000 - \$4999				0
4441	Equipment < \$1000				0
4442	Equipment => \$5000		65,450	67,200	1,750
4451	Computer Hardware	15,662	47,000	47,000	0
4453	Software \$1000 - \$4999				0
4454	Hardware \$1000 - \$4999				0
4456	Software < \$1000				0
4457	Hardware < \$1000				0
4460	Acquisitions - Farm and Heavy Movable Equipment	218,608	159,000	0	(159,000)
4520	Boats	16,868	20,000	25,000	5,000
4530	Communications \$1000 - \$4999				0
4532	Communications < \$1000				0
4540	Other Acquisitions \$1000 - \$4999	63,438	5,000	10,000	5,000
4542	Other Acquisitions < \$1000				0
<b>TOTAL ACQUISITIONS</b>		<b>314,576</b>	<b>419,950</b>	<b>349,200</b>	<b>(70,750)</b>
4610	Major Repairs - Building				0
4620	Major Repairs - Auto				0
4630	Major Repairs - Buildings and Grounds	409,430	1,291,500	985,500	(306,000)
4640	Major Repairs - Boats				0
4740	Major Repairs - Other Equipment				0
<b>TOTAL MAJOR REPAIRS</b>		<b>409,430</b>	<b>1,291,500</b>	<b>985,500</b>	<b>(306,000)</b>
<b>TOTAL ACQUISITION &amp; MAJOR REPAIRS</b>		<b>724,006</b>	<b>1,711,450</b>	<b>1,334,700</b>	<b>(376,750)</b>
<b>TOTAL EXPENDITURES</b>		<b>7,049,036</b>	<b>9,534,375</b>	<b>9,047,032</b>	<b>(487,343)</b>

	FY 23	FY 23			FY 23	EE&ER			Total R/B
	Budgeted	Existing @ 4/19/23	Wage Increase	Merit	Requested Total	FICA/MEDI	LASERS	OGB	Requested
Unclassified @ 4/19/22	288,959	\$286,166		\$11,446.66	\$297,612.66	\$4,315.39	\$122,914.19	\$8,368.08	\$135,597.66
48 Classified, 7 Vacant Classified @ 4/19/221	2,536,869	\$2,236,603	\$137,238.40	\$94,953.66	\$2,468,795.26	\$37,951.47	\$988,298.72	\$669,237.52	\$1,695,487.71
8 WAE Laborer (Existing Budget)      8 Positions	\$10.00      83,200	\$83,200			\$83,200.00	\$6,364.80	\$0.00	\$0.00	\$6,364.80
15 WAE PGBA (Existing Budget)      15 Positions	\$10.00      140,400	\$140,400			\$140,400.00	\$10,740.60	\$0.00	\$0.00	\$10,740.60
10 Students (Existing Budget)      10 Positions	\$7.25      45,240	\$45,240			\$45,240.00	\$3,460.86	\$0.00	\$0.00	\$3,460.86
Board (Existing Budget)	62,800	\$62,800			\$62,800.00	\$4,804.20	\$0.00	\$0.00	\$4,804.20
Sub-Total	<u>3,157,468</u>	<u>\$2,854,409</u>	<u>\$137,238.40</u>	<u>\$106,400.32</u>	<u>\$3,098,047.92</u>	<u>\$67,637.32</u>	<u>\$1,111,212.91</u>	<u>\$677,605.60</u>	<u>\$1,856,455.83</u>
FICA/MEDI	68,305				\$67,637				
LASERS	1,116,202				\$1,111,213				
OGB	857,105				\$677,606				
Sub-Total	<u>2,041,612</u>				<u>1,856,456</u>				
<b>Total</b>	<b>5,199,080</b>				<b>4,954,504</b>				

OBJ CLASS	QUANTITY	ACQUISITIONS DESCRIPTION BY ACTIVITY	AMOUNT
<b>Existing Budget</b>			
4420	1	3/4 Ton 4x4 Crew Cab Truck @ SRD	\$43,500
4420	1	3/4 Ton 4x4 Truck @ SRD	\$40,000
4442	1	Vibration Monitoring Equipment for Pump Stations (SRD)	\$9,700
4442	1	Canal Level Instrumentation (SRD)	\$30,250
4442	1	Sewer Clean Out Machine	\$7,000
4460	1	Side by Side ATV for Recreational Facilities	\$14,000
4460	1	Replace Golf Course Equipment	\$120,000
4442	1	Thermal Imaging Camera (SRD)	\$18,500
4460	2	Mowers @ SRA	\$25,000
4520	1	Boat motors @ SRA	\$20,000
4420	1	3/4 Ton 4x4 Crew Cab Truck @ SRA	\$40,000
4451		Computer Hardware @ SRA	\$32,000
4451		Computer Hardware @ SRD	\$15,000
4540		Other	\$5,000
		<b>TOTAL</b>	<b>\$419,950</b>
<b>Requested Budget</b>			
4420	2	3/4 Ton 4x4 Crew Cab Truck @ SRD	\$100,000
4442	1	Vibration Monitoring Equipment for Pump Stations (SRD)	\$9,700
4460	1	Side by Side ATV for Recreational Facilities	\$14,000
4442	1	Thermal Imaging Camera (SRD)	\$18,500
4460	2	Mowers @ SRA	\$25,000
4520	1	Boat motors @ SRA	\$25,000
4420	2	3/4 Ton 4x4 Crew Cab Truck @ SRA	\$100,000
4451		Computer Hardware @ SRA	\$32,000
4451		Computer Hardware @ SRD	\$15,000
4540		Other	\$10,000
			<b>\$349,200</b>

OBJ CLASS	MAJOR REPAIRS DESCRIPTION BY ACTIVITY	AMOUNT
	<b>Existing Budget</b>	
	<b>Requested Budget</b>	
4630	Building Renovations of Park Facilities	\$300,000
4630	Miscellaneous Seawall Repairs	\$100,000
4630	Cart Path Repairs	\$500,000
4630	Electrical Testing at all Pump Stations	\$60,500
4630	Repair levee from erosion, animal dens, seepages, and leaks	\$21,500
4630	Pulling and Repairing of Pump and Motor @ SRD	\$250,000
4630	Levee Crowns, Access Ramps, Bridge Crossings and Equipment Off-Loading Areas @ SRD	\$19,500
4630	Flooring Bath Houses at all Recreation Facilities	\$40,000
		\$1,291,500
	<b>Requested Budget</b>	
4630	Building Renovations of Park Facilities	\$300,000
4630	Miscellaneous Seawall Repairs	\$200,000
4630	Electrical Testing at all Pump Stations	\$60,500
4630	Repair levee from erosion, animal dens, seepages, and leaks	\$25,000
4630	Pulling and Repairing of Pump and Motor @ SRD	\$250,000
4630	Levee Crowns, Access Ramps, Bridge Crossings and Equipment Off-Loading Areas @ SRD	\$50,000
4630	Flooring Tourist Center & Update Restrooms	\$100,000
		\$985,500



# Agenda Item #6

Review and approval of  
Water Sector Commission  
recommendations

No documentation at this time

# Agenda Item #7

Review of Tax Increment  
Financing proposal to utilize  
45% of the 4.45% state sales tax  
within the New Orleans  
BioDistrict within the city of  
New Orleans

**JLCB AGENDA ITEM REQUEST: BioDistrict New Orleans TIF**

**Request dated May 10, 2023**

**For consideration at June 2, 2023 Joint Legislative Committee on the Budget meeting**

The attached packet of information is being submitted by Louisiana Economic Development (LED) on behalf of the BioDistrict New Orleans to request approval for Tax Increment Financing utilizing 2 pennies (or 45%) of future increments of the 4.45 pennies of state sales tax collections within the BioDistrict. Specifically, the request is for JLCB to approve the State to enter into a CEA with the New Orleans BioDistrict for said purpose.

The following items are included in this informational package:

- Letter from Louisiana Economic Development Secretary Don Pierson
- Letter from Louisiana Department of Revenue (LDR) Secretary Kevin Richard
- LDR's determination of the BioDistrict TIF base
- Economic impact analysis updated by Dr. James Richardson
- Draft CEA between the State of Louisiana and the BioDistrict New Orleans
- Ordinance adopted by the Council of the City of New Orleans, October 20, 2022

May 5, 2023

Representative Jerome Zeringue  
Chairman, Joint Legislative Committee on the Budget  
900 North Third Street  
Baton Rouge, Louisiana 70802

Re: Tax Increment Financing request for the New Orleans BioDistrict within the City of New Orleans

Dear Chairman Zeringue:

Louisiana Economic Development (LED) received the New Orleans BioDistrict request to dedicate to the district the incremental increases of 45% of the Annual State Increment of State sales tax collected within the boundaries of the district. The New Orleans BioDistrict is seeking to create a Bio-Innovation District and to make public infrastructure improvements and other investments, using a combination of private investment and the proceeds from the incremental increase of a portion of local and State sales taxes collected within the district.

Dr. James Richardson conducted an economic impact analysis that indicates that the proposed development within the New Orleans BioDistrict would result in an increase in collections of State sales taxes above the amount currently being collected. LED concurs with Dr. Richardson's determination that the activity resulting from private and public investments combined with additional commitments of public benefits within the district will benefit the State economically. In addition, under the tax increment financing proposal recommended by LED, requiring a term of no more than 20 years and a lifetime aggregate cap of \$25 million - the State would receive more funds from the increased State sales tax revenues than the district would receive from the proceeds of the dedicated State sales tax increment.

Please accept this letter as the written evaluation and determination of the Louisiana Department of Economic Development as required under La. R.S. 33:9038.34(A)(6).

Thank you for your assistance and attention to this request. Should you have any questions, please do not hesitate to contact me or LED Undersecretary, Anne Villa.

Sincerely,



Don Pierson, Secretary  
Louisiana Economic Development

**State of Louisiana**  
Department of Revenue

**JOHN BEL EDWARDS**  
Governor



**KEVIN J. RICHARD, CPA**  
Secretary

May 9, 2023

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: BioDistrict New Orleans Economic Development District

Dear Secretary Pierson,

I have reviewed your department's letter regarding the proposed dedication of incremental increases of forty-five percent (45%) of the Annual State Increment of State sales tax collected from taxpayers within the geographic area comprising the New Orleans Economic Development District.

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the district, as referred to in your letter. Please accept this letter as certification as to the correctness of your department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. R.S. 33:9038(A)(6). The Louisiana Department of Revenue's sales tax analysis of the BioDistrict New Orleans Economic Development District is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin J. Richard".

**Kevin J. Richard, CPA**  
**Secretary**  
**Louisiana Department of Revenue**

*Contributing to a better quality of life.*

617 North Third Street, Post Office Box 66258, Baton Rouge, Louisiana 70896  
Telephone (225) 219-4059 • Fax (225) 219-2708 • TDD (225) 219-2114  
[www.revenue.louisiana.gov](http://www.revenue.louisiana.gov)

<b>N.O. Biodistrict TIF State Base FYE June 30, 2021</b>	
State Annual Base (Reported Gross Tax Due less V.C.) * Includes estimates for consolidated filers based on amounts reported on local sales tax returns.	\$11,716,431
Monthly State Base (Annual State Base divided by 12)	\$976,369
<b>Cost Estimate FYE June 30, 2021</b>	
Taxable Sales	\$263,290,580
TIF State Estimated Available Increment (4.45%)	\$11,716,431
TIF State Estimated Pledged Increment (45% of 4.45%)	\$5,272,394

Zip Code	Total City Revenue	Total City Taxes Paid	Total City Taxable Revenues
70019	\$0	\$0	\$0
70043	\$0	\$0	\$0
70112	\$5,607,298,585	\$16,646,198	\$1,219,751,914
70113	\$13,693,429,385	\$24,911,867	\$13,759,632,550
70115	\$5,687,838	\$3,820	\$5,688,841
70116	\$0	\$150	\$0
70117	\$197,804	\$5,310	\$197,804
70118	\$7,175,784,769	\$5,427,670	\$477,006,054
70119	\$663,320,341	\$2,842,066	\$165,970,413
70121	\$11,444,657	\$457,381	\$12,776,966
70122	\$19,791,517	\$26,893	\$14,579,882
70124	\$212,521	\$339	\$212,521
70125	\$3,313,495,624	\$2,373,315	\$3,132,341,059
70126	\$0	\$0	\$0
70127	\$0	\$0	\$0
70129	\$2,365,122	\$8,859	\$1,078,315
70130	\$4,757,308	\$153,706	\$4,820,112
70163	\$3,030,106	\$2,000	\$3,030,106
<b>Grand Total</b>	<b>\$30,500,815,577</b>	<b>\$52,859,574</b>	<b>\$18,797,086,538</b>

Total Gross Sales	Total Taxable Sales	Gross Tax Due	Net Tax Due
\$64,395,431	\$55,424,831	\$2,451,545	\$2,451,545
\$855,526,406	\$120,511,098	\$5,343,382	\$5,343,382
\$94,630	\$94,630	\$4,171	\$4,171
\$281,735,850	\$41,860,431	\$1,847,559	\$1,847,559
\$73,196,101	\$22,987,692	\$1,014,204	\$1,014,204
\$1,918,591	\$1,906,696	\$84,061	\$84,061
\$58,694,426	\$21,855,356	\$965,910	\$965,910
\$1,040,409	\$126,994	\$5,598	\$5,598
\$0	\$0	\$0	\$0
<b>\$1,336,601,844</b>	<b>\$264,767,728</b>	<b>\$11,716,431</b>	<b>\$11,716,431</b>

**N.O. Biodistrict TIF State Base****FYE June 30, 2021**

<b>TIF District</b>	
State Annual Base (Reported Gross Tax Due less V.C.) * Includes estimates for consolidated filers based on amounts reported on local sales tax returns.	\$11,716,431
Monthly State Base (Annual State Base divided by 12)	\$976,369



## Updating<sup>1</sup> the Report on the BioDistrict New Orleans, December 2022<sup>2</sup>

Tax-increment financing (TIF) provides public dollars for projects in an area such as the BioDistrict New Orleans that will not be financed by private parties, but yet, are essential for private investments to be forthcoming and successful. In the BioDistrict New Orleans such projects might include the revitalization of the Duncan Plaza along with dealing with challenges from stormwater runoff and drainage, supporting affordable housing alternatives, developing regional transit infrastructure, supporting workforce development programs, and other such public services that are significant factors in the location of private investments. These are all public projects requiring funding by public bodies. A TIF is a useful vehicle to provide the funding over a period of time and to relate the funding to economic activity in the area and to send the message to private investors that these public projects have long-term and predictable support.

The sales tax for a specific geographic area of a municipality or a district currently produces a certain amount of revenue for the city, the state, and other public agencies. These sales tax revenues in BioDistrict New Orleans given its present condition is not expected to grow substantially if the district is not enhanced by new investments including public expenditures to enhance and upgrade the district. These proposed public expenditures (including capital projects and possibly several recurring items such as workforce development but with a long-term impact on the community) will be aimed at promoting and sustaining the success of the long-term development and growth of BioDistrict New Orleans.

Private investments will drive the economic success of BioDistrict New Orleans, but the public investments will be a necessary component to encourage the private investments. The long-term development of BioDistrict New Orleans is an important and significant factor in economic diversification in the New Orleans area. Developing and enhancing BioDistrict New Orleans should add to the continued development and growth of the healthcare industry in New Orleans as well as providing assistance to the tourist industry. Private investments are crucial, but private investments are dependent on the desirability of the area. This desirability is related to short and long-term public involvement—its ability to be an active participant in the development of the district. The TIF requested by BioDistrict New Orleans is to finance public investments in the area to attract, encourage, and maintain private investments.

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<sup>1</sup> Prepared by Dr. James A. Richardson, Professor Emeritus Louisiana State University.

<sup>2</sup> This report as of December 2022 is an update to several reports with the first report being completed in October 2019 and then updated in March 2021. Updates are to be expected with projects being considered over a five-to-ten-year time period. The basic premise has not changed but the actual sales tax collections and projected sales tax collections have changed as one would expect.

ENCOURAGING AND SUPPORTING PRIVATE INVESTMENTS  
IN BIODISTRICT NEW ORLEANS

BioDistrict New Orleans has signed a Cooperative Endeavor Agreement (CEA) with the City of New Orleans effective as of November 1, 2022 and providing to the BioDistrict the “Annual City Increment” defined as 100% of the Annual City Increment or the amount of City Sales and Use Tax collected in the boundaries of the district in excess of Annual City Base but not to exceed 125% of the BioDistrict’s sales tax estimates as noted in Exhibit C of the CEA. The Annual City Base grows by 2% per year starting as of January 2023 with City sales tax collections being identified as \$11,155,153.48 based on actual collections as of 2021.

BioDistrict New Orleans is now seeking a similar CEA with the State of Louisiana to support the public investments that will encourage and support the private investments that are necessary to drive and diversify the New Orleans economy.

In this report we are providing additional and updated information regarding state sales tax collections in BioDistrict New Orleans.

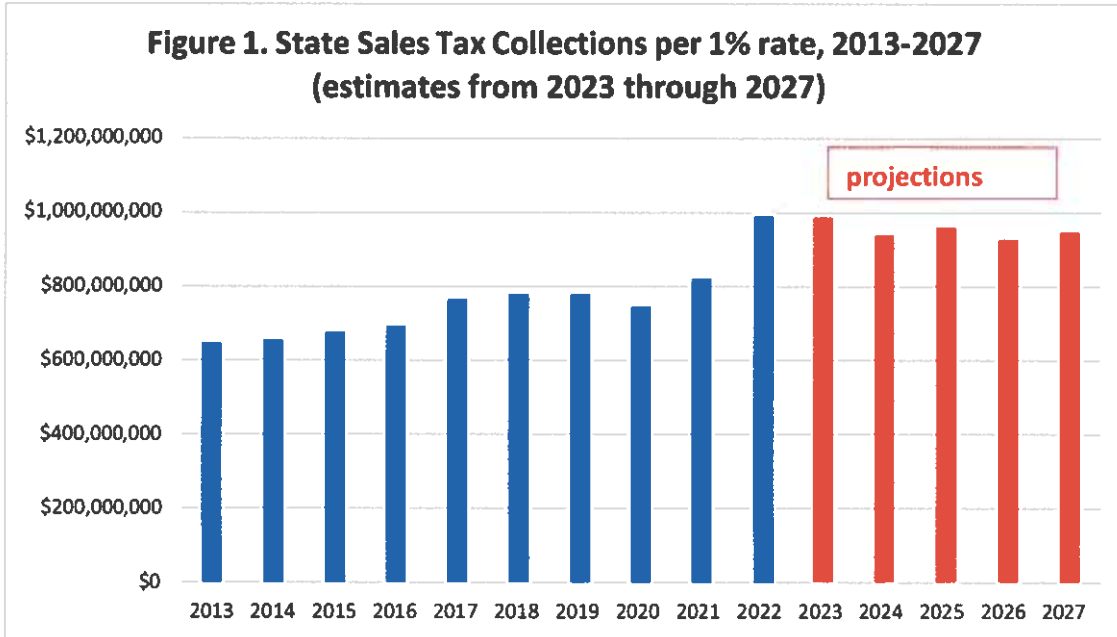
- (1) a reworking of the state revenue estimates for BioDistrict New Orleans with and without the creation of BioDistrict New Orleans but now taking into account the state sales tax collections through fiscal year 2022 (July 2021 through June 2022) and the projected state sales tax collections as accepted by the Louisiana Revenue Estimating Conference as of December 15, 2022.
- (2) Updated estimates of sales tax collections to be generated in BioDistrict New Orleans if there is no public investment in the district and if there is public investment as proposed by BioDistrict New Orleans
- (3) a focus on the public investments to be supported by the TIF and the significance of these investments in attracting private investments as has occurred in other municipalities.

### State Sales Tax Revenues

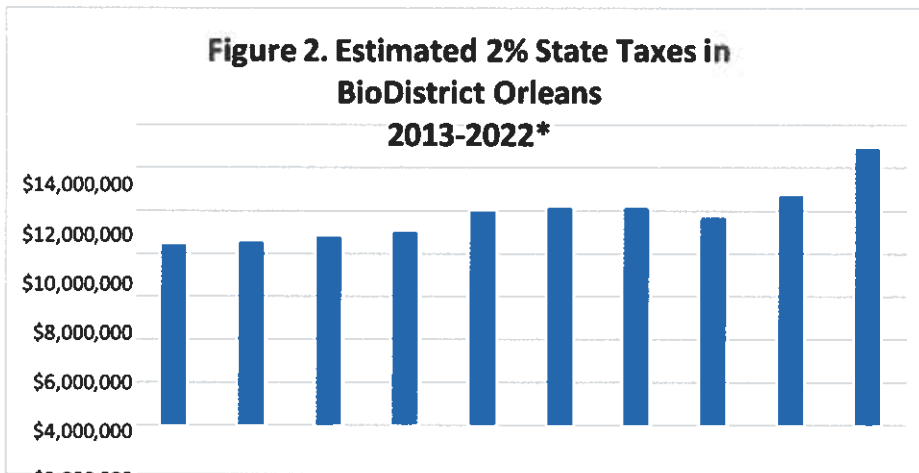
Actual and estimated state sales taxes collections per 1% sales tax rate from 2013 through 2027 are illustrated in Figure 1.<sup>3</sup> State sales taxes per 1% sales tax rate grew on average by 3.2% from 2013 through 2019. State sales tax collections per 1% sales tax rate declined in 2020 by over 4% with this related to the pandemic. In fiscal year 2021 and 2022 state sales tax collections per 1% tax rate grew by just over 10% in 2021 and just over 20% in 2022 with these high growth rates being related to a lower base given the 2020 downturn and the recovery from the 2020 downturn. State sales tax collections per 1% tax rate projections are based on the most recent estimates provided by the Louisiana Revenue Estimating Conference, with these projections suggesting that state sales tax collections will grow more slowly from 2023 through 2028.

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<sup>3</sup> We use sales tax collections per a 1% sales tax rate since the state’s sales tax rate has varied since 2013 from 4% to 5% and then back to 4.45%.



The estimated Bio-District New Orleans state sales tax collections from 2013 through 2022 are illustrated in Figure 2. From 2013 through 2021 the estimated sales tax revenues for zip codes 70112 and 70119 are steady with 2020 being an exception given the pandemic. Fiscal year 2022 stands out in terms of the level of estimated sales tax collections in the BioDistrict New Orleans—this reflects the higher inflation rates as well as other economic events.



\*Based on state tax collections by New Orleans zip codes from 2014-2018 and economic conditions as reflected in overall state sales tax collections for 2019 through 2022.

ENCOURAGING AND SUPPORTING PRIVATE INVESTMENTS  
IN BIODISTRICT NEW ORLEANS

Updated estimated sales tax revenues in BioDistrict New Orleans, given no changes in public policy regarding the BioDistrict and given changes in public policy with respect to BioDistrict New Orleans, are presented in Table 1. State sales tax revenues, given no structural changes in BioDistrict New Orleans are projected to grow at 2% per year based on the Federal Reserve System's inflation target.<sup>4</sup> The TIF and the investment of these dollars in appropriate public projects supporting BioDistrict New Orleans are identified as ingredients that generate activities and private investments in BioDistrict New Orleans and thereby generate additional sales tax revenues. Table 1 also includes limits contained in the New Orleans CEA regarding the maximum amount of sales tax dollars that would be submitted to BioDistrict New Orleans in each year from 2022 through 2039 regardless of the City sales tax collections.

The net new revenues related to the private and public investments in BioDistrict New Orleans are projected to grow modestly for the first several years and then much more substantially as of 2026 and beyond. This is not surprising. Indeed, it is exactly what a company expects in making a major investment. The net new income shows up once the investment has been completed. The contributions of the public investments will first have to encourage private investments. And, as the private investments come to the BioDistrict New Orleans, the additional state sales tax collections will be forthcoming. We must acknowledge and appreciate this is a long-term investment.

We also note that during the initial years in which investments are being made there will be substantial sales tax revenues related to the investment projects. The TIF estimates are based on recurring economic activities and not one-time investment/construction activities.

This TIF can be used supporting the redevelopment of Duncan Plaza with an emphasis on drainage issues, making public investments for workforce training, identifying affordable housing alternatives, supporting green infrastructure, improving public transit, creating a friendly environment for small business development and higher education as described in the Greater New Orleans Foundation's strategic plan for the district, and supporting medical research initiatives. TIF resources can also provide bond financing for capital projects necessary to improve the district or other ongoing activities that will be necessary at the beginning of the development of the district. These are projects that are tailored to the specific needs of this district, though, once the district is developed, it should provide positive economic returns throughout the city and the region.

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<sup>4</sup> "Inflation, Part 3: What is the Fed's Current Goal? Has the Fed Met its Inflation Mandate?", St. Louis Federal Reserve Bank, Posted September 9, 2022.

ENCOURAGING AND SUPPORTING PRIVATE INVESTMENTS  
IN BIODISTRICT NEW ORLEANS

**Table 1. Adjusted State Sales Tax Estimates for BioDistrict New Orleans Based on  
Most Current State Sales Tax Collections and Estimates**

State Fiscal Year Tax Receipts, 2%	Sales Tax Estimates in BioDistrict New Orleans Given No Major Public Investments	Sales Tax Estimates in BioDistrict New Orleans With Major Public Investments	Estimated State TIF Dollars used for Public Investments in District	TIF Limits as Included in New Orleans CEA*
2020	\$9,680,472	\$9,680,472	\$0	
2021	\$10,671,978	\$10,671,978	\$0	
2022	\$12,872,629	\$12,872,629	\$0	\$385,704
2023	\$12,808,360	\$12,808,360	\$0	\$1,137,477
2024	\$12,185,528	\$12,307,383	\$121,855	\$1,443,633
2025	\$12,453,416	\$12,922,753	\$469,337	\$1,124,145
2026	\$12,033,450	\$13,956,573	\$1,923,123	\$1,156,950
2027	\$12,307,750	\$15,073,099	\$2,765,349	\$1,301,737
2028	\$12,553,905	\$15,826,753	\$3,272,848	\$1,645,901
2029	\$12,804,983	\$16,618,091	\$3,813,108	\$2,012,856
2030	\$13,061,083	\$17,448,996	\$4,387,913	\$2,403,851
2031	\$13,322,304	\$18,321,446	\$4,999,141	\$2,820,204
2032	\$13,588,751	\$19,237,518	\$5,648,767	\$3,263,297
2033	\$13,860,526	\$20,199,394	\$6,338,868	\$3,734,587
2034	\$14,137,736	\$21,209,363	\$7,071,627	\$4,235,603
2035	\$14,420,491	\$22,269,832	\$7,849,341	\$4,767,957
2036	\$14,708,901	\$23,383,323	\$8,674,423	\$5,333,339
2037	\$15,003,079	\$24,552,489	\$9,549,411	\$5,933,530
2038	\$15,303,140	\$25,780,114	\$10,476,974	\$6,570,401
2039	\$15,609,203	\$27,069,119	\$11,459,916	\$7,245,919

\*TIF cannot exceed these limits even if growth in sales tax revenues in BioDistrict New Orleans would permit a larger TIF.

**Public Projects Used to Encourage Private Investment**

The ultimate success of the creation of BioDistrict New Orleans is related to the private investments occurring in the District or possibly a major investment by the federal government. However, these private or federal investments are related to the desirability of BioDistrict New Orleans which depends on the investment of dollars in facilities, technology, and people. There are several projects that have been identified by a number of groups enhancing the desirability of the BioDistrict New Orleans.

RCLCO did a study for the Downtown Development District that highlighted the potential of the development of Duncan Plaza, a highly underutilized area in BioDistrict New Orleans.<sup>5</sup> The DDD study noted that Duncan Plaza included approximately 185 acres that included some investment but some of these investments were parking lots. The DDD study suggested a major payback to the city and state for making an investment in the area based on two major examples of properties in other cities that had grown substantially due to public involvement in their development:

- (1) Discovery Green in Houston, Texas—a relatively small acreage that was converted to a public park by resources from the City of Houston and a nonprofit organization. It is estimated that the park has been instrumental in encouraging over \$625 million of downtown development. Houston has been a relatively fast-growing city, but the Discovery Green Park took under-utilized property, converted it into park, and then encourage private investors to make use of available properties in the vicinity.
- (2) Washington Park in Cincinnati, Ohio—an eight-acre park just north of downtown Cincinnati that was largely underutilized as of 2007 but by 2012 had been expanded and revitalized. The Washington Park study area included about 195 acres in total with a good mix of land uses including multi-family apartments and commercial properties. Assessed values of properties near the park measure to be almost 50% higher than other properties in the area.

Other downtown development projects include (1) Kyle Warren Park in Dallas with commercial properties having rental rates grow between 32% and 64% in three years following the park's redevelopment and (2) Railroad Park in Birmingham, Alabama with about 134 properties in the vicinity of the park and having an increase in values by about 125% within 5 years.

The purpose of BioDistrict New Orleans is to enhance the development of New Orleans including downtown New Orleans and areas adjacent to downtown New Orleans that have been slow to rebound from Katrina. This is an opportune time given that 1532 Tulane Partners, Inc has been selected to redevelop the Charity Hospital Building which has been unused since Katrina and the initiation of the Opportunity Zone program in the *Tax Cuts and Job Act of 2017*. The focus of the proposed TIF is to provide funding on projects that are typically covered by public investments but which are vital to encouraging private investments to take place.

Planned investments in BioDistrict New Orleans include a redevelopment of a hotel, redevelopment of a site owned by the New Orleans Public Schools, development of apartments, improvements in the transit system, the redevelopment of Charity Hospital, and other possibilities including office space, residential alternatives, and other commercial

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<sup>5</sup> Marketing and Financial Feasibility Analysis, Duncan Plaza, New Orleans, Louisiana, May 29, 2018. The study was completed by RCLCO-Real Estate Advisors from the Downtown Development District.



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IN BIODISTRICT NEW ORLEANS

developments. These projects are in various stages of development. Initiating these investments establishes the opportunity for further investments. RCLCO in its study noted there were several underutilized properties in the area that will be BioDistrict New Orleans. The RCLCO study estimated that the Central area (from Poydras Street to Tulane Avenue and bounded by the interstate and Loyola Avenue) declined in value by about 1.8% from 2013 through 2018 for those properties that were not exempt. Other areas in and around the Central area increased in value for non-exempt properties with these changes in property values for non-exempt properties being illustrated in Table 2. The geographic location of these areas is noted in Map 1.<sup>6</sup>

**Table 2. Changes in Property Value, 2013-2018\***

Defined Area with Innovation District	Average Annual Overall Growth
<b>Central</b>	-1.6%
<b>East Loyola</b>	12.5%
<b>Superdome Area</b>	0.0%
<b>Canal Frontage</b>	4.0%
<b>South Market District</b>	1.8%
<b>Total</b>	4.0%

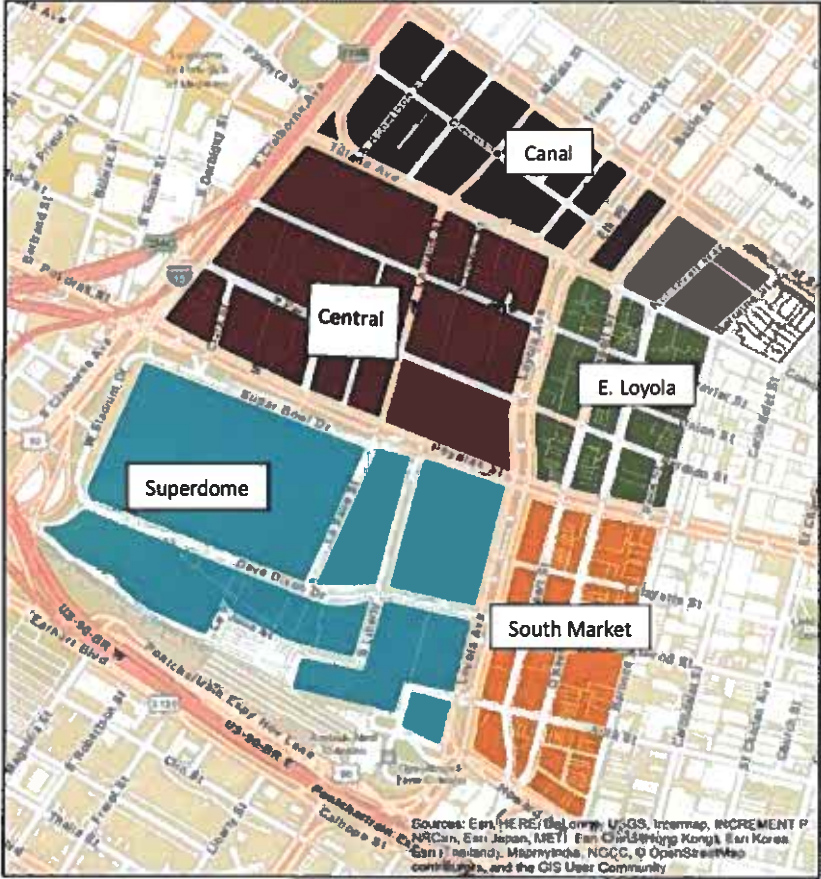
\*RCLCO Study for Downtown Development District, May 29, 2018, page 20. (developed by Axiometrics)

Duncan Plaza is in the geographic area identified as Central and this is the area in which there are a number of underutilized properties. This means that there are properties available for private investments if the overall environment is conducive to investment. This overall environment includes the public services available, infrastructure being in place, and an available work force.

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<sup>6</sup> The Map does not represent BioDistrict New Orleans as it has developed over time, but this map illustrates significant areas in BioDistrict New Orleans for economic development. A map of BioDistrict New Orleans is presented in Appendix A.

Map 1. Distinct Districts within the Study Area, 2018



Source: Market Feasibility Analysis, Duncan Plaza, RCLCO, May 29, 2018. (for Downtown Development District)

### Projected Impact of Investment in BioDistrict New Orleans

The purpose of the TIF is to make public investment that will encourage private investment. As noted previously, as of 2018, private investment was potentially forthcoming in the district with some of these investments have taken place. Other major changes are being discussed regarding medical research facilities and the drive to create a NCI-Designated Cancer Center. Additional private investments will be encouraged by proposed spending on Duncan Plaza and stormwater management as well as other services such as workforce development. Any large investment will be spread over several years. In Table 3 we illustrate, as an example, the impact of private investment of \$500 million taking place over a five-year and a ten-year time period.



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If the investments are completed over a five-year time period, then this spending will support just over 1,400 jobs per year with personal earnings of \$62.3 million and state and local tax receipts of about \$8.7 million per year with \$4.7 million going to the state yearly and approximately \$4.0 million to local governments. If the investments are made over ten years, then the spending supports 735 jobs per year with earnings of \$31.2 million and state and local tax receipts of \$4.4 million per year with \$2.4 million going to the state and \$2.0 million going to local governments.

**Table 3. Economic Impact of Estimated Investment of \$500 million over 5 and 10 Years**

Investment over number of years	Estimated Direct Investment Spending per year	Economic Impact per year	Personal Earnings per year	Net New Jobs per year	State Receipts per year	Local tax Receipts per year
<b>5 years</b>	\$100,000,000	\$198,303,840	\$62,334,720	1,425	\$4,737,280	\$3,989,581
<b>10 Years</b>	\$50,000,000	\$99,151,920	\$31,167,360	735	\$2,369,677	\$1,993,753

There are announced investments and the purpose of the TIF is to ensure that these investments take place and to encourage additional investments as well. As noted in the RCLCO study for the Downtown Development District and the attention to having a NCI Cancer Research Center in New Orleans, there are opportunities for expanded investment opportunities, especially in the Central section of the district. These investments provide short-term economic impacts. But, once these investments are made, there will be recurring benefits that will go on if the business opportunities are available. The recurring benefits will be related to the industries that are attracted to BioDistrict New Orleans.

**Final Comments**

The BioDistrict is an area of New Orleans that can connect the business district, the entertainment district, the sports district, and the medical district together. It can provide a location for new industries to be initiated. The major investment in Charity Hospital which has been closed since Hurricane Katrina is a major step forward, but its success will depend on the overall activity in the area. The investment climate will be related to the availability of necessary public services. The TIF provides a line of revenues focused on this district. And, the investments and growth in BioDistrict New Orleans should not be taking activities from other areas of the city but should be expanding the business opportunities for the entire region.

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Appendix A. Map of BioDistrict New Orleans



COOPERATIVE ENDEAVOR AGREEMENT

Between

THE STATE OF LOUISIANA

and

THE BIODISTRICT NEW ORLEANS

Dated as of July 1, 2023

**COOPERATIVE ENDEAVOR AGREEMENT**

THIS COOPERATIVE ENDEAVOR AGREEMENT (the “**Agreement**”) is entered into and between the STATE OF LOUISIANA (the “**State**”), acting by and through the Secretary of the Department of Revenue, and the BioDistrict New Orleans, a political subdivision of the State of Louisiana as defined in Article VI, Section 44(2) of the Constitution of Louisiana and as more particularly described in La. R.S. 33:9039.61 et. seq., acting by and through its duly authorized representative (the “**District**” or the “**BioDistrict**”). The State and the BioDistrict may sometimes be referred to as “**Party**” or collectively as the “**Parties.**” The Agreement is effective as of July 1, 2023.

WITNESSETH:

**WHEREAS**, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended, (the “**Constitution**”) provides that for a public purpose, political subdivisions may engage in cooperative endeavors with private associations, corporations or individuals;

**WHEREAS**, economic development constitutes a public purpose for the expenditure of public funds as determined by the Louisiana State Legislature under various provisions of law, including but not limited to Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 (the “**Cooperative Economic Development Law**”), as amended;

**WHEREAS**, the Cooperative Economic Development Law authorizes the participation by the parties hereto in economic development activities, including the expenditure of public funds under certain circumstances;

**WHEREAS**, the BioDistrict was established to advance biomedical research and job creation in the area that includes the old Charity Hospital downtown, the new University Medical Center, the new Veterans Administration Hospital, Xavier University, Delgado Community

College's School of Nursing, LSU Medical School and Health Sciences Center, Tulane University Medical School and School of Public Health and Tropical Medicine, the Louisiana Cancer Research Center, and the New Orleans Bioinnovation Center, among other health care and bioscience assets in New Orleans and has statutory authorities as defined in La. R.S. 33:9039.61 et seq.;

**WHEREAS**, the BioDistrict is governed by a 15-member board composed of appointees of the Governor of Louisiana, the Mayor of New Orleans, senators and representatives whose districts include the BioDistrict, as well as leadership from LSU Health Sciences Center, Tulane University, Xavier University of Louisiana, and Delgado Community College;

**WHEREAS**, following public meetings and conversations with concerned neighborhood leaders in Mid-City and Gert Town in early 2022, the BioDistrict requested legislative changes to limit its authorities and narrow its boundaries, including removing the BioDistrict's authority to utilize eminent domain or expropriation and removing residential neighborhoods from the BioDistrict's boundaries;

**WHEREAS**, these proposed legislative changes were contained in HB 797 and introduced and enacted into law as Act 354 of the 2022 Regular Session of the Louisiana Legislature;

**WHEREAS**, the New Orleans Business Alliance serves as the administrator of the BioDistrict, including providing support and administration on governance, compliance, financial transactions, and record keeping for the BioDistrict;

**WHEREAS**, pursuant to a request from LSU Foundation and LSU School of Medicine who were advancing plans for the adaptive reuse of Charity Hospital, the Greater New Orleans Foundation led a comprehensive strategic planning process for the neighborhood surrounding Charity Hospital, which included three community meetings and the surveying of hundreds of residents and culminated with the release in September of 2018 of a report calling for the creation of a robust, job creating, and equitable innovation district;

**WHEREAS**, the Greater New Orleans Foundation's strategic plan calls for improving the area by creating good jobs that pay family-sustaining wages, advancing health care and research, fostering equitable economic development, increasing affordable housing, improving transportation, expanding services for the unhoused, promoting environmental sustainability through green infrastructure and park spaces, and providing opportunities for existing local and disadvantaged businesses;

**WHEREAS**, Governor John Bel Edwards has designated much of the BioDistrict as a federal Opportunity Zone, providing federal tax advantages to investors to spur additional development;

**WHEREAS**, GNO Inc., at the request of the Greater New Orleans Foundation, created a prospectus for the BioDistrict to highlight current assets within the area, including upcoming development projects and financial investments to promote additional investment within the area;

**WHEREAS**, the BioDistrict is a leading member of a consortium that was awarded \$500,000 in December 2021, as one of sixty Build Back Better Regional Challenge Grants from the Department of Commerce’s Economic Development Administration for the Gulf Coast Health Sciences Corridor;

**WHEREAS**, the State has been requested by the BioDistrict to undertake the cooperative endeavors herein provided in this Agreement in order to make it economically feasible for the BioDistrict to undertake projects which may include but not be limited to land acquisition (except land acquisition done by expropriation or the acquisition of any parcel that is zoned with a low-density residential zoning category), design, construction, renovation, rehabilitation, equipping, infrastructure, and other improvements or modifications and all operational expenses including maintenance, utility, and personnel costs and other activities necessary or convenient thereto for the enhancement of bioscience and health products, including but not limited to projects as more particular identified in R.S. 33:9039.72 of the Louisiana Revised Statutes (the “**Project**”);

**WHEREAS**, such enhancement of bioscience and health products would result in significant economic benefits to the State, including construction jobs, increased permanent employment, increases to the tax base for *ad valorem* taxation, and significant increases in sales and use tax collections as well as helping to mitigate the condition of unemployment or underemployment in the surrounding geographical area and other ancillary financial and economic development benefits such as health science research;

**WHEREAS**, the Project is more fully described in **Exhibit A** hereto and is expected to include research, administration, and development costs to be paid by the BioDistrict;

**WHEREAS**, the Project will provide further intangible benefits to the State and the surrounding areas in addition to those enumerated herein;

**WHEREAS**, in order to enable the BioDistrict to proceed with the Project, the State has agreed to dedicate the proceeds of the Monthly Pledged State Increment to the BioDistrict, providing infrastructure assistance and payment to the BioDistrict for the Project, as defined herein, subject to the terms and conditions set forth herein below in this Agreement;

**WHEREAS**, the State and the BioDistrict desire to enter into this Agreement under Article VII, Section 14(C) of the Constitution and the Cooperative Economic Development Law, all for the purpose of enabling the BioDistrict to commence and continue the Project; and

**WHEREAS**, the City of New Orleans and the BioDistrict entered into a cooperative endeavor agreement (the “Local Cooperative Endeavor Agreement”) effective November 1, 2022 and ending October 30, 2039 pursuant to which the City of New Orleans has pledged to transfer a maximum of \$70.65 million in incremental increases in its undedicated sales taxes collected within the boundaries of the BioDistrict (the “City Tax Revenues”) to support economic development projects within the BioDistrict.



**NOW, THEREFORE**, in consideration of the mutual benefits hereby conferred and other good and valuable consideration, the State and the BioDistrict hereby covenant and agree with each other as follows:

I.  
DEFINITIONS

1. **Definitions.** The following terms shall, for purposes of this Agreement, have the following meanings:

“**Act**” shall mean, collectively, Section 14(C) of Article VII of the Louisiana Constitution of 1974, as amended, and Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, comprised of La. R.S. 33:9020 through 9039, inclusive, and other constitutional and statutory authority.

“**Agreement**” shall mean this Cooperative Endeavor Agreement dated as of July 1, 2023, by and between the BioDistrict and the State, and any amendments or modifications hereto.

“**Annual State Base**” shall mean Eleven Million Seven Hundred Sixteen Thousand Four Hundred and Thirty One Dollars (\$11,716,431.00), which is the amount of State Sales and Use Tax collected from taxpayers during the 2021 Fiscal Year (July 1, 2020 thru June 30, 2021) within the geographic area comprising the BioDistrict.

“**Annual State Increment**” shall mean the amount by which the State Sales and Use Tax collected from taxpayers within the geographic area comprising the BioDistrict attributable to any Fiscal Year during the Term exceeds the Annual State Base.

“**Annual Pledged State Increment**” shall mean a sum equal to forty-five percent (45%) of the Annual State Increment collected from taxpayers within the geographic area comprising the BioDistrict attributable to any Year during the Term and shall not exceed the BioDistrict’s pledged city sales tax increments under the Local Cooperative Endeavor Agreement for each annual year of collection commencing in Fiscal Year 2024; and in no event shall the State sum exceed twenty-five million dollars (\$25,000,000) in the aggregate.

“**Business Day**” shall mean any day that is not (a) Saturday or Sunday or (b) a legal holiday or a day on which banking institutions are authorized by law to close in the State of Louisiana.

“**City**” shall mean City of New Orleans, Louisiana.

“**Collection Start Date**” shall mean July 1, 2023.

“**Department**” shall mean the Louisiana Department of Revenue, the State Sales and Use Tax collection agent of the State.

“**District**” or “**BioDistrict**” shall mean that certain economic development district established in La. R.S. 33:9039.61 et. seq. as enacted by Act 354 of the 2022 Regular Session of the Louisiana Legislature, within the boundaries set forth in La. R.S. 33:9039.62 and **Exhibit B**.

**“Depository Bank”** shall mean the bank into which the Treasurer deposits State Sales and Use Tax receipts.

**“Fiscal Year”** shall mean the twelve-month period beginning July 1 of each year and ending June 30 of the following calendar year.

**“Louisiana Economic Development”** or **“LED”** shall mean the Louisiana Department of Economic Development.

**“Month”** shall mean a calendar month.

**“Monthly State Base”** shall mean the Annual State Base divided by twelve (12).

**“Monthly State Collection”** shall mean the State Sales and Use Tax collected from taxpayers within the geographic area comprising the BioDistrict attributable to any Month during the Term.

**“Monthly Pledged State Increment”** shall mean with respect to any month, the portion of the Annual Pledged State Increment collected and attributable to such month, such that the sum of the Monthly Pledged State Increments for any year equals the Annual Pledged State Increment for such year.

**“Monthly State Increment”** shall mean the amount by which the Monthly State Collection exceeds the Monthly State Base.

**“Paying Agent/Trustee”** shall mean the bank possessing trust powers, if any, which shall be appointed by the BioDistrict to receive the tax increments, described herein.

**“Project”** shall mean the project as contemplated and described in Exhibit A.

**“Public Improvements”** shall mean, collectively, (i) the construction, acquisition, extension, expansion, improvement, maintenance and operation of public roads, bridges and related road drainage within the BioDistrict and the acquisition of equipment related thereto, (ii) financing the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works and to reduce blight within the BioDistrict, and (iii) the general public infrastructure improvements in the BioDistrict, including but not limited to, water distribution and transmission, sewerage lines and facilities, publicly owned gas service lines and facilities and other public infrastructure improvements related thereto.

**“State”** shall mean the State of Louisiana.

**“State Sales and Use Tax”** shall mean the aggregate of sales and use taxes levied and collected by the state as a result of the sales and use taxes levied under La. R.S. 47:302 at the rate of 2%, La. R.S. 47:321 at the rate of 1%, La. R.S. 47:321.1 at a rate of .45% and La. R.S. 47:331 at a rate of .97%; sales and use tax shall not mean or include the .03% sales tax

levied under La. R.S. 51:1286 by the Louisiana Tourism Promotion District, any dedicated hotel motel sales tax or rebates issued under contract through the Enterprise Zone Program administered by the Louisiana Department of Economic Development.

“**State Treasurer**” or “**Treasurer’s Office**” shall mean the Louisiana Department of the Treasury.

“**Term**” shall mean the term of this Agreement as set forth in Article 5 hereto.

“**Year**” shall mean any consecutive twelve (12) month period.

2. Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement entered into or furnished in connection with this Agreement.

## II.

### STATE’S REPRESENTATIONS

1. Authority of State. The State, through the Department, is granted the authority, pursuant to the Act, as amended, with the approval of the Joint Legislative Committee on the Budget and approval of the Louisiana State Bond Commission and other constitutional and/or statutory authority necessary to enter into this Agreement.

2. Scope of Authorized Agreement. The Act authorizes the State to enter into cooperative endeavor agreements with local government subdivisions and economic development districts that may provide for the use of State Sales and Use Tax receipts for economic development projects, such as the Project, after approval of the Joint Legislative Committee on the Budget. Pursuant to the Act, Joint Legislative Committee on the Budget approval has been received by the BioDistrict on Month XX, 20XX and the minutes of the meeting at which such approval was received are attached hereto as Exhibit C.

3. Collections. Unless otherwise specified hereby, the Department hereby represents that current law and the current internal collection processes and systems are adequate for the purpose of collecting, classifying, reconciling, calculating, dedicating and remitting of the Annual State Increment on a quarterly basis, provided that such systems may be changed by the Department as they pertain to their respective collection processes relative to this Agreement, after providing notice to the BioDistrict of such change.

4. Ownership of Pledged State Increment. The State hereby acknowledges and agrees that (a) the Annual Pledged State Increment, by virtue of the Act, does not constitute State funds and requires no appropriation by the Louisiana Legislature for the Depository Bank to forward such funds to the BioDistrict, and (b) pending classification as Pledged State Increment, such funds are not part of the State Treasury although collected by the State and held pending disbursement to the BioDistrict.



III.  
BIODISTRICT'S REPRESENTATIONS

1. BioDistrict Authority. The BioDistrict has all requisite power to enter into this Agreement pursuant to the Act and there are no contracts or outstanding debts or other obligations in conflict herewith.
2. Scope of Project. The Project is within the scope of the Act and the BioDistrict will use the Annual Pledged State Increment solely to pay for the costs of the Project in order to induce economic development within the boundaries of the BioDistrict.
3. Project Necessity. The Project is necessary to promote economic development and other activities necessary or convenient thereto for the enhancement of bioscience and health products, including but not limited to projects as more particularly identified in La. R.S. 33:9039.72, within the City of New Orleans; and the BioDistrict will proceed with diligence to pursue the Project.
4. Public Purpose. The BioDistrict represents that the expenditure of public funds as determined by the Louisiana State Legislature, under various provisions of law, including but not limited to the Act, shall be for the public purpose of the Project and related public purposes, and that the BioDistrict and its activities will create public benefit of equal or greater value to the investment made by the State through this Agreement.
5. Validity of BioDistrict Obligation. This Agreement constitutes a valid and legally binding obligation of the BioDistrict. The BioDistrict has taken or caused to be taken all necessary and proper action to authorize the execution, issuance and delivery of and the performance of its obligations under the Agreement and any and all instruments and documents required to be executed or delivered pursuant hereto or in connection herewith.
6. No Suits. Except as may be otherwise disclosed in writing, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the BioDistrict before any court, arbitrator, or administrative or governmental body, or operations of the BioDistrict or that might adversely affect the ability of the BioDistrict to comply with its obligations hereunder or in connection with the transactions contemplated hereby.
7. Accuracy of Statements. No misleading, false or erroneous information has been provided by the BioDistrict to the State in this Agreement, or on any other document or certificate with respect to this Project. There is no fact or circumstance known by the BioDistrict that negatively affects or so far as the BioDistrict can reasonably foresee, will materially adversely affect the condition of the BioDistrict or its ability to perform its obligations hereunder including the issuance and payment of any Bonds issued pursuant to the Act or other constitutional or statutory authority.

IV.  
COOPERATIVE ENDEAVOR OBLIGATIONS

1. Department Agency. The Department hereby agrees to act as agent of the BioDistrict on and after July 1, 2023 for the sole purpose of collecting the Monthly Pledged State Increment. Such agency shall continue for the Term of this Agreement or until the State's contribution has reached the maximum as set forth in the Agreement, or as otherwise provided by amendment or addendum to this Agreement. The Department hereby further agrees that it shall additionally take all reasonable enforcement procedures it is authorized by law to take in connection with the collection of the Monthly Pledged State Increment.

2. Transfer of Funds.

a. It is understood that the Monthly Pledged State Increment collected by the Department is the property of the BioDistrict and thus the payment thereof to the BioDistrict does not require legislative appropriation by the State Legislature. However, as a means of facilitating the collection of the Monthly Pledged State Increment, it shall be the continuing duty of the Department during the Term to send data to the Treasurer's Office and request deposit by the Treasurer's Office of the Monthly Pledged State Increment on a quarterly basis with the Depository Bank, along with other state tax receipts. The Department shall work with the Treasurer's Office regarding which receipts must be transferred by the Depository Bank to the BioDistrict for deposit and the date for such transfer, which shall be no later than the thirtieth (30<sup>th</sup>) day of the third month of each calendar quarter for the transfer of the prior quarter's aggregate Monthly Pledged State Increment. Each quarter the Department will inform the Treasurer's Office as to the requirement for the Depository Bank to transfer the prior quarter's aggregate Monthly Pledged State Increment to the BioDistrict.

b. The BioDistrict shall furnish to the Department a list of all businesses located within the BioDistrict when requested by the Department.

c. The BioDistrict shall furnish or cause to be furnished to the Department with the amount of the BioDistrict's pledged city sales tax increments owed to the BioDistrict under the Local Cooperative Endeavor Agreement for the prior calendar quarter no later than the 20<sup>th</sup> day of the second month of each calendar quarter in order for the State to calculate the Monthly Pledged State Increment.

d. The expenditure of the Annual Pledged State Increment shall be dedicated to the public purpose of the BioDistrict pursuant to R.S. 33:9039.62 *et seq.*

3. Calculations. The Department and the BioDistrict hereby agree that the Monthly State Increment shall be calculated at least quarterly for each month during the term of this Agreement. Such calculations shall be made by the Department. A re-calculation of the Monthly Pledged State Increment for any Month or Months shall be made at any time upon the request of any party hereto. Collections of sales and use tax by the Department shall be attributed to the Month for which such collections are actually made and included in the corresponding Monthly Pledged State Increment regardless of which sales and use taxes are deemed due and owing; provided that collections of sales and use taxes paid under protest shall be set aside in accordance with the

Department's normal procedures and shall not be included in the Monthly Pledged State Increment unless and until a final judgment is made by a court of competent jurisdiction that such sales and use tax have been legally collected.

If it is determined that a shortage or overage exists in the amount collected and transferred, for any period, compared to the amount actually due, for whatever reason, the Department shall direct an adjustment in the Monthly Pledged State Increment, as the case may be, paid to the BioDistrict in order that the shortfall or over collection of revenues due to the BioDistrict for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment; provided that the Department shall not be obligated to use any funds for adjustments other than from State Sales and Use Tax collected from within the BioDistrict boundaries.

4. Effective Date of Monthly Pledged State Increment. The Monthly Pledged State Increment shall be pledged effective the Collection Start Date. The Department shall direct the Treasurer's Office and the Depository Bank to pay over all Monthly Pledged State Increment collected from the Collection Start Date to the BioDistrict.

5. Collection Process. To the extent it is not in conflict with the provisions of this Agreement, the Department is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of State Sales and Use Tax in the BioDistrict in the same manner as State Sales and Use Taxes are currently being collected or authorized to be cancelled as of the Collection Date.

6. Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior written consent of all Parties hereto.

7. LDR Collection Fees. The Department is hereby authorized and directed to withhold from the Sales and Use Tax collected by the Department within the geographical boundaries of the BioDistrict, as compensation for the performance of the Department's obligations hereunder, an amount equal to three (3%) of such Sales and Use Tax.

8. Reports to Louisiana Economic Development. The BioDistrict shall provide the following:

- a. Budget. The BioDistrict shall annually submit a budget presentation for all funds transferred under this Agreement, including annual goals, deliverables, and performance measures for the Project, and which budget shall be in strict accordance with all of the applicable provisions set forth in the Agreement, to the Secretary of Louisiana Economic Development. The initial budget presentation shall be submitted with a cover letter by no later than sixty days after this Agreement has been signed and by November 1 of each calendar year of this Agreement for all subsequent years. The budget shall become effective upon written approval of the Secretary of Louisiana Economic Development. Until the initial budget is approved, the State shall withhold transferring payments of the Monthly Pledged State Increment to the BioDistrict. Should a fiscal year end before a subsequent budget for the BioDistrict for the

succeeding year has been approved, the State shall withhold transferring payments of the Monthly Pledged State Increment to the BioDistrict until the budget for the new year has been approved, except that amounts to cover all debt service obligations for BioDistrict projects previously approved by the State Bond Commission shall not be withheld. The BioDistrict shall not be entitled to collect interest on any withheld payments from the State as a result of the Secretary of Louisiana Economic Development exercising its authority to withhold approval of the BioDistrict's budget.

- b. Plan. The BioDistrict shall update its strategic master plan for the BioDistrict within twelve months of the execution of this Agreement, and such a plan shall be submitted to the Secretary of Louisiana Economic Development for review and comment. The BioDistrict will update the plan as necessary, and at a minimum of every five years during the Term of this Agreement, with each update being submitted to the Secretary of Louisiana Economic Development for review and comment.
- c. Annual Report. Not later than November 1 of each year, beginning one year after the commencement of this agreement, the BioDistrict shall annually submit a report to the Secretary of Louisiana Economic Development that details its expenditures of the Annual Pledged State Increment and its performance relative to the goals and deliverables specified in its approved budget and master plan. The report should detail all projects undertaken and their current status and impacts, as well as the BioDistrict's challenges, strategies, and future plans.

## V. TERM

1. Term of this Agreement. This Agreement shall be effective as of July 1, 2023, and shall extend for a term of seventeen (17) years through June 30, 2040.

## VI. EVENTS OF DEFAULT

1. Events of Default. The following occurrences or acts shall constitute "Events of Default" under this Agreement if not cured within the applicable cure period:

(a) Any party hereunder shall fail to make payment when due of any sum payable by it hereunder; or

(b) Any party hereunder shall fail to observe or perform any other obligation required hereunder.

If such event shall continue for ninety (90) days after the non-defaulting party shall have given the defaulting party notice specifying such failure and demanding that the same be cured. If, by reason of the nature thereof, such failure cannot with due diligence be wholly cured within such ninety (90) day period, such cure period may be extended for such period as may be necessary to complete the curing of the same with the agreement of the other party.

2. Remedies. Upon a default under Article VI, Section 1 above, each party may proceed to protect and enforce its rights by suits in equity or at law, whether for the specific performance of any obligation, covenant or agreement contained in this Agreement or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as it shall deem most effectual to protect and enforce the obligations of the other hereunder, except for consequential damages, including, but not limited to, loss of sales, income or profit, which shall not be recoverable by a party from the others.

VII.  
MISCELLANEOUS

1. Audit. The Legislative Auditor of the State may audit any and all books and records of the BioDistrict related to the Department and this Agreement, and the BioDistrict shall make available such books and records and expenses to the Legislative Auditor for such audit.

2. Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

TO THE BIODISTRICT:

BioDistrict New Orleans  
c/o New Orleans Business Alliance  
1250 Poydras St., Suite 2150  
New Orleans, LA 70113

With copy to:

Andrew Kopplin, Chair (or his successors)  
c/o New Orleans Business Alliance  
1250 Poydras Street, Suite 2150  
New Orleans, LA 70113

TO THE DEPARTMENT:

Attention: Director, Policy Services Division  
P.O. Box 44098  
Baton Rouge, Louisiana 70804

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each Party at such other addresses or numbers as shall be designated by such Party in a written notice to the other Party.

3. Further Assurances. From time to time hereafter, the BioDistrict and the Department shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling its obligations hereunder.

4. Venue. Any suit brought by any Party hereto arising out of or by reason of this Agreement shall be brought in the Orleans Civil District Court, Orleans Parish, State of Louisiana, or such federal court as may have jurisdiction over any matter. However, if any suit is brought by or against the State, venue shall be appropriate and suit shall be brought in the Nineteenth Judicial District Court, East Baton Rouge Parish, State of Louisiana.

5. Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

6. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, officer, agent or employee of the BioDistrict or the Department in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

7. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

8. Taxes. The BioDistrict hereby agrees that the responsibility for payment of taxes from the funds, if any, thus received under this Agreement and/or legislative appropriation shall be the BioDistrict's obligation.

9. Ownership. All records, reports, documents and other material delivered or transmitted to the BioDistrict by the State shall remain the property of the State of Louisiana, and shall be returned by the BioDistrict to the State, at the BioDistrict's expense, at termination or expiration of this Agreement. All records, reports, documents, or other material related to this Agreement and/or obtained or prepared by the BioDistrict in connection with the performance of the services contracted for herein shall become the property of the State, and shall, upon request, be returned by the BioDistrict to the State, at the BioDistrict's expense, at termination or expiration of this Agreement.

10. Nonassignability. The BioDistrict shall not assign any interest in this Agreement by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the BioDistrict from assigning its bank, trust company, or other financial institution any money due or to become due from this Agreement without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the Department.

11. Discrimination Clause. The BioDistrict agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the requirements of the Americans with Disabilities Act of 1990.

The BioDistrict agrees not to discriminate in its employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation or disabilities. In particular,

- a. **Equal Employment Opportunity.** In all hiring or employment made possible by, or resulting from this Agreement, the BioDistrict (1) will not be discriminate against any employee or applicant for employment because of race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry, and (2) where applicable, will take affirmative action to ensure that the BioDistrict's employees are treated during employment without regard to their race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry.
- b. **Non-Discrimination.** In the performance of this Agreement, the BioDistrict will not discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, gender, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability, or AIDS or HIV status against (1) any employee of the State of Louisiana working with the BioDistrict in any of BioDistrict's operations or (2) any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by the BioDistrict. The BioDistrict agrees to comply with and abide by all applicable federal, state and local laws relating to non-discrimination, including, without limitation, Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990.
- c. **Incorporation into Subcontracts.** The BioDistrict will incorporate the terms and conditions of this Section into all subcontracts, by reference or otherwise, and will require all subcontractors to comply with those provisions.

Any act of discrimination committed by the BioDistrict, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

12. Public Notice of Meetings. The BioDistrict shall follow all state laws with regard to providing public notice of its meetings.

13. Records Retention. The BioDistrict shall follow all state laws with regard to records retention, and shall require its contractors and subcontractors, grantees and subgrantees to maintain all financial records for a period of four years after the final payment is made by the BioDistrict.

14. Constitutional Prohibitions on Donations of Property. The BioDistrict shall comply with Article VII, Section 14(A) of the Louisiana Constitution prohibiting the donation of public funds.

15. Issuance of Bonds or Debt Instruments. The BioDistrict must secure approval from the State Bond Commission before issuing any bonds or debt instruments whose debt service and interest shall be paid by any revenues provided by the State as a result of this Agreement. The State shall not be responsible for contributing revenues provided by the State as a result of this Agreement for any BioDistrict project that has not received approval by the State Bond Commission in advance of the bonds or debt instruments being issued.

16. Louisiana Code of Governmental Ethics. All BioDistrict Board of Commissioners members and staff shall comply with the Louisiana Code of Governmental Ethics.

17. Electronic Signature and Delivery. The Parties agree that a manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a Party until such Party has delivered or caused to be delivered a manually signed copy of this Agreement.

18. Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

19. Governing Law. This Agreement shall be constructed in accordance with and governed by the laws of the State of Louisiana.

20. Authority of the State of Louisiana. Consistent with provisions of La. R.S. 33:9039.63, nothing in this Agreement shall affect the authority of the State of Louisiana, the medical institutions or the educational institutions within the BioDistrict, or any other political subdivision.

Exhibits. The following exhibits will be and are incorporated into this Agreement:

Exhibit A – The Project

Exhibit B – The BioDistrict Boundaries

Exhibit C – Joint Legislative Committee on the Budget Approval

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Thus done and signed this \_\_\_\_ day of \_\_\_\_\_, 2023 at Baton Rouge and New Orleans, Louisiana.

BIODISTRICT NEW ORLEANS

\_\_\_\_\_  
By:  
Its: Chairman

STATE OF LOUISIANA, ACTING BY AND  
THROUGH THE DEPARTMENT OF  
REVENUE

\_\_\_\_\_  
By: Kevin Richard  
Its: Secretary, Department of Revenue

**Exhibit A  
The Project**

The Project shall include the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works of public improvement and other public infrastructure improvements related thereto, including Public Improvements, consistent with BioDistrict's broader objectives as outlined below:

A.(1) The district may undertake a project which may include but not be limited to land acquisition, design, construction, renovation, rehabilitation, equipping, infrastructure, and other improvements or modifications and all operational expenses including maintenance, utility, and personnel costs and other activities necessary or convenient thereto. The district may establish projects for bioscience and health products, including projects related to:

(a) Research and development.

(b) Invention and discovery.

(c) Commercialization.

(d) Production and manufacturing of goods and products, including facilities for manufacturing.

(e) Development of production process and delivery system purposes in, involved in, based on, or related to, or intended to advance the state of knowledge, skill, and understanding of, the biosciences, including:

(i) Wet laboratories.

(ii) Clean rooms.

(iii) Dry laboratories.

(iv) Research and development facilities.

(v) Genetics facilities and equipment.

(vi) Pharmaceutical facilities and equipment.

(vii) Biotechnology incubators.

(viii) Bioscience and biotech health care facilities.

(ix) Biotech facilities.

(x) Bioscience facilities.

(xi) Other similar projects.

(2) Bioscience education, including health or biotech education programs in cooperation with affiliate institutions of higher education;

(3) Access to public safety facilities and equipment;

(4) Streets and roads;

(5) Drainage services;

(6) Wastewater services;

(7) Potable water services;

(8) Telecommunication facilities;

(9) Demolition of existing structures;

(10) Chilled water services;

(11) Steam services;

(12) Industrial gases services;

(13) Other utility and process and production services; or

(14)(a) The support of any other type of bioscience projects or safety, security (police), parking, housing (student and workforce), conference and meeting facilities, transportation (pedestrian and vehicular), emergency preparedness, emergency operations, beautification, image, district identity, centralized laundry, janitorial services, maintenance services (grass cutting, street cleaning), development and enforcement of district standards for buildings (architectural), landscaping, streets and sidewalks, lighting and signage.

(b) The district or any subdistrict shall not adopt a district identity or any district standards for any area of the city of New Orleans without the prior approval of the governing authority of the city of New Orleans, by ordinance.

B. The board shall, through promulgation of bylaws adopted by the board, form committees to create a biosciences development and job creation plan for each project. The board, through the promulgation of bylaws, shall provide for the membership of the respective committees and their duties, and shall include mandatory review and approval of all development projects. Such committee shall also have primary responsibility for due diligence regarding such projects under guidelines established by this Chapter.

C. The plan shall have two phases:

(1) Phase I: The preliminary feasibility analysis shall include but not be limited to the following:

- (a) A job creation vision and purpose.
- (b) A bioscience vision and purpose.
- (c) A preliminary cash flow.
- (d) Preliminary sources and uses of funds.
- (e) Cost estimates.
- (f) A preliminary financial plan.
- (g) A preliminary job creation estimate.
- (h) A preliminary business plan.
- (i) A preliminary critical path.

(2) Phase II: The final feasibility analysis shall include but not be limited to the following:

- (a) A job creation vision and purpose.
- (b) A bioscience vision and purpose.
- (c) A cash flow proforma.
- (d) Sources and uses of funds.
- (e) Cost estimates.
- (f) Revenue estimates.
- (g) Financial plan.
- (h) A job creation estimate.
- (i) A business plan.
- (j) A development and financial critical path.
- (k) A development and financial timeline.

D.(1) All projects of the district and any subdistrict in the city of New Orleans shall be performed only within the boundaries of the district or subdistrict.

(2) All projects of the district and any subdistrict in the city of New Orleans shall be subject to and shall comply with the city of New Orleans master plan and all ordinances and rules and

regulations governing zoning, building land use, historic preservation, historic districts, and neighborhood participation plans applicable to the area in which the project is located.

## **Exhibit B**

### **The Boundaries of the BioDistrict**

The BioDistrict shall be composed of all of the territory located in the parish of Orleans included within the following perimeter:

From the corner of Iberville Street and North Derbigny Street proceed south along the apparent eastern right of way of North Derbigny Street to the point where the northern property line of Lot A. of Square 217 intersects with North Derbigny Street. Thence proceed west through the entirety of Square 217 along the northern property lines of Lot A, Lots 4 and 5, Lots 25, 26, and part of 24, Lot C, Lots 9, 10, and 11 and Lot 21 or 12 of Square 217. Crossing North Roman Street, proceed west along the southern property line of Lot 2 of Square 45. Thence turn north and proceed in Square 245 along the western property lines of Lot 2, Lot 3, Lot 4, and Lot 5. Thence turn west and proceed along the southern property lines of Lot 11, Lot 12, Lot 13 or 19, Lot 14 or 18, Lot 15 or 17, and Lot 16 of Square 245 to where it intersects with the apparent eastern right of way of North Prieur Street. Crossing North Prieur Street at an oblique southwest angle, proceed along the northern property lines of Lot C, Lot 3, Lot 4, Lot 5, Lot 6, Lot 16, Lot 17, Lot 20, Lot 21, and Lot 19 of Square 246. Crossing North Johnson Street proceed west along the northern property lines of Lot 23, Lot A, Lot B or 7R, Lot C or Part of Lot 4-7, Lot A or 8, Lot A or 9, Lots 8, 9, and 10, and Lot C, of Square 275. Thence, from where the rear property line of Lot B, Lot 8, Lot 9, Lot 10, and Lot C, Square 275 intersects with North Galvez Street, proceed South along the apparent eastern right of way of North Galvez Street to the intersection of North Galvez street and the apparent southern right of way of Canal Street. Thence west along the apparent southern right of way of Canal Street for three blocks to the intersection of the apparent southern right of way of Canal Street and the apparent eastern right of way of North Rocheblave Street. Thence three blocks south along the apparent eastern right of way of South Rocheblave Street to the southeast corner of South Rocheblave Street and Banks Street. Thence one block west along the apparent southern right of way of Banks Street to the intersection of Banks Street and South Dorgenois Street. Follow the apparent eastern right of way of South Dorgenois Street south one block to the intersection of Tulane Avenue. Thence follow the apparent northern right of way of Tulane Avenue in a northeast direction four blocks to the corner of South Galvez Street. Thence south along the apparent eastern right of way of South Galvez Street for two blocks to the intersection with Perdido Street. Thence follow the apparent northern right of way of Perdido Street east to where Perdido Street intersects with the eastern property line of Lot B and Part of 15, and Lot 18 or 14 of Square 517.

Follow said property line in a southern direction to the northern boundary of Lot A-1. Thence proceed west to the most northerly northwest corner of Lot A-1.

Thence proceed south in the direction of Poydras Street along the eastern boundary lines of Lot 19, Lot 11 or 21, Lot 12 or 20, and Lot 22. Thence proceed west along the southern property line of Lot 22 to where it intersects with the eastern side of South Galvez Street. Thence, proceed south along the apparent eastern right of way of South Galvez Street to the intersection of South Galvez Street and Poydras Street. Thence proceed along Poydras Street in a westward direction to the

intersection of Poydras Street and South Broad Street. Thence proceed north along South Broad Street one block to the corner of South Broad Street and Perdido Street.

Proceed east along the apparent northern right of way of Perdido Street to the eastern property line of the Lot owned by HTJ Investments, LLC. Proceed north following said property line the width of Square 586 to where said property line intersects with Gravier Street. Thence proceed west along the apparent northern right of way of Gravier Street to where the western property line of Lot 26, in Square 585 intersects with Gravier Street. Thence, proceed north along said property line until the southern property line of Lot 22 or Part of Lot 22. Thence proceed in an easterly direction towards South Dorgenois Street along the northern boundary lines of Lot 26, Lot 27, and Lot 28, Thence proceed north toward Tulane Avenue along the westernmost property line of Lot 22 or Part of Lot 22, and Lot 30.

Thence run east towards South Dorgenois Street along the rear line of Lot 22 or Part of Lot 22, and Lot 30. Thence turn at a ninety degree angle north and follow the westernmost property line of Lot 40 and Lot 41. Thence run east along the northern property line of Lot 41. until it intersects with South Dorgenois Street. Thence proceed north along the apparent western right of way of South Dorgenois Street (crossing Tulane Avenue) until you reach the intersection of the apparent western right of way of South Dorgenois Street and the southern property line of Part of Lot 29, Lot 30 or P, Lot 40, Lot 41 in Square-1 of Square 584. Proceed west along said property line until it intersects with the easternmost border of Lot A or Lot 47. Thence turn south along the easternmost property line of Lot A or Lot 47 until it intersects with the northernmost property line of Lot 22. Thence continue in a westerly direction along the northernmost property lines of Lot 22 or 33, Lot 21 or 32, and Lot 19 or 20 or Lot 30 and 31. Crossing Manassas Place into Square Number 584, continue westward along the northernmost property lines of Lot 17 or 29 or B, Lot 16-B., and Part of Lot 12, Lot 13, or Lot 25 or the Rear Part of Lot 27, Lot 14 or Lot 26, Lot 15 or Lot 27.

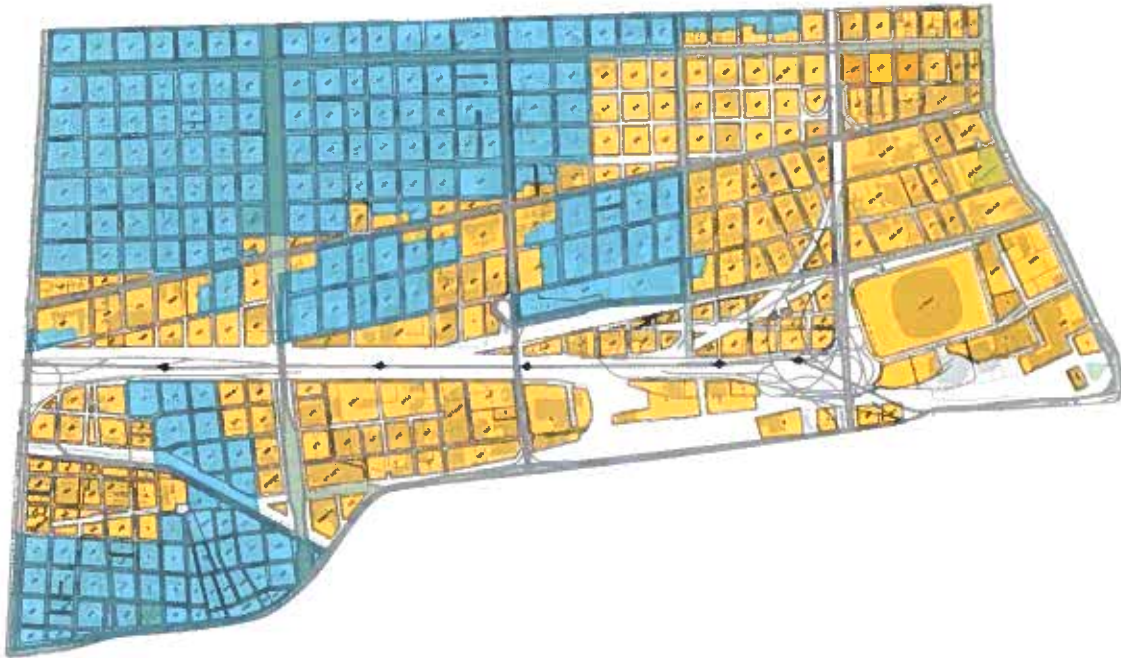
Thence turn southwest along the westernmost property line of Part of Lot 17 or 29 or Lot B, Lot 16-B, and Part of Lot 12, Lot 13, or Lot 25 or the Rear Part of Lot 27, Lot 14 or Lot 26, 15 or Lot 27 until it intersects with the northern property line of Lot V, Lot W, Lot X or Part of Lot 23 Lot 24, and Lot 25. Proceed west along the northern property line of Lot V, Lot W, Lot X or Part of Lot 23 Lot 24, and Lot 25 to the point it intersects with the eastern side of South Broad Street. Thence cross South Broad Street at a slight southwest angle to the intersection of South Broad Street and Baudin Street. Proceed west along the apparent southern right of way of Baudin Street for two blocks. Thence south along the apparent eastern right of way of South Dupre Street one block to the intersection with Tulane Avenue. Thence proceed southwesterly along the apparent northern right of way of Tulane Avenue, approximately two-thirds of a block to the intersection of Tulane Avenue and the eastern property line of Lot 13 in Square 627. Thence Proceed northward along said line until it intersects with the southern property line of the rear part of Lot 21. Thence proceed in a westward direction along the rear property line of Lot 13 until it intersects with the easternmost property line of Lot A. Thence turn south along the eastern property line of Lot 13 to where it intersects with the northeastern corner of Lot 12. Thence proceed west along the rear property lines of Lot 12 and Lot 11 to the intersection with South Gayoso Street. Crossing South Gayoso Street proceed west along the entire northern property line of Lot 1-A, crossing the entirety of Square 636 stopping at the intersection of said property line and the apparent western right of

way of South Salcedo Street. Thence run north along the apparent western right of way of South Salcedo Street back to the apparent southern right of way of Baudin Street. Thence proceed west along the apparent southern right of way of Baudin Street one block to the corner of South Lopez Street. Thence proceed south on the apparent eastern right of way of South Lopez Street (crossing Tulane Avenue) and reaching the intersection of South Lopez Street and the apparent southern right of way of Tulane Avenue. Proceed northeast along the apparent southern right of way of Tulane Avenue two blocks to the intersection with the apparent eastern right of way of South Gayoso Street. Turn south on the apparent eastern right of way of South Gayoso Street until it intersects with the northern property line of Lot 16., Square 626. Proceed thence east along the northmost property lines of Lot 16 and Lot 27 across the entirety of Square 626 until you reach the apparent western right of way of South Dupre Street. Cross South Dupre Street at a slight southeast angle intersecting with the apparent eastern right of way of South Dupre Street and the southwest corner of Lot 21A. Thence proceed east along the entire southernmost property line of 21A across the entirety of Square 613 to where it intersects with the apparent western right of way of South White Street. Thence south on the apparent western right of way of South White Street until you reach the corner of South White Street and Gravier Street. Proceed thence southwest along the apparent northern right of way of Gravier Street one block west to the corner of Gravier Street and South Dupre Street. Thence proceed south along the apparent eastern right of way of South Dupre Street south one block to the intersection of Perdido Street and South Dupre Street. Thence proceed in a southwesterly direction five blocks along the apparent northern right of way of Perdido Street to the corner of Perdido Street and the eastern side of S. Norman C. Francis Parkway. Proceed from this corner approximately one and one-half blocks north on South Norman C. Francis Parkway until the intersection with South Norman C. Francis Parkway and the southernmost property line of Lot B and Part of Lot 14 or 15 of Square 677. Thence an easterly direction towards South Rendon Street along the southernmost property line of Lot B and Part of Lot 14 or 15 and the northernmost property line of Lot 29 where said property line intersects with the apparent western right of way of South Rendon Street. Thence north along the apparent western right of way of South Rendon Street to where it intersects with the apparent northern right of way of Tulane Avenue. Thence proceed in a slight northeast angle to the intersections of Tulane Avenue, South Lopez Street, and D'Hemecourt Street. Thence proceed in a westerly direction along the apparent southern right of way of D'Hemecourt Street three blocks (Crossing South Norman C. Francis Parkway) to the corner of D'Hemecourt Street and the apparent eastern right of way of South Clark Street. From the corner of D'Hemecourt and South Clark, proceed south to the point where the apparent eastern right of way of South Clark Street intersects the northern property line of Lot Z or 3, Square 689. Proceed east along the northern property line of Lot Z or 3 to where it intersects with the western property line of Lot 3. Thence turn south and follow the western property line of Lot 3 until it intersects with the northernmost apparent right of way of Tulane Avenue. Thence turn west and follow Tulane Avenue to the intersection with South Clark Street. Proceed south along the apparent eastern right of way of South Clark Street (crossing Tulane Avenue) to the corner of South Clark Street and the apparent northern right of way of Gravier Street. Proceed west along the apparent northern right of way of Gravier Street approximately one and one-half blocks to the point on Gravier Street where it intersects with the western property line of Lot 5 and Part of Lot K Square 715. Continue in a northern direction along the western property lines of Lot 6, Lot 7, Lot 8, Lot 9, Lot 10, and part of Lot 11 until it intersects with the southwest corner of Lot 13. Proceed thence east along the southern property lines of Lot 13, Lot 14, Lot 15, and Lot 17, Square 715 to the intersection with the apparent western right of way of South Genois Street.



Thence proceed north along the apparent western right of way of South Genois Street to the intersection with Tulane Avenue. Thence proceed westerly along the apparent southern right of way of Tulane Avenue two blocks to the southwest corner of Tulane Avenue and South Cortez Street. Thence briefly north on the apparent western right of way of South Cortez Street (crossing Tulane Avenue) to the intersection of South Cortez Street and Ulloa Street. Thence west three blocks along the apparent southern right of way of Ulloa Street to the corner of South Carrollton Avenue. Thence proceed briefly south along the eastern side of South Carrollton Avenue (crossing Tulane Avenue) until it intersects with the northernmost property line of Lot 1, Square 763. Proceed thence along the northern boundary line of Lot 3 in a meandering southeast direction and then south along the property lines of Lot 3 and Lot 2 to the intersection with the southernmost boundary of Square 763 and the apparent northern right of way of Gravier Street. Proceed thence west along the apparent northern right of way of Gravier Street to the intersection with South Carrollton Avenue. Proceed south along the eastern side of South Carrollton Avenue to the corner of South Carrollton Avenue and Edinburgh Street. From the corner of South Carrollton Avenue and Edinburgh Street, proceed east five blocks along the apparent northern right of way of Edinburgh Street to the corner of Edinburgh Street and Broadway Street. Thence proceed north one block along the apparent western right of way of Broadway Street to the intersection with Palm Street. From the intersection of Broadway and Palm Streets, proceed east along the apparent northern right of way of Palm Street moving at a slight northeast angle at the intersection of Palm Street and Audubon Street until you come to the dividing line between Square 23 and Square 128. Proceed north along said boundary line of Squares 23 and 128 to the intersection with the apparent southern right of way of Washington Avenue. Continue along Washington Avenue in a northwesterly direction to the southwest corner of Broadway Street and Washington Avenue. Thence proceed north (crossing Washington Avenue and Drexel Drive), continuing north along the apparent eastern right of way of Broadway Street two blocks to the intersection of Broadway Street and Dixon Street. Thence one block west along the apparent southern right of way of Dixon Street to the intersection of Dixon Street and Pine Street. Thence proceed one block north along the apparent western right of way of Pine Street to the intersection of Pine Street and Howard Avenue. Proceed east along Howard Avenue three blocks to the corner of Howard Avenue and South Genois Street. Thence proceed south along the apparent eastern right of way of South Genois Street for two blocks to the intersection of South Genois Street and Drexel Drive. Thence east one block along the apparent northern right of way of Drexel Drive to the intersection of South Clark Street. From the corner of South Clark Street and Drexel Drive proceed south along the apparent eastern right of way of South Clark two blocks to the intersection with Washington Avenue and South Clark Street. Proceed along the apparent southern right of way of Washington Avenue in a southeast direction to the intersection of Washington Avenue and Earhart Boulevard. From the corner of Earhart Boulevard and Washington Avenue proceed on Earhart Boulevard in a generally northeast direction until Earhart Boulevard intersects with Loyola Avenue. From the intersection of Loyola Avenue and Earhart Boulevard, proceed in a meandering northwest direction along the western side of Loyola Avenue and Elk Place to the intersection of Elk Place and Iberville Street. Proceed thence west along the apparent southern right of way of Iberville Street seven blocks (crossing North Claiborne) to the intersection with Iberville and North Derbigny Street to a point. Said point being the point of beginning.





**Exhibit C**

**MINUTES OF JOINT LEGISLATIVE COMMITTEE ON THE BUDGET MEETING**

**[See Attached]**

CITY HALL: October 6, 2022

CALENDAR NO. 33,936

**NO. 29237 MAYOR COUNCIL SERIES**

**BY: COUNCILMEMBERS MORENO, MORRELL, HARRIS, GREEN, GIARRUSSO, KING  
(BY REQUEST)**

AN ORDINANCE authorizing the Mayor of the City of New Orleans to enter into a Cooperative Endeavor Agreement between the City of New Orleans (the “City”) and the BioDistrict New Orleans (the “District”), for a term greater than one year, for the public purpose of using incremental increases in undedicated taxes collected within the boundaries of the District to induce economic development and other activities necessary or convenient thereto for the enhancement of bioscience and health products, including but not limited to projects as more particularly identified in R.S. 33:9039.72 of the Louisiana Revised Statutes, within the District in the City of New Orleans, as more fully detailed in the Cooperative Endeavor Agreement form attached hereto as Exhibit “A”; and otherwise to provide with respect thereto.

WHEREAS, pursuant to the authority contained in Article 7, Section 14(C) of the Louisiana Constitution of 1974, and statutory authority supplemental thereto, the State of Louisiana and its political subdivisions, including the City, may enter into cooperative endeavors with each other, or with any public or private corporation or individual; and further pursuant to Section 9-314 of the Home Rule Charter of the City of New Orleans, the City may enter into cooperative endeavors with any public or private association, corporation, or individual for activities in support of economic growth and other public purposes; and

WHEREAS, the District is a political subdivision of the State as defined in Article VI, Section 44(2) of the Constitution of Louisiana, created by Acts 2005, No. 487 of the Louisiana Legislature and established in La. R.S. 33:9039.61 through 33:9039.76, as amended by Acts 2011, No. 400 of the Louisiana Legislature; and

WHEREAS, the District is composed of all the territory located in the parish of Orleans bounded by Earhart Blvd., Carrollton Ave., Loyola Ave., and Iberville St. (see La. R.S. 33:9039.62) and as otherwise set forth in Act 354 of the 2022 Regular Session of the Louisiana Legislature; and

WHEREAS, the City and the District may enter into cooperative endeavors with each other pursuant to the Louisiana Constitution, Louisiana Revised Statutes, and Home Rule Charter, and the City has been requested by the District to undertake the cooperative endeavor herein provided in order to make it economically feasible for the District to undertake projects for the enhancement of bioscience and health products, including but not limited to projects identified in R.S. 33:9039.72 of the Louisiana Revised Statutes, which would result in significant economic benefits to the City, including construction jobs, increased permanent employment, increases in the ad valorem tax base, increases in sales and use tax collections, mitigation of the conditions of unemployment or underemployment in the surrounding geographical area, and other ancillary financial and economic development benefits such as health science research; and

WHEREAS, the City and the District desire to enter into the cooperative endeavor agreement herein provided in order to accomplish the valued public purpose of using incremental increases in undedicated taxes collected within the boundaries of the District to induce economic development and other activities necessary or convenient thereto for the enhancement of bioscience and health products, including but not limited to projects as more particularly identified in R.S. 33:9039.72 of the Louisiana Revised Statutes, within the District in the City of New Orleans, and to bring about the significant economic benefits to the City as described hereinabove; NOW THEREFORE

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That the Mayor, on behalf of the City of New Orleans, is hereby authorized to enter into the attached cooperative endeavor agreement with the District, for a term of seventeen (17) years, for the public purpose of using incremental increases in undedicated taxes collected within the boundaries of the District to induce economic development and other activities necessary or convenient thereto for the enhancement of bioscience and health products, including but not limited to projects as more particularly identified in R.S. 33:9039.72 of the Louisiana Revised Statutes, within the District in the City of New Orleans.

SECTION 2. That said cooperative endeavor agreement is attached to this ordinance as "Exhibit A" and incorporated and made a part hereof.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS OCTOBER 20, 2022

HELENA MORENO

PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON OCTOBER 21, 2022

APPROVED: OCTOBER 25, 2022

LATOYA CANTRELL

MAYOR

RETURNED BY THE MAYOR ON OCTOBER 27, 2022 AT 12:35 P.M.

LORA W. JOHNSON

CLERK OF COUNCIL

ROLL CALL VOTE:

YEAS: Giarrusso, Green, Harris, King, Moreno, Morrell - 6

NAYS: 0

ABSENT: Thomas - 1

RECUSED: 0

*\*\*Copies of the attachment may be seen in full in the Clerk of Council's Office, 1300 Perdido Street, Room 1E09, City Hall.*