



# St. Bernard Parish Council

8201 West Judge Perez Drive Chalmette, Louisiana, 70043  
(504) 278-4228 Fax (504) 278-4209  
[www.sbpgr.net](http://www.sbpgr.net)

**#10**

**Kerri Callais**  
*Councilmember  
at Large*

**Richard "Richie" Lewis**  
*Councilmember  
at Large*

**Gillis McCloskey**  
*Councilmember  
District A*

**Joshua "Josh" Moran**  
*Councilmember  
District B*

**Howard Luna**  
*Councilmember  
District C*

**Wanda Alcon**  
*Councilmember  
District D*

**Fred Everhardt, Jr.**  
*Councilmember  
District E*

**Roxanne Adams**  
*Clerk of Council*

EXTRACT OF THE OFFICIAL PROCEEDINGS OF THE COUNCIL OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING HELD IN THE COUNCIL CHAMBERS OF THE ST. BERNARD PARISH GOVERNMENT COMPLEX, 8201 WEST JUDGE PEREZ DRIVE, CHALMETTE, LOUISIANA ON TUESDAY, JUNE 1, 2021 AT SEVEN O'CLOCK P.M.

On motion of Ms. Callais, seconded by Mr. McCloskey, it was moved to adopt the following ordinance:

## ORDINANCE SBPC #2312-06-21

### Summary No. 3889

Introduced by: Administration on 5/18/21  
Public Hearing held on 6/1/21

AN ORDINANCE AUTHORIZING THE PARISH PRESIDENT TO ENTER INTO A COOPERATIVE ENDEAVOR AGREEMENT (CEA) WITH THE UNIVERSITY OF NEW ORLEANS FEDERAL CREDIT UNION (UNOFCU) TO IMPLEMENT A NEW LOAN PROGRAM FOR ST. BERNARD PARISH RESIDENTS.

ST. BERNARD PARISH COUNCIL DOES HEREBY ORDAIN:

**SECTION 1.** The purpose of this Cooperative Endeavor Agreement is to memorialize the conditions and terms on which the Parish will provide funds to the UNOFCU for the purposes of starting a new loan program designed to help residents acquire adjudicated parcels adjacent to their property. The UNOFCU is federally backed by the National Credit Union Administration (NCUA), a U.S. Government Agency. The UNOFCU has already demonstrated a commitment to the Parish by opening the only credit union branch in St. Bernard Parish, with their office located in the St. Bernard Parish Government complex.

It is the intention of the Parish to make due effort in terms of bringing tax adjudicated properties back into commerce. The Parish currently maintains the grass on all adjudicated property through a Blight Abatement program using Community Development Block Grant funds. These funds are limited therefore it is in the parish's best interest to work towards reducing the number of adjudicated parcels within the parish. This partnership with the UNOFCU would allow the Parish to make progress on that intent. The loan program specifics are outlined in this agreement. The funds that will be used to start this program will come from previous adjudicated tax sales.

**SECTION 2.** The UNOFCU and Parish mutually agree to follow the terms in the attached CEA and Exhibit A.



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Extract #10 continued  
June 1, 2021

**Richard "Richie" Lewis**  
*Councilmember  
at Large*

**Gillis McCloskey**  
*Councilmember  
District A*

**Joshua "Josh" Moran**  
*Councilmember  
District B*

**Howard Luna**  
*Councilmember  
District C*

**Wanda Alcon**  
*Councilmember  
District D*

**Fred Everhardt, Jr.**  
*Councilmember  
District E*

**Roxanne Adams**  
*Clerk of Council*

**SECTION 3.** The Parish President and the Chief Administrative Officer each is hereby authorized to execute all instruments necessary to effectuate the conveyances authorized by this ordinance, and are further authorized to execute any and all additional instruments necessary to implement the program. It is recognized and agreed the Parish President and/or Chief Administrative Officer may nominate a designee by use of a power of attorney to transfer, sell, and auction, the properties.

**SECTION 4.** The UNOFCU loan program shall be administered with the assistance and direction of the Community Development Department, which will serve as a liaison between the credit union and the third party company (CivicSource) whom is responsible for selling parish adjudicated property.

**SECTION 5.** Effective Date. This Ordinance shall become effective immediately upon authorizing signature by the Parish President. In the event of a presidential veto, this Ordinance shall become effective upon a two-thirds favorable vote of the total membership of the Council pursuant to Sections 2-11 and 2-13 of the St. Bernard Parish Home Rule Charter.

**SECTION 6.** Severability. If any section, clause, paragraph, provision or portion of this ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, paragraph, provision or portion of this Ordinance, the St. Bernard Parish Council hereby expresses and declares that it would have adopted the remaining portion this Ordinance with the invalid portions omitted.

**SECTION 7.** Other Ordinances and Codes Unaffected. Nothing herein shall be interpreted to repeal or otherwise diminish the powers of the Parish or its employees, officers, or agents under any other ordinance or code, including but not limited the Zoning Ordinance, the Building Code, and the Minimum Housing Code, all of which shall apply to the properties purchased through this Ordinance in addition to the provisions of this ordinance.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

<b>YEAS:</b>	McCloskey, Moran, Luna, Alcon, Everhardt, Callais
<b>NAYS:</b>	None
<b>ABSENT:</b>	None



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Extract #10 continued  
June 1, 2021

**Richard "Richie" Lewis**  
Councilmember  
at Large

The Council Chair, Mr. Lewis, cast his vote as **YEA**.

And the motion was declared **adopted** on the 1<sup>st</sup> day of June, 2021.

**Gillis McCloskey**  
Councilmember  
District A

*Roxanne Adams*  
ROXANNE ADAMS  
CLERK OF COUNCIL

*R. Lewis*  
RICHARD "RICHIE" LEWIS  
COUNCIL CHAIR

**Joshua "Josh" Moran**  
Councilmember  
District B

**Howard Luna**  
Councilmember  
District C

**Wanda Alcon**  
Councilmember  
District D

Delivered to the Parish President 6/3/2021 10:50am  
Date and Time

**Fred Everhardt, Jr.**  
Councilmember  
District E

Received by

*Magen Kelley*

**Roxanne Adams**  
Clerk of Council

Approved ✓

Vetoed \_\_\_\_\_

*Guy McInnis*  
Guy McInnis

Parish President

Returned to Clerk of the Council

6/9/2021 10:00am  
Date and Time

Received by

*Cheryll Salouy*

**COOPERATIVE ENDEAVOUR AGREEMENT**

between

**ST. BERNARD PARISH GOVERNMENT**

and

**UNIVERSITY OF NEW ORLEANS FEDERAL CREDIT UNION**

This **COOPERATIVE ENDEAVOUR AGREEMENT** (hereinafter referred to as Agreement), has been made and entered into by and between the St. Bernard Parish Government (hereinafter referred to as the Parish) and the University of New Orleans Federal Credit Union (hereinafter referred to as the UNOFCU).

**I. The Purpose of the Agreement**

The purpose of this Cooperative Endeavor Agreement is to memorialize the conditions and terms on which the Parish will provide funds to the UNOFCU for the purposes of starting a new loan program designed to help residents acquire adjudicated parcels adjacent to their property. The UNOFCU is federally backed by the National Credit Union Administration (NCUA), a U.S. Government Agency. The UNOFCU has already demonstrated a commitment to the Parish by opening the only credit union branch in St. Bernard Parish, with their office located in the St. Bernard Parish Government complex.

It is the intention of the Parish to make due effort in terms of bringing tax adjudicated properties back into commerce. The Parish currently maintains the grass on all adjudicated property through a Blight Abatement program using Community Development Block Grant funds. These funds are limited therefore it is in the parish's best interest to work towards reducing the number of adjudicated parcels within the parish. This partnership with the UNOFCU would allow the Parish to make progress on that intent. The loan program specifics are outlined in this agreement. The funds that will be used to start this program will come from previous adjudicated tax sales.

**II. Scope of Services**

It is the mission of the Parish to find solutions that address long-term vacant properties in residential neighborhoods. UNOFCU has a mission of providing the residents of St. Bernard Parish access to in demand financial products. This Agreement would similarly serve both parties' missions. The goal of this Agreement is to develop the conditions and terms on which the Parish will allocate funds to help start and implement a new loan program to be offered by the UNOFCU.

This loan program is not a financial product that the UNOFCU would otherwise provide without entering this CEA. This is a unique product in the sense that it includes up to \$2,000

of loan forgiveness, thereby making the purchase of these properties more financially feasible for the adjacent landowners.

The loan terms agreed upon by both parties is attached to this Agreement as Exhibit 'A'.

The Parish will assist the UNOFCU by recommending the program to residents who have expressed interest in purchasing adjudicated property adjacent to property they already own.

### **III. Specific Functions and Goals**

It is specifically acknowledged by the Parish that the UNOFCU is not a public body nor a branch, department, office, agency, board, commission, district, governing authority, political subdivision, or committee, subcommittee, advisory board, or task force of government, nor any other instrumentality of state, parish, or municipal government, and is not a public or quasi-public nonprofit corporation and is specifically not designed to perform governmental or proprietary functions of government.

Rather, the UNOFCU is a private entity which has contracted with the Parish to perform services as outlined herein. The function of the UNOFCU shall be, during the term of the Agreement, as follows:

1. The UNOFCU will be responsible for providing 20 residents of St. Bernard Parish<sup>1</sup> who own land adjacent to adjudicated parcels a one-time loan so that they may purchase an adjudicated property sold through Civic Source. CivicSource is a private company that partners with St. Bernard Parish and other local governments in order to handle tax sale auctions.
  - a. CivicSource is able to guarantee insurable titles and in instances where an adjacent landowner expresses interest in a lot, CivicSource sells the property to the interested party at the cost they spent in terms of being able to guarantee this insurable title (approximately \$6,000 per property).
2. The UNOFCU will be responsible for all payment collection, including the collection of any late fees.
3. In the event of a loan default, the UNOFCU will be paid \$2,000 by the Parish from the reserve fund of \$40,000. The remaining balance is treated as any other unsecured loan subject to collection and/or legal action.
4. It is a goal of this program to make the purchase of these adjudicated parcels more financially feasible for residents. If the loan holder has made the minimum number of payments (36 minimum payments under Option 1 or 60 minimum payments under Option 2 – see Exhibit A), they will be eligible for \$2,000 of loan forgiveness. This \$2,000 will come from the \$40,000 reserve that the Parish transfers to the UNOFCU.

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<sup>1</sup> Specifically, residents of Violet, Louisiana will be given priority for this program.

#### **IV. Reimbursement Amount and Payment Terms**

The Parish will make a one-time transfer of \$40,000 to the UNOFCU at the beginning of the Agreement period. It is the understanding that due to the limited nature of these starting funds, this effort will be considered a ‘pilot program’ upon which demonstrated success will prove the reason for expansion.

If the UNOFCU is found to be in violation of the program’s terms and conditions, the Parish Government will have the right to take back the initial amount transferred to the UNOFCU. If there are any unspent funds at the end of the agreement period, these funds shall be returned back to the Parish.

#### **V. Financial Disclosure**

The UNOFCU will be responsible for providing the Parish Government a quarterly report in regards to the program status, including but not limited to, program participants and the status of their loan repayment.

#### **VI. Terms of the Agreement**

The period of this agreement shall begin as of July 1<sup>st</sup>, 2021 and shall end on December 31, 2027, unless terminated by either party by a sixty-day written notice addressed to the legal mailing address of the party to be notified. This agreement period coincides with the product being delivered (a loan) and its multi-year payment schedule.

#### **VII. Discrimination Clause**

UNOFCU agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran’s status, political affiliation, or disabilities. Any act of discrimination by the UNOFCU or failure to comply with these obligations shall be grounds for termination of this Agreement.

#### **VIII. Choice of Law**

This is a Louisiana contract and all terms shall be construed in accordance with and all disputes shall be governed by the laws of the State of Louisiana, the United States of America, and all parties submit themselves to the jurisdiction of the state courts located in the Parish of St. Bernard and the State of Louisiana, in the event of any legal proceedings in connection with this Contract.

#### **IX. Entirety of Agreement**

This Agreement, together with any exhibits and/or attachments, specifically incorporated herein by reference, constituted the entire Agreement between the parties with respect to the subject of this Agreement.

THUS DONE AND SIGNED, at Chalmette, Louisiana, on \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**WITNESSES:**

**UNIVERSITY OF NEW ORLEANS  
FEDERAL CREDIT UNION**

\_\_\_\_\_

BY: \_\_\_\_\_

THUS DONE AND SIGNED, at Chalmette, Louisiana, on \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**WITNESSES:**

**ST. BERNARD PARISH GOVERNMENT**

\_\_\_\_\_

BY: \_\_\_\_\_

Guy McInnis, Parish President

**Summary No. 3889**  
**Exhibit "A"**  
**Ordinance SBPC #2312-06-21**



**FEDERAL CREDIT UNION**

The University of New Orleans Credit Union (UNOFCU) and the St. Bernard Parish Department of Community Development are partnering together to offer St. Bernard residents a new loan product. This loan product is intended solely for the purchase of adjudicated property that is available for sale through Civic Source and directly adjacent to the applicant's property.

#### **ELIGIBILITY**

\*Homestead exempt residents of St. Bernard Parish that live adjacent to an adjudicated property that is available for sale through CivicSource (properties on CivicSource have been adjudicated for at least 5 years per to Louisiana statute).

\*Because this is a pilot-program, the program is limited to 20 issued loans at this time. Loans will be issued on a first-come, first-serve basis.

\*Preference for this loan program will be given to residents who live adjacent to an adjudicated parcel that is at least 30 feet in width.

#### **LOAN TERMS**

	<b>APR</b>	<b>Estimated Monthly Payment Examples</b>
<b>Option 1</b>	5.25%	\$65.85 a month based on a 5-year, \$5,000 loan at 5.25% APR
<b>Option 2</b>	5.25%	\$99.25 a month based on a 3-year, \$5,000 loan at 5.25% APR

#### **PARTIAL LOAN FORGIVENESS**

All loans will be eligible for up to \$2,000 loan forgiveness. Under Option 1 you will have to make 36 payments before becoming eligible for loan forgiveness. Under Option 2 you will have to make 60 payments before becoming eligible for loan forgiveness.

#### **HOW IT WORKS**

1. Fill out the pre-loan documents with the UNOFCU and pay the down payment (\$1,000).
2. Once approved, the UNOFCU will make the \$5,000 line of credit available. It is your responsibility to use this money to purchase the property through CivicSource. Technical assistance in terms of navigating CivicSource will be made available.
3. Continue making monthly payments on the loan until it is paid off or until you are eligible for the partial loan forgiveness.

#### **FAQ**

1. What happens if the borrower defaults on the loan?

The remaining balance is subject to collection and/or legal action.

2. What happens if I pay more than the minimum monthly payment?

Individuals who pay more than the minimum monthly payment will not be eligible for the \$2,000 in loan forgiveness.