



St. Bernard Parish Council

8201 West Judge Perez Drive Chalmette, Louisiana, 70043
(504) 278-4228 Fax (504) 278-4209
www.sbpnet.net

#9

Removed

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, DECEMBER 20, 2022 AT THREE O'CLOCK P.M.

On motion of Mr. McCloskey, seconded by Mr. Lewis, it was moved to remove the following resolution:

RESOLUTION SBPC #2281-12-22

A RESOLUTION SUPPORTING THE ADMINISTRATION'S EXECUTION OF A LEASE AGREEMENT PURSUANT TO THE TERMS SET FORTH IN THAT CERTAIN LETTER OF INTENT DATED DECEMBER 7, 2022, FROM RIVERFRONT DISTRICT APARTMENTS MANAGERS, LLC.

WHEREAS, the continuing development of infrastructure and facilities within St. Bernard Parish is critical to the community's growth; and

WHEREAS, parcels of property of sufficient size for the development of substantial infrastructure and facilities is in critically short supply in certain portions of St. Bernard Parish; and

WHEREAS, it is in the best interest of St. Bernard Parish for its governing authority, the St. Bernard Parish Council, to support the continued development of infrastructure and facilities within St. Bernard Parish.

NOW THEREFORE, BE IT RESOLVED, that the St. Bernard Parish Council, the governing authority of St. Bernard Parish, does hereby support St. Bernard Parish Government's entering into a lease agreement with Riverfront District Apartments Managers, LLC pursuant to the terms set forth in the attached December 7, 2022, Letter of Intent (pertaining to approximately 3.5 +/- acres near the intersection of N. Peters St. and Hernandez St.) so as to be able to continue to develop resources, infrastructure and facilities for the benefit of the residents of St. Bernard Parish.

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

YEAS: McCloskey, Moran, Luna, Alcon, Everhardt, Lewis

NAYS: None

ABSENT: None



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Extract #9, continued
December 20, 2022

Richard "Richie" Lewis
*Councilmember
at Large*

The Council Chair, Ms. Callais, cast her vote as **YEA**.

And the motion was declared **adopted** on the 20th day of December, 2022.

Gillis McCloskey
*Councilmember
District A*

Joshua "Josh" Moran
*Councilmember
District B*

Howard Luna
*Councilmember
District C*

Wanda Alcon
*Councilmember
District D*

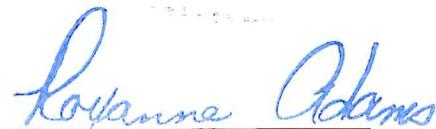
Fred Everhardt, Jr.
*Councilmember
District E*

Roxanne Adams
Clerk of Council

C E R T I F I C A T E

I HEREBY CERTIFY that the above and foregoing is a true and correct copy of a motion adopted at a Regular Meeting of the Council of the Parish of St. Bernard, held at Chalmette, Louisiana, on Tuesday, December 20, 2022.

Witness my hand and the seal
of the Parish of St. Bernard on
this 20th day of December, 2022.



ROXANNE ADAMS
CLERK OF COUNCIL

Riverfront District Apartments Managers, LLC
Bryce French / Co-President
5440 Mounes St.
Suite 100
New Orleans, LA 70123

December 7th, 2022

St. Bernard Parish Council
8201 W. Judge Perez Dr.
Chalmette, LA 70043

Please respond via email: bryce@maxderbes.com

RE: Letter of Intent, 6979 N Peters St.

Dear Council Members:

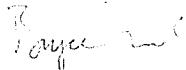
Thank you for your recent conversations regarding our tract of 3.5 +/- acres located near the intersection of N Peters St. and Hernandez St. in Arabi, LA with the improved parcel bearing the address of 6979 N Peters Arabi, LA 70032. We acquired five separate but adjacent parcels in order to develop a multifamily project at this site. St. Bernard Parish has been tremendous to work in and work with during our efforts to date and we greatly appreciate the support.

While we continue to consider a multifamily development at this site, recent changes in the financing environment have prompted that we consider other options as well. One of the options we are considering is a sale of the property and to that point we have placed the property on the market. If the parish is interested in utilizing the Property, we would welcome working with St. Bernard Parish to sell the Property or ground lease the Property. Please allow this letter to present transaction terms.

Please let me know if we can address any discussion items. Thank you in advance for your response. We would like to communicate that it is understood that this letter is not intended to be a legally binding agreement and that it is solely for the purpose of facilitating negotiations between the parties. It is the intent of this correspondence that no legally binding agreement shall exist unless and until a formal and definitive Agreement to Purchase and Sell or a Lease has been negotiated, drafted and approved by the respective parties and their legal counsel and executed and delivered by such parties.

Thank you. We look forward to your response. Please do not hesitate to call with any questions or for further clarification.

Regards,



Bryce French

ECONOMIC TERMS

Owner: Riverfront District Apartments Owners, LLC

Buyer or Lessee: St. Bernard Parish or Related Assigns

Site: A 3.4626 acre tract consisting of St. Bernard Parish Parcel Lot F-1-A (2.3952 acres) bound by N Peters St., Hernandez St., Pontalba St., and Aycock St. and Lot C-2-A (1.0674 acres) an L shaped parcel with connected frontage on Aycock St. and Estaban St. as shown in the attached survey.

Transaction: Owner will Sell or Ground Lease the Property.

IF SALE:

Purchase Price: Appraised Value of \$3,755,000
Murphy Appraisal Services April 5th, 2022 (attached)

Purchase Deposit: One Percent (\$37,550.00) to be held in third party escrow until closing.

Inspection Period: Buyer will have thirty (30) days from the full execution of an agreement to Purchase or Sell to inspect the property for survey, environmental, and any other inspections Buyer deems necessary. Prior to the expiration of the 30-day inspection period, the Buyer may terminate the contract in writing and receive the return of the Deposit. Owner will provide survey, appraisal, environmental reports to Buyer / Lessee.

Closing: Closing to take place before Buyer's notary within ten (10) days following the Inspection Period.

Closing Costs: Seller shall pay the customary closing costs to deliver the necessary certificates to ensure a merchantable title. This includes curing any prior tax sale issues on the property. Buyer shall pay all other closing costs associated with the sale the or exception of any liens, judgments encumbrances.

Leases: Seller will deliver the property free of all leases.

IF LEASE:

Commencement Date: January 1, 2023

Term: Twenty (20) Years
with renewal options outlined below

Rental Rate:	Ground Lease annual rental rate equivalent to ten percent (10%) of \$3,755M Valuation. \$375,500 per annum on a NNN Basis with monthly base rental payments of \$31,291.67. This rate shall be fixed for five (5) years and beginning year six (6) rents will incur an escalation at an increase of the greater of percent (2%) or the percentage increase of annual increase of the Consumer Price Index (CPI).
Security Deposit:	Ten Percent (10%) of Year One Annual Rents (\$37,550.00)
Tenant Construction:	Lessee shall be permitted improve site and shall not be required to remove permanent improvements at the expiration of the Lease and any extensions thereof.
Options to Renew:	Lessee shall have the right to renew the Lease for four (4) additional twenty (20) year terms with rents incurring the same annual escalation increases as provided in the initial term of annual escalation at an increase of the greater of percent (2%) or the percentage increase of annual increase of the Consumer Price Index (CPI). Lessee shall notify Lessor in writing one hundred and eight (180) days in advance of each expiration date its intent to exercise its option to renew.
Early Termination Option:	Lessee shall have the one time right to terminate the Lease early to expire after six (6) full months of rent. In order to enact this provision, Lessee must give Lessor advance written notice prior to the six (6) month anniversary of the Effective Date of the Lease of Lessee's intent to exercise the Early Termination Option. In the event that Lessee does not exercise the Early Termination Option by the six (6) month anniversary of the Effective Date of the Lease the initial Lease term shall remain in full force and effect.
DISCLAIMER:	This letter is not a legally binding document and is expressly contingent upon final approval by the parties and the negotiation and execution of a mutually agreeable final and formal documents. As we are openly marketing the property, please let us know at your earliest opportunity if a potential transaction is of interest.