

ORDINANCE NO. 5330 OF 2013

BY THE CADDO PARISH COMMISSION:

AN ORDINANCE AMENDING THE BUDGET OF ESTIMATED REVENUES AND EXPENDITURES FOR THE RESERVE TRUST FUND AND THE OIL AND GAS FUND FOR THE YEAR 2013 TO PROVIDE AN APPROPRIATION OF \$7,500,000 TO PROVIDE THE FUNDS TO THE INDUSTRIAL DEVELOPMENT BOARD TO PURCHASE THE GM PLANT AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

WHEREAS, the General Motors Assembly Plant closed in the fall of 2012; and

WHEREAS, Caddo Parish and the Industrial Development Board of the Parish of Caddo ("Board") and Industrial Realty Group, LLC ("IRG") agree that in consideration of certain inducements to be provided, IRG will develop, operate and manage the Plant for the benefit of the Board and Caddo Parish; and

WHEREAS, Racers Trust, the current owner of the Plant, has agreed to sell the Plant to the Board for the sum of \$7,500,000 and other considerations to be set forth in a cooperative endeavor agreement between the parties; and

NOW, THEREFORE, BE IT ORDAINED, by the Caddo Parish Commission in due, legal and regular session convened, that Budget of Estimated Revenues and Expenditures for the Reserve Trust Fund and the Oil and Gas Fund for the year 2013 is hereby amended as follows:

<u>Oil and Gas Fund</u>	<u>Budget Increase (Decrease)</u>
IDB Building Purchases	\$7,500,000
Transfer from Reserve Trust	\$3,750,000
Fund Balance	(\$3,750,000)

Reserve Trust Fund

Transfer to Oil and GAs	\$3,750,000
Fund Balance	(\$3,750,000)

BE IT FURTHER ORDAINED, that if any provision or item of this ordinance or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications which can be given effect without the invalid provisions, items or applications, and to this end the provisions of this ordinance are hereby declared severable.

BE IT FURTHER ORDAINED, that this ordinance shall take effect upon adoption.

BE IT FURTHER ORDAINED, that all ordinances or parts thereof in conflict herewith are hereby repealed.

It was **moved by Mr. Escude**, seconded by Mr. Epperson, that *Ordinance No. 5330 of 2013, to amend the Operating and Capital Improvements Budget in the amount of \$7,500,000 to provide the funds to the Industrial Development Board to purchase the GM Plant for the year 2013* be adopted. Motion carried; as shown by the following electronic vote: AYES: Commissioners Baker, Bowman, Cox, Dominick, Epperson, Escude, Johnson, Linn, Smith, Thibodeaux and Williams (11). NAYS: Commissioner Lynch (1). ABSENT: None.

RESOLUTION NO. 39 OF 2013

BY THE CADDO PARISH COMMISSION:

A RESOLUTION AUTHORIZING THE CADDO PARISH ADMINISTRATOR TO EXECUTE A COOPERATIVE ENDEAVOR AGREEMENT PERTAINING TO FUNDING THE ACQUISITION OF THE PROPERTY COMMONLY KNOWN AS GENERAL MOTORS ASSEMBLY PLANT, PROVIDING FOR RELATED MATTERS, AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the General Motors Assembly Plant in Caddo Parish ("Plant") was for many years one of the premier engines of the economy of Caddo Parish and surrounding areas, until its closure in the fall of 2012; and

WHEREAS, Caddo Parish and the Industrial Development Board of the Parish of Caddo, Inc. ("Board") and Industrial Realty Group, LLC ("IRG") agree that in consideration of certain inducements to be provided, IRG will develop, operate and manage the Plant for the benefit of the Board and Caddo Parish; and

WHEREAS, Racer Trust, the current owner of the Plant, has agreed to sell the Plant to the Board for the sum of Seven Million Five Hundred Thousand Dollars and other considerations to be set forth in a cooperative endeavor agreement between the parties; and

WHEREAS, the Louisiana Constitution of 1974, Article VII, Section 14 (C), provides that for a public purpose the State and its political subdivisions may engage in cooperative endeavors with each other and with any public or private association, corporation or individual; and in Article VI, Section 21 (A), there is an authorization for assistance to local industry; and

WHEREAS, LA R.S. 33:9029.2 authorizes the State and its political subdivisions to enter into cooperative endeavor agreements with each other or with a public or private association, corporation, or individual to achieve a public purpose, including but not limited to the enhancing or maintaining the economic well-being of the State and its political subdivisions, upon a showing of reasonable expectations that such obligations of the State and its political subdivisions will result in economic development or will achieve other economic goals that will equal or exceed the value of the obligations that the State and its political subdivisions acquire thereby; and

WHEREAS, the economic benefit to the Parish of Caddo resulting from IRG's development, operation and management of the Plant will exceed the value of the obligations of Caddo Parish undertaken herein, and the cooperative endeavor agreement contemplated herein has a public purpose and is in the public interest of Caddo Parish and its citizens.

NOW, THEREFORE, BE IT RESOLVED by the Caddo Parish Commission in due, regular and legal session convened, that it does hereby authorize the Parish Administrator and Chief Executive Officer to execute on behalf of the Parish of Caddo, a cooperative endeavor agreement with the Board committing Caddo Parish to fund the Board's acquisition of the Plant; including land, improvements and mineral rights, at a cost not to exceed seven million five hundred thousand dollars, plus costs of closing and attorney fees, with the terms of said cooperative endeavor agreement to be approved by the Caddo Parish Attorney.

BE IT FURTHER RESOLVED if any provision or item of this resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications which can be given effect without the invalid provisions, items or applications, and to this end, the provisions of this resolution are hereby declared severable.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

BE IT FURTHER RESOLVED that all resolutions or parts thereof in conflict herewith are hereby repealed.

It was **moved by Mr. Escude**, seconded by Mr. Cox, that *Resolution No. 39 of 2013, authorizing the Parish Administrator to execute a Cooperative Endeavor Agreement pertaining to funding the acquisition of the property commonly known as the General Motors Assembly Plant* be approved.

Mr. Johnson stated that it appears that the Commission is “putting the cart before the horse” with this resolution; it does not make sense to him to authorize the resolution when Ordinance No. 5330 has not been voted on for approval.

Substitute motion by Ms. Lynch, seconded by Mr. Linn, to delay *Resolution No. 39 of 2013, authorizing the Parish Administrator to execute a Cooperative Endeavor Agreement pertaining to funding the acquisition of the property commonly known as the General Motors Assembly Plant* until the next held Regular Session.

Ms. Lynch stated that there is still too much information not available and the Commission should wait and approve both Ordinance No. 5330 and Resolution No. 39 at the same time.

Mr. Epperson stated that this resolution is informing the Industrial Development Board the Parish’s intent to move forward on this issue. He believes this would be the proper procedure at this time.

Mr. Escude agrees with Mr. Epperson. The Commission needs to enter into this agreement with the Industrial Development Board and get all ducks in order on this issue. If for some reason Ordinance No. 5330 fails, then this resolution would have no effect, but the Commission still needs to move forward on this issue. Mr. Escude stressed that this whole issue is about one thing, “jobs”.

Mr. Williams agrees with Mr. Epperson on moving forward with this resolution.

Mr. Bowman agrees to move forward with this resolution.

Answering a question from Mr. Thibodeaux on whether changing the wording from execute to prepare would help on the resolution, Mr. Grubb stated that legally somewhere along the line they would have to execute a Cooperative Endeavor Agreement. Mr. Grubb stated that regardless of what is decided today the attorneys will work to get this agreement drawn up as soon as possible.

Mr. Cox stated that the Commission has always worked to plan ahead, and he will vote to keep this process moving forward.

Mr. Johnson stated that everyone wants jobs and waiting two weeks will not kill the process.

Ms. Lynch stated that postponing this resolution will not delay the process, but it will allow Commissioners to gather more information before they approve the agreement. Ms. Lynch would like to see the actual language of the agreement.

Mr. Escude stated that everyone should have been keeping up with what has been transpiring over the last few months. Everyone has been welcomed to be part of the process and should understand exactly where we are at this stage. Mr. Escude questions if this is really just posturing by some Commissioners to delay the process for their own unknown reasons. Mr. Escude stated that basically the Commission is “stealing” this plant from the Federal Government, and need to move forward and be leaders unlike other bodies in the area.

Mr. Linn stated that he has been involved in the process but wants to make sure the Commission has looked at all the details before moving forward on the issue. Mr. Linn would like to read the Cooperative Endeavor Agreement before voting to approve it for the citizens of Caddo Parish.

It was moved by Mr. Dominick, seconded by Ms. Baker to call for the Question. Motion carried; as shown by the following electronic vote: AYES: Commissioners Baker, Bowman, Cox, Dominick, Epperson, Escude, Johnson, Linn, Lynch, Smith, Thibodeaux and Williams (12). NAYS: None. ABSENT: None

At this time, Ms. Lynch's substitute motion failed; as shown by the following electronic vote: **AYES: Commissioners Bowman, Johnson, Linn and Lynch, (4).** **NAYS: Commissioners Baker, Cox, Dominick, Epperson, Escude, Smith, Thibodeaux and Williams (8).** ABSENT: None

At this time, Mr. Escude's motion carried; as shown by the following electronic vote: AYES: Commissioners Baker, Bowman, Cox, Dominick, Epperson, Escude, Smith, Thibodeaux and Williams (9). NAYS: Commissioners Johnson, Linn and Lynch (3). ABSENT: None.