

STATE OF LOUISIANA
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
BEING HELD ON THURSDAY, NOVEMBER 10, 2022
AT THE LASALLE BUILDING
617 North Third Street, FLOOR 1, LABELLE ROOM
Baton Rouge, Louisiana

REPORTED BY: KELLY S. PERRIN, C.C.R.

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1 APPEARANCES:

2 BOARD MEMBERS PRESENT:

3 CHAIRMAN A.J. ROY, III

4 CHARLES E. JACKSON, III

5 ANDY L. ADLER

6 CAL SIMPSON

7 LOUIS REINE (ABSENT)

8 SECRETARY DON PIERSON

9 OLUWASUYI E. GEORGEWILL

10 NORISHA GLOVER

11 STEPHEN P. DAVID (ABSENT)

12 STAFF MEMBERS PRESENT:

13 LETICIA JOHNSON

14 ROBIN PORTER

15 MARISSA DOIN

16 SHAMELDA PETE

17 MOLLY HENDRICKS

18 KELLY A. RANEY

19 BRENDA GUESS

20 DEBORAH SIMMONS

21 OLEVIA SHARBAUGH

22 MAKESHA JUDSON

23 MICHAEL TEPPER

24 ANNE VILLA

25 YANCY LEGRANDE

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EBONY BROWN

SUSAN BIGNER

REPORTED BY: KELLY S. PERRIN, CCR

1 P R O C E E D I N G S

2 CHAIRMAN ROY:

3 Good morning. Call to order the Board of
4 Directors, Louisiana Economic Development
5 Corporation. Roll call, please?

6 MS. SIMMONS:

7 Good morning.

8 A. J. Roy?

9 CHAIRMAN ROY:

10 Here.

11 MS. SIMMONS:

12 Louis Reine?

13 (No response.)

14 Cal Simpson?

15 MR. SIMPSON:

16 Here.

17 MS. SIMMONS:

18 Charles Jackson?

19 MR. JACKSON:

20 Here.

21 MS. SIMMONS:

22 Andy Adler?

23 MR. ADLER:

24 Here.

25 MS. SIMMONS:

1 Norisha Glover?

2 MS. GLOVER:

3 Here.

4 MS. SIMMONS:

5 Secretary Don Pierson?

6 SECRETARY PIERSON:

7 Present.

8 MS. SIMMONS:

9 Stephen David?

10 (No response.)

11 Oluwasuyi Georgewill?

12 MR. GEORGEWILL:

13 Good morning.

14 MS. SIMMONS:

15 We have a quorum.

16 CHAIRMAN ROY:

17 Very good. I'll ask everyone to please
18 silence their devices. The first order of
19 business is the approval of the Board minutes
20 of October the 13th.

21 MR. SIMPSON:

22 Move to approve.

23 CHAIRMAN ROY:

24 Motion for approval as presented.

25 MR. JACKSON:

1 Second.

2 CHAIRMAN ROY:

3 Seconded. Any discussion?

4 Any comments from the public?

5 Hearing none, all in favor, aye?

6 (AYES BY ALL)

7 CHAIRMAN ROY:

8 All opposed, nay?

9 Without objection.

10 Next order of business is the SSBCI
11 Program. Ms. Bigner?

12 MS. BIGNER:

13 Good morning. Over the last two Board
14 meetings, we have gone over -- first, we went
15 over Venture Capital RFQs, then we went over
16 Seed. We've got four more that we requested
17 additional information and they've gone
18 through the review process, and I'd like to
19 present them today. I am going to present
20 Venture Capital and Seed all at one time.

21 I'd like to remind you that the Louisiana
22 Seed Capital Program is established to utilize
23 Federal SSBCI funds previously administered
24 under the Small Jobs Act of 2010 with the
25 revitalization of the program through the

1 American Rescue Plan Act of 2021. The Seed
2 Capital Program will join with venture capital
3 funds, angel funds, and nonprofit
4 organizations to create partnerships into new
5 seed capital funds. And these entities will
6 be doing early stage and seed funding.

7 The second type is the Louisiana Venture
8 Capital Program which is a revision of the
9 existing LEDC program aimed to assist
10 Louisiana small businesses expand through the
11 support of venture capital funds. The Venture
12 Capital Program, with the use of SSBCI funds,
13 will join with venture capital funds, angel
14 funds, and nonprofit organizations to create
15 partnerships into a new venture capital fund.
16 And these funds are usually for growth
17 companies.

18 Again, LED went through the RFQ
19 evaluation process to identify qualified
20 entities to participate in both the Louisiana
21 Seed Capital Program and the Louisiana Venture
22 Capital Program. The criteria evaluated were:
23 Experience and qualifications; business plan;
24 fundraising; growth-related services;
25 Louisiana location; and capacity.

1 Staff is seeking approval of the
2 following Capital entities for eligibility not
3 to exceed the amount stated, depending on the
4 private capital match, contingencies, and
5 parameters for the respective programs: Grind
6 Capital, LLC; Minerva Capital, LLC;
7 Opportunity Machine; Revelry Venture Partners,
8 LP. And they are -- they put in an RFQ for
9 both the seed program and the venture capital
10 program.

11 The Grind Capital, LLC is requesting
12 \$1 million. Their team has over five years of
13 venture capital. And the team with Minerva
14 and Grind, they're -- I hate to say that
15 they're related. Some of the same entities
16 will be working with both funds, but the
17 advisory committee for the Grind will be
18 separate than the advisory committee for the
19 Minerva, and they both have different
20 purposes. Grind is for more veterans-related
21 entities. And Minerva is for entertainment.

22 Both of them are going to create new
23 limited liability companies in response to the
24 SSBCI Program. Grind will be working with
25 their Grind Labs, which is a related company

1 to work directly with the entrepreneurs. Both
2 are located in Ruston. And Grind has \$500,000
3 in commitments with additional commitments
4 expected once approved. Minerva is asking for
5 \$500,000. Their management team also has in
6 excess of five years with venture capital and
7 entrepreneurship. This will be a new, for
8 profit limited liability created in response
9 to SSBCI. Currently, they are doing
10 soft-calls on potential investors in
11 preparation for approval, but they already
12 have \$500,000 also in commitments.

13 The third entity is Opportunity Machine
14 requesting \$5 million. Opportunity Machine
15 was launched in 2010 as an accelerator for
16 entrepreneurs and small businesses in
17 Lafayette. Callais Capital will be assisting
18 with the fund, although Opportunity Machine
19 will have a separate advisory committee that
20 will be making the decisions for the fund.
21 Fundraising will begin upon approval. And
22 like I said, Opportunity Machine is an
23 accelerator, so they already have
24 growth-related services available, and they
25 will continue to offer those to their

1 portfolio companies. They are located in
2 Lafayette and will begin fundraising upon
3 approval.

4 Revelry Venture Partners is requesting \$5
5 million for the Louisiana Seed Capital Program
6 and/or \$2,793,367 for the Louisiana Venture
7 Capital Program. Currently, they have 11.17
8 in commitments. And so when I went back and I
9 reviewed their RFQ, to come up with the 2.7
10 would be the 11.17 in match. So they actually
11 could not do both. I reviewed their purpose
12 on both the seed capital and on the venture
13 capital, and it appears that the majority of
14 their investments are going to be in seed and
15 early stage rather than in the venture
16 capital.

17 It appears that their thought process was
18 that they would start with the seed and then
19 later move over to the Venture Capital
20 Program. And that's not going to be --
21 Treasury is not allowing that to happen.
22 That's called cross-investing. So it appears
23 that their experience and their deal flow
24 seems to be more in the seed. And so I am
25 recommending that we only approve for the

1 \$5 million in seed and ask that they withdraw
2 their RFQ for the Venture Capital Program.

3 Staff is seeking approval of Grind
4 Capital, LLC; Minerva Capital, LLC;
5 Opportunity Machine, all four of the seed
6 capital funds. And also, Staff is
7 recommending that only Revelry Venture
8 Capital, LP Seed Fund for eligibility not to
9 exceed the amount stated, dependent on private
10 capital contingencies and parameters for the
11 respective programs be approved for
12 eligibility.

13 As part of the contingencies, LEDC will
14 require each entity's fund to include the
15 following requirements: They must meet the
16 definition of the venture capital fund as
17 defined by 17 C.F.R., Section 275.203(1)-1;
18 private fund as defined under the Investment
19 Advisory Act; represents to investors that it
20 pursues a venture capital structure; generally
21 limits redemption rights; holds no more than
22 20 percent of the amount of the fund's
23 aggregate capital contributions and uncalled
24 capital commitments in no-qualifying
25 investments; and limits the use of leverage.

1 They must have a 10-year term with two
2 possible extensions for exiting of
3 investments. They must be formed as either an
4 LLC or a Partnership with LEDC as a Limited
5 Partner. They must meet the guidance, rules,
6 and requirements established by U.S. Treasury
7 and LEDC. SSBCI Capital must be treated Pari
8 Passu or better as the Private Capital
9 invested in each support fund. And all
10 participating investors will be required to
11 share in the investment portfolio risks in
12 line with industry standards.

13 Do you have any questions?

14 CHAIRMAN ROY:

15 Questions? Comments?

16 MS. GLOVER:

17 How many applications did you receive for
18 the seed program?

19 MS. BIGNER:

20 All together, we had 32, and four of them
21 are not going to be able to be eligible, so
22 we're down to 28 for venture capital and seed.

23 MS. GLOVER:

24 Did the majority apply for the seed or
25 for venture capital?

1 MS. BIGNER:

2 I'm sorry?

3 MS. GLOVER:

4 Did the majority of the applicants apply
5 for the seed or for the venture capital?

6 MS. BIGNER:

7 For the seed. I think we only have seven
8 for venture capital, and the remaining are
9 seed.

10 MR. JACKSON:

11 What's the total pool of money split
12 between venture and seed within our program?

13 MS. BIGNER:

14 We are -- we have dedicated up to
15 \$60 million for venture capital and up to 31
16 and change for seed. Currently, if all of
17 these are approved at the requested amount, it
18 comes up to approximately \$146 million rather,
19 which is over the \$90 million. So we are
20 having introductory meetings with them now to
21 find out if they want to continue with the
22 program or whether they would like to withdraw
23 their RFQ. I know that probably two will
24 not -- two seed will not proceed, but we're
25 not sure about the venture capital. And once

1 we get an idea of who all would like to
2 proceed, we'll be able to have a better idea
3 of where the money -- which fund will be
4 eligible for an amount. And it's first come,
5 first serve.

6 MR. ADLER:

7 You mentioned there was -- sorry, I
8 missed the last month's Board meeting, so I
9 missed some of this last month, I apologize.
10 But if you have 20 or so applicants, is this
11 the only four or five we're looking at to
12 approve now and the other -- have those been
13 dismissed or are they going to come back later
14 and --

15 MS. BIGNER:

16 No.

17 MR. ADLER:

18 -- get approval?

19 MS. BIGNER:

20 We did seven back in September. In
21 October, we did --

22 MS. RANEY:

23 Sixteen.

24 MS. BIGNER:

25 -- 16, and then we have these four.

1 MR. ADLER:

2 Thank you.

3 MR. JACKSON:

4 What's the average seed investment in a
5 business or does it vary by the different
6 funds? Does it vary by the type of business?

7 MS. BIGNER:

8 Usually --

9 MR. JACKSON:

10 I mean, it sounds like we've got less
11 money for seed and more interest in seed.

12 MS. BIGNER:

13 Right. Seed investments usually run
14 anywhere between 25,000 to 250. If we are the
15 only other partner in a fund, then it would be
16 50 percent private capital and then 50 percent
17 SSBCI. So we're looking at 12,500 to 125,000
18 on SSBCI. The requested amount -- the
19 majority of them are requesting up to the 5
20 million because that's the max. I had a
21 couple that are one. I have one that's 1
22 million, one that's 3 million, and then we
23 have one here for 500,000.

24 MR. JACKSON:

25 And I know we discussed this some last

1 month. When we say first come, first serve, I
2 mean when the pot of money is this small
3 versus the number of people, you're granting
4 at their requested level or we're going to try
5 to triage that back?

6 MS. RANEY:

7 So it's first come, first serve for
8 several reasons. Number one, the fund firm
9 has to show that they have their match in-hand
10 or their commitment in-hand with the investor
11 details to us in order for us to share or give
12 them the SSBCI dollars. So there could be one
13 firm -- in fact, there is a couple we've
14 already spoken to that has the full amount in
15 cash already ready to go for the seed. But
16 identifying those portfolio companies, they're
17 trying to build their pipeline right now.
18 We've been really cautioning all of the
19 different participants we've discussed so far
20 on the equity side cautioning them against
21 idle funds for the reasons of the timing for
22 deployment of tranching. We're having the
23 expectation to exclude 80 percent before our
24 tranche two. And then we're also
25 communicating and educating them on the

1 significance of setting and penetrating that
2 goal so that we could have that higher
3 allocation for the U.S. -- from the U.S.
4 Treasury Office.

5 And then secondarily, the reason it's
6 first come, first serve, so for some reason we
7 are not successful in achieving that round at
8 55 percent setting goal, then unfortunately,
9 we would not receive that highest allocation
10 of 113 million. So we're trying to retain
11 some flexibility in the disbursement of the
12 funds based on whoever is able to have that
13 burden in-hand so-to-speak to request their
14 funding for the investment.

15 MS. BIGNER:

16 Also, we're going to be deploying the
17 funds by capital calls, so they're not going
18 to get their full allocation all at one time.
19 We are also going to be reviewing the funds
20 for performance to ensure that they are
21 performing up to what they're saying they were
22 going to do and that they're able to get those
23 funds out the door because settee is not
24 counted until it's to the company.

25 MR. JACKSON:

1 But I appreciate the fact that we're not
2 going to actually give them the money until
3 they make the capital calls. But once we
4 commit an amount to that fund, we've
5 incumbered it --

6 MS. VILLA:

7 Up to that --

8 MR. JACKSON:

9 -- up to that amount. So it's still --
10 whether we're keeping it or earning the
11 interest that they're getting it and earning
12 the interest, we've still committed that we're
13 going to give it to them to invest.

14 MS. BIGNER:

15 Part of the language will be -- has been
16 up to what they have requested dependent upon
17 availability of funds.

18 MR. JACKSON:

19 Okay.

20 MS. GLOVER:

21 I think it was Susan in her manifest that
22 we had approved some of these prior to other
23 meetings or at other Board meetings that we've
24 had. My request is so that the entire Board
25 can be advocates and can communicate, like,

1 people should be applying to these funds and
2 here are the list of organizations, can y'all
3 send us the, like, entire list of all the
4 different companies that we've approved to
5 this point, so should we be in conversations,
6 we'd be able to share this information with
7 them?

8 MS. BIGNER:

9 Definitely.

10 MR. JACKSON:

11 And what their first come, first serve
12 order is, if we've got that, or is --

13 MS. BIGNER:

14 It's going to depend on signing funding
15 agreements. So it's --

16 MR. JACKSON:

17 So we don't know that yet?

18 MS. BIGNER:

19 Yeah, we do not know that yet.

20 MR. JACKSON:

21 Do they have a preliminary order? I
22 mean, what's -- I guess what's the definition
23 of first come, first serve then?

24 MS. BIGNER:

25 Right now, we're asking them to verify as

1 to whether they want to proceed or whether
2 they want to withdraw. There's really not
3 any -- they're all still on the same field.
4 They're all still even. We've got a couple
5 that have memorandums that are ready to be
6 executed and legal staff will have to work on
7 the funding agreement to go along with that
8 PPM. And those that are executed and have
9 their match are going to be in line first. So
10 those that are not sure or that decide that
11 they're going to come back at a later date,
12 they're taking a risk that we may not have the
13 funds available.

14 MR. JACKSON:

15 Okay. So I guess I'm still a little bit
16 confused. Typically, when you partner in to
17 one of these venture funds, you make a
18 commitment of dollars, and then they call the
19 money as they need it, but they can call up to
20 that full amount. Our agreements with them
21 actually says if we don't have enough money,
22 our full commitment is not really obligated if
23 one of the other funds that's approved the
24 ask.

25 CHAIRMAN ROY:

1 The Secretary has a --

2 SECRETARY PIERSON:

3 Let me see if I can kind of keep this on
4 one page. If I've got someone that goes off
5 track, then I'm asking staff to make sure that
6 they bring better clarity. So it's up to --
7 they made application for X, some larger, some
8 smaller. It might be helpful to the Board to
9 say, again, when we're talking about first
10 come, first serve, it's our goal to: A, get
11 the money out but get it out as diverse across
12 the state geographically and with the goals
13 identified by the Treasurer. So those that
14 have -- I'm talking about a car having a full
15 tank of gas, they're on the starting line, and
16 they are -- motor is idling and they're ready
17 to go, we want to get those on their journey.
18 And those that are still making preparations
19 and not having the final commitments and some
20 other things of that nature, we want them in
21 the pits and the holding area and getting
22 ready to go and we'll be doing the things we
23 can help them do to get ready to go.

24 Now, when they ask for this amount of
25 money, it won't be a fully incumbered amount.

1 It's an up-to amount saying, we know you asked
2 for X, perhaps you'll get X, but the way we'll
3 start this off is putting the first tranche
4 out there and then work through that tranche,
5 we're looking at you, you're operating, you're
6 meeting the goals established by the Treasury.
7 As you start to get those funds out the door
8 and now you've depleted the available balance,
9 come back for the next tranche.

10 Now, it might be helpful to say what
11 we're thinking of in terms of that first
12 tranche. If they ask for a million, is the
13 first tranche 20 percent? And the 20 percent
14 could apply fairly to other funds that make an
15 application. We don't want first come, first
16 serve to mean somebody sticks a straw in the
17 milkshake and drinks the whole thing. That
18 doesn't get us all of the funds all across the
19 state the way we'd like to. But we do want to
20 try to get speed to market so that those that
21 are ready to begin their journey are moving
22 out. And I think, when we ask about, well,
23 what is the commitment, we need to think of in
24 terms of some amount of money or some
25 percentage of the ask or how we're going to

1 determine what's appropriate to give them
2 their first tranche. And you may have already
3 specified that, I don't know.

4 MS. RANEY:

5 Well, what we've been communicating to
6 the equity fund firms also is that when they
7 make their capital call request, they will
8 need to show their pipeline of portfolio
9 companies to know that there is an identified
10 group of businesses to invest in and that
11 they're not just hauling in the full 3 million
12 because that's what they were approved up to
13 and I want to get in line before everybody
14 else takes the money. So we have been sharing
15 all of those type of communications on the
16 front end with all of the equity firms and the
17 nuances of the approval contingencies for each
18 one because that really affects all of the
19 fund firms to make sure that with the
20 on-boarding and the structure that it is
21 created in accordance as it's required, and
22 that is as defined by SEC to be a venture
23 funds strategy. And there are some in the
24 marketplace who are not familiar with that
25 type of structure.

1 So we've had to do some educating. And
2 there are some that participated in 1.0, and
3 had been approved and participating in 2.0.
4 And this is a difference. This is a change
5 from what was allowed in 1.0 to what is
6 allowed now.

7 MR. JACKSON:

8 Thank you.

9 CHAIRMAN ROY:

10 Any other questions or comments?

11 MR. GEORGEWILL:

12 If I'm not mistaken, I think last time we
13 also discussed potentially creating
14 (inaudible) generally and where it is usually.
15 Without side barring this (inaudible) and
16 outstanding and this kind of (inaudible) --

17 MS. BIGNER:

18 I'm having trouble hearing you. I'm
19 sorry.

20 MS. SIMMONS:

21 We can't hear you.

22 MS. RANEY:

23 There will be periodicals provided to the
24 Board for all of the SSBCI programs. And in
25 addition to that internally, there are plans

1 being put in place to identify and evaluate
2 candidates for reporting systems to what
3 you're referring to for a dashboard feature so
4 we know what's outstanding, what's committed,
5 what's available, what's been reserved for the
6 loans, etc.

7 MR. GEORGEWILL:

8 Okay. Thank you.

9 CHAIRMAN ROY:

10 So the bottom line is, there is adequate
11 language in the commitment documentation to
12 ensure that we're in control, I guess.

13 MS. BIGNER:

14 Yes.

15 MS. RANEY:

16 There will be, correct.

17 CHAIRMAN ROY:

18 There will be. Okay.

19 Good questions, good discussions.

20 Anyone else?

21 MS. VILLA:

22 I was just going to add a comment as well
23 as it's beneficial for the fund as well to
24 have that language in there because, say that
25 they're approved up to 5 million, but they

1 only have 500,000 or a million, it's not fully
2 a third of their tranche so-to-speak, but it's
3 what they had. So they're not waiting to get
4 to a certain level before they can come to us
5 with a capital call. So it's just flexibility
6 for the funds as well.

7 CHAIRMAN ROY:

8 Very good. Ms. Bigner, anything else?

9 MS. BIGNER:

10 No. I just -- I need the Board to --

11 CHAIRMAN ROY:

12 You need us to do something?

13 MS. BIGNER:

14 Yes, please. I'm seeking approval of the
15 following for seed capital, Grind Capital,
16 Minerva Capital, Opportunity Machine, all of
17 those. I'm asking for approval for
18 eligibility to participate not to exceed the
19 amount stated dependent on private capital
20 match, contingencies and parameters for the
21 program. On Revelry, I am recommending that
22 they only be approved for eligibility in the
23 seed capital program for up to 5 million
24 dependent on private capital match,
25 contingencies and parameters for the

1 respective for the program. And that they --
2 I don't want to say that they're not
3 eligible -- at this time, they are not
4 eligible for --

5 MR. JACKSON:

6 You're not recommending that we --

7 MS. BIGNER:

8 We're not -- I'm not recommending
9 approval for --

10 MR. JACKSON:

11 You've listed the ones you're
12 recommending?

13 MS. BIGNER:

14 Correct. Thank you.

15 SECRETARY PIERSON:

16 And not recommending them for the seed at
17 this time.

18 MS. BIGNER:

19 At this time.

20 SECRETARY PIERSON:

21 It doesn't -- it doesn't --

22 MS. BIGNER:

23 They are more than welcome --

24 SECRETARY PIERSON:

25 They're just not going to advance today?

1 MS. BIGNER:

2 Right.

3 MR. JACKSON:

4 Right.

5 MS. BIGNER:

6 They are more than welcome to come back
7 at a later date. But at this time, we're just
8 going to recommend them for seed.

9 MR. JACKSON:

10 We're just dealing with the ones you've
11 recommended.

12 CHAIRMAN ROY:

13 Okay.

14 MR. ADLER:

15 Which is all five of them, which is
16 Grind, Minerva, Opportunity, and Revelry all
17 recommended for eligibility for seed only?

18 MS. BIGNER:

19 Yes.

20 MR. ADLER:

21 Nobody is being recommended eligibility
22 for venture right now?

23 MS. BIGNER:

24 Correct.

25 MR. ADLER:

1 I make that motion.

2 MS. GLOVER:

3 Second.

4 CHAIRMAN ROY:

5 A second. And would you add to that that
6 there be appropriate language to protect us
7 and give us maximum flexibility with staff's
8 -- at staff's discretion in terms of the
9 documentation?

10 MR. JACKSON:

11 Please.

12 CHAIRMAN ROY:

13 Are y'all okay with that? Perhaps that
14 was understood, but I'd rather us try to get
15 in the weeds. That seems like an appropriate
16 thing to do. So motion seconded. Any other
17 discussion?

18 Any comments from the public?

19 Hearing none, all in favor, aye?

20 (AYES BY ALL)

21 CHAIRMAN ROY:

22 All opposed, nay?

23 Thank you, Ms. Bigner.

24 MS. BIGNER:

25 Thank you, gentlemen and ladies.

1 CHAIRMAN ROY:

2 All right. And moving along, we will now
3 go to the update on EDRED.

4 MR. TEPPER:

5 Good morning.

6 CHAIRMAN ROY:

7 Good to see you again.

8 MR. TEPPER:

9 Good to see you. I did speak with this
10 Board a while back. It's been a bit. And I
11 understand there's a few new members.

12 CHAIRMAN ROY:

13 If you could pull the mic a little closer
14 for us.

15 MR. TEPPER:

16 My bombastic voice didn't carry. I'm
17 here to speak this morning about the Economic
18 Development Site Readiness Program, EDRED as
19 we call it. This is a site preparation and
20 site identification program for identifying
21 and marketing sites around the State to be put
22 into higher commerce. In your packet, you
23 should have a brief, and I will keep it brief
24 here, a bit of history. I'm not going to read
25 directly from it. But prior to this program,

1 we would have instances where, let me say,
2 we're in sales, we're selling the idea of the
3 state, we're selling the state, we're selling
4 locations within the state for companies from
5 within the U.S., from around the world. And
6 prior to this program, we would have companies
7 come to Louisiana and we would say, you know,
8 oh, we've got this fantastic location for you,
9 and we would take them up to a site visit, and
10 it was a sugar cane field. And the project
11 managers would look at us and these site
12 consultants would look at us like we were
13 crazy. We would say, oh, just imagine what it
14 would look like if all this were cleared, et
15 cetera.

16 And they would have questions, of course.
17 Well, what are the soils like? Are there
18 environmental issues? What about culture
19 problems? Anything that we should know about?
20 And, of course, at the time, we didn't know.
21 And anybody that's been doing this for long
22 enough understands that time is absolutely
23 money and it has gotten to a point where sites
24 that are coming through looking for a location
25 have a shorter and shorter timeframe to

1 operate within.

2 So they don't have time for a six-month
3 due diligence package to be created. They
4 don't have time for you to do a geotechnical
5 report. They don't have time for you to go
6 through SHPO and find cultural issues with the
7 site. They need it all yesterday. So the
8 idea was put forward, and prior to 2012, to
9 fix this. So EDRED identified sites that have
10 the highest possibility of making it past that
11 conversation. The idea is staying in the
12 game. You want to have your site in front of
13 a site consultant or a project as long as
14 possible. You want that to be their best
15 option. It may not be perfect, but it's the
16 best option that they have. And we try to
17 find all the problems beforehand.

18 So when they say, what about the soils?
19 Oh, here's the geotechnical report with the
20 borings down to 100 feet, and here's an
21 understanding of the soils, and here's a brief
22 executive summary of it because there are not
23 a lot of geophysicists that are doing this
24 kind of work. What about environmental work?
25 Well, we have a phase one that's already been

1 completed. Those are good for five years. So
2 we kind of have a shelf life for a lot of
3 these. Cultural issues? Threatening an
4 endangered species? On and on and on.

5 This, I love props, this is the end
6 result of that. It's great for standing on
7 top of and changing lightbulbs as well. It
8 has pretty much every answer to any question
9 that we see on a regular basis. It's an
10 organic program. It's changed over time. As
11 you can see through the document that you've
12 been provided with, initially, I think there
13 were 20 sites that had been certified up to
14 2012. When EDRED became a matching program,
15 we matched 75 percent of the cost through
16 state dollars that have been allocated from
17 this Board for these due diligence reports.
18 The property owner, the regional economic
19 development partner, the local economic
20 development partner, utility companies,
21 anybody can sit on the other side of the table
22 and join together for the other the 25
23 percent. This is absolutely a team sport.

24 In the meantime, since this program has
25 blossomed, we have certified over 134 sites

1 around the state. About four years ago at the
2 beginning of the current administration, we
3 had a bit of a paradigm shift. We questioned
4 a lot of the site consultants that we talked
5 to regularly and the program was designed for
6 larger industrial properties, but a lot of
7 companies were looking for smaller properties.
8 So we tinkered with it a bit and now we have a
9 joining program for small business sites is
10 what we call them. It's not quite as robust.
11 It does not require as many of the depth to
12 due diligence reports that are required for
13 the full certification, but it's still very
14 robust.

15 So in that 134 sites around the state,
16 there are included about 22 business sites
17 that have been certified. We've had several
18 of these roll into public use -- oh, I'm sorry
19 -- private use where Graphic Packaging. We
20 have a couple of examples here, but there's
21 others. Graphic Packaging landing at one
22 outside of Monroe. The Amazon Robotic
23 Fulfillment Center outside of -- or in
24 Shreveport. There is a table. And,
25 unfortunately, I was waiting for good reason

1 to add an additional one on here. CF
2 Industries recently announced a
3 2-billion-dollar proposal to do feed work,
4 basically, front end and engineering and their
5 own level of due diligence, which is even
6 higher than ours. But that's a
7 2-billion-dollar project with about 100 jobs.
8 And I think the average salary is about
9 \$100,000.

10 But on the table, you have a list of
11 sites that have rolled into commerce off of
12 the program, and it's about 3.9 million in
13 annual income tax based upon the known jobs at
14 full build out. We don't know about a lot of
15 these, because as much as we would like to
16 know about everything that's happening in the
17 state, we don't. We tried very diligently,
18 and it is difficult at times, to spread the
19 love as it were. We have great relationships
20 with all regional and economic development
21 entities. We have contracts with all of them,
22 CEAs where the money flows through them so
23 when a property owner wants to certify a site,
24 they actually have an MOU signed with the
25 regional, not with LED, but with the regional

1 so that they are a party to all of this.

2 Over the past two years, three years,
3 really since about a year before COVID, we've
4 noticed a shift in the lack of low-hanging
5 fruit as it were. Obviously, we want to have
6 great answers for when site consultants come
7 through. I don't know doesn't cut it. Not
8 available does not cut it. It is not a game
9 of site selection. It is a game of site
10 elimination. If you have a lot of answers on
11 your RFI, and some of these RFIs are three and
12 400 questions long. If you have a lot of them
13 that are not available, N/A, they just throw
14 it out. So we have to have answers. But what
15 we are starting to find is, as I said, the
16 low-hanging fruit is gone. We're slowing down
17 a bit in our production.

18 We have a pipeline of about 50 or 55
19 sites around the state. And we have what we
20 call bolded sites which are ones that are
21 moving forward in the process. They have
22 momentum. There's about 25 or so. So not
23 quite half are moving faster than the rest.
24 The process takes anywhere from six months to
25 a year depending. If it's an ag site,

1 obviously, we have to wait for weather and
2 harvest to accommodate us. If it is a former
3 industrial site, it's a little bit trickier.
4 We have certified one Brownfield site in
5 Bastrop. It's IP Mill Site. It's becoming
6 more challenging, but I think we're up for the
7 challenge.

8 We do find really great sites even
9 recently. This was certified just shortly
10 ago. We've -- again, we have a bi-weekly
11 meeting with all of our partners. We invite
12 all the locals to participate as well, and we
13 have many of them that sign on as well.

14 Does anyone have any questions? Yes?

15 MS. GLOVER:

16 What is the theme that you're seeing and
17 requests that we don't have the quantity of?

18 MR. TEPPER:

19 The theme that I see that we don't have a
20 quantity of? Do you mean like in size of
21 site, or in just in general?

22 MS. GLOVER:

23 Just in general. We're constantly
24 hearing request from this type of a facility
25 that Louisiana isn't really -- it isn't what

1 Louisiana has.

2 MR. TEPPER:

3 So I am deeply involved in the RFI
4 response group, that's my team. Site
5 certification provides us things on the shelf
6 to sell. But the RFI could be anything. It
7 could be sites. It could be buildings. I cut
8 my teeth in the Memphis regional market and
9 everyone there builds on spec. No one here
10 builds on spec. There's like two people in
11 the entire state that builds spec buildings.
12 A building that is built for no purpose but to
13 market. No one here does that.

14 So if I were to say, what are we missing?
15 We're missing the 150 to 200,000 square foot
16 existing facility with 32-foot height eaves
17 with cross-docking and power. They don't
18 exist. And if I were to build it, I'd
19 probably put 25 percent of it in refrigerated
20 space because that's also always an industry.

21 MS. GLOVER:

22 We have the land, just people don't want
23 to build that?

24 MR. TEPPER:

25 I think, honestly, it has a lot to do

1 with acceptance of risks. When you live in
2 south Louisiana, you accept a certain level of
3 risks just by living here. We all understand
4 what happens seasonally, environmental. We're
5 there. I think that a lot of the developers
6 are less willing to take on additional risks
7 without having a bird in the hand. There are,
8 like I said, there's a few folks that are
9 doing it. And the buildings that they build,
10 they're almost like little eggs that pop out,
11 100,000 square feet, they all look the same,
12 and they're leased before they're finished.
13 So, clearly, there is a market for what they
14 are creating, but there's just not a lot of
15 people that want to take that step.

16 MS. GLOVER:

17 I see when I was looking at --

18 MR. TEPPER:

19 Not to interrupt you, we don't certify
20 buildings just so everyone --

21 MS. GLOVER:

22 Right.

23 MR. TEPPER:

24 I mean, this is -- that's something else,
25 so...

1 MS. GLOVER:

2 When I look at the ones that are
3 certified sites being in commerce on page 60
4 of our packet, I see one in east Baton Rouge,
5 it's the LSU Innovation Park. And then I see
6 a lot around Ascension. What is it that
7 Ascension is doing or what is it that it has
8 that there's so significantly more in
9 Ascension than there is in East Baton Rouge?

10 MR. TEPPER:

11 Full disclosure, I live in Ascension.
12 What is Ascension doing? Ascension has a very
13 active -- I'm not saying that BRAC isn't very
14 active because they are incredibly active and
15 they overlap the market in Ascension, but
16 Ascension has a local group that's also very
17 active. They have a very deep understanding
18 of the process, not just through the ITEP
19 incentive, but just the process of engaging
20 with and talking with industrial clients.
21 They have a fantastic mutual aid group down
22 there. They also have a lot of assets. I'm
23 not saying EBR does not.

24 But if you look at available land, EBR
25 does not have a lot along the river or really

1 a lot in the City proper. They have a lot of
2 pipeline networks that are used for feedstock
3 for companies that are looking for, you know,
4 in that Petrochemical space. I'm not saying
5 that EBR doesn't have those things. It's just
6 a question of land really. EBR is very built
7 out. Ascension, a lot less so.

8 MS. GLOVER:

9 Why the shift in low-hanging fruit?

10 MR. TEPPER:

11 Because we've been very busy. I think
12 that if I were to make a call to all of our
13 regional partners and ask them for their five
14 best sites, they already understand where
15 their five best sites are. They've already
16 gone through the process of this where they
17 could. That's something else we haven't
18 touched upon yet is resistance to this project
19 or to this process.

20 It's very difficult to approach a
21 landowner and say, hey, I'm from the
22 government, I'm here to help you, and I would
23 love for you to spend some of your money,
24 thousands of thousands of dollars of your
25 money. We're going to match you on 75 percent

1 of this, but it's still a good ask, so that we
2 can fully understand the property that you
3 have. Maybe it's not even for sale yet.
4 Sometimes it is for sale. Sometimes it's not.
5 We have team members that go out and actively
6 recruit participants in this program for large
7 tract landowners that are not necessarily
8 currently marketing their site. But we
9 understand that it fits the suitability models
10 that we have for higher commerce. And so
11 that's becoming harder and harder.

12 Part of this program is at the end. Once
13 you've gone through the entire process, you
14 sign an MOU with the Regional, with the State
15 and you agree to a price for a year. That's a
16 heavy lift right now for some folks because
17 the market might move against them. And back
18 to that whole risk question, they don't
19 necessarily want to risk being locked into a
20 price for a year; although really, it's a
21 negligible thing because you can set the price
22 incredibly high and then negotiate down. But
23 a lot of folks don't look at it that way.
24 Some don't want to participate at all. They
25 want nothing to do with government. Some of

1 them don't want to spend the money. And some
2 would love to talk to you away from their
3 neighbors.

4 MS. GLOVER:

5 And when we have made it to, let's say
6 the bottom or the final three of someone's
7 list in terms of sites that they're
8 considering and we end up not winning, who is
9 it that we keep losing to and why?

10 MR. TEPPER:

11 Well, let me first start by saying they
12 call it fishing, not catching. It's hard.
13 There's lots of -- there's no singular place
14 you can point to because every project is
15 different. Some of them are looking for deep
16 draft access that have nitrogen and hydrogen
17 and natural gas and cheap electricity at a
18 workforce that they can train to do whatever
19 rigid building that they're doing. Those
20 types of projects, there's only a few places
21 in the world really where all those things
22 kind of exist in the same plot, in the same
23 spot; here, parts of Texas, the Gulf states in
24 the Middle East, there's only -- it's
25 really -- it's an odd, very slender, very thin

1 group of places where the feedstocks that
2 companies are looking for are readily
3 available like that.

4 So when you say, who are we losing to
5 regularly? For projects in the chemical
6 sector, Texas is always at the top of the
7 list. The Houston ship channel, everyone
8 knows is the Epicenter of this type of
9 activity. You know, durable goods
10 manufacturing, it could be anywhere. Alabama
11 is very strong in this; Georgia, Tennessee.
12 There are any number of places around the
13 World that we compete with regularly. We deal
14 with international in at least in my group
15 probably as many international companies as
16 domestic companies.

17 MR. JACKSON:

18 So I had a couple of questions, and I
19 recently was aware of a group in Northeast
20 Louisiana that was looking at going through
21 the process. And, ultimately, for a variety
22 of reasons, they decided not to move forward
23 with it. But it gave me the opportunity, in
24 talking with them, to look back at our sites.
25 And I see you've got us at 14 sites within the

1 area. And you talked about once the site is
2 certified, they set their price and --

3 MR. TEPPER:

4 For a year.

5 MR. JACKSON:

6 -- for a year.

7 MR. TEPPER:

8 Yes.

9 MR. JACKSON:

10 But on the State's, I guess, website, the
11 most recent price still stays there, even if
12 the year has expired. Is there a -- and you
13 mentioned that they could set a price, but
14 they could always negotiate lower. Does that
15 initial price scare people away? I was amazed
16 at what our 14 sites were asking per acre for
17 our region. And I'm just curious, do we
18 provide any sort of, well, okay, but you need
19 to understand, because I was shocked.

20 MR. TEPPER:

21 I would like you to participate in some
22 of the conversations I have with that exact
23 question and that exact phrasing because that
24 is an ongoing issue in this program. So a
25 couple of things: First, the website that you

1 mentioned is actually owned by Entergy. They
2 participate as one of our hand-in-glove
3 partners in this endeavor. But it is their
4 website, and it is self-populated. So if you,
5 property owner, go through this process and
6 you set a price for your property at some
7 exorbitant rate, you are responsible for
8 actually putting that site. We will harass
9 and harangue you until you do it, but it's
10 still upon you to do it, to put your site on
11 their portal, and then you set the price. And
12 then you get reminders every three months,
13 hey, is this still active? And you push a
14 button and say, yes, it is, or no, it's not.
15 But if you change the price after that year,
16 the onus is upon the property owner to change
17 the price, not LED, not Entergy. I wish I
18 could do that.

19 Number two, site price. A piece of
20 property is worth whatever someone is willing
21 to pay for it, as I'm sure everyone in this
22 room knows. There are a lot of people that
23 are very, very proud of their piece of dirt
24 wherever it is. We do counsel often. We
25 offer through the program -- we don't have it

1 as a requirement, but we will assist in paying
2 the 75 percent match. We will assist in
3 paying for a broker's opinion on that
4 property. If, however, you would like a full
5 blown -- not assessment -- I just dropped my
6 head there.

7 MR. JACKSON:

8 Appraisal.

9 MR. TEPPER:

10 Appraisal, thank you, industrial
11 appraisal for the property, that would be on
12 you because that gets kind of pricy and we
13 don't do that. But, yes, we absolutely
14 counsel. We absolutely offer to help them
15 with the broker's opinion. It does not stop
16 people sometimes. I have seen prices that
17 absolutely are by the square foot and are
18 frankly priced for residential development
19 because that's what that pricing is like.

20 MR. JACKSON:

21 Yeah. Yeah. And I guess I'm wondering,
22 and don't misunderstand me, I think we
23 absolutely need to be locating sites and doing
24 everything we can to make sure we're in the
25 running, but I wonder if, as part of being --

1 and I also hear what you're saying about:
2 We're from the government, we're here to help.

3 MR. TEPPER:

4 That's my favorite thing to say.

5 MR. JACKSON:

6 I get that. But I wonder if we're being
7 prudent with our money if we certify sites and
8 spend the 75 percent of the money to get a
9 site certified when we know that they're going
10 to turn around and price it such that it's
11 never even going to get looked at.

12 MR. TEPPER:

13 So we have actually --

14 MR. JACKSON:

15 Is that really something we should do?

16 MR. TEPPER:

17 We have actually addressed that by having
18 them sign the MOU prior to doing all this
19 work. They -- we don't implement it until the
20 date of certification, but they have to agree
21 on a price prior to the whole process. And we
22 will counsel them at that point. We have
23 stopped, many times, when someone says, well,
24 it's \$300,000 an acre. It's been nice talking
25 with you, have a lovely day, good luck with

1 that. There's no point in having that
2 conversation further.

3 MR. JACKSON:

4 And I guess the --

5 CHAIRMAN ROY:

6 Secretary -- the Secretary has a comment.

7 MR. JACKSON:

8 I'm sorry. Sure.

9 SECRETARY PIERSON:

10 Well, just trying to be helpful here.
11 Our sophisticated purchase for the people that
12 consider these, they know this is a starting
13 point in a negotiation.

14 MR. TEPPER:

15 Yes.

16 SECRETARY PIERSON:

17 And so the price is not looked at as a
18 hard topic always. And, in fact, I would say
19 in most cases, they know. And they know that
20 this is just the beginning of a conversation.
21 What is so important to us here is that we do
22 fix a price. Once we do that, they know that
23 it won't be an offer that they receive more
24 than that. And if we don't have a price, when
25 those two black suburbans pull off in front of

1 that field, the price just went up. So it
2 needs to be fixed for our program to -- he's
3 clearly articulated it very effectively why it
4 is what it is, but family situations change.
5 Ownership corporations change, but this
6 program really keeps us in the game. It's had
7 success. Those can be enumerated with the
8 locations on them. This program has also been
9 featured from other states kicking tires, the
10 site selectors guild group looking at a lot of
11 the elements that make this one of the
12 Nation's leading programs.

13 MR. JACKSON:

14 And that group was recently in the room
15 for a meeting. And I think one of the things
16 that came out of that that's all part and
17 parcel of my interest in the EDRED right now
18 is the fact that the certification is a very
19 important thing because, all other things
20 being equal, that's going to make the
21 difference.

22 MR. TEPPER:

23 Agree.

24 MR. JACKSON:

25 But just as important is the availability

1 of the workforce.

2 MR. TEPPER:

3 Agree.

4 MR. JACKSON:

5 And I wonder, certainly, and
6 Mr. Secretary, we've talked about that for
7 Northeast Louisiana, the big elephants are a
8 struggle to land there for obvious reasons.
9 We're a very underpopulated area. Is there
10 anything in the way we do EDRED up there that
11 might better target certification for smaller
12 or more appropriate sized businesses for our
13 region?

14 SECRETARY PIERSON:

15 And, certainly, there's no silver bullet
16 where we've loaded that up a while back. The
17 EDRED program is one feature and continues to
18 be important. Now that the low-hanging fruit,
19 the obvious sites have been largely captured,
20 we are focusing on some of these more lower
21 scaled in field sites, business and tech park
22 kind of look to those. But you made a great
23 point. You know, sites doesn't really seem to
24 be our challenge.

25 So how about, where are you on workforce?

1 And one of the things that the department does
2 is provide significant resources to all of our
3 eight regional partners. And one of the
4 things they can do is go out and get a labor
5 study and put it on the shelf that we have
6 these kind of skill sets. They're readily
7 available. They would likely go to work for
8 this amount of money per hour. And it becomes
9 another one of these recruiting tools that
10 they need to have at their fingertips. That's
11 why we push these resources to them and really
12 support them significantly with real strong
13 funding to each one of those entities.

14 MR. TEPPER:

15 I would just like to add also, in the
16 RFIs that we replied to, with very, very, very
17 few exceptions has anyone brought price to the
18 front of the questioning around a site. It is
19 almost always, besides labor, very
20 site-specific type questions; product
21 feedstock, transportation network
22 connectivity, rail, river, et cetera. Prices,
23 as the Secretary said, is always a negotiable
24 point. And the folks that we're speaking with
25 are sophisticated enough to understand that.

1 And they would not balk at it. They may laugh
2 to themselves, but they will always come back
3 and say, okay, well, we know that you're here,
4 but make another offer.

5 MS. GLOVER:

6 One last question.

7 MR. TEPPER:

8 Yes?

9 MS. GLOVER:

10 I know I asked about what we didn't have
11 quantity of, but just in general, what are you
12 seeing in terms of the trends in the types of
13 requests that we've recently gotten? And has
14 any -- and what does that look like since
15 COVID?

16 MR. TEPPER:

17 So we never really saw a big change in
18 the structure of the questions throughout
19 COVID. Maybe the idea of remote working for
20 some, you know, very tech-focused questions.
21 But around site-specific type RFIs, ones that
22 are very concerned about location, we never
23 really saw a big shift because of COVID. Some
24 of the things that we have noticed recently
25 are much broader and sharper focus around

1 cultural issues. We have an importance for
2 anything cultural.

3 It's kind of a running joke in our
4 office. You know, the churches, cemeteries,
5 schools, those are the silver bullets that
6 will shoot us a good site now. Connectivity
7 on the river, The Pilots Association is an
8 organization besides the Corps of Engineers
9 that has a very strong say in whether or not
10 you can put a dock on your riverfront site.
11 We are at a point where easily-docked sites
12 are way far and few between. So we're looking
13 a lot more at co-location site options for
14 dock use.

15 We're looking at additional engineering
16 solutions, cut-slip docks where you actually
17 cut into the batcher. So instead of having a
18 dock out in the water, you can be recessed so
19 it doesn't impede in traffic. There are
20 solutions to those problems, but solutions
21 like that cost a lot of money.

22 So when I see the shift change in the
23 types of RFIs we're seeing, it's around
24 guaranteed dock access, guaranteed co-location
25 opportunities where steam or water or

1 electricity are going to be provided already.
2 There's a few larger companies that have
3 industrial sites along the river that are
4 making a lot of use of that and they have been
5 able to offer up their locations. I'm
6 thinking of Cornerstone Chemical to be one.
7 They've got a number of companies inside the
8 fence line that they have recruited over the
9 years that have come looking for a solution
10 that they have. Outside of that, we really
11 don't have many.

12 MS. GLOVER:

13 And it's safe to assume that about 99
14 percent of the requests that you get are
15 really about industrial sites?

16 MR. TEPPER:

17 There's an old adage in this business is
18 that you shoot everything that flies and you
19 claim everything that falls. Most of what we
20 see are larger companies that either have not
21 had a site search in a generation and they
22 need someone to walk them through the process,
23 international companies that are looking to
24 make use of lower cost feedstocks here than in
25 Europe. The price of natural gas, for

1 example, is about a fifth or a sixth of what
2 it is in Europe right now. It is -- that's
3 easy, that's easy fish in a barrel right
4 there.

5 So we have a lot of companies that are
6 coming from overseas looking and they need a
7 lay of the land. And they come and ask us.
8 We are vastly different than other states.
9 You can't -- you could go to Texas and speak
10 to their state economic development folks, but
11 they don't -- they are not as active as the
12 locals. And, here, I think, at least it feels
13 at times that they know that and they come
14 straight to us instead of going straight to a
15 regional. So, yes, we do have a lot of
16 chemical companies, a lot of larger groups
17 that are looking.

18 MR. GEORGEWILL:

19 Okay. How do we compare to other states
20 that are offering some new services along with
21 certified sites for population?

22 MR. TEPPER:

23 So how do we compare to other states
24 again, you said?

25 MR. GEORGEWILL:

1 That offer a similar service in regards
2 to certified sites for population?

3 MR. TEPPER:

4 So Indiana is about the only state that
5 is close to us in the number of certified
6 sites, but I'm fairly certain they would
7 certify a doghouse. They have very low
8 standards. A lot of this is changing because
9 the site guild is very interested in having an
10 apples to apples way to compare states. So
11 you're probably familiar with the lead
12 certification for environmental buildings. So
13 you build with renewable materials, you get a
14 certain number of points. You use recycled
15 glass, you get a certain number of points. If
16 you are insulated to a certain level, you get
17 a certain number of points. And then they
18 have rankings: Platinum, gold, silver,
19 bronze. Actually, I don't think there's four.
20 I think there's only three.

21 The guild wants to move towards that
22 because the guild, which is of course a group
23 of people that do this for a living that look
24 for properties, they want to very quickly be
25 able to determine what is your Indiana

1 certified site compared to my Louisiana
2 certified site? Why are they both called
3 certified? Shouldn't they be the same?
4 They're not.

5 So when you ask, there's a numerical
6 comparison, which I just made, then there's a
7 quality comparison. Of all the sites that we
8 have certified, all of our sites would be
9 silver or better on that ranking list. So
10 it's either the top or the next tier down.
11 Most states are bronze to silver. They don't
12 go through some of the things that we go
13 through. Now, in their defense, most of them
14 don't need to have a full geotechnical report
15 because their soils are vastly different than
16 ours. We get a lot of questions about
17 building large scale facilities on soils that
18 perhaps are not the greatest. So we have to
19 have answers to those questions that, if
20 you're in Kansas, you don't have to have.

21 So the depth of knowledge that we bring,
22 this book, is significantly more than what a
23 lot of states are putting out, which is what
24 the Secretary alluded to. We have been looked
25 at as kind of a bellwether for this program

1 around the country to say, well, if Louisiana
2 is doing this, this should be about where
3 everybody is. And, again, there's others that
4 have everything paved and poured in concrete
5 and stubbed out for power and what have you.
6 That would be a platinum level. We have very
7 few of those. We don't spend the money,
8 again, the whole risk tolerance thing, we
9 don't spend the money on the front end. But
10 we do have the answers for them when they come
11 knocking if that answers --

12 SECRETARY PIERSON:

13 What I might add is that there's been an
14 augmentation made available by the Legislature
15 that can even bring some more monies to get a
16 site in a more competitive position. But as I
17 stressed with Mr. Tepper and the outstanding
18 team that he has, just like maybe an
19 automobile dealership, I don't want the most
20 number of cars on my lot. I want to keep
21 bringing cars on and moving cars out. So what
22 we need is that flow of properties being taken
23 off the market because an announcement occurs
24 that something good has happened in our state
25 and then the replenishment of that inventory

1 as it goes so that we have a good cross
2 section in all regions of our state; but at
3 the same time, it's not a race to 200 or 500.
4 It's the idea that we can have outstanding
5 sites that are taken to the marketplace.

6 MR. TEPPER:

7 My goal is not to certify 200 sites. My
8 goal is to add page six, go to page 10.

9 MR. GEORGEWILL:

10 I guess the need that if we feel like we
11 are the gold standard with regard to sites
12 across the nation, what metrics beyond just
13 sites, right, thinking more so impact on the
14 economy and job and opportunities do you feel
15 like display that quantity, you know, we feel
16 really good that it's our readiness leading to
17 these opportunities as well? What would you
18 lean on to say, this is what you can look at
19 and this caps that?

20 MR. TEPPER:

21 So it's difficult to prove a negative, so
22 I would say instead that the sites that we've
23 certified keep us in the game.

24 MR. GEORGEWILL:

25 Right.

1 MR. TEPPER:

2 I know that we -- our group has responded
3 to about 70 RFI requests in the past year.
4 Ninety percent of them require the site to
5 have the reporting and the due diligence that
6 are required for this program. If you don't
7 have a geotechnical report, don't submit the
8 site. If you don't have a phase one, don't
9 submit the site. It keeps us in the game. We
10 have product that we're proposing and it fits
11 the solution for what a company is looking
12 for. There are things that are outside of our
13 area of ability to influence that I can't
14 really speak to. But for the lane that I'm
15 in, we do put out good product that keeps us
16 in the game, even when maybe we are deficient
17 to so many other categories.

18 MR. GEORGEWILL:

19 And I realize that having 200 sites
20 (inaudible), but what is, I guess, good in
21 regards to quantifying the impact overall,
22 right? Like you said, it's not just having
23 cars on the lot, it's the need to sell the
24 vehicles.

25 MR. TEPPER:

1 So there's actually two other columns
2 that are on this spreadsheet that I don't
3 include because it's more of a subjective
4 thing. In our metrics, when we are looking at
5 the value of a project, there's a number of
6 things that come into play. Obviously,
7 certain industries have different multipliers
8 versus others. If I were to hire 100
9 attorneys, I probably would not have to hire
10 too many other people to make sure those
11 attorneys are working.

12 MR. GEORGEWILL:

13 Yeah.

14 MR. TEPPER:

15 Do those attorneys make good money?
16 Absolutely. Do they impact the community?
17 100 percent. But if I have, let's say, an
18 automotive manufacturer or a chemical
19 manufacturer, and I hire the same hundred, I
20 might even pay them the same amount of money,
21 those folks make good money, but I need five,
22 six other occupational positions in the
23 community to feed them materials and to assist
24 them so that they can do that job. That
25 multiplier effect, which is a known thing for

1 the EA, that multiplier effect, I don't
2 include it in this. This is just the direct
3 jobs. But if I'm going to hire -- and, again,
4 this has just been announced -- but when a
5 project comes to full fruition and they have
6 100 employees that are paid \$100,000, there's
7 probably another three to 400 in the community
8 that are working to fill the needs of those
9 hundred.

10 The income tax that is generated from
11 those revenues is what is the next column
12 over. And, again, three and a half million
13 dollars a year in income -- again, just the
14 ones that we're aware of, back to the shooting
15 everything that flies, that's pretty good. We
16 have seen over and over again that the return
17 on the initial investment by the state into
18 this program has been paid out multiple times
19 over. Now into the community, the community
20 benefit is on the individual project level.

21 If I land a project in your community -- and I
22 apologize, I don't know what part of the state
23 you're from. But if I land a project --

24 MR. GEORGEWILL:

25 Northwest.

1 MR. TEPPER:

2 Northwest. If there is a -- there was
3 one we've been working on diligently recently,
4 it's a massive project. And if it lands
5 there, it's not on the certified site, mind
6 you, but there is one that just landed on the
7 certified site, the AP piece that just went
8 in. There's another one that went in for the
9 robotic center. Those are all projects that
10 were required to have a certain amount of due
11 diligence. And, again, they're not going to
12 wait around for me to complete those reports.
13 They need it now. They needed it yesterday
14 really.

15 MR. GEORGEWILL:

16 Yeah. You know, when I look at it, it
17 seems like we're doing so many good things
18 that I don't know if the story is quite being
19 put out nationally, right. I think we are
20 often here too often, you know, business is
21 real good for, I guess, maybe the west coast
22 of Texas, and it seems like, you know, we're
23 doing similar. And I guess all my questions
24 are geared towards, if we're just as qualified
25 to attract these businesses and (inaudible)

1 rate, how do we change an area where these
2 businesses know that, hey, Louisiana is ready;
3 right? We're just as ready, just as willing,
4 just as hungry. And I think that's some of
5 it. And beyond just attracting businesses, I
6 think that also (inaudible) potentially of
7 skilled labor and qualified labor where folks
8 don't believe they've got to leave the state,
9 in order to make a great living. So that's
10 why I'm asking, right. How can we spread it?
11 How are we quantifying the impact? How are we
12 changing the area?

13 And are there enough bite-sized chunks we
14 can take to others and kind of really show the
15 hard work, right, that's taking place and
16 making it understood how busy the state is and
17 how ready the state is to bring employers of
18 large industrial manufacturers, whatever the
19 case may be, to the regions?

20 MR. TEPPER:

21 So, again, I can't speak to something
22 that's outside of my lane.

23 MR. GEORGEWILL:

24 Yes.

25 MR. TEPPER:

1 But I will say that anecdotally, from the
2 conversations that we've had where we've been
3 neck-and-neck with a site in Texas or in
4 Alabama or somewhere else, speaking with the
5 client, and that's how I view them is they're
6 clients, speaking with the clients, the
7 project, they can't believe how much better it
8 is dealing with us than in Texas.

9 MR. GEORGEWILL:

10 Yes.

11 MR. TEPPER:

12 They can't believe how much easier it is
13 dealing with us here versus in Texas. And
14 they have said almost the same thing, how
15 come -- how come no one knows this? I'm like,
16 well, the people know it; some people know it.
17 How do you get the word out? That's, again,
18 outside of my lane. I'm not 100 percent sure
19 how I would answer that.

20 MR. GEORGEWILL:

21 Yeah. I wouldn't say it's out of your
22 lane, but I'd say, it kind of goes hand in
23 hand, right, on multiplying it, right,
24 reputation of branding kind of goes a long
25 way. And I think there's something there for

1 all of us. If everyone who lives in Louisiana
2 believes that what we have to offer in regards
3 to sites, skilled labor force, and people just
4 looking to see communities move forward,
5 right. So there's something there that I'm
6 sure there would be a lot of dialogue on that
7 essentially, but I was just curious on that.
8 Thanks for answering my questions though.

9 MR. TEPPER:

10 Absolutely. Anyone else?

11 CHAIRMAN ROY:

12 Any other questions or comments?

13 All great questions and I think you've
14 heard the overwhelming interest of the Board
15 in this topic. A couple of followup
16 questions, I have to ask you at least one or
17 two. The marketing effort, you just brought
18 that up, and you mentioned, I think, relative
19 to Mr. Jackson's question, some involvement of
20 Entergy and their site. And it sounded like
21 they were the sort of go-to for perhaps
22 information that some might glean on the
23 topic. Just wondering to what extent, we have
24 our own marketing effort and that we are the
25 primary go-to in that respect.

1 MR. TEPPER:

2 So I don't market. I answer questions.
3 However, our relationship with Entergy, as
4 well as SWEPCO, as well CLECO is exceptional.
5 We work with them daily. I think I have all
6 of their numbers speed-dialed on my phone.
7 Our ability to put up a website portal that
8 would allow outsiders to find sites within the
9 state would be challenging. We utilize the
10 Entergy portal because they've fixed that
11 challenge and they gave us basically a free
12 way to do that and it's fantastic. We've had
13 a number of comments from outside of the state
14 and outside of the country that said it was
15 very easy. I just typed in Louisiana site
16 selection; boom, there it was.

17 We utilize Costar a lot for business for
18 existing buildings. LACDB, which some of you
19 may be familiar with, we tried for the better
20 part of 10 years to just get a log-in, and
21 they wouldn't give us one. We offered to pay
22 for it. They would not give us one. So we've
23 kind of had to go our own route.

24 I feel like, if we had to stand up our
25 own website and take that on ourselves, it

1 would be an incredible challenge. Entergy
2 dedicates a number of employees to that cause.
3 And I don't think that we would -- I mean, we
4 would have to staff up pretty hard and we
5 would have to go out of the office for
6 expertise on that.

7 Yes?

8 CHAIRMAN ROY:

9 Mr. Secretary?

10 SECRETARY PIERSON:

11 Yeah. Let me just jump in behind because
12 you're talking to the research and --

13 MR. TEPPER:

14 I'm not marketing, yes.

15 SECRETARY PIERSON:

16 -- audit and effective things that they
17 do. And intelligence and generation, you
18 know, their segment of LED is so important and
19 they do a lot of things. They do a lot of
20 background checks on companies that call us up
21 so that we can tell whether we're talking to
22 somebody that's got the capability and
23 capacity and things that, as a banker, you
24 would look at somebody walking in your office
25 and you can check their credit score and those

1 kind of things. So over on the other side of
2 the house is where all this marketing activity
3 takes place. And we have a budget that
4 exceeds a million dollars a year that we're
5 out there in national publications with.

6 But the real sort of strategy is to; one,
7 work with these consultant groups because
8 they're going to get a lot of projects on
9 their plates, and so we're maintaining
10 attendance at places where they are and we're
11 entertaining them -- not entertaining in a way
12 like entertainment, but when they're coming
13 into town, we're having serious conversations
14 with them about projects and educating them on
15 all the areas of the state, not just the one
16 that they may be inquiring about. So the
17 consultants are one piece of this.

18 The utilities, wherever they are, I'm
19 typically saying there's no candlelight
20 projects. Every project's going to have to
21 plug into a lot of power. So we maintain
22 strong working relationships with Entergy,
23 with CLECO, with AED, and with some of the
24 rural electrics as well. So that's another
25 sort of joint partnership that we continue to

1 invest a lot of time and efforts into. Of
2 course, our regional partners across the
3 state, the ones that we're investing in, we
4 expect them to help us with marketing and
5 being front and center at regrouping
6 activities out there, and they are.

7 And that extends all the way down to even
8 some of the smaller parishes of St. Tammany,
9 Jefferson, Bossier, all have sort of very
10 active economic loan organizations that are
11 subsets of the eight regionals that become
12 another category that's involved with us in
13 marketing activities as well. And then,
14 oftentimes, again, just direct back to the
15 corporate outreach that we have. So we're
16 doing a lot of different things the same way
17 that maybe other businesses would try to bring
18 attraction and lead development opportunities
19 back into the state so that LED, but more
20 importantly, all these projects are going to
21 land on the ground somewhere. So that parish,
22 that mayor, those are people that we also want
23 engaged and involved in the process.

24 And, particularly, the way that ITEP is
25 structured today that requires that these

1 local governing bodies have a resolution or a
2 letter of support back into these projects,
3 there's a lot of engagement at that level as
4 well as we're cultivating. Again, through the
5 regionals, we can't have that personal
6 relationship in 64 parishes, although we try,
7 but it takes a really sort of a team approach
8 to really be successful and we work hard at
9 all that. And it is powered by some
10 significant marketing activities. You just
11 don't tend to see them at this particular
12 moment.

13 MR. TEPPER:

14 The marketing people ask me for
15 information, but they don't let me do anything
16 beyond that.

17 CHAIRMAN ROY:

18 Suffice it to say, it sounds like they're
19 finding us; is that correct?

20 MR. TEPPER:

21 Correct.

22 SECRETARY PIERSON:

23 It might be some of the more would like
24 to get a presentation by the marketing
25 department. This is Veterans Day tomorrow and

1 we have a very robust role for veterans small
2 business weeks with the way the Governor's
3 program is. And if you saw the social
4 campaign that we've had out there to deliver
5 traffic to our veteran-owned businesses that
6 we have more than 900 registered in our
7 certified veterans program right now that we
8 just began four or five years ago. If you
9 have an interest into knowing more about the
10 department and more how do we execute very
11 sophisticated marketing activities, we can
12 share that with you.

13 CHAIRMAN ROY:

14 Okay.

15 MS. VILLA:

16 Or you can follow us on LinkedIn.

17 MR. TEPPER:

18 Shameless plug.

19 CHAIRMAN ROY:

20 Fascinating topic, as you can pick up
21 from the Board, and a stellar job.

22 MR. TEPPER:

23 Thank you.

24 CHAIRMAN ROY:

25 Very good. Thank you.

1 MR. TEPPER:

2 If there's nothing else, it was my
3 pleasure.

4 CHAIRMAN ROY:

5 Yes, sir. Thank you, sir.

6 All right. Next order of business is the
7 Treasurer's Report and we're glad Ms. Villa
8 could be here.

9 MS. VILLA:

10 Yes. Good morning. The Secretary
11 Treasurer's Report, as of October 25, 2022,
12 for our Fiscal Year 2023. And thank you,
13 Michael, I believe it was almost 10 years ago,
14 maybe even at this Board meeting about this
15 time that the EDRED program was initially
16 funded, so it was back in 2012. And I was
17 present, but I think it was during the fall if
18 I remember correctly, because I remember going
19 through the summer trying to get the rules up
20 in front of the Board. So it's been a 10-year
21 program. We're very, very thankful for the
22 support that the Board has given us for that
23 program.

24 All right. Going back to the Secretary
25 Treasurer's Report, the budget for 2023 is

1 \$17,626,055. We have approved projected
2 expenditures as \$3,600,000. And then we have
3 a balance expect of \$14,026,055. And,
4 currently, I have projects under review
5 \$2,575,000, which leaves us a projected
6 year-end balance of \$11,451,055.

7 If you go on to the next page, it's our
8 Financial Assistance Program. And we are
9 still without our allocation from U.S.
10 Treasury, but this is where you will see this
11 whenever we get that initial tranche. So if
12 you go on to page three, our page 66 of the
13 packet, we have our breakout of our Capital
14 Outlay Appropriation, which is broken out for
15 our EDAP Program, \$15,000,093. And we have
16 \$3.6 million of approved projects. And then
17 we have the \$2,575,000 that's under review.
18 That leaves us with a projected year-end
19 balance of \$8,825,093.

20 And then the EDRED program has a budget
21 for FY'23 of \$2,435,962. And we currently, I
22 think I addressed this in the last meeting,
23 have multiple contracts that have allocations
24 that have been given to them. So we don't
25 have any projection as of yet of any that are

1 going to need additional funding from that
2 \$2.4 million.

3 If you go on to the next page, it is our
4 Louisiana Economic Development Fund Balance,
5 which we have a projected fund available
6 balance of \$40,525,179. And then the total
7 expenditures for project commitments is
8 \$17,324,682, which leaves us with an
9 appropriation fund balance of \$23,200,497.

10 And if you have any questions for me, I
11 can answer, hopefully? If not --

12 CHAIRMAN ROY:

13 Questions, comments?

14 Any comments from the public?

15 Hearing none, I'll entertain a motion to
16 accept the Treasurer's Report.

17 MS. GLOVER:

18 So moved.

19 CHAIRMAN ROY:

20 Motion. And a second?

21 MR. JACKSON:

22 Second.

23 CHAIRMAN ROY:

24 Second. Any other discussion?

25 Any comments from the public?

1 Hearing none, all in favor, aye?

2 (AYES BY ALL)

3 CHAIRMAN ROY:

4 All opposed, nay? Without objection.

5 All right. The Accountant's Report,

6 Ms. Dalgo?

7 MS. HENDRICKS:

8 I'm Molly Hendricks --

9 CHAIRMAN ROY:

10 Oh, I'm sorry.

11 MS. HENDRICKS:

12 -- and I'll be presenting the LEDC
13 Accountant Status Report today on behalf of
14 Crystal. But before I get started, I believe
15 last month, Mr. Roy, you had a question about
16 the allowance percentages for the loan
17 guarantee and EDAP portfolios. So in order to
18 keep LDEC's reserves uniform back in 2010, it
19 was proposed and adopted to set the current
20 EDAPs at 15 percent and then continue the
21 current guarantees at 18 percent.

22 Okay. Moving on.

23 CHAIRMAN ROY:

24 Any questions or comments?

25 MS. HENDRICKS:

1 The SSBCI 1.0 Guaranteed Loan Portfolio
2 as of September 30, 2022 consists of 13 loans.
3 The portfolio totals \$2,763,817. The
4 allowance is \$497,602, and that is set at the
5 current rate of 18 percent. The EDAP Loan
6 Portfolio as of October 28, 2022 is \$243,857.
7 And there's a slight change to the allowance.
8 That should be \$36,590.

9 The LEDC Funds Guaranteed Loan Portfolio
10 consists of two loans. As of September 30,
11 2022, it is \$1,369,456. And the allowance for
12 that is \$246,502, and that is at 18 percent.

13 Any questions?

14 CHAIRMAN ROY:

15 Any questions or comments?

16 Hearing none, I'll entertain a motion to
17 accept the Accountant's Report.

18 MS. GLOVER:

19 Motion to accept.

20 CHAIRMAN ROY:

21 So moved.

22 Second. Any discussion?

23 MS. HENDRICKS:

24 Thank you.

25 CHAIRMAN ROY:

1 All in favor, aye?

2 (AYES BY ALL)

3 CHAIRMAN ROY:

4 All opposed, nay? Any comments from the
5 public? Thank you.

6 All right. Thank you very much.

7 President's Report, Secretary Pierson?

8 SECRETARY PIERSON:

9 Thank you. Welcome. I want to first
10 recognize that our own Brenda Guess was
11 recognized by the Certified Loan Finance
12 Authority for a Lifetime Achievement Award
13 recently.

14 (APPLAUSE BY ALL)

15 SECRETARY PIERSON:

16 It is a truly impressive award from a
17 national leader in this field. So we're very
18 proud of Brenda in her efforts there. I've
19 already stolen by own thunder about talking
20 about the small business setup week designated
21 for the veterans on Veterans Day. We began,
22 really, pushing on this program about 30 days
23 ago. We pushed out to all our chambers and
24 small business hub connects toolkits to help
25 them push those programs through their own

1 organizations with their own stakeholders,
2 sort of a train-the-trainers kind of approach
3 to that. So that's been something that we're
4 pleased to have done.

5 Of course, SSBCI continues to be a real
6 focus to the Department and for certainly a
7 large segment of the business incentives
8 develop part of the sector of the department,
9 Kelly Raney leading that in large part. And
10 we're in the field now. We did get an SSBCI
11 stakeholder message out. I wanted to make
12 sure that everyone had awareness and
13 understanding of those qualified as Seed and
14 Venture agencies and some of the others that
15 we're working with and we're making progress
16 with and also to show that the door is not
17 closed on that activity. So we'll continue to
18 entertain from qualified organizations their
19 ability to participate in this as we try to
20 build this robust portfolio that extends all
21 across the state.

22 The other piece of this is that laws do
23 not allow us to send out spam, so we have to
24 ask people to go ahead and raise their hand to
25 be on the SSBCI update list if that's a

1 feature that they are interested in. We're
2 happy to do so. We've put a lot of work into
3 making sure we get the current information out
4 and, hopefully, that next update is going to
5 be a discussion about the announcement. So we
6 think we're pretty close to this finally. But
7 also being in touch with the banks, with the
8 Seed organizations, and other, we have to have
9 that authorization and put them up on the
10 website so that when this notice comes down
11 and we go live, it's not just go talk to the
12 bank about, you know, personating with a
13 Credit Union or the CDFI in the program. I'm
14 fearful that that just results in a call that
15 goes to the bank, lands in switchboard; we
16 don't know what you're talking about. The
17 client goes away unsatisfied, you know, comes
18 back to us. We call the bank. They didn't
19 know. If we can get a direct connect with
20 this permission that we're seeking so that the
21 organization on the other side of the desk
22 designates where these conversations can begin
23 because they do want to participate and they
24 do want to find ways to generate those new
25 clients. So we're rapidly working on that

1 exercise with LBA and direct connects with
2 these other organizations.

3 Enjoyed the passionate discussion of
4 economic development. I know Mr. Tepper would
5 have been happy to stay here and continue this
6 conversation for the next four and a half
7 hours, but we do this every day, and I'm
8 certainly appreciative of the efforts that he
9 brings to the table. We will be reflecting a
10 lot of the trend lines that you're interested
11 in in our annual report this year. There's
12 been a large shift, really, into renewables,
13 which for Louisiana, means that's solar wind
14 activities that we're looking at offshore.
15 The 50 million-dollar EDA award that's
16 recently come to us to develop a hydrogen
17 economy, when I say to us, it's to the State
18 of Louisiana through the leadership of GNO,
19 Inc. as the actual award organization. But
20 that \$50 million from the Federal government
21 is backed up by another \$24 million from the
22 State. So we are participants and actively
23 engaged in this activity to do so. Not only
24 the renewables but carbon capture is becoming
25 a significant feature for us.

1 We've seen a lot of growth in the wood
2 basket. We're pleased with that Teal-Jones'
3 announcement in north Bossier Parish. And
4 those very sophisticated computerized sawmills
5 have such a huge multiplier effect into the
6 forest, into the harvesting operations, the
7 hauling operations, all the diesel mechanics,
8 and the cafes, and everyone else that benefits
9 by these new features in Louisiana, Teal-Jones
10 in north Bossier Parish, but LaSalle underway,
11 one being put together in DeQuincy. We're
12 just having a lot of activity around that wood
13 basket right now. And we still grow more wood
14 fiber in Louisiana than we harvest, so don't
15 let it lead to you believe that we're cutting
16 down on all of our forest and we won't have
17 any trees anymore. No, we're growing more
18 than we're actually harvesting at this time.

19 Working a lot with our ports and
20 logistics activities and the new funding from
21 Congress to reinforce infrastructure
22 investment is something that stays on our
23 radar screen as well. But we see a lot of
24 opportunity out there in aviation and arrow
25 space as well.

1 I'll wrap up. I think, do we have to
2 remind about any ethics or other training
3 requirements that are due prior to the end of
4 the year?

5 MS. VILLA:

6 Dawn sent, our HR Director, sent some
7 communication out this week. So just as a
8 reminder, as we'll try to do at each Board
9 meeting until the end of the year to make sure
10 your training gets done for this year.

11 SECRETARY PIERSON:

12 And it may not feel like it on the 10th
13 of November --

14 MS. VILLA:

15 I know.

16 SECRETARY PIERSON:

17 -- but the yearend is about to wrap up.

18 MS. VILLA:

19 I know.

20 SECRETARY PIERSON:

21 The yearend is about to wrap up. So
22 subject to your questions or guidance, those
23 are my comments today, sir.

24 CHAIRMAN ROY:

25 It's not the best thing to do on New

1 Year's Eve, so --

2 MS. VILLA:

3 It's not.

4 CHAIRMAN ROY:

5 -- I advise that you do it in advance of
6 that. I think I did that once. Thank you,
7 Mr. Secretary.

8 And just a followup thought that I had
9 received an email from the LDA yesterday and
10 mentioned to Ms. Kelly, I think, a Zoom call
11 will take place on the 18th maybe, and I just
12 thought that, you know, being in the banking
13 world that that was just fantastic. I mean,
14 it came from Ginger Laurent, who is the head
15 of the LBA, and not to say they don't read LED
16 emails, but when the bankers get it from
17 the -- the Association is very close knit and
18 when it's received from Ginger, people
19 normally look at it. But, you know, it slid
20 right into this wonderful message about what's
21 going on at LED. So I'm hoping it's going to
22 be very well received and perhaps some of the
23 best marketing that we have engaged in to
24 date. So, and probably, not super costly
25 either, so I think it should be really great.

1 So we need to cross our fingers on that. But
2 I think y'all have done a great job in all of
3 that, so thank you.

4 Anyone else? Any other comments?

5 MR. JACKSON:

6 Just one thing. We've been working with
7 Hubig's Pies for a long time. This past week,
8 I actually had a friend that had something on
9 social media advertising that they were
10 looking for bakers to get started. And
11 Mr. Simpson and I were talking before the
12 meeting, and apparently, they've already moved
13 into production and sold like 10,000 pies in
14 an hour or something like that.

15 CHAIRMAN ROY:

16 So do we have a special presentation?

17 MS. GUESS:

18 Well, we were going to have a special
19 presentation today.

20 SECRETARY PIERSON:

21 We were going to.

22 MS. GUESS:

23 No. We were informed Charlie Romaine,
24 who is the project manager that's been working
25 with Hubig's Pies and in the office earlier

1 this week, we were able to taste the pies.
2 And we were supposed to have a surprise
3 appearance this morning from Hubig's to
4 demonstrate their appreciation for us sticking
5 with them throughout the years, and there was
6 a problem with the wrapping machine. Now, had
7 they called and asked us, we would have just
8 told them to put them on a tray.

9 MS. VILLA:

10 We don't need any wrapping.

11 MS. GUESS:

12 We don't need any wrapping. But they --
13 we were very, very glad to hear that the
14 announcement was made and they were ready. So
15 I wouldn't be surprised if --

16 MR. JACKSON:

17 It was a real victory, so I just wanted
18 to mention that because I had seen that.

19 CHAIRMAN ROY:

20 Absolutely. And there was an article on
21 the front page of the Advocate in New Orleans
22 about all that and they limit you at Rouse's
23 and the other locations to four pies, as we
24 understand. So I didn't know -- so I was
25 hoping -- I actually told my wife, you told me

1 about it in advance, and I don't normally tell
2 her about such things, but we might be getting
3 something with Hubig's Pies; don't you eat
4 that pie.

5 MS. GUESS:

6 Well, you have to let her know that there
7 were no pies at the meeting so she won't
8 accuse you of that.

9 CHAIRMAN ROY:

10 Well, good, yeah.

11 MS. GUESS:

12 I just have a couple of things. One of
13 the things I wanted to remind the Board
14 members is that the very next Board meeting is
15 30 days from today. It's really early. It's
16 December the 9th, so we'll be sending out
17 communication for that early meeting. The
18 only other thing is that there will be a
19 presentation from an organization called
20 Techstars. They are an accelerator. They
21 will be coming to talk to us. Techstars has
22 joined forces with JP Morgan Chase. And New
23 Orleans has been selected as one of the sites
24 for this new entrepreneur organization or
25 conglomeration that's going to happen in the

1 New Orleans area. They are looking at
2 startups.

3 There was an article this morning that I
4 won't hold you to tell you about that, but it
5 is Techstars and JP Morgan partners to invest
6 in diverse entrepreneurs. And I know that's
7 where we want to be in that same space as
8 well. We were not able to do accelerators
9 with our SSBCI dollars, so this is not going
10 to be in conjunction with SSBCI monies, but
11 it's just for another, a designation of some
12 LEDC dollars.

13 So, Anne, did I leave anything out? And
14 Mr. Joe Sanchez will be here.

15 MS. VILLA:

16 Right.

17 MS. GUESS:

18 Hopefully, he'll be here at our December
19 meeting.

20 MS. VILLA:

21 So just to kind of dovetail on what
22 Brenda said, it was back in 2021 that it was
23 announced that JP Morgan was going to partner
24 with Techstars to make an \$80 million
25 investment. There were nine cities that were

1 chosen throughout the country. They
2 considered these nine cities to be major
3 economic centers. New Orleans was one of
4 them. The other cities are Atlanta, Chicago,
5 Detroit, Miami, District of Columbia, Los
6 Angeles, New York, and Oakland, California.

7 So Techstars has a track history of
8 working with diverse entrepreneurs and
9 providing resources for their success. That's
10 one thing that has been recognized by JP
11 Morgan, and so they wanted to partner with a
12 firm that had a track record. And we were
13 introduced to them, and they were working with
14 our business development, one of our business
15 development lead persons that was working in
16 the entrepreneur space, you know, they got in
17 contact when we heard about the announcement
18 because we had actually considered, before we
19 knew at the time that the SSBCI money was not
20 going to be allowed, we were looking to locate
21 an accelerator here. And then when we found
22 out that JP Morgan was going to be the private
23 capital that was going to be needed and they
24 announced New Orleans, we thought that's a
25 great opportunity to kind of have a public

1 private partnership with someone that's going
2 to invest twice as much as they're looking to
3 invest, you know, needing to invest.

4 So we thought it would be a great
5 opportunity to have Joe come and present to
6 the Board. He's been discussing with LED and
7 with the Secretary. And we feel that it would
8 be a great investment. And so we look forward
9 to him attending next month for the December
10 meeting.

11 CHAIRMAN ROY:

12 Very good. Any other business?

13 Hearing none, I'll entertain a motion to
14 adjourn.

15 MS. GLOVER:

16 Motion to adjourn.

17 CHAIRMAN ROY:

18 Second. All in favor, aye?

19 (AYES BY ALL)

20 CHAIRMAN ROY:

21 All opposed, nay? We're adjourned.

22 (WHEREUPON, THE MEETING ADJOURNED)

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25

1 R E P O R T E R ' S C E R T I F I C A T E

2 I, KELLY S. PERRIN, a Certified Court
3 Reporter, Certificate #23035, in good standing with
4 the State of Louisiana, as the officer before whom
5 this meeting was taken, do hereby certify that the
6 foregoing 92 pages;

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9 Transcription, transcribed by me or under my
10 personal direction and supervision, and is a true
11 and correct transcript to the best of my ability
12 and understanding;

13 That the transcript has been prepared in
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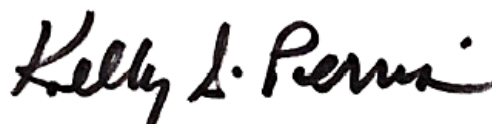
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7 KELLY S. PERRIN,CCR
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