

Irby/Finance Committee Meeting

Monday, March 13, 2017

The Irby/Finance Committee met on March 13, 2017 at 11:15 AM at the Old U.S. Mint.

Members present: Madlyn Bagneris; Julie F. Breitmeyer; Rosemary Upshaw Ewing; D. Lee Felterman; Janet V. Haedicke, Ph.D.; Harry S. Hardin, III; Kevin Kelly; Aleta Leckelt; Lawrence N. Powell, Ph.D.; Melissa Steiner; Gary N. Wheat; and William Wilton

Members absent: Carolyn K. Morris and Anne F. Redd

LSM Staff present: Timothy J. Chester; Yvette Cuccia, Yvonne Mack, Maryann Miller, and Celestine Washington

A quorum was present.

Call to Order

Ms. Breitmeyer called the meeting to order.

Motion to Adopt the Agenda

Mr. Hardin MOVED, seconded by Ms. Bagneris, to accept the agenda. **Unanimously approved.**

Approval of Minutes

Ms. Steiner MOVED, seconded by Mr. Hardin, to approve the January 9, 2017 minutes.

Unanimously approved.

Approval of prospective tenants

Ms. Washington distributed the credit reports for the two prospective tenants in advance of the meeting. They were both in good order. In addition, the Executive Committee approved the two tenants at their February 23rd meeting.

811 Decatur Street, 3rd floor

Bonnie Bayer is the prospective tenant.

519 St. Ann Street, 3rd floor

James Crane is the prospective tenant.

Mr. Hardin MOVED, seconded by Ms. Steiner, to approve Ms. Bayer and Mr. Crane as residential tenants for 811 Decatur Street, 3rd floor and 519 St. Ann Street, 3rd floor, respectively.

Unanimously approved.

Approval of future vacant residential apartments

Ms. Washington requested that the Committee decide what residential rental rate(s) for the Lower Pontalba will be for future vacant residential apartments. The Geoffrey Lutz rent study recommendations can sometimes be a little lower than the current rents.

After some discussion, Mr. Kelly MOVED, that the LSM charge \$2.38 per square foot of living space for 3rd floor vacant apartments, and \$2.60 per square foot of living space for vacant 2nd floor apartments. There will be no CAM charged, but the balcony charges will also apply. They are \$400 for 2nd floor balconies and \$800 for the 2nd floor corner balconies, and \$250 for 3rd floor balconies and \$400 for the 3rd floor corner balconies. The Committee would like to see if the market can bear these rates. Seconded by Mr. Hardin, the motion was **unanimously approved**.

Old business

The latest status on the Robby Cangelosi and Michael Toups as the VCC representatives for the LSM board were discussed. Dr. Powell said he would follow up on the issue.

New business

The Committee discussed the status of the current residential rental rates for the Lower Pontalba and when they should look at having another rent study done. Ms. Washington reminded the Committee that as of July 1, 2017, the rental rates will be going up due to accuracy of square footage. The last rent study was done in 2015.

The Committee asked Ms. Washington to create a spreadsheet showing a 5% increase and a 10% increase scenario for analysis.

The Committee will also analyze the current CAM charges and consider what should be included moving forward.

Mr. Hardin MOVED that LSM board recommend to the Lieutenant Governor that a 10% across the board increase in current residential rates effective July 1, 2017 not to exceed \$2.60/sf on the 2nd floor and \$2.38/sf on the 3rd floor. Seconded by Mr. Kelly, the motion was **unanimously approved**.

Meeting adjourned