



JEDCO Special Executive Committee
April 11, 2024 @ 9:00 A.M.
JEDCO Administration Building
700 Churchill Parkway, Avondale, LA 70094

MINUTES

Call to Order: 9:00 a.m.

Attendance: Chairwoman Mayra Pineda, Mickal Adler, Jimmy Baum, Josline Frank, Brian Heiden, Jim Martin, Stephen Robinson, Gene Sausse

Absences: Billy Douglas, Joe Ewell, Mike Fahrenholt

Staff: Jerry Bologna, Lauren Cashio, Penny Weeks

Attorney: None

Guest: Philip Sherman – Adams & Reese
Grady Fitzpatrick – Maxis Advisors
David Greenwood – RNDG

I. Call to Order – Chairwoman, Mayra Pineda

- **Approval of absences for today, April 11, 2024** – Mickal Adler motioned, seconded by Jimmy Baum, to excuse the above-named absences. The motion passed unanimously.

II. Public Comments on Agenda Items

There were no public comments.

III. Unfinished and New Business

- **A resolution giving preliminary approval to a proposal by RNDG LLC and its affiliates, for the Jefferson Parish Economic Development and Port District to enter into a payment-in-lieu-of-tax arrangement as an incentive for the acquisition and construction of its corporate headquarters, the expansion of its existing manufacturing facility, the construction and equipping of a manufacturing and steel fabrication facility, and the construction of a skills trade training academy; providing for the employment of special counsel; and providing for other matters in connection with the foregoing – Jerry Bologna**

JEDCO has received an application for a Lease Agreement with a payment-in-lieu-of tax (PILOT) arrangement from RNDG LLC (“RNDG”) and its affiliates, a commercial and industrial construction and industrialized construction services company currently headquartered in New Orleans but with manufacturing and fabrication operations in Labarre Business Park in Metairie. The company also has operations in Huntsville, Alabama and Nashville, Tennessee. RNDG plans to create a headquarters campus in Jefferson Parish, by relocating and constructing their corporate offices, constructing and equipping a new manufacturing and fabrication facility, expanding its existing manufacturing facility, and creating a skills trade training hub that will support all of their business units across the Southeast at a total estimated capital investment of \$26,000,000.

The project will consist of (1) a new 80,000 square-foot manufacturing and steel fabrication facility, plus expansion of an existing manufacturing facility, (2) a new 20,000 square-foot skilled trades training academy, and (3) the new 35,000 square-foot corporate office for RNDG LLC's regional business organization. The expansion will include the acquisition of \$2,000,000 in machinery, equipment and office furnishings. The company currently has 240 full-time employees with a current annual payroll of \$22,230,000. With the planned expansion, RNDG will retain its 240 jobs and projects the creation of roughly 50 full-time jobs per year over the next five years for a total addition of between 250-260 jobs at an estimated average annual wage of \$60,000 per person for a combined total of over \$37,830,000 in annual payroll.

Due to the sizeable investment RNDG LLC plans to make at their Jefferson Parish location, the company has requested the PILOT with a decrease in annual property tax from their post-development assessment as they recoup their investment over time. Per RNDG, the tax abatement will help the company establish itself as a major employer in Jefferson Parish. Due to a large gap in skilled labor, RNDG is developing a training academy that will need to be staffed with trainers to grow the workforce. RNDG also has additional costs associated with the project due to hurricane protection, including new impact windows and wind-resistant roof (approx. total \$494,000), and site improvements, including new and expanded utilities and infrastructure improvements such as parking, sidewalks and fencing (approx. total \$1,200,000), that might not be applicable if they were to do the project in another location.

RNDG LLC has requested JEDCO to enter into a cooperative endeavor that includes a favorable payment-in-lieu-of-tax (“PILOT”) arrangement that will provide annual savings to the company over a period of years to be determined by JEDCO and the company. The amount of the PILOT incentive (or tax abatement percentage), length of term, job and payroll targets, clawback penalties, and other terms of the Lease Agreement will be negotiated by JEDCO and the company.

The preliminary resolution for the Board’s consideration authorizes JEDCO to begin development of the PILOT Lease structure with RNDG related to the

proposed project at the Metairie location. Once negotiated, the major deal terms will first be presented to the PILOT Advisory Committee of the Board of the Commissioners for the committee's recommendation. The committee's recommendation along with the final Lease Agreement will then be presented to the Board of Commissioners or the Executive Committee for final consideration later this year. In addition, the Jefferson Parish Council will consider the final Lease Agreement with PILOT arrangement at a regularly scheduled Council meeting.

In the interest of bringing RNDG's planned investment, jobs and relocation of corporate headquarters to Jefferson Parish, we are requesting that the JEDCO Executive Committee approve the attached resolution, which when approved does the following:

1. Gives preliminary approval for the negotiation and development of a Lease Agreement and Agreement to Issue Bonds with a favorable PILOT arrangement with respect to the proposed investment by RNDG of approximately \$26,000,000 in the acquisition and construction of a new corporate headquarters facility, the construction and equipping of a new manufacturing and steel fabrication facility, the expansion of the existing manufacturing facility, and the development of a workforce training academy;
2. Employs Special Counsel with Adams and Reese LLP to draft the agreement and related documents, and perform the legal work associated with the agreements; and
3. Approves the engagement letter with special counsel Adams and Reese, which commits the company to pay JEDCO's special counsel fees associated with these agreements, among other things.

Following discussion, Mickal Adler motioned, seconded by Jim Martin, to approve the resolution. The motion passed unanimously.

- IV. Adjournment** – Josline Frank motioned, seconded by Jim Martin to adjourn the meeting.



Stephen Robinson
JEDCO Secretary

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