



CITY OF ALEXANDRIA, LOUISIANA
MAYOR JACQUES M. ROY

FOR IMMEDIATE STAFF USE AND PUBLIC DISTRIBUTION

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Office of the Alexandria Mayor
Alexandria, Louisiana

R.I.V.E.R. ACT GUIDING PRINCIPLES

City of Alexandria Guiding Principles and General Philosophy for Vetting Downtown and Riverfront Development Policies under the Riverfront Improvement Venture and Essential Recreation Act and Related Projects (SPARC, CCI, DHI)

Alexandria, Louisiana—The City of Alexandria is delighted to continue supporting its **DOWNTOWN ALEXANDRIA NOW!** initiative with recent announcements by the Louisiana Community and Technical Colleges System, Downtown Holiday Inn and Convention Center, and other related refurbishment to such historically significant assets as the Hotel Bentley. According to Resolution No. _____2015 and any companion ordinances, the following activities are authorized and prioritized for study and eventual implementation:

Guiding Principles

The vetting policy for R.I.V.E.R. Act projects shall adhere to the following priorities and guiding principles:

- 1) Education- and workforce training-related projects shall be accorded the highest priority.
 - a. Qualified transit programming and projects shall be included to the extent they are workforce transportation or education centered.
 - b. Mixed-use retail space with other long-term tenancies and economic development partners may qualify.
 - c. Joint undertakings benefitting LSUA and the CLTCC shall be accorded high priority when compared to (a)-(b) unless (a)-(b) provide significant benefits to those institutions and meet the overall goal of Item 1.

- 2) Projects related to medical or any other cluster industry, lead industry, emerging cluster or lead industry, or bona fide ancillary to any of the preceding, as detailed in the *Beyond High School* Study facilitated by the Rapides Foundation, shall be given second priority.



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- 3) City projects shall be accorded the third priority, subject to the limitation provided in Item 6.
- 4) Recreation projects shall be given the fourth priority; provided, however, that recreation projects shall be subject to the limitation provided in Item 6. Notwithstanding this limitation or any other to the contrary, recreation, arts and cultural projects of such significance as to attain bona fide “destination project” status may be accorded the status of Items 1, 2, or 3.
- 5) Parking projects shall be a priority that may exist within any of the preceding Items 1-4; provided, however, parking infrastructure shall not exist solely as a public undertaking if it serves significant private interests.

Guiding Limitations and Public Support Assumptions

These additional budgetary limitations shall govern projects and public funding:

- 6) Alexandria is limiting its initial projected public expenditure (i.e., budget) to a range not to exceed \$5,000,000 over a ten-year period, subject to the following limitations:
 - a. Budgeting will be recommended and programmed by the Administration, in the nature of public infrastructure contribution (i.e., these funds are designated as permanent, publicly owned infrastructure in support of private endeavors and do not contemplate funding for private uses, in the absence of commensurate returns and public purposes through valid cooperative endeavors).
 - b. The City and its partners exclusively will support first-class design strategies and marketing of projects.
 - c. The City expects this level of public investment should result in four (4) to five (5) times its contribution amount from private or other stakeholder investment—by the end of the development lifecycle. Proper techniques to guarantee private-sector contributions will be included in all agreements, cooperative endeavors, legislation and acts.
 - i. There shall be a limitation on the Item 6 range of public funds providing that only 35% (or, \$1,750,000) of the total public expenditures may result in 100% city-owned new recreation infrastructure and any such infrastructure shall be for universal enjoyment recreation, subject only to use limitations within City policy.
 - ii. All other projects (e.g., mixed use) shall provide for no less than a 3:1 (with preferred 4:1) financing model of private to public funding, certified before planning and engineering is formalized but following initial fatal flaw and cost estimating, as authorized by Item 10.

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- iii. The Administration shall limit its recommendations to no more than \$5,000,000 in use of public funds, to be presented to Council with a required minimum value of \$13,250,000 match from *new* private equity sources, other grants or non-city funding, and/or verifiable debt structures, backed by usable claw back or public funding in the form of last-in-first-out (“LIFO”). This is to be scheduled over ten (10) years, with no debt issuances or pledges of a public nature whatsoever outside of the budgeted capital structure or capital structures value limitation contained in Item 6.

- d. It is the City’s goal to minimize the level of public financial participation in the projects and to attain the most distinctive, highest-quality and marketable project possible. Partner sources of debt and equity will be made available for full review and preference will be given to those developers who minimize the use of public financing, emphasize private sector financing and/or participation and provide the greatest economic opportunity for the City.

- e. The City will give weighted consideration to a Development Team or Consortium, who/which:
 - i. Seeks to limit financial participation by and risk to the City.
 - ii. Leverages economic gains of the projects for the general benefit of the S.P.A.R.C. CRA-1 and/or City.
 - iii. Specifically, creates leveraged development along the riverfront and within the area of the Downtown Community College area.

Additional Policy Considerations

These additional policy considerations and actions forward shall be used:

- 7) It is the policy of the City to involve Minority and Women-owned Business Enterprises (M/WBE) to the greatest extent feasible. In the Proposal Statement, the Developer must provide their proposed method for M/WBE participation in compliance with the Alexandria Fairness, Equality, Accessibility and Teamwork program. The City has a program to aid small, emerging, minority- and women-owned businesses, ensuring such interests are given an equal opportunity to conduct business with the City of Alexandria. It promotes: (i) The competitive viability of small business, minority, and women business enterprise by providing contract, technical, educational, and management assistance; (ii) business ownership by small business persons, minority persons, and women; and (iii) the procurement by the City of professional services, articles, equipment, supplies, and materials from business concerns owned by small business persons, minority persons, and women.

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- a. Proof of project bona fide compliance efforts with these programs is prerequisite.
 - b. Diverse community outreach and vetting are prerequisites.
- 8) The Administration shall provide verified market study, demonstrating clear and reasonably anticipated commercial or quality of life local or realizable demand for any project.
- 9) The Administration shall provide a comprehensive report to the Council before December 31, 2015. The report shall include within Item 6 constraints:
- a. An assessment of one (1) to two (2) best anticipated “destination” projects,
 - b. One (1) to two (2) best anticipated “mixed-use” recommendations, and
 - c. Any number of other projects.
- 10) A companion ordinance shall authorize \$100,000 for qualified owners' reps/engineers (local)(recommended budget: \$40,000); qualified diversity and community outreach assistance (recommended budget: \$25,000); market study (recommended budget: \$20,000); and resources for planning and vetting projects (real estate assessments, architects, appraisals, etc.)(recommended budget: \$15,000); plus the Administration shall be authorized to use the remaining funds, if any, from Community College Initiative, but shall be further limited to use those funds only as related to that object or objects within that Ordinance and/or for further vetting of R.I.V.E.R. Act-related study of Community College Initiative and partnering with Louisiana State University. In all cases authorized by these legislative acts, the Administration shall seek partnering with educational institutions and local economic development entities to minimize these authorizations, and provide proof of such efforts to the Council.

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