

Irby/Finance Committee Meeting

Monday, April 10, 2017

The Irby/Finance Committee met on April 10, 2017 at 10:00 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.; Anne F. Redd; Melissa Steiner; Gary N. Wheat; and William Wilton

Members absent: Carolyn K. Morris

LSM Staff present: Timothy J. Chester; Yvette Cuccia, Faith Troxler, 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. Felterman MOVED, seconded by Mr. Kelly, to accept the agenda. **Unanimously approved.**

Approval of Minutes

Ms. Ewing MOVED, seconded by Mr. Wilton, to approve the March 13, 2017 minutes.

Unanimously approved.

Informational overview of Irby statutes and policies

Mrs. Breitmeyer sent the Committee in advance of the meeting, a summary of the Irby rules and regulations, which govern their behavior. She stated that some of the new Committee members may not be totally familiar with all of the Irby/Finance Committee's rules, regulations and procedures.

Ms. Breitmeyer reviewed RS 25:349 regarding commercial leases of the Lower Pontalba and RS 25:350 regarding residential leases of the Lower Pontalba (attached).

Ms. Breitmeyer then reviewed Article 6, Section 6 of the LSM bylaws (attached).

In addition, a motion made at the October 2, 1996 LSM Board meeting on removing a Lower Pontalba apartment for use by the State Museum was read, as follows:

“Mr. Moses MOVED, seconded by Dr. Billings, approval to remove one Lower Pontalba Building apartment from commerce for the exclusive use of the State Museum to house Museum program speakers and other dignitaries as approved by the Director. **Unanimously approved.**”

In addition, a follow up motion from the February 5, 1997 LSM Board meeting was read, as follows:

“Dr. Lupin asked that the Executive Committee be polled regarding the disposition of the apartment at 806 Chartres Street, 2nd floor for use by the Museum to house Museum program speakers and other dignitaries as approved by the Director. A telephone poll resulted in 7 yeas and 1 unable to contact in favor of the proposed action.”

Lastly, Ms. Breitmeyer read excerpts from the Irby Policy and Procedures Administrative rules regarding authorization of the museum apartment, documentation of the users of the apartment, and coordination of keys, all being the responsibility of the Director of the museum.

Residential rental rates

The scenarios for a 5% and 10% residential rent increase were distributed in advance to the Committee.

Ms. Ewing MOVED for an across-the-board 10% residential rent increase, not to exceed \$2.60/sf on the 2nd floor and \$2.38/sf on the 3rd floor. In addition, CAM and balcony charges are to be added over and above the base rent. Ms. Bagneris seconded the motion. Discussion of the issue ensued.

Ms. Breitmeyer advised they are trying to get all of the apartments up to similar good conditions. When an apartment is vacated, the Architectural Preservation Committee (APC) must inspect the apartments to make sure renovations are done according to historic accuracy. The APC will review what renovations are to be done. The APC then makes a recommendation to the Irby/Finance Committee for approval.

Dr. Powell was asked by Mr. Buras via text to convey to Committee that he request the Committee postpone raising residential rents by 10% until the Lt. Governor is able to review renovation needs for the apartments. Discussion of the history of prior rent increases ensued. At the February 22, 2016 Irby/Finance Committee meeting, the Committee voted to adopt the Geoffrey Lutz rent study. At the February 22, 2016 LSM Board meeting, the Lt. Governor asked the board to withdraw the motion and allow him more time to review the rent situation. The Board complied with the request. The Lt. Governor then suggested the Committee consider a compromise of a 25% across the board increase, effective September 1, 2016, which passed.

Clarification of authority of the Irby Committee to set rates was requested. Attorney David Dalia briefly reviewed pertinent statutes, the procedures manual, and the LSM bylaws.

Mr. Hardin called for the question and to get the full motion for board recommendation.

The MOTION reads for a 10% across the board increase in current residential rates effective July 1, 2017 not to exceed \$2.38/sf on 3rd and \$2.60/sf on the 2nd floor, in addition to a CAM fee and balcony charges. The Committee **approved the motion with one dissenting vote by Ms. Leckelt.**

Pet policy - residential

The current PPM reads that “pets of any type in the Leased Premises are expressly prohibited.” One of the new residential tenants asked that the Committee review the current pet policy. Ms. Bagneris MOVED, seconded by Ms. Leckelt, not to change the existing pet policy. **Unanimously approved.**

Renewal of David Dalia’s retainer contract as Board counsel

David Dalia's current contract has expired and Dr. Powell suggested the renewal. Mr. Dalia has been legal counsel for Irby since the early 1990s and has also helped the LSM resolve long term loans. His attendance at meetings helps ensure that matters are handled legally. Dr. Powell MOVED to put Mr. Dalia on retainer as Board counsel at a rate of \$125/hour, capped at \$30,000 annually. Seconded by Ms. Ewing, the motion was **unanimously approved.**

Public comment

The following tenants spoke to voice their opposition to the proposed residential rent increase:

Ms. Marianne Lewis, Manager of Violet’s and Jackie’s.

Cheryl Canavier, tenant at 810 Chartres, 3rd floor.

Louis Sahuc, tenant at 515 St. Ann, 2nd floor.

Ira Middleberg at 541 St. Ann.

Ms. Ewing MOVED, seconded by Ms. Bagneris, to adjourn. **Unanimously approved.**