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APPROVED

slk 4-11-18
LCTCS BOARD OF SUPERVISORS

TO: Dr. Monty Sullivan
LCTCS President

THROUGH: Joseph Marin *JM*
Chief Operations Officer

FROM: Anthony Brown
Director of Operations, Risk and Emergency Management

DATE: March 29, 2018

SUBJECT: Escrow Agreement amendment between Jefferson Parish Economic Development and Port District (JEDCO), LCTCS Facilities Corporation and LCTCS Board of Supervisors

FOR BOARD ACTION

Recommendation: Staff recommends that the Board authorize the President to execute an amendment, to extend by one year, an escrow agreement with the LCTCS Facilities Corporation and Jefferson Parish Economic Development and Port District (JEDCO) for the purpose of seeking funding for the construction of a road at the River City/Avondale Campus.


Background: The Delgado Community College River City/Avondale Campus is currently under construction, using Act 360 Funds, on property purchased by the LCTCS Facilities Corporation from the Jefferson Parish Economic Development and Port Commission (JEDCO). JEDCO desires to construct a road on property adjacent to the new campus. The LCTCS Facilities Corporation purchased the property at less than appraised value with a stipulation that an escrow account be established in the amount of \$510,714 for possible use to construct a road for JEDCO. JEDCO, through the Parish, is seeking funding through House Bill 2 to construct the road. This escrow account would be used only if JEDCO was unsuccessful in obtaining funding for the road construction through House Bill 2.

This amendment to extend the agreement is necessary because the original escrow agreement expires on April 1, 2018 and, to date, funding has not been realized by JEDCO. JEDCO took formal action on this extension agreement on March 22, 2018, with formal action taken by the LCTCS Facilities Corporation at its' March 29, 2018 meeting. All that remains is formal action by the LCTCS Board of Supervisors. JEDCO, if successful in obtaining funding through House Bill 2, will return the full amount of the escrow account, with interest, to the LCTCS Facilities Corporation. The principal amount held in the escrow account will be delivered to JEDCO and any accrued interest will be paid to the LCTCS Facilities Corporation if JEDCO is unsuccessful in obtaining House Bill 2 funding for the road.

Fiscal Impact: N/A

History of Prior Actions: The Board of Supervisors approved the original agreement to establish the escrow account during the September 2015 meeting.

Benefits to the System: This amendment will provide a one-year extension while JEDCO continues to seek funding for the construction of a road project, which, if successful, will make available \$510K in additional funding for campus construction costs at the River City/Avondale Campus project.



Approved for Recommendation to the Board
Dr. Monty Sullivan, President

4/11/18

Date