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Questions remain for divvying up city projects

City Council ruling backs law to secure contracts for local, minority-owned firms

EDITOR'S NOTE: This story is part of an occasional series examining racial issues that affect business and communities in New Orleans.

By Stephen Maloney

Staff Writer

stephen.maloney@nopg.com

BLACK BUSINESS leaders welcome a move by the City Council to secure a place at the table for minority-owned businesses. But with no way to enforce the new law, its overall effectiveness remains in doubt.

Council President Arnie Fielkow said an ordinance the council unanimously passed June 18 effectively puts into law an executive order Mayor C. Ray Nagin issued in 2006 setting local participation goals for city-funded projects.

Under the new law, local businesses are to control at least 50 percent of every project receiving city funding and businesses qualifying for Disadvantaged Business Enterprise status are to receive at least 35 percent.

New Orleans Regional Black Chamber of Commerce Chairman Daniel Davillier said he welcomes the new law but questions how it will be enforced.

"One of the problems that we have experienced in the past is that contracts that were let out, even though they were intended to be under the scope of the executive order and

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PHOTO ILLUSTRATION BY LISA FINNAN

BROADWAY BOUND

A CONTROVERSIAL MUSICAL IS THE FIRST TO USE LOUISIANA'S LIVE PERFORMANCE TAX CREDITS. IS NEW ORLEANS READY TO EMBRACE A NEW INDUSTRY?

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Developers skeptical of changes to zoning rules

Comprehensive ordinance key to effective use of land in master plan, consultant says

By Stephen Maloney

Staff Writer

stephen.maloney@nopg.com

CITY PLANNERS ARE working on a comprehensive zoning ordinance in concurrence with the master plan that will lay down the law on zoning and land-use issues throughout Orleans Parish, but developers are already pointing to cracks in the plan's foundation.

Dave Dixon, a planner with Boston-based Goody Clancy, an architectural firm helping design the city's master plan, said decades of amendments and variances have weakened the existing comprehensive zoning ordinance.

"New Orleans has a piecemeal zoning ordinance, much of which is very old and none of which is really geared to plan for any of the neighborhoods in the city,"

Dixon said. "This master plan process has involved literally sitting down and going property to property to develop a land-use plan, which will be the basis for zoning."

Dixon said the comprehensive zoning ordinance is an offshoot of the master planning process, with both efforts connected by an attempt to effectively govern land use in every area of the city.

More than 5,000 residents have provided input for the master plan so far, Dixon said, and he expects even more to weigh in on the zoning ordinance in the next few months.

But HRI Properties CEO Pres Kabacoff said widespread community involvement could ultimately undermine the planning process.



Dave Dixon
Planning consultant

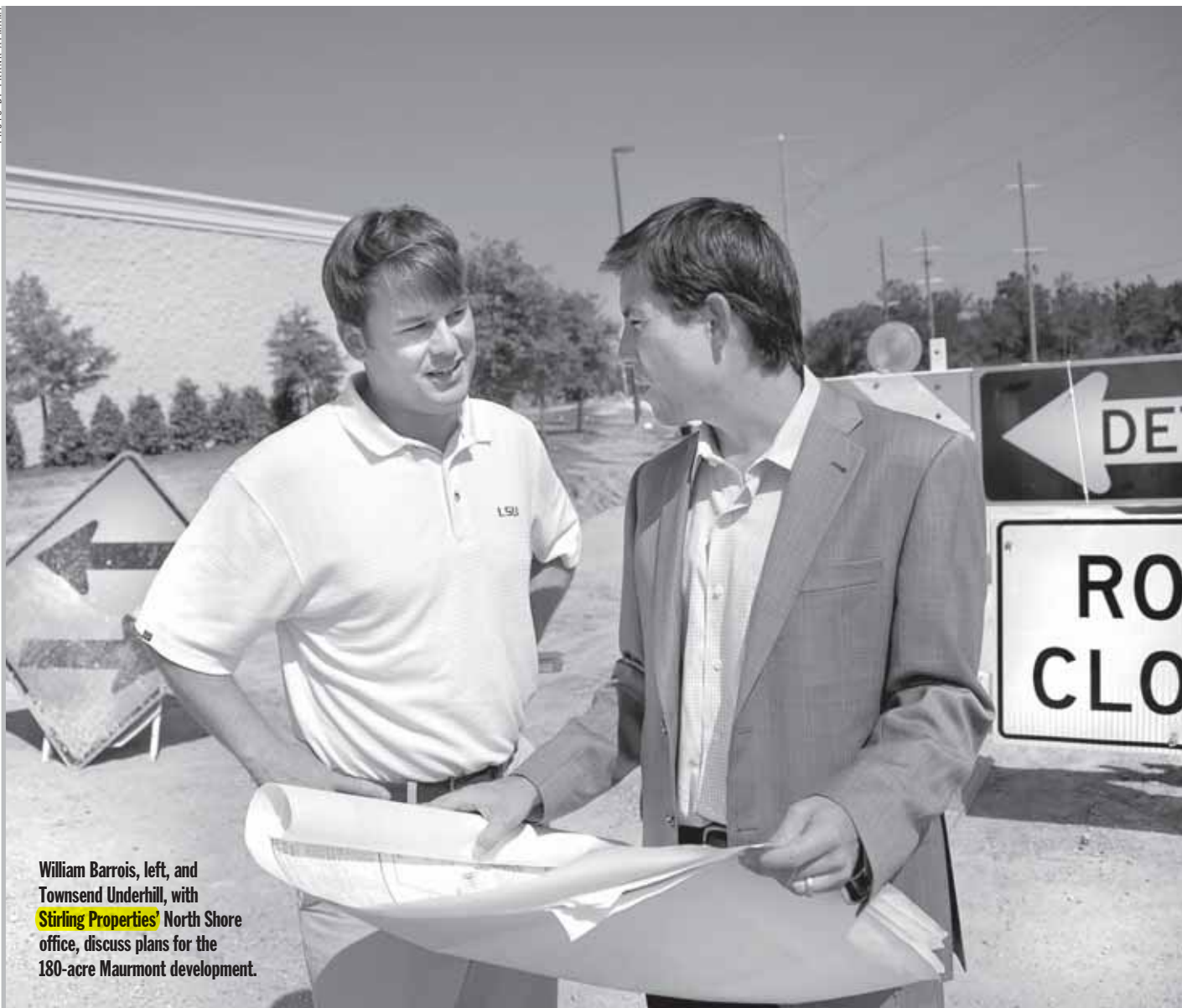
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St. Tammany

BUSINESS REPORT

PHOTO BY FRANK AYMANI



William Barrois, left, and Townsend Underhill, with **Stirling Properties** North Shore office, discuss plans for the 180-acre Maurmont development.

Combined campus caught up in financing

St. Tammany school system has money for its part, but infrastructure in state hands

By Thomas Leggett
Contributing Writer
mail@nopg.com

THE RECESSION IS holding up money needed to build a combined college and public school campus near Lacombe, but St. Tammany school officials still plan to offer new advanced learning programs this fall.

University Square will serve as a satellite campus site for Delgado Community College, Southeastern Louisiana University and University of New Orleans with a new St. Tammany Parish public school operating across the street.

Two years ago, the St. Tammany Parish School Board partnered with the colleges to build a 26-acre learning center off Louisiana Highway 434 just north of Lacombe. But the parish is still working to secure a final agreement with the state to pay for construction, which has left the project in limbo.

"I was disappointed we could not reach a final plan this year but understand the fiscal constraints the state is facing," Parish President Kevin Davis said. "The governor has assured me, many times, of his support for the project."

Once an agreement is reached, the parish plans to sell roughly \$30 million in bonds to build the higher-education portion, Davis said. The proceeds from the lease agreement will fund the bond payments. When the bonds are retired, the state will assume ownership of the buildings.

"I had hoped for construction in 2009, but it is more likely to be 2010," Davis said.

In the meantime, St. Tammany Parish's School Board has secured money for its share of the project and is waiting on vital infrastructure, such as roads and utilities, before building.

"We have our part of the money through a 2008 bond issue, have selected an architect and will be ready to hit the ground running once the infrastructure is in," Superintendent Gayle Sloan said. "We don't have to wait for

Corridor Cooldown

Recession sidelines large developments along Interstate 12

By Ariella Cohen
Contributing Writer
mail@nopg.com

WITH THE RECESSION in full swing and businesses retrenching, a long-anticipated spike in development along Interstate 12 has fallen flat.

Though no major projects have been cancelled, big mixed-use developments such as the 1169-acre Nord du Lac shopping center, the 400-acre Summit Fremaux, Slidell's 2.4-acre Century Park and a 180-acre development behind the Target Shopping Center will rise more slowly than expected when the projects were announced at the height of the parish's post-Hurricane Katrina boom.

Developers say they aren't abandoning ambitious visions, but rather building them out in phases.

"(Development) will keep moving along, it will just move along smaller pieces at a time," said **Townsend Underhill, Stirling Properties** North Shore development director.

Underhill's company owns the 180-acre Maurmont site that sits behind the Target mall. While he recently negotiated a hotel lease for a 1.7-acre parcel behind the existing Hollywood Theater, **Underhill** has given up marketing the site's residential and retail parcels until the economy improves.

"We want to let the market come back to us a little

See **CORRIDOR**, page 8

See **CAMPUS**, page 7

Work on I-12 exit a factor

CORRIDOR

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bit," Underhill said.

The lagging pace of the corridor's major projects means a harder time for others trying to build in the region.

Stirling Properties Realtor Jennifer Gabryszak is responsible for pre-leasing at Century Park, a proposed office and retail complex slated to rise adjacent to the University of New Orleans Technology Park and Summit Fremaux. With the lag, she is having trouble leasing the project's 62,000 square feet.

"It's hard to get a project off the ground when other projects are not taking the reins and getting started," Gabryszak said.

Another factor in the slowdown is the pace of construction on a new exit that will connect Louisiana Highway 21 to the interstate and make it easier for passing motorists to stop and shop.

The Pinnacle Parkway-East Brewster Road exit, part of a traffic mitigation plan for Nord du Lac, won't be open until the fall. Many of the developers with projects along the corridor opted to locate there because of the proximity to the exit.

"But until that exit is open," Underhill said, "the

promise of the corridor is not reality."

On the northern side of I-12 between Highway 21 and the Tchefuncte River where Colonial Pinnacle Trust is building Nord du Lac, the same market calculus is at work. In an interview earlier this year, spokesman Jim Spahn said the project will be built in phases, but its scale will not change because St. Tammany Parish remains one of the country's few growth markets.

But while residential and retail projects have suffered the economic downturn's most profound impacts, no sector is immune to woes. Outside Lacombe, the 25-acre site of the proposed University Square project is on hold until the economy improves and more funding is available to build the academic campuses at the heart of the plan.

In Covington, Wink Engineers' new headquarters stands as a lonely outpost of the high-tech industries local officials are relying on as the area's future job generator. When ground was broken in August, the construction was touted as a step toward turning the area into Louisiana's Silicon Valley.

That goal feels a long way off these days.

"It's some of the worst times to be talking about these things because of the

Corridor close-up

The following developments are planned along the Interstate 12 corridor in eastern St. Tammany Parish:

Development	Size
Summit Fremaux	400 acres
Maurmont development	180 acres
Nord du Lac	169 acres
University Square	25 acres
Century Park	2.4 acres

Source: CityBusiness staff research



William Barrois, left, and Townsend Underhill discuss plans to use Brewster Road to connect the 180-acre Maurmont development with Stirling Covington.

financial crisis," said Carl Drichta, dean of UNO's Metropolitan College.

Amidst the gloom and doom, Drichta remains confident UNO eventually will build the tech park that is planned for University Square. He also hopes growth will pick up along the corridor.

"Long term, it makes sense to move in that

direction. It's just a matter of time," Drichta said.

The vocal majority of the North Shore business community shares Drichta's optimism.

"There's been a downturn but we are beginning to see a few things turn around," said Pat Brister, North Shore Business Council executive director. •


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