

State bonds to help finance Borders bookstore on St. Charles Avenue

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THE TIMES-PICAYUNEThe former House of Bultman Funeral Home on St. Charles Avenue is undergoing conversion into a Borders bookstore.

The State Bond Commission has written the final chapter for financing the conversion of the former House of Bultman Funeral Home on St. Charles Avenue into a Borders bookstore, approving the issuance of up to \$4.5 million in bonds to help pave the way for its opening in October.

The commission approved the deal at its meeting Thursday, but at an amount lower than originally requested, commission Director Whit Kling said. The original request for Gulf Opportunity Zone Bonds, which are low-cost issues made available to help recovery in parishes hit hardest by Hurricanes Katrina and Rita, was \$11 million, Kling said.

Mary Davis, a spokeswoman for the Ann Arbor, Mich., chain that operates more than 500 outlets in the United States, declined to comment on the financing for the 24,000-square-foot site.

Executives at **Stirling Properties**, the developer working on the project, said the project is estimated to cost about \$9.2 million, but only about \$4.5 million in costs are eligible for the GO Zone Bonds based on the date the application for the bonds was filed.

Davis said the store is "on schedule" for the October opening as one of 14 "concept stores," outlets at which Borders customers can burn CDs, print out digital pictures and conduct on-line research among other non-traditional activities.

Bond Commission analyst Alice Allison said the work on the familiar structure at 3338 St. Charles Ave., is expected to create 100 temporary construction jobs and about 50 new permanent jobs.

On another New Orleans project, the commission also extended for two more years an \$8 million line of credit sought by the Dock Board, the state agency that operates the Port of New Orleans. The commission's approval was contingent upon the Dock Board approving the request, which it did at its

meeting Thursday, said port spokesman Chris Bonura.

The original \$8 million line of credit was issued in February 2006; the two-year extension runs through September 2010.

Bonura said the line of credit was not touched in the past two years and may not be used at all. "It is a belt-and-suspenders approach," Bonura said. "It is a back-up in case it is needed."

The extension could allow the port to use the lines of credit for operating costs as well as "other expenses," possibly construction, Bonura said. Allison said in her analysis of the request that the line of credit is in place for expenses "incurred by the port due to Hurricane Katrina."

House Speaker Jim Tucker, R-Algiers, questioned the need for the line of credit almost three years after the hurricane hit. Bond attorney Meredith Hathorn, who represented the Dock Board, said that the line of credit is needed for operational costs, not construction. "They (Dock Board officials) have the same (fiscal) challenges like all other entities in New Orleans," she said. "They don't contemplate drawing on it, they just need to know it is there."

The commission also approved a \$2.38 million loan guarantee by the Jefferson Parish Economic and Port District to help finance construction of a 17,000-square foot office building near Avondale on 40-acre tract in the Churchill Technology and Business Park. The park site is proposed to grow to 500 acres.

Commission analyst Jeff Bernard said that half of the building will be used by the economic and port district and the other half by new and growing businesses.

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