

1 Introduced March 25, 2008, by Councilman  
2 Canada, seconded by Councilman Hursey

3  
4 **Item No. 08-03-2723**

5 **ORDINANCE NO. 3468**

6  
7 An ordinance authorizing the execution of a Cooperative Endeavor  
8 Agreement among (a) the City of Slidell, State of Louisiana, (b) the Fremaux Economic  
9 Development District, State of Louisiana, (c) Slidell Development Company, L.L.C.,  
10 and (d) any other necessary parties, including the State of Louisiana, relative to the  
11 financing of projects within the Fremaux Economic Development District; and providing  
12 for other matters in connection with the foregoing.

13 WHEREAS, Article VI, Section 20 and Article VII, Section 14(C) of the  
14 Louisiana Constitution of 1974 and The Local Services Law (Sub-Part A, Part VII,  
15 Chapter 2 of Title 33 of the Louisiana Revised Statutes of 1950), authorize State of  
16 Louisiana (the "State") and its political subdivisions to engage jointly in the construction,  
17 acquisition or improvement of any public project or improvement, the promotion and  
18 maintenance of any undertaking or the exercise of any power, provided at least one of  
19 the participants is authorized under a provision of general or special law to perform such  
20 activity or exercise such power as may be necessary for completion of the undertaking;  
21 and

22 WHEREAS, such arrangements may provide for the joint use of funds,  
23 facilities, personnel or property or any combination thereof necessary to accomplish the  
24 purposes of the agreement, and such agreements may include but are not limited to  
25 activities concerning the construction or acquisition or improvement, and operation,  
26 repair and maintenance of public projects or improvements; and

27 WHEREAS, under the Cooperative Economic Development Law (Chapter  
28 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended), the State, its  
29 local governmental subdivisions (including municipalities and special districts) may  
30 cooperate or engage in cooperative endeavors providing for cooperative financing of  
31 economic development projects with other local governmental subdivisions or with any  
32 other private or public entity or person, for the purpose of aiding in cooperative  
33 development, all as defined in the Cooperative Economic Development Law; and

34 WHEREAS, Slidell Development Company, L.L.C., a Louisiana limited  
35 liability company (the "Company") plans to finance the construction of a multi-purpose  
36 real estate development consisting of retail, commercial, residential, office, educational  
37 and medical facilities; and  
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3 **PAGE 2**

4 WHEREAS, pursuant to Part II, Chapter 27, Title 33 of the Louisiana  
5 Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, *et seq.*) (the "Act"), the  
6 Slidell City Council (the "City Council"), acting as the governing authority of the City of  
7 Slidell, State of Louisiana (the "City"), has been granted the authority to create an  
8 economic development district; and

9 WHEREAS, by Ordinance No. 3460, adopted March 25, 2008, the City  
10 created an economic development district in accordance with the Act, referred to as the  
11 "Fremaux Economic Development District, State of Louisiana" (the "District") and has  
12 also provided for a special trust fund to be used for the furtherance of economic  
13 development projects within the District, and has levied (i) a sales and use tax of one  
14 percent (1.00%) and (ii) a hotel occupancy tax of one percent (1.00%) in the District  
15 (collectively, the "Taxes"), which will be used to pay or reimburse costs of economic  
16 development projects, in this case to finance infrastructure and portions of a multi-  
17 purpose real estate development consisting of retail, commercial, residential, office,  
18 educational, hotel and/or medical facilities (the "Project"); and

18 WHEREAS, pursuant to the Act and said Ordinance No. 3460, this City  
19 Council is also the governing authority of the District; and

20 WHEREAS, the City desires to enter into a Cooperative Endeavor  
21 Agreement by and among the City, the District, the "Company", and if necessary the  
22 State of Louisiana and other parties necessary or convenient to the financing of the  
23 Project, to provide for the use of incremental increases in receipts of the Taxes within  
24 the District, as provided in La. R.S. 33:9038.34, which will in this case may include all  
25 receipts of both of the Taxes, to finance the development of the Project; and

26 WHEREAS, this City Council, as governing authority of the City and the  
27 District, has concluded that the payment or reimbursement of the Company for the costs  
28 of the Project from the revenues of the Taxes will benefit the welfare, health and safety  
29 of the citizens of the City and the District, and that it is in the public interest of said  
30 citizens to encourage the development of the Project; and

31 WHEREAS, this City Council, as governing authority of the City and the  
32 District, now desires to authorize the Mayor, City Council President and Council  
33 Administrator to execute a Cooperative Endeavor Agreement on behalf of both the City  
34 and the District;

35 NOW THEREFORE BE IT HEREBY ORDAINED by the Slidell City  
36 Council, acting as (i) the governing authority of the City and (ii) the governing authority  
37 of the District, that:  
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1 **ORDINANCE NO. 3468**

2 **ITEM NO. 08-03-2723**

3 **PAGE 3**

4 SECTION 1. Authorization to Execute Cooperative Endeavor Agreement. The  
5 Mayor, the City Council President and the Council Administrator are authorized,  
6 empowered and directed to execute, in the name of the City and the District, the  
7 Cooperative Endeavor Agreement in substantially the form attached hereto as Exhibit A,  
8 with such changes as are approved by bond counsel and the City Attorney, and to  
9 execute and deliver any and all additional instruments, documents and certificates in  
10 addition to the aforesaid Cooperative Endeavor Agreement which may be required by or  
11 provided for therein or as may otherwise be required for or necessary, convenient or  
appropriate to the transactions contemplated thereby.

12 SECTION 2. Authorization to Approve Changes. Upon the advice of Counsel,  
13 said officers are hereby further authorized and directed to approve, for, on behalf of and  
14 in the name of the City and the District, any changes, additions or deletions in the  
15 Cooperative Endeavor Agreement, provided that all such changes, additions or  
16 deletions, if any, shall be consistent with and within the authority provided by The Local  
17 Services Law.

18 SECTION 3. Exercise of Authority. The signatures of said officers upon such  
19 documents set forth above, or as may be otherwise required for or necessary,  
20 convenient or appropriate to the transactions contemplated thereby, are deemed to be  
21 conclusive evidence of their due exercise of the authority vested in them hereunder.

22 SECTION 4. General Authorization of Officers. The Mayor, City Council  
23 President and Council Administrator are hereby authorized, empowered and directed to  
24 do any and all things necessary and incidental to carry out the provisions of this  
25 resolution.


26 SECTION 5. Publication; Effective Date. As required by La. R.S. 33:1325, this  
27 ordinance shall be published in, The St. Tammany News, the official journal of the City,  
28 in the same manner as are the other proceedings of this governing body, and as  
29 provided by Section 2-11 of The Slidell City Charter shall become effective upon  
30 approval by the Mayor.

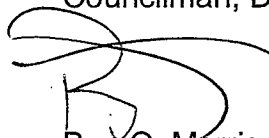
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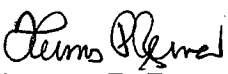
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**ORDINANCE NO. 3468**  
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**ADOPTED** this 22nd day of April, 2008.

  
Raymond H. Canada  
President of the Council  
Councilman, District E

  
Ben O. Morris  
Mayor

  
Thomas P. Reeves  
Council Administrator

DELIVERED	12:30 p.m.
4/24/08	to the Mayor
RECEIVED	9:00 a.m.
4/30/08	from the Mayor

**EXHIBIT A**

**FORM OF COOPERATIVE ENDEAVOR AGREEMENT**

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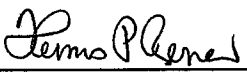
STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Council Administrator of the Slidell City Council do hereby certify that the foregoing five (5) pages constitute a true and correct copy of the proceedings taken by said Council on April 22, 2008, authorizing the execution of a Cooperative Endeavor Agreement among (a) the City of Slidell, State of Louisiana, (b) the Fremaux Economic Development District, State of Louisiana, (c) Slidell Development Company, L.L.C., and (d) any other necessary parties, including the State of Louisiana, relative to the financing of projects within the Fremaux Economic Development District; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the 22nd day of April, 2008.

(SEAL)

  
\_\_\_\_\_  
Thomas P. Reeves  
Council Administrator

## COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT (the "Agreement") dated as of April 22, 2008 is made among the CITY OF SLIDELL, STATE OF LOUISIANA, (the "City"), FREMAUX ECONOMIC DEVELOPMENT DISTRICT, STATE OF LOUISIANA (the "District"), and SLIDELL DEVELOPMENT COMPANY, L.L.C., a Louisiana limited liability company (the "Company"),

### WITNESSETH

**WHEREAS**, Article VI, Section 20 and Article VII, Section 14(C) of the Louisiana Constitution of 1974 and The Local Services Law (Sub-Part A, Part VII, Chapter 2 of Title 33 of the Louisiana Revised Statutes of 1950), authorize State of Louisiana (the "State") and its political subdivisions to engage jointly in the construction, acquisition or improvement of any public project or improvement, the promotion and maintenance of any undertaking or the exercise of any power, provided at least one of the participants is authorized under a provision of general or special law to perform such activity or exercise such power as may be necessary for completion of the undertaking; and

**WHEREAS**, such arrangements may provide for the joint use of funds, facilities, personnel or property or any combination thereof necessary to accomplish the purposes of the agreement, and such agreements may include but are not limited to activities concerning the construction or acquisition or improvements, and operation, repair and maintenance of public projects or improvements; and

**WHEREAS**, under the Cooperative Economic Development Law (Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended), the State, its local governmental subdivisions (including municipalities and special districts) may cooperate or engage in cooperative endeavors providing for cooperative financing of economic development projects with other local governmental subdivisions or with any other private or public entity or person, for the purpose of aiding in cooperative development, all as defined in the Cooperative Economic Development Law; and

**WHEREAS**, Slidell Development Company, L.L.C., a Louisiana limited liability company (the "Company") plans to finance the construction of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, educational and/or medical facilities through a variety of sources; and

**WHEREAS**, pursuant to Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, et seq.) (the "Act"), the Slidell City Council (the "City Council"), acting as the governing authority of the City of Slidell, State of Louisiana (the "City"), has been granted the authority to create an economic development district; and

**WHEREAS**, by Ordinance No. 3460, adopted on March 25, 2008, the City created an economic development district in accordance with the Act, referred to as the "Fremaux Economic Development District, State of Louisiana" (the "District") and has also provided for a special trust fund to be used for the furtherance of economic development projects within the

District, and has levied (i) a sales and use tax of one percent (1.00%) and (ii) a hotel occupancy tax of one percent (1.00%) in the District (collectively, the "Taxes"), which will be pledged to pay debt service on bonds to be issued by the District or, at the option of the Company, otherwise to be used to reimburse the Company for certain costs of economic development projects (consisting of water, sewer, drainage, roads and related infrastructure projects and/or other costs of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, educational and/or medical facilities) in or beneficial to the District (the "Project"); and

**WHEREAS**, this City Council, as governing authority of the City and the District, has concluded that the reimbursement or payment of the Company for the costs of the Project from the revenues of the Taxes, through the issuance of bonds by the District, or otherwise as approved by the Company will benefit the welfare, health and safety of the citizens of the City, and that it is in the public interest of said citizens to encourage the development of the Project; and

**WHEREAS**, the City desires to enter into a Cooperative Endeavor Agreement by and among the City, the District, the Company, and if necessary the State of Louisiana and other parties necessary or convenient to the financing of the Project, to provide for the use of incremental increases in receipts of the Taxes within the District, as provided in the Act, which will in this case include all receipts of both of the Taxes, to finance the development of the Project; and

**WHEREAS**, the Slidell City Council, as governing authority of the City and the District, has authorized the execution of this Agreement by the City and the District pursuant to Ordinance No. 3468, adopted by said City Council on April 22, 2008;

**NOW THEREFORE** in consideration of the covenants and agreements hereinafter set forth to be kept and performed by the parties hereto, it is hereby agreed by and between the parties as follows:

## ARTICLE I

### DEFINITIONS

SECTION 1.01. Definitions. The following terms shall, for purposes of this Agreement, have the following meanings:

**"Act"** shall mean Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, *et seq.*).

**"Agreement"** shall mean this Cooperative Endeavor Agreement and any amendments, supplements or modifications hereto.

**"Annual Local Base"** shall mean the amount of Local Sales Tax and Hotel Occupancy Tax collected from the avails of the 1% increase in Local Sales Tax and 1% increase in Hotel



Occupancy Tax at the point of sale during the most recently completed fiscal year, which results in the annual baseline collection rate of Local Sales Taxes and Hotel Occupancy Taxes in the District being \$0.

**"Annual Local Increment"** shall mean the amount by which Local Sales Tax and Hotel Occupancy Tax collected for the benefit of the City from taxpayers within the District attributable to any Fiscal Year during the Term exceeds the Annual Local Base.

**"Annual Pledged Local Increment"** shall mean a sum equal to one hundred percent (100%) of the Annual Local Increment.

**"Bonds"** shall mean the Sales Tax and/or Hotel Occupancy Revenue Bonds (Fremaux Economic Development District Project) Series 2008 of District, in an amount not exceeding the amounts permitted by the Act and sellable on the public market.

**"Business Day"** shall mean any day which is not (a) Saturday or Sunday or (b) a legal holiday or a day on which banking institutions are authorized by law to close in the State of Louisiana.

**"City Council"** shall mean the City Council of the City of Slidell, State of Louisiana.

**"Collection Start Date"** shall mean April 1, 2008.

**"Collector"** shall mean the Sales Tax Department of the St. Tammany Parish Sheriff's Office.

**"Depository Bank"** shall mean the bank into which the Collector deposits Local Sales Tax and Hotel Occupancy Tax receipts of the District.

**"District"** shall mean the Fremaux Economic Development District, State of Louisiana, having the geographical area designated pursuant to the Act as an economic development area by the City Council by ordinance dated March 25, 2008.

**"District Representative"** shall mean the President of the City Council, acting as President of the District.

**"Hotel Occupancy Tax"** means the tax imposed on the occupancy of hotel rooms of 1% adopted by an ordinance of the City Council on March 25, 2008.

**"Facilities"** shall mean the improvements consisting of water, sewer, drainage, roads and related infrastructure projects and/or other aspects of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, educational and/or medical facilities to be developed by the Company.

**"Fiscal Year"** means the each yearly period that commences on January 1 through and including the following December 31.

**"Local Sales Tax"** shall mean the net sales tax collected by the City on the sale at retail, the use, the lease or rental, the consumption and storage for use and consumption of tangible personal property and on sales and service, all defined in Section 301 et seq. of Title 47 of the Louisiana Revised Statutes of 1950, as amended, or any other appropriate provision of law.

**"Month"** shall mean a calendar month.

**"Monthly Local Base"** shall mean the amount of Local Sales Tax and Hotel Occupancy Tax collected for the benefit of the City from taxpayers within the District, which has been determined to be \$0.

**"Monthly Local Collection"** shall mean the Local Sales Tax and Hotel Occupancy Tax collected by the City from taxpayers within the District attributable to any Month during the Term.

**"Monthly Local Increment"** shall mean the amount by which the Monthly Local Collection exceeds the corresponding Monthly Local Base.

**"Monthly Pledged Local Increment"** shall mean a sum equal to one hundred percent (100%) of the Monthly Local Increment effective the Collection Start Date.

**"Ordinance"** shall mean, collectively, the ordinances or resolutions of the City Council, the District, or any other authorized entity adopted in connection with the creation of the District or the creation of the Reimbursement Obligation.

**"Project"** shall mean the improvements consisting of water, sewer, drainage, roads and related infrastructure projects and/or other aspects of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, educational and/or medical facilities to be developed by the Company.

**"Reimbursement Obligation"** shall mean the pledge and dedication of the Monthly Pledged Local Increment to the payment and discharge of the Bonds as described in Article 6 hereof or to otherwise reimburse the Company of its designee or any Project costs.

**"Revenue Fund"** shall mean the Fremaux Economic Development Fund held by the City Finance Department for receipt of the Monthly Pledged Local Increment.

**"State"** shall mean the State of Louisiana.

**"Term"** shall mean the term of this Agreement as set forth in Article 4 hereto.

Section 1.1 Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires.

## ARTICLE II

### DISTRICT'S REPRESENTATIONS

SECTION 2.01. District Authority. The District has all requisite power pursuant to the Act and Article VII, Section 14(c) of the Louisiana Constitution of 1974, as amended, to enter into this Agreement and there are no contracts or outstanding bonds or other obligations in conflict herewith.

SECTION 2.02. Collections. The District and the City both hereby represent, in reliance upon advice of legal counsel and representations of the City Department of Finance, that current law and the current internal collection process of the City is adequate for the purpose of collecting, classifying, reconciling, calculating and remitting of the Annual Pledged Local Increment by doing so on a monthly basis by remitting the Monthly Pledged Local Increment.

SECTION 2.03. Annual Pledge. The District and the City hereby acknowledge that the Ordinance pledges the Annual Pledged Local Increment and that it is the obligation of the City to collect and forward funds as required hereby to enable the District to fulfill its obligations.

SECTION 2.04. Pledge and Reimbursement Obligation. The District hereby acknowledges that the Monthly Pledged Local Increment and the Annual Pledged Local Increment are pledged for their intended purposes and any deviation by the District from the terms of this Agreement could result in a substantial impairment of the District's ability to perform its obligations or to pay the Reimbursement Obligation when due and payable. The District agrees to take no action or to fail to take action expressly or fairly implied hereunder which could reasonably be considered to jeopardize the payment of all requirements of the pledge or the payment of the Bonds or the Reimbursement Obligation pursuant to Section 7.0 hereof.

SECTION 2.05. Scope of Project. The Project is within the scope of the Act and is described in Exhibit "A" hereto.

SECTION 2.06. Public Hearing. The City has (i) conducted a public hearing, (ii) designated the District and (iii) on behalf of the City and the District, approved the execution of this Agreement.

SECTION 2.07. Project Necessity. The Project is necessary to promote economic development within the City and the amount of the Reimbursement Obligation shall not exceed the amount that can be borrowed and/or reimbursed pursuant to the Act.

SECTION 2.08. Validity of District and City Obligation. This Agreement constitutes a valid and legally binding obligation of the District and the City.

SECTION 2.09. No Suits. Except as may be otherwise disclosed in writing, if any, to the best of the knowledge of the District and the City, there is no action suit, investigation or proceeding pending, or threatened, against the District or the City, before any court, arbitrator,

or administrative or governmental body, or insurance of operations of the District or the City or which might adversely affect the ability of the District to comply with its obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement and the Reimbursement Obligation.

SECTION 2.10. Accuracy of Statements. Neither this Agreement nor any other documents, certificates or statements furnished by or on behalf of the District or the City, contain any false or misleading statements with respect to the District or the Project.

### ARTICLE III

#### COOPERATIVE ENDEAVOR OBLIGATIONS

SECTION 3.01. Transfer of Funds. It shall be the continuing duty of the District and the City to deposit the Monthly Pledged Local Increment with the Collector for transfer to the City Finance Department for deposit to the Revenue Fund no later than the last Business Day of the Month following the Month such funds are available.

SECTION 3.02. Calculations. Calculation of the Monthly Pledged Local Increment for any Month or Months shall be made at any time upon the request of any party hereto. Collections from the District received in any Month as a result of audits shall be treated as current collections for such Month for purposes of this Agreement.

If it is determined that for any period of time less monies have been transferred than were due, for whatever reason, the District shall direct an adjustment in the Monthly Pledged Local Increment, paid to the City Finance Department in order that the shortfall or over collection of revenues due to the District for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment, provided that the District shall not be obligated to use any funds for adjustments other than from Local Sales Tax and Hotel Occupancy Tax from the District.

SECTION 3.03. Effective Date of Monthly Pledged Local Increment. The Monthly Pledged Local Increment shall be due by the District to the Collector for Sales Tax collected on behalf of the District beginning April 1, 2008. It shall be the responsibility of the District to direct the Collector to transfer the Monthly Pledged Local Increment to the City Finance Department as provided in the Ordinance. The City Finance Department will then transfer monies to the Trustee for the Bonds as set forth in an Indenture providing for the Bonds as necessary to pay debt service on the Bonds or any other Reimbursement Obligations.

SECTION 3.04. Collection Process. To the extent it is not in conflict with the provisions of this Agreement, the District is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of Local Sales Tax and Hotel Occupancy Tax in the District in the same manner as Local Sales Taxes and Hotel Occupancy Taxes are currently being collected.

SECTION 3.05. Fees. The Depository Bank shall be allowed to charge the District for the costs of wire transfer of funds by the Depository Bank to the City Finance Department on an actual cost basis subject to the approval by the District.

SECTION 3.06. Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior written consent of the affected parties hereto, as well as a certificate of the District setting forth a determination by the District that, taking into account all relevant facts and circumstances, including, if and to the extent the District deems appropriate, an opinion of counsel as to legal matters and other consultants and advisors, such action will not have a material adverse effect on the interest of the Company or its assignee in the Reimbursement Obligation.

#### **ARTICLE IV**

##### **TERM**

SECTION 4.01. Term of this Agreement. This Agreement shall be effective upon execution by all the parties hereto and shall terminate on the later of the satisfaction of all Reimbursement Obligations and April 1, 2038.

#### **ARTICLE V**

##### **UNDERTAKINGS ON THE PART OF THE COMPANY**

SECTION 5.01. Construction and Installation of the Project and Facilities. In consideration of the assistance of the incentives provided, the Company shall construct and install the Project and Facilities and shall cause it to be substantially completed on or before \_\_\_\_\_.

SECTION 5.02. Expenditure of Funds in Anticipation of Reimbursement. The Company shall construct and install the Project at its own expense in anticipation of the reimbursement of such costs from the avails of the Monthly Pledged Local Increment. It is understood and agreed that inasmuch as the costs of the Project to be reimbursed from the Reimbursement Obligations will be incurred before any funds shall be available to reimburse the Company. Therefore, the funds used by the Company to construct and install the Project will not be public funds and shall not be subject to compliance with public bid laws and the Company and/or the parties hereto may seek a validation of this Cooperative Endeavor Agreement and any modifications and supplements hereto for the purpose of determining the legality of this agreement and the avoidance of public bid laws. There is no absolute assurance that sales and or use taxes will be generated at within the District to reimburse the Company. Such validation may also seek guidance of the court handling the validation proceeding of any other public bid law issues related to the development of the Project.

SECTION 5.03. Limited Source of Payment of Reimbursement Obligation. The Company hereby recognizes, acknowledges and agrees that the sole source of reimbursement for Reimbursement Obligations is limited to the avails of the Monthly Pledged Local Increment.

To the extent there is a deficiency in Monthly Pledged Local Increment to reimburse the Company for the Reimbursement Obligation or to pay debt service on the Bonds, there shall be no recourse against the City from any other sources whatsoever.

## ARTICLE VI

### OBLIGATION TO PAY BONDS

SECTION 6.01. Issuance of Bonds. The District will issue the Bonds for payment or reimbursement of the Company for all or a part of the Reimbursement Obligations. As much Bonds shall be issued as permitted by the Act and reasonably possible to provide an early reimbursement to the Company of all or a portion of the Reimbursement Obligations. In the event there are additional amounts to be reimbursed that cannot be funded through the Bonds, the pledged amounts shall be used, after payment of debt service on the Bonds to reimbursement of the Company. The proceeds of the Bonds may be used for (i) costs of the Project (ii) funding a deposit to certain Debt Service Reserve Funds; (iii) paying capitalized interest on the Bonds, (iv) paying certain costs of issuance, and (v) paying other typical or reasonable costs of an issue of Bonds, all as more particularly described in the resolution or ordinance adopted by the District.

SECTION 6.02. Reimbursement Obligation. The Bonds identified above will be secured by and payable from a pledge and dedication of the Monthly Pledged Local Increment. The Monthly Pledged Local Increment shall be collected and used to satisfy the Reimbursement Obligation until the later of the date that the Reimbursement Obligation is satisfied or April 1, 2038. Thereafter, unless otherwise provided and agreed to by the City, no further collections of Local Sales Tax or Hotel Occupancy Tax in the District will be treated as Monthly Pledged Local Increment. The one percent (1.00%) per dollar of Local Sales Tax levied and 1% per dollar of Hotel Occupancy Tax shall cease to exist and be cancelled as of such date unless otherwise directed by the City.

## ARTICLE VII

### MISCELLANEOUS

SECTION 7.01. Accuracy of Base Collections. The City hereby covenants and represents that the Base Collections are accurate in all material respects.

SECTION 7.02. Audit. The Legislative Auditor of the State may audit any and all books and records of the District or the City Finance Department related to the Department and this Agreement, and the District or the City Finance Department shall make such books and records and expenses of the Legislative Auditor for such audit.

SECTION 7.03. Notices. All reports, statements or notice required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

TO THE DISTRICT: City of Slidell, State of Louisiana  
2045 Second Street  
Slidell, Louisiana 70458  
Attention: \_\_\_\_\_

TO THE CITY: City of Slidell, State of Louisiana  
2045 Second Street  
Slidell, Louisiana 70458  
Attention: \_\_\_\_\_

TO COMPANY: Slidell Development Company  
c/o Bayer Properties  
4950 Brooksvew Circle  
New Albany, Ohio 43054  
Attention: \_\_\_\_\_

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other addresses or numbers as shall be designated by such party in a written notice to the other party.

Further Assurances. From time to time hereafter, the District shall execute and deliver such additional instruments, certificates or documents, and take all such actions as the each party hereto may reasonable request for the purpose of fulfilling its obligations hereunder.

Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement or otherwise shall be brought, if against the District, the City or the City Finance Department, in the 22nd Judicial District Court, St. Tammany Parish, Louisiana.

SECTION 7.06. Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

SECTION 7.07. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, officer, agent or employee of the City or the District or the City Finance Department in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be

liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

SECTION 7.08. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

SECTION 7.09. Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

SECTION 7.10. Governing Law. This Agreement shall be constructed in accordance with and governed by the laws of the State.

SECTION 7.11. Public Purpose. The parties hereto represent that the Project will serve a public purpose, consisting of infrastructure and improvements needed to fuel economic development and growth.

SECTION 7.12. No Impairment of Tax. For so long as the Reimbursement Obligation is unsatisfied, the City pledges not to reduce or repeal the taxes pledged to the Reimbursement Obligation or take any other action or fail to take any action that would impair the Reimbursement Obligations set forth hereunder.

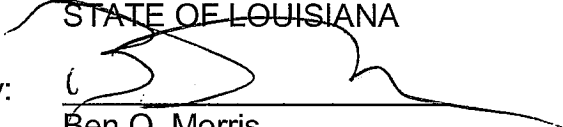
SECTION 7.13. Amendment, Supplement and/or Restatement of this Cooperative Endeavor Agreement. The parties hereto recognize that the State of Louisiana is permitted by the Act to match the 1% Local Sales Tax with 1% of existing State sales tax in the District to assist in the funding of the Project and Reimbursement Obligation. It is the intent of the parties hereto to approach the State and go through the proper procedures to encourage the State to match the 1% Local Sales Tax and pledge those amounts to secure the payment of the Bonds/Reimbursement Obligations. In the event that the parties hereto or any combination of them is successful in obtaining the State match, in whole or in part, the parties hereto agree to enter into an amendment, supplement and/or restatement of this Cooperative Endeavor Agreement to fully utilize the investment by the State. The parties hereto agree that the provisions of this agreement shall continue to extent possible, as among the parties hereto, in accomplishing any such amendment, supplement and/or restatement.

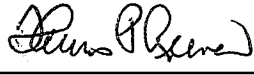


Thus done and signed this 22nd day of April 2008, at Slidell, Louisiana.

CITY OF SLIDELL,  
STATE OF LOUISIANA

ATTEST:

By:   
Ben O. Morris  
Mayor

By:   
Thomas P. Reeves  
Council Administrator

(SEAL)

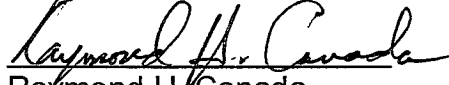
WITNESSES:


Melissa Mendoza  
Printed Name:

Wanda Beelman  
Printed Name:

FREMAUX ECONOMIC DEVELOPMENT  
DISTRICT

ATTEST:

By:   
Raymond H. Canada  
President of the Council  
Councilman, District E

By:   
Thomas P. Reeves  
Council Administrator

(SEAL)

WITNESSES:

Melissa Mendoza  
Printed Name:

Wanda Beelman  
Printed Name:

SLIDELL DEVELOPMENT COMPANY, LLC

By: \_\_\_\_\_  
Title: \_\_\_\_\_

WITNESSES:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
Printed Name: