



CITY OF KENNER

PRESS RELEASE

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FOR IMMEDIATE RELEASE

Kenner Residents and Others Turn Out to Learn More about Kenner Bond Refinancing and 2030 Plan

Kenner, LA – April 11, 2013

Max Nassar had a slightly different perspective than the 75 to 100 residents who attended Wednesday night's public hearing to learn more about a bond refinancing plan that will raise nearly \$29 million for intersection and corridor improvements throughout Kenner.

Nassar lives in the Lower Garden District and is a minority owner in a professional business firm on Poydras Street in New Orleans. He's also part of a group looking to open an Italian restaurant in the metro area.

He said he's considering locating in Kenner to take advantage of the lower property taxes and cost of living and wanted to hear more about the refinancing proposal. As far as Nassar is concerned, the idea of taking advantage of low interest rates to make major esthetic improvements is no different than tapping into your home's equity for an addition or renovation.

"To me, it's a no-brainer," he said. "It's just like taking out a line of equity from your home. You use your access to capital on things you think will bring an increase in value down the road. This is no different."

Kenner Finance Director Duke McConnell explained that Kenner plans to refinance a bond issue that's backed by sales taxes and is set to expire in 2018. That bond issue will be refinanced at a lower rate - 3.31 percent - and extended for an additional 15 years (expiring in 2033). That will allow the city pay off the old bonds and have \$29 million in cash to use on the improvements.

Kenner taxpayers will not pay any additional taxes for the refinancing plan because of the low interest rate and the extended repayment period, McConnell said.

While some members of the audience expressed concern that new businesses and residents may not be attracted by a beautification and infrastructure makeover, real estate developer Henry Shane said the plan makes business sense.

He pointed out he has spent \$17 million solely on landscaping since Katrina for his Jefferson Parish apartments, a move that has not only pleased existing tenants but attracted and new renters as well.

As a member of the 41-member Economic Development Committee appointed in 2010 by Mayor Yenni to consider the strengths and weakness of the city and come up with a plan to maximize Kenner's future, Shane said the group examined surveys that consistently showed "the younger generation has a negative view of Kenner."

Shane said members of the economic committee decided Kenner lacks a strong identity, which accounts for a weak demand for housing. The group included the bond refinancing idea in its plan for the city; although improvements would begin in the next few years, the ultimate goal is to become a destination location by 2030.

He conceded there is no guarantee the citywide intersection and thoroughfare makeover will bring new residents and businesses. But as one of the most successful real estate developers in the metropolitan area, Shane said he strongly believes the refinancing plan will work.

"It's my opinion that, once we get this done, businesses will rise to the occasion," he said.

Former State Rep. Tony Ligi, a 31-year Kenner resident, agreed.

The refinancing plan will add public art to many of the major neutral grounds in the city as well as crosswalks, bicycle lanes and other improvements that would increase public safety while transforming eyesores such as crowded Williams Boulevard. A similar plan on Veterans Boulevard in Metairie helped to attract several major businesses to locate along the busy corridor.

"I just don't think a lot of people are in tune with aesthetics and how they come into play with residents and businesses," said Ligi, who recently stepped down from his House seat. "This is anything but fluff."

Nick Impastato, a longtime Kenner resident, said he came to Wednesday's meeting looking for the downside of a plan that sounded "too good to be true." He left impressed.

"We no longer have to look like Metairie West," he said. "There's no downside to this if it isn't costing me any more tax money and it's going to make my city look nicer."

Richard Brown admitted that he came to the meeting with doubts about the plan. And while he said he's "still on the fence" he added that the explanations offered by Yenni, Shane and others were helpful. "I really do feel better about it," he said. "I do believe beautification can help."

Some residents at the meeting asked whether Kenner might not be better off doing nothing, despite a dwindling population and a less than positive image among young people in the area, and pocketing the extra money beginning in 2018 when the bond issue is paid off.

But Yenni said he won't stand by and watch the city slowly disintegrate. "The one option I will not entertain is the option to do nothing," he said.

Yenni said he has made tough financial decisions since taking office in 2010, such as cutting 130 positions and \$8 million from the budget while still finding a way to improve the city's streets and drainage system. He said the bond refinancing plan is the result of almost two years of work by the economic development committee and has been embraced by the Times-Picayune, the Jefferson Chamber and the Kenner Professional Business Association.

"This will bring us new residents, new jobs and new businesses and lift us from the rut we have been in to a future renaissance."

Mayor Yenni will host an additional public meeting regarding the bond refinancing plan on Tuesday, April 16th in the Kenner City Hall Council Chambers located at 1801 Williams Blvd. Doors will open at 6:30 for presentations and the meeting will begin promptly at 7:00 p.m.

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