

MINUTES OF THE MEETING OF THE
CADDO PARISH COMMISSION'S
ECONOMIC DEVELOPMENT COMMITTEE
HELD ON THE 20th OF MAY, 2014

The Caddo Parish Economic Development Committee met in legal session on the above date, at 12:00 noon, in the Government Chamber Conference Room, with Mr. John Escude, Chairperson, presiding, and the following member in attendance, constituting a quorum: Commissioners Escude, Baker, Smith, and Thibodeaux (4). Absent: Commissioners Dominick, Epperson, and Williams (3).

Also in attendance were Assistant Parish Administrator Randy Lucky, Parish Attorney Donna Frazier, Mr. Stuart Lichtner, Mr. Paul Elio, Mr. Onna Stege, and Commissioner Lnn.

Mr. Escude welcomed everyone to today's committee meeting, and stated that this meeting is to discuss the following item:

- Discuss potential economic development projects for 2014

Mr. Lichtner stated that the other million square foot facility was contracted out. His company, the Industrial Realty Group (IRG), has been in conversations to bring an auto glass company or similar type business to the facility.

Mr. Lichter also updated the group on Elio Motors. He stated that everything is going well, and that there are now two prototypes that have been constructed. Mr. Lichter also said that Mr. Elio is selling approximately 65% of the cars in the nation.

Mr. Elio stated that the Elio Motors page has approximately 125,000 "likes" on Facebook, along with numerous amounts of comments on their page. He compared Elio Motors' page to a few well-known company pages, such as Walt Disney, Mercedes, BMW, Coca-Cola, and Leonardo DiCaprio. He stated that Elio Motors has a "full aura of magnitude of better engagement" compared to than any of those companies, which means that people are talking about Elio Motors. He also pointed out that during the past four months, there has been more traffic through Elio Motors' page than Mercedes, Audi, Fiat, etc. Mr. Elio also said that in the past four months, Elio Motors has taken in more reservations than Mini, Jaguar, Porche, etc. has sold vehicles. He further explained that in April, Elio Motors outsold Mitsubishi. They were also 62 behind Volvo and 100 cars behind Fiat for the month of April.

Mr. Elio also pointed out that there has been approximately 12,000 additional reservations for the car since December, bringing the total to over 18,000 reservations. Mr. Lichter stated that these reservations generated about \$6 million in nonrefundable monies and approximately \$125 million in vehicles. He also announced that Elio Motors was featured in a magazine as one of the fastest growing small businesses without a product.

Mr. Elio also stated that the Elio Motors project is more about creating American jobs and reducing the trade deficit. He feels that this is what drives people to take the risk. Mr. Lichter stated that the car is "cool", but the price and the gas mileage is what "reinforces it".

There was discussion about the financial side of the project. Mr. Elio stated that there are currently nine non-diluted sources of capita for the company. He stated that they have been in conversation with "the big guys" to sell the equipment that is not needed, which will net approximately \$70 million. This will pay off the liens for the other half of the equipment, leaving Elio Motors with a fund balance of \$40 million to use toward the start of the hiring process for the site.

Answering a question from Ms. Baker regarding to the start of the hiring process, Mr. Elio stated that it depends on the signing of the contract. He informed the group of the stakeholders: Racer Trust, Elio, and Komal that are working on the contracts.

Mr. Elio talked about ATVM (Advanced Transportation Vehicle Manufacturing), which is a DOE Program that was implemented by President Bush, continued by President Obama. This program helps fund manufacturers that create fuel-efficient vehicles. Mr. Elio further explained that they have more than \$16 billion to loan out and they are currently actively seeking applicants. He also said that Elio Motors has completed their ATVM application, but is having someone to review it before it is submitted. He also requested letters of support from the group to present it with the application.

Answering a question from Mr. Thibodeaux, Mr. Elio stated that they are requesting \$200 million from the ATVM Program.

Mr. Elio further talked about CAFÉ Credits and Greenhouse Gas Credits. He stated that TESLA breaks even on their cars and makes a profit on these credits. Mr. Elio then decided to run a simulation of how much revenue these credits would generate. Elio Motors would generate \$600 million annually in sellable credits. The only issue is that the Elio does not qualify because by definition, it is considered a motorcycle and not a car. Mr. Elio stated that they are currently working on changing the law to define the Elio as a car, not a motorcycle to qualify for these credits. They are anticipating to have this completed by the end of this year. He also stated that companies out there that are willing to pre-buy Elio Motors' CAFÉ Credits if the law is changed.

Mr. Lichter talked about bringing a mass production greenhouse to Caddo Parish. This greenhouse would require approximately 200 people to cultivate these leafy greens. He stated that he is still in conversation with the company and will update the group as more information is acquired. Mr. Thibodeaux suggested that this company talk to the LSJ-Ag Center about their greenhouse tomatoes.

Mr. Lichter also talked about an innovative machine that sorts trash without putting everything in separate containers; approximately 30% of the waste is then dumped in the landfill. This helps prevent an overflow in the landfill. Mr. Escude stated that they would have to contact the City of Shreveport for those measures.

Mr. Steger talked about the different companies that are looking at the space at the former GM Plant. He stated that these companies have not disclosed much information, but some of the interested companies include: a larger vehicle manufacturer (i.e. buses), a specialty equipment manufacturer (i.e. utility and airports), and a plastics group. IRG will update the group once more information is disclosed.

Answering a question from Mr. Thibodeaux regarding manufacturing arms and ammunition, Mr. Steger stated that they will look into it.

To recap, Mr. Escude stated that there are companies interested in the building itself as well as the acreage that the property contains. Mr. Steger also stated that they were in conversation with Union Pacific regarding an inter-motor yard at the train station; they will continue with those conversations.

There being no further discussion, the meeting was adjourned.

/s/Todd Hopkins

Todd A. Hopkins
Commission Clerk