

THE ADVOCATE

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Tall Timbers deal is criticized

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The mission of the federal Department of Housing and Urban and Development is to help folks who otherwise wouldn't have access to quality housing. In order to ensure adequate low-income apartments, HUD guarantees loans and bonds to select developers. Sometimes these developers default. No matter, HUD retains the best security of all - a first lien allowing the agency to repossess the property itself and resell it to the highest bidder. This system guarantees that the long-suffering taxpayers get something back out of the bureaucrat's bad investment. At least, that's how it is supposed to work.

Apparently, in Baton Rouge things work differently. HUD plans to bid the full \$7 million for the defaulted Tall Timbers Apartments loan and sell it to the East Baton Rouge Parish Housing Authority for \$174,000, even though HUD is aware that there are a number of private parties willing to pay \$2 million to \$3 million for the property. And if that's not bad enough that these caring bureaucrats have decided to suspend their fiduciary obligation to recoup something on our investment, they plan to "give" the apartments to a department with a rich history of scandal, corruption and misuse of the taxpayer's dollar to the tune of \$1.2 million. (To add insult to injury, the East Baton Rouge Parish Housing Authority will then give the local taxpayers the opportunity to pay for the \$3.3 million renovation cost that is needed on the property in order to bring it up to standard.) Just a few months ago, the city was celebrating the changes in the Melrose East (formerly known as "Mall City") area where Tall Timbers Apartments is located. The Research Park Corp. bought the Bon Carre mall and took over its development in a high-profile deal involving the state. Community development corporations and private property owners saw potential in the neighborhood and were willing to purchase, rehabilitate and rebuild the existing apartments, spending more than \$30 million. Yes, "Mall City" was changing!

If HUD and the East Baton Rouge Parish Housing Authority move forward with their plan, we'll again see changes in "Mall City." Unfortunately, what we'll see is the private property owners move out and take their nontaxpayer dollars out of Baton Rouge and go someplace where they don't have to compete with "sweetheart" deals.

We, as taxpayers, work hard for our money and strive to make good investments with a realistic rate of return. Why should we accept less from government agencies whose job it is to serve us? The Constitution does not authorize Congress to allocate our tax money to corrupt organizations, make poor financial decisions or give away our assets when they can be sold.

It's time to demand that HUD be accountable for its actions and the East Baton Rouge Parish Housing Authority quit spending our tax dollar when they know private companies will make the same improvements at no cost to us.

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