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February 21, 2019

Cheryl S. Breaux
U.S. Department of Housing and Urban Development
Office of Community Planning & Development
500 Poydras Street, 9th Floor
New Orleans, LA 70130

RE: Marcus Bruno - 2016 Mortgage Secured Small Business Loan

Dear Cheryl:

Thanks for taking the time to speak with us today. As we discussed, we are assistant city-parish attorneys for the Lafayette City-Parish Consolidated Government. We were asked to analyze whether the 2016 Lafayette Neighborhoods' Economic Development Corporation mortgage secured small business loan of Community Development Block Grant funds to Marcus Bruno, Traci Bruno (his wife), and LA Consultants, LLC violate the federal conflict of interest regulations. Enclosed please find a copy of our analysis. Please forward to your general counsel and contact us once they have had a chance to review these documents.

Should you have any questions or need additional information, please don't hesitate to contact us.

With kind regards, we remain

Sincerely yours,

OATS & MARINO
A Partnership of Professional Corporations

A handwritten signature in dark ink, appearing to read "Stephen J. Oats", is written over the printed name.

Stephen J. Oats

SJO/lan
Enclosures



Joel Robideaux
Mayor-President / Maire-Président

March 8, 2019

Louisiana Board of Ethics
Attn: Kathleen Allen
617 North Third Street
LaSalle Building, Suite 10-36
Baton Rouge, LA 70802

RE: Agency Head Report – Marcus Bruno

Dear Louisiana Board of Ethics:

I am the Lafayette City-Parish Mayor-President. Pursuant to La. R.S. 42:1161(A), I am writing to request an evaluation of whether or not Marcus Bruno's small business loan described below is a violation of the Louisiana Code of Governmental Ethics. Although I am submitting this report pursuant to La. R.S. 42:1161(A), I wish to exclude the implication that I believe a violation has occurred.

Lafayette City-Parish Consolidated Government (LCG) receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). LCG's Department of Community Development receives and administers the CDBG funding.

LCG routinely makes portions of its CDBG funds available to outside nonprofit organizations through a public application process administered by the Department of Community Development. The Lafayette City-Parish Council then allocates CDBG funds to these nonprofit organizations by adoption of an ordinance.

On June 3, 1982, the City Council of the City of Lafayette adopted Ordinance No. O-2311 approving the application for the formation of the Lafayette Neighborhoods' Economic Development Corporation (LNEDC) as an economic development corporation pursuant to La. R.S. 33:9023(B). LNEDC was incorporated and operates as a private, nonprofit corporation. La. R.S. 33:9024(A). LNEDC is not an agency of the state, nor of any subdivision of the state, and it is prohibited from functioning as such. La. R.S. 33:9024(B), (E)(1). LNEDC is further prohibited from exercising governmental powers or carrying out functions which are purely and solely of a public nature. La. R.S. 33:9024(E)(1). LNEDC is governed by its own Board of Directors and it is a separate legal entity from LCG.

LNEDC has applied for and received CDBG funds from LCG at various times since 1983. Grants to LNEDC are awarded by ordinances approved by the Lafayette City-Parish Council. LNEDC is a subrecipient of CDBG grants and uses the funds in its Revolving Investment and Loan Fund by making loans for eligible purposes under the CDBG program. The last grant to LNEDC prior to the Bruno loan was in 2001. LNEDC is responsible for administering the loans and disbursing the funds. LCG has no

involvement in LNEDEC's loan selection process or subsequent loan administration. LCG and LNEDEC entered into grant agreements in connection with the CDBG funding. The Department of Community Development is required by HUD to receive reports from LNEDEC regarding how the CDBG funds are used.

Marcus Bruno is LCG's Governmental Affairs Officer and he serves in the Mayor-President's Office as one of my assistants. Marcus Bruno does not serve in the Department of Community Development or on the Lafayette City-Parish Council.

On June 3, 2016, Marcus Bruno, Traci Bruno (his wife), and their company, LA Consultants, LLC, applied for a small business loan from LNEDEC. On September 15, 2016, LNEDEC's Board of Directors approved the mortgage secured small business loan. LNEDEC obtained a mortgage on October 14, 2016 on Marcus and Traci Bruno's house to secure the loan.

On January 3, 2017, the Lafayette City-Parish Council awarded a grant of \$150,000 in CDBG funds to LNEDEC by Ordinance No. O-257-2016. Marcus Bruno had no involvement in the grant application process administered by the Department of Community Development or the Lafayette City-Parish Council's decision to award CDBG funds to LNEDEC.

Pursuant to La. R.S. 42:1161(A), I request an evaluation on whether the mortgage secured small business loan received by Marcus Bruno, Traci Bruno, and LA Consultants, LLC from LNEDEC is a violation of the Louisiana Code of Governmental Ethics.

If you need anything further, please contact Assistant City-Parish Attorney Stephen Oats at (337) 233-1100, as he has been assisting me with this matter.

Sincerely,



Joel Robideaux

Lafayette City-Parish Mayor-President

JR/bp/Enclosures
LCG Organizational Chart
Mayor-President's Office Organizational Chart
Ordinance No. O-2311, adopted June 29, 1982
LNEDEC Articles of Incorporation
Bruno Loan Application to LNEDEC
Approval of Bruno Application
Mortgage Securing Bruno Loan
Ordinance No. O-257-2016, adopted January 3, 2017