

RIVERFRONT

PLAN DEAD

Would-be developers of a multi-million-dollar riverfront development project said today their attempts to negotiate with the city of New Orleans are "at an end."

The City Council last night rebuffed the group headed by Dallas millionaire Toddie Lee Wynne which sought to swap 500 acres of parkland in eastern New Orleans for 9.1 acres of riverfront property and certain air rights in the area near the International Trade Mart.

THE COUNCIL voted 4-3 for a motion to study the matter further instead of one which would have agreed in principle to the swap.

James J. Coleman, vice president of the New Orleans International Hotel Corp., said the Wynne group told the council before last night's vote it would not pursue the matter further unless the council agreed in principle to the swap at this point.

"The council has spoken by its majority and we abide by its decision.

"This has been a long and loud, expensive and—to some extent — frustrating experience.

"Nothing that has happened has changed our thought that this was a right idea and

some day, in some way, we hope the city of New Orleans will have the benefit of an orderly, well-organized total development of its riverfront area.

"Our attempt to bring this to the city is at an end."

The swap had the support of the administration of Mayor Victor H. Schiro and the resolution accepting it was introduced by Council President Moon Landrieu and Councilman Philip C. Ciaccio. Also voting for it was Councilman Eddie L. Sapir.

The four councilmen who pushed through the substitute motion that had the effect of killing the project were John J. Petre, James A. Moreau, Henry B. Curtis and Clarence O. Dupuy.

TODAY, TWO opponents (Moreau and Petre) and city chief administrative officer Ben Levy expressed differing opinions of the matter.

"They've asked us to negotiate with a ghost," said Levy of the majority resolution, which called for further negotiations on the matter.

"The offer by Wynne was the only one that's been made and they have indicated the new stipulations placed on them are not acceptable."

MOREAU SCOFFED at this, saying, "If Mr. Levy said the council has asked the city to negotiate with a ghost, I hope he's not planning to sell

See COUNCIL— Page 6

Council--

Continued from Front Page

the air rights over the cemeteries.

"However, if the ghost can make a better offer, I'll be glad to meet with the council on Halloween to deliberate the matter further."

Moreau said he did not oppose the riverfront development project but felt the city should sell or lease the property and air rights instead of trading them off.

A LEASE, he said, would yield an annual income to the city and result in eventual ownership, as is the case with the International Trade Mart.

Petre said it was "unreasonable" for the developers to ask the city to commit itself at this point in the negotiations.

He said it was the city administration that proposed the land swap.

The Wynne group has been seeking city approval for the \$250 million project for several years.

The substitute resolution approved calls on the mayor to obtain appraisals of the property by at least two qualified appraisers; requires the mayor to have appropriate city agencies define the obligations of the developers and the city and to submit an analysis of the financial value of the eastern New Orleans site.

ALL OF THIS would create further delay in the project, which the developers say has been delayed too long already.

On Jan. 28, the hotel corporation submitted the sole bid on the air rights over certain city property in the area. The city attorney ruled the bid was non-responsive since it involved more property than was contained in the specifications, and recommended negotiations.

Out of the negotiations came the land swap proposal, of which air rights became only a part.

In other action in the coun-

cil's 10½-hour session yesterday:

The council approved 6-0 acquisition by the Housing Authority of New Orleans of a downtown square as part of a controversial "scattered-site" housing program.

—The council unanimously asked Mayor Victor H. Schiro to take steps leading to the transfer of the operation of Delgado College from the city to the State Board of Education.

—Opponents of a paving lien program in a downtown neighborhood aired their objections.

The HANO action came after heated debate in which state Rep. Nat G. Keifer called for the resignation of Councilman Ciaccio because of what Keifer called a conflict of interest.

The area concerned is bounded by Lesseps, N. Roman and Poland. The motion to approve was offered by Ciaccio.

Walter M. Barnett, retiring chairman of the Mayor's Advisory Committee on Community Improvement, took the parish Board of Assessors to task for opposing the scattered site plan.

HE SAID THE assessors claimed such housing would result in a loss of tax revenue

APRIL 25, 1

to the city, but that the opposite is true. Under the turnkey program, Barnett explained, tenants buy the housing over a period of time and it is returned to the tax rolls. Conventional public housing remains untaxed forever.

"The assessors' concern for the financial distress of our city is valid, but the remedy will not be found by aggravating the conditions of the poor," said Barnett.

Rep. Keifer, opposing the proposal, charged that Ciaccio had connections with land developers in the Eighth and Ninth Wards that represented conflicts of interest with his council post. Keifer is expected to be a candidate against Ciaccio in the November election.