

## Developer sues parish president over lost project

By Alice Dowty | Posted: Thursday, April 7, 2011 9:43 pm

LIVINGSTON - The Parish Council and the Parish President are being sued for \$1 million by a businessman who claims that "defamatory statements" ruined his chances to sell 8.5 acres for \$2 million.

Earl Price, who runs the livingstonparishcouncil.info website, is also named as a defendant in the lawsuit filed March 30 in the 19th Judicial District (East Baton Rouge Parish) for plaintiffs David E. Roberts, Bradley Roberts, and Pine Shadows Property, LLC.

According to the lawsuit, Price represents Richard Price Contracting and is also an "implied spokesperson" for Parish President Mike Grimmer.

Price and Grimmer are accused of speaking against the plaintiffs' proposed apartment complex at the Oct. 26, 2010, Parish Council meeting.

However, the Parish Council did not meet on Oct. 26, 2010.

Attorney Jill Craft, who filed the lawsuit, could not be reached to comment on the discrepancy.

According to the lawsuit, Price and Grimmer "vehemently objected to the Project" during that purported meeting. The petition also claims the plaintiffs were accused "of consorting with Josh McCoy to develop the property," according to the lawsuit.

"Specifically, the Price and Grimmer defendants stated that Petitioners' affiliation with McCoy and, specifically, McCoy's father, amounted to a criminal enterprise."

Josh McCoy's father is Parish Councilman Jimmie McCoy.

Plaintiff Bradley Roberts attended a meeting of the grassroots citizen group Neighbors In Action at Walker Town Hall Oct. 26, 2010, though Grimmer did not.

The Neighbors In Action meeting concerned The Flats at 447, the proposed apartment complex referenced in the lawsuit.

Neighbors in Action had previously opposed a \$3 million planning grant application endorsed by Jimmie McCoy for a government subsidized housing development in Watson on about 100 acres.

The 8.5 acres referenced in the lawsuit is located south of Walker, at the intersection of Glen Ellis Road and La. 447 south. The site is in Parish Council District 6, represented by Don Wheat.

A notice for the application for 9 percent tax credits for The Flats at 447 was published on Sept.

16, 2010, three days after a large Neighbors In Action protest against the proposed Watson project. Jimmie McCoy asked for, and received, the full Council's support for the planning grant application for the Watson project.

Councilmen withdrew their support after receiving a petition with about 900 signatures opposing the Watson project.

### **False testimonial**

The Parish Council's involvement in The Flats at 447 involved that project's application for a "Low Income Housing Tax Credit (LIHTC)," a government subsidy explained on the U.S. Department of Housing and Urban Development (HUD) website.

The tax credit application was made through the Denham Springs Housing Authority.

The application included false testimonials in the form of two unsigned endorsements, one purporting to be from Grimmer, and the other purporting to be from the Parish Council.

The Council voted unanimously Dec. 20, 2010, to have its attorney notify the Louisiana Housing Finance Agency (LHFA) that it had not authorized the Sept. 7, 2010, letter supporting "a tax credit application" for The Flats at 447.

The letter falsely stated that councilmen were "excited about the opportunity" to get the tax credit for the 120 unit apartment complex and were "fully supportive" of the application.

We "sincerely hope this proposed development comes to fruition," according to the falsified endorsement.

"Please know these letters were drafted and requested by the developer for me to sign, yet I refused," Grimmer wrote to the LHFA on Dec. 14, 2010.

"I personally feel these letters were sent without the proper approvals and authority with the intent to deceive," Grimmer wrote.

"Said statements by defendants Grimmer and Livingston are false," according to the lawsuit, "were made with malice, are defamatory, and caused Petitioners to be cast in a false public light."

The Council's assertion that it never supported the application is a matter of public record.

The letter in the tax credit application under Grimmer's name stated that the Parish President was "fully supportive" of the housing development and that he hoped "this proposed development becomes a reality."

### **Market study**

At the Neighbors In Action meeting, plaintiff Bradley Roberts said that the sale of the land to Herman and Kittle Properties, Inc. was contingent on getting the government subsidy.

Although the lawsuit blames the Parish Council, Grimmer, and Price for the application's failure, a market feasibility study attached to the application recommended denial.

"Based on the number of vacant units in the primary market area including those at similarly priced LIHTC communities, it does not appear the market can support additional rental units at this time," according to the Market Feasibility Analysis for The Flats at 447, prepared for the Louisiana Housing Finance Agency (Oct. 13, 2010).

## McCoys

The lawsuit also goes into Josh McCoy's connection with The Flats at 447.

"Since 2008, Josh McCoy, the son of a Livingston Parish Council member, has had no interest whatsoever in either Pine Shadows or the subject tract of land," according to the lawsuit.

Price said in 2010 that although Josh McCoy was no longer listed on the Secretary of State's corporate database as part owner of Pine Shadows, the Livingston Parish Clerk of Court had no record of Josh McCoy selling his interest in the property.

The day after the Oct. 26 Neighbors In Action meeting in Walker, Price e-mailed Chase Muller, who attended the meeting with Bradley Roberts as a representative of Donnie Jarreau Real Estate. Price questioned Josh McCoy's connection with The Flats at 447.

"In regards to Josh McCoy, we tried to clarify but belief (sic) were stopped while doing so, he is not an owner of this property," Muller responded. "In July 2008 he was taken off of the LLC. For the initial purchase he was a part of it because he put together the project to build condominiums and brought in the current owners."

According to the lawsuit, "The proposed 168-unit development was approved by the defendant Livingston Parish Council." This approval was for the condominium project. The Flats at 447 never received approval, according to the Parish Planning Department.

## Land value

Price questioned Muller by e-mail concerning additional commuter traffic on I-12, drainage, sewerage, and other possible problems associated with a large apartment complex at that location.

"Chase, I'm not against progress," Price wrote, "but there are so many things that need to be considered. These types of housing developments will most likely attract people from the Baton Rouge area because of our school system. Our school system is bursting at the seams now," Price

wrote.

Price suggested that Muller's client would "benefit by waiting to (sic) after the hospital (Our Lady of the Lake) and road improvements are built.

"Currently he is selling the property at less than \$5.50 per sq. ft. Surely the value of this property would rise after the hospital is built," Price wrote.

"I always thought that this site would one day have several doctors' offices or something similar," Price wrote.

According to the lawsuit, "the subject tract owned by Petitioners, has now been effectively rendered unusable and has been removed from the stream of commerce."

According to the lawsuit, Price's comments to the real estate agent and others "were made to 'kill' the Project" and also included negative remarks about Jimmie McCoy.

### **Internet politics**

The lawsuit also refers to Price's website, [livingstonparishcouncil.info](http://livingstonparishcouncil.info). The website is often critical of parish government, but has also provided information unavailable elsewhere.

Price was the first to put entire, unedited videos of Council meetings on the Internet and was the first to post the Council's reapportionment map proposals.

The website also collects campaign materials and is critical of some parish road policies.

Price, along with another local businessman, Scott Jones, organized a parishwide petition in 2009 that forced councilmen to stop the overlay of gravel driveways.

The Jones/Price initiative gathered 8,249 valid voter signatures, 899 more than needed. It was the first test of the Home Rule Charter's provisions allowing voters to change ordinances by petition.

McCoy was one of the lead proponents of the former road policy.

At the Sept. 9, 2010, Council meeting, McCoy asked District Attorney Scott Perrilloux to find a way to shut down Price's website.

The lawsuit references an article written by Price on the website titled "Jimmie McCoy Up to His Tricks Again," about David Roberts, Bradley Roberts, Josh McCoy and Jimmie McCoy.

### **Big business**

David Roberts, now the agent for Pine Shadows property LLC, is also CEO of Excel Group, which owns Davies Engineering.

The lawsuit does not include David Roberts' financial history with the parish. Roberts won a \$334,505 coastal restoration contract, and lost a \$92,000 contract for an airport feasibility study.

According to the lawsuit, "As a result of the actions of the defendants, Petitioner David Roberts has sustained damages which include, but are not limited to, loss of reputation and standing in the community, loss of earning capacity, lost profits and wages, emotional distress and mental anguish, and all such other damages as will be more fully shown at trial of this matter."