

March 7, 2023

Mayor Staci Albritton Mitchell  
Attn: Ms. Christen Heath, City Clerk  
City of West Monroe  
2305 N 7th Street  
West Monroe, LA 71291

RE: Neighbors, LLC  
Industrial Tax Exemption Program Contract #20190093-ITE - \$739,150.00  
Notice of Non-Compliance  
RESPONSE DEADLINE: **May 6, 2023**

Dear Mayor Mitchell:

The Exhibit "A" Agreement made between Louisiana Department of Economic Development ("LED") and Neighbors, LLC ("Company"), was entered into for the Industrial Tax Exemption Program ("ITEP") to obtain the above-referenced exemption from ad valorem taxes in Ouachita Parish.

This notice is being provided to you in accordance with Section 6.01(B)(4) of Exhibit A to the above referenced Exemption Contract. Section 7.02 of Exhibit A requires timely Annual Certification of Compliance to be submitted to LED each Project Year outlining the following Company Objectives set forth in Section 4.02(B):

**Project Year: 2021**  
**Required Jobs: 10**  
**Required Payroll: \$300,000**

Pursuant to Exhibit A, notice is hereby given that the Company failed to satisfy the requirements of Exhibit A for the following reason(s):

Annual Certification of Compliance was received by the Deadline set forth in Section 7.02; however, upon review, the Company's actual Annual Jobs and Payroll was **3 Jobs with Payroll of \$337,080.94**; therefore, Company is not in compliance with Company Objectives for this Project Year due to not creating and/or retaining the required number of jobs.

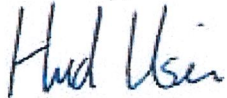
Local Governmental Entities may either defer any decision or action on the Company's non-compliance to the Louisiana Board of Commerce and Industry, ("Board"), or in accordance with Section 6.01(B)(4) of the Exhibit A, make a recommendation to the Board on the consequence for non-compliance.

Alternatively, as further provided by Section 6.01(B)(4), the Local Governmental Entities and the Company may agree on a Default Payment that the Company can make to each of the Local Governmental Entities in the agreed amount, in which case, the current terms of the Exemption Contract shall remain the same without further consideration by the Board.

In order to make a recommendation to the Board or notify the Board if the Company makes a Default Payment, the Local Governmental Entity or Entities **must provide written notice, by resolution or otherwise, as appropriate, to LED** either: 1) outlining the Local Governmental Entity's recommendation to the Board to reduce the term of the exemption, reduce the annual percentage of the exemption or terminate the exemption or, 2) confirming that the Company has made a Default Payment. In order to ensure Board consideration of any local action, written notice should be provided to LED no later than **May 6, 2023**.

If notice is not received, it will be noted as such upon presentation to the Board, which LED anticipates will occur at the next available meeting when submitted for final consideration and/or action. Thank you for your prompt attention to this matter.

Sincerely,



Hud Usie  
Program Administrator  
Industrial Tax Exemption Program  
(225) 342-5399  
[Hud.Usie@la.gov](mailto:Hud.Usie@la.gov)

c: Assessor, Ouachita Parish  
Applicant, Neighbors, LLC  
Consultant, Summit Credits LLC

**EXHIBIT 2**  
**CERTIFICATION OF COMPLIANCE**

**Contract Number for the Project:** 20190093-ITE **Reporting Period:** December 2021

**Company Name:** Neighbors LLC

**Project Physical Address:** 131 Frost Commercial Drive, West Monroe, Louisiana 71292

1. Has the contract for this project/phase been fully executed? Yes ☒ No ☐  
a. Complied with Article IV: Project Completion Report (PCR)? Yes ☒ No ☐  
b. Complied with Article VI: Affidavit of Final Cost (AFC)? Yes ☒ No ☐

If the answer to any of the above is "No", please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Operation of the assets related to this project/phase:  
☒ Commenced, as of 04/26/2019 and continues to date.  
(Date)  
☐ Has not commenced or has ceased Operation

If Company has ceased Operation, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Capital Expenditures for this project/phase made as of 09/30/2019 : \$ 739,150.00  
(Date – from PCR) (Amount – from AFC)

4. Required Annual Jobs (per Exhibit A, Section 4.02 (B)): 10  
a. Actual number of Jobs (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): 3

5. Required Annual Payroll (per Exhibit A, Section 4.02 (B)): \$ 300,000.00  
a. Actual annual Payroll (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \$ 337,040.94

6. Has the Company offered a Basic Health Benefits Plan for this Project Year for Jobs? Yes ☒ No ☐

7. Are any Jobs at the Manufacturing Establishment attributable to:  
a. Jobs transferred from any other location within the state by the Company, Company Affiliate or a Qualified Contractor? Yes ☐ No ☒  
b. Jobs transferred from any other Louisiana-based employment as a result of the Company, Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets? Yes ☐ No ☒  
c. If yes to either a. or b. above, were those Jobs backfilled resulting in a neutral job gain (or neutral job count if retaining Jobs) within the State? Yes ☐ No ☐

If the answer to 7.c. is "No", please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Upload this Certification of Compliance with original signatures via Fastlane. The following additional materials must accompany this certification. Use the most current updated prescribed forms and spreadsheets found on the Fastlane Document Checklist:
- ITE Employment Baseline Calculation Worksheet – (only required the first year of reporting).
  - A sortable and unlocked version of the ITE Annual Compliance Report (ITE ACR).
  - Copies of all quarterly wage reports (ES-4's/SUTA) and Multi Worksite Reports (if applicable) filed with the LA Workforce Commission for the same filing period.
9. Optional: If applicable, additional non-compliance documentation is attached as a separate document for LED to provide to the Local Governmental Entities & the Board of Commerce & Industry for consideration. Yes ☒ No ☐

**CONTACT TYPE (select one):** Business ☒ Consultant ☐

**Contact Information:**

Name: Jerry M. Allen

Title: Vice President

Mailing Address: 131 Frost Commercial Drive, West Monroe, Louisiana 71292


Phone Number: (318) 647-5744 Extension: 101

E-mail Address: jallen@neighborscookies.com

**CERTIFICATION**

(Must be executed by a key employee of the Company—executive or senior level officer, project site manager, or equivalent rank)

I hereby certify that, with regard to the above-referenced Industrial Tax Exemption project number, the information provided in this document and additional supporting materials is true and correct to the best of my information and belief after reasonable inquiry. And I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for filing of false public records (R.S. 14:133) and/or forfeiture of any exemptions approved under this program. I understand that application and information submitted with it shall not be returnable to the applicant.

  
(Original Signature)

Jerry M. Allen

(Printed Name)

4/28/22

(Date)

Please include a copy of this document and remit a check for \$250 (note contract number on check) made payable to:

Louisiana Economic Development  
617 North 3<sup>rd</sup> Street, 11<sup>th</sup> Floor  
Baton Rouge, LA 70802





MAIN: 318-397-1124  
FAX: 888-600-7859  
131 FROST COMMERCIAL DR.  
WEST MONROE, LA 71292

[www.neighborscookies.com](http://www.neighborscookies.com)

April 28, 2022

To Whom It May Concern,

For expansions we made at our facility in 2019, Neighbors LLC was approved for the Louisiana Economic Development Investment Tax Exemption Program. Under our agreement, we were to create and retain ten new positions at our Plant. Due to the impact of the Pandemic that affected the entire State of Louisiana as well as The United States of America, Neighbors was unable to meet the new position requirements. In 2020, the Pandemic had a major impact to our operation and the shortage of ready/available labor continued into 2021. Working to meet the most basic of our business obligations, Neighbors was forced to hire over twenty-five part-time, temporary employees through the end of 2021. We were unable to fill open positions due to lack of available and willing job candidates.

Even though we were hoping the worst of the pandemic would be over in 2021, we experienced effects of the pandemic through the end of the year. Neighbors, like a lot of the companies in our state, struggled to hire and retain employees. Lingering fears of contracting COVID caused a large percentage of the workforce to decline to return to work or withdraw completely. Workers who have returned are looking for more flexible hours and significant pay increases. While we have increased wages somewhat, providing flexible hours is very difficult for any company running a production line such as ours. As a result, we are still struggling to hire and retain full time employees willing to work our shift schedule. The ability to decrease the hours on our shift schedule would require hiring and retaining even greater numbers of workers. During 2021, we hosted one job fair and participated in three others with very little to no success. The job fair we hosted included free lunches for anyone attending and only sixteen candidates showed up. Many of those were not qualified or decided they could not manage the work at a production line. Of those offered positions, before they reported to work, one decided they did not want the job. So, for all our efforts and expense, we were only able to hire three full time employees. Without the available workforce this left us with open positions on the production line, quality control and as maintenance technicians. We were able to add another higher wage job which did increase our Louisiana salaries, but unfortunately, we were not able to add the ten positions as required.

We were optimistic that the problem with hiring employees would end in 2020. However, this carried over into 2021, not only for Neighbors but as was the case for many of the companies in our State. Our inability to find willing and available job candidates to hire was





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the reason for our non-compliance and not the fact that we did not have jobs available. Currently, we are beginning to see some success in hiring employees and we are hopeful the workforce will be more available to fill our open positions on a full-time basis throughout 2022.

Without the lingering impacts of the Pandemic, we believe we would have been able to meet the requirement of filling and retaining the ten new positions. We respectfully request that Neighbors, LLC be considered for relief of our requirements for 2021 due to the continuing impact of the Pandemic in our area.

Sincerely

*Meryl Kennedy Farr*

Meryl K. Farr  
President and CEO