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Warehouse defeat stuns state lawyers

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A five-day trial called a battle between David and Goliath by lawyer Johnnie Cochran ended Wednesday with a verdict for "David" that nearly knocked the opposition's attorneys to the ground.

"The verdict doesn't match any of the evidence," a stunned attorney for the Ernest N. Morial Convention Center said after a jury awarded Dr. Steve Lesser \$10.5 million for his Tchoupitoulas Street warehouse, expropriated by the state in January to clear the way for the center's Phase 4 expansion.

Matt Chenevert, an attorney for the center's governing board, said the state will appeal the decision.

The state asked the six-member jury to award Lesser about \$1.2 million for his property, a 35,000-square-foot building at the corner of Tchoupitoulas and Race streets.

Lesser asked for \$12.2 million, claiming that a developer was ready to build a 400-room hotel on the property.

By the time the verdict in the Civil District Court trial was announced about 6:30 p.m., Cochran already was flying to his next trial in Tulsa, Okla., and Lesser was on duty at Charity Hospital.

Lesser is "a Renaissance David," Cochran told the jury. A doctor, artist and musician, Lesser worked long hours in the Charity emergency room to earn the money to transform an old foundry into a home and art studio, Cochran said.

"He doesn't want his property taken," Cochran said. He told the jury the authority wants the property to prevent Lesser from building a hotel there. "They don't want competition."

Cochran and attorney Randall Smith presented witnesses and slides to show jurors that Lesser had plans to build a boutique hotel and entertainment center that would draw visitors and musicians to the city.

Bernard Charbonnet, representing the Convention Center board, called the proposed hotel "a sham" that was concocted to falsely raise the value of Lesser's property.

"There was no hotel deal," Charbonnet told the jury. "We got a shell game going on in this courtroom."

Charbonnet and Chenevert called witnesses, including an architect of the Convention Center's planned expansion, who said Lesser's plan for the hotel would be impossible to carry out because of architectural problems and code restrictions.

Charbonnet said Lesser "got into this (real estate) game as a privileged doctor" and that he wanted the state to "pay center-cut prices for an end-cut piece of property."

Charbonnet said the state is the real "David" in the matter. "We are sitting up here like a victim because this is the last piece of property we need" for an expansion that will create 7,200 jobs and generate more than \$500 million in economic activity, Charbonnet said.

Smith said he was "very pleased" with the verdict.

"We look forward to seeing if the Convention Center actually is going to pay the money," he said. "Then, Dr. Lesser can go on with his life. Or, if this was all a wait-and-see and they (the authority) will walk away now, then my client can go on with his life and keep his property."

The trial was held in the courtroom of ad hoc Judge Joseph Tiemann, who in January ruled that the state could expropriate Lesser's property and a nearby warehouse called The Pickery.

Pickery owners Bart Westdorp and Danny Guillot last week accepted the state's offer of \$525,000 for their 8,400-square-foot home, art gallery and theater at 431-433 Orange St., which they bought in 1999 for \$82,000. They have to vacate the property by April 20.

Cochran, a native of Shreveport, got involved in the proceedings because he is interested in Louisiana, Smith said. Cochran's wife is from Louisiana, "and he knows people here," Smith said.

Ralph Brennan, a New Orleans restaurateur and chairman of the Convention Center board, said the Pickery and Lesser's property were not part of the original plans for Phase 4 but that expropriating them became necessary when the plans were revised to make space for the Regional Transit Authority to extend its riverfront streetcar line upriver, more riverfront access for the Port of New Orleans, wider sidewalks and taxicab space.

This isn't the first time the Convention Center, a state agency, has gone to court to acquire property.

In 1991, developer Joseph Canizaro and business partners Coleman Adler and William Goldring bought 72 acres just upriver from the Crescent City Connection for \$11 million from the Missouri Pacific Railroad Co. The Convention Center expropriated 23 of those acres for Phase 3, paying the three partners \$13 million.

Two years ago, Canizaro sold another 37 acres of the property to the Convention Center for \$45 million, with the understanding it would be used for Phase 4.