

SENATE BILL NO. 229

BY SENATOR DUPLESSIS AND REPRESENTATIVE KNOX

1 AN ACT

2 To amend and reenact R.S. 33:130.862(A) and to enact R.S. 33:130.865.1, relative to the  
3 boundaries of the New Orleans Exhibition Hall Authority Economic Growth and  
4 Development District; to provide for a payment in lieu of taxes provision; and to  
5 provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 33:130.862(A) is hereby amended and reenacted and R.S.  
9 33:130.865.1 is hereby enacted to read as follows:

10 §130.862. New Orleans Exhibition Hall Authority Economic Growth and  
11 Development District; creation; territorial jurisdiction

12 A. The New Orleans Exhibition Hall Authority Economic Growth and  
13 Development District, a body politic and corporate, referred to in this Subpart as the  
14 "district", is hereby created in the city of New Orleans, referred to in this Subpart as  
15 the "city". The district shall be comprised of all the property bounded by the  
16 floodwall at Girod Street to Market Street, Market Street to Tchoupitoulas Street,  
17 north on Tchoupitoulas Street to Euterpe Street, west on Euterpe Street to Chippewa

1 Street (extended), north on Chippewa Street (extended) to Melpomene Street, west  
 2 on Melpomene Street to Annunciation Street, north on Annunciation Street to Thalia  
 3 Street, east on Thalia Street to St. Thomas Street (extended), north on St. Thomas  
 4 Street (extended) to Calliope Street riverbound, east on Calliope Street riverbound  
 5 to Convention Center Boulevard, north on Convention Center Boulevard to Girod  
 6 Street, and east on Girod Street to the floodwall, referred to in this Subpart as the  
 7 "property".

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9 §130.865.1. Payment in lieu of taxes

10 A. Any property that is acquired or owned by the district or any  
 11 subdistrict is hereby declared to be public property used for public purposes  
 12 and shall be exempt from all ad valorem taxes. However, any improvements  
 13 thereon, other than those improvements owned by the New Orleans Exposition  
 14 Hall Authority, shall be subject to all ad valorem taxes, or, in the alternative, a  
 15 payment in lieu of taxes, subject to the process defined in Subsection B of this  
 16 Section.

17 B. Subject to prior review by the New Orleans City Council of an  
 18 economic development project with a payment in lieu of taxes agreement as  
 19 provided for herein, the district or any subdistrict may designate any property  
 20 it acquires or owns, each no greater than one discrete parcel subject to its own  
 21 ad valorem tax bill, to be an "economic development project" that may be  
 22 leased to a lessee subject to the lessee making payments to the tax collector for  
 23 the city of New Orleans in an annual sum in lieu of ad valorem taxes to  
 24 compensate the city of New Orleans for any services rendered to such economic  
 25 development project. The annual sum, together with any fees and charges to be  
 26 paid by such lessee shall not be in excess of the ad valorem taxes such lessee  
 27 would have been obligated to pay in such year had such property been owned  
 28 by the lessee during the period for which such payment in lieu of taxes is made.  
 29 The payment to be made in lieu of taxes, together with any fees and charges of  
 30 the district or any subdistrict, shall constitute statutory impositions within the

1 meaning of R.S. 47:2128. Prior to entering into the payment in lieu of tax  
2 agreement, the district or any subdistrict, acting by and through the board,  
3 shall provide the city of New Orleans office of economic development with the  
4 payment in lieu of tax proposal for property designated an economic  
5 development project serving the public purposes of the district or subdistrict,  
6 which proposal shall consist of the following:

7 (1) The term of the payment in lieu of tax proposal evidenced in a  
8 payment in lieu of tax agreement.

9 (2) The annual amount of the payment in lieu of taxes to be paid by the  
10 lessee.

11 (3) A description of the economic development project identified in the  
12 payment in lieu of tax proposal, which at a minimum shall consist of one or  
13 more of the following:

14 (a) For each distinct parcel and lot within the economic development  
15 project, including areas therein that are leased to sub-lessees, creation of at least  
16 ten new permanent jobs.

17 (b) For each economic development project in aggregate, creation of an  
18 affordable workforce housing development of not less than seventy-five housing  
19 units, defined to be priced at an affordable or workforce rate, as then defined  
20 by the United States Department of Housing and Urban Development, for a  
21 minimum period of thirty years.

22 (4) Documentation that the economic development project identified in  
23 the payment in lieu of tax agreement will meet all required city standards,  
24 including but not limited to the city of New Orleans local hire and  
25 disadvantaged business enterprise rules, as well as all applicable rules within  
26 the Comprehensive Zoning Ordinance of the city of New Orleans. Each  
27 payment in lieu of tax proposal, as defined herein, shall be submitted prior to  
28 acquiring or owning an economic development project with such payment in  
29 lieu of tax agreement. The proposal shall be submitted to the city of New  
30 Orleans office of economic development for review via personal delivery to the

1            director of such office, in exchange for a stamped receipt by the office or via  
2            registered or certified U.S. mail. The office of economic development shall have  
3            forty-five days from the date the proposal is received to review the payment in  
4            lieu of tax proposal, pursuant to those standards herein and any additional  
5            requirements which may be adopted by the office of economic development, and  
6            transmit a recommendation of approval or denial to the New Orleans city  
7            council, through the clerk of the city council. The city council shall have fifteen  
8            days from the date the proposal is received by its clerk to review the payment  
9            in lieu of tax proposal, followed by an additional thirty-day period to adopt a  
10           resolution disapproving or approving, with or without amendments, the  
11           proposal. The thirty day approval period shall include a hearing before the city  
12           council economic development committee, which may recommend a vote of  
13           disapproval, approval, or approval with amendments on the resolution to the  
14           full city council. The payment in lieu of tax agreement shall be deemed denied  
15           for execution by the district or any subdistrict if the city council fails to adopt  
16           a resolution approving the proposal, with or without amendments, within the  
17           thirty days following such fifteen-day review period. The payment in lieu of tax  
18           agreement related to an economic development project within the district or  
19           any subdistrict shall become effective upon approval by resolution of the board  
20           of the district or any subdistrict after the payment in lieu of tax agreement has  
21           received the approval of the city council and has incorporated the city council  
22           amendments, if any, to the payment in lieu of tax agreement.

23           C. All economic development projects for which a payment in lieu of tax  
24           agreement is approved shall submit annual project compliance reports to the  
25           city council and office of economic development, with such data that shall be  
26           required by the office of economic development.

27           D. Failure to comply with any provision of the approved payment in lieu  
28           of tax agreement shall be grounds for amendment or cancellation of said  
29           agreement by further council resolution.

30           E. In connection with the lease of any property owned by the district or

1 subdistrict to a private entity, the contract of lease or other agreement shall not  
2 be subject to R.S. 33:4710.11(D)(4) and R.S. 33:4710.11(D)(5).

3 F. Nothing herein shall be construed to relieve any party of the obligation  
4 to comply with the Comprehensive Zoning Ordinance of the city of New  
5 Orleans, including but not limited to provisions related to inclusionary zoning.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_