

2024 Regular Session

SENATE BILL NO. 364

BY SENATOR HARRIS

SPECIAL DISTRICTS. Provides for the Downtown Development District of the city of New Orleans. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 33:2740.3(B), (C), (D), (E), (F), (G), (H) and (I), and to repeal
3 R.S. 33:2740.3(J), (K), (L) and (M), relative to the Downtown Development District
4 of the city of New Orleans; to provide relative to the composition of the board of
5 commissioners; to provide relative to terms of office and vacancies; to provide
6 relative to the powers, duties, functions, administration, and governance of the
7 district; to provide relative to preparation of plans; to provide for an effective date;
8 and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 33:2740.3(B), (C), (D), (E), (F), (G), (H) and (I) are hereby amended
12 and reenacted to read as follows:

13 §2740.3. The Downtown Development District of the City of New Orleans; creation,
14 composition, and powers; preparation of plans; levy of ad valorem
15 taxes and issuance of bonds

16 * * *

17 B. ~~The council of the city of New Orleans, or its successor exercising the~~

1 ~~legislative powers of said city hereinafter referred to, collectively, as the "city~~
 2 ~~council," shall have such power and control over, and responsibility for, the~~
 3 ~~functions, affairs and administration of the district as are prescribed.~~

4 ~~€.~~ In order to provide for the orderly planning, development, acquisition,
 5 construction and effectuation of the services, improvements and facilities to be
 6 furnished by the district, and to provide for the representation in the affairs of the
 7 district of those persons and interests immediately concerned with and affected by
 8 the purposes and development of the district, there is hereby created a board of
 9 commissioners for the district hereinafter referred to as the "board".

10 ~~D.C.~~(1) The board shall be composed of ~~eleven~~ **seven** members, at least ~~nine~~
 11 **five** of whom shall be qualified voters of the city of New Orleans, and shall have
 12 their principal place of business in, or own property in, the Downtown Development
 13 District. **Each board member shall be subject to confirmation by the New**
 14 **Orleans city council.**

15 **(a)** The members **of the board** shall possess additional qualifications and
 16 shall be appointed as follows:

17 ~~(a) Nine of the members shall be appointed by the mayor with the approval~~
 18 ~~of the city council, provided, however, that the mayor will select five of such~~
 19 ~~members from a list of eight nominees named by the New Orleans Chamber of~~
 20 ~~Commerce.~~

21 **(i) Two of the members shall be appointed by the mayor.**

22 **(ii) One of the members shall be appointed by the New Orleans city**
 23 **council member representing City Council District B.**

24 **(iii) One of the members shall be appointed by New Orleans & Company.**

25 **(iv) Two of the members shall be appointed by the New Orleans**
 26 **Chamber of Commerce, subject to approval by the president of the New**
 27 **Orleans city council.**

28 **(v) One of the members shall be appointed by the Greater New Orleans**
 29 **Hotel and Lodging Association, subject to approval by the president of the New**

1 Orleans city council.

2 (vi) One of the members shall be appointed by the Louisiana Restaurant
3 Association, subject to approval by the president of the New Orleans city
4 council.

5 (vii) One of the members shall be appointed by the member or members
6 of the Louisiana House of Representatives who represent the district.

7 (viii) Two of the members shall be appointed by the member or members
8 of the Louisiana Senate who represent the district.

9 ~~(b) The members of the board initially appointed by the mayor shall be~~
10 ~~appointed as follows: two members for one year each, two members for two years~~
11 ~~each, two members for three years each, two members for four years each, and one~~
12 ~~member for five years, the length of the term for each individual appointed to be~~
13 ~~determined by lot. They shall serve until their successors have been appointed and~~
14 ~~qualified. Upon the first meeting, the members of the board shall be randomly~~
15 ~~allotted terms as follows: two members for one year each, two members for two~~
16 ~~years each, two members for three years each, and one member for four years~~
17 ~~each; the length of the term for each individual appointed to be determined by~~
18 ~~lot. They shall serve until their successors have been appointed and qualified.~~
19 ~~Each board member shall be required to annually provide an affidavit attesting~~
20 ~~that he has a principal place of business or own property in the Downtown~~
21 ~~Development District.~~

22 * * *

23 ~~(2)(a) Two members shall be jointly appointed by the state senators and state~~
24 ~~representatives who represent the district in such manners that both members are~~
25 ~~residents of the district and at least one member has his principal place of business~~
26 ~~in the district.~~

27 ~~(b) Vacancies from among the members appointed by the state senators and~~
28 ~~state representatives who represent the district shall be filled by the state senators and~~
29 ~~state representatives who represent the district.~~

1 ~~(C) The members of the board of commissioners of the Downtown~~
2 ~~Development District of the City of New Orleans appointed pursuant to this~~
3 ~~Paragraph shall serve a five-year term and until their successors have been appointed~~
4 ~~and qualified. Thereafter they shall serve terms that are concurrent with those of the~~
5 ~~legislators who made the appointment.~~

6 (3) As soon as practicable after their appointment, the board shall meet and
7 elect from their number a chairman, a vice chairman, a treasurer, and such other
8 officers as it may deem appropriate. A secretary of the board may be selected from
9 among the members or may be otherwise selected or employed by the board. The
10 duties of the said officers shall be fixed by bylaws adopted by the board. The board
11 shall adopt such rules and regulations as it deems necessary or advisable for
12 conducting its business and affairs, and shall engage such assistants and employees
13 as is needed to assist the board in the performance of its duties. It shall hold regular
14 meetings as shall be provided by its bylaws and may hold special meetings at such
15 time and places within or without the districts as may be prescribed in its rules or
16 regulations. A majority of the members of the board shall constitute a quorum for the
17 transaction of business. The board shall keep minutes of all regular and special
18 meetings and shall make them available to the public in conformance with law. The
19 members of the board shall serve without compensation; however, they shall receive
20 travel allowance as reimbursement for expenses incurred while attending to the
21 business of the district.

22 ED.(1) The board shall prepare, or cause to be prepared, a plan or plans ~~(such~~
23 ~~plan or plans, and the plan provided for in Subsection F of this Section, being~~
24 ~~hereinafter referred to, collectively, as the plan)~~ specifying the public improvements,
25 **public safety services, reducing homelessness,** facilities and services proposed to
26 be furnished, constructed or acquired ~~for~~ **by** the district, and it shall conduct such
27 public hearings, publish such notice with respect thereto and disseminate such
28 information as it in the exercise of its sound discretion may deem to be appropriate
29 or advisable and in the public interest. **The board shall conduct an annual**

1 and recommendations, to the city council for its adoption, modification or rejection
2 in the same manner and with the same effect as hereinabove provided with respect
3 to the original plan.

4 F. ~~The provisions of Subsection E of this Section to the contrary~~
5 ~~notwithstanding, the board may prepare and submit directly to the city council a plan~~
6 ~~or plans setting forth its intention to employ professional consultants and experts and~~
7 ~~such other advisors and personnel as it in its discretion shall deem to be necessary~~
8 ~~or convenient to assist it in the preparation of a plan or plans for the orderly and~~
9 ~~efficient development of services and improvements within the district. Such plan~~
10 ~~shall also specify the services proposed to be rendered by such employees, an~~
11 ~~estimate of the aggregate of the proposed salaries of such employees and an estimate~~
12 ~~of the other expenses of the board required for the preparation of such plan or plans,~~
13 ~~together with a request that a tax, within the limits hereinafter in this Section~~
14 ~~prescribed, in an amount sufficient to cover the costs of such salaries and expenses~~
15 ~~be levied on the real property within the district. The city council shall review and~~
16 ~~consider such plan within thirty days following the submission to it by the board, and~~
17 ~~shall adopt or reject such plan by a majority vote of its members. If the city council~~
18 ~~adopts such a plan, it shall become final and conclusive and the tax shall be levied~~
19 ~~as hereinafter provided. If the city council rejects the plan, it shall notify the board~~
20 ~~of its action, and the board may again and from time to time prepare and submit to~~
21 ~~the city council for its review, consideration, adoption or rejection in accordance~~
22 ~~with the procedures provided for in this Paragraph, a plan setting forth the matters~~
23 ~~hereinabove in this Section prescribed.~~

24 G. ~~If no plan is finally and conclusively adopted in accordance with the~~
25 ~~procedures prescribed in this Section within ten years from and after January 1,~~
26 ~~1975, all power and authority conferred hereby shall lapse, the district shall be~~
27 ~~dissolved and all power and authority incident thereto shall become null and void as~~
28 ~~a matter of law; provided that, in such event, all obligations, contractual or~~
29 ~~otherwise, incurred by the district during its existence shall survive and shall be fully~~

1 ~~enforceable in accordance with their terms.~~

2 ~~H.E.~~(1) All services to be furnished within the district pursuant to any plan
3 finally and conclusively adopted hereunder, ~~shall~~ **may be furnished by the**
4 **Downtown Development District or may** be furnished, supplied, and administered
5 by the city of New Orleans through its regularly constituted departments, agencies,
6 boards, commissions, and instrumentalities as appropriate in the circumstances; and
7 all capital improvements and facilities to be acquired, constructed, or provided
8 within the district, whether from the proceeds of bonds or otherwise, shall likewise
9 be so acquired, constructed, or provided by the city of New Orleans through its
10 regularly constituted departments, agencies, boards, commissions, and
11 instrumentalities as appropriate in the circumstances, it being the intention hereof to
12 avoid absolutely the duplication of administrative and management efforts and
13 expense in the implementation of any plan adopted for the benefit of the district.

14 * * *

15 (3) ~~However, with the prior approval of the mayor and the city council, when~~
16 ~~the~~ **The** service sought is not ordinarily **may be** provided by the city of New Orleans,
17 **and** the board may contract with other entities ~~in accordance with the approval of the~~
18 ~~mayor and the city council for such services.~~ The cost of such specially contracted
19 services shall be paid for by the board with its funds budgeted therefor. **Any**
20 **additional security patrols, public or private, or any other security or other**
21 **services or betterments provided by the district shall be supplemental to**
22 **existing personnel and services to be provided in the district by the state or the**
23 **city of New Orleans, or their departments or agencies, or by other political**
24 **subdivisions.**

25 **(4) The district may procure by informal bid, a public work with a value**
26 **of one hundred fifty thousand dollars or less.**

27 ~~H.F.~~ The city council, in addition to all other taxes which it is now or hereafter
28 may be authorized by law to levy and collect, is hereby authorized to levy and collect
29 as hereinafter specifically provided for a term not to exceed fifty years from and after

1 the date the first tax is levied pursuant to the provisions of this Section, in the same
2 manner and at the same time as all other ad valorem taxes on property subject to
3 taxation by the city are levied and collected, a special ad valorem tax upon all taxable
4 real property situated within the boundaries of the core area development district.
5 The number of mills hereby authorized shall be computed by dividing the number
6 of mills levied and collected by the city of New Orleans for general operating
7 purposes for the year 1977 into the number of mills levied and collected by the city
8 of New Orleans for general operating purposes for the year 1978 and multiplying the
9 result by ten. No such tax shall be levied until a plan requiring or requesting the levy
10 of a tax is finally and conclusively adopted in accordance with the procedures
11 prescribed in this Section. The proceeds of said tax shall be used solely and
12 exclusively for the purposes and benefit of the district. Said proceeds shall be paid
13 over to the Board of Liquidation, City Debt, day by day as the same are collected and
14 received by the appropriate officials of the city of New Orleans and maintained in
15 a separate account. Said tax proceeds shall be paid out by the Board of Liquidation,
16 City Debt, solely for the purposes herein provided upon warrants or drafts drawn on
17 said Board of Liquidation, City Debt, by the appropriate officials of the city and the
18 treasurer of the district.

19 ¶G.(1) The city of New Orleans, when requested by resolution adopted by the
20 vote of a majority of the members of the board, approved by a resolution of the city
21 council adopted by a majority vote of its members, and by resolution adopted by the
22 vote of a majority of the members of the Board of Liquidation, City Debt, shall have
23 power and is hereby authorized to incur indebtedness for and on behalf and for the
24 sole and exclusive benefit of the district, and to issue at one time, or from time to
25 time, negotiable bonds, notes and other evidences of indebtedness herein referred to
26 collectively as bonds of the city of New Orleans, the principal of, premium if any,
27 and interest on which shall be payable solely from the proceeds of the special tax
28 authorized, levied and collected pursuant to the provisions of this section for the
29 purpose of paying the cost of acquiring and constructing capital improvements and

1 facilities within the district. Such bonds shall not constitute general obligations of the
2 city of New Orleans, nor shall any property situated within the city other than
3 property situated within the boundaries of the district be subject to taxation for the
4 payment of the principal of, premium if any, and interest on such bonds.
5 Furthermore, any indebtedness incurred by the city of New Orleans for and on behalf
6 and for the benefit of the district pursuant to the provisions of this Section, whether
7 evidenced by bonds, notes or other evidences of indebtedness, or otherwise, shall be
8 excluded in determining the power of the city of New Orleans to incur indebtedness
9 and to issue its general obligation bonds. The principal amount of such bonds which
10 may be outstanding and unpaid at any one time shall never exceed the sum of fifty
11 million (50,000,000) dollars. The proceeds derived from the sale of all such bonds
12 shall be paid over to the appropriate officials of the city of New Orleans and shall be
13 disbursed solely for the purposes and benefit of the district. All such bonds shall be
14 sold by the Board of Liquidation, City Debt, and shall bear such rate or rates of
15 interest, and shall, except as herein otherwise specifically provided, be in such form,
16 terms and denominations, be redeemable at such time or times at such price of or
17 prices, and payable at such times and places, within a period of not exceeding fifty
18 years from the date thereof, as the Board of Liquidation, City Debt, shall determine.

19 * * *

20 ~~K~~H. Notwithstanding any other provision of this Section to the contrary, no
21 tax authorized herein shall be levied and no bonds shall be issued unless and until the
22 maximum amount of the tax and the maximum amount of the bonds has been
23 approved by a majority of the electors voting thereon in the city of New Orleans in
24 an election called for that purpose. No bonds issued pursuant to this Section shall be
25 general obligations of the state of Louisiana, the parish of Orleans or the city of New
26 Orleans.

27 ~~L~~I. The district shall have the power to acquire, to lease, to insure and to sell
28 real property within its boundaries in accordance with its plans.

29 Section 2. R.S. 33:2740.3(J), (K), (L) and (M) are hereby repealed.

1 Section 3. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by James Benton.

DIGEST

SB 364 Engrossed

2024 Regular Session

Harris

Present law (R.S. 33:2740.3) provides for the creation of the Downtown Development District of the city of New Orleans. The purpose of the district is to provide for the orderly planning, development, acquisition, construction and effectuation of the services, improvements and facilities within the district.

Proposed law retains present law.

Present law provides that the council of the city of New Orleans, or its successor, shall have power and control over, and responsibility for, the functions, affairs and administration of the district. Proposed law deletes this provision of present law.

Present law provides that the board shall be composed of 11 members.

Proposed law retains present law.

Proposed law changes present law so that the members of the board of commissioners are appointed as follows:

- (1) Two of the members shall be appointed by the mayor.
- (2) One of the members shall be appointed by the New Orleans city council member representing City Council District B.
- (3) One of the members shall be appointed by New Orleans & Company.
- (4) Two of the members shall be appointed by the New Orleans Chamber of Commerce.
- (5) One of the members shall be appointed by the Greater New Orleans Hotel and Lodging Association
- (6) One of the members shall be appointed by the Louisiana Restaurant Association.
- (7) One of the members shall be appointed by the member or members of the La. House of Representatives who represent the district.
- (8) Two of the members shall be appointed by the member or members of the La. Senate who represent the district.

Present law provides that the members of the board initially appointed by the mayor shall be appointed as follows:

- (1) Two members for one year each.
- (2) Two members for two years each.
- (3) Two members for three years each.
- (4) Two members for four years each.
- (5) One member for five years.

Present law provides that the length of the term for each individual appointed to be determined by lot. They shall serve until their successors have been appointed and qualified.

Proposed law provides that upon the first meeting, the members of the board shall be randomly allotted terms as follows:

- (1) Two members for one year each.
- (2) Two members for two years each.
- (3) Two members for three years each.
- (4) One member for four years.

Proposed law provides that each board member shall be required to annually provide an affidavit attesting that he has a principal place of business or own property in the Downtown Development District.

Present law provides that the board shall prepare a plan or plans specifying the public improvements, facilities and services proposed to be furnished, constructed or acquired for the district, and it shall conduct public hearings to disseminate such information.

Proposed law retains present law and adds public safety services and reducing homelessness to the list of specifications that shall be included in the prepared plan or plans.

Proposed law provides that the board shall conduct an annual presentation to the New Orleans city council regarding expenditures.

Present law provides that the board shall also submit the plan to the planning commission of the city of New Orleans. Proposed law deletes this provision of present law.

Present law provides that after receipt of the plan together with the written comments and recommendations of the city planning commission, the city council shall review and consider the plan, together with such written comments and recommendations. Proposed law deletes this provision of present law.

Present law provides that the board may prepare and submit directly to the city council a plan or plans setting forth its intention to employ professional consultants and experts and such other advisors and personnel as it deems necessary. Proposed law deletes this provision of present law.

Present law provides that all services to be furnished within the district pursuant to any plan, shall be furnished, supplied, and administered by the city of New Orleans. All capital improvements and facilities to be acquired, constructed, or provided within the district, shall likewise be so acquired, constructed, or provided by the city of New Orleans.

Proposed law retains present law but makes the furnishing of any adopted plan by the Downtown Development District to the city of New Orleans permissive as opposed to

mandatory.

Present law provides that, with the prior approval of the mayor and the city council, when the service sought is not ordinarily provided by the city of New Orleans, the board may contract with other entities in accordance with the approval of the mayor and the city council.

Proposed law changes present law to forego the need for prior approval of the city of New Orleans and allows the board to contract with other entities.

Proposed law provides that any additional security patrols, public or private, or any other security or other services or betterments provided by the district shall be supplemental to existing personnel and services to be provided in the district by the state or the city of New Orleans, or their departments or agencies, or by other political subdivisions.

Proposed law provides that the district may procure by informal bid, a public work with a value of \$150,000 or less.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 33:2740.3(B), (C), (D), (E), (F), (G), (H) and (I); repeals R.S. 33:2740.3(J), (K), (L) and (M))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill

1. Makes changes the membership of the board of commissioners of the district.
2. Requires an affidavit by each board member that he has a principal place of business or own property in the Downtown Development District be submitted annually.
3. Provides that any additional security patrols, public or private, or any other security or other services or betterments provided by the district shall be supplemental to existing personnel and services to be provided in the district by the state or the city of New Orleans, or their departments or agencies, or by other political subdivisions.
4. Provides that the district may procure by informal bid, a public work with a value of \$150,000 or less.