

SENATE BILL NO. 364

BY SENATOR HARRIS

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AN ACT

To amend and reenact R.S. 33:2740.3, relative to the Downtown Development District of the city of New Orleans; to provide relative to the composition of the board of commissioners; to provide relative to terms of office and vacancies; to provide relative to the powers, duties, functions, administration, and governance of the district; to provide relative to preparation of plans; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 33:2740.3 is hereby amended and reenacted to read as follows:

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

A. There shall be, and there hereby is, created a special taxing district within the city of New Orleans comprised of all the territory within the following prescribed boundaries:

The point of beginning shall be at the intersection of the east bank of the Mississippi River and the Mississippi River Bridge approaches and Pontchartrain Expressway; thence continuing along the upper line of the Pontchartrain Expressway right-of-way less and except ramp areas, and in a northwesterly direction to the lake side right-of-way line of Claiborne Avenue; thence northeasterly along the lake side of said right-of-way line of Claiborne Avenue to the lower right-of-way line of Iberville Street; thence along the said lower right-of-way line of Iberville Street to the east bank of the Mississippi River; thence continuing along the east bank of said river to the upper right-of-way line of the Mississippi River Bridge approaches and

1 Pontchartrain Expressway, being the point of beginning.

2 The said special taxing district shall be known as, and is hereby designated
3 The Downtown Development District of the City of New Orleans hereinafter in this
4 Section referred to as the district, said creation to be effective January 1, 1975.

5 ~~B. The council of the city of New Orleans, or its successor exercising the
6 legislative powers of said city hereinafter referred to, collectively, as the "city
7 council," shall have such power and control over, and responsibility for, the
8 functions, affairs and administration of the district as are prescribed.~~

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

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

20 **(a) Such The members of the board** shall possess additional qualifications
21 and shall be appointed as follows:

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

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

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

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

30 **(iv) Two of the members shall be appointed by the New Orleans**

1 Chamber of Commerce, subject to approval by the president of the New
2 Orleans city council.

3 (v) One of the members shall be appointed by the Greater New Orleans
4 Hotel and Lodging Association, subject to approval by the president of the New
5 Orleans city council.

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

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

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

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

26 (c) The members of the board thereafter appointed by the mayor upon the
27 expiration of the respective terms of the initial appointees shall be selected and
28 appointed in accordance with the procedures herein prescribed for the selection and
29 appointment of the original members for the term of five years. However, vacancies
30 shall be filled from nominations submitted by the New Orleans Chamber of

1 Commerce in the following manner. The mayor shall select and appoint one of two
2 names submitted to him by such council for each of the five vacancies for which the
3 council is to submit nominees. If the selection and appointment by the mayor does
4 not take place within thirty days following submission of the nominees by the New
5 Orleans Chamber of Commerce, the selection and appointment shall be made by the
6 city council. Any vacancy which occurs prior to the expiration of the term for which
7 a member of the board has been appointed shall be filled in accordance with the
8 procedures as set forth herein. However, the New Orleans Chamber of Commerce
9 may submit additional nominees to either the mayor or the city council, as
10 applicable, until all vacancies pursuant to this Subsection are filled.

11 ~~(2)(a) Two members shall be jointly appointed by the state senators and state~~
12 ~~representatives who represent the district in such manner that both members are~~
13 ~~residents of the district and at least one member has his principal place of business~~
14 ~~in the district.~~

15 ~~(b) Vacancies from among the members appointed by the state senators and~~
16 ~~state representatives who represent the district shall be filled by the state senators and~~
17 ~~state representatives who represent the district.~~

18 ~~(c) The members of the board of commissioners of the Downtown~~
19 ~~Development District of the City of New Orleans appointed pursuant to this~~
20 ~~Paragraph shall serve a five-year term and until their successors have been appointed~~
21 ~~and qualified. Thereafter they shall serve terms that are concurrent with those of the~~
22 ~~legislators who made the appointment.~~

23 ~~(3)~~ As soon as practicable after their appointment, the board shall meet and
24 elect from their number a chairman, a vice chairman, a treasurer, and such other
25 officers as it may deem appropriate. A secretary of the board may be selected from
26 among the members or may be otherwise selected or employed by the board. The
27 duties of the said officers shall be fixed by bylaws adopted by the board. The board
28 shall adopt such rules and regulations as it deems necessary or advisable for
29 conducting its business and affairs, and shall engage such assistants and employees
30 as is needed to assist the board in the performance of its duties. It shall hold regular

1 meetings as shall be provided by its bylaws and may hold special meetings at such
 2 time and places within or without the districts as may be prescribed in its rules or
 3 regulations. A majority of the members of the board shall constitute a quorum for the
 4 transaction of business. The board shall keep minutes of all regular and special
 5 meetings and shall make them available to the public in conformance with law. The
 6 members of the board shall serve without compensation; however, they shall receive
 7 travel allowance as reimbursement for expenses incurred while attending to the
 8 business of the district.

9 ~~E.D.~~(1) The board shall prepare, or cause to be prepared, a plan or plans
 10 (such plan or plans, and the plan provided for in Subsection F of this Section, being
 11 hereinafter referred to, collectively, as the plan) specifying the public improvements,
 12 **public safety services, reducing homelessness,** facilities and services proposed to
 13 be furnished, constructed or acquired ~~for~~ **by** the district, and it shall conduct such
 14 public hearings, publish such notice with respect thereto and disseminate such
 15 information as it in the exercise of its sound discretion may deem to be appropriate
 16 or advisable and in the public interest. **The board shall conduct an annual**
 17 **presentation to the New Orleans city council regarding expenditures.**

18 (2) Any plan may specify and encompass any public services, capital
 19 improvements and facilities which the city of New Orleans is authorized to
 20 undertake, furnish or provide under the constitution and laws of the state of
 21 Louisiana, and such specified public services, improvements and facilities shall be,
 22 and shall for all purposes be deemed to be, special and in addition to all services,
 23 improvements and facilities which the city of New Orleans is then furnishing or
 24 providing, or may then, or in the future, be obligated to furnish or provide with
 25 respect to persons or property within the boundaries of the district.

26 (3) Any plan shall include (a) an estimate of the annual and aggregate cost
 27 of acquiring, constructing or providing the services, improvements or facilities set
 28 forth therein; (b) the proportion of the tax to be levied on the taxable real property
 29 within the district which is to be set aside and dedicated to paying the cost of
 30 furnishing specified services, and the proportion of such tax to be set aside and

1 dedicated to paying the cost of capital improvements, or paying the cost of debt
2 service on any bonds to be issued to pay the cost of capital improvements, such
3 proportions, in each case, to be expressed in numbers of mills; and (c) an estimate
4 of the aggregate number of mills required to be levied in each year on the taxable
5 real property within the district in order to provide the funds required for the
6 implementation or effectuation of the plan for furnishing the services specified and
7 for capital improvements or debt service, or both.

8 ~~(4) The board shall also submit the plan to the planning commission of the~~
9 ~~city of New Orleans. Said planning commission shall review and consider the plan~~
10 ~~in order to determine whether or not it is consistent with the comprehensive plan for~~
11 ~~the city of New Orleans, and shall within thirty days following receipt thereof submit~~
12 ~~to the city council its written opinion as to whether or not the plan or any portion or~~
13 ~~detail thereof is inconsistent with the comprehensive plan for the city, together with~~
14 ~~its written comments and recommendations with respect thereto.~~

15 ~~(5) After receipt of the plan together with the written comments and~~
16 ~~recommendations of the city planning commission, the city council shall review and~~
17 ~~consider the plan, together with such written comments and recommendations. The~~
18 ~~city council may by a majority vote of its members adopt or reject the plan as~~
19 ~~originally submitted by the board, or it may alter or modify the plan or any portion~~
20 ~~or detail thereof, but only by a majority vote of all of its members. If the plan as~~
21 ~~originally submitted by the board is adopted by the majority vote of the city council,~~
22 ~~it shall become final and conclusive and may thereafter be implemented. If, however,~~
23 ~~the city council alters or modifies the plan by a majority vote of its members, the~~
24 ~~plan as so altered or modified shall be resubmitted to the board for its concurrence~~
25 ~~or rejection. The board may concur in such modified plan by a majority vote of all~~
26 ~~of its members. If the board so votes to concur in the plan as modified by the city~~
27 ~~council, the plan shall become final and conclusive and may thereafter be~~
28 ~~implemented. If, however, the board does not concur in the plan as modified by the~~
29 ~~city council, it shall notify the city council in writing of its action. Thereafter, and~~
30 ~~as often and at such time or times as the board may deem to be necessary or~~

1 ~~advisable, it shall prepare, or cause to be prepared, a plan or plans and submit the~~
2 ~~same to the city planning commission in accordance with the same procedure~~
3 ~~hereinabove prescribed with respect to the original plan. The city planning~~
4 ~~commission shall, in turn, submit such plan, together with their written comments~~
5 ~~and recommendations, to the city council for its adoption, modification or rejection~~
6 ~~in the same manner and with the same effect as hereinabove provided with respect~~
7 ~~to the original plan.~~

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

28 ~~G. If no plan is finally and conclusively adopted in accordance with the~~
29 ~~procedures prescribed in this Section within ten years from and after January 1,~~
30 ~~1975, all power and authority conferred hereby shall lapse, the district shall be~~

1 dissolved and all power and authority incident thereto shall become null and void as
 2 a matter of law; provided that, in such event, all obligations, contractual or
 3 otherwise, incurred by the district during its existence shall survive and shall be fully
 4 enforceable in accordance with their terms.

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

17 (2) In order to provide such services and/or provide, construct, or acquire
 18 such capital improvements or facilities the board may enter into contracts with the
 19 city of New Orleans. The cost of any such services, capital improvements, and
 20 facilities shall be paid for to the city of New Orleans from the proceeds of the special
 21 tax levied upon real property within the district as herein provided, or from the
 22 proceeds of bonds, as the case may be.

23 (3) ~~However, with the prior approval of the mayor and the city council, when~~
 24 ~~the~~ The service sought is not ordinarily may be provided by the city of New
 25 Orleans, and the board may contract with other entities ~~in accordance with the~~
 26 ~~approval of the mayor and the city council for such services.~~ The cost of such
 27 specially contracted services shall be paid for by the board with its funds budgeted
 28 therefor. Any additional security patrols, public or private, or any other security
 29 or other services or betterments provided by the district shall be supplemental
 30 to existing personnel and services to be provided in the district by the state or

1 the city of New Orleans, or their departments or agencies, or by other political
 2 subdivisions.

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

5 ~~I.F.~~ The city council, in addition to all other taxes which it is now or hereafter
 6 may be authorized by law to levy and collect, is hereby authorized to levy and collect
 7 as hereinafter specifically provided for a term not to exceed fifty years from and after
 8 the date the first tax is levied pursuant to the provisions of this Section, in the same
 9 manner and at the same time as all other ad valorem taxes on property subject to
 10 taxation by the city are levied and collected, a special ad valorem tax upon all taxable
 11 real property situated within the boundaries of the core area development district.
 12 The number of mills hereby authorized shall be computed by dividing the number
 13 of mills levied and collected by the city of New Orleans for general operating
 14 purposes for the year 1977 into the number of mills levied and collected by the city
 15 of New Orleans for general operating purposes for the year 1978 and multiplying the
 16 result by ten. No such tax shall be levied until a plan requiring or requesting the levy
 17 of a tax is finally and conclusively adopted in accordance with the procedures
 18 prescribed in this Section. The proceeds of said tax shall be used solely and
 19 exclusively for the purposes and benefit of the district. Said proceeds shall be paid
 20 over to the Board of Liquidation, City Debt, day by day as the same are collected and
 21 received by the appropriate officials of the city of New Orleans and maintained in
 22 a separate account. Said tax proceeds shall be paid out by the Board of Liquidation,
 23 City Debt, solely for the purposes herein provided upon warrants or drafts drawn on
 24 said Board of Liquidation, City Debt, by the appropriate officials of the city and the
 25 treasurer of the district.

26 ~~I.G.~~(1) The city of New Orleans, when requested by resolution adopted by
 27 the vote of a majority of the members of the board, approved by a resolution of the
 28 city council adopted by a majority vote of its members, and by resolution adopted
 29 by the vote of a majority of the members of the Board of Liquidation, City Debt,
 30 shall have power and is hereby authorized to incur indebtedness for and on behalf

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

26 (2) Said bonds shall be signed by the mayor of the city of New Orleans and
27 the director of finance of the city of New Orleans, or officers exercising a similar
28 function, and countersigned by the president or vice president and the secretary or
29 assistant secretary of the Board of Liquidation, City Debt, provided that in the
30 discretion of the Board of Liquidation, City Debt, all but one of said signatures may

1 be in facsimile, and the coupons attached to said bonds shall bear the facsimile
2 signatures of said director of finance and said secretary or assistant secretary. In case
3 any such officer whose signature or countersignature appears upon such a bond or
4 coupon shall cease to be such officer before delivery of said bonds or coupons to the
5 purchaser, such signature or countersignature shall nevertheless be valid for all
6 purposes. The cost and expense of preparing and selling said bonds shall be paid
7 from the proceeds thereof.

8 (3) The resolution of the Board of Liquidation, City Debt, authorizing the
9 issuance and sale of such bonds and fixing the form and details thereof, may contain
10 such other provisions, not inconsistent nor in conflict with the provisions of this
11 Section, as it may deem to be necessary or advisable to enhance the marketability
12 and acceptability thereof by purchasers and investors, including, but without limiting
13 the generality of the foregoing, covenants with bondholders setting forth (a)
14 conditions and limitations on the issuance of additional bonds constituting a lien and
15 charge on the special tax levied on real property within the district pari passu with
16 bonds theretofore issued and outstanding and (b) the creation of reserves for the
17 payment of the principal of and interest on such bonds. These bonds and the interest
18 thereon are exempt from all taxation levied for state, parish or municipal or other
19 local purposes; and savings banks, tutors of minors, curators of interdicts, trustees
20 and other fiduciaries are authorized to invest the funds in their hands in said bonds.

21 (4) The Board of Liquidation, City Debt, as now organized and created, and
22 with the powers, duties and functions prescribed by existing laws, shall be continued
23 so long as any bonds authorized by this Section are outstanding and unpaid.

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

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

3 ~~M. The district shall have the power to advance to the city of New Orleans~~
4 ~~funds for payment for services rendered by the city pursuant to a contract or~~
5 ~~contracts between the district and the city.~~

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____