

2025 Regular Session

HOUSE BILL NO. 270

BY REPRESENTATIVE KNOX

DISTRICTS/ECONOMIC DEVEL: Provides relative to New Orleans Exhibition Hall Authority Economic Growth and Development District

1 AN ACT

2 To amend and reenact R.S. 33:130.865.1, relative to the New Orleans Exhibition Hall  
3 Authority Economic Growth and Development District; to provide relative to the  
4 powers and duties of the district; to provide relative to payment in lieu of taxes  
5 agreements; to provide for an effective date; and to provide for related matters.

6 Notice of intention to introduce this Act has been published  
7 as provided by Article III, Section 13 of the Constitution of  
8 Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 33:130.865.1 is hereby amended and reenacted to read as follows:

11 §130.865.1. Payment in lieu of taxes

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

18 B. ~~Subject to prior review by the New Orleans City Council of an economic~~  
19 ~~development project with a payment in lieu of taxes agreement as provided for in this~~  
20 ~~Section;~~ The board may require the lessee or sublessee of each project of the district

1 or any subdistrict ~~may designate any property it acquires or owns, each no greater~~  
2 ~~than one discrete parcel subject to its own ad valorem tax bill, to be an "economic~~  
3 ~~development project" that may be leased to a lessee subject to the lessee making~~  
4 ~~payments to the tax collector for the city of New Orleans in an annual~~ to pay  
5 annually to the parish or municipal taxing authorities, through the normal collecting  
6 agency, a sum in lieu of ad valorem taxes to compensate the city of New Orleans  
7 such taxing authorities for any services rendered by them to the economic  
8 ~~development project. The annual sum, together with any fees and charges to be paid~~  
9 ~~by the lessee, any project, which sum shall not be in excess of the ad valorem taxes~~  
10 ~~the such lessee or sublessee would have been obligated to pay in that year had the~~  
11 ~~property been owned by the lessee such taxing authorities had it been the owner of~~  
12 ~~the project during the period for which the payment in lieu of taxes is made;~~  
13 provided, however, that the lessee or sublessee shall be required to pay the full  
14 amount of any ad valorem taxes levied by the Orleans Parish school board. The  
15 payment to be made in lieu of taxes, together with any fees and charges of the district  
16 or any subdistrict, to the extent in the aggregate they do not exceed the amount of  
17 taxes that would be paid if the lessee or sublessee were the owner, shall constitute  
18 statutory impositions within the meaning of R.S. 47:2128 Title 47 of the Louisiana  
19 Revised Statutes of 1950. ~~Prior to entering into the payment in lieu of tax~~  
20 ~~agreement, the district or any subdistrict, acting by and through the board, shall~~  
21 ~~provide the city of New Orleans office of economic development with the payment~~  
22 ~~in lieu of tax proposal for property designated an economic development project~~  
23 ~~serving the public purposes of the district or subdistrict, which proposal shall consist~~  
24 ~~of the following:~~  
25 (1) ~~The term of the payment in lieu of tax proposal evidenced in a payment~~  
26 ~~in lieu of tax agreement.~~  
27 (2) ~~The annual amount of the payment in lieu of taxes to be paid by the~~  
28 ~~lessee.~~

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

4           ~~(a) For each distinct parcel and lot within the economic development project,~~  
5           ~~including areas therein that are leased to sublessees, creation of at least ten new~~  
6           ~~permanent jobs:~~

7           ~~(b) For each economic development project in aggregate, creation of an~~  
8           ~~affordable workforce housing development of not less than seventy-five housing~~  
9           ~~units, defined to be priced at an affordable or workforce rate, as then defined by the~~  
10           ~~United States Department of Housing and Urban Development, for a minimum~~  
11           ~~period of thirty years:~~

12           ~~(4) Documentation that the economic development project identified in the~~  
13           ~~payment in lieu of tax agreement will meet all required city standards, including but~~  
14           ~~not limited to the city of New Orleans local hire and disadvantaged business~~  
15           ~~enterprise rules, as well as all applicable rules within the Comprehensive Zoning~~  
16           ~~Ordinance of the city of New Orleans. Each payment in lieu of tax proposal, as~~  
17           ~~defined in this Section, shall be submitted prior to acquiring or owning an economic~~  
18           ~~development project with the payment in lieu of tax agreement. The proposal shall~~  
19           ~~be submitted to the city of New Orleans office of economic development for review~~  
20           ~~via personal delivery to the director of the office, in exchange for a stamped receipt~~  
21           ~~by the office or via registered or certified U.S. mail. The office of economic~~  
22           ~~development shall have forty-five days from the date that the proposal is received to~~  
23           ~~review the payment in lieu of tax proposal, pursuant to those standards in this~~  
24           ~~Section and any additional requirements which may be adopted by the office of~~  
25           ~~economic development, and transmit a recommendation of approval or denial to the~~  
26           ~~New Orleans city council through the clerk of the city council. The city council shall~~  
27           ~~have fifteen days from the date that the proposal is received by its clerk to review the~~  
28           ~~payment in lieu of tax proposal, followed by an additional thirty-day period to adopt~~  
29           ~~a resolution disapproving or approving, with or without amendments, the proposal.~~

1       ~~The thirty-day approval period shall include a hearing before the city council~~  
2       ~~economic development committee, which may recommend a vote of disapproval,~~  
3       ~~approval, or approval with amendments on the resolution to the full city council.~~  
4       ~~The payment in lieu of tax agreement shall be deemed denied for execution by the~~  
5       ~~district or any subdistrict if the city council fails to adopt a resolution approving the~~  
6       ~~proposal, with or without amendments, within the thirty days following the~~  
7       ~~fifteen-day review period. The payment in lieu of tax agreement related to an~~  
8       ~~economic development project within the district or any subdistrict shall become~~  
9       ~~effective upon approval by resolution of the board of the district or any subdistrict~~  
10       ~~after the payment in lieu of tax agreement has received the approval of the city~~  
11       ~~council and has incorporated the city council amendments, if any, to the payment in~~  
12       ~~lieu of tax agreement.~~

13               ~~C. All economic development projects for which a payment in lieu of tax~~  
14       ~~agreement is approved shall submit annual project compliance reports to the city~~  
15       ~~council and office of economic development with such data that shall be required by~~  
16       ~~the office of economic development.~~

17               ~~D. Failure to comply with any provision of the approved payment in lieu of~~  
18       ~~tax agreement shall be grounds for amendment or cancellation of the agreement by~~  
19       ~~further council resolution.~~

20               ~~E. In connection with the lease of any property owned by the district or~~  
21       ~~subdistrict to a private entity, the contract of lease or other agreement shall not be~~  
22       ~~subject to R.S. 33:4710.11(D)(4) and (5).~~

23               ~~F. Nothing in this Section shall be construed to relieve any party of the~~  
24       ~~obligation to comply with the Comprehensive Zoning Ordinance of the city of New~~  
25       ~~Orleans, including but not limited to provisions related to inclusionary zoning.~~

26               C. The term "project" as used in this Subpart means one or more of any  
27       combination of convention, exhibition, tourist, entertainment, lodging, retail,  
28       parking, and related facilities, together with the necessary land, acquired by lease or

1           purchase, site improvements, infrastructure, furnishings, machinery, equipment, and  
2           appurtenances for any such facility.

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

---

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

HB 270 Original

2025 Regular Session

Knox

**Abstract:** Provides relative to the powers and duties of the New Orleans Exhibition Hall Authority Economic Growth and Development District.

Present law creates and provides for the New Orleans Exhibition Hall Authority Economic Growth and Development District as a political subdivision. Provides that the district's purpose is to provide for cooperative economic and community development among the district, the city, the state, and the owners of property in the district, to enhance the development of and improvement to property within the district, and to promote economic growth, safety, and development. Provides for the district's boundaries, governance, and powers and duties.

Present law provides that any property that is acquired or owned by the district or any subdistrict is declared to be public property used for public purposes and shall be exempt from all ad valorem taxes. Provides that any improvements, other than those improvements owned by the authority, shall be subject to all ad valorem taxes, or, in the alternative, a payment in lieu of taxes.

Proposed law retains present law.

Present law authorizes the district or any subdistrict, subject to prior review by the New Orleans city council, to designate any property it acquires or owns to be an "economic development project" that may be leased to a lessee subject to the lessee making payments to the tax collector for the city of New Orleans in an annual sum in lieu of ad valorem taxes to compensate the city of New Orleans for any services rendered to the economic development project. Provides that the annual sum shall not be in excess of the ad valorem taxes the lessee would have been obligated to pay in that year had the property been owned by the lessee.

Proposed law removes requirement that the New Orleans city council review an economic development project with a payment in lieu of taxes agreement. Provides instead that the board may require the lessee or sublessee of each project of the district or any subdistrict to pay annually to the parish or municipal taxing authorities a sum in lieu of ad valorem taxes to compensate the taxing authorities for services rendered by them to any project, which sum shall not be in excess of the ad valorem taxes the lessee or sublessee would have been obligated to pay had it been the owner of the project. Requires the lessee or sublessee to pay

the full amount of ad valorem taxes levied by the Orleans Parish school board. Provides that "project" means one or more of any combination of convention, exhibition, tourist, entertainment, lodging, retail, parking, and related facilities, together with the necessary land, acquired by lease or purchase, site improvements, infrastructure, furnishings, machinery, equipment, and appurtenances for any such facility.

Present law requires the district or subdistrict, prior to entering into a payment in lieu of tax agreement, to provide the city of New Orleans office of economic development with the payment in lieu of tax proposal for property designated an economic development project serving the public purposes of the district or subdistrict, which proposal shall consist of the following:

- (1) The term of the payment in lieu of tax proposal evidenced in a payment in lieu of tax agreement.
- (2) The annual amount of the payment in lieu of taxes to be paid by the lessee.
- (3) A description of the economic development project identified in the payment in lieu of tax agreement, which, at a minimum shall consist of at least one or more of the following: a development project creating at least 10 new permanent jobs or an affordable workforce housing development of not less than 75 housing units.
- (4) Documentation that the economic development project will meet all required city standards.

Present law provides that prior to acquiring or owning an economic development project with a payment in lieu of tax agreement, a payment in lieu of tax proposal shall be submitted to the city of New Orleans office of economic development for review via personal delivery to the director of the office in exchange for a stamped receipt by the office or via registered or certified U.S. mail.

Present law provides that the office shall have 45 days from the date the proposal is received to review the proposal and to transmit a recommendation of approval or denial to the city council through the clerk of the council.

Present law provides that the city council shall have 15 days from the date the proposal is received to review the proposal followed by an additional 30-day period to adopt a resolution disapproving or approving, with or without amendments. Provides that the 30-day period shall include a hearing before the city council's economic development committee which may recommend a vote of disapproval, approval, or approval with amendments to the full city council.

Present law provides that the tax agreement shall be deemed denied if the city council fails to adopt a resolution approving the proposal, with or without amendments, within 30 days following the 15-day review period.

Present law provides that the payment in lieu of taxes agreement shall become effective upon approval by resolution of the board of the district or subdistrict after the agreement has received the approval of the city council and has incorporated the city council amendments, if any.

Present law requires all economic development projects for which a payment in lieu of tax agreement is approved to submit annual project compliance reports to the city council and the office of economic development.

Present law provides that failure to comply with the approved payment in lieu of taxes agreement shall be grounds for amendment or cancellation of the agreement by the council.

Present law provides that in connection with the lease of any property owned by the district or subdistrict to a private entity, the contract of lease or other agreement is not subject to certain requirements of present law (R.S. 33:4710.11(D)(4) and (5)) relative to the payment of ad valorem taxes or a payment in lieu of taxes.

Present law provides that nothing in present law should be construed to relieve any party of the obligation to comply with the Comprehensive Zoning Ordinance of the city of New Orleans.

Proposed law removes present law.

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

(Amends R.S. 33:130.865.1)