

Regular Session, 2013

HOUSE BILL NO. 605

BY REPRESENTATIVE WESLEY BISHOP

DISTRICTS/SPECIAL: Provides relative to the boundaries of the Gentilly Development District

1 AN ACT

2 To amend and reenact R.S. 33:2740.70(D)(1)(b), (E)(2), and (G)(1) and (3) and to repeal
3 R.S. 33:2740.70(F), to provide relative to the Gentilly Development District; to
4 provide relative to the governance and powers and duties of the district; to reduce the
5 membership of the district's governing board; to remove the authority to levy a
6 special ad valorem tax for the district and to pay the district's debts with tax
7 proceeds; and to provide for related matters.

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

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 33:2740.70(D)(1)(b), (E)(2), and (G)(1) and (3) are hereby amended
13 and reenacted to read as follows:

14 §2740.70. The Gentilly Development District; creation, composition, and powers;
15 levy of ad valorem taxes and issuance of bonds

16 * * *

17 D. The district shall be governed by a six-member board of commissioners,
18 referred to in this Section as the "board". The board shall be composed as follows:

19 (1)

20 * * *

1 (b) The state representative who represents House District ~~No. 96~~ No. 99, or
2 his designee.

3 * * *

4 E.

5 * * *

6 (2) In order to provide such services and to provide, construct, or acquire
7 such capital improvements or facilities, the board may enter into contracts with the
8 city of New Orleans. The cost of any such services, capital improvements, and
9 facilities may be paid to the city of New Orleans ~~from the proceeds of the special tax~~
10 ~~levied upon immovable property within the district as provided in this Section, or~~
11 ~~from the proceeds of bonds, as the case may be.~~

12 * * *

13 G.(1) The city of New Orleans, when requested by resolution adopted by the
14 vote of a majority of the members of the board, approved by a resolution of the city
15 council adopted by a majority vote of its members, and by resolution adopted by the
16 vote of a majority of the members of the Board of Liquidation, City Debt, shall have
17 power and is hereby authorized to incur indebtedness for and on behalf and for the
18 sole and exclusive benefit of the district, and to issue at one time, or from time to
19 time, negotiable bonds, notes, bond anticipation notes, renewal notes, revenue bonds,
20 short-term revenue bonds, refunding bonds, interim certificates, certificates of
21 indebtedness, certificates of participation, debentures, warrants, commercial paper,
22 short-term loans, and other obligations or evidences of indebtedness, referred to in
23 this Section collectively as bonds of the city of New Orleans, the principal of,
24 premium if any, and interest on which shall be payable from ~~the proceeds of the~~
25 ~~special tax authorized, levied, and collected pursuant to the provisions of this Section~~
26 ~~or from any other sources whatsoever~~ any sources that may be available to the
27 district, including funds derived from rentals and leases of its property for the
28 purpose of paying the cost of acquiring and constructing capital improvements and
29 facilities within the district. Such bonds shall not constitute general obligations of

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

19 * * *

20 (3) The resolution of the Board of Liquidation, City Debt, authorizing the
 21 issuance and sale of such bonds and fixing the form and details thereof, may contain
 22 such other provisions, not inconsistent nor in conflict with the provisions of this
 23 Section, as it may deem to be necessary or advisable to enhance the marketability
 24 and acceptability thereof by purchasers and investors, including but without limiting
 25 the generality of the foregoing, covenants with bondholders setting forth conditions
 26 and limitations on the issuance of additional bonds ~~constituting a lien and charge on~~
 27 ~~the special tax levied on real property within the district pari passu with bonds~~
 28 ~~theretofore issued and outstanding~~, and the creation of reserves for the payment of
 29 the principal of and interest on such bonds. These bonds and the interest thereon are

1 exempt from all taxation levied for state, parish, or municipal or other local
 2 purposes; and savings banks, tutors of minors, curators of interdicts, trustees, and
 3 other fiduciaries are authorized to invest the funds in their hands in said bonds.

4 * * *

5 Section 2. R.S. 33:2740.70(F) is hereby repealed in its entirety.

6 Section 3. Neither the state representative who represents House District No. 96 nor
 7 his designee shall serve on the governing board of the Gentilly Development District on and
 8 after the effective date of this Act.

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)]

Wesley Bishop

HB No. 605

Abstract: Relative to the Gentilly Development District in Orleans Parish, changes the membership of the district's governing board and removes the district's authority to levy a special ad valorem tax within its boundaries.

Present law creates the Gentilly Development District in Orleans Parish as a political subdivision of the state. Provides for district boundaries. Provides that the governing authority of the city of New Orleans shall have such power and control over and responsibility for the functions, affairs, and administration of the district as provided in present law.

Proposed law retains present law.

Present law provides that the district is governed by a six-member board of commissioners comprised as follows:

- (1) The state representative who represents House District No. 96, or his designee.
- (2) The state representative who represents House District No. 97, or his designee.
- (3) The state senator who represents Senate District No. 3, or his designee.
- (4) The mayor of the city of New Orleans, or his designee.
- (5) The city council member whose district encompasses all or a greater portion of the area of the district, or his designee.
- (6) The assessor for the area included within the district, or his designee.

Proposed law removes the state representative who represents House District No. 96, or his designee and replaces him with the state representative who represents House District No. 99, or his designee. Prohibits the state representative who represents House District No. 96 and his designee from serving on the board on and after the effective date of proposed law.

Present law authorizes the city council of New Orleans, subject to approval of district voters, to levy and collect, for a term not to exceed 50 years a special ad valorem tax. Requires that the tax be levied and collected in the same manner and at the same time as all other ad valorem taxes on property subject to taxation by the city are levied and collected and requires that the tax proceeds be used solely and exclusively for the purposes and benefit of the district.

Proposed law repeals present law.

Present law authorizes the board to enter into contracts with the city of New Orleans in order to provide services and to provide, construct, or acquire capital improvements or facilities and with approval of the mayor and city council to enter into such contracts with other entities when the services are not ordinarily provided by the city. Provides that the cost of any such services, capital improvements, and facilities may be paid from the proceeds of the special ad valorem tax levied within the district, or from the proceeds of bonds, as the case may be.

Proposed law removes the district's authority to pay the costs of services, capital improvements, and facilities from the proceeds of the special tax levied within the district. Proposed law otherwise retains present law.

Present law authorizes the city of New Orleans, when requested by resolution adopted by the board, approved by a resolution of the city council, and by resolution adopted by the Board of Liquidation, City Debt, to incur indebtedness for and on behalf and for the sole and exclusive benefit of the district. Additionally authorizes the city, subject to the same procedure, to issue at one time, or from time to time, negotiable bonds, notes, bond anticipation notes, renewal notes, revenue bonds, short-term revenue bonds, refunding bonds, interim certificates, certificates of indebtedness, certificates of participation, debentures, warrants, commercial paper, short-term loans, and other obligations or evidences of indebtedness. Provides that the principal of, premium if any, and interest on such debt shall be payable from the proceeds of the special tax authorized, levied, and collected pursuant to the provisions of present law or from any other sources available to the district. Provides that such bonds shall not constitute general obligations of the state, Orleans Parish, or the city of New Orleans. Provides that no bonds shall be issued unless and until the maximum amount of the bonds has been approved by a majority of the electors voting thereon in the city of New Orleans in an election called for that purpose. Provides further with respect to such bonds.

Proposed law retains present law except removes the city's authority to pay the principal and interest on the district's debt from the proceeds of the special tax authorized to be levied and collected within the district.

(Amends R.S. 33:2740.70(D)(1)(b), (E)(2), and (G)(1) and (3); Repeals R.S. 33:2740.70(F))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Removes proposed law provisions that exclude certain property from the boundaries of the district.
2. Adds proposed law provisions that change the membership of the district's governing board.
3. Adds proposed law provisions that remove the authority granted to the city council of New Orleans to levy a special ad valorem tax within the boundaries of the district and the authority of the city of New Orleans and the district to pay the district's debt with tax proceeds.