HLS 19RS-383 ENGROSSED

2019 Regular Session

HOUSE BILL NO. 573

1

BY REPRESENTATIVE ABRAMSON

DISTRICTS/SPECIAL: Provides relative to the Ernest N. Morial-New Orleans Exhibition Hall Authority

AN ACT

2 To enact Chapter 12-C of Title 33 of the Louisiana Revised Statutes of 1950, to be 3 comprised of R.S. 33:4710.11 through 4710.29, relative to the Ernest N. Morial-New 4 Orleans Exhibition Hall Authority; to incorporate Acts of the Legislature of 5 Louisiana providing for the authority into the Louisiana Revised Statutes of 1950, 6 including provisions for its creation, purpose, and governance, its powers and duties, 7 including the power to levy taxes and incur debt; to provide for the termination of 8 certain taxes, authorized uses of tax revenue, and an annual report on taxes levied by 9 the authority; to provide relative to the authority's power to incur debt, the projects 10 for which debt may be incurred, and for the transfer of certain reserve funds to the 11 city of New Orleans; to provide relative to contracts with disadvantaged businesses; 12 and to provide for related matters. 13 Notice of intention to introduce this Act has been published 14 as provided by Article III, Section 13 of the Constitution of 15 Louisiana. 16 Be it enacted by the Legislature of Louisiana: 17 Section 1. Chapter 12-C of Title 33 of the Louisiana Revised Statutes of 1950, 18 comprised of R.S. 33:4710.11 through 4710.29, is hereby enacted to read as follows:

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

2	EXHIBITION HALL AUTHORITY
3	§4710.11. Creation
4	A. There is hereby created the Ernest N. Morial-New Orleans Exhibition
5	Hall Authority, hereafter in this Chapter referred to as the "authority", which is
6	created as a body politic and corporate and political subdivision of the state. The
7	territorial limits and territorial jurisdiction of the authority shall be the entire parish
8	of Orleans, including but not limited to the Ernest N. Morial Convention Center-New
9	Orleans.
10	B. The domicile of the authority shall be in the city of New Orleans,
11	Louisiana.
12	C. The purpose for which the authority is created is to acquire, construct,
13	reconstruct, extend, improve, maintain, and operate projects within the city of New
14	Orleans, subject to the zoning and other applicable ordinances of the city of New
15	Orleans, except as to the Poydras Street Wharf and other properties under the
16	administration of the board of commissioners of the Port of New Orleans, in order
17	to promote the economic growth and development of the city and its neighboring
18	parishes.
19	D. As used in this Chapter, the word "project" or "projects" means any one
20	or more of any combination of convention, exhibition, and tourist facilities, and the
21	necessary site improvements, infrastructure, furnishings, machinery, equipment, and
22	appurtenances therefor other than lodging facilities but including infrastructure and
23	site improvements to facilitate the private development and funding of lodging
24	<u>facilities.</u>
25	§4710.12. Board of commissioners
26	A. The authority shall be governed by a board of commissioners, hereafter
27	in this Chapter referred to as the "board", composed of twelve members appointed
28	as follows:
29	(1) The governor shall appoint:

CHAPTER 12-C. ERNEST N. MORIAL-NEW ORLEANS

1	(a) Three members at large.
2	(b) One member from a list of three names submitted by the New Orleans
3	Restaurant Association.
4	(c) Two members who reside within the territorial limits of the authority.
5	(d) One member from a list of three names submitted by the Greater New
6	Orleans Hotel and Motel Association.
7	(e) One member who is a resident of the legislative district in which the
8	Ernest N. Morial Convention Center-New Orleans is located and who is selected by
9	the state representative and state senator from that district.
10	(2) The mayor of the city of New Orleans, with the consent of the governing
1	authority of the city of New Orleans, shall appoint:
12	(a) One member at large.
13	(b) One member from a list of three names submitted by the Greater New
14	Orleans Tourist and Convention Commission.
15	(c) One member from a list of three names submitted by the Chamber-New
16	Orleans and the River Region.
17	(3) From the names remaining on the lists from the various nominating
18	organizations, the governor shall select and appoint one member who shall also serve
19	as the board's president.
20	B. Except as provided by Subsection A of this Section, all persons who are
21	appointed to the board shall be residents of or have their principal place of business
22	in the parish of Orleans.
23	C. The members of the board who are appointed by the governor shall serve
24	at the pleasure of the governor. The term of a member of the board appointed by the
25	mayor, except a commissioner appointed to fill an unexpired term, is four years.
26	D. Each gubernatorial appointment shall be submitted to the Senate for
27	confirmation.
28	E. As soon as practicable after their appointment, the commissioners shall
29	meet at the domicile and elect from their number a vice president and such other

1	officers as may be considered appropriate. The secretary and treasurer of the board,
2	which offices may be combined, may be selected by the board from among the
3	members or may be otherwise selected by the board.
4	F. The board shall adopt such rules and regulations as it deems necessary for
5	its own government.
6	G. Seven members of the board shall constitute a quorum for the transaction
7	of business.
8	H. The board shall keep a record of all of its proceedings, and it shall
9	designate one newspaper of general circulation in the parish of Orleans as its official
10	journal in which an extract of the minutes of such proceedings shall be published.
11	§4710.13. Powers and duties
12	The authority shall have all the powers and authority necessary or convenient
13	to carry out the purposes of this Chapter including but not limited to the following
14	powers and authority:
15	(1) To employ such officers, employees, and agents as it deems necessary
16	for the performance of its powers and duties and fix the compensation of such
17	officers, employees, and agents.
18	(2) To acquire, construct, reconstruct, extend, improve, maintain, and operate
19	projects located or to be located in the parish of Orleans.
20	(3) To acquire, whether by sale, exchange, lease, or otherwise, title to or
21	rights and interests in real property within the parish of Orleans, including leasehold
22	interests, required to implement the purposes of this Chapter. In connection with any
23	exchange of property in which the authority may engage, the property acquired by
24	the authority and the property given up by the authority shall each have a value to the
25	authority that is approximately equal, with any difference to be paid in cash. The
26	term "value to the authority" shall include any and all factors reflecting a benefit to
27	the authority and shall include without limitation proximity of a property to other
28	property owned by the authority, increased efficiency of operations of the authority

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

afforded by a property, and resolution of any claims against or potential liabilities of the authority achieved by any aspect of the exchange.

(4) To enter into contracts with any person, firm, or corporation, public or private, including the state of Louisiana or any department, agency, or political subdivision thereof, on such terms and conditions as the board may determine, with respect to the acquisition, construction, reconstruction, extension, improvement, maintenance, or operation of projects or the furnishing or distribution of the services, facilities, or commodities thereof, including but not limited to the leasing or subleasing for allied services such as hotels, restaurants, retail outlets, offices, parking, entertainment, and similar activities. Any lease or sublease of the authority, or both, to an exhibition or convention user, or both, including any assignments thereof, any lease or sublease or extensions or renewals thereof, including any assignments thereof, for allied services such as hotels, restaurants, retail outlets, offices, and entertainment, are exempt from the provisions of R.S. 38:2211 et seq. and any other provision of law with respect to the purchase or lease of property by public entities; all other contracts, leases or subleases, or both, including any assignment thereof, shall be entered into in accordance with the provisions of R.S. 38:2211.

(5) To enter into contracts with any person, firm, or corporation, public or private, including the state of Louisiana or any department, agency, or political subdivision thereof, on such terms and conditions as the board may determine, with respect to the use, lease, or sublease of project facilities and services for convention or exhibition purposes or any other purpose authorized by the provisions of this Chapter. No provision of this Chapter is intended or shall be construed to authorize or permit the state of Louisiana or any of its departments or agencies to enter into any contract or agreement under which the state of Louisiana or any of its departments or agencies will assume responsibility for any indebtedness of the authority or with respect to management, operation, or maintenance of any facility or project; however, this prohibition shall not extend to or affect the agreement

1	between the board of commissioners of the Port of New Orleans and International
2	Rivercenter entered into on April 24, 1974, as amended, or any transferee, purchaser,
3	or assignee of any interest in said agreement, whether in whole or in part,
4	notwithstanding any provision of law or this Chapter to the contrary.
5	(6) Except as limited by the terms and conditions of that certain lease
6	covering and affecting the Poydras Street Wharf, to establish, maintain, revise,
7	charge, and collect such rates, fees, rentals, or other charges for the use, services,
8	facilities, and commodities of or furnished by any project and to provide methods of
9	collection of and civil penalties for nonpayment of such rates, fees, rentals, or other
10	charges.
11	(7) To incur debt and issue bonds or other obligations for the purpose of the
12	authority in the manner provided by this Chapter.
13	(8) To pledge to the payment of its bonds or other obligations and interest
14	thereon the avails or proceeds of the hotel occupancy taxes authorized by this
15	Chapter and other income and revenues of the authority derived from any source
16	whatsoever, including without limitation any and all taxes, fees, and charges
17	authorized by this Chapter and revenues derived from one or more projects or
18	expansion projects and leases and agreements securing the payment of bonds.
19	(9) To levy and collect taxes in the manner provided in this Chapter.
20	(10) Except as limited by the terms and conditions of that certain lease
21	covering and affecting the Poydras Street Wharf and subject to the rights, powers,
22	and jurisdiction of the board of commissioners of the Port of New Orleans, to make
23	and enforce rules and regulations governing the use, maintenance, and operation of
24	projects.
25	(11) To accept donations, gifts, and grants of real or personal property for
26	the acquisition, construction, reconstruction, extension, improvement, maintenance,
27	or operation of any project and to make and perform such agreements or contracts
28	as necessary or convenient in connection with the procuring or acceptance of such

2	property of the authority.
3	(12) To accept loans, grants, or contributions from and to enter into contracts
4	and cooperate with the United States of America, the state, and any agency or
5	subdivision thereof with respect to any project in accordance with law.
6	(13) Except as limited by the terms and conditions of that certain lease
7	covering and affecting the Poydras Street Wharf, to lease or sublease to or from any
8	person, firm, or corporation, public or private, all or any part of any project upon
9	such terms and conditions and for such term of years, not in excess of sixty years, as
10	the board may deem advisable to carry out the provisions of this Chapter and to
11	provide, if deemed advisable by the board, for an option to purchase or otherwise
12	lawfully acquire such project upon the terms and conditions therein specified. Any
13	lease or sublease, or both, of the authority to an exhibition or convention user or to
14	facilitate the private development and funding of lodging facilities, including any
15	assignments thereof, any lease or sublease or extension or renewal thereof, including
16	any assignments thereof, for allied services such as hotels, restaurants, retail outlets,
17	offices, and entertainment, are exempt from the provisions of R.S. 38:2211 et seq.,
18	and any other provision of law with respect to the purchase or lease of property by
19	public entities; all other contracts, leases or subleases, or both, of the authority,
20	including any assignment thereof, shall be entered into in accordance with the
21	provisions of R.S. 38:2211.
22	(14) To execute such instruments and agreements and do all things necessary
23	or convenient in the exercise of the powers granted by this Section or in the
24	performance of the covenants or duties of the authority or to secure the payment of
25	its bonds.
26	(15) To contract, upon such terms as it may agree upon, for financial,
27	engineering, legal, and other professional services necessary or expedient in the
28	conduct of its affairs.

donations, gifts, and grants. Such donations, gifts, and grants shall be the sole

(16) For consideration, to dispose of property by sale, exchange, lease, or
otherwise in order to implement the purposes of this Chapter. In connection with
any exchange of property in which the authority may engage, the property acquired
by the authority and the property given up by the authority shall each have a value
to the authority that is approximately equal, with any difference to be paid in cash.
The term "value to the authority" shall include without limitation proximity of a
property to other property owned by the authority, increased efficiency of operations
of the authority afforded by a property, and resolution of any claims against or
potential liabilities of the authority achieved by any aspect of the exchange.
(17) To enter into a contract or contracts with the city of New Orleans,
pursuant to which the authority may assume the management, operation, and
maintenance of any exhibition center and convention hall and responsibility for any
obligation or indebtedness incurred for the construction thereof and pay out of
revenues of the authority available for such purpose the expense thereof.
(18) To acquire by lease from the state of Louisiana or any department,
board, commission, agency, or political subdivision thereof, including the city of
New Orleans, sites for any of its projects upon such terms and conditions as the
board may determine. Any such lease is exempt from provisions of law with respect
to the lease of property by public entities and in particular the provisions of Chapter
10 of Title 41 of the Louisiana Revised Statutes of 1950.
§4710.14. Rivercenter
A.(1) In addition to the authority and powers granted it in R.S. 33:4710.13,
the authority may, subject to the approval and consent of the holder or holders of any
mortgage or other lien or encumbrance affecting same, purchase from International
Rivercenter or its successor, hereafter in this Section referred to as "Rivercenter", an
ordinary Louisiana partnership in commendam organized by Articles of Partnership
entered into on the 25th day of September, 1973, and duly recorded in the office of
the Recorder of Mortgages for the parish of Orleans, state of Louisiana, in Book
1218J2, Folio 242, on the 27th day of September, 1973, as amended, all of

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

Rivercenter's right, title, and interest in and to and to assume all obligations of Rivercenter arising out of that certain lease covering and affecting certain areas of the public wharf known as the Poydras Street Wharf, located generally at the foot of Poydras Street on the east or left descending bank of the Mississippi River, in the city of New Orleans, Louisiana, which areas are leased by Rivercenter under an agreement between the Board of Commissioners of the Port of New Orleans and International Rivercenter made and entered into on the 24th day of April, 1974, as amended, and to purchase all of the improvements owned by Rivercenter located thereon and to keep and maintain same subject to the terms and conditions of the lease. The dollar amount to be paid by the authority for leasehold interest and improvements and facilities shall not exceed the actual cost incurred by Rivercenter in connection with such leasing and the construction of the improvements and facilities thereon. Actual cost, as used in this Paragraph means the following: costs paid or incurred by Rivercenter in connection with the obtaining of the lease and the acquisition and construction of the improvements and facilities located on the leased premises; architects' and engineers' fees; the cost of surveys, investigations, licenses, permits, testing, and site preparation; the cost of removing and relocating structures, utilities and railroad tracks; demolition costs; leasing commissions and fees; professional consultants' fees; development fees; lease rental payments; legal, financing and accounting expenses and fees; loan service fees; interest and interest standby fees; and all other items of expenses incident and properly allocable to the obtaining of the lease and the construction of the improvements and facilities on the leased premises and placing the same in operation. The actual cost incurred by Rivercenter shall be verified by independent certified public accountants retained by the authority. The purchase price may be paid entirely in cash or may be paid in installments over a period of years with interest to be payable on the unpaid principal installments at a rate fixed by the authority with the approval of the State Bond Commission or by a combination of the foregoing, or by a mutual agreement, all or a portion of the purchase price may be paid in bonds issued by the authority.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

(2) Notwithstanding anything in this Section to the contrary, the amount to be paid by the authority for the leasehold interest and improvements and facilities shall not exceed six million dollars. However, if the transfer of Rivercenter's rights and interest in the wharf occurs subsequent to September 1, 1978, the sum of six million dollars may be increased by the costs incurred by Rivercenter from September 1, 1978, to the date of the closing of the transaction. The "costs incurred by Rivercenter from September 1, 1978, to the date of the closing of the transaction" shall mean rental, interest on six million dollars paid by Rivercenter, maintenance costs and other actual charges incurred during this period, and any capital costs for improvement of the wharf as an exhibition center. Neither the provisions of R.S. 38:2211 et seq. nor any other provisions of general law with respect to the purchase or leasing of property by public entities shall be applicable to such purchase and assumption of obligations.

In furtherance of Subsection A of this Section, the board of commissioners of the Port of New Orleans shall give its consent to the purchase by the authority of all of the right, title, and interests of Rivercenter in and to and the assumption by the authority of all of the obligations of Rivercenter arising under that certain lease covering and affecting certain areas of the Poydras Street Wharf, to the purchase by the authority of all the improvements owned by Rivercenter located thereon, and, for the duration of the lease and subject to the terms and conditions of the lease, to the construction, maintenance, and operation by the authority on the leased premises, of convention, exhibition, and tourist facilities, except that the construction, maintenance, and operation of such facilities shall not infringe upon, impair, or diminish the operation or maintenance of the passenger terminal or those areas devoted, intended, or required for use for passenger terminal operations and other purposes and activities required by the lease and shall not infringe upon, impair, or interfere with access to or egress from operations on sections of the Poydras and Canal Street Wharves not covered by the lease except with the prior approval of the board of commissioners of the Port of New Orleans. The board and

1	the authority shall cooperate and coordinate to assure that authorized users shall have
2	suitable ingress and egress to the facilities of the port. If the authority defaults in the
3	performance of the obligations imposed by the lease, the board of commissioners of
4	the Port of New Orleans may enforce its rights under the lease by conventional
5	means in any court of competent jurisdiction, as provided in the lease.
6	§4710.15. Hotel occupancy tax
7	A.(1) In order to provide funds for the purposes of the authority, the
8	authority may levy and collect a tax upon the occupancy of hotel rooms located
9	within the parish of Orleans. The tax shall be in the amount of one percent of the
10	rent or fee charged for such occupancy. The tax shall be in addition to all taxation
11	upon the occupancy of hotel rooms located in the parish of Orleans.
12	(2)(a) The word "hotel" as used in this Chapter means and includes any
13	establishment engaged in the business of furnishing or providing rooms intended or
14	designed for dwelling, lodging, or sleeping purposes to transient guests, where such
15	establishment consists of ten or more guest rooms. "Hotel" does not include any
16	hospital, convalescent or nursing home or sanitarium, or hotel-like facility operated
17	by or in connection with a hospital or medical clinic providing room exclusively for
18	patients and their families.
19	(b) "Person" as used in this Section shall have the same definition as that
20	contained in R.S. 47:301(8).
21	(3) The tax shall be paid by the person who exercises or is entitled to
22	occupancy of the hotel room and shall be paid at the time the rent or fee for
23	occupancy is paid.
24	(4) The tax shall not apply to the rent for a hotel room rented to the same
25	occupant for a period of thirty or more consecutive calendar days, nor shall it apply
26	to hotel rooms rented for less than three dollars a day.
27	B. The authority shall impose the tax by resolution adopted by the board who
28	has the right to provide in the resolution necessary and appropriate rules and
29	regulations for the imposition, collection, and enforcement of the tax. The resolution

levying and imposing the hotel occupancy tax may not be adopted by the board and no real property or leasehold interest may be acquired and no obligation to acquire any real property or leasehold interest may be incurred by the authority unless prior thereto the governing authority of the city of New Orleans approves the levy of such tax by a favorable vote of a majority of the members thereof and the question of or proposition to authorize the levy of the tax and the funding of avails thereof into bonds is submitted to the electors of the city at an election called, conducted, canvassed, and promulgated by the governing authority of the city, in accordance with the laws of Louisiana governing the conduct of elections, to authorize the issuance of bonds and the levying of taxes, and a majority of those electors voting in such election have voted in favor of the question or proposition to impose the tax and fund the avails thereof into bonds.

C. The authority may contract with the state of Louisiana or the city for the collection of the tax, which tax may be collected in the same manner and subject to the same conditions as the hotel occupancy tax being imposed by the Louisiana Stadium and Exposition District on hotels located in the city of New Orleans.

§4710.15.1. Additional hotel tax authorized

In addition to tax authorized by R.S. 33:4710.5, the authority may levy and collect an additional tax on the occupancy of hotel rooms located within the parish of Orleans. The tax shall be in the amount of one percent of the rent or fee charged for such occupancy and shall be in addition to all taxation upon the occupancy of hotel rooms located in the parish of Orleans. The tax shall be levied and collected in the same manner, according to the same procedures and upon the same terms and conditions, including the approval of the governing authority of the city of New Orleans and the electorate of the city, as required for the imposition of the tax by R.S. 33:4710.15. The tax authorized by this Section shall be automatically terminated upon the payment in full of all bonds or other obligations secured in whole or in part by the tax.

§4710.15.2. Additional hotel occupancy tax authorized

A.(1) In addition to the hotel occupancy tax authorized to be levied and collected by the authority pursuant to R.S. 33:4710.15 and 4710.15.1, the authority may levy and collect a tax upon the paid occupancy of hotel rooms located within the parish of Orleans. The hotel occupancy tax shall be in the amount of fifty cents per occupied hotel room per night for hotels containing ten to two hundred ninety-nine guest rooms, one dollar per occupied hotel room per night for hotels containing three hundred to nine hundred ninety-nine guest rooms, and two dollars per occupied hotel room per night for hotels containing one thousand or more guest rooms.

(2) The tax shall be levied and collected in the same manner, according to the same procedures and upon the same terms and conditions, including the approval of the governing authority of the city of New Orleans and the electorate of the city, as required for the imposition of the tax by R.S. 33:4710.15.

B. The hotel occupancy tax shall be automatically terminated upon payment in full of all bonds or other obligations of the authority payable in whole or in part from or secured by such hotel occupancy tax.

§4710.16. Use of revenues

Prior to the issuance of bonds pursuant to this Chapter, any revenue of the authority derived from any source whatsoever may be used by the authority for the payment of the administrative and operating expenses of the board and for the payment of any expenses incurred in determining the feasibility of a project or projects and developing plans therefor, including engineering, architectural, legal, and administrative costs and fees incidental thereto. Any revenue of the authority remaining at the end of each fiscal year prior to the issuance of bonds and after the payment of such expenses shall be considered surplus and may, in the sole discretion of the authority, be distributed by the authority to the city of New Orleans or retained by authority for utilization on future expenses, capital expenditures, or costs reasonably anticipated to be incurred.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

§4710.17. Bonds

A. The authority may, from time to time, with the approval of the State Bond Commission, issue negotiable bonds in one or more series in such principal amount as, in the opinion of its board, shall be necessary to provide for the acquisition, construction, reconstruction, extension, or improvement of one or more projects, including engineering, architectural, inspection, legal, and financial fees and costs, interest on such bonds during construction and for a reasonable period thereafter, establishment of reserves to secure such bonds, and all other expenditures of the authority incidental or necessary or convenient thereto. The annual payments due on bonds of the authority for principal, interest, premium, or otherwise shall not exceed the estimated annual revenues of the hotel occupancy taxes authorized by this Chapter and other income and revenues of the authority derived from any source whatsoever, including without limitation any and all taxes, fees, and charges authorized by this Chapter and revenues derived from one or more projects or expansion projects and leases and agreements securing the payment of bonds. Such bonds shall be authorized and issued by a resolution of the board of the authority and shall be of such series, bear such date or dates, be serial or term bonds, or a combination thereof, mature at such time or times, bear interest at such rate or rates payable on such date or dates, be in such denominations, be in such form, carry such registration and exchangeability privilege, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be secured in such manner consistent with the authority contained in this Section as the resolution authorizing such bonds may provide.

B. The bonds shall be executed in the name of the authority by the manual or facsimile signature of such officer or officers of the board as may be designated in the resolution or other instrument providing for their issuance. If any officer whose manual or facsimile signature appears on any bond ceases to be such officer before the delivery of such bonds, such signature nevertheless shall be valid and sufficient for all purposes as if he had remained in office until such delivery. The

2	trustee or fiscal agent thereunder.
3	C. All bonds issued by the authority shall be sold in such manner and for
4	such prices as the board may determine.
5	D. The board may, in any resolution authorizing the issuance of such bonds,
6	enter into such covenants with the future holder or holders of the bonds as to the
7	management and operation of projects, the lease or rental thereof, the imposition and
8	collection of fees and charges for services and facilities furnished by the authority,
9	the disposition of such fees and revenues, the issuance of future bonds and the
10	creation of future liens and encumbrances against the projects and the revenues
11	therefrom, the carrying of insurance on the project facilities, the keeping of books
12	and records, and other pertinent matters as may be deemed proper by the board to
13	assure the marketability of the bonds.
14	E. Any holder of the bonds or any of the coupons thereto attached may by
15	appropriate legal action compel performance of all duties required of the authority
16	and officials of the authority and the board by this Chapter.
17	F. If any bond issued under this provision of this Chapter and secured by the
18	revenue or revenues of a project or projects is permitted to go into default as to
19	principal or interest, any court of competent jurisdiction may, pursuant to the
20	application of the holder of the bond, appoint a receiver for such project or projects,
21	which receiver shall be under the duty of operating the project or projects and
22	collecting the revenues pledged to the payment of the bonds, pursuant to the
23	provisions of this Chapter and the resolution authorizing the bonds.
24	G. Bonds may, in the discretion of the board, be additionally secured by
25	conventional mortgage on all or any part of the properties or facilities acquired,
26	constructed, extended, or improved with the proceeds thereof, and the board shall
27	have full discretion to make such provisions as it may see fit for the making and
28	enforcement of such mortgage and the provisions to be therein contained.

resolution or trust instrument may provide for authentication of the bonds by the

1	H. The board may provide by resolution for the issuance of refunding bonds
2	of the authority for the purpose of refunding outstanding bonds of the authority
3	issued pursuant to the provisions of this Chapter, such refunding bonds to be issued
4	pursuant to the provisions of Chapter 14-A of Title 39 of the Louisiana Revised
5	Statutes of 1950, as amended.
6	I. Any bonds issued pursuant to this Section and the income therefrom is
7	exempt from taxation by this state or any political subdivision thereof.
8	J. Every resolution authorizing the issuance of bonds of the authority shall
9	be published at least once in the official journal of the authority. For thirty days after
10	the date of publication, any person in interest may contest the legality of the
11	resolution and of any provision therein made for the security and payment of the
12	bonds. After that time, no one shall have any cause of action to test the regularity,
13	formality, legality, or effectiveness of the resolution and provisions thereof for any
14	cause. Thereafter, it shall be conclusively presumed that every legal requirement for
15	the issuance of the bonds has been complied with. No court shall have authority to
16	inquire into any of these matters after the thirty days.
17	K. If the authority has issued bonds secured by hotel occupancy taxes,
18	neither the legislature nor the authority shall discontinue or decrease the tax or
19	permit to be discontinued or decreased the tax in anticipation of the collection of
20	which such bonds have been issued, or in any way make any change in the allocation
21	and dedication of the proceeds of such tax which would diminish the amount of the
22	tax revenues to be received by the authority until all of such bonds have been retired
23	as to principal and interest or irrevocable provision made for the payment of
24	principal and interest on such bonds, and there is hereby vested in the holders from
25	time to time of such bonds and the coupons representing interest thereon a
26	contractual right under the provisions of this Chapter.
27	§4710.17.1. Additional authority to issue bonds
28	A. Without reference to any other provision of the Constitution of Louisiana
29	or of the laws of Louisiana and as a grant of power in addition to the authority to

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

issue bonds contained in R.S. 33:4710.17 and to carry out the purposes of this Chapter, the authority may, from time to time, with the approval of the State Bond Commission, issue negotiable bonds in one or more series for the purpose of providing funds to finance an expansion project or projects, including engineering, architectural, inspection, legal, and financial fees and costs, interest on such bonds during construction and for a reasonable period thereafter, establishment of reserves to secure such bonds, all costs associated with the issuance of such bonds, including credit enhancement, derivative products, underwriter's discount, and funding of accounts, if any, required by the terms of the resolution or trust indenture authorizing their issuance, and all other expenditures of the authority incidental or necessary or convenient thereto. Such bonds shall be authorized and issued by a resolution or resolutions of the board and shall be of such series, bear such date or dates, be of such type, mature at such time or times, bear interest at such rate or rates payable on such date or dates, be in such denominations, be in such form, carry such registration and exchangeability privilege, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be secured in such manner consistent with the authority contained in this Section as the resolution authorizing such bonds may provide. Payment of the bonds authorized by this Section may be secured by a pledge of the avails or proceeds of the hotel occupancy taxes and food and beverage tax authorized by this Chapter, such other taxes, fees, and charges authorized by this Chapter, and any other income and revenue of the authority as may be determined by the board and as authorized or permitted by law. The word "bonds" as used in this Section shall mean and include bonds, notes, certificates of indebtedness, or other evidence of indebtedness for the repayment of borrowed money. B. Bonds issued pursuant to this Section also may be secured by a trust

B. Bonds issued pursuant to this Section also may be secured by a trust agreement by and between the authority and one or more corporate trustees or fiscal agents, which may be any trust company or bank having the powers of a trust company within or without this state.

2	such prices as the board may determine.
3	D. The board may, in any resolution authorizing the issuance of such bonds,
4	enter into such covenants with the future owner or owners of the bonds as to the
5	management and operation of expansion projects, the lease or rental thereof, the
6	imposition and collection of fees and charges for services and facilities furnished by
7	the authority, the disposition of such fees and revenues, the issuance of future bonds
8	and the creation of future liens and encumbrances against the expansion projects and
9	the revenues therefrom, the carrying of insurance on the expansion projects, the
10	keeping of books and records, and other pertinent matters, including the appointment
11	of a receiver in the event of default, as may be deemed proper by the board to assure
12	the marketability of the bonds.
13	E. Any bonds may, in the discretion of the board, be additionally secured by
14	a conventional mortgage on all or any part of the properties or facilities acquired,
15	constructed, extended, or improved with the proceeds thereof, and the board shall
16	have full discretion to make such provisions as it may see fit for the making and
17	enforcement of such mortgage and the provisions to be therein contained.
18	F. The board may issue refunding bonds of the authority for the purpose of
19	refunding outstanding bonds issued pursuant to the provisions of this Section in
20	accordance with Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950.
21	G. Any pledge of taxes, fees and charges, revenues, securities, and other
22	monies made by the authority pursuant to this Section shall be valid and binding
23	from time to time when the pledge is made. Such taxes, fees and charges, revenues,
24	securities, and other monies so pledged and then held or thereafter received by the
25	authority or any fiduciary shall immediately be subject to the lien of such pledge
26	without any physical delivery thereof or further act, and the lien of any such pledge
27	shall be valid and binding as against all parties having claims of any kind in tort,
28	contract, or otherwise against the authority, whether or not such parties have notice

C. All bonds issued by the authority shall be sold in such manner and for

1	thereof. The instrument by which such a pledge is created need not be filed or	
2	recorded except in the official minutes of the authority.	
3	H. The bonds shall be executed in the name of the authority in the manner	
4	provided in the resolution authorizing the issuance of such bonds.	
5	I. Pending the preparation of definitive bonds, the authority may issue	
6	interim receipts or temporary bonds, exchangeable for definitive bonds when such	
7	bonds have been executed and are available for delivery.	
8	J. No member of the board or of the authority or any person executing such	
9	bonds shall be liable personally on such bonds.	
10	K. All bonds and any interest coupons appertaining thereto issued pursuant	
11	to this Section shall be and are hereby made negotiable instruments within the	
12	meaning of and for all purposes of the negotiable instruments law of Louisiana,	
13	subject only to the provisions of bonds for registration.	
14	L. All bonds and the income therefrom is exempt from all taxation by this	
15	state or any political subdivision thereof. The bonds shall be legal and authorized	
16	investments for banks, savings banks, insurance companies, homestead and building	
17	and loan associations, trustees, and other fiduciaries and may be used for deposit	
18	with any officer, board, municipality, or other political subdivision of the state of	
19	Louisiana, in any case where deposit or security is required.	
20	M. When any bonds secured in whole or in part by any taxes, fees, or	
21	charges authorized by this Section have been issued, neither the legislature nor the	
22	authority shall discontinue or decrease the applicable taxes, fees, or charges, or	
23	permit to be discontinued or decreased the applicable taxes, fees, or charges in	
24	anticipation of the collection of which such bonds have been issued, or in any way	
25	make any change in the allocation and dedication of the proceeds of such taxes, fees,	
26	or charges which would diminish the amount of the revenues to be received	
27	therefrom by the authority until all of such bonds shall have been retired as to	
28	principal and interest or irrevocable provision is made for the payment of principal	
29	and interest on such bonds.	

N. The bonds and the interest thereon shall not be considered a debt of the state or any political subdivision thereof within the meaning of the constitution or the statutes of the state and shall never constitute a charge against the credit or taxing power of the state or any other political subdivision thereof. Neither the state or any other political subdivision thereof shall in any manner be liable for the payment of the principal, interest or premium, sinking or reserve fund requirements, or other requirements of the bonds or for the performance of any agreement or pledge of any kind which may be undertaken by the authority.

O. The powers and rights conferred by this Section shall be in addition and supplemental to the powers and rights conferred by any other general or special law. This Section does and shall be construed to provide a complete and additional method for the doing of the things authorized thereby. The issuance of bonds or refunding bonds or other obligations pursuant to the provisions of this Section need not comply with the requirements of any other state law applicable to the issuance of the bonds or other obligations for the financing of any project, except as provided by this Section. No proceedings, notice, or approval shall be required for the issuance of any bonds or any instrument as security therefor, except as provided in this Section. The provisions of this Section shall be liberally construed for the accomplishment of its purposes.

P. Any resolution authorizing the issuance of bonds shall be published one time in the official journal of the authority; however, it shall not be necessary to publish any exhibits to such resolution if exhibits are available for public inspection and such fact is stated in the publication. For thirty days after the date of publication, any person in interest may contest the legality of the resolution, any provision of the bonds to be issued pursuant to it, the provisions therein made for the security and payment of the bonds, and the validity of all the provisions and proceedings relating to the authorization and issuance of such bonds. After that time, no person may contest the regularity, formality, legality, or effectiveness of the resolution, any provision of the bonds to be issued pursuant to it, the provisions for

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

the security and payment of the bonds, and the validity of all other provisions and proceedings relating to their authorization and issuance, for any cause whatever.

Thereafter, it shall be conclusively presumed that the bonds are legal and that every legal requirement for the issuance of the bonds has been complied with. No court shall have authority to inquire into any of these matters after the thirty days.

§4710.18. Obligations of the authority solely

Bonds issued by the authority are negotiable instruments and are solely the obligations of the authority and not of the state of Louisiana or any other agency or political subdivision thereof. The full faith and credit of the state of Louisiana or of any other state agency shall not secure nor shall the full faith and credit of the state at any time in the future be pledged to secure the payment of any indebtedness incurred by the authority. The bonds issued by the authority do not constitute an indebtedness, general or special, or a liability of the state or any other political subdivision thereof. The issuance of the bonds does not directly or indirectly obligate the state or any other political subdivision thereof to provide any funds for the payment of such bonds. The bonds and interest coupons attached thereto shall not at the time of issuance nor shall they ever be considered a debt of the state or any other political subdivision thereof within the meaning of the constitution or the statutes of the state and shall not at the time of issuance and shall never constitute a charge against the credit or taxing power of the state or any other political subdivision thereof. Neither the state or any other political subdivision thereof shall in any manner be liable for the payment of the principal, interest on premiums, sinking or reserve fund requirements or other requirements of the bonds or for the performance of any agreement or pledge of any kind which may be undertaken by the authority. No breach by the authority of any pledge or agreement shall create any obligation upon the state or any other political subdivision, including any charge against its credit or taxing power.

84710 19	Use of revenue from hotel occupancy taxes
γ τ/10.1 /.	osc of revenue from noter occupancy taxes

A. Notwithstanding any other provisions of this Chapter to the contrary, if the authority issues bonds and pledges to the payment thereof the proceeds or avails of hotel occupancy taxes authorized by this Chapter, the net proceeds of such taxes in each fiscal year shall be used to satisfy the authority's obligations under the resolutions providing for the issuance of the bonds, including the payment of the expenses of operating, maintaining, or improving the project or projects financed with the proceeds of such bonds.

B. After provision has been made for the discharge of such obligations, any balance remaining from such taxes, as set forth in the authority's audited financial statements for each fiscal year, shall be applied, within thirty days of the acceptance by the board of the audited statements, for the following purposes and in the following order of priority:

- (1) For the payment of rents due by the authority.
- (2) For the payment of bond service charges.
- (3) For the payment of the administrative and operating expenses of the authority.
- (4) For the payment of the cost of maintaining, improving, and operating exhibition or convention facilities if the authority undertakes the maintenance, improvement, and operation of same pursuant to a contract with the city of New Orleans or any other person. Any contract entered into by the authority with any private person, firm, or corporation for the maintenance or operation of any exhibition or convention facility shall be made and entered into in accordance with the provisions of R.S. 38:2211.
- (5) To establish a reserve fund for replacement and for future needs for the purposes provided for in this Chapter. Such future needs shall be described with reasonable particularity. The aggregate amount held in the reserve fund shall not exceed one hundred million dollars.

1	(6) For the payment to the city of New Orleans of one hundred percent of
2	any amount remaining at the end of the fiscal year after the other requirements of this
3	Subsection are met.
4	(7) Notwithstanding the provisions of Paragraph (6) of this Subsection, the
5	authority shall not make the payments required by that Paragraph if the retention of
6	such funds is authorized by a majority of the electors of Orleans Parish voting at an
7	election held for that purpose in accordance with the Louisiana Election Code.
8	<u>§4710.20. State funds</u>
9	Any provision of law to the contrary notwithstanding, the state shall not,
10	without prior express and specific authorization by a law, advance or expend any
11	funds for payment of the debt service or retirement of revenue bonds issued by the
12	Ernest N. Morial-New Orleans Exhibition Hall Authority, or its predecessor, the
13	New Orleans Exhibition Hall Authority.
14	§4710.21. Superdome; certain exhibits
15	If an exhibition be suitable for and the exhibitor be willing to hold the
16	exhibition in the Superdome, no contract for such exhibition in any facility of the
17	authority shall be entered into without the prior approval of the operating
18	management of the Superdome, which approval shall not be unreasonably withheld.
19	§4710.22. Port of New Orleans
20	A. Nothing in this Chapter shall be construed to affect, impinge upon, or
21	diminish the rights, powers, and jurisdiction of the board of commissioners of the
22	Port of New Orleans.
23	B. Notwithstanding anything contained in this Chapter to the contrary, no
24	provision of this Chapter shall be interpreted or construed to require the location or
25	construction of an exhibition facility on the public wharf known as the Poydras
26	Street Wharf, more particularly described in the lease between the board of
27	commissioners of the Port of New Orleans and International Rivercenter made and
28	entered into on the 24th day of April, 1974, as amended.

§4710.23. Food and beverage tax

A.(1) The authority may levy and collect a tax on food and beverages sold by any food service establishment, as defined in this Section, located within the parish of Orleans or in any airport or air transportation facility owned and operated by the city of New Orleans, excluding any food service establishment owned by any individual or corporation who had gross annual receipts of less than two hundred thousand dollars from the operation of all such establishments during the calendar year prior to the year in which the food and beverage tax is assessed.

- (2) The food and beverage tax shall be in an amount not exceeding one-half of one percent of gross receipts from the sales of food and beverages by said food service establishments.
- (3) The tax shall be paid by the person who purchases such food or beverage and shall be paid at the time that the charge for the food or beverage is paid.
- (4) The phrase "food service establishment" shall mean any fixed or mobile restaurant, coffee shop, cafeteria, short order café, luncheonette, grill, tearoom, sandwich shop, soda fountain, tavern, bar, cocktail lounge, night club, roadside stand, industrial feeding establishment, private, public, or nonprofit organization or institution routinely serving food, catering kitchen, commissary, delicatessen, convenience store, grocery store, or similar place in which food or drink is prepared for sale or for service on the premises or elsewhere, and any other establishment or operation where food or drink is served or provided for the public. However, the food and beverage tax shall not apply to meals furnished to any of the following: the staff and students of educational institutions, including kindergartens; the staff and patients of hospitals; the staff, inmates, and patients of mental institutions, and the boarders of rooming houses. Such tax shall also not apply to occasional meals furnished in connection with or by educational, religious, or medical organizations if the meals are consumed on the premises where purchased. However, sales by any of the above institutions or organizations in facilities open to outsiders or to the

general public are not exempt from the food and beverage tax authorized by this Section.

B. The authority shall impose the food and beverage tax by resolution adopted by the board who shall have the right to provide in the resolution necessary and appropriate rules and regulations for the imposition, collection, and enforcement of the food and beverage tax, including rules relative to issuance of tax exemption certificates. Said resolution levying and imposing the food and beverage tax may not be adopted by the board unless prior thereto the governing authority of the city of New Orleans approves the levy of such food and beverage tax by a favorable vote of a majority of the members present and voting and the question of or proposition to authorize the levy of the food and beverage tax and the use of avails thereof shall have been submitted to the electors of the city of New Orleans at an election called, conducted, canvassed, and promulgated by the governing authority of the city, in accordance with the laws of Louisiana governing the conduct of elections to authorize the issuance of bonds and the levying of taxes, and a majority of those electors voting in such election shall have voted in favor of the question or proposition to impose the food and beverage tax.

C. The authority may contract with the state of Louisiana or the city of New Orleans, or both, for the collection of the food and beverage tax authorized by this Section.

D.(1) The food and beverage tax shall be automatically terminated upon payment in full of all bonds or other obligations of the authority payable in whole or in part from or secured by such food and beverage tax. The authority shall not refinance bonds that are secured by the tax and that are outstanding on May 1, 2019, nor shall it take any action that would delay the retirement or extend the term of such bonds.

(2) Notwithstanding the provisions of Paragraph (1) of this Subsection, the authority may levy the tax authorized by this Section and pledge the avails thereof to bonds or other obligations if such levy and pledge is reauthorized by a majority

1	of the electors of Orleans Parish voting at an election held after May 1, 2019, for that
2	purpose in accordance with the Louisiana Election Code.
3	§4710.24. Expansion project; additional taxes
4	A. As used in this Section, "expansion project" shall mean a project or
5	projects for the acquisition, construction, installation, and equipping of additions or
6	improvements to the Ernest N. Morial Convention Center-New Orleans, the
7	"convention center", including but not by way of limitation each of the following:
8	(1) Phase III Convention Center Expansion Project, which consists of a
9	building attached to the convention center containing additional exhibit space,
10	meeting rooms, ballroom space, a food court, exhibit hall concession stands, food
11	production facilities, and other structures and facilities functionally related to the
12	convention center and completed in April of 1999.
13	(2) Phase IV Convention Center Expansion Project, which means the project
14	to construct a free-standing building across Henderson Street from the existing
15	Convention Center, on a site owned by the authority, containing approximately one
16	million five hundred thousand square feet under roof including approximately five
17	hundred thousand square feet of exhibit space, with accompanying meeting rooms,
18	food service areas, building service areas and other facilities functionally related
19	thereto, and which shall be connected to Phase III Convention Center Expansion
20	Project by a pedestrian bridge above Henderson Street.
21	(3) Phase V Convention Center Expansion Project, which means a project
22	to advance a tourism development plan for the convention center, including
23	enhancements to the facility and installation of basic infrastructure to facilitate
24	private development including the private development of lodging facilities on
25	property owned by the authority, the private component of which may involve a joint
26	project between the authority and a private entity and the public component of which
27	is to be developed and funded in the following four stages in the order and according
28	to the priorities determined by the authority:

1	(a) Stage one is to provide infrastructure including but not limited to the
2	following:
3	(i) Making public infrastructure improvements on Convention Center
4	Boulevard, from Poydras Street to Orange Street, including utility improvements,
5	redevelopment of north and south bound traffic lanes, the incorporation of a
6	landscaped linear park and pedestrian mall, and the relocation, redirection, and
7	redevelopment of traffic along South Peters Street and Tchoupitoulas Street.
8	(ii) The development of public infrastructure in the area generally bounded
9	by Henderson Street, Tchoupitoulas Street, Orange Street, and the Mississippi River
10	flood wall to include the extension of Convention Center Boulevard from Henderson
11	Street to Orange Street, public utility infrastructure to support anticipated private
12	development, and any needed soil remediation.
13	(iii) The relocation of existing power lines along Convention Center
14	Boulevard and the incorporation of a mechanical means of mass transit, such as a
15	moving sidewalk or a monorail, to transport people along Convention Center
16	Boulevard, from Poydras Street to Orange Street. Stage one projects shall be
17	accomplished in a manner which ensures that there is no reduction or impairment of
18	current vehicular capacity in that area, particularly with respect to any improvements
19	in the vicinity of Convention Center Boulevard and Poydras and Orange Streets.
20	(b) Stage two is to make improvements at or on the riverfront to provide the
21	following:
22	(i) Development of a riverfront festival park along the Mississippi River at
23	existing wharfs, providing access to the river through the development of
24	approximately five acres for recreational, hospitality, commercial, and residential
25	use.
26	(ii) Development of riverfront festival park infrastructure, including public
27	utilities, lighting, and landscaping.
28	(c)(i) Stage three is to further integrate the convention center with its
29	surrounding urban areas through the following:

1	(aa) Renovation of the south end of the existing convention center in order
2	to create a new south entrance in response to adjacent development.
3	(bb) Development of an executive conference center which may be
4	integrated as part of a new, privately developed hotel.
5	(ii) Stage three projects shall be accomplished in a manner which ensures no
6	impairment or diminishment of vehicular access to the facilities of the board of
7	commissioners of the Port of New Orleans which are or may be accessed via
8	Henderson Street.
9	(d)(i) Stage four is to provide for the renovation, restoration, construction,
10	or demolition of building or buildings, and site preparation related thereto, to
11	facilitate the creation and development of a riverfront festival park.
12	(ii) Activity associated with the renovation, restoration, construction, or
13	demolition of the building or buildings and the development and operation of the
14	park shall be conducted in a fashion which ensures no interference with or adverse
15	effect upon the main line track of the New Orleans Public Belt Railroad.
16	B.(1) In order to provide funds for the Phase IV Convention Center
17	Expansion Project and for the use of such funds, along with existing taxes, fees, and
18	charges to secure any bonds issued for the Phase IV Convention Center Expansion
19	Project, the authority may levy and collect within the parish of Orleans a tax of one
20	percent on the occupancy of hotel rooms located in Orleans Parish.
21	(2) The tax shall be paid by the person who exercises or is entitled to
22	occupancy of the hotel room, and shall be paid at the time the rent or fee for
23	occupancy is paid.
24	(3) The tax shall not apply to the rent for a hotel room rented to the same
25	occupant for a period of thirty or more consecutive calendar days, nor shall it apply
26	to hotel rooms rented for less than three dollars a day.
27	C.(1) In order to provide additional funds for the Phase IV Convention
28	Center Expansion Project, the authority may levy and collect an additional tax on
29	food and beverages sold by any food service establishment located within the parish

of Orleans or in any airport or air transportation facility owned and operated by the
city of New Orleans, excluding any food service establishment owned by any
individual or corporation who had gross annual receipts of less than five hundred
thousand dollars from the operation of all such establishments during the calendar
year prior to the year in which the additional food and beverage tax is assessed. The
tax shall be in the amount of one-fourth of one percent of gross receipts from the
sales of goods and beverages by said food service establishments.
(2) The tax shall be paid by the person who purchases such food or beverage
and shall be paid at the time that the charge for the food or beverage is paid.
(3) The phrase "food service establishment" has the meaning set forth in R.S.
33:4710.23 and shall not mean or include convenience stores or grocery stores.
(4) The tax shall not apply to meals furnished to any of the following: the
staff and students of educational institutions, including kindergartens and pre-
kindergartens; the staff and patients of hospitals; the staff, inmates, and patients of
mental institutions; and the boarders of rooming houses. The tax also shall not apply
to occasional meals furnished in connection with or by educational, religious, or
medical organizations if the meals are consumed on the premises where purchased.
However, sales by any of the above institutions or organizations in facilities open to
outsiders or to the general public are not exempt from the additional food and
beverage tax authorized by this Subsection.
D. The authority shall impose the taxes authorized by this Section by
resolutions adopted by the board who shall have the right to provide in the
resolutions necessary and appropriate rules and regulations for the imposition,
collection, and enforcement of such taxes, including rules relative to issuance of tax
exemption certificates for the food and beverage tax. The authority may contract
with the state of Louisiana or the city of New Orleans, or both, for the collection of
the taxes authorized by this Section.
E.(1) Any tax authorized by this Section shall be automatically terminated
upon payment in full of all bonds or other obligations payable in whole or in part

1	from or secured by said taxes. The authority shall not refinance bonds that are
2	secured by any tax authorized by this Section and that are outstanding on May 1,
3	2019, nor shall it take any action that would delay the retirement or extend the term
4	of such bonds.
5	(2) Notwithstanding the provisions of Paragraph (1) of this Subsection, the
6	authority may levy any tax authorized by this Section and pledge the avails thereof
7	to bonds or other obligations as provided in this Section if such levy and pledge is
8	reauthorized by a majority of the electors of Orleans Parish voting at an election held
9	after May 1, 2019, for that purpose in accordance with the Louisiana Election Code.
10	F. Without reference to any other provision of the constitution or laws of
11	Louisiana, including this Chapter, the authority may, from time to time, with the
12	approval of the State Bond Commission, issue negotiable bonds in one or more series
13	for the purpose of providing funds to finance the Phase IV Convention Center
14	Expansion Project of the Ernest N. Morial Convention Center in accordance with the
15	provisions of R.S. 33:4710.17 and 4710.17.1; such bonds to be payable from all
16	revenues derived by the authority as more particularly set forth in the resolution or
17	resolutions providing for their issuance.
18	G. Without reference to any other provision of the constitution or laws of
19	Louisiana, including this Chapter, the authority may, from time to time, with the
20	approval of the State Bond Commission, issue negotiable bonds in one or more series
21	for the purpose of providing funds to finance the Phase V Convention Center
22	Expansion Project of the Ernest N. Morial Convention Center in accordance with the
23	provisions of R.S. 33:4710.17 and 4710.17.1; such bonds to be payable from all
24	revenues derived by the authority as more particularly set forth in the resolution or
25	resolutions providing for their issuance.
26	§4710.25. Service contractor tax
27	A. Notwithstanding any other provision of law to the contrary, the authority
28	may levy and collect, within the parish of Orleans, a tax on the furnishing of goods
29	and services which are provided on a contractual basis by service contractors in

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

conjunction with trade shows, conventions, exhibitions, and other events, whether public or private, such services to include goods and services provided in connection with the installation and dismantling of exhibits, displays and booths, decorations, electrical supplies, material handling, drag, flowers and floral decorations, computers, audio and visual equipment, bands and orchestras, lighting trusses, rigging and associated equipment, furniture, carpets, signs, props, floats, business machines, plumbing, telephones, photography, catering food services, compressed air or gas, balloons, scaffolding, fork lifts, highlights, security, information retrieval systems, and any other services or items associated with the above. The tax shall be levied on the service contractor providing the services in an amount equal to two percent of total charges specified in the contract to be paid to the service contractor for the furnishing of the goods and services; however, the amount of the tax may be included in the contract as a charge to be paid by the person for whom the goods and services were provided. B. In the ordinance imposing the tax, the "service contractor tax ordinance", the authority shall provide for the administration and enforcement of the tax and the collection of the tax from persons subject to the tax as the authority determines to be necessary or practicable for the effective collection, administration, and enforcement of the tax. The authority may enter into agreements as it deems appropriate with any governmental agency providing for the governmental agency to act as the authority's agent to collect the tax.

C. For purposes of this Section, "service contractors" means and includes those persons who contract to furnish the services and items listed in this Section in conjunction with trade shows, conventions, and exhibitions, whether public or private, which are held and conducted within the parish of Orleans.

D. All proceeds of the tax, penalties, and interest collected under the service contractor tax ordinance shall be paid to the treasurer of the authority or, at the discretion of the authority, to a bank designated by the authority or trustee in accordance with the provisions of a bond resolution and deposited into a trust fund

2 provided in this Section. 3 E. All amounts deposited from the proceeds of the tax levied pursuant to this 4 Section to the credit of the trust fund shall be administered and disbursed as follows: 5 first, an amount, if any, necessary for the payment of costs of collection of the tax shall be set aside in a special account established for such purpose; second, an 6 7 amount necessary for the payment of refunds shall be retained in the trust fund or set 8 aside in a special account established for such purpose; and third, the balance of the 9 proceeds shall be used solely for the purpose of paying costs of the Phase III 10 Expansion Project and may be pledged to and used for the payment of bonds secured 11 in whole or in part by such tax and for the payment of all costs and expenses 12 associated with the issuance, sale, and delivery of such bonds, including credit 13 enhancement, derivative products, underwriter's discount, and funding of reserves 14 or other accounts required by the resolution or trust indenture authorizing their 15 issuance. 16 F. When all bonds secured in whole or in part by the tax have been retired 17 or are no longer deemed to be outstanding under the terms of their issuance, the 18 authority to levy and collect the tax authorized in this Section shall be null and void 19 and such tax shall no longer be collected. 20 §4710.26. Sight-seeing tour tax 21 A. As used in this Section, the following words and terms have the following 22 meanings: 23 "Per capita sight-seeing tour" means a sight-seeing tour sold to 24 individuals and/or groups of individuals on a cost per person basis. 25 (2) "Sight-seeing tour" means a tour of places and things, including but not 26 by way of limitation points of interest, historic buildings, parks, and other sites 27 conducted by persons acting as sight-seeing guides or lecturers, and includes walking 28 tours and those conducted on any type of vehicle or other means of conveyance. 29 "Sight-seeing tour" does not mean any of the following types of tours: tours for a

held in the name of the authority and administered by the treasurer or trustee as

group or groups of individuals who collectively hire a guide or a vehicle for an exclusive private tour limited to such group or groups of individuals or tours of museums, historic buildings or homes, churches, cemeteries, buildings, planetariums, libraries, zoos, or aquariums when a fee is charged by such establishment, place, or facility for a tour of, or visit to, such establishment, place, or facility; however, the definition of "sight-seeing tour" does mean and include tours of, or visits to, any of the establishments, places, or facilities set forth in this Section, if such tours or visits are a part of a general tour of multiple sites, establishments, places, or facilities.

(3) "Ticket" means a certificate, token, or any document evidencing that payment of an admission fee or fare has been made.

B. Notwithstanding any other provisions of law to the contrary, the authority may levy and collect a tax of one dollar on all tickets sold in the parish of Orleans for per capita sight-seeing tours in the parish of Orleans, or for tours, a portion of which includes sight-seeing in the parish of Orleans, except those sold by a governmental agency. The tax shall be imposed by ordinance, the "tour tax ordinance", adopted by the board which shall provide for the administration and enforcement of the tax and the collection of the tax from persons subject to the tax as the authority determines to be necessary or practical for the effective collection, administration, and enforcement of the tax. The tax shall be paid by the purchasers of the tickets at the time of purchase. The authority may enter into agreements as it deems appropriate with any governmental agency providing for that entity or agency to act as the authority's agent to collect the tax.

C. All proceeds of the tax, penalties, and interest collected under the tour tax ordinance shall be paid to the treasurer of the authority or, at the discretion of the authority, to a bank designated by the authority or trustee in accordance with the provisions of a bond resolution and deposited into a trust fund held in the name of the authority and administered by the treasurer or trustee as provided hereinafter in this Section.

D. All amounts deposited from the proceeds of the tax levied pursuant to this Section to the credit of the trust fund shall be administered and disbursed as follows: first, an amount, if any, necessary for the payment of costs of collection of the tax shall be set aside in a special account established for such purpose; second, an amount necessary for the payment of refunds shall be retained in the trust fund or set aside in a special account established for such purpose; and third, the balance of the proceeds deposited in the trust fund shall be used solely for the purpose of financing a portion of the Phase III Expansion Project and may be pledged to and used for the payment of bonds secured in whole or in part by such tax and for the payment of all costs and expenses associated with the issuance, sale, and delivery of such bonds, including credit enhancement, derivative products, underwriter's discount, and funding of reserves or other accounts required by the resolution or trust indenture authorizing their issuance.

E. Until bonds have been issued by the authority and secured by all or any part of the proceeds of the tax, monies on deposit in the trust fund shall be used solely to pay costs of the Phase III Expansion Project.

F. When all bonds secured in whole or in part by the tax have been retired or are no longer deemed to be outstanding under the terms of their issuance, the authority to levy and collect the tax authorized in this Section shall be null and void and such tax shall no longer be collected.

§4710.27. Leases

A. In addition to any other powers of the authority and without reference to any other provision of the constitution or laws of Louisiana, the authority may pledge its taxes, revenues, securities, and other monies to secure any lease or sublease entered into by the authority. Such taxes, revenues, securities, and other monies so pledged and then held or thereafter received by the authority or any fiduciary shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the

authority, whether or not such parties have notice thereof. The instrument by which such a pledge is created need not be filed or recorded except in the official minutes of the authority.

B. When any lease or sublease is secured by the hotel occupancy tax levied pursuant to R.S. 33:4710.15.2 or the food and beverage tax levied pursuant to R.S. 33:4710.23, neither the legislature nor the authority shall discontinue or decrease the applicable tax or permit to be discontinued or decreased the applicable tax in anticipation of the collection of which such leases or subleases, or both, have been entered into, or in any way make any change in the allocation and dedication of the proceeds of such tax which would diminish the amount of the applicable tax revenues to be received by the authority until all of such leases or subleases, or both, shall have expired.

§4710.28. Escrow fund

In each fiscal year, after payment of all obligations of the authority secured by or payable from all or any part of the taxes levied pursuant to R.S. 33:4710.15.2 and 4710.23, the authority shall deposit the balance of such taxes into a special escrow fund to be used solely to retire said obligations in advance of their maturities at a price or prices not greater than the applicable redemption price. However, the provisions of this Section shall be applicable only to outstanding obligations of the authority issued or incurred prior to the effective date of this amendment to this Section and shall not be applicable with respect to any bonds or other obligations issued or incurred thereafter to pay any costs of the Phase III Expansion Project, the Phase IV Expansion Project, or the Phase V Convention Center Expansion Project. §4710.29. Minority businesses

A. To provide equal procurement, contractual, and employment participation in any project, the authority shall prescribe rules and regulations as may be necessary to provide for the following protections for the rights of minority citizens:

(1) To designate and set aside for awarding to minority businesses not less
than thirty percent of anticipated local procurement of goods and services

1	respectively, including contracts for professional services but excluding construction,	
2	for any expansion project, based upon the total value of such procurement.	
3	(2) To designate and set aside for awarding to minority contractors not less	
4	than twenty percent of the construction contracts for any expansion project, based	
5	upon the total value of such contracts.	
6	(3) To establish an affirmative action plan for the hiring and maintenance of	
7	personnel for any expansion project.	
8	(4) To establish an affirmative action plan to guarantee that equal	
9	opportunity in employment is incorporated into each agreement or contract with any	
10	provider of services to the authority for any expansion project.	
11	(5) To prescribe and promulgate rules and regulations to provide for	
12	effective enforcement of the rights granted in this Section including injunctive relief	
13	and penalties for violations.	
14	(6) To prescribe and promulgate rules and regulations for the certification	
15	of businesses as bona fide minority businesses or minority contractors.	
16	B. For purposes of this Section, the following definitions apply:	
17	(1) "Minority" means a person who is a citizen or lawful permanent resident	
18	of the United States and who is:	
19	(a) Black: having origins in any of the black racial groups of Africa.	
20	(b) Hispanic: of Mexican, Puerto Rican, Cuban, Central or South American,	
21	or other Spanish or Portuguese culture or origin regardless of race.	
22	(c) Asian American: having origins in any of the original peoples of the Far	
23	East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.	
24	(d) American Indian or Alaskan Native: having origins in any of the original	
25	peoples of North America.	
26	(2) "Minority business" or "minority contractor" means a small business	
27	organized for profit performing a commercially useful function which is owned and	
28	controlled by one or more minority individuals or a minority enterprise as defined	
29	in R.S. 39:1952. "Owned and controlled" means a business in which one or more	

2	case of a corporation at least fifty-one percent of the voting stock and control at least
3	fifty-one percent of the management and daily operations of the business.
4	Section 2. R.S. 33:4710.11(D) is hereby amended and reenacted to read as follows:
5	D. As used in this Chapter, the word "project" or "projects" means any one
6	or more of any combination of convention, exhibition, and tourist facilities,
7	including a convention center hotel with multi-story parking garage and bridge
8	connecting the hotel and the south end of the convention center, the "Convention
9	Center Headquarters Hotel Project", and the necessary land, acquired by lease or
10	purchase, site improvements, infrastructure, furnishings, machinery, equipment, and
11	appurtenances therefor other than lodging facilities but including infrastructure and
12	site improvements to facilitate the private development and funding of lodging
13	facilities. The authority may utilize its tax revenues, other income, and other
14	revenues for the costs of the design, development, construction, furnishing, and
15	equipping of the Convention Center Headquarters Hotel Project, as provided in and
16	pursuant to any contracts described in this Section or as provided in and pursuant to
17	a cooperative endeavor agreement.
18	Section 3.(A) Section 1 and this Section of this Act shall become effective on July
19	1, 2019; if the Act is vetoed by the governor and subsequently approved by the legislature
20	Section 1 and this Section of this Act shall become effective on July 1, 2019, or on the day
21	following such approval by the legislature, whichever is later.
22	(B) Section 2 of this Act shall become effective on July 1, 2020, but only if prior to
23	that date, the Ernest N. Morial-New Orleans Exhibition Hall Authority enters a cooperative
24	endeavor agreement with the city of New Orleans regarding property tax payments or
25	payments in lieu of property taxes, issues regarding project financing, and any other matter
26	of concern to either party all as related to the Convention Center Headquarters Hotel Project
27	property provided for in R.S. 33:4710.11(D) as amended by Section 2 of this Act. A copy
28	of the cooperative endeavor agreement and an affidavit indicating that both parties recognize
29	that the agreement constitutes the agreement anticipated by this Section shall be submitted

minorities or minority business enterprises own at least fifty-one percent or in the

- 1 to the presiding officers of the Louisiana House of Representatives and the Louisiana Senate
- 2 and the Louisiana State Law Institute. If any of the submissions required by this Section is
- 3 not received by July 1, 2020, Section 2 of this Act shall not become effective.

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 573 Engrossed

2019 Regular Session

Abramson

Abstract: Codifies laws pertaining to the Ernest N. Morial-New Orleans Exhibition Hall Authority and provides relative to revenues and projects of the authority.

<u>Present law</u> creates the Ernest N. Morial-New Orleans Exhibition Hall Authority (convention center authority) to acquire, construct, reconstruct, extend, improve, maintain, and operate projects within the city of New Orleans in order to promote the economic growth and development of the city and its neighboring parishes.

<u>Proposed law</u> incorporates uncodified Acts of the legislature relating to the convention center authority into the La. Revised Statutes of 1950. The table at the end of this digest indicates the Sections of Act No. 305 of 1978 R.S., as amended, the most recent expression of the legislature on each of those Sections or portions thereof, and the placement of those provisions in the proposed codification scheme in Title 33 of the La. Revised Statutes of 1950.

Proposed law also makes changes to present law as follows:

<u>Present law</u> authorizes the convention center authority to levy hotel occupancy taxes and provides relative to the use of the proceeds of such taxes after provision is made for the payment of debt secured by such proceeds. <u>Proposed law</u> provides that such remaining revenue shall be that specified as such in audited financial statements for each fiscal year. <u>Proposed law</u> requires that payments required by <u>present law</u> and <u>proposed law</u> shall be made within 30 days of the acceptance of the audited statements.

<u>Present law</u>, modified by <u>proposed law</u> as indicated, requires use of such hotel occupancy tax proceeds remaining after payment of debt for the following purposes in the following order of priority:

- (1) Payment of rents due.
- (2) Payment of bond service charges.
- (3) Payment of administrative and operating expenses.
- (4) Payment of the cost of maintaining, improving and operating exhibition or convention facilities.
- (5) To establish a reserve fund for replacement and for future needs. <u>Proposed law</u> requires that such future needs be described with reasonable particularity and prohibits the aggregate amount held in such reserve funds from exceeding \$100 million.

(6) Payments to the city of New Orleans. <u>Present law provides</u> that revenues remaining at the end of each fiscal year, prior to the issuance of bonds and after the payment of specified expenses, is considered surplus and may be paid to the city of New Orleans. <u>Proposed law requires remaining funds in excess of \$100 million</u>, at the end of each fiscal year, to be paid to the city of New Orleans unless the voters of New Orleans authorize the convention center authority to retain such funds.

<u>Present law</u> authorizes the convention center authority to levy a tax on food and beverages sold by any food service establishment located within Orleans Parish or in any airport or air transportation facility owned and operated by the city of New Orleans at a rate not to exceed 1/2%

<u>Present law</u> authorizes the convention center authority to undertake specified "expansion projects", one of which is designated Phase IV, which includes construction of a free-standing building across Henderson Street from the existing convention center, on a site owned by the convention center authority, containing approximately 1,500,000 square feet under roof, including approximately 500,000 square feet of exhibit space, with accompanying meeting rooms, food service areas, building service areas, and other facilities functionally related thereto.

<u>Present law</u> authorizes the convention center authority, for the purpose of funding Phase IV, to impose an additional 1% hotel occupancy tax and a 1/4% tax on food and beverages sold by any food service establishment located within Orleans Parish or in any airport or air transportation facility owned and operated by the city of New Orleans.

<u>Present law</u> provides for termination of both food and beverage taxes and the 1% hotel occupancy tax upon payment in full of obligations secured in whole or in part by proceeds of such taxes. <u>Proposed law</u> prohibits the convention center authority from refinancing bonds secured by such taxes or taking any other action that would delay the retirement of such bonds that are outstanding on May 1, 2019. However, <u>proposed law</u> authorizes the convention center authority to levy such taxes and pledge the avails thereof if such actions are reauthorized by the voters of New Orleans.

<u>Present law</u> requires the convention center authority to prescribe rules to provide for protections for the rights of minority citizens. <u>Present law</u> requires that such rules include, for any expansion project ("expansion project" is described above in this digest), the setting aside for minority businesses of not less than 30% of anticipated local procurement of goods and services other than construction and not less than 20% of the construction contracts. Requires adoption of affirmative action plans.

<u>Proposed law</u> retains <u>present law</u> but makes it applicable to any project undertaken by the convention center authority.

<u>Present law</u> defines "project" to mean convention, exhibition, and tourist facilities, other than lodging facilities, and necessary site improvements, infrastructure, furnishings, machinery, equipment, and appurtenances. <u>Proposed law</u> adds acquisition of land and a hotel with multi-story parking garage and bridge connecting the hotel and the south end of the convention center to the definition of project. <u>Proposed law</u> becomes effective on July 1, 2020, but only if the convention center authority enters a cooperative endeavor agreement with the city of New Orleans regarding certain taxes and other matters.

Effective July 1, 2019, except as otherwise provided by the Act.

Section of Act No. 305	Source	Disposition in Title 33
1- Creation	Act 43 of 1992 RS	4710.11(A)
2- Bd of commissioners		
(A)	Act 1174 of 1997 RS	4710.12(A) and (B)
(B)	Act 1174 of 1997 RS	4710.12(C)
(C)	Act 572 of 1984 RS	4710.12(D)
(D)	Act 572 of 1984 RS	obsolete
3- Domicile	Act 1174 of 1997 RS	4710.11(B)
3- Bd of commissioners	Act 1174 of 1997 RS	4710.12(D)-(H)
4- Powers and duties		
4(intro paragraph)	Act 557 of 2014 RS	4710.11(C) and (D)
4(A) and (B)	Act 305 of 1978 RS	4710.13(1) an (2)
4(C)	Act 1176 of 1997 RS	4710.13(3)
4(D)	Act 557 of 2014 RS	4710.13(4)
4(E) and (F)	Act 305 of 1978 RS	4710.13(5) and (6)
(G)	Act 557 of 2014 RS	4710.13(7)
4(H) and (I)	Act 42 of 1994 RS	4710.13(8) and (9)
4(J), (K), and (L)	Act 305 of 1978 RS	4710.13(10), (11), and (12)
4(M)	Act 557 of 2014 RS	4710.13(13)
4(N) and (O)	Act 305 of 1978 RS	4710.13(14) and (15)
4(P)	Act 1176 of 1997 RS	4710.13(16)
5- Rivercenter		
5(A) and (B)	Act 305 of 1978 RS	4710.14
5(C)	Act 305 of 1978 RS	4710.13(17)
5(D)	Repealed; Act 287 of 1982	Previously repealed
5(E)	Act 9 of 1980 2nd ES	4710.13(18)
6- Hotel occupancy tax	Act 305 of 1978 RS	4710.15
6.1- Additional hotel occupancy tax	Act 42 of 1994 RS	4710.15.1
7- Use of revenue	Act 305 of 1978 RS	4710.16
8- Issue bonds		
8(1st paragraph)	Act 42 of 1994 RS	4710.17(A)
8(2nd paragraph)	Act 42 of 1994 RS	4710.17(B)
8(3rd through 7th para)	Act 305 of 1978 RS	4710.17(C)-(G)
8(8th paragraph)	Act 42 of 1994 RS	4710.17(H)

Page 40 of 42

CODING: Words in struck through type are deletions from existing law; words $\underline{\text{underscored}}$ are additions.

8(9th and 10th para)	Act 305 of 1978RS	4710.17(I) and (J)
9- Authority of	Act 305 of 1978RS	4710.17(K)
legislature	110000000000000000000000000000000000000	., (12)
10- Obligations solely of the authority	Act 305 of 1978RS	4710.18
11- Hotel tax revenues	Act 305 of 1978RS	4710.19
12- Limit on state authority to spend funds	Act 43 of 1992 RS	4710.20
13- Exhibitions; superdome	Act 305 of 1978RS	4710.21
14- Severability	Act 305 of 1978RS	obsolete
15- Powers of Port of New Orleans	Act 305 of 1978RS	4710.22(A)
16- Effective date of original Act	Act 305 of 1978RS	obsolete
17- Poydras Street Wharf	Act 305 of 1978RS	4710.22(B)
18- Hotel occupancy tax (flat rate)	Act 390 of 1987 RS	4710.15.2
19- Food and beverage tax	Act 390 of 1987 RS	4710.23
20- Phase IV expansion; additional taxes		
20(A)	Act 557 of 2014 RS	4710.24(A)
20(B) through (E)	Act 72 of 02 1ES	4710.24(B)-(F)
20(F)	Act 557 of 2014 RS	4710.24(G)
20.1- Service contractor tax	Act 42 of 1994 RS	4710.25
20.2- Sight-seeing tour tax	Act 42 of 1994 RS	4710.26
21- Bonds		
21(A)	Act 42 of 1994 RS	4710.17.1(A)
21(B) through (F)	Act 390 of 1987 RS	4710.17.1(B)-(F)
21(G)	Act 42 of 1994 RS	4710.17.1(G)
21(H) through (L)	Act 390 of 1987 RS	4710.17.1(H)-(L)
21(M)	Act 42 of 1994 RS	4710.17.1(M)
21(N) through (P)	Act 390 of 1987 RS	4710.17.1(N)-(P)
22- Pledge of funds to leases	Act 390 of 1987 RS	4710.27

Page 41 of 42

-	23- Escrow; certain funds	Act 557 of 2014 RS	4710.28
	24- Minority businesses	Act 390 of 1987 RS	4710.29

(Adds R.S. 33:4710.11-4710.29)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>original</u> bill:

- 1. Add provisions requiring the payment of certain reserve funds to the city of New Orleans unless the voters of New Orleans authorize the convention center authority to retain such funds.
- 2. Add provisions prohibiting the convention center authority from delaying the retirement of outstanding bonds secured by certain taxes unless the voters of New Orleans reauthorize those taxes.
- 3. Add provisions making disadvantaged business provisions of <u>present law</u> applicable to all projects rather than *expansion* projects.
- 4. Add provisions adding a hotel project to authorized projects and provisions making such addition contingent on a cooperative endeavor agreement with the city of New Orleans.