HLS 20RS-997 ORIGINAL

2020 Regular Session

HOUSE BILL NO. 696

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BY REPRESENTATIVE DUPLESSIS

LEASES: To extend the maximum term for a lease or sublease entered into by the Office Facilities Corporation and to remove legislative oversight for certain leases

AN ACT

2 To amend and reenact R.S. 39:1798.6(A)(2)(b), relative to the nonprofit corporation 3 established pursuant to R.S. 39:1798.3, to provide relative to the maximum term of 4 certain contracts entered into by the entity; to provide relative to oversight of certain 5 contracts entered into by the entity; and to provide for related matters. 6 Be it enacted by the Legislature of Louisiana: Section 1. R.S. 39:1798.6(A)(2)(b) is hereby amended and reenacted to read as 7 8 follows: 9 §1798.6. Powers 10 A. In addition to the powers granted it by the General Nonprofit Corporation 11 Law, Title 12 of the Louisiana Revised Statutes of 1950, the corporation shall have 12 power to undertake any project, to provide for the financing thereof, and in 13 connection therewith: 14 15 **(2)** 16 17 (b) To enter into, and to execute such agreements, covenants, conditions, and 18 contracts as are necessary to properly effectuate leases or subleases by the Office 19 Facilities Corporation, for a period not to exceed twenty years, of portions of the 20 property located in the First Municipal District of the City of New Orleans, Parish

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

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of Orleans, generally bounded by South Liberty Street, Julia Street, Le Rouge Street, Girod Street, LaSalle Street and Poydras Street (Sugar Bowl Drive), and commonly referred to as the New Orleans Centre property, including the office tower formerly known as the Dominion Tower, the retail property formerly known as the New Orleans Shopping Centre and the associated parking garage facility, for the purpose of accommodating various agencies of the state government, and provided that any such lease or sublease between the corporation and the owner of the New Orleans Centre property is perfected and entered into before July 1, 2010. Any such lease or sublease between the corporation and the owner of the New Orleans Centre property shall be subject to prior approval of the Joint Legislative Committee on the Budget.

## **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 696 Original

2020 Regular Session

Duplessis

**Abstract:** To extend the maximum term for a lease or sublease contract entered into by the Office Facilities Corporation and to remove legislative oversight for certain leases.

<u>Present law</u> (R.S. 39:1798 et seq.) authorizes the creation of a nonprofit corporation for the purpose of financing, acquisition, construction, renovation, improvement or expansion of public facilities for lease to the state. <u>Proposed law</u> retains <u>present law</u>.

<u>Present law</u> authorizes the nonprofit corporation to enter into leases or subleases of portions of property located in a specific geographic area of Orleans Parish. <u>Present law</u> restricts the term of any such lease or sublease to a maximum of twenty years. <u>Proposed law</u> removes this twenty-year cap.

With respect to a particular property ("the New Orleans Centre property"), <u>present law</u> requires any lease between the nonprofit corporation and the owner of the New Orleans Centre property to be perfected prior to July 1, 2010. <u>Proposed law</u> retains <u>present law</u>. <u>Present law</u> further requires approval by the Joint Legislative Committee on the Budget (JLCB) of a lease or sublease between the nonprofit corporation and the owner of the New Orleans Centre property. <u>Proposed law</u> removes the requirement for JLCB approval of such a lease or sublease.

(Amends 39:1798.6(A)(2)(b))