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## 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)]

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Brossett

HB No. 430

**Abstract:** Authorizes the New Orleans Redevelopment Authority to purchase adjudicated properties.

Present law authorizes the city of New Orleans to formulate a workable program for the community improvement for utilizing appropriate private and public resources to eliminate and prevent the development or spread of slums and urban blight, to encourage needed rehabilitation, and to provide for the redevelopment of slum or blighted areas or to undertake other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program.

Present law provides for the creation of the New Orleans Redevelopment Authority. Provides that the authority to the greatest extent it determines to be feasible in carrying out the provisions of present law shall afford maximum opportunity, consistent with the sound needs of the city of New Orleans as a whole, to the rehabilitation or redevelopment of the community improvement area by private enterprise.

Present law provides for the preparation and adoption of a community improvement plan by the authority to address slum and blighted areas. Provides that such plan shall not be instituted unless the local governing body has, by resolution, determined such area to be a slum or a blighted area or a combination thereof and designated such area as appropriate for a community improvement project. Provides procedures for adopting such a plan.

Present law provides that the authority shall have the power to acquire by purchase, gift, bequest, expropriation, negotiation, or otherwise any blighted property as defined in present law either within or outside a designated community improvement area and, further, to hold, clear, manage, and dispose of said property, all in accordance with the procedures set forth in present law which procedures shall be exclusive for the acquisition of individual blighted property by the authority. Provides for disposition of such property.

Proposed law retains present law and additionally authorizes the authority to purchase adjudicated properties within its jurisdiction from any political subdivision of the state. Provides that no such purchase shall be construed to, or otherwise have the effect of, extending or suspending the period prescribed by law for the redemption of the property by the tax debtor or any other person.

Proposed law provides that the purchases by the authority may be by a direct negotiated purchase

and sale agreement between the authority and a political subdivision without any other requirement of a public sale prior to the transfer of such properties to the authority. Provides that the purchases are not considered the sale of surplus property or of property owned by the political subdivision.

Proposed law provides that effective upon the recordation of the transfer of an adjudicated property to the authority pursuant to a purchase and sale agreement, the rights of the authority in and to such property shall be the rights of a purchaser at a tax sale as contemplated by present law (Chapter 5 of Subtitle III of Title 47 of the L.R.S. of 1950) subject only to the rights of redemption of the property set forth in the state constitution.

Proposed law authorizes the state and any political subdivision with liens on the property, pursuant to intergovernmental agreements with the authority, to cancel the liens contemporaneously with or subject to the transfer of the property to the authority.

Proposed law authorizes the authority to tender a bid at a tax sale which is a credit bid, consisting of the obligation of the authority to satisfy the component parts of the bid by payments to the respective political subdivisions and taxing entities in accordance with intergovernmental agreements between the authority and such political subdivisions and taxing entities. Provides that a bid by the authority at a tax sale for the minimum amount takes priority over all other bids for the same quantity of property, except for a higher bid submitted by a conventional mortgage holder holding a mortgage on the subject property.

Proposed law requires the authority to submit annual reports to the House Committee on Municipal, Parochial and Cultural Affairs and the Senate Committee on Local and Municipal Affairs and each member of the Orleans Parish legislative delegation concerning property purchased by the authority. Each report shall include: a legal description or other indication of the location of each property, the amount paid for each property, the minimum bid that was set for the property and the appraised value of the property, and a general description of the authority's plans for the property and how such plans advance the purposes for which the authority is created.

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

(Adds R.S. 33:4720.58.1)