

Regular Session, 2013
HOUSE BILL NO. 516

VETOED
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Veto Message

BY REPRESENTATIVES LEGER, WESLEY BISHOP, AND
BROSSETT

1 AN ACT

2 To amend and reenact Sections 4 (introductory paragraph), 4D, 4G, 4M, 20A, and 23 and
3 to enact Section 20F of Act No. 305 of the 1978 Regular Session of the Legislature,
4 as amended by Act No. 657 of the 1979 Regular Session of the Legislature, Act No.
5 99 of the 1980 Regular Session of the Legislature, Act No. 9 of the 1980 Second
6 Extraordinary Session of the Legislature, Act No. 287 of the 1982 Regular Session
7 of the Legislature, Act No. 572 of the 1984 Regular Session of the Legislature, Act
8 No. 390 of the 1987 Regular Session of the Legislature, Act No. 43 of the 1992
9 Regular Session of the Legislature, Act No. 1013 of the 1993 Regular Session of the
10 Legislature, Act Nos. 13 and 42 of the 1994 Regular Session of the Legislature, Act
11 Nos. 1174 and 1176 of the 1997 Regular Session of the Legislature, and Act No. 72
12 of the 2002 First Extraordinary Session of the Legislature, all relative to the Ernest
13 N. Morial-New Orleans Exhibition Hall Authority, to grant additional powers to the
14 authority, to provide for the issuance of bonds and other obligations of the authority
15 to finance expansion projects; to provide for additional bonding capacity of the
16 authority; to provide an effective date; and to provide for related matters.

17 Notice of intention to introduce this Act has been published
18 as provided by Article III, Section 13 of the Constitution of
19 Louisiana.

20 Be it enacted by the Legislature of Louisiana:

21 Section 1. Sections 4 (introductory paragraph), 4D, 4G, and 4M of Act No. 305 of
22 the 1978 Regular Session of the Legislature, as amended by Act No. 657 of the 1979 Regular
23 Session of the Legislature, Act No. 99 of the 1980 Regular Session of the Legislature, Act
24 No. 9 of the 1980 Second Extraordinary Session of the Legislature, Act No. 287 of the 1982

1 Regular Session of the Legislature, Act No. 572 of the 1984 Regular Session of the
2 Legislature, Act No. 390 of the 1987 Regular Session of the Legislature, Act No. 43 of the
3 1992 Regular Session of the Legislature, Act No. 1013 of the 1993 Regular Session of the
4 Legislature, Act Nos. 13 and 42 of the 1994 Regular Session of the Legislature, Act Nos.
5 1174 and 1176 of the 1997 Regular Session of the Legislature, and Act No. 72 of the 2002
6 First Extraordinary Session of the Legislature are hereby amended and reenacted to read as
7 follows:

8 Section 4. As used hereinafter in this Act, the word "project" or "projects"
9 shall mean any one or more of any combination of convention, exhibition, and tourist
10 facilities, ~~other than lodging facilities,~~ and the necessary site improvements,
11 infrastructure, furnishings, machinery, equipment, and appurtenances therefor. The
12 purpose for which the Authority is created is to acquire, construct, reconstruct,
13 extend, improve, maintain, and operate projects within the city of New Orleans,
14 subject to the zoning and other applicable ordinances of the city of New Orleans,
15 except as to the Poydras Street Wharf and other properties under the administration
16 of the Board of Commissioners of the Port of New Orleans, in order to promote the
17 economic growth and development of the city and its neighboring parishes. The
18 Authority shall have all the powers and authority necessary or convenient to carry
19 out the purposes of this Act including but not limited to the following powers and
20 authority:

21 * * *

22 D. To enter into contracts with any person, firm, or corporation, public or
23 private, including the state of Louisiana or any department, agency, or political
24 subdivision thereof, on such terms and conditions as the board may determine, with
25 respect to the acquisition, construction, reconstruction, extension, improvement,
26 maintenance, or operation of projects or the furnishing or distribution of the services,
27 facilities, or commodities thereof, including but not limited to the leasing or
28 subleasing for allied services such as hotels, restaurants, retail outlets, offices,
29 parking, entertainment, and similar activities. Any lease or sublease of the authority,
30 or both, to an exhibition or convention user, or both, including any assignments

1 thereof, any lease or sublease or extensions or renewals thereof, including any
 2 assignments thereof, for allied services such as restaurants, retail outlets, offices, and
 3 entertainment, shall be exempt from the provisions of R.S. 38:2211 et seq. and any
 4 other provision of law with respect to the purchase or lease of property by public
 5 entities; all other contracts, leases or subleases, or both, including any assignment
 6 thereof, shall be entered into in accordance with the provisions of R.S. 38:2211.

* * *

8 G. To incur debt and issue bonds or other obligations for the purpose of the
 9 Authority in the manner hereinafter provided. ~~The Authority is hereby specifically~~
 10 ~~prohibited from utilizing nontraditional tax free bonds from any source whatsoever~~
 11 ~~when such use would benefit any properties being developed by a private person,~~
 12 ~~firm, or corporation.~~ However, the full faith and credit of the state or the Authority
 13 shall not be granted to any private person, firm, or corporation.

* * *

15 M. Except as limited by the terms and conditions of that certain lease
 16 covering and affecting the Poydras Street Wharf, to lease or sublease to or from any
 17 person, firm, or corporation, public or private, all or any part of any project upon
 18 such terms and conditions and for such term of years not in excess of sixty years, as
 19 the board may deem advisable to carry out the provisions of this Act, and to provide,
 20 if deemed advisable by the board, for an option to purchase or otherwise lawfully
 21 acquire such project upon the terms and conditions therein specified. Any lease or
 22 sublease, or both, of the authority to an exhibition or convention user, or both,
 23 including any assignments thereof, any lease or sublease or extension or renewal
 24 thereof, including any assignments thereof, for allied services such as hotels,
 25 restaurants, retail outlets, offices and entertainment, shall be exempt from the
 26 provisions of R.S. 38:2211 et seq., and any other provision of law with respect to the
 27 purchase or lease of property by public entities; all other contracts, leases or
 28 subleases, or both, of the authority, including any assignment thereof, shall be
 29 entered into in accordance with the provisions of R.S. 38:2211.

* * *

1 Section 2. Section 20A of Act No. 305 of the 1978 Regular Session of the
 2 Legislature, as amended by Act No. 657 of the 1979 Regular Session of the Legislature, Act
 3 No. 99 of the 1980 Regular Session of the Legislature, Act No. 9 of the 1980 Second
 4 Extraordinary Session of the Legislature, Act No. 287 of the 1982 Regular Session of the
 5 Legislature, Act No. 572 of the 1984 Regular Session of the Legislature, Act No. 390 of the
 6 1987 Regular Session of the Legislature, Act No. 43 of the 1992 Regular Session of the
 7 Legislature, Act No. 1013 of the 1993 Regular Session of the Legislature, Act Nos. 13 and
 8 42 of the 1994 Regular Session of the Legislature, Act Nos. 1174 and 1176 of the 1997
 9 Regular Session of the Legislature, and Act No. 72 of the 2002 First Extraordinary Session
 10 of the Legislature is hereby amended and reenacted to read as follows:

11 Section 20.A. As used herein, "expansion project" shall mean a project or
 12 projects for the acquisition, construction, installation, and equipping of additions or
 13 improvements to the Ernest N. Morial Convention Center-New Orleans
 14 ("Convention Center"), including, but not by way of limitation, (i) the Phase III
 15 Convention Center Expansion Project consisting of a building attached to the
 16 Convention Center containing additional exhibit space, meeting rooms, ballroom
 17 space, a food court, exhibit hall concession stands, food production facilities, and
 18 other structures and facilities functionally related to the Convention Center and
 19 completed in April of 1999, ~~and~~ (ii) the Phase IV Convention Center Expansion
 20 Project and, (iii) the Phase V Convention Center Expansion Project. The term
 21 "Phase IV Convention Center Expansion Project" shall mean the project to construct
 22 a free-standing building across Henderson Street from the existing Convention
 23 Center, on a site owned by the authority, containing approximately 1,500,000 square
 24 feet under roof including approximately 500,000 square feet of exhibit space, with
 25 accompanying meeting rooms, food service areas, building service areas and other
 26 facilities functionally related thereto. It will be connected to Phase III by a pedestrian
 27 bridge above Henderson. The term "Phase V Convention Center Expansion Project"
 28 shall mean a public/private project for the Convention Center to advance a tourism
 29 development plan (including enhancements to the facility and installation of basic
 30 infrastructure to facilitate private development on acreage owned by the Exhibition

1 Hall Authority) the public component of which will be developed and funded in four
2 stages. The four stages shall be developed and funded in the order and according to
3 the priorities as determined by the authority.

4 Stage One shall provide infrastructure including but not limited to: (i)
5 Making public infrastructure improvements on Convention Center Boulevard, from
6 Poydras Street to Orange Street, including utility improvements, redevelopment of
7 north and south bound traffic lanes, and the incorporation of a landscaped linear park
8 and pedestrian mall; (ii) The development of public infrastructure in the area
9 generally bounded by Henderson Street, Tchoupitoulas Street, Orange Street, and the
10 Mississippi River flood wall to include the extension of Convention Center
11 Boulevard from Henderson Street to Orange Street (including traffic circle at
12 Henderson Street intersection) public utility infrastructure to support anticipated
13 private development, and six acres of soil remediation; and (iii) The relocation of
14 existing power lines along Convention Center Boulevard and the incorporation of a
15 "people mover" system along Convention Center Boulevard, from Poydras Street to
16 Orange Street. Stage One projects shall be accomplished in a manner which ensures
17 that there is no reduction or impairment of current vehicular capacity in that area,
18 particularly with respect to any improvements in the vicinity of Convention Center
19 Boulevard and Poydras and Orange Streets.

20 Stage Two shall make improvements at or on the riverfront to provide:
21 (i) Development of a riverfront festival park along the Mississippi River at existing
22 wharfs, providing access to the river through the development of approximately five
23 acres for recreational, hospitality, commercial, and residential use; and
24 (ii) Development of Riverfront Festival Park infrastructure, including public utilities,
25 lighting, and landscaping.

26 Stage Three shall further integrate the Convention Center with its
27 surrounding urban areas through the: (i) Renovation of the south end of the existing
28 Convention Center in order to create a new south entrance in response to adjacent
29 development; (ii) Incorporation of a new kitchen and restaurant facility at the south
30 end of the Convention Center; (iii) Development of an executive conference center

1 to be integrated as part of a new, privately developed hotel; and (iv) Relocation of
2 existing Convention Center functions currently at the south end of the facility in
3 order to accommodate new entrance and connection to executive conference
4 center/hotel. Stage Three projects shall be accomplished in a manner which ensures
5 that there is no impairment or diminishment of vehicular access to the facilities of
6 the Board of Commissioners of the Port of New Orleans which are or may be
7 accessed in the future via Henderson Street.

8 Stage Four to provide for the renovation, restoration, construction, or
9 demolition of the buildings bearing municipal address No. 2 Canal Street in the city
10 of New Orleans and the site preparation related thereto to facilitate the creation and
11 development of a riverfront festival park or other buildings or structures. Activity
12 associated with the modification or demolition of the said buildings and the
13 development and operation of the park will be conducted in a fashion which ensures
14 no interference with or adverse effect upon the main line trackage of the New
15 Orleans Public Belt Railroad.

16 * * *

17 Section 3. Section 20F of Act No. 305 of the 1978 Regular Session of the
18 Legislature, as amended by Act No. 657 of the 1979 Regular Session of the Legislature, Act
19 No. 99 of the 1980 Regular Session of the Legislature, Act No. 9 of the 1980 Second
20 Extraordinary Session of the Legislature, Act No. 287 of the 1982 Regular Session of the
21 Legislature, Act No. 572 of the 1984 Regular Session of the Legislature, Act No. 390 of the
22 1987 Regular Session of the Legislature, Act No. 43 of the 1992 Regular Session of the
23 Legislature, Act No. 1013 of the 1993 Regular Session of the Legislature, Act Nos. 13 and
24 42 of the 1994 Regular Session of the Legislature, Act Nos. 1174 and 1176 of the 1997
25 Regular Session of the Legislature, and Act No. 72 of the 2002 First Extraordinary Session
26 of the Legislature is hereby enacted to read as follows:

27 Section 20.

28 * * *

29 F. Without reference to any other provision of the Constitution or of laws of
30 Louisiana, including the Act, the authority is authorized from time to time, with the

1 approval of the State Bond Commission, to issue its negotiable bonds in one or more
 2 series for the purpose of providing funds to finance the Phase V Convention Center
 3 Expansion Project of the Ernest N. Morial Convention Center in accordance with the
 4 provisions of Section 21 hereof; the bonds to be payable from all revenues derived
 5 by the authority as more particularly set forth in the resolution or resolutions
 6 providing for their issuance.

7 Section 4. Section 23 of Act No. 305 of the 1978 Regular Session of the Legislature,
 8 as amended by Act No. 657 of the 1979 Regular Session of the Legislature, Act No. 99 of
 9 the 1980 Regular Session of the Legislature, Act No. 9 of the 1980 Second Extraordinary
 10 Session of the Legislature, Act No. 287 of the 1982 Regular Session of the Legislature, Act
 11 No. 572 of the 1984 Regular Session of the Legislature, Act No. 390 of the 1987 Regular
 12 Session of the Legislature, Act No. 43 of the 1992 Regular Session of the Legislature, Act
 13 No. 1013 of the 1993 Regular Session of the Legislature, Act Nos. 13 and 42 of the 1994
 14 Regular Session of the Legislature, Act Nos. 1174 and 1176 of the 1997 Regular Session of
 15 the Legislature, and Act No. 72 of the 2002 First Extraordinary Session of the Legislature
 16 is hereby amended and reenacted to read as follows:

17 Section 23. In each fiscal year, after payment of all obligations of the
 18 authority secured by or payable from all or any part of the taxes levied pursuant to
 19 Sections 18 and 19 hereof, the authority shall deposit the balance of such taxes into
 20 a special escrow fund to be used solely to retire said obligations in advance of their
 21 maturities at a price or prices not greater than the applicable redemption price;
 22 provided, however, the provisions of this Section shall be applicable only to
 23 outstanding obligations of the authority issued or incurred prior to the effective date
 24 of this amendment to this Section and shall not be applicable with respect to any
 25 bonds or other obligations issued or incurred thereafter to pay any costs of the Phase
 26 III Expansion Project, ~~or the Phase IV Expansion Project,~~ or the Phase V Convention
 27 Center Expansion Project.

28 Section 5. The legislature hereby specifically declares that this Act in no way and
 29 to no extent is intended to nor shall it be construed in any manner which will impair
 30 outstanding bonded debt obligations of the authority.

1 Section 6. No provision of this Act shall affect, alter, or diminish the rights, powers,
2 and jurisdiction of the Board of Commissioners of the Port of New Orleans over any
3 property it owns, operates, or administers.

4 Section 7. To the extent that the provisions of this Act are inconsistent with any
5 provision of general statute or any special act, or any part thereof, the provisions of this Act
6 shall be deemed controlling.

7 Section 8. This Act shall become effective upon signature by the governor or, if not
8 signed by the governor, upon expiration of the time for bills to become law without signature
9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
11 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

House Bill No. 516 by Representative Walt Leger grants additional powers to the Ernest N. Morial-New Orleans Exhibition Hall Authority. The bill also would allow for the first time the Authority to use non-traditional tax free bonds that would benefit any properties being developed by commercial, private entities and the bonded debt could count against the state debt limit. In addition, this project could be funded through the capital outlay bill.

For these reasons, I have vetoed House Bill No. 516 and hereby return it to the House of Representatives.