

Leger (HB 516)

Present law (uncodified) creates the Ernest N. Morial-New Orleans Exhibition Hall Authority (authority). The purpose of the authority is 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.

Present law defines "project" as any convention, exhibition, or tourist facility, other than lodging facilities, and the necessary furnishings, machinery, equipment, and items incidental thereto. Proposed law would have specifically removed the limitation relative to lodging facilities and allowed for site improvements and infrastructure relative to the authorized projects.

Present law authorizes the authority to enter into contracts to acquire, construct, improve, or operate projects relative to restaurants, retail outlets, offices, parking, entertainment, and similar activities. Proposed law would have further authorized such contracts relative to hotels.

Present law exempts the authority from state law on the letting of public contracts for the making of any public works or for the purchase of any materials or supplies as it relates to any lease or sublease for allied services such as restaurants, retail outlets, offices, and entertainment. Proposed law would have further extended such exemption to hotel services.

Present law authorizes the authority to incur debt and issue bonds. However, present law specifically precludes the authority from utilizing nontraditional tax-free bonds from any source when such use would benefit any properties being developed by a private entity. Proposed law would have eliminated this prohibition, and would have added that neither the full faith and credit of the state nor that of the authority shall be granted to any private person, firm, or corporation.

Present law authorizes "expansion projects" for the Earnest N. Morial-New Orleans Exhibition Hall (convention center), including Phase III and IV. Proposed law would have authorized a Phase V expansion which would have allowed a joint venture between the authority and a private entity for a tourism development plan to enhance the convention center and install basic infrastructure to facilitate private development on property owned by the authority, the public component of which would have been divided into the following four stages:

- (1) Stage 1-Public infrastructure improvements on Convention Center Blvd., from Poydras St. to Orange St., including utility and traffic improvements, and a park and pedestrian mall; public infrastructure improvements by Henderson St., Tchoupitoulas St., Orange St., and the Mississippi River flood wall to extend Convention Center Blvd. from Henderson St. to Orange St., including a traffic circle, public utility infrastructure to support private development, and soil remediation; and the relocation of existing power lines along Convention Center Blvd. and the incorporation of a "people mover" system along Convention Center Blvd., from Poydras St. to Orange St.
- (2) Stage 2-Development of a riverfront festival park along the river at existing wharfs, providing access to the river through the development of approximately five acres for recreational, hospitality, commercial, and residential use; and development of Riverfront Festival Park infrastructure, including public utilities, lighting, and landscaping.
- (3) Stage 3-Integration of the convention center with its surrounding urban areas through the renovation of the south end of the existing convention center by creating a new south entrance; incorporation of a new kitchen and restaurant facility at the south end of the Convention Center; development of an executive conference center to be integrated as part of a new, privately developed hotel; and relocation of existing convention center functions currently at the south end of the facility to accommodate a new entrance.
- (4) Stage 4-Renovation, restoration, construction, or demolition of the buildings bearing municipal address No. 2 Canal Street World Trade Center buildings and site

preparation for the development of a riverfront festival park. Activity associated with the modification or demolition of the World Trade Center and the development and operation of the park will be conducted in a fashion which ensures no interference with or adverse effect upon the main line trackage of the New Orleans Public Belt Railroad.

Proposed law would have changed the description of Stage 4 from "demolition of the New Orleans World Trade Center buildings" to "demolition of the buildings bearing municipal address No. 2 Canal Street".

Proposed law would have authorized the authority with the approval of the State Bond Commission, to issue its negotiable revenue bonds in one or more series for the purpose of providing funds to finance the Phase V expansion project.

Proposed law would not have impaired outstanding bonded debt obligations of the authority, and would have prevailed if any provision of proposed law was inconsistent with present law.

Proposed law would have further provided that provisions of proposed law shall not have affected, altered, or diminished any rights or powers of the Board of Commissioners of the Port of New Orleans with respect to any property it owns, operates, or administers.

Proposed law would have become effective upon signature of governor or lapse of time for gubernatorial veto.

(Proposed to amend §§4(intro. para.), 4D, 4G, 4M, 20A, and 23 of Act No. 305 of the 1978 R.S., as amended; Proposed to add §20F of Act No. 305 of the 1978 R.S., as amended)

VETO MESSAGE

"House Bill No. 516 by Representative 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."