ORDINANCE

CITY OF NEW ORLEANS

CITY HALL: May 7, 2026

CALENDAR NO. 35,432

NO. _______________ MAYOR COUNCIL SERIES

BY: COUNCILMEMBERS HARRIS, MCCARRON, KING, GREEN, HUGHES, MORRELL AND WILLARD

AN ORDINANCE to establish Division 56 of Chapter 70, Article III of the Code of the City of New Orleans to create the 2026 Caesars Lease Rent Strip Sale Proceeds Fund, dedicated to housing the City's proceeds anticipated from the sale of certain future lease payments from Jazz Casino Company, L.L.C. for the Caesars New Orleans Casino, to create restrictions on expenditures; and otherwise to provide with respect thereto.

WHEREAS, the City is currently in the midst of a fiscal crisis that has severely depleted its on-hand funds ("Fund Balance"), both impeding its ability to meet certain payment obligations and leaving the City without adequate financial reserves to address emergency needs; and

WHEREAS, maintaining such reserves is key to a stable budget and structurally balanced financial operations – the basis of credit rating agencies' assessment of the City's fiscal health and therefore its bonding capacity; and

WHEREAS, the City is undertaking several major initiatives to restore its Fund Balance, including the sale of certain future lease payments from Jazz Casino Company, L.L.C. ("the Sale"), as authorized in Ordinance Calendar Number 35,426, which will generate at least $100,000,000 in immediate capital; and

WHEREAS, the stated purpose of the Sale is indeed "immediately and dramatically improving the City's long-term financial health without the need to incur debt or sacrifice vital services," and, to that end, the Moreno Administration has publicly committed to transparency, public reporting, and City Council oversight of expenditures from the Sale's proceeds; and

WHEREAS, holding such proceeds in a segregated, interest-bearing account, and in a separate codified Fund, as established herein, will better ensure these commitments are fulfilled, and will facilitate the ability of not only the City Council but also the public to monitor the responsible use of income from the Sale; **NOW, THEREFORE**

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY ORDAINS, That Division 56 of Chapter 70, Division III of the Code of the City of New Orleans, Louisiana is hereby established and ordained to read as follows:

"CHAPTER 70 – FINANCE

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DIVISION III. – FUNDS

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DIVISION 56. – 2026 CAESARS LEASE RENT STRIP SALE PROCEEDS FUND

Sec. 70-415.350. - Created.

There is hereby created a special fund designated as the 2026 Caesars Lease Rent Strip Sale Proceeds Fund (hereinafter "fund").

Sec. 70-415.351. - Funding sources.

The full amount of the sale of certain future lease payments from Jazz Casino Company, L.L.C. for the Caesars New Orleans Casino, authorized by Ordinance Calendar Number 35,426 on May 7, 2026, shall be deposited into the fund immediately upon its creation.

Sec. 70-415.352. - Administration of the fund.

The fund shall be administered by the director of the department of finance ("Director") and shall be kept in an interest-bearing account, whose contents shall be limited to the sources specified in Sec. 70-415.351.

Notwithstanding the foregoing, nothing provided herein shall be construed to prevent the City from investing the contents of the fund in a manner that benefits the City pursuant to all applicable laws and policies, including but not limited to Sec. 70-601 *et seq*.

All interest earned on the fund and returns from its investment shall accrue to the benefit of and become part of the fund, subject to the expenditure restrictions in Sec. 70-415.353.

Sec. 70-415.353. - Restrictions on expenditures.

Monies shall remain in the fund until designated for expenditure by ordinance and approved by the Council. Any transfer of the funds described herein into another of the City's funds or accounts shall also require Council approval by ordinance.

Sec. 70-415.354. - Required reporting.

The Director shall maintain accurate books in the administration and provide regular reports to the chief administrative officer and City Council, as required in Sec. 70-84, Sec. 70-87, and otherwise as may be required by law.

Additionally, the Director shall give a complete and detailed written accounting of the revenues in the fund, interest and investment returns earned thereon, and expenditures made pursuant to Council ordinance since the previous report. This report shall be submitted annually through the clerk of council to the chair of the budget, audit, and board of review committee."

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS ________________

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PRESIDENT OF THE COUNCIL

DELIVERED TO THE MAYOR ON ____________________

APPROVED:
DISAPPROVED: ____________________

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MAYOR

RETURNED BY THE MAYOR ON ____________________ AT ____________________

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CLERK OF COUNCIL

ROLL CALL VOTE:
YEAS:
NAYS:
ABSENT:
RECUSED: