

ORDINANCE
CITY OF NEW ORLEANS

CITY HALL: April 23, 2026

CALENDAR NO. 35,426

NO. _____ MAYOR COUNCIL SERIES

**BY: COUNCILMEMBERS HARRIS, MORRELL, WILLARD, MCCARRON, KING,
GREEN AND HUGHES (BY REQUEST)**

AN ORDINANCE to authorize New Orleans Building Corporation (“NOBC”), subject to NOBC Board of Directors approval, to sell its right to receive certain payments under the Second Amended and Restated Lease Agreement dated April 3, 2020, by and between NOBC, as landlord, Jazz Casino Company, L.L.C. (“JCC”), as tenant, and the City, as intervenor (the “Lease”), to a newly-formed entity (the “Purchaser”) arranged for and financed by TPG Angelo Gordon or one of its affiliates or designated funds for a lump-sum payment at closing of at least \$100,000,000 (the “Minimum Purchase Price”); to authorize the Mayor of the City of New Orleans and the President of the City Council, as necessary or appropriate, to execute and deliver an intercreditor agreement between the City of New Orleans (the “City”) and the Purchaser, pursuant to which the City will agree to subordinate its right to receive certain other amounts payable under the Lease under certain circumstances; to authorize the Mayor of the City of New Orleans and the President of the City Council, as necessary or appropriate, to execute and deliver, on behalf of the City of New Orleans, such other documents as may be necessary or appropriate to effectuate the sale by NOBC; and otherwise to provide with respect thereto.

WHEREAS, NOBC, JCC, and the City, as intervenor, entered into the Lease, which pertains to the premises known as the Caesar’s New Orleans Casino, as more particularly described in the Lease; and

WHEREAS, in accordance with the terms of the Lease, JCC assigned the Lease to Harrah’s New Orleans LLC (“HNO”), a subsidiary of VICI Properties, Inc., entered into a sublease with HNO and entered into a Casino Subtenant Agreement with NOBC and the City; and

WHEREAS, the Lease and the Casino Subtenant Agreement provide for a variety of payments to be made by HNO, as tenant, and JCC, as subtenant, to NOBC, the City, and others, including but not limited to (i) Minimum Payments of \$15,500,000 per year payable to NOBC

under Section 4.17 of the Lease, (ii) Second Floor Rent of approximately \$500,000 per year payable to NOBC under Section 4.11(a) of the Lease, and (iii) additional consideration payments of \$200,000 per year payable to NOBC under Section 5.7 of the Lease; and

WHEREAS, a significant portion of the payments to NOBC pursuant to the Lease and the Casino Subtenant Agreement are disbursed annually to the City; and

WHEREAS, NOBC, in recognition of the City’s pressing need for additional financial resources, desires to sell its right to collect those payments through July 31, 2035 (the “Rental Income Strip”) to the Purchaser for a price equal to or in excess of the Minimum Purchase Price (the “Sale”); and

WHEREAS, NOBC has engaged in a thorough competitive selection process relative to the Sale, including the use of a nationally recognized, gaming-focused financial consulting and investment banking firm that solicited bids for the Rental Income Strip from approximately 30 multinational financial institutions with experience in the gaming industry; and

WHEREAS, because the Rental Income Strip is comprised of future anticipated revenues, the Rental Income Strip is not presently needed for public purposes; and

WHEREAS, in light of the City’s pressing need for additional financial resources, the Sale serves a valuable public purpose; and

WHEREAS, the terms of the Sale require that the City enter into an intercreditor agreement with the Purchaser (the “Intercreditor Agreement”), pursuant to which the City will agree that, if HNO and JCC fail to make the payments required under the Rental Income Strip, then the City will subordinate its right to collect certain other amounts due under the Lease and the Casino Subtenant Agreement, or under any future lease of the leased premises, to the Purchaser’s right to receive payments equivalent to those it should have received under the Rental Income Strip; and

WHEREAS, in furtherance of the Sale, NOBC, the City, and the Purchaser will enter into other documents as may be necessary or appropriate (the “Transaction Documents”); **NOW, THEREFORE**

1 **SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY**
2 **ORDAINS**, That, in accordance with Article VI of the Home Rule Charter of the City of New
3 Orleans and for the reasons set forth in the recitals, the Rental Income Strip is not needed for public
4 purposes and may be sold by NOBC.

1 **SECTION 2.** That NOBC is hereby authorized and approved to sell the Rental Income
2 Strip for not less than the Minimum Purchase Price.

1 **SECTION 3.** That NOBC is hereby authorized and approved to enter into the Transaction
2 Documents, if approved by the NOBC Board of Directors, provided that the terms of the
3 Transaction Documents are not substantially inconsistent with the terms described herein.

1 **SECTION 4.** That the Mayor, on behalf of the City of New Orleans, is hereby authorized
2 to enter into any Transaction Documents to which the City will be a party, including but not limited
3 to the Intercreditor Agreement, provided that the terms of such Transaction Documents are not
4 substantially inconsistent with the terms described herein.

1 **SECTION 5.** That the President of the New Orleans City Council is authorized and
2 directed to sign the Transaction Documents to which the City is a signatory and to which the
3 signature of the Council President is legally required, provided that the terms of such Transaction
4 Documents are not substantially inconsistent with the terms described herein.

1 **SECTION 6.** That, in light of the approvals contained herein and the nature of the
2 transaction approved hereby, the provisions of Rule 57 of the Rules and Regulations of the City
3 Council otherwise applicable to the execution of the Transaction Documents are hereby suspended.

ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS _____

PRESIDENT OF COUNCIL

DELIVERED TO THE MAYOR ON _____

APPROVED:

DISAPPROVED: _____

MAYOR

RETURNED BY THE MAYOR ON _____ **AT** _____

CLERK OF COUNCIL

ROLL CALL VOTE:

YEAS:

NAYS:

ABSENT:

RECUSED:

Name Liz Brusseau Ext. 4974
Person responsible for routing

**CHECK SHEET TO BE USED FOR
CLEARING ORDINANCES, MOTIONS, AND RESOLUTIONS
BEFORE SUBMISSION TO COUNCIL CLERK**

The originating agency shall attach a copy of each proposed ordinance, motion, or resolution to the check sheet for processing in the sequence indicated after preparing a synopsis. The detailed memorandum of explanation shall also be attached to this check sheet.

SYNOPSIS OF DOCUMENT: Authorizes NOBC to enter into an agreement to assign certain future
lease payments and further authorizes the Mayor to enter into agreements necessary to effectuate the
same.

1. 
Department Head
2. 
Department of Law
3. 
Chief Administrative Officer
4. 
Director of Council Relations
5. _____
Initials of Sponsoring Council Member

COUNCIL ACTION

Council Members Present: _____

Absent: _____

AMENDMENTS:

FINAL ADOPTION:

MOVED:

2ND:

YEAS:

NAYS:

ABSENT:

RECUSED:

7. _____
Reviewed by the Chief Administrative Officer after adoption by the City Council and prior to the Mayor's signature.



LEGISLATIVE SUMMARY

TO ACCOMPANY ORDINANCES

BEFORE SUBMISSION TO CLERK OF COUNCIL

Requesting Department or Agency: _____

Name of Contact Person: _____

Telephone Number: _____

Email Address: _____

Initials of Sponsoring Councilmember(s): _____

DETAILED SYNOPSIS OF THE ORDINANCE

Please generally describe the purpose, intent, and effect of the proposed ordinance.



LEGISLATIVE SUMMARY

If the Ordinance is to effectuate a contract, CEA, or other similar agreement (hereafter contract), please provide the following additional information.

☐

If this section is not applicable, please check this box.

The parties involved:

The obligations, expectations, and deliverables of the parties involved:

Any fiscal implications for the City with the contract:

The public purpose and need for the contract:

The duration of the contract:



LEGISLATIVE SUMMARY

If the Ordinance is to effectuate an amendment to the Codes of the City of New Orleans, please provide the following additional information.

☐

If this section is not applicable, please check this box.

The existing provision(s) of the Code being proposed for amendment:

The general content/requirements of the existing Code provision:

How the proposed ordinance will alter the existing Code provision(s):

Why these changes are needed:

REQUESTED ADOPTION DATE: _____

Reference: Council Rule 41 & City Code Section 2-813