

2020 Regular Session

SENATE BILL NO. 438

BY SENATOR BARROW

LOCAL FINANCE. Provides for an economic development district in the city of Baton Rouge. (8/1/20)

1 AN ACT

2 To enact R.S. 33:9038.73, relative to economic development in the city of Baton Rouge; to  
3 create the Harding Boulevard/Scenic Highway Economic Development District; to  
4 provide for governance of the district; to provide for its powers and duties, including  
5 the power to levy taxes, incur debt, and engage in tax increment financing; to  
6 authorize the district to fund infrastructure projects; to exempt property of the district  
7 from taxes; to provide for the termination of the district; and to provide for related  
8 matters.

9 Notice of intention to introduce this Act has been published.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 33:9038.73 is hereby enacted to read as follows:

12 **§9038.73. Harding Boulevard/Scenic Highway Economic Development District**

13 **A. Creation. The Harding Boulevard/Scenic Highway Economic**  
14 **Development District, a special district and political subdivision of the state,**  
15 **hereinafter referred to as the "district" is hereby created in the city of Baton**  
16 **Rouge.**

17 **B. Boundaries. The district shall encompass the area of the city of Baton**

1 Rouge included within the following perimeter: Harding Boulevard, Plank  
2 Road, Blount Road, and the Mississippi River, which shall be further defined  
3 by an ordinance of the board of commissioners of the district.

4 C. Purpose. The district is created to provide for cooperative economic  
5 development between the district, the city of Baton Rouge, and the owner or  
6 owners of businesses and other property within the district in order to provide  
7 for costs related to infrastructure within the district as determined by the board  
8 of commissioners of the district.

9 D. Governance. (1) In order to provide for the orderly development of  
10 the district and effectuation of the purposes of the district, the district shall be  
11 administered and governed by a board of commissioners as follows:

12 (a) The mayor-president of the city-parish or his designee.

13 (b) The council member for Metropolitan Council District No. 2 of the  
14 city-parish.

15 (c) One member of the Louisiana Senate whose district includes all or the  
16 greater portion of the area of the district.

17 (d) One member of the Louisiana House of Representatives whose  
18 district includes all or the greater portion of the area of the district.

19 (e) One member who is an owner of property within the district, or an  
20 authorized representative of an entity that is an owner of property within the  
21 district, appointed by the mayor-president of the city-parish.

22 (2) A majority of the members of the board shall constitute a quorum for  
23 the transaction of business. The board shall keep minutes of all meetings and  
24 shall make them available for inspection through the board's secretary. The  
25 minute books and archives of the district shall be maintained by the board's  
26 secretary. The monies, funds, and accounts of the district shall be in the official  
27 custody of the board.

28 (3) The board shall adopt bylaws and prescribe rules to govern its  
29 meetings. The members of the board shall serve without salary or per diem and

1 shall be entitled to reimbursement for reasonable, actual, and necessary  
2 expenses incurred in the performance of their duties.

3 (4) The domicile of the board shall be established by the board at a  
4 location within the district.

5 (5) The board shall elect from its own members a president and  
6 secretary, whose duties shall be common to the offices or as may be provided in  
7 the bylaws adopted by the board. The board shall hold regular meetings and  
8 may hold special meetings as provided in the bylaws. All meetings shall be  
9 public meetings subject to the provisions of R.S. 42:11 et seq.

10 E. Rights and powers. In addition to the taxing, tax increment finance,  
11 and bonding authority provided for in Subsection F of this Section, the district,  
12 acting by and through its board of commissioners, shall have and exercise all  
13 powers of a political subdivision and a special district necessary or convenient  
14 for the carrying out of its objects and purposes including but not limited to the  
15 following:

16 (1) To sue and to be sued.

17 (2) To adopt bylaws and rules and regulations.

18 (3) To receive by gift, grant, or donation any sum of money, property, aid  
19 or assistance from the United States, the state of Louisiana, or any political  
20 subdivision thereof, or any person, firm, or corporation.

21 (4) For the public purposes of the district, to enter into contracts,  
22 agreements, or cooperative endeavors with the state and its political  
23 subdivisions or political corporations and with any public or private association,  
24 corporation, business entity, or individual.

25 (5) To appoint officers, agents, and employees, prescribe their duties, and  
26 fix their compensation.

27 (6) To acquire by gift, grant, purchase, or lease such property as may be  
28 necessary or desirable for carrying out the objectives and purposes of the  
29 district and to mortgage and sell such property.

1           **(7) In its own name and on its own behalf, to incur debt and to issue**  
2           **bonds, notes, certificates, and other evidences of indebtedness. For this purpose**  
3           **the district shall be considered to be an issuer for purposes of R.S. 33:9037 and**  
4           **shall, to the extent not in conflict with this Section, be subject to the provisions**  
5           **of R.S. 33:9037.**

6           **(8) To establish funds or accounts as are necessary for the conduct of the**  
7           **affairs of the district.**

8           **(9) To do all things reasonably necessary to accomplish the purposes of**  
9           **this Section.**

10           **(10) To designate by ordinance any territory within the district as a**  
11           **subdistrict in which shall be exercised, to the exclusion of the remainder of the**  
12           **district, any authority provided to the district by Subsection F of this Section or**  
13           **any other provision of this Section or other law.**

14           **F. Taxing, tax incremental financing, and bonding authority. (1) To**  
15           **provide for the costs of a project to fund infrastructure within the district, the**  
16           **district shall have the tax increment finance authority, taxing authority, and**  
17           **other authority that is provided to local governmental subdivisions in Part II of**  
18           **Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, including but**  
19           **not limited to the following: ad valorem tax increment financing and bonding**  
20           **in R.S. 33:9038.33; sales tax increment financing and bonding in R.S.**  
21           **33:9038.34; cooperative endeavor authority in R.S. 33:9038.35; bond authority**  
22           **in R.S. 33:9038.38; and ad valorem, sales tax, and hotel occupancy tax authority**  
23           **in R.S. 33:9038.39. The project to fund infrastructure within the district is an**  
24           **"economic development project" within the meaning provided for in that Part.**  
25           **An agreement entered into by the district and any affected tax recipient entity**  
26           **authorizing the use and dedication of the affected tax recipient entity's**  
27           **incremental increase in taxes may include additional public or private entities**  
28           **as parties to such agreement and may include terms, conditions, and other**  
29           **provisions to which all parties to such agreement consent.**

1                   **(2) Notwithstanding any provision of Part II of Chapter 27 of Title 33 of**  
2                   **the Louisiana Revised Statutes of 1950 or any other law to the contrary, any**  
3                   **powers, authorities, or duties granted under such laws may be restricted to a**  
4                   **subdistrict, the territory of which shall be established by ordinance of the board**  
5                   **of commissioners of the district.**

6                   **G. Project financing. The district may pledge any taxes collected under**  
7                   **the authority of this Section to any economic development project in**  
8                   **furtherance of the purposes of the district.**

9                   **H. Any suit or action to determine or contest the validity of any**  
10                   **cooperative endeavor, or any bonds, notes, or other forms of indebtedness of the**  
11                   **district shall be brought and conducted only in accordance with the provisions**  
12                   **of Part XVI of Chapter 32 of Title 13 of the Louisiana Revised Statutes of 1950,**  
13                   **as amended.**

14                   **I. Exemption from taxation. The exercise of the powers and authorities**  
15                   **granted by this Section shall be in all respects for the benefit of the citizens of**  
16                   **the state and for the promotion of their welfare, convenience, and prosperity.**  
17                   **Property of the district, whether immovable, movable, corporeal, or**  
18                   **incorporeal, and the income, earnings, and operations of the district, shall be**  
19                   **exempt from all taxation, fees or assessments, or any other similar charges,**  
20                   **however, this exemption shall terminate when the district sells, or otherwise**  
21                   **disposes of the property in the district to any purchaser or transferee that is not**  
22                   **a public body.**

23                   **J. Term. The district shall dissolve and cease to exist one year after the**  
24                   **date all bonds, notes, and other evidences of indebtedness of the district,**  
25                   **including refunding bonds, are paid in full as to both principal and interest.**

26                   **K. Liberal construction. This Section, being necessary for the welfare of**  
27                   **the city, districts, and its residents, shall be liberally construed to effect the**  
28                   **purposes thereof.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

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DIGEST

SB 438 Original 2020 Regular Session Barrow

Proposed law creates the Harding Boulevard/Scenic Highway Economic Development District to provide for cooperative economic development between the district, the city of Baton Rouge, and the owner or owners of businesses and other property within the district in order to provide for costs related to infrastructure within the district as determined by the board of commissioners of the district.

Proposed law specifies the district's boundaries as the area of the city of Baton Rouge included within the following perimeter: Harding Boulevard, Plank Road, Blount Road, and the Mississippi River, to be further defined by an ordinance of the board of commissioners of the district.

Proposed law provides for the membership of the board of commissioners as follows:

- (1) The mayor-president of the city-parish or his designee.
- (2) The council member for Metropolitan Council District No. 2 of the city-parish.
- (3) One member of the Louisiana Senate whose district includes all or the greater portion of the area of the district.
- (4) One member of the Louisiana House of Representatives whose district includes all or the greater portion of the area of the district.
- (5) One member who is an owner of property within the district, or an authorized representative of an entity that is an owner of property within the district, appointed by the mayor-president of the city-parish.

Proposed law authorizes the district to exercise powers necessary or convenient for carrying out its objects and purposes including:

- (1) To sue and to be sued.
- (2) To adopt bylaws and rules and regulations.
- (3) To receive gifts, grants, and donations.
- (4) To enter contracts, agreements, or cooperative endeavors.
- (5) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (6) To acquire or lease property as necessary or desirable for carrying out the objectives and purposes of the district and to mortgage and sell such property.
- (7) To incur debt.
- (8) To establish funds or accounts as necessary for the conduct of its affairs.
- (9) To do all things reasonably necessary to accomplish the purposes of the district.
- (10) To designate territory within the district as a subdistrict in which shall be exercised,

to the exclusion of the remainder of the district, any authority provided to the district.

Proposed law authorizes the district to fund infrastructure projects through tax increment financing, taxing authority, and other authority that is provided to local governmental subdivisions, including but not limited to the following: ad valorem tax increment financing and bonding; sales tax increment financing and bonding; cooperative endeavor authority; bond authority; and ad valorem, sales tax, and hotel occupancy tax authority.

Proposed law authorizes the district to pledge any taxes collected to any economic development project in furtherance of the purposes of the district.

Proposed law exempts property of the district, whether immovable, movable, corporeal, or incorporeal, and the income, earnings, and operations of the district, from all taxation, fees or assessments, or any other similar charges, however, this exemption terminates when the district sells, or otherwise disposes of the property in the district to any purchaser or transferee that is not a public body.

Proposed law provides the termination of the district one year after the date all bonds, notes, and other evidences of indebtedness of the district, including refunding bonds, are paid in full as to both principal and interest.

Effective August 1, 2020.

(Adds R.S. 33:9038.73)