
DIGEST

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HB 335 Engrossed

2023 Regular Session

Wilford Carter

Abstract: Creates the North Lake Charles Economic Development District.

Proposed law creates the North Lake Charles Economic Development District as a political subdivision of the state. Provides for district boundaries.

Proposed law specifies the composition and powers of the board responsible for managing the affairs of the district. Provides that a seven-member board shall be appointed as follows:

- (1) One member appointed by the Lake Charles City Council.
- (2) One member appointed by the state representative for the House of Representatives district which encompasses all or the greater portion of the area of the district.
- (3) One member appointed by the state senator for the Senate district which encompasses all or the greater portion of the area of the district.
- (4) One member appointed by the governing board of the La. Chamber of Commerce Foundation, also known as the "La. Black Chamber of Commerce", "Lake Charles Branch".
- (5) One member appointed jointly by the members of the governing authority of Calcasieu Parish who represent Dist. Nos. 2, 3, 4, and 5, upon approval of three of the four members.
- (6) One member appointed by the mayor of the city of Lake Charles.
- (7) One member appointed by the governing board of the Chamber of Commerce Southwest Louisiana.

Provides that members serve three-year staggered terms.

Proposed law requires the board to prepare a plan(s) specifying public improvements, facilities, and services proposed to be furnished, constructed, or acquired which shall be improvements, facilities, and services, which the city is authorized to undertake, furnish, or provide.

Proposed law requires the board to conduct hearings and disseminate information as it deems appropriate or advisable. Provides that any plan developed by the board shall include an estimate of the annual and total cost of acquiring, constructing, or providing the services, improvements, or

facilities.

Proposed law requires that the board submit the plan to the city planning commission which shall review it for consistency with the comprehensive plan for the city. Requires that the planning commission submit an opinion on the plan to the city council. Requires the council, within 30 days of receipt, to give a written recommendation to the board as to whether the board should approve the plan. Requires the board to review the recommendation, but authorizes the board to approve or reject the recommendation.

Proposed law further provides for development of a plan regarding the employment of professional consultations, experts, and advisors. Requires that the services of the district be undertaken through the city's departments and agencies. Authorizes the board to submit the plan directly to the city council. Requires the council, within 30 days of receipt, to give a written recommendation to the board as to whether the board should approve the plan. Requires the board to review the recommendation, but authorizes the board to approve or reject the recommendation.

Proposed law provides relative to the powers and duties of the district, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire by gift, grant, purchase, lease, or otherwise, all property, including servitudes or rights of way.
- (4) To receive by gift, grant, donation, or otherwise any sum of money, or property, aid, or assistance from the U.S., the state of La., or any political subdivision thereof, or any person, firm, or corporation.
- (5) To enter into contracts for the purchase, acquisition, construction, maintenance, and improvement of works and facilities necessary in connection with the purposes of the district.
- (6) To require and issue licenses with respect to its properties and facilities.
- (7) To regulate the imposition of fees and rentals charged by the district for its facilities and for services rendered by it.
- (8) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.

Proposed law authorizes the district to levy a hotel occupancy tax on developments constructed after Aug. 1, 2023, subject to voter approval, and subject to the approval of the Lake Charles City Council. Requires that tax proceeds be pledged to and used to pay revenue bonds issued by the district and for other financing purposes.

Proposed law authorizes the district to levy a sales and use tax, subject to voter approval, and subject to the approval of the Lake Charles City Council. Provides that the tax rate shall not to exceed 1%.

Proposed law specifically empowers the district to issue revenue bonds payable from an irrevocable pledge and dedication of up to the full amount of "tax increments" available to an economic development district as provided in proposed law and present law (Part II of Chapter 27 of Title 33) which is derived from any project or projects of the district.

Proposed law specifies that a "tax increment" consists of that portion of any tax levied within the district by a local governmental subdivision or other tax recipient body determined and pledged in the manner provided for in present law (Part II of Chapter 27 of Title 33). Additionally specifies that a "tax increment" consists of that portion of the hotel occupancy tax levied by the district determined and pledged in the manner provided for in present law (Part II of Chapter 27 of Title 33). However, a "tax increment" shall not consist of any portion of a hotel tax levied on a development constructed prior to Aug. 1, 2023. Provides that if the proceeds of any tax have been expressly dedicated to another purpose set forth in a proposition approved by the electorate of the local governmental subdivision or other tax recipient body, then the tax proceeds shall not be used as a tax increment until a proposition which authorizes such use is submitted to and approved by the electorate.

(Adds R.S. 33:2740.70.3)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill:

1. Authorize the district to levy a hotel occupancy tax on developments constructed after Aug. 1, 2023, subject to voter approval, and the approval of the Lake Charles City Council. Add requirement that tax funds be pledged to and used to pay revenue bonds issued by the district and for other financing purposes.
2. Add provisions to provide that a "tax increment" also consists of any portion of a hotel occupancy tax levied by the district, and other local governmental subdivisions or other tax recipient bodies on developments constructed after Aug. 1, 2023.