

2023 Regular Session

HOUSE BILL NO. 335

BY REPRESENTATIVE WILFORD CARTER

ECONOMIC DEVELOPMENT: Creates the North Lake Charles Economic Development District

1 AN ACT

2 To enact R.S. 33:2740.70.3, relative to the city of Lake Charles; to create the North Lake
3 Charles Economic Development District; to provide relative to the boundaries,
4 purpose, governance, and powers and duties of the district; to provide relative to
5 district funding; and to provide for related matters.

6 Notice of intention to introduce this Act has been published
7 as provided by Article III, Section 13 of the Constitution of
8 Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 §2740.70.3. North Lake Charles Economic Development District

11 A.(1) There is hereby created in the city of Lake Charles a body politic and
12 corporate which shall be known as the North Lake Charles Economic Development
13 District, referred to in this Section as the "district".

14 (2) The district shall be a special district created pursuant to Article VI,
15 Section 19 of the Constitution of Louisiana and political subdivision of the state as
16 defined in Article VI, Section 44 of the Constitution of Louisiana. The district,
17 acting through its governing board, is hereby granted all of the rights, powers,
18 privileges, and immunities accorded by the laws and the Constitution of Louisiana
19 to political subdivisions of the state, subject to the limitations provided in this
20 Section.

1 B. The boundaries of the district shall encompass all of the territory included
2 within the following perimeter: Commencing at the point where Kayouche Coulee
3 intersects with English Bayou thence westward along the southern banks of the
4 English Bayou until the English Bayou intersects with the Calcasieu River westward
5 along the southern banks of Calcasieu River to a point on Calcasieu River southern
6 banks where if Kirkman St. were extended northward it would intersect with
7 Calcasieu River thence southward along Kirkman Street to 12th Street thence east
8 along 12th Street to a point where if 12th Street were extended eastward it would
9 intersect with Kayouche Coulee thence north following Kayouche Coulee to the
10 point of commencement.

11 C.(1) The district shall be governed by a five-member board of
12 commissioners, referred to in this Section as the "board". The board shall provide
13 for the orderly planning, development, acquisition, construction, and effectuation of
14 the services, improvements, and facilities to be furnished by the district, to provide
15 for the representation in the affairs of the district of those persons and interests
16 immediately concerned with and affected by the purposes and development of the
17 district and shall exercise such other powers, duties, and functions as provided in this
18 Section.

19 (2) The members of the board shall be residents and qualified voters of the
20 district. The board membership shall be reflective of the city's diverse population.
21 The five members shall be appointed as follows:

22 (a) The Lake Charles City Council shall appoint one member.

23 (b) The state representative for the House of Representatives district which
24 encompasses all or the greater portion of the area of the district shall appoint one
25 member.

26 (c) The state senator for the Senate district which encompasses all or the
27 greater portion of the area of the district shall appoint one member.

1 (d) The governing authority of Calcasieu Parish shall appoint one member
2 from a list of three names submitted jointly by the members of the governing
3 authority who represent District Nos. 2, 3, 4, and 9.

4 (e) The mayor of the city of Lake Charles shall appoint one member, subject
5 to the approval of the governing authority of the city.

6 (3)(a) Members shall serve three-year terms after serving initial terms as
7 provided in this Subparagraph. Two members shall serve three-year initial terms,
8 two members shall serve two-year initial terms, and one member shall serve a one-
9 year initial term as determined by lot at the first meeting of the board.

10 (b) Any vacancy which occurs prior to the expiration of the term for which
11 a member of the board has been appointed shall be filled by appointment in the same
12 manner as the original appointment for the unexpired term.

13 D.(1) As soon as practical after appointment of all members, the board shall
14 meet. The board shall elect from its number a chairman, vice chairman, a secretary,
15 a treasurer, and such other officers as it may deem appropriate.

16 (2) The minute books and archives of the board shall be maintained by the
17 board's secretary with the help and assistance of and through the council's office.
18 The monies, funds, and accounts of the district in the official custody and control of
19 the board's treasurer shall be deposited, expended, and accounted for, records
20 maintained, and idle funds invested through the department of administration, under
21 the director of administration, and checks issued through the department as in the
22 case of city monies under the plan of government. An attorney appointed by the
23 mayor shall serve as the board's regular attorney, and the services of other offices
24 and departments of the city shall be furnished in accordance with Subsection G of
25 this Section.

26 (3) The duties of the officers shall be fixed by bylaws adopted by the board.
27 The board shall adopt such rules and regulations as it deems necessary or advisable
28 for conducting its business and affairs and, to the extent that funds are available,
29 shall hire such assistants and employees as are needed to assist the board in the

1 performance of its duties. It shall hold regular meetings as shall be provided in the
2 bylaws and may hold special meetings at such time and places within or without the
3 district as may be prescribed in the bylaws.

4 (4) A majority of the members of the board shall constitute a quorum for the
5 transaction of business. The board shall keep minutes of all meetings and shall make
6 them available to the public in conformance with law.

7 (5) The members of the board shall serve without compensation; however,
8 they shall receive a travel allowance as reimbursement for expenses incurred while
9 attending to the business of the board or the district.

10 E.(1) The board shall prepare or cause to be prepared a plan or plans
11 specifying the public improvements, facilities, and services proposed to be furnished,
12 constructed, or acquired for the district and shall conduct such public hearings,
13 publish such notice with respect thereto, and disseminate such information as it, in
14 the exercise of its sound discretion, may deem to be appropriate or advisable and in
15 the public interest.

16 (2) Any plan may specify and encompass any public services, capital
17 improvements, and facilities which the city of Lake Charles is authorized to
18 undertake, furnish, or provide under the constitution and laws of the state of
19 Louisiana, and such specified public services, improvements, and facilities shall be
20 special and in addition to all services, improvements, and facilities which the city of
21 Lake Charles is then furnishing or providing or may then or in the future be obligated
22 to furnish or provide within the district.

23 (3) Any plan shall include an estimate of the annual and total cost of
24 acquiring, constructing, or providing the services, improvements, or facilities set
25 forth therein.

26 (4) The board shall also submit the plan to the city planning commission.
27 The planning commission shall review the plan and determine whether or not it is
28 consistent with the comprehensive plan for the city of Lake Charles. The planning
29 commission, within thirty days following receipt of the plan, shall submit to the Lake

1 Charles City Council its written opinion as to whether or not the plan or any portion
2 or detail thereof is inconsistent with the comprehensive plan for the city, together
3 with its written comments and recommendations with respect thereto.

4 (5) After receipt of the plan together with the written comments and
5 recommendations of the city planning commission, the Lake Charles City Council
6 shall review and consider the plan together with the written comments and
7 recommendations. The Lake Charles City Council, within thirty days following the
8 receipt of the plan, shall submit a written report to the board as to whether the Lake
9 Charles City Council has approved the plan. The board shall not proceed with any
10 plan that fails to receive the approval of the Lake Charles City Council. In addition,
11 the board shall not make any expenditures pursuant to a budget that has not been
12 approved by the Lake Charles City Council.

13 F.(1)(a) Notwithstanding the provisions of Subsection E of this Section, the
14 board may prepare and submit directly to the Lake Charles City Council a plan or
15 plans setting forth its intention to employ professional consultants, experts, and such
16 other advisors and personnel as it deems necessary or convenient to assist in the
17 preparation of a plan or plans for the orderly and efficient development of services
18 and improvements within the district.

19 (b) The plan shall specify the services proposed to be rendered by such
20 employees, an estimate of the aggregate of the proposed salaries of such employees,
21 and an estimate of the other expenses of the board required for the preparation of
22 such plan or plans.

23 (2) The Lake Charles City Council shall review and consider the plan. The
24 Lake Charles City Council, within thirty days following the receipt of the plan, shall
25 submit a written report to the board as to whether the Lake Charles City Council has
26 approved the plan. The board shall not proceed with any plan that fails to receive the
27 approval of the Lake Charles City Council. In addition, the board shall not make any
28 expenditures pursuant to a budget that has not been approved by the Lake Charles
29 City Council.

1 G.(1) All services to be furnished within the district pursuant to any plan
2 finally and conclusively adopted shall be furnished, supplied, and administered by
3 the city through its regularly constituted departments, agencies, boards,
4 commissions, and instrumentalities, subject to the approval of the Lake Charles City
5 Council. All capital improvements and facilities to be acquired, constructed, or
6 provided within the district, whether from the proceeds of bonds or otherwise, shall
7 likewise be so acquired, constructed, or provided by the city through its regularly
8 constituted departments, agencies, boards, commissions, and instrumentalities,
9 subject to the approval of the Lake Charles City Council, it being the intention hereof
10 to avoid the duplication of administrative and management efforts and expense in the
11 implementation of any plan adopted for the benefit of the district.

12 (2) In order to provide such services and provide, construct, or acquire such
13 capital improvements or facilities, the board may enter into intergovernmental local
14 service contracts with the city.

15 H. The district may acquire, lease, insure, and sell immovable property
16 within its boundaries in accordance with its plans.

17 I. The district, acting by and through its board of commissioners, shall have
18 and exercise all powers of a political subdivision necessary or convenient for the
19 carrying out of its objects and purposes, including but not limited to rights and
20 powers set out in this Subsection:

21 (1) To sue and be sued.

22 (2) To adopt, use, and alter at will a corporate seal.

23 (3) To acquire by gift, grant, purchase, or lease all property, including
24 servitudes or rights of way; to hold and use any franchise or property, immovable,
25 movable, or mixed, corporeal or incorporeal, or any interest therein, necessary or
26 desirable for carrying out the objectives and purposes of the district, including but
27 not limited to the establishment, maintenance, and operation of industrial or
28 commercial parks.

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

4 (5) To enter into contracts for the purchase, acquisition, construction,
5 maintenance, and improvement of works and facilities necessary in connection with
6 the purposes of the district.

7 (6) To regulate the imposition of fees and rentals charged by the district for
8 its facilities and for services rendered by it.

9 (7) To mortgage properties constructed or acquired and to borrow money and
10 pledge all or part of its revenues, leases, rents, or other advantages as security for
11 such loans.

12 (8) To sell immovable property owned by the commission after legal notice
13 as provided by law for the judicial sale of immovable property.

14 (9) To appoint officers, agents, and employees, prescribe their duties, and fix
15 their compensation.

16 (10) To contract, upon such terms as it may agree upon, for legal, financial,
17 engineering, and other professional services necessary or expedient in the conduct
18 of its affairs.

19 (11) To utilize the services of the executive departments of the state upon
20 mutually agreeable terms and conditions.

21 (12) To adopt bylaws for the regulation of its affairs and the conduct of its
22 business.

23 (13) To do any and all things necessary or proper for the government,
24 regulation, development, and control of the business of the board of commissioners.

25 (14) The district shall have no power of expropriation.

26 J. (1) In addition to the authority provided to the district by this Section, the
27 district may levy and collect a sales and use tax within the boundaries of the district
28 not to exceed one percent.

1 (2) The tax shall be imposed by resolution of the board and shall be levied
2 upon the sale at retail, the use, the lease or rental, the consumption, the distribution,
3 and storage for use or consumption of tangible personal property, and upon the sales
4 of services within the boundaries of the district, all as defined in R.S. 47:301 et seq.
5 However, the resolution imposing the tax shall be adopted only after the proposed
6 tax is approved by the Lake Charles City Council and by a majority of the qualified
7 electors voting on the proposition at an election held for that purpose and conducted
8 in accordance with the Louisiana Election Code and held on a date that corresponds
9 with an election date provided by R.S. 18:402(A)(1) or (B)(1). The purpose and rate
10 of the tax shall be as provided in the resolution.

11 (3) Except where inapplicable, the procedure established by R.S. 47:301 et
12 seq. shall be followed in the imposition, collection, and enforcement of the tax, and
13 procedural details necessary to supplement those Sections and to make them
14 applicable to the tax authorized in this Subsection shall be fixed in the resolution
15 imposing the tax.

16 (4) The tax shall be imposed and collected uniformly throughout the
17 jurisdiction of the district.

18 (5) The tax levied pursuant to this Subsection shall be in addition to all other
19 taxes other political subdivisions within the jurisdiction of the district are authorized
20 to levy and collect.

21 (6) The district shall have no other power of taxation, except as provided in
22 this Subsection.

23 K.(1)(a) In addition to any authority provided to the district by this Section,
24 the district shall have the authority provided to an economic development district by
25 Part II of Chapter 27 of this Title to implement tax increment financing and may
26 issue revenue bonds payable from an irrevocable pledge and dedication of up to the
27 full amount of tax increments available to an economic development district as
28 provided in this Section and in such Part to be derived from any project or projects
29 of the district as provided for in this Section, or parts of such projects, in an amount

1 to be determined as provided for in this Section, in order to finance or refinance any
2 project or projects, or parts thereof, which are consistent with the purposes of the
3 district.

4 (b) Notwithstanding any provision of law to the contrary, any portion of the
5 tax of any local governmental subdivision or other tax recipient body may be used
6 as a tax increment for tax increment finance purposes only with the consent of such
7 local governmental subdivision or other tax recipient body expressed by ordinance
8 or resolution and upon approval of a majority of the qualified electors of the city of
9 Lake Charles voting at an election held for that purpose and conducted in accordance
10 with the Louisiana Election Code and held on a date that corresponds with an
11 election date provided by R.S. 18:402(A)(1) or (B)(1).

12 (2) For purposes of the tax increment financing authority derived from Part
13 II of Chapter 27 of this Title which is conferred upon the district by this Section, and
14 only for purposes of this Section, "local governmental subdivision" as defined in
15 such Part shall include the parish of Calcasieu and all political subdivisions within
16 the parish.

17 (3) For purposes of this Section, a tax increment shall consist of that portion
18 of any tax, excluding a hotel occupancy tax, levied within the district by a local
19 governmental subdivision or other tax recipient body determined and pledged in the
20 manner provided for in Part II of Chapter 27 of this Title. However, if the proceeds
21 of any tax have been expressly dedicated to another purpose set forth in a proposition
22 approved by the electorate of such local governmental subdivision or other tax
23 recipient body, then the tax proceeds shall not be used as a tax increment until a
24 proposition which authorizes such use is submitted to and approved by such
25 electorate.

26 (4) Notwithstanding any other provision of law to the contrary, the district
27 shall not levy a hotel occupancy tax within the boundaries of the district. In addition,
28 the district shall not issue revenue bonds payable from an irrevocable pledge and
29 dedication of hotel occupancy tax increments.

- 1 L. The district shall dissolve and cease to exist one year after the date all
 2 bonds, notes, and other evidences of indebtedness of the district, including refunding
 3 bonds, are paid in full as to both principal and interest; however, in no event shall the
 4 district have an existence of less than three years from the effective date of this
 5 Section.
- 6 M. This Section, being necessary for the welfare of the city and its residents,
 7 shall be liberally construed to effect the purposes thereof.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 335 Reengrossed

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 five-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 authority of Calcasieu Parish from a list of three names submitted jointly by the members of the governing authority who represent Dist. Nos. 2, 3, 4, and 9.
- (5) One member appointed by the mayor of the city of Lake Charles.

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 provided by the city through its agencies, commissions, and instrumentalities, subject to the approval of the Lake Charles City Council.

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 a written opinion on the plan to the city council. Requires that the city council, within 30 days of receipt, submit a written report to the board as to whether the city council has approved the plan. Prohibits the board from proceeding with any plan that fails to receive the approval of the city council. Additionally prohibits the board from making any expenditures pursuant to a budget that has not been approved by the city council.

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 that the council, within 30 days of receipt, submit a written report to the board as to whether the council has approved the plan. Prohibits the board from proceeding with any plan that fails to receive the approval of the city council.

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, or lease, all property, including servitudes or rights of way.
- (4) To receive by gift, grant, or donation, 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 regulate the imposition of fees and rentals charged by the district for its facilities and for services rendered by it.
- (7) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.

Proposed law provides that the district shall not have any power of expropriation.

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. Requires the district to hold any election regarding the levy of the tax on a date provided for in present law relative to gubernatorial or congressional primary elections (R.S. 18:402(A)(1) or (B)(1)). 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. Prohibits the use of tax increments without the consent of the particular local governmental subdivision or tax recipient body and without the approval of a majority of the qualified electors of the city of Lake Charles voting in an election conducted in accordance with the general election laws. Requires the district to hold any election regarding the levy of the use tax increments on a date provided for in present law relative to gubernatorial or congressional primary elections (R.S. 18:402(A)(1) or (B)(1)).

Proposed law specifies that a "tax increment" consists of that portion of any tax, excluding a hotel occupancy 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). 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.

The House Floor Amendments to the engrossed bill:

1. Reduce the membership of the board from seven to five by removing appointments granted to the La. Chamber of Commerce Foundation and the Chamber of Commerce Southwest La.
2. Remove appointment granted to specified members of the governing authority of Calcasieu Parish and instead grants the appointment to the governing authority as a whole which shall appoint one member from nominations submitted jointly by the specified members.
3. Require that the services and capital improvements furnished to the district through the city and its agencies, commissions, and instrumentalities be approved by the Lake Charles City Council.
4. Remove provisions that require the city council to only review but not approve a plan submitted to the council and instead prohibit the board from proceeding with any plan without the approval of the council.
5. Prohibit the board from expending any funds pursuant to a budget that has not been approved by the city council.
6. Remove language "or otherwise" regarding the methods by which the district may acquire or receive property, money, or other assistance. Provide that the district has no expropriation power.
7. Remove the district's authority to require and issue licenses with respect to its properties and facilities.

8. Require the district to hold any election regarding the levy of a sales and use tax or the use of tax increments on a date provided for in present law relative to gubernatorial or congressional primary elections (R.S. 18:402(A)(1) or (B)(1)).
9. Remove the district's authority to levy a hotel occupancy tax and additionally remove the authority granted to the district to receive tax increments from the levy of hotel occupancy taxes.