
DIGEST

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Harris

HB No. 285

Abstract: Creates the Alexandria Urban Renewal Authority to provide for the utilization of appropriate private and public resources to eliminate and prevent the development or spread of slum, blighted, and distressed areas. Defines the duties, authority, and functions of the authority.

Proposed law creates and provides for the Alexandria Urban Renewal Authority to provide for the utilization of appropriate private and public resources to eliminate and prevent the development or spread of slum, blighted, and distressed areas and to perform various related functions. Provides that the authority shall encompass all of the territory included in the city of Alexandria. Provides that the authority is a special district and political subdivision of the state.

Board of Commissioners

Proposed law provides that the Alexandria Urban Renewal Authority shall be governed by a board comprised of not fewer than three and not more than nine commissioners appointed by the mayor of Alexandria. Further provides that each member shall be a U.S. citizen and a domiciliary of or be employed within the city and a majority shall be domiciled in and qualified electors of the city. Additionally requires that each board member be of good character and possess some skill, knowledge, or experience that will prove useful in the accomplishment of the goals of the authority.

Proposed law provides that members serve staggered five-year terms. Requires the board to establish rules and regulations relative to the attendance and participation of members in its meetings. Authorizes the board to provide for disqualification and removal of a board member for failure to comply with such rules and regulations. Provides that any person removed is ineligible for reappointment to the board unless his reappointment is confirmed unanimously by the board.

Proposed law requires members of the board to serve without compensation, but authorizes the board to reimburse any member for expenses.

Proposed law provides that all actions of the board shall be approved by the affirmative vote of a majority of the members present and voting. Requires however approval by a majority of the total board membership for any of the following actions:

- (1) Adoption of bylaws and other rules and regulations for conduct of the authority's

business.

- (2) Hiring or firing of any employee or contractor of the authority. Provides that this function may by favorable vote of the board membership be delegated to a specified officer or committee of the authority, under such terms and conditions, and to the extent that the board may specify.
- (3) Incurring debt.
- (4) Adoption or amendment of the annual budget.
- (5) Sale, lease, encumbrance, or alienation of real property, improvements, or personal property with an assessed value of more than \$20,000.

Proposed law provides that the authority is generally subject to present law relative to open meetings and public records. However, provides exceptions to open meetings and public records laws for certain meetings and records pertaining to the sale or lease of immovable property. Such exceptions are applicable until 30 days prior to the date the board is scheduled to consummate a final sale or lease. Requires that the board give written public notice of its intention to consummate a final sale or lease at least 30 days prior to such action. Proposed law provides that the authority is subject to the Code of Governmental Ethics.

Powers and Duties

Proposed law provides that the authority, through the board, shall have all powers necessary or convenient to carry out its objectives and purposes. Some of the powers specifically granted are:

- (1) To acquire and use property. Provides that the authority shall not have any power to expropriate, except that power which is granted by the governing authority of Alexandria.
- (2) To dispose of property at public or private sale. Provides relative to procedures and exceptions for and limitations on such dispositions.
- (3) To convey property and property rights to federal, state, and local governmental entities pursuant to terms of a cooperative endeavor agreement.
- (4) To collect reasonable charges for the use of property and for services rendered and to regulate fees or rentals charged for use of privately owned facilities located on property owned or sold by the authority.
- (5) To plan, develop, regulate, operate, and maintain activities and planned land uses to foster residential housing development.
- (6) To require and issue licenses.

- (7) To borrow money and to pledge or grant a security device affecting all or part of its revenues, leases, rents, and other advantages as security for such loans.
- (8) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (9) To develop, test, and report methods and techniques and carry out demonstrations and other activities for the prevention and the elimination of slums and urban blight, including means of providing housing or continuing care, assisted living, independent living, or similar housing for elderly or retired persons or other persons desiring such housing facilities.

Proposed law provides that the authority is not an instrumentality of the state for purposes of the state civil service provisions of the state constitution. Exempts the authority and its property from taxes, as well as evidences of indebtedness it issues and income therefrom.

Acquisition of Property

Proposed law authorizes the authority to purchase property from other political subdivisions as follows:

- (1) To purchase adjudicated properties within its jurisdiction. Provides that such a purchase does not extend or suspend the redemption period. Authorizes such purchases through direct negotiated purchase and sale agreement without any other requirement of a public sale. Provides that the rights of the authority in such property are those of a purchaser at a tax sale. Authorizes the cancellation of public liens on the property contemporaneously with or subject to the transfer of the property to the authority.
- (2) To purchase property at a tax sale. Authorizes the authority to make such purchases by tendering a credit bid, consisting of the obligation of the authority to satisfy the component parts of the bid by payments to the respective political subdivisions. Provides that a bid by the authority for the minimum amount shall take priority over all other bids except for a higher bid submitted by a conventional mortgage holder.
- (3) To purchase property at a sale conducted pursuant to enforcement of a judicial mortgage by tendering a bid equal to or greater than the minimum bid advertised, which bid may be a credit bid consisting of the obligation of the authority to satisfy the bid by payment to the political subdivision holding the lien being enforced. With respect to certain such purchases, the obligation of the credit bid may be satisfied by the direct expenditure of funds on demolition, remediation, maintenance, and rehabilitation activities. Provides relative to the priority of such bids.

Redevelopment Activities

Proposed law authorizes the authority to create and execute redevelopment or development plans

for specified areas within its jurisdiction. Prohibits implementation of such plans until, to the extent required by law, approved by the local planning commission or zoning board. Provides that a specified area may be designated as a subdistrict of the authority.

Proposed law authorizes the transfer of immovable property in a redevelopment area for residential, recreational, commercial, industrial, or other uses or for public use, in accordance with the redevelopment plan and subject to other limitations on property use. Authorizes the authority to require improvements to and to restrict the uses and the reconveyance of such property.

Proposed law authorizes the transfer of immovable property in a redevelopment area pursuant to solicitation of redevelopment and rehabilitation proposals. Authorizes such transfers by private sale or competitive bidding. Requires and provides for public notice of solicitations for redevelopment and rehabilitation proposals. Provides that contracts to transfer immovable property are public records and specifies certain information to be included.

Proposed law authorizes the authority to temporarily operate, maintain, or lease real property in a redevelopment area pending disposition of the property.

Proposed law provides that any real property within a redevelopment area may be disposed of without regard to the provisions of proposed law. Provides that real property acquired in accordance with a redevelopment plan may be disposed of to a public body for public reuse without regard to the provisions of proposed law.

Proposed law authorizes other public entities to take various actions to aid in planning or carrying out a redevelopment plan.

Quiet Title Proceedings

Proposed law provides as follows for an expedited procedure to enable the authority to more efficiently quiet title and initiate a foreclosure action regarding immovable property acquired by the authority:

- (1) Requires the authority to file a notice with the clerk of court regarding the property it is attempting to seize. Requires certain content of such notice including a statement that any legal interests in the property may be extinguished. Provides for additional procedures if there is a deficiency in the notice. Provides that quiet title proceedings terminate Const. Art. VII, §529(B) right of redemption only if the time for expiration of such right has expired.
- (2) Requires the authority to notify the Dept. of Environmental Quality if it believes that property is the site of environmental contamination.
- (3) Requires the authority, after recording the notice, to search for persons with an interest in the property. Provides that the owner of a property interest is entitled to notice under

proposed law if that owner's interest was identifiable by reference to title records in the office of the recorder of mortgages and the register of conveyances or tax records in the office of the assessor.

- (4) Authorizes the authority to file a single petition with the district court which lists all of the property subject to expedited foreclosure. Requires the authority to request a hearing on the petition and provides deadlines with respect to such a hearing.
- (5) Requires the authority to notify any person with an interest in the property about the hearing. Further requires notice via regular mail addressed to "Occupant" to each property subject to expedited foreclosure. Requires posting a written notice on each property at least 30 days prior to the expedited foreclosure hearing. Requires that each notice include specified information. Requires publication of notice if the authority is otherwise unable to provide appropriate notice.
- (6) Requires the authority to file proof of the notice required by proposed law with the clerk of the district court prior to the hearing. Requires a person who has an interest in the property who desires to contest the petition to file written objections with the clerk and serve those objections on the authority prior to the hearing.
- (7) Requires the district court to enter judgment on the petition not more than 10 days following the conclusion of the hearing or contested case. Requires the judgment to specify certain information.
- (8) Proposed law provides that except as otherwise provided in proposed law, title to property set forth in a petition for foreclosure shall vest absolutely in the authority upon the effective date of the judgment by the district court. Provides that the authority shall have absolute title to the property and the title is not subject to any recorded or unrecorded lien, except as otherwise provided in proposed law and shall not be stayed or held invalid except as otherwise provided in proposed law. Provides that a judgment is a final order with respect to the property affected by the judgment and shall not be modified, stayed, or held invalid after the effective date of the judgment, except as otherwise provided in proposed law.
- (9) Provides that a person with an interest in foreclosed property may appeal the district court's order or judgment. Provides with respect to such appeals.
- (10) Provides that it is the intent of the legislature that the provisions of proposed law relating to the expedited quiet title and foreclosure of property by the authority satisfy the minimum requirements of due process required under the state constitution and the U.S. Constitution. Provides that the provisions do not create new rights beyond those required under the state constitution or the U.S. Constitution. Provides that the failure of the authority to follow a requirement of proposed law shall not be construed to create a claim or cause of action against the authority unless the minimum requirements of due process accorded under the state constitution or the U.S. Constitution are violated.

(Amends R.S. 44:4.1(B)(20); Adds R.S. 33:4720.201)