

Regular Session, 2014

HOUSE BILL NO. 918

BY REPRESENTATIVE BARROW

DISTRICTS/REDEVELOPMENT: Authorizes redevelopment authorities to create public benefit corporations

1 AN ACT

2 To enact Chapter 13-M of Title 33 of the Louisiana Revised Statues of 1950, to be
3 comprised of R.S. 33:4720.201, relative to redevelopment authorities; to provide
4 relative to the powers and duties of the authorities; to authorize the authorities to
5 create public benefit corporations; to provide relative to the powers and duties of the
6 corporations; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 13-M of Title 33 of the Louisiana Revised Statues of 1950,
9 comprised of R.S. 33:4720.201, is hereby enacted to read as follows:

10 CHAPTER 13-M. REDEVELOPMENT AUTHORITIES; PUBLIC BENEFIT

11 CORPORATIONS

12 §4720.201. Redevelopment authorities; public benefit corporations

13 A. Notwithstanding any other provision of law to the contrary, any
14 redevelopment authority, created as a special district and political subdivision of the
15 state as defined in the Constitution of Louisiana, may create one or more public
16 benefit corporations. Any such public benefit corporation shall be created by a duly
17 adopted resolution of the governing board of the respective redevelopment authority.

18 B. Notwithstanding any provision of R.S. 12:202.1 to the contrary, any
19 public benefit corporation created pursuant to the provisions of this Chapter shall be
20 created for the purpose of redeveloping, owning, planning, renovating,

1 reconstructing, constructing, leasing, subleasing, managing, operating, and
2 improving property and facilities within the jurisdiction of the respective
3 redevelopment authority.

4 C.(1) The respective redevelopment authority shall be the sole shareholder
5 of each public benefit corporation that it creates pursuant to the provisions of this
6 Chapter. The resolution authorizing the creation of any public benefit corporation
7 shall prescribe the purposes for which any such public benefit corporation is formed
8 and the governing board for the respective redevelopment authority shall also serve
9 as the board of directors for each public benefit corporation that it creates pursuant
10 to the provisions of this Chapter.

11 (2) Unless otherwise specified in the resolution authorizing the creation of
12 a public benefit corporation, and in addition to the powers granted to it by Chapter
13 2 of Title 12 of the Louisiana Revised Statutes of 1950, each such public benefit
14 corporation shall have all the power, authority, privileges, immunities, tax
15 exemptions, and other exemptions granted by law to the redevelopment authority that
16 created the public benefit corporation. Each public benefit corporation shall conduct
17 all of its activities in accordance with the provisions of the law governing the
18 respective redevelopment authority that created such public benefit corporation.

19 (3) Each public benefit corporation shall be a distinct and separate juridical
20 entity, and the rights, interests, and liabilities of each such public benefit corporation
21 shall not under any circumstances be considered those of the redevelopment
22 authority that created the public benefit corporation.

23 (4) If the board of directors of any public benefit corporation created
24 pursuant to the provisions of this Chapter determines that the purposes for which the
25 public benefit corporation was created have been substantially completed, the board
26 of directors shall dissolve the public benefit corporation in accordance with the
27 provisions of Chapter 2 of Title 12 of the Louisiana Revised Statutes of 1950. Upon
28 dissolution of a public benefit corporation, all of its funds, property, both movable
29 and immovable, and both tangible or intangible, assets, interests, rights, and all other

1 property whatsoever, shall become owned by and shall inure to the benefit of the
2 redevelopment authority that created such public benefit corporation.

3 D. No public benefit corporation created pursuant to the provisions of this
4 Chapter shall be a political subdivision of the state as defined in the Constitution of
5 Louisiana but shall be a nonprofit corporation organized and governed by the
6 applicable provisions of Chapter 2 of Title 12 of the Louisiana Revised Statutes of
7 1950, and shall additionally have all of the powers defined in R.S. 41:1215(B) and
8 R.S. 12:202.1(D). Each public benefit corporation created pursuant to the provisions
9 of this Chapter shall be an instrumentality of the redevelopment authority that
10 created such public benefit corporation.

11 E.(1) Except as otherwise provided in this Subsection, each public benefit
12 corporation created pursuant to the provisions of this Chapter shall be subject to the
13 Public Records Law (Chapter 1 of Title 44 of the Louisiana Revised Statutes of
14 1950), the Open Meetings Law (R.S. 42:11 et seq.), and the Code of Governmental
15 Ethics (Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950).

16 (2) Notwithstanding the provisions of R.S. 42:14, until thirty days prior to
17 the date the board of directors of a public benefit corporation is scheduled to
18 consummate a final sale or lease of any immovable property owned by such public
19 benefit corporation, the board or directors may meet in executive session to discuss
20 negotiations between the public benefit corporation and any prospective seller,
21 purchaser, lessor, or lessee of that property.

22 (3) The provisions of R.S. 44:31 through 35 shall not apply to any records
23 related to the negotiations of or to the terms of such a sale or lease until thirty days
24 prior to the date the board of directors of the public benefit corporation is scheduled
25 to consummate a final sale or lease. The board of directors shall give written public
26 notice of its intention to consummate a final sale or lease at least thirty days prior to
27 the date on which the board of directors intends to take such action. This notice shall
28 comply with the procedural provisions of R.S. 42:19.

1 F. Nothing in this Chapter shall be construed as a restriction or a limitation
 2 upon any powers which any redevelopment authority might otherwise have pursuant
 3 to any applicable state or local law. The provisions of this Section shall be regarded
 4 as supplemental and additional to other powers conferred by other applicable laws.

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)]

Barrow

HB No. 918

Abstract: Authorizes redevelopment authorities to create public benefit corporations and provides for the powers and duties of the corporations.

Present law generally creates redevelopment authorities as special districts and political subdivisions of the state 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.

Present law generally grants the authorities certain powers and duties including the power to sue and be sued, to adopt, use, and alter at will a corporate seal, to acquire by gift, grant, purchase, lease, or otherwise and to hold and use any property, real, personal, mixed, tangible, or intangible, or any interest therein, necessary or desirable for carrying out the objects and purposes of the authority.

Present law generally authorizes the authorities to sell, lease, or otherwise transfer real property or any interest therein acquired by it in redevelopment areas for residential, recreational, commercial, industrial, or other uses or for public use, in accordance with the redevelopment plan.

Proposed law retains present law and additionally authorizes the authorities to create public benefit corporations by a duly adopted resolution of the governing board of the respective authority for the purpose of redeveloping, owning, planning, renovating, reconstructing, constructing, leasing, subleasing, managing, operating and improving property and facilities within the jurisdiction of the respective authority. Requires that the resolution provide for the corporation's purposes. Provides that the authority is the sole shareholder the corporation and the governing board of the authority serves as the board of directors of the corporation. Provides that the corporations are not political subdivisions of the state but are nonprofit corporations and instrumentalities of the authorities that create them.

Proposed law provides that the corporations have all the power, authority, privileges, immunities, tax exemptions, and other exemptions granted by law to the respective authority that created the corporation. Requires the corporations to conduct all of its activities in accordance with the provisions of law that govern the authority that created the corporation.

Proposed law provides that the corporations are distinct and separate juridical entities, and the rights, interests, and liabilities of each corporation are not considered those of the authority that created it.

Proposed law authorizes the board of the corporation to dissolve it once its purposes have been substantially completed. Provides that upon dissolution, all of its funds and property become owned by the authority the created it.

Proposed law provides that each corporation is subject to the provisions of the public records law, open meetings law, and the code of governmental ethics.

(Adds R.S. 33:4720.201)