

SENATE BILL NO. 648

BY SENATORS DORSEY-COLOMB, AMEDEE, BROOME, BROWN, GALLOT, GUILLORY, HEITMEIER, JOHNS, KOSTELKA, MILLS, NEVERS AND WARD AND REPRESENTATIVES ADAMS, BARRAS, BARROW, WESLEY BISHOP, CARTER, COX, FOIL, GREENE, HARRIS, HONORE, IVEY, KATRINA JACKSON, JAMES, LEGER, NORTON, PIERRE, PONTI, PRICE, ROBIDEAUX, SCHEXNAYDER, SMITH, ALFRED WILLIAMS AND PATRICK WILLIAMS

1 AN ACT

2 To enact R.S. 33:9038.67, relative to cooperative and economic development in East Baton  
3 Rouge Parish; to create the Old LNB Building Redevelopment District as a special  
4 taxing and tax increment financing district in East Baton Rouge Parish; to provide  
5 for the boundaries of the district; to provide for the governance of the district; to  
6 provide for the authority, powers, duties, and functions of the governing body; to  
7 provide for the levy and collection of taxes within the district; to authorize the  
8 district to issue and sell bonds; to authorize the district to engage in tax increment  
9 financing; to provide for an effective date; and to provide for related matters.

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

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 33:9038.67 is hereby enacted to read as follows:

13 **A. Creation. There is hereby created in the city of Baton Rouge, parish**  
14 **of East Baton Rouge, hereinafter referred to as the "city-parish", the Old LNB**  
15 **Building Redevelopment District, a special taxing district, body politic and**  
16 **corporate of the state, referred to in this Section as the "district". The district**  
17 **shall be a political subdivision of the state and the district is hereby granted all**  
18 **of the rights, powers, privileges and immunities accorded by law and the**  
19 **Constitution of Louisiana to political subdivisions of the state, subject to the**  
20 **limitations provided in this Section.**

21 **B. Boundaries. The district shall be comprised of the following described**  
22 **parcels or tracts of land located in the city-parish, referred to in this Section as**  
23 **the "property":**

**PARCEL 1:**

**A certain rectangular lot or parcel of ground, together with all buildings and improvements thereon, situated in that part of the City of Baton Rouge known as Gilbert Leonard Town, and designated on the plat thereof as Lot Number One (1) of Square Number Three (3), or One Hundred Thirteen (113), according to the official map of the City of Baton Rouge, said square being bounded on the North by Convention Street, on the East by Fourth Street (formerly Church Street), on the South by North Boulevard, and on the West by Third Street, said lot forming the northwest corner of said square and measuring Sixty-four (64) feet front on the East Side of Third Street by a depth of One Hundred Twenty-eight (128) feet along the South side of Convention Street;**

**PARCEL 2:**

**A certain fractional lot or parcel of ground, together with all buildings and improvements thereon, and all the rights, ways, privileges, servitudes and appurtenances thereunto belonging or in anywise appertaining, situated in that subdivision of the Gilbert Leonard Town, East Baton Rouge Parish, Louisiana, and being the northern portion of Lot No. 2 of Square No. 3 of said subdivision, or Square No. 113 according to the official map of the said City of Baton Rouge (said square being bounded by Third, Convention and Fourth (formerly Church) Streets and North Boulevard), said fractional lot being shown on a plan of survey made by A.G. Munding, C.E. and Surveyor, dated April 24th, 1936, a blueprint of which plan is attached to an act of sale passed before B.E. Durrett, Notary Public, on June 30, 1936, recorded in Special Mortgage Book 21, Folio 357, of said Parish. The fractional lot or parcel of ground measures 42 feet 9 inches front on the east side of Third Street by a depth between parallel lines of 128 feet; being the same property described as follows:**

**A parcel of land being comprised of Lot 1 and portion of Lot 2, Square Three (3) or One Hundred Thirteen (113), Gilbert Leonard Town, of the official map of the City of Baton Rouge, said parcel of land being shown on a plan of survey**

1 made by A.G. Munding, C.E., and Surveyor, dated April 24th, 1936, a  
2 blueprint of which plan is attached to an act of sale passed before B.E. Durrett,  
3 Notary Public on June 30, 1936, recorded in Special Mortgage Book 21, folio  
4 357, said map also recorded in Original 40, Bundle 1005 of the Office of Clerk  
5 and Recorder, East Baton Rouge Parish, Louisiana, containing 0.314 acres,  
6 lying within Section 48, Township 7 South, Range 1 West, Greensburg Land  
7 District of said parish, being more particularly described as follows:  
8 Begin at the northwest corner of Lot 1, Square Three (3) or One Hundred  
9 Thirteen (113) Gilbert Leonard Town, said point being the intersection of the  
10 southerly right of way line of Convention Street (69.33' R/W) and the easterly  
11 right of way line of Third Street (53.33' R/W), the Point of Beginning; thence go  
12 North 87 degrees 59 minutes 28 seconds East along the southerly right of way  
13 line of Convention Street a distance of 128.00 feet to the northeast corner of the  
14 aforsaid Lot 1; thence, departing the aforsaid southerly right of way line, go  
15 South 02 degrees 09 minutes 52 seconds East along the easterly line of the  
16 aforsaid Lot 1, and an extension thereof, a distance of 106.75 feet to the  
17 southeast corner of said parcel; thence go South 87 degrees 59 minutes 28  
18 seconds West along the southerly line, a distance of 128.00 feet to the southwest  
19 corner of the aforsaid parcel, said corner being coincident with the  
20 aforementioned easterly right of way line of Third Street (53.33' R/W); thence  
21 go North 02 degrees 09 minutes 52 seconds West along the aforsaid easterly  
22 right of way line a distance of 106.75 feet to the Point of Beginning; the above  
23 described parcel of land lies within Square Three (3) or Square One Hundred  
24 Thirteen (113), Gilbert Leonard Town, of the official map of the City of Baton  
25 Rouge, Section 48, Township 7 South, Range 1 West, Greensburg Land District,  
26 City of Baton Rouge, East Baton Rouge Parish, Louisiana, and contains 0.314  
27 acres more or less; all as more fully shown on that survey prepared by Sam M.  
28 Holladay, III, PLS, dated February 20, 2014, entitled "ALTA/ACSM Land Title  
29 Survey of a Parcel of Land Inclusive of Lot 1, Square No. 3, or 113 and a  
30 portion of Lot 2, Square No. 3, or 113, according to the Official Map of the City

1 of Baton Rouge, lying in Section 48, Township 7 South, Range 1 West,  
2 Greensburg Land District, City of Baton Rouge, East Baton Rouge Parish,  
3 Louisiana for Commercial Properties Realty Trust."

4 C. Purpose. The state hereby acknowledges that the redevelopment of  
5 the property within the district is an important element of the continued  
6 revitalization and economic development of the city-parish. The district is  
7 created to provide for cooperative economic development among the district,  
8 the city-parish, the state and the owners of property in the district, in order to  
9 assist in the redevelopment of, and dramatic improvement to, the property  
10 within the boundaries of the district.

11 D. Governance. (1) In order to provide for the orderly development of  
12 the district and effectuation of the purposes of the district, the district shall be  
13 administered and governed by a board of commissioners, referred to in this  
14 Section as the "board", comprised of three persons as follows:

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

16 (b) The mayor-president pro-tempore of the city-parish.

17 (c) The council member for Metropolitan Council District No. 10 of the  
18 city-parish.

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

25 (3) The board shall adopt bylaws and prescribe rules to govern its  
26 meetings. The members of the board shall serve without salary or per diem and  
27 shall be entitled to reimbursement for reasonable, actual, and necessary  
28 expenses incurred in the performance of their duties.

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

1           (5) The board shall elect from its own members a president, vice  
2           president, and a secretary-treasurer, whose duties shall be common to such  
3           offices or as may be provided by bylaws adopted by the district. The board  
4           shall hold regular meetings and may hold special meetings as provided in the  
5           bylaws. The failure of the board to hold any regular meeting shall not impair  
6           any existing obligations of the district. All such meetings shall be public  
7           meetings subject to the provisions of R.S. 42:11, et seq.

8           (6) The district shall be subject to the Public Records Law, official  
9           journals law, Code of Governmental Ethics, and audit law pursuant to R.S.  
10          24:513.

11          E. Rights and powers. The district, acting by and through its board,  
12          shall be a special taxing district and shall have and exercise all powers of a  
13          political subdivision and special taxing district necessary or convenient for the  
14          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, donation, or otherwise any sum of money,  
19               property, aid, or assistance from the United States, the state of Louisiana, or  
20               any political subdivision thereof, or any person, firm, or corporation.

21               (4) For the public purposes of the district, to enter into one or more  
22               contracts, agreements, or cooperative endeavors with the state and its political  
23               subdivisions or political corporations, the city-parish, the owners of property  
24               in the district, and with any public or private association, corporation, business  
25               entity, or person, including but not limited to a cooperative endeavor  
26               agreement, a pledge and collateral assignment agreements, and tax collection  
27               agreement.

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

30               (6) To acquire by gift, grant, purchase, or lease such property within the

1 district as may be necessary or desirable to carry out the objectives and  
2 purposes of the district and to mortgage and sell such property.

3 (7) In its own name and on its own behalf to incur debt and to issue  
4 bonds, notes, certificates, and other evidences of indebtedness, and in the event  
5 the district elects to issue bonds pursuant to the authority under this Section,  
6 then the district shall be deemed and considered to be an issuer for purposes of  
7 R.S. 33:9037, and shall, to the extent not in conflict with this Section, be subject  
8 to the provisions of R.S. 33:9037.

9 (8) To establish such funds or accounts as are necessary to conduct the  
10 affairs of the district.

11 (9) To levy and collect the taxes authorized pursuant to this Section.

12 (10) To pledge the district tax collections and other funds and property  
13 as security for the financing or refinancing of any costs incurred or to be  
14 incurred in connection with any project or projects, or parts thereof, within the  
15 boundaries of the district.

16 (11) To enter into one or more agreements to provide for the collection  
17 of the taxes levied within the district and remittance of the taxes to the  
18 appropriate recipients.

19 (12) To exercise any and all of the powers granted to an economic  
20 development district as if the district were an economic development district  
21 established pursuant to Part II of Chapter 27 of Title 33 of the Louisiana  
22 Revised Statutes of 1950, including but not limited to the powers of tax  
23 increment financing pursuant to R.S. 33:9038.33 and 33:9038.34 and the power  
24 to levy taxes within the district pursuant to R.S. 33:9038.39, provided that any  
25 such powers exercised by the district shall be subject to the provisions of Part  
26 II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 unless  
27 such provisions are inconsistent with the provisions of this Section, in which  
28 case the provisions of this Section shall control.

29 (13) To levy sales taxes, or hotel occupancy taxes within the district or  
30 any combination of such taxes, above and in addition to any other sales taxes,

1 or hotel occupancy taxes, or combination of such taxes, then in existence or  
 2 permitted to be in existence within the district, in an amount as may be  
 3 determined by the board with the approved written consent of the owners of  
 4 immovable property in the district, all in addition to the powers authorized  
 5 pursuant to Paragraph (12) of this Subsection and pursuant to R.S. 33:9038.39,  
 6 subject to the limitations and prohibitions of the Louisiana Constitution.

7 F. Levy of Taxes. (1) In order to provide funds for the purposes of the  
 8 district, the district, acting by and through its board, is hereby authorized to  
 9 levy and collect within the district:

10 (a) A tax upon the occupancy of hotel rooms, motel rooms, and overnight  
 11 camping facilities.

12 (b) A tax on the sale at retail, the lease or rental, the consumption and  
 13 storage for use or consumption of tangible personal property and on sales of  
 14 services, all as defined in R.S. 47:301 et seq., or any other appropriate provision  
 15 or provisions of law, as amended.

16 (2) The aggregate tax rate upon the occupancy of hotel rooms, motel  
 17 rooms, and overnight camping facilities within the district authorized pursuant  
 18 to Subparagraph (1)(a) of this Subsection shall be at least equal to the aggregate  
 19 rate of all taxes upon the occupancy of hotel rooms, motel rooms, and overnight  
 20 camping facilities levied and collected within the city-parish.

21 (3) The aggregate sales tax rate within the district authorized pursuant  
 22 to Subparagraph (1)(b) of this Subsection shall be at least equal to the aggregate  
 23 rate of all such sales taxes levied and collected within the city-parish.

24 (4)(a) The word "hotel" as used in this Section shall mean and include  
 25 any establishment, both public and private, engaged in the business of  
 26 furnishing or providing rooms and overnight camping facilities intended or  
 27 designed for dwelling, lodging, or sleeping purposes to transient guests where  
 28 such establishment consists of two or more guest rooms.

29 (b) The occupancy tax shall be paid by the person who exercises or is  
 30 entitled to occupancy of the hotel room, and shall be paid at the time the rent

1 or fee of occupancy is paid.

2 (c) The food and beverage tax shall be paid by the person who pays for  
3 the food and beverages at the point of sale.

4 (d) The word "person" as used in this Section shall have the same  
5 meaning as contained in R.S. 47:301(8).

6 (5) The taxes authorized in this Section shall be imposed by ordinance  
7 adopted by the district, acting by and through its board, without the need of an  
8 election.

9 (6) It is hereby recognized that there are currently no hotel occupancy  
10 or sales taxes generated at the property within the district. Accordingly, if the  
11 district elects to levy and collect any of the taxes authorized in this Section, such  
12 levy shall be deemed to supersede and be in lieu of only such other taxes on  
13 hotel occupancy and sales that, without the authority of this Section, would  
14 otherwise be levied within the district, do not secure bonds that have been  
15 authorized, that have not been dedicated by other law or by proposition  
16 approved by electors voting in an election for such purpose, and that are not  
17 based on a per head or per person basis. Additionally, if, during the term of the  
18 district, such other taxes on hotel occupancy or sales within the district that are  
19 currently not available for use for tax increment financing purposes should  
20 subsequently cease to be authorized to secure bonds, cease to secure bonds that  
21 have been authorized, or cease to be dedicated by other law or by proposition  
22 approved by electors voting in an election for such purpose, and thus, become  
23 available for the use of the financing purposes pursuant to this Section, then  
24 such levy shall at such time be deemed to supersede and be in lieu of such other  
25 taxes on hotel occupancy or sales within the district and shall be available for  
26 use for the purposes of the district; however, if the district elects to levy and  
27 collect any of the taxes authorized in this Section, such levy shall not be deemed  
28 to supersede or be in lieu of the occupancy tax authorized by R.S.  
29 33:4574.1.1(A)(6) relating to Visit Baton Rouge regardless of whether such  
30 occupancy tax is pledged or dedicated to secure debt or bonds that have been

1 authorized and the proceeds of the avails of the occupancy taxes authorized in  
2 R.S. 33:4574.1.1(A)(6) shall be dispersed and used for the purposes set forth  
3 therein and as further provided in R.S. 33:4574.1.1(L).

4 G. Tax Financing. (1)(a) The district may issue revenue bonds, in one  
5 or more series, payable from an irrevocable pledge and dedication of up to the  
6 full amount of the district's hotel occupancy and sales tax increments and other  
7 district revenues, leases, gifts, proceeds, rents, or other advantages as  
8 authorized by this Section, in an amount to be determined by the district, to  
9 secure any financing or multiple refinancings of any costs incurred or to be  
10 incurred in connection with any project or projects, or parts thereof, within the  
11 boundaries of the district. Additionally, without the necessity of issuing revenue  
12 bonds, the district may pledge up to the full amount of the district's hotel  
13 occupancy and sales tax increments and other district revenues, leases, gifts,  
14 proceeds, rents, or other advantages received or collected under the authority  
15 of this Section to any financing or multiple refinancings of any costs incurred  
16 or to be incurred in connection with any project or projects, or parts thereof,  
17 within the boundaries of the district in furtherance of the purposes of the  
18 district. Such financing may include but shall not be limited to any loan or  
19 loans, mortgages, the issuance of bonds, or the issuance of certificates of  
20 indebtedness. For each of the designated non-voter elected, pledged or  
21 dedicated hotel occupancy taxes and sales taxes collected within the district, a  
22 tax increment shall consist of that portion of the aggregate of such tax revenues  
23 collected by the district each year which exceeds the amount of such taxes that  
24 were collected in the year immediately prior to the year in which the district  
25 was established.

26 (b) The pledge or dedication of tax increments authorized by this Section  
27 to pay indebtedness shall not impair existing obligations of the district and shall  
28 not include tax revenues previously dedicated by the district for a special  
29 purpose.

30 (2) Any instruments or obligations of the district may be validly

1 executed, issued, sold, and delivered, notwithstanding that one or more of the  
2 officers of the board signing such instruments or obligations, or whose facsimile  
3 signature or signatures may be on the instruments or obligations, shall have  
4 ceased to be such officer of the board at the time such instruments or  
5 obligations shall actually have been delivered.

6 (3) Any cost, obligation, or expense incurred for any of the purposes or  
7 powers of the district specified in this Section shall be a part of the project costs  
8 and may be paid or reimbursed as such out of the proceeds of bonds, tax  
9 increments, property or other obligations of, pledged or issued by the district.

10 (4) The authority granted to the district pursuant to the provisions of this  
11 Section is consistent with and subject to the limitations provided in R.S.  
12 33:9038.42.

13 H. Term. The district shall dissolve and cease to exist one year after the  
14 date on which all loans, bonds, notes, and other evidences of indebtedness  
15 secured, in whole or in part, by district taxes or property are paid in full as to  
16 both principal and interest; however, under no event shall the district have an  
17 existence of more than thirty years from the date on which the taxes authorized  
18 pursuant to this Section are first levied and collected.

19 I. Contesting ordinance or resolution; time limit. Any ordinance or  
20 resolution adopted by the board including but not limited to an ordinance  
21 adopted pursuant to Paragraph (F)(5) of this Section, or the pledge of tax  
22 increments collected under the authority of this Section to any financing  
23 authorized by this Section shall be published at least twice in the official journal  
24 of East Baton Rouge Parish. For thirty days after the date of publication, any  
25 person in interest may contest the legality of the ordinance or resolution and of  
26 any provision therein made for the security and payment of the debt obligation  
27 or the levy and collection of taxes. After that time, no one may file for any cause  
28 of action to test the regularity, formality, legality, or effectiveness of the  
29 ordinance or resolution, and provisions thereof for any cause whatever, except  
30 for fraud. Thereafter, it shall be conclusively presumed that every legal

1           requirement for the levy and collection of taxes, the issuance of bonds or other  
 2           debt obligations, or the pledge of tax increment collected, including all things  
 3           pertaining to the authorizing thereof, has been complied with. No court shall  
 4           have authority to inquire into any of these matters after the thirty-day period  
 5           after publication unless a claim pursuant to this Section has been filed.

6           J. Liberal construction. This Section, being necessary for the welfare of  
 7           the city-parish and its residents, shall be liberally construed to effect the  
 8           purposes thereof.

9           K. Severability. The provisions of this Section are severable. It is  
 10          intended that if any provision of this Section should be adjudged invalid or  
 11          unenforceable, then such provision shall be ineffective to the extent of such  
 12          invalidity or unenforceability without invalidating the remaining provisions of  
 13          this Section. Notwithstanding any provision of this Section to the contrary, if  
 14          any portion of a tax levied or tax increment pledged or dedicated pursuant to  
 15          this Section is held invalid, such invalidity shall not affect the validity of the  
 16          remaining portion of such tax or tax increment.

17          Section 2. This Act shall become effective upon signature by the governor or, if not  
 18          signed by the governor, upon expiration of the time for bills to become law without signature  
 19          by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 20          vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 21          effective on the day following such approval.

\_\_\_\_\_  
 PRESIDENT OF THE SENATE

\_\_\_\_\_  
 SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_