

SENATE BILL NO. 412

BY SENATOR BROWN

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

AN ACT

To amend and reenact R.S. 33:9038.31(2) and (3) and to enact R.S. 33:9038.70, relative to special districts; to authorize the creation of special districts; to provide for the governance and the powers and duties of the district, including tax, bond, and tax increment finance authority; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 33:9038.31(2) and (3) are hereby amended and reenacted and R.S. 33:9038.70 is hereby enacted to read as follows:

§9038.31. Definitions

As used in this Part, the following terms shall have the following meanings, unless the context requires otherwise:

\* \* \*

(2) "Issuer" means the local governmental subdivision, economic development district, industrial development board of the municipality or parish authorized and created pursuant to Chapter 7 of Title 51 of the Louisiana Revised Statutes of 1950, a public trust with the municipality or parish as the beneficiary thereof as provided in Chapter 2-A of Code Title II of Code Book III of Title 9 of the Louisiana Revised Statutes of 1950, as authorized in this Part, ~~or~~ the Walnut Street Special District, ~~or~~ any Tax Increment Development Corporation activated in a municipality with a population of not less than three thousand three hundred and not more than three thousand three hundred ninety-five persons according to the most recent federal decennial census for the purposes provided for in R.S. 33:9038.68, **or any district created pursuant to R.S. 33:9038.70.**

(3) "Local governmental subdivision" means any municipality or parish or any municipality, parish, local industrial board, a local public trust authorized pursuant to R.S. 33:9038.33(N) or 9038.34(N) having jurisdiction over the

1 geographical area bounded by the Mississippi River, the Orleans/Jefferson parish  
 2 line and the Orleans/Plaquemines parish line, ~~or~~ the Walnut Street Special District,  
 3 ~~or~~ any Tax Increment Development Corporation activated in a municipality with a  
 4 population of not less than three thousand three hundred and not more than three  
 5 thousand three hundred ninety-five persons according to the most recent federal  
 6 decennial census for the purposes provided for in R.S. 33:9038.68, **or any district**  
 7 **created pursuant to R.S. 33:9038.70**; but the provisions of this Part shall not apply  
 8 to any of the financing of construction, renovations, or improvements of any  
 9 convention center, hotel complex, and ancillary facilities within the city of  
 10 Shreveport. However, the provisions of this Part shall apply to the parish of Rapides,  
 11 only as provided in R.S. 33:9038.41.

12 \* \* \*

13 **§9038.70. Special district in certain cities**

14 **A. Definitions. As used in this Section, "city" means any municipality**  
 15 **governed by a home rule charter and with a population between seven thousand**  
 16 **and eight thousand persons according to the latest federal decennial census.**

17 **B. Creation. The governing authority of the city may, by ordinance,**  
 18 **create a special taxing district and political subdivision of the state, hereinafter**  
 19 **referred to as the "district".**

20 **C. Boundaries. The ordinance creating the district shall establish its**  
 21 **boundaries which shall be within the corporate limits of the city.**

22 **D. Purpose. The district is created to provide for cooperative economic**  
 23 **development between the district, the city, and the owner or owners of**  
 24 **businesses and other property within the district in order to provide for costs**  
 25 **related to infrastructure within the district as determined by the board of**  
 26 **commissioners of the district.**

27 **E. Governance. (1) In order to provide for the orderly development of**  
 28 **the district and effectuation of the purposes of the district, the district shall be**  
 29 **administered and governed by a board of commissioners as follows:**

30 **(a) The mayor of the city, or his designee.**

1           **(b) The presiding officer of the city council, or his designee.**

2           **(c) The chief executive officer of the downtown development district, or**  
3           **his designee.**

4           **(d) Any person who is an owner of property within the district, or an**  
5           **authorized representative of an entity which is an owner of property within the**  
6           **district, if such person or authorized representative applies to the board for**  
7           **membership on the board, or that person's or representative's designee.**

8           **(2) A majority of the members of the board shall constitute a quorum for**  
9           **the transaction of business. The board shall keep minutes of all meetings and**  
10           **shall make them available for inspection through the board's secretary. The**  
11           **minute books and archives of the district shall be maintained by the board's**  
12           **secretary. The monies, funds, and accounts of the district shall be in the official**  
13           **custody of the board.**

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

18           **(4) The domicile of the board shall be established by the board at a**  
19           **location within the city.**

20           **(5) The board shall elect from its own members a president and**  
21           **secretary, whose duties shall be common to the offices or as may be provided by**  
22           **bylaws adopted by the district. The board shall hold regular meetings and may**  
23           **hold special meetings as provided in the bylaws. All meetings shall be public**  
24           **meetings subject to the provisions of the Open Meetings Law.**

25           **F. Rights and powers. In addition to the taxing, tax increment finance,**  
26           **and bonding authority provided for in Subsection G of this Section, the district,**  
27           **acting by and through its board of commissioners, shall have and exercise all**  
28           **powers of a political subdivision and a special district necessary or convenient**  
29           **for the carrying out of its objects and purposes including but not limited to the**  
30           **following:**

1                   (1) To sue and to be sued.

2                   (2) To adopt bylaws and rules and regulations.

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

6                   (4) For the public purposes of the district, to enter into contracts,  
7                   agreements, or cooperative endeavors with the state and its political  
8                   subdivisions or political corporations and with any public or private association,  
9                   corporation, business entity, or individual.

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

12                  (6) To acquire by gift, grant, purchase, or lease, but not by  
13                  expropriation, such property as may be necessary or desirable for carrying out  
14                  the objectives and purposes of the district and to mortgage and sell such  
15                  property.

16                  (7) In its own name and on its own behalf, to incur debt and to issue  
17                  bonds, notes, certificates, and other evidences of indebtedness. For this purpose  
18                  the district shall be deemed and considered to be an issuer for purposes of R.S.  
19                  33:9037 and shall, to the extent not in conflict with this Section, be subject to the  
20                  provisions of R.S. 33:9037.

21                  (8) To establish such funds or accounts as are necessary for the conduct  
22                  of the affairs of the district.

23                  (9) To do all things reasonably necessary to accomplish the purposes of  
24                  this Section.

25                  (10) To designate by ordinance any territory within the district as a  
26                  subdistrict in which shall be exercised, to the exclusion of the remainder of the  
27                  district, any authority provided to the district by Subsection G of this Section  
28                  or any other provision of this Section or other law.

29                  G. Taxing, tax incremental financing, and bonding authority. (1) To  
30                  provide for the costs of a project to fund infrastructure within the district, the

1 district shall have such tax increment finance authority, taxing authority, and  
2 other authority that is provided to local governmental subdivisions in Part II of  
3 Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, including but  
4 not limited to the following: ad valorem tax increment financing and bonding  
5 in R.S. 33:9038.33; sales tax increment financing and bonding in R.S.  
6 33:9038.34; cooperative endeavor authority in R.S. 33:9038.35; bond authority  
7 in R.S. 33:9038.38; and ad valorem, sales tax, and hotel occupancy tax authority  
8 in R.S. 33:9038.39. The project to fund infrastructure within the district is  
9 hereby deemed to be an "economic development project" within the meaning  
10 provided for in that Part. An agreement entered into by the district and any  
11 affected tax recipient entity authorizing the use and dedication of the affected  
12 tax recipient entity's incremental increase in taxes may include additional  
13 public or private entities as parties to such agreement and may include such  
14 terms, conditions, and other provisions to which all parties to such agreement  
15 consent.

16 (2) Notwithstanding any provision of Part II of Chapter 27 of Title 33 of  
17 the Louisiana Revised Statutes of 1950 or any other law to the contrary, any  
18 powers, authorities, or duties granted under such laws may be restricted to a  
19 subdistrict the territory of which shall be established by ordinance of the board  
20 of commissioners of the district.

21 H. Project financing. (1) The district may pledge any taxes collected  
22 under the authority of this Section to any economic development project in  
23 furtherance of the purposes of the district.

24 (2) Notwithstanding R.S. 33:9038.34(A)(2), (6), Subsection J of this  
25 Section, or any other provision of law to the contrary, nothing in this Section  
26 shall authorize the dedication of a state tax increment. Sales tax increments  
27 shall not include any sales and use taxes levied by the state, but may be  
28 comprised only of sales and use tax levied by the political subdivisions within  
29 the district.

30 I. Term. The district shall dissolve and cease to exist one year after the

1           date all bonds, notes, and other evidences of indebtedness of the district,  
 2           including refunding bonds, are paid in full as to both principal and interest;  
 3           however, under no event shall the district have an existence of less than three  
 4           years.

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

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

---

PRESIDENT OF THE SENATE

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES

---

GOVERNOR OF THE STATE OF LOUISIANA

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