## **DIGEST**

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HB 325 Reengrossed

2015 Regular Session

Wesley Bishop

**Abstract:** Creates the Faubourg Marigny Security and Improvement District in Orleans Parish in order to aid in crime prevention and to promote quality of life initiatives to serve the needs of the residents by funding beautification and other activities and improvements in the district. Provides for a board of commissioners and for the imposition and use of a parcel fee.

<u>Proposed law</u> creates the Faubourg Marigny Security and Improvement District in Orleans Parish as a political subdivision of the state for the purpose of promoting and encouraging the security of the district and quality of life initiatives to district residents. Provides for district boundaries and that the district is governed by a board of seven members, all of whom shall be residents and qualified voters of the district, composed as follows:

- (1) Three members appointed by the board of directors of the Faubourg Marigny Improvement Assoc.
- One member appointed by the member or members of the La. House of Representatives who represent the district.
- (3) One member appointed by the member or members of the La. Senate who represent the district.
- (4) One member appointed by the member or members of the New Orleans city council who represent the district.
- (5) One member appointed by the mayor of the city of New Orleans.

<u>Proposed law</u> provides for the district's powers and duties, including the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To receive and expend funds collected pursuant to <u>proposed law</u> and in accordance with a budget adopted as provided by <u>proposed law</u>.
- (4) To perform or have performed any other function or activity necessary for achieving the

district's purpose.

- (5) To enter into contracts with individuals or entities, private or public.
- (6) To perform or have performed any other function or activity necessary for achieving the district's purpose.

<u>Proposed law</u> authorizes the governing authority of the city of New Orleans, subject to voter approval, to impose and collect a parcel fee within the district which amount shall be as requested by duly adopted board resolution. Provides that the fee shall be a flat fee not to exceed \$200 per parcel per year on unimproved parcels and improved residential parcels with fewer than three family units, \$300 per parcel per year on improved parcels with three or more family units, and \$500 per parcel per year on improved parcels zoned for commercial use. Requires that the fee be imposed on each parcel located within the district.

<u>Proposed law</u> defines "parcel" as a lot, a subdivided portion of ground, an individual tract, or a condominium parcel as defined in present law.

<u>Proposed law</u> provides that the fee shall expire on Dec. 31, 2018, but authorizes renewal of the fee. Provides that the term of the renewal shall be as provided in the proportion authorizing such renewal, not to exceed four years.

<u>Proposed law</u> provides that the fee shall be collected in the same manner and at the same time as ad valorem taxes and that any unpaid fee shall be added to the parish tax rolls and enforced with the same authority and subject to the same penalties and procedures as unpaid ad valorem taxes. <u>Proposed law</u> requires that the fee proceeds be used solely and exclusively for the district's purpose and benefit. Authorizes the city to retain 1% of the amount collected as a collection fee and requires the city to remit to the district all amounts collected not more than 60 days after collection.

<u>Proposed law</u> authorizes the district to solicit voluntary contributions and grants to further district purposes.

<u>Proposed law</u> requires the board to adopt an annual budget in accordance with the Local Government Budget Act and provides that the district shall be subject to audit by the legislative auditor.

<u>Proposed law</u> provides that it is the purpose and intent of <u>proposed law</u> that the additional law enforcement personnel and their services provided for through the fees authorized by <u>proposed law</u> shall be supplemental to and not in lieu of personnel and services provided in the district by the New Orleans Police Dept. Requires the board to transmit all funds of the district to the city of New Orleans if the district ceases to exist. Provides further with respect to the management of the funds by the city.

<u>Proposed law</u> requires the district to indemnify its officers and board members to the fullest extent permitted by <u>present law</u> (relative to indemnification of officers, directors, employees, and agents of nonprofit corporations) as fully as if the district were a nonprofit corporation governed thereby

and as may be provided in district bylaws. Provides that no board member or officer shall be liable to the district or to any individual who resides, owns property, visits, or otherwise conducts business in the district for monetary damages for breach of duties; however, provides that this shall not eliminate or limit the liability of a board member or officer for:

- (1) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law.
- (2) Any transaction from which he derived an improper personal benefit.

<u>Proposed law</u> provides that a board member or officer shall be not individually liable for any act or omission arising out of the performance of his duties to the fullest extent permitted by <u>present law</u> relative to limitation of liability of directors, officers, and trustees of certain organizations and districts.

(Adds R.S. 33:9091.22)