RÉSUMÉ DIGEST

Act 458 (SB 193) **2015 Regular Session** **Thompson**

New law creates the Walnut Street Special District in the city of Monroe as a special district and political subdivision of the state to provide for cooperative economic development between the district, the city of Monroe, and the owner or owners of businesses and other property within the district in order to provide for costs related to infrastructure within the district as determined by the board of commissioners of the district.

Provides that the district is to be comprised of the area of the city of Monroe in the blocks of 108-128 Walnut Street in the city of Monroe to Art Alley (2nd Street), an area of approximately one city block which must be further defined by an ordinance of the board of commissioners of the district.

Provides that the district is to be administered by a board of commissioners as follows:

(1) The mayor of the city of Monroe, or his designee.

(2) The chair of the Monroe city council, or his designee.

(3) The president/CEO of the Monroe-West Monroe Convention and Visitor's Bureau of Ouachita Parish, or his designee.

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

Provides that members of the board serve without salary or per diem and are entitled to reimbursement for reasonable, actual, and necessary expenses incurred in the performance of their duties.

Requires the board to elect from its own members a president and secretary, whose duties shall be common to such offices or as may be provided by bylaws adopted by the district. Provides that all meetings are public meetings subject to the provisions of R.S. 42:11 et seq. Requires that the domicile of the board be established at a location within the city of Monroe.

Provides that the district has the rights and powers common to special districts including to incur debt and issue bonds, notes, and other indebtedness in its own name and on its own behalf.

New law authorizes entities defined in prior law as "issuers" and "local governmental subdivisions" to implement ad valorem tax and sales tax increment financing (TIF) and to issue revenue bonds backed by a pledge of the tax increments to finance all or any part of an economic development project.

Prior law authorized such "local governmental subdivisions" to enter into a joint venture or cooperative endeavor for a public purpose with a federal, state, or local governmental agency or with a private or public firm, partnership, corporation, or other entity.

Prior law authorized such "local governmental subdivisions" to issue revenue bonds and other bonds and forms of indebtedness.

Prior law authorized economic development districts created by "local governmental subdivisions", subject to voter approval, to levy an ad valorem tax of up to 5 mills, a sales tax of up to 2%, and a hotel tax of up to 2% after the governing authority of the district gives notice and meets in open and public session to hear any objections.

New law retains prior law and defines the Walnut Street Special District as an "issuer" and a "local governmental subdivision" for purposes of utilizing such taxing, bonding, and TIF authority.

New law provides that an agreement entered into by the district and any affected tax recipient entity authorizing the use and dedication of the affected tax recipient entity's incremental increase in taxes may include additional public or private entities as parties to such agreement and may include such terms, conditions, and other provisions to which all parties to such agreement consent.

New law authorizes the district to pledge any taxes collected pursuant to new law to any economic development project in furtherance of the purposes of the district.

New law requires the district to dissolve and cease to exist one year after the date all indebtedness of the district is paid in full as to both principal and interest.

Effective upon signature of the governor (July 1, 2015).

(Amends R.S. 33:9038.31(2) and (3); adds R.S. 33:9038.68)