

Regular Session, 2010

HOUSE BILL NO. 957

BY REPRESENTATIVE LORUSSO

DISTRICTS/TAXING: Creates the Lake Area Taxing District in Orleans Parish

1 AN ACT

2 To enact R.S. 33:9038.64, relative to Orleans Parish; to create and provide for the Lake Area
3 Taxing District within the parish; to provide relative to the boundaries, purpose, and
4 governance of the district; to provide relative to the powers and duties of the district
5 including the power to provide for tax increment financing; to provide for the term
6 of the district; and to provide for related matters.

7 Notice of intention to introduce this Act has been published
8 as provided by Article III, Section 13 of the Constitution of
9 Louisiana.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 33:9038.64 is hereby enacted to read as follows:

12 §9038.64. Lake Area Taxing District; parish of Orleans

13 A. Creation. The Lake Area Taxing District, a special taxing district and
14 political subdivision of the state, referred to in this Section as the "district", is hereby
15 created within the parish of Orleans.

16 B. Boundaries. The district shall be comprised of the area of the parish of
17 Orleans lying within the following perimeter: commencing at the intersection of
18 City Park Avenue and Orleans Avenue, west along City Park Avenue to its
19 intersection with Metairie Road, continue west along Metairie Road to its
20 intersection with the 17th Street Canal, then north along the 17th Street Canal to its
21 intersection with Lake Pontchartrain, continue east along Lake Pontchartrain then
22 east along the northern boundary of Breakwater Park, continue east along the

1 northern boundary of Lake Shore Park, then south along the eastern boundary of
2 Lake Shore Park to its intersection with Robert E. Lee Boulevard, then west along
3 Robert E. Lee Boulevard to its intersection with Orleans Avenue, then south along
4 Orleans Avenue to the point of beginning.

5 C. Purpose. The district is created to provide for cooperative economic
6 development between the district, the city of New Orleans, and the owner or owners
7 of businesses and property within the district in order to provide for supplemental
8 maintenance, repair, and upkeep to the streets and alleyways and related
9 infrastructure of the district.

10 D.(1) Governance. In order to provide for the orderly development of the
11 district and to effectuate the purposes of the district, the district shall be administered
12 and governed by a nine-member board of commissioners, referred to in this Section
13 as the "board". The board shall be composed as follows:

14 (a) The president of the Lakeview Civic Improvement Association, Inc. or
15 his designee.

16 (b) The president of the Lake Vista Property Owners Association or his
17 designee.

18 (c) The president of the Lakeshore Property Owners Association or his
19 designee.

20 (d) The president of the Lakewood Property Owners Association or his
21 designee.

22 (e) The president of the Country Club Gardens Association, Inc. or his
23 designee.

24 (f) One member appointed by the mayor of the city of New Orleans.

25 (g) One member appointed by the member of the governing authority of the
26 city of New Orleans who represents the area that comprises the district.

27 (h) One member appointed by the member or members of the Louisiana
28 House of Representatives who represent the area that comprises the district.

1 (i) One member appointed by the member or members of the Louisiana
2 Senate who represent the area that comprises the district.

3 (2)(a) All members shall be residents and qualified voters of the district.

4 (b)(i) All members appointed pursuant to Subparagraphs (1)(f) through (i)
5 of this Subsection shall be residents of Lakeview.

6 (ii) At least one member shall reside in South Lakeview which is that area
7 of the district south of I-610.

8 (iii) At least one member shall reside in West Lakeview which is that area
9 of the district north of Veterans Memorial Boulevard, and west of Pontchartrain
10 Boulevard.

11 (3)(a) The members serving pursuant to Subparagraphs (1)(a) through (e) of
12 this Subsection shall be ex officio and shall serve during their terms in office.

13 (b) The terms of the members appointed pursuant to Subparagraphs (1)(f)
14 through (i) of this Subsection shall be concurrent with the respective appointing
15 authority.

16 (c) Each designee shall serve at the pleasure of his respective designating
17 authority.

18 (d) Members shall serve until their successors have been appointed and
19 qualified.

20 (4) Any vacancy which occurs in the membership of the board shall be filled
21 in the same manner as the original appointment.

22 (5) As soon as practicable after its appointment, the board shall meet and
23 elect from its members a chairman, a vice chairman, a treasurer, and such other
24 officers as it may deem appropriate. A secretary of the board may be selected from
25 among the members or may be otherwise selected or employed by the board. The
26 duties of the officers shall be fixed by bylaws adopted by the board.

27 (6) The board shall adopt such rules and regulations as it deems necessary
28 or advisable for conducting its business and affairs and shall engage such assistants
29 and employees as is needed to assist the board in the performance of its duties. It

1 shall hold regular meetings as shall be provided by its bylaws and may hold special
2 meetings at such times and places within or without the district's boundaries as may
3 be prescribed in its rules or regulations.

4 (7) A majority of the members of the board shall constitute a quorum for the
5 transaction of business. The board shall keep minutes of all regular and special
6 meetings and shall make them available to the public in conformance with law.

7 (8) The members of the board shall serve without compensation and shall not
8 receive reimbursement for expenses.

9 E. Rights and powers. (1) The district, acting by and through its board of
10 commissioners, shall have and exercise all powers of a political subdivision and
11 special taxing district necessary or convenient for the carrying out of its objects and
12 purposes, including but not limited to the following:

13 (a) To sue and be sued.

14 (b) To adopt bylaws and rules and regulations.

15 (c) To receive by gift, grant, donation, or otherwise any sum of money,
16 property, aid, or assistance from the United States, the state of Louisiana, or any
17 political subdivision thereof, or any person, firm, or corporation.

18 (d) For the public purposes of the district to enter into contracts, agreements,
19 or cooperative endeavors with the state and its political subdivisions or political
20 corporations and with any public or private association, corporation, business entity,
21 or individual.

22 (e) To appoint officers, agents, and employees, prescribe their duties, and fix
23 their compensation. The board may appoint or hire an executive director as it deems
24 necessary for the purpose of carrying out its day-to-day work operations for
25 convenience and effectiveness in the administration of plans. The board may
26 contract with consultants for project management and with developers or planners
27 for such services as it may require. The board may delegate certain authority to its
28 employees, consultants, and executive director to act on its behalf, which delegation
29 of authority shall be specific and in writing.

1 (f) To acquire by gift, grant, purchase, lease, or otherwise such property as
2 may be necessary or desirable for carrying out the objectives and purposes of the
3 district and to mortgage and sell such property.

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

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

11 (2) The board shall prepare an annual budget of its operating expenses, the
12 total amount of which, exclusive of gifts, shall be within the total amounts
13 appropriated for the purpose by the board.

14 (3) The board of commissioners shall have an annual audit of its operating
15 expenses available for public review.

16 F. Term. The district shall dissolve and cease to exist one year after the date
17 all bonds, notes, and other evidences of indebtedness of the district, including
18 refunding bonds, are paid in full as to both principal and interest; however, under no
19 event shall the district have an existence of less than three years or more than ten
20 years.

21 G. Tax increment financing. (1)(a) Except as provided in Subparagraphs
22 (b) and (c) of this Paragraph, the board shall have all authorities provided for in R.S.
23 33:9038.34 to implement sales tax increment financing; however, any tax or portion
24 of a tax which has been previously dedicated to another purpose according to a
25 proposition approved by voters shall be used as such a tax increment only if
26 approved by a majority of the registered voters of the taxing authority levying the tax
27 voting on the proposition at an election held for such purpose in accordance with the
28 Louisiana Election Code.

1 (b) Notwithstanding the provisions of R.S. 33:9038.34(A)(6), state of
2 Louisiana sales tax increments shall not be dedicated to pay the revenue bonds of a
3 local economic development project.

4 (c) The board shall not implement sales tax increment financing pursuant to
5 R.S. 33:9038.34 without the prior approval of the governing authority of the city of
6 New Orleans.

7 (2)(a) The board shall designate the boundaries of a sales tax area and shall
8 designate the local sales taxes which are to be used in determining the sales tax
9 increments and the initial annual baseline collection rate for the sales tax area, which
10 shall be the amount of such designated sales taxes collected in the sales tax area in
11 the fiscal year that the district most recently completed prior to the establishment of
12 the sales tax area. In addition, a monthly baseline collection rate shall be determined
13 by dividing the initial annual baseline collection rate by twelve.

14 (b) The initial annual baseline collection rate and the monthly baseline
15 collection rate shall be certified by the chief financial officer for the parish of
16 Orleans. The certification shall also be published one time in the official journal of
17 the parish of Orleans.

18 (c) If the amounts of the initial annual baseline collection rate and the
19 monthly baseline collection rate are not contested within thirty days after the
20 publication, then such amounts shall be conclusively presumed to be valid, and no
21 court shall have any jurisdiction to alter or invalidate the designation of the amount
22 of either the initial annual baseline collection rate or the monthly baseline collection
23 rate.

24 H. Liberal construction. This Section, being necessary for the welfare of the
25 district and its residents, shall be liberally construed to effect the purposes thereof.

26 Section 2. This Act shall become effective upon signature by the governor or, if not
27 signed by the governor, upon expiration of the time for bills to become law without signature
28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

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)]

Lorusso

HB No. 957

Abstract: Creates the Lake Area Taxing District, in the parish of Orleans, as a special taxing district to provide for cooperative economic development between the district, the city of New Orleans, and the owner or owners of businesses and property within the district. Authorizes the district to provide for the use of sales tax increment financing.

Proposed law creates the Lake Area Taxing District in the parish of Orleans as a special taxing district and political subdivision of the state to provide for cooperative economic development between the district, the city of New Orleans, and the owner or owners of businesses and property within the district in order to provide for supplemental maintenance, repair, and upkeep to the streets and alleyways and related infrastructure of the district. Provides for district boundaries.

Proposed law provides that the district shall be administered and governed by a nine-member board of commissioners. Provides that the board shall be composed as follows:

- (1) The presidents of the following neighborhood associations or their designees; Lakeview Civic Improvement Association, Inc., Lake Vista Property Owners Association, Lakeshore Property Owners Association, Lakewood Property Owners Association, and the Country Club Gardens Association, Inc.
- (2) One member appointed by the mayor of the city of New Orleans.
- (3) One member appointed by the member of the governing authority of the city of New Orleans who represents the area that comprises the district.
- (4) One member appointed by the member(s) of the La. House of Representatives who represent the area that comprises the district.
- (5) One member appointed by the member(s) of the La. Senate who represent the area that comprises the district.

Proposed law requires appointed members to be residents and qualified voters of the district. Provides that the terms of appointed members shall be concurrent with the appointing authority. Further provides that each designee shall serve at the pleasure of his respective designating authority.

Proposed law provides that the district, through its board, shall have and exercise all powers of a political subdivision and special taxing district necessary or convenient for the carrying out of its objects and purposes, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt bylaws and rules and regulations.

- (3) To receive any sum of money, property, or assistance from the U.S., the state of La., or any political subdivision thereof, or any person, firm, or corporation.
- (4) To enter into contracts, agreements, or cooperative endeavors with the state and its political subdivisions or political corporations and with any public or private association, corporation, business entity, or individual.

Proposed law specifically gives the district the power to incur debt and to issue bonds, notes, certificates, and other evidences of indebtedness.

Proposed law requires the board to prepare an annual budget of its operating expenses. Further requires the board to have an annual audit of its operating expenses available for public review.

Proposed law provides that the district shall dissolve and cease to exist one year after the date all bonds, notes, and other evidences of indebtedness of the district are paid; however, under no event shall the district have an existence of less than three years or more than 10 years.

Proposed law provides that the board shall have authority to implement sales tax increment financing, subject to voter approval. Prohibits the dedication of state sales tax increments to pay the revenue bonds of a local economic development project. Requires the board to receive the approval of the governing authority of the city of New Orleans prior to implementing sales tax increment financing.

Proposed law requires the board to designate the boundaries of a sales tax area and to designate the local sales taxes which are to be used in determining the sales tax increments and the initial annual baseline collection rate and monthly baseline collection rate for the sales tax area, which shall be the amount of such designated sales taxes collected in the sales tax area in the fiscal year that the district most recently completed prior to the establishment of the sales tax area.

Proposed law provides that the initial annual baseline collection rate and the monthly baseline collection rate shall be certified by the chief financial officer of Orleans Parish. The certification shall also be published one time in the official journal of Orleans Parish.

Proposed law provides that if the amounts of the initial annual baseline collection rate and the monthly baseline collection rate are not contested within 30 days after publication, then such amounts shall be conclusively presumed to be valid, and no court shall have any jurisdiction to alter or invalidate the designation of the amount of either the initial annual baseline collection rate or the monthly baseline collection rate.

Proposed law provides that proposed law, being necessary for the welfare of the district and its residents, shall be liberally construed to effect the purposes thereof.

(Adds R.S. 33:9038.64)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill.

1. Changed a provision of proposed law to clarify that the board may hold special meetings within or without the district's boundaries.
2. Added a requirement that the board receive the approval of a majority of the registered voters, rather than a majority of the voters, of the taxing authority levying a tax prior to implementing tax increment financing. Add a requirement

that the election to approve the use of tax increment financing be held in accordance with the La. Election Code.

3. Remainder of amendments are technical.